

PYV LIMITED **MORTGAGE INTERMEDIARIES** **PROFESSIONAL INDEMNITY PROPOSAL FORM** **FOR A 'CLAIMS MADE' INSURANCE POLICY**

It is very important that you disclose fully and accurately all material facts. If you require more space please continue on your headed paper and then sign and attach to this form. Failure to do so may result in the insurance being void. Material Facts are those which may affect Underwriters' assessment of the risk. If you have any doubt as to whether something is a material fact it is recommended that you disclose it, irrespective of any disclosure on previous years' proposal forms. If you need any assistance in the completion of this form please do not hesitate to contact us.

Please answer all the questions. Completion of this proposal form does not obligate either party to complete a contract of insurance.

*If you are aware of any claims or potential claims ("circumstances") and you are currently insured via ourselves, please report them immediately, in a separate letter, to our claims department at the address below. The information contained within this proposal form is for underwriting purposes only and **NOT** for claims processing/first notification.*

UNBEATABLE VALUE; EXCEPTIONAL PROTECTION

COMPETITIVE PREMIUMS AND COVERAGE

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CIVIL LIABILITY WORDING

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OWN LEGAL DEFENCE COSTS

•

LIBEL AND SLANDER COVER

•

CYBER LIABILITY COVER

•

FINANCIAL OMBUDSMAN SERVICE AWARDS COVERED

•

COVER FOR GENERAL INSURANCE ACTIVITIES AVAILABLE

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ACCIDENTAL DAMAGE TO DOCUMENTS COVER

PYV Limited, No.10 St. Mary at Hill, London EC3R 8EE

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PYV Limited · Lloyd's Brokers · Wholly owned subsidiary of Pointon Group Limited
 Registered in England No. 979259 · Registered Office: No. 10 St. Mary at Hill · London EC3R 8EE

Authorised and regulated by the Financial Services Authority

IMPORTANT NOTES

Mortgage Business

Covers regulated mortgage business for residential UK mortgages. Mortgages arranged for overseas properties must be referred to underwriters.

Pure Protection and other General Insurance Business

Covers regulated personal insurances sold in connection with mortgages – e.g. household, buildings and contents and pure payment protection insurances.

Underwriters will individually assess your business from buildings and contents policies where sums insured exceed £1,000,000, pension term assurance work and pure protection policies where the amount of indemnity or compensation available under an individual policy transacted exceeds £500,000 and endorse the policy accordingly.

N.B. Cover for General Insurance work is only available where your income from General Insurance business does not exceed your Gross Mortgage income and no cover is available for commercial insurance activities except in relation to residential Buy-to-Let. This policy also excludes investment business activities whether authorised by the Financial Services Authority or not. If your requirements are different, please contact us on 020 7626 6789 and one of our PI experts will be happy to help.

Commercial Mortgage Work

Our Insurance also covers Buy-to-Let and other commercial mortgages, subject to proposal.

Retroactive “Back” Cover

The policy can provide cover in respect of claims arising from business undertaken before the policy commencement date.

Pre-Network Cover

Should you join a network during the currency of this policy, you will continue to be covered for claims arising from work done prior to joining the Network while you keep this policy in force.

Financial Ombudsman Service Awards

Our policy satisfies the FSA's requirement to cover Ombudsman Awards up to £100,000 any one award subject to the overall policy limit you select.

Schemes for Reviewing Past Business

The Travelers wording, subject to policy terms and conditions, will indemnify in respect of any claims arising from, or connected to, a review of your business ordered by the FSA but excludes an industry wide review ordered under Section 404 of the Financial Services & Markets Act 2000.

Cyber Liability Cover

Cover up to £250,000 in the aggregate inclusive of defence costs included within the indemnity limit for claims.

If you already have P.I. Insurance

If you choose to subscribe to our scheme and you already have less generous Mortgage Intermediary or General Insurance protection on another Policy, you may use this policy to provide the extra protection

FIRMS Please Note

If a firm, all approved persons and Appointed Representatives are covered, provided they are fully disclosed and you include their income in your Gross Income figures.

