

PROFESSIONAL INDEMNITY INSURANCE ACCOUNTANTS PROPOSAL FORM

A FULL POLICY WORDING IS AVAILABLE ON REQUEST

Please complete and tick boxes as appropriate. If there is insufficient space to provide answers to the proposal form questions, please use the ADDITIONAL INFORMATION section at the end of the form. In this proposal we use the term 'Principal' to mean any sole Principal, Partner, Director or member of a Limited Liability Partnership. Reference to 'Proposer' in this proposal shall include all names included under question 1 who will be the Insured in the insurance policy.

Please ensure that **all** relevant sections of the Proposal are completed

1 Name under which practice is conducted: ('The Proposer')

2 a Addresses of all offices (including postcode and telephone no) and percentage of total fees in each

b Website

www.

3 Specify to which professional body the practice belongs

ICAEW ICAI ICAS ACCA ATT AAT Other (Please specify)

4 Date commenced

5 a During the past 6 years, has the name of the Proposer been changed or has any amalgamation, acquisition or take-over taken place or have any Principals departed, retired or died?

Yes No

If 'Yes', give details

b Give details below of any predecessor firms for which cover is required

- 6 Give details below of
a Principals and
b Consultants under a contract of service with the Proposer

Full name	Age	Qualifications	Date qualified	Number of years in this capacity with the Proposer
a				
b				

- 7 Give details below of previous business experience, as appropriate, or attach curricula vitae
Newly established practice – complete for all Principals
Existing practice – complete for each Principal who has held such position with the Proposer for less than 5 years

Name	Period engaged in previous occupation	Name of firm/ company	Profession or business	Position held

- 8 Where the Proposer is a sole Principal, give details of the arrangements for office supervision when the Proposer is absent

- 9 State number of other permanent staff
a qualified **b all others**
 i full-time ii part-time i full-time ii part-time

10 Is cover required for Partners' Previous Business in respect of any Partner named in **6a**? Yes No
 (This extension covers liability incurred as a Partner in a previous accounting practice)
 If 'Yes', state

a for which Partners	b name of previous business	c date Partner left business	d Limit of Indemnity required

11 State gross fees (including those paid to sub-contractors) for work undertaken

Clients domiciled in	Last financial year	Previous financial year	Forthcoming year (estimated) for new and existing practices
a the UK	£	£	£
b Europe excluding the UK*	£	£	£
c the USA, its territories and possessions and Canada*	£	£	£
d Australia*	£	£	£
e Asia*	£	£	£
f elsewhere*	£	£	£
Total of a to f above	£	£	£

* State countries, amounts involved and nature of work undertaken for clients domiciled outside the UK

12 Is the practice represented in any way outside the UK? Yes No
 If 'Yes', state where and how (e.g. by subsidiary company, local office, local representative or by any other person or concern holding a power of attorney on behalf of the practice)

13 State the approximate percentage of last year's gross fees and of the fees estimated for the forthcoming year (including those paid to sub-contractors) payable in respect of

		Last year	Forthcoming year
a	work for banks, finance houses, hire purchase and credit sales organisations, building societies and any other concerns providing finance	%	%
b	auditing	i of public companies	%
		ii of other clients	%
c	preparation of accounts	i of public companies	%
		ii of other clients	%
d	compliance taxation	i of public companies	%
		ii of other clients	%
e	tax planning and consultancy*	%	%
f	insolvency, liquidation and receiverships	%	%
g	management consultancy**	%	%
h	computer consultancy**	%	%
i	insurance and building society commissions	%	%
j	executorships and trusteeships	%	%
k	investment advice and other Financial Services work ***	%	%
l	directorships	%	%
m	company registrar work	%	%
n	mergers, acquisitions, take-overs and disposals	%	%
o	payroll services	%	%
p	probate	%	%
q	all other work**	%	%
		100 %	100 %

* i.e. specialist taxation work for which a specific fee is charged, including but not limited to advice on tax efficient schemes involving offshore trusts, film financing etc.

