



AIG Europe Limited

# Accountants Professional Liability Insurance Proposal

## Proposer Details

Name of Firm(s)	<input type="text"/>
Principal Address line one	<input type="text"/>
Principal Address line two	<input type="text"/>
City and postcode	<input type="text"/>
Telephone number	<input type="text"/>
Fax number	<input type="text"/>
Website address	<input type="text"/>

Does the Firm(s) have any branch offices?  Yes  No

If 'Yes':

Location	Partner Responsible
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Is the Partner responsible based in the branch office?  Yes  No

If 'No', please provide details in respect of the supervision of the office:

Please provide details of any subsidiary companies which are to be included under this insurance:

Subsidiary	Nature of Business
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Date Firm(s) was established

Please give the following details of all Partners, Directors or Principals of the Firm(s):

Name	Qualifications	Date Qualified	How long a Partner / Director / Principal
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please state the following:

Number of Partners, Principals or Directors:

This year	
Last year	
Two years ago	

Number of Qualified Technical Staff:

This year	
Last year	
Two years ago	

Number of other Technical Staff:

This year	
Last year	
Two years ago	

Number of Administrative and all other staff:

This year	
Last year	
Two years ago	

What is the annual average percentage rate of staff turnover for the last two years?

%
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Does the Firm(s) use independent sub-contractors?

Yes  No

If 'Yes', please answer the following:

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

%
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Does the Firm(s) insist that subcontractors maintain their own PI cover?

Yes  No

What services does the Firm(s) use independent subcontractors for?

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How does the Firm(s) select and manage independent sub-contractors?

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During the past 6 years has the name of the Firm(s) been changed or has any amalgamation/ take over taken place?

Yes  No

If 'Yes', please provide details

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Is coverage required for any Partner, Director or Principal for any former firm for which they were a Partner?

Yes  No

If 'Yes', please provide details

Full Name	Former Firm	Period with Former Firm	Position Held in Former Firm

**Financial Services Authority**

Is the firm regulated by the Financial Services Authority?  Yes  No

**Professional Services**

Please state in the columns provided the gross fees (GBP) for the last five complete financial years (please insert month/year):

	____ / ____	____ / ____	____ / ____	____ / ____	____ / ____
<b>Fee Income</b>					

Financial Year End Date

Please state the estimated fee income for the next financial year

Please state in the columns provided the geographical percentage split of fee income:

	% of Fee Income for the last complete Financial Year	Estimated % of Fee Income for the next Financial Year
(i) in the United Kingdom and Europe (excluding (iii) below)	%	%
(ii) in the USA and its territories and possessions or Canada	%	%
(iii) in the UK or elsewhere (excluding (ii) above) for persons, companies, firms or organisations having an address in the USA and its territories and possessions or Canada	%	%
(iv) in Australia and its territories and possessions	%	%
(v) elsewhere (please state countries and amounts involved on practice letterhead)	%	%

If any income is derived from any office domiciled overseas for which coverage is required, please complete the income breakdown in the **Premium Tax Supplementary Questionnaire** attached, in order to calculate applicable taxes to apply.

Please provide an estimate of the percentage of total annual fees for the last complete financial year from the following categories:

Audit/ Company Tax for Public Limited Companies	%	Outside Directorship	%
Audit/ Company Tax for Unquoted Companies	%	Insurance Commissions – Personal and Commercial Lines	%
Audit/ Company Tax for Small Traders	%	Pensions	%
Audit/ Company Tax for Banks or Financial Institutions	%	Endowments	%
Book-keeping/ Accountancy/ Payroll Services	%	Other Life	%
Personal Taxation	%	Mortgages	%
Management and IT Consultancy	%	Free Standing Additional Voluntary Contributions	%
Company Secretarial/ Registrar	%	Building Society Agency	%
Corporate Insolvency / Liquidation	%	Investments in Unit Trusts, Insurance Bonds, Tangibles, Bonds	%
Personal Insolvency	%	High Income Bonds	%
Mergers and Acquisition (Public Limited Companies)	%	Investments – in Split Capital Investment Trusts/ Zero Dividend Preference Shares	%
Mergers and Acquisition (Unquoted)	%	Private Medical Insurance	%
Mergers and Acquisition (Small Traders)	%	Income Draw Downs	%
Executor/ Trusteeship (Discretionary)	%		
Other – please specify			

If the Firm(s) has ever received any fees for any activities defined under the Financial Services Act 1986 or the Financial Services and Markets Act 2000 including pensions, endowments, high income bonds, free standing additional voluntary contributions, split capital investment trusts or income draw downs please complete an **AIG Financial Services Supplementary Questionnaire**.

Is this work split above representative of the Firm(s) make up over the previous three years?  Yes  No

If 'No', please provide details

Are any substantial changes in the percentage amounts shown above anticipated during the next 12 months?  Yes  No

If 'Yes', please provide an explanation

Does the Firm(s) have any contracts which emanate from the USA or Canada?  Yes  No

If 'Yes', please provide details on your headed paper.