The Insurance protection provided is subject to the terms of the policy wording which is available on request.

Please note the policy does not provide for cancellation. Where, however, underwriters do agree, at their sole discretion, to cancel the policy, PYV will levy an administration charge equivalent to brokerage earned. We cannot guarantee that Insurers will agree to any cancellation.

An administration fee of £48 will be charged in addition to any brokerage earned.

1 GENERAL INFORMATION

Name of Legal Entity to be Insured

Trading Title

Name all other businesses, including any Appointed Representatives or predecessor businesses, for which cover is required under this insurance. For any predecessor businesses, please also provide the year business commenced and year ceased trading.

Address

Postcode

Telephone Number Fax Number

Email Address Web Address

Date Established / / FSA Number

Financial Year End / /

2 MORTGAGE INTERMEDIATION

Are you a member of the Association of Mortgage Intermediaries? Yes No

Is the signatory to the proposal form or any Director, or Partner, or Employee a member(s) of the Personal Finance Society? Yes No

Do you outsource compliance to Bankhall? Yes No

Gross Income for last complete financial year £

'Gross Income' means all income received or receivable which is commission, brokerage or fees (including gross procurement, arrangement and packaging fees) arising from mortgage intermediation and secured/unsecured lending work, including Appointed Representatives' income. Do not include General Insurance income here.

Where you have not previously traded, use the figure shown in your business plan for first year's trading. If you have not completed a full year's trading, estimate for 12 months, indicating commencement date below.

Commencement date / /

Percentage of Gross Income received from Packaging (where no advice is given) %

Percentage of Gross Income received from Commercial Mortgage Work (excluding Buy-to-Let) %

Percentage of Gross Income received from Buy-to-Let mortgages %

Percentage of Gross Income received from Secured Lending (excluding first charge mortgages) %

Percentage of Gross Income received from Unsecured Lending %

1. In respect of the last twelve months, please advise the following:

a) Domestic mortgages - Total number arranged

b) Domestic mortgages - Average loan value £

c) Domestic mortgages - Maximum loan value £

d) Commercial mortgages - Total number arranged

e) Commercial mortgages - Average loan value £

f) Commercial mortgages - Maximum loan value £

g) Number of Self-Certified mortgages arranged included in 1(a) and 1(d)

h) Number of Self-Certified mortgages in (1.g) arranged for people who are not self-employed

i) Number of Buy-to-Let mortgages included in 1(a) and 1(d)

j) Number of Lifetime Mortgages (roll-up/equity release) included in 1(a) and 1(d)

k) Number of Home Reversion plans arranged

l) Number of Right-to-Buy mortgages arranged included in 1(a) and 1(d)

- 2. Does the business hold client money or assets? Yes No
- 3. Does the business operate as a Network Principal? Yes No
- 4. Does the business (or its Appointed Representatives) operate any delegated or binding authority on behalf of mortgage lenders, insurers or any other business? Yes No
- 5. Do you always provide key fact illustrations that are clear and comprehensive and retain these on your file for at least six years? Yes No
- 6. Do you always ensure that your clients are fully and clearly informed as to the risks and suitability of any mortgage product you transact on their behalf? Yes No
- 7. Do you regularly audit mortgage advisors for whom you are responsible to ensure compliance with regulatory requirements governing identity checks and the sale and arrangement of mortgages? Yes No
- 8. In all cases, can you confirm that mortgage payment affordability was discussed with the client and investigated by you for plausibility, evidence of income and/or employment status so you were satisfied that the loan was suitable? Yes No

If you answered 'No' to any of questions 5-8 please explain below or on your headed paper.

- 9. What percentage of all mortgages arranged is sub-prime? %
- 10. What percentage of sub-prime mortgages arranged is Self-Certified? %

11. Please name your top five lenders over the past two years for sub-prime mortgages.

i	<input style="width: 95%;" type="text"/>	iv	<input style="width: 95%;" type="text"/>
ii	<input style="width: 95%;" type="text"/>	v	<input style="width: 95%;" type="text"/>
iii	<input style="width: 95%;" type="text"/>		

- 12. Has the proposer or any partner/director/employee or Appointed Representative ever been removed from a lender's panel? Yes No

If 'Yes' please give full details below or on your headed paper.