*** If there are any fees in relation to **13k** (investment and other Financial Services work) a Financial Services Questionnaire must be completed. This is available from Your broker.

r For any activities where you have answered nil above, but have undertaken work in the past 6 years please provide details below

s ** If fees are received in connection with **13g 13h** or **13q** give brief details of the type of work undertaken in the box below

14 State

a month of financial year end

	Last financial year	Estimate for current financial year	Estimate for forthcoming financial year
b	largest total fee any one client or group	£	£
c	average fee per client or group	£	£

If the Proposer anticipates any major change in **b** or **c** in the forthcoming year give details in the box below

15 If work is undertaken for public companies or where the largest fee declared last year in **14b** exceeds £50,000, give the following details:-

- a** name of client(s)
- b** nature of business of the client(s)
- c** nature of the services provided by the Proposer to such client(s)

16 Does the Proposer undertake or has the Proposer undertaken work of any description for any of the following

- i** Banks, investment funds or schemes and other Financial Institutions
- ii** Insurance Companies, Lloyd's Syndicates, Lloyd's managing or members' agents or Underwriting Agencies
- iii** Any 'off-shore' companies
- iv** Entertainment industry clients or sporting professionals

Yes No

Give details of the name(s) of clients, fees earned and the services provided in the box below

17 If tax planning and consultancy is undertaken give the following details:

- a** What type of tax planning/consultancy services are offered (give examples)

- b** what specialist qualifications and experience do those involved in this work have?

- c** is there any involvement with tax efficient schemes?*

Yes No

If Yes, please complete the Tax Efficient Schemes section on page 12

* Tax efficient schemes or packages include loans investments and trusts which are preplanned artificial transactions designed to produce a specific tax outcome including but not limited to tax loss, tax deductible allowance or tax exempt profit. Examples include offshore trusts, film partnership scheme, film production partnership scheme, film finance schemes, stamp duty land tax (SDLT), employee benefit trust (EBT) and employer finance retired benefit schemes (EFRBS) or schemes listed or similar to those on HMRC Spotlights.

18 Are any Principals, Consultants or employees members of any Professional Body's taxation faculty?

Yes No

19 What registers are maintained by the Proposer in relation to taxation deadlines? (for example, in connection with the dissolution of partnerships)

20 If insolvency, liquidation and receivership work is undertaken, give the following details:

a types of arrangements handled

b typical and maximum values handled for each type of arrangement

c Specialist qualifications and experience of those involved in this work

21 Is the Proposer

a licensed to undertake insurance mediation work as defined in the Designated Professional Body Handbook of the Institute of Chartered Accountants in England and Wales/of Scotland/in Ireland Yes No

b authorised to undertake insurance mediation work by the Financial Conduct Authority Yes No

If Yes to **21b** please provide full details, including FCA status, i.e. FCA authorised, Appointed Representative or Introducer Appointed or other:

22 Has the Proposer ever been involved in, arranged or advised on:

a pension transfers, alternatively secured pensions or Qualified Recognised Pension Schemes? Yes No

b pension fund administration or management? Yes No

c offshore bonds, structured products or unregulated collective investment schemes? Yes No

d investment vehicles designed specifically for tax mitigation reasons? Yes No

e high risk investments (including but not limited to hedge funds, split capital, emerging markets, venture capital, etc.)? Yes No

f any investment products where the provider or fund is insolvent or has a known liquidity problem or has otherwise failed? Yes No

g equity release or home reversion type products? Yes No

h self-certification mortgages? Yes No

If 'Yes' to any of the above, please complete a Financial Services Questionnaire (available from your broker)

23 Is the proposer authorised to undertake investment work by the FCA or any Designated Regulatory body? Yes No

If 'Yes', state the Authorising Body and the category of authorisation

24 If fees are declared in question **13k** 'investment advice or other financial services work' state the percentage breakdown of the amount declared:

a independent financial advice*	%
b restricted financial advice*	%
c introduction to a financial adviser	%
d introduction direct to a product provider**	%
	100 %

*If any fees are declared for **a** or **b** please complete a Financial Services Questionnaire (available from Your broker).

** If any fees are declared for **d** please state below:

- i** the terms upon which the introduction is made
- ii** the names of the providers
- iii** type of products
- iv** whether the provider gives advice
- v** the values invested
- vi** number of clients

25 Is the Proposer authorised or licensed to undertake Probate Work as defined under the Probate Regulations of the Institute of Chartered Accountants in England and Wales Yes No

26 State below how You handle pension work including auto enrolment. Do You:

- a** Support Your clients in their selection of a pension scheme? Yes No
- b** Identify pension providers? Yes No
- c** Recommend pension providers? Yes No
- d** Compare investment funds, charges and services applicable on schemes? Yes No
- e** Signpost to the government workplace pension NEST? Yes No
- f** Refer to another advisor? Yes No
- g** Undertake payroll related activities? Yes No

h Please confirm fees or commission (if any) received in the last 6 years £

i Number and value of schemes No. £

j Exclude in Your Terms Of Engagement liability for advice, introductions or signposting to pension providers? Yes No

k Where advising the employer, do You specify in Your letter of engagement that any advice to an employer is provided to them in their capacity as an employer and not as an individual? Yes No

27 a State gross fees paid to sub-contractors

Last year	Forthcoming year (estimated) for new and existing practices
£ <input style="width: 90%;" type="text"/>	£ <input style="width: 90%;" type="text"/>

- b** Give the following details of sub-contractors in the box below:-
- i** Name(s)
 - ii** Qualifications
 - iii** Limit of Indemnity of own Professional Indemnity Insurance

c Is there any written agreement between the Proposer and sub-contractors? Yes No

d Describe what work is sub-contracted and how the Proposer reviews such work in the box below

28 If there is not a resident Principal at each of the Proposer's offices, state the addresses concerned and give details of how any such office is supervised

29 Can You confirm that:

	Yes	No
a) The practice is accredited to (or in the process of accreditation to) ISO 9001, Cyber Essentials or subject to a similar form of external assessment?		
b) The practice works to a professional code of ethics or practice, such as ICA, ACCA or similar?		
c) you have taken steps to ensure compliance with the latest data privacy legislation?		
d) you operate commercially licensed and purchased anti-virus software across your network and regularly apply patches & updates in accordance with the suppliers' recommendations?		
e) you back up critical/sensitive data at least weekly to a different secure location (i.e. offsite, cloud)?		
f) you have a Business Continuity Plan or Disaster Recovery plan and it addresses cyber risks including back up of data?		
g) Written contract conditions are used in every case?		
h) The practice has written work instructions or checklists for the services provided?		
i) The practice has identified the risks associated with its field of work and taken action to minimise these risks?		
j) Management review working procedures at least every six months to ensure their continuing suitability?		
k) Prior to contracts being accepted the practice checks that contract specifications and customer requirements can be met by ensuring that they have the technical ability to undertake the contract, the resources and time?		
l) Records are kept of the original contract, subsequent amendments, verbal agreements and telephone conversations?		
m) Work done by staff is reviewed using spot checks and periodic reviews?		
n) Reviews of staff, Partners, Directors or members of LLPs are completed at least once every 12 months?		

o) Regular file reviews and audits are conducted at least once every 12 months for all fee earners, including Principals?		
p) Staff and Principals have training and development plans in place (e.g. participation in a Continued Professional Development programme)?		
q) Recruitment procedures include: <ul style="list-style-type: none"> • obtaining written references, • verifying qualifications and previous experience, • checking for any previous Professional Indemnity claims or circumstances? 		

If 'No' to any of the above, give details below

30 Has the Proposer or any member of staff, past or present, been the subject of any disciplinary proceedings by any professional or regulatory body? Has the Proposer dismissed or is the Proposer considering dismissing any member of staff? Yes No

If 'Yes', give details below

31 Fidelity

Has the Proposer suffered any loss during the past five years through fraud or dishonesty of any employee? Yes No

If 'Yes', state date, circumstances, amount and steps taken to prevent recurrence

Please note that Fidelity cover is subject to the Proposer's compliance with the following Minimum Standards of Control:

Minimum Standards of Control

- a. all cheques fund transfers instructions for disbursements of assets or fund investments for more than £10,000 shall require two independent signatories or authorisers
- b. no cheque fund transfer instruction for disbursement of assets or fund investment shall be authorised until at least one signatory or authoriser with appropriate authority and independent of the individual requisitioning such transfer disbursement or investment has examined and approved the supporting documentation
- c. any electronically initiated transactions must be controlled by unique passwords held by each individual related to the user authorisation and the appropriate authorities integrated into any computer program or system used for such transaction
- d. cash and cheques received shall be remitted to the bank in full on the day of receipt or next banking day
- e. bank statements cash cheques stock and securities held shall require a physical check against supporting documents by someone other than those persons responsible at least quarterly
- f. all requests to create and alter third party bank details (including those of any supplier or client) must be received in writing and independently verified by telephone with a known contact at the organisation making the request before any transaction takes place

32 Does the practice undertake work for any firm, company or organisation in which any Principal holds a position whereby he or she is able to make major policy decisions on behalf of such firm, company or organisation?

Yes No

If 'Yes', give details

33 Has the Proposer any other Professional Indemnity insurance in force?

Yes No

If 'Yes', state

a name of insurer

b renewal date

34 Limit of Indemnity required (limits of up to £10m available)

£250,000 £500,000 £1,000,000 Other £ (please specify)

35 Does the Proposer wish to contribute towards each and every claim?

If 'Yes', tick amount required £1,000 £2,500 £5,000 £10,000 Other £ (please specify)

Note. In most cases, a contribution will be compulsory

36 Has any insurer in respect of the risk to which this Proposal relates ever

a declined a proposal, refused renewal or terminated an insurance?

Yes No

b required an increased premium or imposed special conditions?

Yes No

If 'Yes', in either case, give details

37 Has any person for whom this Insurance is Proposed:

a ever been convicted of or charged with (but not yet tried in respect of) a criminal offence other than a motoring offence?

Yes No

b ever been declared bankrupt?

Yes No

c ever been a principal of a business which has gone into insolvent liquidation or been the subject of a receivership or an administration order?

Yes No

If 'Yes', provide details and dates

38 a Has any claim been made against the Proposer or any Principal, Consultant or employee during the last 10 years in respect of the risks (other than those referred to in Question **31**) to which this Proposal relates?

Yes No

If 'Yes', give details (by separate note if preferred)

Date of claim	Brief details of each claim	Cost (if any) of claim paid	Estimated outstanding cost

b What action has been taken to prevent a recurrence of the situation which gave rise to each claim?

39 Is any Principal, Consultant or employee, **after enquiry**, aware of any circumstances which might:

a give rise to a claim against the Proposer or any predecessors in business or any of the present or former Principals?

Yes No

b otherwise affect the Insurer's consideration of this Insurance?

Yes No

If 'Yes', give details including maximum potential cost (by separate note if preferred)

Do You wish to pay Your premium by monthly instalments?

