



# **MANAGEMENT CONSULTANTS PROFESSIONAL INDEMNITY PROPOSAL FORM**

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## 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.

LMA9117

16 March 2016

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## PROPOSER'S DETAILS

It is a requirement to capture information about every company and subsidiary company that is to be covered by the policy. As "associated" companies do not fall within the subsidiaries definition they must arrange their own cover to comply with regulations. If you are an individual or partnership, please state your full names including any trading style.

1. Company Name (including list of partners if not a limited company)
  
  
  
  
  
  
  
  
  
  
2. Address 1
  
  
  
  
  
  
  
  
  
  
3. Address 2
  
  
  
  
  
  
  
  
  
  
4. Town
5. County
6. Postcode

**If the business is a partnership, LLP, Ltd or PLC please provide full details of all other partners or any subsidiaries on the 'Additional Information' sheet at the end of the proposal form.**

**If you operate from more than one address please list all other business addresses and their business use on the 'Additional Information' sheet.**

7. Full business description (if you have a brochure or company literature, please attach them to this form)

## CURRENT INSURANCE ARRANGEMENTS

8. Insurer
  
  
  
  
  
  
  
  
  
  
9. Broker
  
  
  
  
  
  
  
  
  
  
10. Policy Limit
- Any one claim
- Aggregate
- (please tick as applicable)
  
11. Excess
  
  
  
  
  
  
  
  
  
  
12. Premium
13. Renewal date
  
14. Date commenced trading
15. Is the business VAT registered?
- Yes
- No
  
16. Please give details of any professional or trade associations you are affiliated to
  
  
  
  
  
  
  
  
  
  
17. Please provide your existing retroactive date or state 'None' if fully retroactive

# MANAGEMENT CONSULTANTS PROFESSIONAL INDEMNITY PROPOSAL FORM

## BUSINESS DETAILS

18. Please list below all partners/directors/principals of the companies named in Question 1

	Name	Qualifications	Date qualified	Age	Number of years in this role
i.					
ii.					
iii.					
iv.					
v.					

19. Do you require cover for any predecessor practices? Yes    No

If "Yes" please state below

Name of predecessor	Date commenced	Date ceased	Reason for cessation
i.			
ii.			
iii.			

20. Please state below the total number of staff

	Full-time	Part-time
Principals/directors/partners		
Qualified staff		
Draftsman		
Other		

**Please enclose brief CVs of the principals/directors**

21. Gross income/fees

a. State the actual and estimated gross fees for the following periods (if this is a new venture, please provide estimated fees expected in the first year of trading)

	Last completed year	Two years ago	Current year (est.)
UK work	£	£	£
Europe (ex UK)	£	£	£
USA/Canada	£	£	£
Other overseas	£	£	£
TOTAL	£	£	£

b. What is the end date of your financial year?      Day      Month

c. Do you have declared fees for USA or Canada? Yes    No

If "Yes" please confirm which law the contracts are subject to      English      USA or Canada

d. What was the largest (annual) fee received from a single client during the last completed year?      £

e. What is the average fee received during the last completed year?      £

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22. Areas of business

a. Please provide below a split of business activities undertaken in the last year (or estimate if a new venture)

Activity	Percentage
i. Training services	%
ii. Health & Safety consultancy	%
iii. Design and/or development consultancy	%
iv. IT and computing consultancy	%
v. Interim or local management	%
vi. Project management	%
vii. Recruitment consultancy	%
a) permanent staff	%
b) temporary staff	%
viii. Strategic consultancy	%
ix. Human resources consultancy	%
x. Marketing consultancy	%
xi. Telecommunications consultancy	%
xii. Outsourcing and facilities management	%
xiii. Quality management consultancy	%
xiv. Other	%
Total:	100 %

If you have entered a figure against 'Other' (xiv.), provide details below

b. Do you anticipate any major changes in these activities in the next 12 months? ("major changes" means any activity changing by more than 15%)

Yes    No

Only complete c. and d. below if you have entered a figure against either part of Q22.a vii. 'Recruitment consultancy'

c. Please split your last completed financial year's income approximately between the following types of placement. If a new venture please split your estimated fee income for the forthcoming year

Placement Type	Temporary staff	Permanent staff
i. Clerical/IT	%	%
ii. Technical/professional (white collar)	%	%
iii. Manufacturing/blue collar	%	%
iv. Medical/nursing/care	%	%
v. Construction/manual	%	%
vi. Drivers/warehouse workers	%	%
vii. Other (please give full details)	%	%
Total:	%	%

d. What is the average package of personnel placed?

£

e. Only complete this question if you have declared fee income under part a) of 'Recruitment consultancy' (vii.) in Q22.a. (permanent staff)

- |   |     |    |
|---|-----|----|
| i. do you select, choose or place staff for you clients without referral to them? | Yes | No |
| ii. are you responsible for checking qualifications and references?               | Yes | No |
| If "Yes" do you always verify these independently and any discrepancies checked?  | Yes | No |
| If "No" please explain your procedure below                                       |     |    |

# MANAGEMENT CONSULTANTS PROFESSIONAL INDEMNITY PROPOSAL FORM

23. Do you sub-contract any work? Yes No

If "Yes"

a. What percentage of gross income/fees was or will be paid to sub-contractors in the last financial year? %

b. Are sub-contractors required to carry their own Professional Indemnity insurance? Yes No

c. Do you get an indemnity from sub-contractors in writing? Yes No

If "Yes" for what limit? £

d. Do you require a sub-contractor to be indemnified under your own insurance arrangements? Yes No