- 13. Has the proposer been subject to any regulatory visit or investigation or disciplinary/enforcement action (including thematic review work)? Yes No

If 'Yes' please give full details below or on your headed paper and include any relevant report.

- 14. What percentage of your income is derived from non-advised sales? %

15. If you are responsible (whether as a packager or not) for appointing a surveyor in connection with the valuation of the security for a loan, please state below or on your headed paper the names of the surveyors used, their firms, and the total number of such instructions given in the last 12 months to each named surveyor:

Name	Firm	No. of Instructions
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

If you transact equity release, lifetime mortgage or home reversion products please answer Q.16 and Q.17

16. In respect of equity release, lifetime mortgage and home reversion products, please confirm:

- a) You always undertake a full fact find to understand client's objectives and income? Yes No
- b) You always explain the downsides as well as the benefits of equity release? Yes No
- c) You state alternative products that might suit the client's needs? Yes No
- d) You explain the effect on inheritance of the property? Yes No
- e) You explain the possibility of losing means tested benefits? Yes No

17. Please advise the qualifications and experience of the individuals who provide equity release, lifetime mortgage or home reversion plan advice for your firm:

Name	Qualifications	Number of Years selling these products

3 GENERAL INSURANCE

IMPORTANT: The general Insurance protection is designed to cover only those General Insurances directly linked to normal mortgage business; i.e. household, buildings and contents policies and Pure Protection policies.

Please note that **no** cover is available for commercial insurances except in relation to residential Buy-to-Let.

Do you require cover for General Insurance activities? Yes No

General Insurance Income for last financial year

'General Insurance Income' means all income received or receivable which is commission, brokerage or fees arising from general insurance intermediation, including Appointed Representatives' income. Do not include Mortgage Intermediation or secured/unsecured lending income here.

Where you have not previously traded, use the figure shown in your business plan for first year trading. If you have not completed a full year's trading, estimate for 12 months, indicating commencement date below.

Commencement date

1. Has any insured business arranged pure protection policies where the sum payable under the policy exceeds £500,000 or any buildings or contents policies where the sum payable under the policy exceeds £1,000,000? Yes No

If Yes, please state:

a) Number of such policies placed

b) Maximum sum payable under any one policy

2. How many pension term assurance policies have you arranged in the last year?

Underwriters will individually assess your business from buildings and contents policies where sums insured exceed £1,000,000, pension term assurance work and pure protection policies where the amount of indemnity or compensation available under an individual policy transacted exceeds £500,000 and endorse the policy accordingly.

4 MORTGAGE INTERMEDIATION AND GENERAL INSURANCE

Does the business currently have professional indemnity insurance? Yes No

If Yes, and you are not already a PYV Client, please provide details of your current insurance below:

Name of insurer/broker	Limit of indemnity	Excess	Premium	Renewal date
	£	£	£	/ /

CLAIMS AND CIRCUMSTANCES

- 1) After enquiry, give details of any past or existing claims, or any circumstances which may give rise to a claim against the business principal, partners or directors, any employee, Appointed Representative or predecessor in business in respect of the type of liabilities to which this proposal relates. If you have nothing to declare in this section, please write 'No Claims'.

- 2) If applicable, please detail steps taken to prevent any recurrence of claims described above.

DECLARATION

I/WE declare that the above statements and particulars are true, full enquiry having been made, and I/WE have not suppressed or mis-stated any material facts and undertake to inform the Insurer of any change to any material fact.

I/WE agree that this declaration, together with any other information supplied by me/us, shall be the basis of any contract between me/us and the Insurer.

Signature	Principal/Partner/Director/LLP Member	Date	/ /
Print Name	Principal/Partner/Director/LLP Member		

Please retain a copy of this form for your records.