

# Professional Indemnity

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## Proposal Form

### Finance and Commercial Finance Brokers

**Please complete the whole form to the best of your ability, clarifying any areas where necessary and continuing on a separate sheet if required.**

**A website, brochure or overview of the services you provide will assist underwriters**

**New start-ups: Please use estimated values for fees, work breakdown etc. Please also provide a current CV or full summary of relevant qualifications and experience.**

#### **Insurance Act 2015 - Proposal Forms for non-consumer contracts - Duty of fair presentation**

1. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurer, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:
  - a) Disclose to the Insurer every material circumstance which the Insured knows or ought to know. Failing that, the Insured must give the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium);
  - b) Make the disclosure in clause (1)(a) above in a reasonably clear and accessible way; and
  - c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
2. For the purposes of clause (1)(a) above, the Insured is expected to know the following:
  - a) If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.
  - b) If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.
  - c) Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Insured. The information may be held within the Insured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurer expects that the Insured will have included them in its enquiries, and that the Insured will inform the Insurer if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

Please return your completed form and any supporting documentation to:

Email: [underwriting@collegiate.co.uk](mailto:underwriting@collegiate.co.uk)  
Fax: 020 7459 3455  
Post: 18 Mansell Street, London, E1 1FE

## FINANCE AND COMMERCIAL FINANCE BROKERS

**1: Company name:**

**2: Contact details:**

Address:      Post code:	Contact Name:
	Telephone:
	Fax:
	Email:
	Website:

**3: Additional entities to be covered by this proposal:**

Please provide the name and web address for any other companies or businesses (including associated or subsidiary companies) requiring cover, or the name and date of succession of any predecessor businesses.

Please note that you should answer all subsequent questions on this application form in relation to all parties to be insured under this policy

**4: Appointed Representatives:**

Does the firm have any Appointed Representative(s) or Appointed Representative Introducers? YES  NO

If YES a supplementary questionnaire will be required.

**5: Date the original business was established:**

**6: Staff:**

Please list the total number of staff you have in:

Administration     Advisors     Total including Partners / Directors

**Partners Directors**

Name	Qualifications and number of years experience (A CV will also assist underwriters)	Number of years in office

**7: Lenders:**

Are you a lender or do you act as a lender?

YES  NO

e.g. do you lend your own or an associated companies / investors funds, or are you using a single provider?

If YES then we are unable to provide cover for your business

**8: Total Income:**

Gross income, including all fees commissions and VAT during the last financial year (estimate if new start-up).

If Finance Broking is not your main business activity **please only declare the gross income derived from the activities which are the subject of this insurance**, i.e. Finance and Insurance mediation.

	Last complete financial year	Current year	Estimate next year
UK work	£	£	£
Overseas work	£	£	£

**9: Your Business Activity:**

Please split your last completed financial year's income approximately between the following professional disciplines:

For a new business please estimate where you expect your work to come from.

**Please ensure that the total percentages entered equal 100% and every applicable column is completed.**

Activity		% Of income	Number of cases completed	Average loan amount	Largest loan amount
Personal Vehicle Finance, HP, Leasing, PCP (Personal Contract Plan) Conditional Sale	New or Nearly New Vehicle				
	Second Hand Vehicle				
Commercial / Fleet Vehicle Finance, HP, Leasing, Conditional Sale	New or Nearly New Vehicle				
	Second Hand Vehicle				
Hire Purchase	Personal				
	Commercial				
Fixed Term Lease Agreements					
Credit Broking – Green Deal					
Factoring				Use annual loan amounts per client	
Invoice Discounting				Use annual loan amounts per client	
Asset Based Lending					
Business Cash Advance					
Other Business Development Finance e.g. for MBO's or Expansion					
Peer to Peer Funding					
Structured Asset Finance*					
Sale & Rent Back*					
Crowd Funding*					
Personal Loans, Credit Card Lending, Overdrafts, Pawn Broking, Payday Loans / Cash Advances*					
Debt Management, Adjusting, Counselling or Collection					
Introduction to 3rd Party Debt Managers					

Cont;		Activity	% Of income	Number of cases completed	Average loan amount	Largest loan amount
		Mortgage Packaging Specify type of loans e.g. Full status residential or second charge				
		Residential Full Status Mortgages				
		Self Certification/Non Status Mortgages				
		Sub Prime/Adverse Mortgages				
		Residential Equity Release Mortgages/Home Income Plans/ Home Reversion Schemes/ Lifetime Mortgages				
		Ijara, Musharaka and Murabaha Home Purchase Plans				
Buy to Let Mortgages	Consumer					
	Non regulated Residential					
	Commercial Properties					
Bridging Finance	Personal					
	Development					
		Second Charge Mortgages				
Property Development Loans	New Build					
	Conversion / Renovation					
		Commercial Mortgages				
		Sale of Insurance				
		Other Unsecured Loans What is the typical purpose of these?				
		Other – Please provide details				
<b>Total</b>			<b>100%</b>			