If "Yes" please provide the following details

Name	Fees paid
	£

24. Contracts

a. Do you use a standard contract, agreement or letter of appointment? Yes No

b. If "Yes" was this reviewed by your legal advisor or similarly qualified firm? Yes No

c. Please provide details of the three largest contracts in the last six years

Client	Start date	Services provided	Total contract value	Your fees	Approx. complete date
i.			£	£	
ii.			£	£	
iii.			£	£	

d. Please provide details of the three largest contracts that are due to commence in the next 12 months

Client	Start date	Services to be provided	Total contract value	Your fees	Approx. complete date
i.			£	£	
ii.			£	£	
iii.			£	£	

25. Joint ventures/related companies

a. Are you (or any partner/principal/director) a member of any consortium or joint venture? Yes No

If "Yes" provide details below (please use 'Additional Information' sheet, if necessary)

Name	Capacity	Details of job
i.		
ii.		
iii.		

b. Do you (or any partner/principal/director) act on behalf of, or undertake work for any firm, company or organisation in which this firm or any partner/principal/director has a financial interest? Yes No

If "Yes" provide brief details below

c. Does any partner/principal/director perform an executive role on behalf of any such firm, company or organisation? Yes No

If "Yes" provide details below (policies will usually exclude claims by related companies unless emanating from an independent third party)

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26. Risk management procedures

- a. Are you accredited to (or in the process of becoming accredited to) ISO 9001 Quality Standard or subject to any other form of external assessment or quality assurance system? Yes    No
- b. Please state where you perceive your exposure to claims may arise and in what circumstances might you envisage a claim arising?  
(For example: *alleged poor advice, transactional or administrative errors, faulty design, etc.*)

- c. Please describe below how you would cater for long absences of staff or when key staff leave

- d. Are your computer systems records backed up regularly, with such records stored off-site? Yes    No
- e. Are your e-mails automatically archived after a set period? Yes    No
- f. Do you undertake any internal file audits (or peer reviews)? Yes    No
- g. Do you require satisfactory references when engaging staff? Yes    No  
If "Yes" please confirm
- |  |               |                          |  |
|--|---------------|--------------------------|--|
| i. For whom you require references     | All employees | Senior appointments only |  |
| ii. What type of reference is required | Written       | Verbal                   |  |
- h. Is any person permitted to sign cheques on his/her signature alone for amounts exceeding £10,000? Yes    No
- i. Do you operate a diary system to ensure that critical dates are not missed? Yes    No

27. Fraud/dishonesty and general

- a. Have you sustained any loss through the fraud or dishonesty of any person? Yes    No
- b. Are you aware of any allegation or occurrence of fraud or dishonesty in the last 5 years committed by any past or present partner, director or employee? Yes    No
- c. Has any person for whom insurance is now sought been the subject of disciplinary proceedings within the past 5 years by any professional body or regulator? Yes    No
- d. Is there any other material information which may be relevant to the insurer's consideration of the risk that has not been declared elsewhere in this form? Yes    No

If the answer to any of the above is "Yes" provide full details below

28. Your requirements (Demands and Needs)

- a. What policy limit do you require? £
- b. Do you require cover for your sub-contractors? Yes    No
- c. Do you require fidelity cover, if available (loss of your own money or property due to dishonesty or fraud of your own staff)? Yes    No
- d. Do you require cover for USA/Canada? Yes    No

# MANAGEMENT CONSULTANTS PROFESSIONAL INDEMNITY PROPOSAL FORM

## GENERAL QUESTIONS

Please answer question a. in relation to this business or any previous business in which the proprietor, partners or directors have traded, in this or any other name:

a. Have any insurers in the last five years declined to insure any of you or your businesses, cancelled or refused to renew any insurance or imposed special terms? Yes      No

Please answer questions b. to e. in relation to the proprietor, partners or directors of this business.

**Convictions or cautions do not have to be declared if they have become spent under the Rehabilitation of Offenders Act 1974. Reference to the Rehabilitation of Offenders Act 1974 is a reference to it as it is in force for the time being, taking into account any amendment, extension or re-enactment, and includes any subordinate legislation for the time being in force made under it.**

b. Have any of you in the last five years been declared bankrupt or insolvent, in connection with this or any other business in this or any other name, or been disqualified from being a company director or been involved as owner, proprietor, partner or director with any company which went into receivership, administration or liquidation? Yes      No

c. Have any of you in the last six years been the subject of any County Court Judgment and/or been cited in any unsatisfied court judgments (or the Scottish equivalent) and/or have any court judgments pending? Yes      No

d. Have any of you been convicted or charged (but not yet tried) with any criminal offence other than a motoring conviction? Yes      No

e. Have any of you committed any offence to which you have admitted and for which you have received an official police caution? Yes      No

**If the answer to any question is “Yes” please provide full details on the ‘Additional Information’ sheet at the end of the proposal form.**

## CLAIMS AND CIRCUMSTANCES

a. Have any claims, whether successful or not, been made against you (including any predecessors in business) or any present or former partner/principal/director in the last 5 years? Yes      No

b. Is any partner/principal/director aware, AFTER ENQUIRY, of any circumstance or occurrence which may give rise to a claim against you (including any predecessors in business) or any present or former partner/principal/director? Yes      No

If the answer to either of the above questions is “Yes” provide full details below (please use ‘Additional Information’ sheet, if necessary)

	Date of Claim	Cause of claim	Damages claimed	Defence costs	Reserves held by insurers
i.			£	£	£
ii.			£	£	£
iii.			£	£	£

c. What measures have been taken to prevent a similar claim(s) or occurrence(s) (please use ‘Additional Information’ sheet, if necessary)

(Please note that this question is for underwriting purposes only. It does NOT constitute notification of a claim or possible claim. You are required to make a separate notification to the current insurer in accordance with their policy terms and conditions, prior to expiry of the current policy)

## 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 Please print name

Date Position



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ADDITIONAL INFORMATION

