

PROFESSIONAL INDEMNITY PROPOSAL FORM

Important Notice

This proposal form has been compiled in such a manner as to provide Insurers with as much detail as possible with regard to evaluation of the Insurance requirements. Completion of this form does not bind the Proposer or Insurers to complete the insurance transaction.

To assist Insurers in accurately assessing liability for rating purposes, proposers are requested to answer all the questions with either:

Relevant details, "Yes", "No" or "Nil" answers.

Where Yes/No answers are required, please mark the appropriate box with an "X".

Please answer **ALL** questions fully, replies such as "see your records", or "as previously advised" are not acceptable.

If the space provided is insufficient, a separate sheet should be attached.

BROKERAGE DETAILS	
Name of Brokerage	
FSB License No	Category (eg: I, II)
Category II License	If more than 5% of the total income of practice, please request the relevant Addendum which needs to be completed.
Company Registration No	
Vat No	
ID Number (if Sole Proprietor)	
Sole Proprietor <input type="checkbox"/>	Partnership <input type="checkbox"/>
Incorporated Company <input type="checkbox"/>	Limited Company <input type="checkbox"/>
Close Corporation <input type="checkbox"/>	

Contact details of Brokerage	
Contact Person:	Name
Work: ()	Home: () Fax: ()
Cellular:	Email:
Postal Address:	
	Postal code: <input type="text"/>
Physical Address:	
	Postal code: <input type="text"/>

MASTHEAD Membership Number:	Compliance Practise: (eg. Moonstone Compliance, Comply Serve, Sterling, etc.)
Allan Gray? Yes or No?	Membership: FPI / FIA / LUASA, etc.

Staff Complement	
Total number of:	
Partners / Principals / Directors / Members	<input type="text"/>
Professional Assistants / Accounts Executives / Representatives (Other than Principals)	<input type="text"/>

Names and Qualifications of Principals

- In the case of Partnerships – Partners
- In the case of Incorporated Companies – Directors
- In the case of Limited Companies – Professionally qualified Directors
- In the case of Close Corporations – Members

Name	Formal Qualifications	Date Qualified	How long Principal in this Practice?
			Years
			Years
			Years
			Years
			Years

Business Profile Questionnaire

The following information is required for EVERY PRINCIPAL / MARKETER SELLING OR GIVING ADVICE WHICH IS involved in the practice (If space is insufficient, please complete on a separate sheet)

	Person 1	Person 2	Person 3
Full name & surname	<input type="text"/>	<input type="text"/>	<input type="text"/>
How long have you been involved in:			
• The long-term insurance industry (including unit trusts, investments, etc)?	<input type="text"/> Years	<input type="text"/> Years	<input type="text"/> Years
• The short-term insurance industry?	<input type="text"/> Years	<input type="text"/> Years	<input type="text"/> Years

Insurance related training

Give particulars of the highest insurance training that you have completed (e.g. Investment Advice, Sanlam, 2000)

Training Course			
Institution	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date	<input type="text"/>	<input type="text"/>	<input type="text"/>

- Please supply the % of income that each principal contributes to the practice (must add up to 100%)

Long-term	100% =	<input type="text"/> % of practice	+	<input type="text"/> % of practice	+	<input type="text"/> % of practice
Short-term	100% =	<input type="text"/> % of practice	+	<input type="text"/> % of practice	+	<input type="text"/> % of practice

Business Activities

Declaration of Total commission / fees earned:

AMOUNT (R) OF INCOME						
	Investments / Life / Single Commission	Life Recurring Commission	Short Term Commission	Medical Commission	*Other Income* Specify and provide details	TOTAL:
Last Financial Year	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Estimated for the Forthcoming Year	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

PLEASE PROVIDE FULL DETAILS OF OTHER INCOME

Investments: Corporate Saver Accounts:

Do you manage corporate saver accounts

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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If YES, what is total value of the accounts

R	<input type="text"/>
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If YES, what is value of largest account on books

R	<input type="text"/>
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Short Term Insurance:

Do you have any Binding Underwriting and / or Claims Settlement Authorities, otherwise than in terms of Standard Agency Contracts?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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Marine / Aviation:

Do you do Marine Hull and / or Aviation Hull and liability business?

If YES: You will need to request a Supplementary Questionnaire.

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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Do you do any insurance for Aviation (aeroplanes) or Marine (boats)?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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Do you use a specific underwriter:

<input type="text"/>

What is the value of the largest risk:

R	<input type="text"/>
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Quality of business: (Long Term Insurance)

Give the current persistency rate with the long-term insurers that you have broker contracts with (e.g. Sanlam – 94%)

Sanlam	<input type="text"/>	%
SA Mutual	<input type="text"/>	%
MMI	<input type="text"/>	%
Liberty	<input type="text"/>	%
Discovery Life	<input type="text"/>	%
Other	<input type="text"/>	%

Quality of business: (Short Term Insurance)

Give the claims ratio applicable to your portfolios.

	Previous Year	Current Year	
Personal Lines	<input type="text"/>	<input type="text"/>	<input type="text"/>
Commercial Business	<input type="text"/>	<input type="text"/>	

Is the Proposer liquid and solvent as of the date of this proposal form?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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Considering all reasonably foreseeable circumstances, a company is considered

- **SOLVENT** if the fair value of the assets of the company equal or exceed its liabilities;
- **LIQUID** if it appears that the company will be able to pay its debts as they become due in the ordinary course of business for the next 12 months

Do you make use of a practice management system? (e.g. S.Net, Spotlight, etc.)?

If YES, which system? _____

Quotation required:

What is the LIMIT of Indemnity you require? (Please tick one box)

R 1 000 000	<input type="checkbox"/>
R 1 500 000	<input type="checkbox"/>
R 2 000 000	<input type="checkbox"/>
R 2 500 000	<input type="checkbox"/>
R 3 000 000	<input type="checkbox"/>
R 3 500 000	<input type="checkbox"/>
R 4 000 000	<input type="checkbox"/>
R 4 500 000	<input type="checkbox"/>
R 5 000 000	<input type="checkbox"/>
R 7 500 000	<input type="checkbox"/>
R 10 000 000	<input type="checkbox"/>

EXTENSIONS REQUIRED: (See Brochure for explanation)

Must we include Reinstatement ?

- One Reinstatement @ 10% of basic premium pm?
- Two Reinstatement @ 15% of basic premium pm?

YES	NO
YES	NO

Must we include Employee Dishonesty Liability @ 5% of basic premium pm?

YES	NO
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Must we include Cyber Liability?

- R250 000 @ R30 pm?
- R500 000 @ R45 pm?
- R750 000 @ R65 pm?
- R1 000 000 @ R85 pm?

YES	NO
YES	NO
YES	NO
YES	NO

Must we include Directors & Officers cover for R1 000 000 @ R55 pm?

YES	NO
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Please answer the following questions if you elect to take D & O Cover:

Will the Proposer and its subsidiaries have more than 10 directors / members in the foreseeable future?

YES		NO	
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Has the Proposer been trading for less than 18 months?

YES		NO	
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Did the auditor's report on the Proposer's most recent annual financial statements contain a "qualified opinion", "adverse opinion", "disclaimer of opinion" or "emphasis of matter"?

YES		NO	
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Is the Proposer domiciled outside the RSA?

YES		NO	
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Does the Proposer's total assets or annual turnover exceed ZAR 100m?

YES		NO	
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Has the Proposer or any of its D&O ever had any Insurer decline a proposal, cancel or refuse to renew or impose special conditions for D&O Liability Insurance?

YES		NO	
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Is the Proposer, or any of its D&O, aware after enquiry, of any circumstance or incident which may give rise to a D&O claim, or which has previously given rise to a claim?

YES		NO	
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Previous PI Insurance

Do you currently have PI Cover?

YES		NO	
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If YES, when is the renewal of the policy?

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If YES, please give the inception date of the policy.

DATE	
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(Attach a copy of existing insurance certificate)

Has the cover/policy been uninterrupted since the inception date?

YES		NO	
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If NO, please give the last date on which the cover/policy was re-instated.

DATE	
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For the type of Insurance now being proposed, has any Insurer ever:

Declined Proposal or renewal for this Practice or any Partner / Principal?

YES		NO	
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Required an increased premium or imposed special terms?

YES		NO	
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Cancelled Insurance?

YES		NO	
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If any answer is YES; please give full details

Claims and Possible Claims:

Have any claims ever been made against the proposed Insured / Partners / Directors / Members or Employees for the type of cover for which you are now applying or are you aware of any circumstances that may give rise to a claim?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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If **YES**: please give full details (attach additional page if necessary)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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If **YES**: please give full details (attach additional page if necessary)

Please read this paragraph carefully before signing the declaration :

It is essential that every Proposer or Assured when seeking a quotation to take out or renew any insurance discloses to the prospective Underwriters all material facts and information (including all material circumstances) which might influence the judgment of an Underwriter in deciding whether to accept the risk and on what terms. The obligation to provide this information continues up until the time that there is a completed contract of insurance. Failure to do so entitles the Underwriters, if they so wish, to avoid the contract of insurance from inception and so enables them to repudiate liability thereunder. If you have any doubt as to what constitutes a material fact or circumstance please do not hesitate to ask for advice.

DECLARATION

I/we declare that, after full enquiry, the contents of this proposal are true and that I/we have not misstated, omitted or suppressed any material fact or information. I/we agree that this proposal together with any other information supplied by me/us shall form the basis of any contract of insurance which may be effected. If there is any material alteration to the facts and information which I/we have provided or any new material arises before the completion of the contract of insurance, I/we undertake to inform Underwriters.

Dated this _____ day of _____ 20_____

Signature of Principal : _____

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

PLEASE NOTE : This Proposal Form should be completed by YOU and signed by YOU. If the Proposal Form has been completed by your BROKER, review the Proposal Form before signing it. DO NOT sign a BLANK Proposal Form.

Underwritten by:



Administered by:



Reg. Nr. (1997/000059/7)