		Largest Fee	Average Fee
Please provide details in respect of the largest fee and average over the past three financial years:	Current Year		
	One Year Ago		
	Two Years Ago		

Has the Firm(s) ever undertaken audit work for any public limited company or a subsidiary of a public limited company?  Yes  No

If 'Yes', was the company listed on one of the following stock exchanges:

- London Stock Exchange (top 300)  Yes  No
- London Stock Exchange (outside top 300)  Yes  No
- Alternative Investment Market  Yes  No
- Any overseas exchange  Yes  No

If 'Yes' to any of the above, please provide details on your headed paper, including name of client, year of audit and fee income received.

Has the firm ever undertaken audit work for any public listed company, unquoted company or small trader?  Yes  No

If 'Yes',

During the past five years has the Firm(s) ever:

- Issued a qualified audit?  Yes  No
- Restated any financial statement prepared by the Firm(s)?  Yes  No
- Been dismissed or replaced as auditors?  Yes  No
- Provided additional professional services to any company to which they undertake audit work?  Yes  No

Offered any professional services in relation to the offering, sale or issuance of any security to any client?  Yes  No

If 'Yes' to any of the above, please provide full details on your headed paper.

Does the Firm(s) undertake any work on behalf of clients who are involved directly or indirectly in the entertainment industry?  Yes  No

If 'Yes', please provide details on your headed paper outlining the name of the client, the services provided and the fee received.

**Risk Management**

What is the management structure of the Firm(s)?	<input type="checkbox"/> Managing Partner	<input type="checkbox"/> Management Committee
	<input type="checkbox"/> Managing Executive	<input type="checkbox"/> Executive Committee
	Other (please specify)	

Have there been any material changes in the management structure within the last three years?  Yes  No

If the Firm(s) is managed by a committee, does this committee meet on a regular or ad hoc basis?  Regular  Ad Hoc

Does the Firm(s) employ a full time non-accountancy administrator?  Yes  No

Does the Firm(s) designate or employ an individual with management responsibility for evaluating or dealing with complaints, actual or potential claims and other such matters?  Yes  No

Does the Firm(s) have written risk management procedures?  Yes  No

Are the risk management procedures regularly reviewed, circulated and/or discussed within the Firm(s) and have all accountants been made aware of them?  Yes  No

Does the Firm(s) always use engagement letters?  Yes  No

If 'Yes', do the engagement letters outline:

The scope of services to be performed?  Yes  No

Any statement / assumptions upon which the engagement is based?  Yes  No

The responsibilities of the client?  Yes  No

Any limitations / restrictions in respect of any services performed?  Yes  No

Does the client always sign the letter of engagement?  Yes  No

Does the Firm(s) provide advice or services which fall outside the scope of the letter of engagement?  Yes  No

Does the Firm(s) have a written policy specifying the conflicts of interest procedures which include a cross check system and back up?  Yes  No

In the event of a conflict of interest does the Firm(s):

Inform the client in writing?  Yes  No

Advise the client to seek independent advice?  Yes  No

Continue to act for the client?  Yes  No

Does the Firm(s) undertake any professional services for any client in which any Partner or Accountant holds a partnership / directorship or have any other financial interest?  Yes  No

If 'Yes', please provide details

Does the Firm(s) have a policy which requires prior approval in writing for an Accountant to serve as an Officer and/or a Director of a client or third party applicable?  Yes  No

Does the Firm(s) operate a diary system with a manual back-up?  Yes  No

If 'Yes',

Are periodic checks made to ensure that the diary system is being strictly followed?  Yes  No

Does the diary system provide for accountants being absent or deadlines not being missed?  Yes  No

Does the Firm(s) have a file review system which requires randomly selected files to be audited by an accountant other than the accountant handling the file?  Yes  No

Does the file review system include Partner to Partner auditing?  Yes  No

Please provide any additional narrative that will assist our understanding of the file review system currently being used:

Does the Firm(s) offer and promote continuing training?  Yes  No

**Fraud and Dishonesty**

Has the Firm(s) sustained any loss through the fraud or dishonesty of any person?  Yes  No

If 'Yes', please provide details

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 employee?

Yes  No

If 'Yes', please give details and state the precautions taken to prevent a reoccurrence

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Does the Firm(s) always require satisfactory references or only when engaging senior employees?

Always  Senior Appointments only

Nature of reference

Written  Verbal

Is any employee allowed to sign cheques on his/her signature alone for values exceeding GBP25,000?

Yes  No

If 'Yes' please give details on a separate sheet

How frequently are checks carried out on all entries in the cash book with paying-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(s) as well as in trust on behalf of others?

