



Professional Indemnity Proposal Form

Financial Advisers

Presentation and Background Information

The proposal form is usually the main point of contact between you – the Insured - and us, - the Insurer. It is therefore important that the information contained in the form is expressed and presented to a high standard. Where there is insufficient space available, please use clearly marked appendices, indicating which questions they refer to.

If you are in any doubt whether information should be disclosed, please consult your broker or us if you do not have a broker.

Insurance Act 2015 – 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.

The Continuing Duty to Disclose

The duty to disclose material circumstances is not confined to completion of proposal forms at inception or renewal. If, during the period of insurance arranged there is any material alteration/change in the information disclosed in the proposal information, prompt disclosure to us is essential. This might include, but is not limited to:

- new partners, directors, corporate entities, partnerships or trading titles,
- any change in the areas of activity of the Insured Firm(s),
- the possibility of a claim being made against the Firm(s),
- any change in the trading status of the Firm(s), or membership of professional bodies, or regulatory status.

Failure to comply with these duties of disclosure may mean the policy will not respond to a claim, or may be avoided entirely.



Section A – Proposing Business or Company requiring cover

1. Starting with the main practice please enter below the full names of any company or business requiring cover that are currently trading. If applicable, please also list any other trading styles.

Cover will only be considered for those entities disclosed in Section A of the Proposal Form

Name	FCA Number	Establishment Date/ Date Authorised

Please note that we will only consider cover for activities conducted after the establishment date of the entities disclosed on this proposal form. Where the proposal form contains a question that asks whether advice or services have ever been provided the information is required from this date onwards in respect of all entities requiring cover.

2. If the proposing company or business is acting as an Appointed Representative of a directly regulated firm or network please provide the name of the principal firm.

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3. Contact Details

Main Office Address	
Telephone number	
Email	
Website	

4. Please state the names of any past company or business including predecessors in business for which run-off cover is required.

Name	Period of trading	
	From	To

5. Do you expect there to be any material changes to, or in, the firm in the next 12 months including but not limited to the sale of the Proposing Business/Company or de-authorisation from the FCA?

Yes	No

6. Does the firm have any Appointed Representative(s) or Appointed Representative Introducer(s)?

Yes	No

Cover will only be provided for the activities of Appointed Representatives of the Insured if details are provided in the Appointed Representative Questionnaire and they are named on the policy schedule.



SECTION B - Principals, Advisers and Staff

1. Please provide the following details of all directors, partners and principals.

Name	Age	Qualifications	Experience

2. Please provide details of the number of staff, other than the directors, partners or principals named in Question 1 above, in the following categories.

Employed registered individuals	
Self- employed registered individuals	
Unregistered mortgage or protection advisers	
Paraplanners and other technical staff	
Administrative staff	

3. Please provide the number of individuals that have joined or left the business or company during the last 12 months in the following categories.

	Leavers	Joiners
Employed registered individuals		
Self- employed registered individuals		
Unregistered mortgage or protection advisers		
Paraplanners and other technical staff		
Administrative staff		

4. Please advise whether any Proposing Entities or any director, partner or principal, employee or any other individual for whom cover is required under this policy has any financial interest in any platform, wrap or product provider or whether any other potential conflicts of interest exist?

Yes	No

If yes, please provide details.

5. Please advise whether any director, partner or principal, employee or any other individual for whom cover is required under this policy has been a director or partner or principal of a company that has been wound up, ceased to trade, has no assets, or has been subject to regulatory enforcement action.

Yes	No

If yes, please provide details.



SECTION C – Compliance & Regulation

1. Please provide details of how your Compliance Function is managed. If outsourced to a specialist provider then please provide the name of that provider and details of how that outsourced function is managed.

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2. What proportion of new business files are checked before the recommendations are presented to your clients

	%
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3. What proportion of new business files are checked after any recommendations are presented to clients?

	%
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4. Staff

- a) Please provide the location(s) of any individuals not based at the Main Office Address

Name	Location

- b) How are staff that work remotely supervised?

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5. a) Were all staff working remotely subject to a compliance audit in the last 12 months?

Yes	No

- b) If any issues were identified has an appropriate action plan been put in place to address these?

Yes	No

If yes, please provide details.

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6. a) Are procedures and processes in place to identify and deal with potentially vulnerable clients?

Yes	No

- b) If yes, please confirm evidence of this assessment is retained on file and addressed in the suitability letter?