\* Cover for these activities will usually be excluded

**10:** Where no income is declared in question 9, have any of these products been sold in the past 5 years?

If YES Please provide details:

YES  NO

**11:** Where you have declared **Mortgage Packaging**, please confirm whether this is Pure Packaging (non advised) or Advised Packaging, if both what is the proportion of each.

**12: Factoring, Invoice Discounting and Asset Based Lending:**

Are all firms you recommend for these services members of the Asset Based Finance Association? YES  NO

**13: Do you provide Logbook Loans?**

YES  NO

**14: Peer to Peer funding:**

If arranged, do you only use established 3<sup>rd</sup> party peer to peer platforms?

YES  NO  Never Used

What platforms do you use?

Do you ever source "Peers" directly?

YES  NO

**15: Equity Release:**

Have you always and will you continue to follow the Equity Release Council / S.H.I.P standards when advising all equity release products?

YES  NO

Are all recommended providers of Equity Release, Home Reversion, Home Income Plans members of the Equity Release Council or registered with the S.H.I.P standards?

YES  NO

**16: Sale of Insurance:**

a) Are you authorised by the FCA to undertake Insurance Mediation?

YES  NO

b) Where an income from Insurance sales has been declared above please break that income down as follows:

Product	% of overall Insurance sales
PPI / MPPI	
ASU / ASR	
non Investment Life Insurance, Critical Illness, Medical, Health, Income Protection	
Motor Insurance	
Other vehicle products	
GAP	
Extended Warranty	
Home Insurance	
Commercial Lines – Please list the products below	
	100%

**Definitions**

- PPI Payment Protection Insurance
- MPPI Mortgage Payment Protection Insurance
- ASU Accident Sickness Unemployment
- ASR Accident Sickness Redundancy
- GAP Guaranteed Asset Protection

c)

- Is the purchase of Insurance ever a condition of Finance? YES  NO
- What basis is PPI, MPPI or ASU sold ? -- -- -- advised  or non-advised
- Have you ever sold single premium PPI, MPPI or ASU? YES  NO
- Please confirm that you have and will continue to comply with the OFT treating customers fairly policy in relation to PPI, MPPI & ASU YES  NO

d) If you place **GAP** insurance, please advise which insurers you use and what their financial security rating is.

e) Please provide details of the sales process and what records are kept to demonstrate the clients understand the cover and whether they did or did not want to take it out.

**17: Do you ever use Private Equity?** YES  NO   
If YES what is the largest loan amount raised using private equity and what was the purpose of the loan?

**18: Not for Profit Services:**

If you provide any not for profit services please list these below.

**19: Have you ever arranged finance for a Sale & Rent Back transaction?** YES  NO

**20: Investment Advice:**

Have you ever been authorised to conduct any business under the Financial Services Act 1986? YES  NO

**21: Insolvency Practitioner:**

Have you ever acted as or are you authorised to act as an Insolvency Practitioner? YES  NO

**22: Pension Led Funding:**

Have you ever advised on any Pension Led Funding? YES  NO

If YES please provide details including amounts terms and when this was undertaken.

**23: Application Forms:**

If you have ever completed a application on behalf of your clients do you always ensure that the client checks and signs the form confirming the accuracy of the answers? YES  NO

**24: Compliance:**

Do you use a 3<sup>rd</sup> party compliance provider? YES  NO

If YES please provide the name of the firm.

**25: Due Diligence:**

a) Prior to recommending a loan do you undertake due diligence into the lender to ascertain their financial stability and credit rating? YES  NO

b) Have you ever facilitated a loan with or introduced a client to or used the services of UK Acorn Finance Ltd, UK Farm Finance Ltd, Agri Funding Ltd, Acorn Country Capital Ltd, Agricultural Management Services Ltd or any other entity associated with Desmond Phillips? YES  NO

**26: Regulators:**

Please provide details of every professional body you are registered with including regulators and associations.

Have you ever been investigated / disciplined / fined / expelled / censored or had your membership request declined by any professional body? YES  NO

If YES Please provide full details, attach a separate sheet if necessary.

**27: Claims:**

Has any claim, whether successful or not been made against you or your predecessors in business or any past or present partner, principal, director or employee (whether previously insured or not)? YES  NO

In relation to your professional business activities, are you after reasonable enquiry aware of:

- a. Any matter which may lead to a claim against you.  
This includes:
  - i. a shortcoming or problem in your work known to you which you cannot reasonable put right; YES  NO
  - ii. a complaint about your work or anything you have supplied which cannot be immediately resolved; YES  NO
  - iii. an escalating level of complaint on a particular project; YES  NO
  - iv. a client withholding payment due to you after any complaint. YES  NO
- b. Any loss from the dishonesty of malice of any employee or self-employed freelancer. YES  NO
- c. Any loss from the suspected dishonesty or malice of any employee or self-employed freelancer. YES  NO
- d. Any matter which may give rise to a claim against your predecessors in business or any past director, officer, board member, senior manager or employee. YES  NO

If you answered YES to any of the above please provide details:

In relation to your professional business activities, are you after reasonable enquiry aware of

**28: Principals**

Have you or any of your partners or directors at any time either personally or in any business capacity:

- a. been declared bankrupt or become insolvent or made any voluntary arrangement with creditors or been subject to enforcement of a judgment debt? YES  NO
- b. been a partner, a director or had a controlling interest in any company, firm or business entity which has entered into a voluntary arrangement with creditors or been subject to any application for liquidation, administration, receivership or to enforcement of a judgment debt? YES  NO

If the answer to a or b is YES please provide details on a separate sheet.

**30: Previous Insurance:**

Have you ever bought Professional Indemnity Insurance in the past?

YES  NO

If YES, please provide details:

Name of Insurer	Limit of indemnity	Excess	Premium	Renewal Date	Retroactive Date

**29: Required Insurance:**

Please advise the limit of Indemnity now required together with your preferred excess.

Option	Limit	Excess
A	£	£
B	£	£

**DECLARATION**

I/we declare that I/we have made a fair presentation of the risk, by disclosing all material matters which I/we know or ought to know or, failing that, by giving the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances.

I/We undertake to inform you before any contract of insurance is concluded, if there is any material change to the information already provided or any new fact or matter arises which may be relevant to the consideration of our proposal for insurance.

Signature of Principal/Partner/Director

Date

Name \_\_\_\_\_  
records.  
(in capitals)

**A copy of this proposal should be retained for your records.**

**Marketing**

*Collegiate would like the opportunity to send you relevant information which may be of interest to your business, including product and industry news. By ticking the boxes below, you are consenting to the use of your data for the purpose of marketing activities only. The data will be used only by Collegiate and will never be sold or passed onto third party companies for marketing purposes.*

*Please let us know if you would like us to contact you by any of the below means:*

*Yes, I would like to receive Marketing Communications by:*

Post  Email  Phone  SMS

*Your consent and preference options can be updated or withdrawn anytime by clicking the unsubscribe link on our communications*



## Data Protection

Collegiate Management Services Ltd (the Data Controller) are committed to protecting and respecting your privacy in accordance with the current Data Protection Legislation. Below is a summary of the main ways in which we process your personal data, for more information please visit our website at [www.collegiate.co.uk](http://www.collegiate.co.uk)

We may use the personal data we hold about you for the purposes of providing insurance, handling claims and any other related purposes, for offering renewal, research or statistical purposes and to provide you with information, products or services that you request from us or which we feel may interest you. We will also use your data to safeguard against fraud and money laundering and to meet our general legal or regulatory obligations.

We may disclose your personal data to third parties involved in providing products or services to us, or to service providers who perform services on our behalf. These include our group companies, affinity partners, brokers, agents, third party administrators, reinsurers, other insurance intermediaries, insurance reference bureaus, credit agencies, fraud detection agencies, loss adjusters, solicitors/barristers, accountants, regulatory authorities, and as may be required by law.

We may transfer your personal data to destinations outside the European Economic Area ("EEA"), and we will ensure that it is treated securely and in accordance with the Legislation.

You have the right to ask us not to process your data for marketing purposes, to see a copy of the personal information we hold about you, to have your data deleted (subject to certain exemptions), to have any inaccurate or misleading data corrected or deleted, to restrict processing, to ask us to provide a copy of your data to any controller and to lodge a complaint with the local data protection authority.

Your data will not be retained for longer than is necessary, and will be managed in accordance with our data retention policy. In most cases, the retention period will be for maximum period of 7 years following the expiry of our business relationship with you, unless we are required to retain the data for a longer period due to business, legal or regulatory requirements.