



# **Professional Indemnity Proposal Form For NACFB Commercial Finance Intermediaries**

# Towergate Lifestyle

If you need any assistance completing the form please call the PI team.

For all General Underwriting queries 0114 250 0011

Fax: 0114 250 0033

General email enquiries: [lifestyle@towergate.co.uk](mailto:lifestyle@towergate.co.uk)

Larger cases, claims or technical queries contact: Daniel Bower

Telephone: 0114 280 2965

Email: [daniel.bower@towergate.co.uk](mailto:daniel.bower@towergate.co.uk)

Email the completed form to: [lifestyle@towergate.co.uk](mailto:lifestyle@towergate.co.uk) or

Fax to: 0114 250 0033 or

Post to: Towergate Lifestyle, Suite 6 The South West Centre, Troutbeck Road, Sheffield, S7 2QA

## Commercial Finance Intermediaries

This proposal form is for use by non regulated Commercial Financial Intermediaries requiring Professional Indemnity cover for their Commercial Finance activities – if any part of your business is regulated please contact us and request the relevant FSA Regulated Mortgage Brokers form or download one from our website: [www.towergatelifestyle.co.uk](http://www.towergatelifestyle.co.uk)

Commercial Finance activities include: Buy to Let Mortgages, Commercial Mortgages and Finance, Bridging Loans, Secured Loans/Lending, Asset Finance, Invoice Factoring and Discounting.

Premiums are calculated on gross income (see definition below) that was received in the proposers last complete financial year prior to inception or renewal of the PI Insurance. If the proposer is in the first trading year or is due to start trading, income should be estimated as accurately as possible, using projections based on the proposed business activities.

Definition of Income is your Gross income derived from Procuration fees, Commission, Broker Arrangement fees, Completion fees, Management fees, Packaging fees and any Introduction fees relating to the conduct of Non Regulated Commercial Finance business.

**Debt Management Business** – this activity can be covered but is limited to introducing only (giving no advice) and is subject to a sub limit of indemnity of £100,000 in the aggregate. The excess is £1,000 each and every claim/claimant, or the excess shown in the schedule if higher. If you require cover to conduct this activity on a fully advised basis please contact us for the relevant proposal form.

If you have a requirement for other business activities – e.g. IFA work, Mortgage Broking, Letting or Estate Agents, Debt Management advice, Will Writing or any other activity please do not hesitate to contact us to discuss further.

The excesses, premiums and limits of indemnity are always subject to final underwriting. If you require further details relating to any of the activities shown above please refer to the Policy Terms and Conditions.

If a change or mid term adjustment is made during the period of Insurance, Towergate Lifestyle will charge an administration fee of £35.00 and once your Professional Indemnity Certificate has been issued, it cannot be cancelled mid term.

## Disclosure

All information that is material to your coverage requirements, or which might influence Insurers in deciding whether or not to accept an insurance risk, the terms and conditions that they offer and/or the cost of cover, must be disclosed by you. The onus is on you to decide what may be material and there is no duty on insurers to make enquiries of you. Failure to disclose material facts may allow insurers to avoid the insurance and/or decline a claim under it. The duty of disclosure applies equally on taking out a new insurance Certificate and at renewal and throughout the duration of the Certificate.

If you are in doubt whether or not any fact is material, you should disclose the information to insurers.

## Claims and/or Claims Circumstances

The insurance to be arranged provides cover on a 'claims made' basis, which means that cover must be in force at the time you first become aware of a claim or circumstances which could lead to a claim. Notification to us must be given at that time. It is that Certificate which will respond to any subsequent claim – even if the claim develops years later and/or arises out of activities performed prior to its inception.

If you any require assistance in completing this form please contact Towergate Lifestyle on 0114 250 0011.

**Please note that we may communicate with you by email so please provide a valid and regularly used email address**

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## Professional Indemnity Questionnaire

For NACFB Commercial Finance Intermediaries

1<sup>st</sup> December 2009 – version 1

### Important Information – Please read carefully:

To prevent underwriting difficulties, and to speed up processing, it is very important that all sections are correctly completed. Any sections left incomplete will mean that the application form will be returned to you for amendments. You should be aware that you are not on cover until a fully completed application form has been received and accepted by underwriters and a quote has been accepted by you with the relevant method of payment attached, i.e. single premium cheque, credit card details or bank details have been provided. Please note that it is an FSA requirement that cheques are banked within 24 hours of receipt. The fact that a cheque has been banked does not imply that the premium and/or the proposal has been accepted and/or the Insurance is in force.

You have a duty at all times to notify us if you become aware of any circumstances that may give rise to a claim. In the event that any such circumstances occur before the proposed start date of this insurance, rates may change from those published or those already offered. Please forward all details of the circumstances or complaint, including correspondence from the complainant and any other information you feel is relevant.

