

Management Consultants – Professional Indemnity Insurance Proposal Form

Important Notes –

Please read before completing this form:

- a) If you are unsure whether this proposal is suitable for your business or require assistance in its completion, please seek advice from your insurance adviser.
- b) A principal, partner director or member of the business must complete the proposal and make all the necessary enquiries of their fellow partners, directors, members and employees
- c) Whenever we ask questions in this proposal about you or your business we mean the principal, partners, directors, members or employees or any former principal, partners, directors, members or employees of any business or firm for which cover is required under this insurance. You should include details of any predecessor businesses where cover is required.
- d) Wherever we refer to partners, we include where applicable, members of the business (individuals forming a Limited Liability Partnership (LLP) are known as members).
- e) Please provide a copy of
 - any brochures, handouts and any other technical or marketing material in which you describe your professional services
 - your terms of business contracts
- f) Cover is provided on a “claims made” basis:
 - the insurance covers claims first made against you, and/or circumstances that may lead to a claim, notified to us during the period of insurance
 - claims or circumstances which might give rise to a claim must be notified to us in writing as soon as possible and during the period of insurance

Next Steps

- please answer every question fully. If you do not have enough space attach separate sheets with information which can be incorporated into your proposal
- please complete in ink using BLOCK CAPITALS, and tick boxes as appropriate
- answer the General Questions on pages 2 – 7
- sign and date the Declaration on page 8 and state your authority to sign e.g. Principal, Director, Partner

Proposal

1 GENERAL INFORMATION

a Name of Insured

b Address of Principal Office

c Postal Address

d Date of establishment

e Website address

f Please list all additional business entities (whether or not currently trading, including year of establishment and year of cessation if applicable)

g Please list addresses of all other offices currently trading

h Is/are the firm(s) or any principal, partner or director a member of a consortium, joint venture, single project partnership or group practice?

YES NO

If "YES", please supply details:

i Does the firm(s) or any principal, partner or director carry out any work on behalf of any other business in which they have a controlling or financial interest (other than as a shareholder in a public quoted company)?

YES NO

If "YES", please supply details:

2 STAFF AND PARTNERS

a Please give details of Principals, Partners or Directors:

Name	Date of Birth	Relevant Qualifications	Year became Partner/Director

b Please give details of number of permanent staff in current business:

	Full Time	Part Time
Principals/Partners/Directors		
Professionally Qualified		
All Others		

c Does the firm(s) use specialist designers, consultants or sub-contractors?

YES NO

If "YES", please answer the following:-

i Please state what proportion of the firm(s) business involves the subcontracting of work to others?

%

ii Does the firm(s) insist that the specialist designers / consultants/ sub-contractors maintain their own PI cover?

YES NO

iii What services does the firm(s) use the specialist designers / consultants / sub-contractors for?

iv How does the firm(s) select and manage the specialist designers / consultants / sub-contractors?

3 ACTIVITIES

a Please state your total gross income for the last 5 years plus an estimate for the forthcoming year:

Year Ending	UK	USA/Canada	Elsewhere	Total
/ /	£	£	£	£
/ /	£	£	£	£
/ /	£	£	£	£
/ /	£	£	£	£
/ /	£	£	£	£
Estimate for forthcoming year				
/ /	£	£	£	£

If any income is derived from any office domiciled overseas for which coverage is required, please complete the income breakdown in the

Tax Form at the back of the proposal form.

b Please provide a clear description of the business activities of the firm(s):

3 ACTIVITIES

continued

c Please give the percentage split of total gross fees/turnover received in the last complete financial year:

Company Development		%
Production		%
Marketing/Sales		%
Financial/Accounting Management		%
Human Resource/Personnel Management		%
Interim/Locum Management		%
Project Management		%
Quality Management		%
Mergers/Acquisitions		%
Computer/IT Consultancy		%
Training		%
Other		%
Total		%

Please supply details of "Other" work:

d Does the work split above represent the make up of the firm(s) over the past three years? YES NO

e Are any substantial changes in the percentage amounts shown above anticipated during the next 12 months? YES NO

If "YES", please supply details:

f When acting as a locum / interim manager what type of discretionary authority do you hold?

i Day to day duties only YES NO

ii Budgetary and / or financial decision making powers YES NO

g Does the firm(s) undertake:

i Any investment business as defined by the Financial Services & Markets Act 2000? YES NO

ii Any design, sale, supply, maintenance or manufacture of any product or computer software / hardware YES NO

iii Any safety, environmental or security audit / surveys? YES NO

iv Any construction work including engineering, architectural or surveying activities? YES NO

h Please split the firm(s) business between the following market sectors:

Government		%
Manufacturing/Industrial		%
Construction/Engineering		%
Retail		%
Healthcare/Medical		%
Finance		%

3 ACTIVITIES

continued

Commercial		%
Aerospace		%
Rail		%
Other		%
Total		%

Please supply details of "Other" work:

i Are any substantial changes in the percentage amounts shown above anticipated during the next 12 months? **YES** **NO**

If "YES", please provide an explanation:

j Please give details of the 3 largest contracts undertaken in the past 3 years or for a new practice, in the forthcoming year:

Name of Client	Business of Client	Nature of Contract	Total Contract Value	Income to You
			£	£
			£	£
			£	£
			£	£
			£	£

4 RISK MANAGEMENT

a Does the firm(s) always use standard written contract conditions? **YES** **NO**

If "NO":

i What percentage of contracts are in the non-standard form %

ii What are the procedures for the sign-off / approval of a non-standard contract?

b In respect of all contracts the firm(s) enters into, do they always include:

- i** an outline of the scope of services to be provided **YES** **NO**
- ii** Limitation of liabilities? **YES** **NO**
- iii** Direct, Consequential and Economic Loss Exclusion **YES** **NO**
- iv** Indirect, Consequential and Economic Loss Exclusion **YES** **NO**
- v** Force Majeure **YES** **NO**
- vi** Guarantees **YES** **NO**
- vii** Warranty **YES** **NO**
- viii** Hold Harmless Agreement **YES** **NO**
- ix** Arbitration Agreement **YES** **NO**

4 RISK MANAGEMENT

continued

- c** Does the client always sign the contract? YES NO
- d** Does the firm(s) have standard procedures for the regular review of ongoing contracts internally and with the client? YES NO
- e** Does the firm(s) provide advice or services which fall outside of the scope of the contract? YES NO
- f** Does the firm always require satisfactory references or only when engaging senior employees? Always
Senior appointments only
- g** Is any employee allowed to sign cheques on his/her signature alone for values exceeding £5,000? YES NO
- h** How frequently are checks carried out on all entries in the cash book with paying-in books, receipts, counterfoils and vouchers, and reconciled with bank statements (including the balance of cash and unpresented cheques), independently of employees receiving or banking monies in respect of monies belonging to the firm as well as in trust on behalf of others?
 Weekly Monthly Quarterly Other (please specify)

5 CLAIMS INFORMATION

- a** Has the firm(s) sustained any loss through the fraud or dishonesty of any person? YES NO
If "YES", please supply details:

- B** Is the firm(s) aware of any allegation or occurrence of fraud or dishonesty at any time committed by any past or present partner, director or principal or employee? YES NO
If "YES", please supply details:

- c** After enquiry, have any Professional Indemnity claims ever been made against the firm(s) and/or predecessors of the firm(s) and/or your current and/or retired partners, directors or principals, either individually or otherwise for any negligence, errors, omission, breach of professional duty or the like, whether successful or not? YES NO
If "YES", please supply details:

Date of Claim	Claimant	Details of Claim including any payments made or reserves held
/ /		
/ /		
/ /		
/ /		
/ /		
/ /		
/ /		
/ /		
/ /		

5 CLAIMS INFORMATION

continued

- d** After enquiry, are any of the partners, directors or principals aware of any pending claims and/or circumstances existing which may give rise to a Professional Indemnity claim against the firm(s) and/or predecessors of the firm(s) and/or your current and/or retired partners/directors/principal? YES NO

If "YES", please supply details:

Date of Circumstance	Claimant	Details of Circumstance
/ /		
/ /		
/ /		
/ /		
/ /		

6 PREVIOUS INSURANCE

- a** Has the firm(s) previously been insured for Professional Indemnity insurance? YES NO

If "YES", please supply details:

Renewal Date	Limit of Liability	Premium	Retention (Excess)	Insurer
/ /	£	£	£	£
/ /	£	£	£	£
/ /	£	£	£	£

Retroactive Date: / /

Number of years cover has been continually in force:

- b** In respect of Professional Indemnity insurance, has any Insurer ever declined a proposal, declined to pay a claim, refused renewal, cancelled such insurance or imposed special conditions? YES NO

If "YES", please supply details:

7 LIMIT OF LIABILITY AND RETENTION (EXCESS) REQUIRED

Please select the Limit of Liability and Retention (Excess) you require:

- a** Limit of Liability

£100,000 £250,000 £500,000 £1,000,000 £2,000,000 £4,000,000 £5,000,000

Other £

- b** Retention (Excess)

£500 £1,000 £2,500 £5,000 £7,500 £10,000 Other £

- c** when do you want your insurance to start? (the policy is annually renewable) / /

Declaration

1 I/We declare that to the best of my/our knowledge and belief:

- A the above statements and particulars, whether written by me/us or by others on my/our behalf, are true and complete;
- B any statement or particulars which have been given separately by me/us or by others on my/our behalf are true and complete; and
- C I/We have not withheld any material fact*

2 I/We wish to modify the above statements in the following respects:

3 I/We agree that this proposal and declaration and any particulars given separately shall be the basis of the contract between the Insurer and myself/ourselves.

4 I/We agree to accept the Insurer's standard form of policy for this type of insurance.

5 I/We understand that the Insurer reserves the right to decline any proposal.

6 I/We understand that Insurers share information with each other, credit reference agencies and other information agencies with regard to credit agreements, policies and claims, primarily to help assess risks, handle claims and prevent fraud. I/We consent to this.

Authorised Signature

Date

Position in company

Important:

***Material facts are those facts which are likely to influence the Insurer in the acceptance or assessment of this proposal and it is essential that you disclose them. If you are in doubt about whether a fact is material, you should disclose it, since failure to do so could invalidate your policy.**

Your Records

You should keep a record (including copies of letters) of all information you supply to the Insurer about this proposal.

Data Protection Act

We may use the personal and business details you have given us or which are supplied by third parties including any details of directors, officers, partners and employees to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. You agreed when you applied for the policy that your directors, officers, partners, and employees have consented to our using their details in this way. We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the insured persons to such information being processed by us and that this fact is made known to the insured persons.

If your policy provides Employers Liability cover information relating to your insurance policy will be provided to the Employers Liability Tracing Office (the "ELTO") and added to an electronic database, (the "Database") in a format set out by the Employer's Liability Insurance: Disclosure by Insurers Instrument 2010.

The Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers, (the "Claimants"):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

The Database will be managed by the ELTO and further information can be found on the ELTO website www.elto.org.uk

By entering into this insurance policy you will be deemed to specifically consent to the use of your insurance policy data in this way and for these purposes.

We may share your details with other companies within the Allianz group of companies or pass them to third parties so that we may tell you by telephone, email or post of products and services which we think may be of interest you.

If you do not want to know about these products and services, please write to: Customer Satisfaction Manager, Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB to let us know. Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the address above.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

TAX FORM

The regulations with respect to the payment of premium tax within the European Union have changed over recent years, in particular following the “Kvaerner” European High Court Judgement in June 2001. Where it was previously the responsibility of the Insured to settle their overseas’ premium tax liabilities locally with the relevant tax authorities, insurers are now increasingly being made strictly responsible for the collection of these tax amounts, along with the premium, and making the relevant payments on to those tax authorities. This is, of course the same way the UK premium tax arrangements have always operated.

For every country (including outside the EU, as other countries are now adopting similar regulations) where you have a domiciled office, you have a potential liability for insurance tax payable to the local authority. Accordingly, in order for insurers to evaluate your tax liabilities and collect the correct amount for payment to the relevant tax authorities in overseas jurisdiction (as well as in the UK), can you please provide a breakdown of your income for the last complete financial year arising from all domestic and overseas activities below. If income is derived from the United States of America or Australia, please specify the state in which the office is domiciled.

Country	Income derived from each domiciled office
	%
	%
	%
	%
	%
	%
	%
	%
	%

Authorised Signature

Date

Position in company