<input type="checkbox"/> Weekly	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly
<input type="checkbox"/> Other (please specify)		

**Previous Coverage**

Unless a renewal to AIG, please give details of previous Professional Indemnity Insurance carried during the past two years:

Policy Period	Insurer	Limit	Excess	Premium

Has any proposal for Professional Indemnity Insurance made on behalf of the Firm(s) or any predecessors in the business, or present partners/directors/principals ever been declined or has such insurance ever been cancelled or renewal refused or special terms imposed?

Yes  No

If 'Yes', please advise reason(s)

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Please specify the limit(s) of indemnity for which quotations are required

GBP	GBP	GBP
GBP	GBP	

Please specify the excess you would be prepared to carry

GBP	GBP	GBP
GBP	GBP	

- A Is any partner, director or principal **after inquiry** aware of any claims ever having been made against the Firm(s) or their predecessors in business or any of the present or former partners, directors or principals?  Yes  No
- B Is any partner, director or principal **after inquiry**, aware of any circumstances or occurrences which may give rise to a claim against the Firm or their predecessors in business or any of the present or former partners, directors or principals?  Yes  No

If you have answered YES to questions A or B full details of each matter must be advised before quotation can be considered. We must remind you that it is imperative to answer these questions correctly. **FAILURE TO DO SO COULD WELL PREJUDICE YOUR RIGHTS**, if subsequently a claim should arise.

**SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER TO COMPLETE THIS INSURANCE**

**Declaration**

I/We declare that the statements and particulars in this proposal are true and that no material facts have mis-stated or suppressed after enquiry. I agree that this proposal, together with any other information supplied shall form the basis of any contract of insurance effected thereon. I undertake to inform the Insurers of any material alteration to those facts occurring before the completion of the contract of insurance.

Signed	<input type="text"/>
Title <small>(to be signed by Partner, Director or Principal or equivalent)</small>	<input type="text"/>
Firm(s)	<input type="text"/>
Date	<input type="text"/>

**AIG Europe Limited**  
The AIG Building  
58 Fenchurch Street  
London  
EC3M 4AB  
Tel: 020 7954 7000  
Fax: 020 7954 8334



## Complaints

We believe you deserve courteous, fair and prompt service. If there is any occasion when our service does not meet your expectations please contact us using the appropriate contact details below and provide the Policy/Claim Number and the name of the Policyholder/Insured Person to help us deal with your comments quicker.

### Claims related complaints:

Head of Financial Lines & Professions Claims – Claims Manager  
58 Fenchurch Street, London, EC3M 4AB  
Telephone: +44 (0)207 063 5418  
Email: [claims.fl2@aig.com](mailto:claims.fl2@aig.com)  
Online: [www.aig.com/uk](http://www.aig.com/uk) (please select “contact” followed by “your feedback”)

### All other complaints:

Customer Relations Unit  
AIG Europe Limited, 2-8 Altyre Road, Croydon CR9 2LG  
Telephone: +44 (0) 208 649 6666  
Facsimile: +44 (0) 208 680 7330  
Email: [uk.customer.relations@aig.com](mailto:uk.customer.relations@aig.com)  
Online: [www.aig.com/uk](http://www.aig.com/uk) (please select “contact” followed by “your feedback”)

We will acknowledge the complaint within 5 business days of receiving it, keep you informed of progress and do our best to resolve matters to your satisfaction within 8 weeks. If we are unable to do this you may be entitled to refer the complaint to the Financial Ombudsman Service (FOS) who will review your case. We will provide full details of how to do this when we provide our final response letter addressing the issues raised.

The FOS will not consider a complaint if you:

- (i) have not provided us with the opportunity to resolve it, or
- (ii) are a business with more than 10 employees and a group annual turnover of more than €2 million; or
- (iii) are a trustee of a trust with a net asset value of more than £1 million or;
- (iv) are a charity with an annual income of more than £1 million.

### The FOS can be contacted at:

Financial Ombudsman Service,  
South Quay Plaza, 183 Marsh Wall, London E14 9SR  
Telephone: 08000 234 567  
(free for people phoning from a “fixed line”, e.g. a landline at home)  
Or: 0300 123 9 123  
(free for mobile phone users who pay a monthly charge for calls to numbers starting 01 or 02)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Following this complaint procedure does not affect your right to take legal action.

## Financial Services Compensation Scheme

The Insurer is covered by the Financial Services Compensation Scheme (FSCS). The Insured may be entitled to compensation from the scheme in the unlikely event that the Insurer cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Further information is available from the FSCS.

Financial Services Compensation Scheme, 7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN  
Telephone: 020 7892 7300  
Fax: 020 7892 7301  
E-mail: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

## Premium Tax – Supplementary Questionnaire

**Explanatory note:** 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 jurisdictions (as well as in the UK), can you please provide a breakdown of your income for the last completed 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
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%

Signed .....

Date .....



**Bring on tomorrow**

American International Group, Inc. (AIG) is a leading international insurance organisation serving customers in more than 130 countries and jurisdictions. AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.

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