Professional Indemnity (PI) policies respond on a claims-made basis, which means that cover is only provided for matters arising where Professional Indemnity Insurance is in force at the time of notification of the complaint or claim. Please note that Professional Indemnity Insurance Certificates are issued as annual contracts and you cannot cancel the Insurance mid-term.

If you require any further information or assistance in completing the application form, please contact your Insurance Broker or the Professional Indemnity team at Towergate Lifestyle.

**Please keep a copy of this fully completed form for your records.**

### 1 – Business Details

Do you require PI cover for any FSA Regulated business?

Yes

No

**If YES, do not progress any further and call us for the relevant form that will provide cover for your regulated activities**

Trading name(s) of the Insured/  
Applicant/Proposer

Date firm established

Trading Address

Please indicate your status with the NACFB:

Full Member

Associate Member

Please provide your NACFB membership number:

Please detail any previous trading names cover is required for – please provide full information. Continue on a separate sheet if necessary

Name of Firm	Date firm established

Email

Telephone

Mobile

Fax

Website

*Please note that wherever possible we will be communicating with you by email so please provide your direct email address*

Full Names of Sole Trader / Directors / Partners	Age	Mortgage/Financial/Qualifications	Years Experience

How many Directors, Administration Staff and Sales Consultants will be covered under this Insurance – please insert the numbers below

Directors/Partners

Sales Consultants

Administration Staff

If you outsource your compliance, please provide the name of the firm used

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## 2 – Financial Details – Income received from the following activities

Please confirm the date of your financial year end

 /  / 

**For definition of Income – see notes on page 2. If you are a new business please project income for underwriting purposes**

Gross Fees/Income earned in:	Previous Year	Last Complete Financial Year	Current/ Next year (projected)
Gross Fee Income	£	£	£

In respect of the above declared income(s) please state the number of cases completed for each of the following activities in the last financial year - if you are a new start up business show projected number in your target market for the next 12 months

How many cases were:

Buy to Let Mortgages	<input type="text"/>	cases
Commercial Mortgages/Finance	<input type="text"/>	cases
Bridging Loans	<input type="text"/>	cases
Secured Loans	<input type="text"/>	cases
Asset Finance	<input type="text"/>	cases
Invoice Factoring/Discounting	<input type="text"/>	cases
Other – please describe :-	<input type="text"/>	cases

Please give the largest and average case size in respect of business transacted in the last year. If the company is newly established give an estimate based on your target market

Largest Case £

Average Case £

Can you warrant that for the classes of business conducted you operate good practice and hold files that provide a clear audit trail and demonstrates that any product arranged was in the best interest of the client and met their specific requirements?

Yes  No

If you cannot confirm that you operate such procedures, please detail why in the notes section at the end of the form

Do you require cover for Introducing Debt Management Business to third parties?

Yes  No

If YES please disclose the income derived from such activities in the last 12 months

£

## 3 – Please select (tick) the Limit of Indemnity required

Tick

£250,000 in the aggregate

£500,000 in the aggregate

£1 million in the aggregate

£1.75 million in the aggregate

**Details of Previous Insurer** - please provide the details below

Name of Insurer  Renewal Date  Premium Paid £

How many years have you held previous professional Indemnity cover?  years

If you have not had previous insurance, are you a new start up business? Yes  No

If No, were all your previous activities covered under another firm or Network? Yes  No

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## 4 – When do you want this Insurance to start (Insert start date or tick one other box & do not backdate)

Start Date

On existing Towergate  
renewal date

Or tick if TBA

## 5 – Please read and answer the following questions carefully

Can you warrant that in 100% of the cases you require cover for you hold/own relevant files and these will be available to underwriters in the event of a complaint?

Yes

No

**If No please detail why in the notes section at the end of the form**

Have you or your Firm or any individuals therein ever been subject to MCCB, FSA or any other Regulator or Trade Association disciplinary procedures, enforcement action or been required to undertake any remedial action in the conduct of your business activities? **(If Yes, you must attach full details)**

Yes

No

Have you or your Firm or any individuals therein ever had **any** complaint or claim made against you/them or are you/they aware of any matter or circumstance that may give rise to a claim?

**(If Yes, you must attach full details)**

Yes

No

Has any insurer ever declined to offer insurance, imposed any special terms or cancelled/voided an insurance policy for the Firm, Proposer, any Partner, Principal or Director?

**(If Yes, you must attach full details)**

Yes

No

Towergate Lifestyle would like to keep you informed by telephone, post or email of selected products and services available from us and carefully chosen suppliers. If you don't wish us to do so, please tick.