Yes No

TAX EFFICIENT SCHEMES

a.	i) Do You ensure Your own Terms & Conditions exclude advice provided by any Third Party specialist advisors? If Yes, a copy must be attached	Yes	No						
	ii) Do You ensure the clients enter into separate contracts with such promoters/providers?	Yes	No						
b.	Are multiple clients entered into the same schemes?	Yes	No						
c.	Have any of Your clients entered a tax mitigation scheme which is being investigated or challenged by the HMRC?	Yes	No						
d.	Have any of Your clients entered a tax mitigation scheme which is the same or similar to a scheme listed under HMRC "Spotlights" tax avoidance schemes?	Yes	No						
e.	Have any schemes been or are currently being investigated under the General Anti Abuse Rule (GAAR)?	Yes	No						
f.	Have any of Your clients received an Accelerated Payment Notice (APN) or a Follower Notice?	Yes	No						
g.	Are You still actively introducing or do You intend to introduce to tax mitigation schemes?	Yes	No	N/A					
If You answered Yes to questions b), c), d), e) f) and g) or No questions a)i) or a)ii) please provide additional information									
h.	Please confirm how often tax efficient schemes are checked to ensure they remain compliant and who is responsible?								
i.	Are clients made aware of the risks associated with entering into tax mitigation schemes including the risk that the transactions may not succeed in their objective?	Yes	No						
j.	If Yes, to i. how is this communicated and over what period of time has this been the procedure?								
k.	Please state the gross fee income/commission received for tax schemes in the last 6 years								
Last Year		2nd Year Back	3rd Year Back	4th Year Back	5th Year Back	6th Year Back			
£		£	£	£	£	£			
l.	Please list the tax efficient schemes or investment schemes which Your clients have entered or been introduced to in the last 10 years including a note of their investment value(s), the scheme name/provider name and type of scheme (eg EBT):								
Date entered	Scheme	Type of Scheme	Value	HMRC DOTAS Registered	Scheme Reference Number	HMRC Challenged	HMRC Spotlight number, if similar	GAAR panel review	Scheme has been issued with an Accelerated Payment Notice or Follower Notice

ADDITIONAL INFORMATION

Use this space to provide further information in support of answers given to questions in this Proposal.
Please state question number clearly.

IMPORTANT NOTICES

Please read the following carefully before you sign and date the Declaration and Undertaking.

IMPORTANT NOTICE CONCERNING YOUR DUTY TO MAKE A FAIR PRESENTATION OF THE RISK

Before the insurance policy takes effect the Insured have a duty to make a fair presentation of the risks to be insured under the insurance policy.

A *fair presentation of the risk* is one:

- which:
 - discloses to the Insurer every material circumstance which the Insured know of or ought to know of; or
 - gives the Insurer sufficient information to put the Insurer on notice that it will need to make further enquiries for the purpose of revealing those material circumstances,
- which makes that disclosure referred to above in a manner which is reasonably clear and accessible to the Insurer; and
- in which every material representation as to a matter of fact is substantially correct, and every material representation as to a matter of expectation or belief is made in good faith.

A *material circumstance* is one that would influence the Insurer's decision as to whether or not to agree to insure you and, if so, the terms of that insurance. If you are in any doubt as to whether a circumstance is material you should disclose it to the Insurer.

A copy of the proposal should be retained by you for your own records.

FINANCIAL OR TRADE SANCTIONS

Royal & Sun Alliance Insurance plc is unable to provide insurance in circumstances where to do so would be in breach of any financial or trade sanctions imposed by the United Nations or any government, governmental or judicial body or regulatory agency.

PRIVACY POLICY

RSA is committed to ensuring that your privacy is protected.

For a full explanation of how we use the information we collect about you, how you can contact us if you wish to exercise your rights and the procedure that we have in place to safeguard your privacy please visit:

www.rsagroup.com/support/legal-information/broker-privacy-policy

DECLARATION AND UNDERTAKING

I/We declare that every statement and particular contained within this proposal form:

- which is a statement of fact, is substantially correct, and
- which is matter of expectation or belief, is made in good faith.

If any such facts, expectations and/or beliefs materially change before the insurance policy takes effect I/we undertake to provide details of all such changes to the Insurer in order to comply with my/our obligation to provide a fair presentation of the risk to be insured under the insurance policy.

I/We accept the minimum standards of control applicable to Fidelity cover.

For the purposes of making this proposal for insurance, I/we agree that the Intermediary (which I/we have appointed to advise in relation to this policy) is acting on my/our behalf and not as an agent of the Insurer.

Signature (Principal)

Date

On behalf of*

*insert name of Proposer

This insurance will not commence until the Insurer has indicated acceptance of the Proposal. The Insurer reserves the right to decline any Proposal.

Royal & Sun Alliance Insurance plc (No. 93792).
Registered in England and Wales at St Mark's Court,
Chart Way, Horsham, West Sussex RH12 1XL.
Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and the Prudential Regulation Authority.

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