Yes	No

- c) Can you confirm that procedures and processes are reviewed annually?

Yes	No



7. Have any Proposing Entities received a data request from a Regulator or have received, or are on notice of, a visit from a Regulator?

Yes	No

If yes, please provide details.

8. Do any of the Proposing Entities offer restricted advice?

Yes	No

If yes, please provide details.

9. Please provide details below of any complaints or claims ever made against any of the Proposing Entities listed in section A of this proposal form, and any circumstances or other notifications ever made on any professional indemnity insurance policy.

Date	Summary (including transaction amount and whether claim is open or closed)	Amount Claimed / Reserved

10. Are any of the Proposing Entities aware, after making appropriate enquires with all principals, employees, self-employed persons and appointed representatives, of any claims or circumstances which may give rise to claims which have not already been notified in writing to Insurers?

Yes	No

11. Have any Proposing Entities sustained any loss during the past ten years as a result of the fraud or dishonesty of any director, partner, principal, employee or self-employed person?

Yes	No

12. Have any applications for insurance on behalf of any Proposing Entities or any of the present directors, partners, principals or, to the knowledge of the proposing entity, on behalf of their predecessors in business ever been declined or has any such insurance ever been cancelled or renewal refused?

Yes	No



SECTION D - Income

1. Please confirm the date of your last financial year end prior to the policy inception date.
2. Please advise for the financial year-end identified in Question 1 above and the previous 4 financial years (where applicable), the total gross income of all Proposing Entities generated by all principals, employees, self-employed persons and appointed representatives.

Last Complete Financial Year	
Previous Financial Year	
Previous Financial Year	
Previous Financial Year	
Previous Financial Year	

3. Please estimate for the current financial year the total gross income that all Proposing Entities currently trading expect to achieve. (£)

4. Please indicate the percentage of gross income for the last complete financial year, as disclosed in Question 1 above, derived from the following categories.

	Corporate		Private	
Pensions				
Investment				
Non-investment Life & Protection				
General Insurance				
Mortgage				
Other (please provide details below)				
Grand Total		%		%



Section E – Pensions & Investments

1. Please indicate the number of single premium or annual investments made in the last financial year where the sum invested was;
(please include annual or new investments into pensions but not Pension Transfers, Pension Switches, investment fund switches or BED/ISA switches)

Less than £25,000	
Equal to or more than £25,000 but less than £100,000	
Equal to or more than £100,000	

2. Please indicate the number of investments disclosed in Question 1 above that are categorised as **Replacement Business**. For the avoidance of doubt “replacement business” means the surrender or encashment (full or partial) of any existing investment of any description with the intention of re- investing the proceeds in any other investment.

Less than £25,000	
Equal to or more than £25,000 but less than £100,000	
Equal to or more than £100,000	

3. In respect of ongoing investment advice, please indicate the number of investment portfolios advised on in the following ranges.

Less than £100,000	
Equal to or more than £100,000 but less than £250,000	
Equal to or more than £250,000 but less than £500,000	
More than £500,000	

4. Please confirm the total client funds under management (£)

5. In terms of total client funds currently under management, please provide the top 3 investment funds.

Investment fund	Total client funds invested	Number of investments

6. The regulator has previously identified a key failure in advice as over concentration of investment in a single product or product type or asset class resulting in increased risk due to the lack of diversification. Please provide specific details of the limits imposed on investment in a client’s investment portfolio, the circumstances these limits may be exceeded and any other steps taken in order to minimise risk by diversifying investment portfolio. Continue on an additional sheet if required.

7. Have any Proposing Entities ever recommended that a client borrow in order to invest?

If yes, please provide details.

Yes	No



8. If one of your clients requires access to funds held within an investment bond please confirm that the client is provided with a written chargeable event calculation prior to any surrender (partial or full).
- | Yes | No |
|-----|----|
| | |
9. When email instructions are received to encash any investment, is the client contacted in order to ensure the email supplying the account details for the proceeds is genuine and not from a hacked email account? Please provide details below if necessary
- | Yes | No |
|-----|----|
| | |
10. Has any advice or services been provided with regards to any investment that has had new investment and or redemptions suspended, had the assets re-valued or is insolvent?
If yes, please provide details.
- | Yes | No |
|-----|----|
| | |
11. Has any advice or services been provided with regards to any investment or deposits with or in securities issued by any Financial Institution that is insolvent or is unlikely to be able to meet its obligations.
If yes, please provide details.
- | Yes | No |
|-----|----|
| | |
12. Have any Proposing Entities ever provided advice or services with regards to, or arranged investment in any of the following or collective investments that have funds invested in any of the following:

Product/Service

	Please select	
	Yes	No
Structured Capital at Risk Products (SCARPS)		
Unregulated Collective Investments or any other Unregulated Product/Scheme		
Bridging Finance		
Peer to Peer Lending or Crowd Funding		
Social Impact Investments (Not including ethical funds)		
Any Geared or Leveraged Investment (Not including investment trusts)		
Own branded Collective Investment Funds		
Residential property e.g. EPUTs, <u>not</u> including direct buy to let investments		
EBT, FURBS or any similar product		
Pension Fund Trustee Services		
Pension Fund Management Services		
Tax planning /mitigation schemes such as EIS, VCT, BPR, AIM etc		
Crypto e.g. Cryptocurrency/cryptoassets		
Non-UCITS Retails Schemes (NURS)		
Non-Investment Grade Corporate Bonds and/or Mini Bonds		
Non-Standard Assets		

If you have answered YES to questions 7, 10, 11 or 12 above then please provide details in the supplementary questionnaire at the back of this form.

13. With regards to any tax planning or mitigation schemes arranged, please confirm;
- a) That all investors were advised as to the high risk nature of the investment
- | Yes | No |
|-----|----|
| | |
- b) That all investors were warned as to the possibility of HMRC challenging the status of the scheme and the implications of the challenge being successful
- | Yes | No |
|-----|----|
| | |
- c) Whether HMRC has indicated that they intend to challenge the tax benefits of any product arranged on behalf of any client
- | Yes | No |
|-----|----|
| | |



- d) i) With regards to IHT planning, please confirm that the beneficiaries of the client's estate are informed of their intentions to use (and the nature of) such products and that evidence of this is in the suitability letter and retained on file?

Yes	No

- ii) If no, do you highlight the benefits of your client discussing this with their beneficiaries?

Yes	No

14. Do any Proposing Entities have discretionary management permissions? If yes please request and complete the additional CMS Portfolio Management Questionnaire.

Yes	No

15. Have any Proposing Entities ever arranged or facilitated an investment with a Discretionary Fund Manager (DFM) on behalf of a client?

Yes	No

16. What proportion of your funds under management are managed by an external DFM? (%)

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17. Which Discretionary Fund Manager(s) are used and what due diligence is carried out on them?

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18. Do the Proposing Entities ensure that any investment or product recommended by a Discretionary Fund Manager is suitable and in keeping with the clients Attitude to Risk (ATR)?

Yes	No

19. Defined Benefit Occupational Pension Schemes

- a) i) Have any Proposing Entities provided any advice and or services with regards to transfers or opt outs from any Defined Benefit Occupational Pension Schemes?

Yes	No

- ii) Do the Proposing Entities intend to provide advice or services with regards to opt outs or transfers from defined benefit occupational pension schemes in the next 12 months? If so, please provide details

Yes	No

- b) Please provide the names and details of the experience and qualifications of the individuals authorised to provide Pension Transfer advice.

Name	Qualifications	Experience

- c) i) Please provide the number of transfers from any Defined Benefit Occupational Pension Schemes the Proposing Entities have arranged since June 1994 and provide the average and largest transfer value.

Number of transfers	Average transfer values	Largest transfer value

- ii) How many of the above transfers have been arranged since 6th April 2015?

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- iii) How many transfers have been arranged for clients under the age of 55?

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iv) How many transfers have been arranged for clients introduced by third parties?

v) What is the maximum number of transfers that have been arranged from the same Employer scheme?

vi) How many clients have been advised against transferring after initial contact but before providing full analysis, report and recommendation?

vii) How many clients have been advised against transferring after receiving full analysis, report and recommendation?

viii) How many transfers were arranged on an insistent client basis?

d) Do the Proposing Entities refer/introduce clients to Pension Transfer Specialists (PTS) for advice?

Yes	No
<input type="text"/>	<input type="text"/>

i) If yes, what due diligence is conducted on any PTS that clients are referred to?

ii) Please name all PTS that clients have been referred or introduced to:

iii) Do the Proposing Entities have a formal agreement or contract in place to clarify each party's responsibilities/liabilities?

Yes	No
<input type="text"/>	<input type="text"/>

iv) Please complete the table below:

Number of clients referred/introduced	
Number of clients transferred after referral	

v) Please confirm who is responsible for implementing the investment proposition.

20. Please provide the number of transfers to a **QROPS, QNUPS or any similar product** that any of the Proposing Entities has ever arranged and provide the average and largest transfer value.

Number of transfers	Average transfer value	Largest transfer value
<input type="text"/>	<input type="text"/>	<input type="text"/>

21. Have any QROPS, QNUPS or similar products been arranged for a client that has remained a UK resident after the transfer?

Yes	No
<input type="text"/>	<input type="text"/>

22. Have any of the Proposing Entities ever provided any advice or services with regards to any pension busting, liberation or unlocking scheme or any other arrangement that seeks to circumvent HMRC rules?

Yes	No
<input type="text"/>	<input type="text"/>



23. Where a client has been advised to give up a GAR, please confirm that they have been provided with details of the income available under the GAR.

Yes	No	N/A

24 a) Please complete this question if any Proposing Entities have transacted or given advice in respect of Unsecured Pensions - please include Drawdown, Phased Retirement, 3rd Way products or Alternatively Secured Pensions, Flexi-Drawdown. **If not, please state 'not applicable'.**

	Number of cases transacted where original fund value was less than £100,000	Number of cases transacted where original fund value was between £100,000 and £300,000	Number of cases transacted where original fund value was over £300,000	Largest original fund value	Number of Annuity cases transacted (excluding Phased Retirement cases)
2020					
2021					
2022					
2023					
2024					

b) For any cases that took greater than 25% of the fund as a lump sum, please confirm that the taxation implications and, the ramifications on income in retirement are discussed and clearly illustrated to all clients

Yes	No	N/A

c) For any transactions arranged on an insistent client basis, please confirm the guidance on the FCA factsheet no 0.35 "Pension reforms and insistent clients" was followed

Yes	No	N/A

25. a) Please provide the number of Pension Switches from Personal Pensions to Self-Invested Personal Pensions (SIPP) in the last 5 years

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Number of switches

b)

Please provide the name of the top 3 receiving schemes product providers:	Percentages of switches
	%
	%
	%

26. Have any of the Proposing Entities arranged a Self-Invested Personal Pension (SIPP) for a client without advising on the suitability of the investments to be held within the SIPP?

Yes	No

27. a) How many SIPPs have been arranged on behalf of clients to purchase commercial property?

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b) Were all of these SIPPs advised/arranged on behalf of business owners looking to purchase their own business premises?
If no, please provide details.

Yes	No

28. Have any Proposing Entities ever advised and/or arranged a switch to a SIPP where the underlying investments are managed by a DFM?

Yes	No

29. Have any Proposing Entities ever acted as a SIPP provider?

Yes	No



30. Have any of the Proposing Entities arranged a SIPP for the purpose of investing in any product, investment or scheme not regulated by the FCA or any predecessor?

Yes	No

31. Have any Proposing Entities ever advised/arranged a SIPP on behalf of any client referred to you by an unregulated introducer?

Yes	No

If the answer is Yes to 21, 22, 26, 29, 30, or 31 please provide details below



SECTION F – Mortgages and General Insurance

- 1) Have any Proposing Entities ever provided advice or services with regards to any of the following or collective investments that have funds in the following:

	Please select	
	Yes	No
Full Status Residential Mortgage		
Sub-Prime Residential Mortgages		
Self-Certification Residential Mortgages		
Buy to Let Mortgages		
Commercial Mortgages		
Second Charge Mortgages/Secured Loans		
Unsecured Loans		
Bridging Loans		
*Equity Release/Home Reversion/Lifetime Mortgages/Sale and Rent Back		
Retirement Interest Only Mortgages		
Mortgage Packaging		
Non-Investment Life/Protection (including CI and PHI)		
Private Medical Insurance		
Buildings and Contents Insurance		
Landlords Insurance		
ASU/ASR		
PPI		
Other (if yes please provide details below)		

*Please complete the Equity Release Questionnaire

- 2) Have any of the Proposing Entities for which cover is required ever advised on commercial insurance?

Yes	No

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

Signature of Director/Partner/Principal

Name

Date



Additional Information



If you have answered YES to questions 7, 10, 11 or 12 in Section E above then please provide details in table below:

Name of investor	Date of investment	Value of client's investment portfolio	Product	Original investment value	Current value	Date of valuation

This information may be submitted as a spreadsheet



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) is 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 to view our Privacy Statement and Cookies Policy.

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 seven 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.