## 6 – Declaration

*Please read the following carefully*

### Data Protection

By signing this proposal form you consent to the Towergate Underwriting Group using the information we hold about you for the purpose of providing insurance contracts and where appropriate, assistance in relation to handling claims, if any, and to process sensitive personal data about you where this is necessary (for example criminal convictions). This may mean that we have to give some details to third parties involved in providing insurance cover. These third parties may include insurance carriers, third party claims adjusters, fraud detection and prevention service, reinsurance companies and regulatory authorities. In the course of performing our obligations to you, this information may be disclosed to agents, or service providers appointed by us, or Insurers, (including their reinsurers, legal advisers, loss adjusters or agents). Where such information relates to anyone other than you, you must obtain the explicit consent of the person to whom the information relates both to the disclosure of such information to us and by its use by us as set out above. The information provided will be treated in the strictest confidence and where relevant, in compliance with the Data Protection Act 1998. You have the right to apply for a copy of your information (for which we may charge a small fee) and to have any inaccuracies corrected.

### Duty to disclose material facts:

Since an Insurance/Reinsurance Contract is based upon the duty of utmost good faith, it is important that those seeking Insurance/Reinsurance should provide full disclosure of all material facts to Insurers and that this information should be kept updated. The Courts will find a fact to be 'material' where it would affect the judgement of a prudent Insurer as to whether or not to accept the risk at the particular terms offered. You are reminded that if you are in doubt whether or not any fact is material we recommend that you disclose the information to insurers.

### Declaration

I/we hereby confirm that I am authorised to complete this Application Form on behalf of all parties entitled to coverage under this insurance.

I/We declare that after full enquiry the statements or particulars are true and that I/We have not omitted, misstated or suppressed any material facts which may be relevant to insurers consideration of this proposal form.

I/We undertake to inform the Insurers of any change to any material fact that occurs prior to the point at which this insurance contract has been agreed.

I/We agree that this proposal, together with any other information supplied by me/us, shall form the basis of any contract of insurance effected thereon and understand that signing this proposal form does not bind the proposer to complete this insurance.

Full Name:

Position:

Signature:

Date:

**N.B. APPLICATIONS MUST BE SIGNED WITHIN 30 DAYS OF THE PROPOSED START DATE AND CANNOT BE BACK DATED**

Please take a couple of minutes to check the information on the proposal form

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**7 – How do you wish to pay your premium?** Whatever payment method you have chosen, please note that payment will not be taken until you have been provided with and accepted our written quotation.

Single Premium Cheque

Monthly Instalment Facility

Annual Premium by Credit/Debit Card

Please complete one of the following payment methods

I enclose a cheque made payable to Towergate Lifestyle for the annual premium of:

£

Please note that if you have sent us payment by cheque, it is a Financial Services Authority requirement that cheques are banked within 24 hours of receipt. The fact that a cheque has been banked does not imply that the premium has been accepted and/or the proposal has been accepted and/or the Insurance is in force. In view of this FSA requirement please **do not** POST DATE cheques or they will be returned to you.

**Or I prefer to pay the premium by instalments using the monthly payment option below**

The Premium Instalment Facility administered by Premium Credit Ltd is a Finance Agreement, is payable over 10 months and is subject to no additional charge (0% apr). If you have chosen this option, please complete the details below:

Bank Name & Address

Sort Code

Account Number

Account Name

If you choose to pay by Monthly Instalments you will be entering into a Finance Agreement with Premium Credit Ltd. On acceptance of your application for premium instalments, **Premium Credit Ltd** will write to you enclosing details of your **Finance Agreement** and a schedule of monthly payments. Your first instalment will be collected on or around the commencement date of this Professional Indemnity Insurance.

**Please note** that if your Bank or Building Society does not honour your direct debit request for any reason, **Premium Credit Ltd** will charge an administration charge in line with current clearing bank charges. A schedule outlining default fees will be included in the welcome pack from **Premium Credit Ltd** when you take out each new loan. Any default fees will be added to the collection amount when your original payment is re-presented to your bank. If the second or subsequent request for payment fails, your account with **Premium Credit Ltd** will be closed and all cover under the Insurance will lapse. It is very important that you notify us if you change your address or move your bank account.

You should be aware that dependent on the start date of this Insurance and the date the finance agreement commences, two payments may be collected in one month. Call us if you require further information.

The account holder must sign and date the box opposite to confirm their agreement to the collection of monthly payments from the above bank account.

**You should only sign if you agree to maintain payments.**

Print Name

Signature

Date

**Or I prefer to pay the Annual premium payment by Credit or Debit Card details below**

Premiums paid by Credit or Debit Card are subject to a 2.5% additional charge – Please complete the details below (Please note this option cannot be used for monthly payments)

Please indicate Type of Card

Access / MasterCard

Visa

American Express

Debit Card

Card Number

Expiry Date

Start Date (if given on Card)

Issue Number (Switch Only)

Name as it appears on the Card

Signature of Card Holder

Date

**For Towergate Lifestyle Office Use Only**

Insured name

Client Ref

Certificate No

Premium

£

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Notes section - Please use this space or attach a separate sheet to provide additional information: