

**PROFESSIONAL INDEMNITY INSURANCE  
FINANCIAL SERVICES QUESTIONNAIRE**



**INSTRUCTIONS**

Please provide a full answer to every question. Please ensure that all answers are typewritten or printed in block letters within the spaces provided. A principal of the practice must sign and date this form and any separate sheets.

**QUESTION ONE**

Please provide a percentage breakdown of your fee income for the last financial year within the following table.

		Personal	Commercial	Total %
1	Risk Management / Management Consultancy	%	%	%
2	Building Society Agency	%	%	%
3	Investment - Enterprise Initiative Schemes	%	%	%
4	Investment - Film Finance	%	%	%
5	Investment – ISA’s & PEP’s	%	%	%
6	Investment - Unit Trusts & Insurance/Income Bonds	%	%	%
7	Investment - Venture Capital Trusts	%	%	%
8	Dealing	%	%	%
9	Private Client Portfolio Management	%	%	%
10	Institutional Fund Management	%	%	%
11	Pensions – Personal/Individual	%		%
12	Equity Release Schemes / Lifetime Mortgages	%		%
13	Pensions – Corporate/Group		%	%
14	Pensions – Fund Management/Trustees		%	%
15	Pensions – Administration		%	%
16	Mortgage	%	%	%
17	Endowments	%	%	%
18	Other Life	%	%	%
19	General Insurance - Personal Lines	%	%	%
20	General Insurance - Commercial	%	%	%
Other(s) (details to be provided below)				
21	Other 1	%	%	%
22	Other 2	%	%	%
23	Other 3	%	%	%
24	Other 4	%	%	%

**QUESTION TWO**

2.1 Do you / have you in the past provided specific advice (as opposed to generic information) to contract out of SERPS/S2P? If ‘Yes’, please complete questions 2.2 – 2.5 Yes  No

2.2

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Aged 40 and over at time of contracting out																					
Number of cases still in force																					



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Total Fees</b>										
<b>No. of Cases</b>										

6.2 Has the firm always advised potential investors that an Endowment can not be guaranteed to pay off any loan or mortgage sum at maturity and documented this advice on file? Yes  No

6.3 Has the firm always advised potential investors in an Endowment where the Monies are to be invested and documented such advice on file? Yes  No

6.4 Has the firm always completed and maintained on file a "Client Financial Planning Analysis" or "Know Your Client" questionnaire in respect of all Endowments arranged? Yes  No

If 'No', to Q6.2, 6.3, 6.4 please explain:

6.5 Please can you confirm the Maximum Maturity Value

6.6 Please can you confirm the Average Maturity Value

6.7 Have you ever advised or arranged Cancellation of an Endowment? If 'Yes', how many and why? Yes  No

6.8 Have you ever advised or arranged an Endowment where the maturity date is after the retirement date of the Beneficiary? If 'Yes', how many and why? Yes  No

6.9 Have you ever advised or arranged any low cost start-up Endowments? If 'Yes', how many and why? Yes  No

## QUESTION SEVEN

### 7.1 For completion if income is disclosed under Question 1 (16)

Of the income disclosed under question 1 (16), please state the percentage derived from:

a)	Residential Mortgages (exc. b), c) & d) below	
	i) Repayment mortgages	%
	ii) Interest-only mortgages	%
b)	Equity Release, Home Reversion etc	%
c)	Sub Prime Mortgages	%
d)	Self-certification Mortgages	%
e)	Secured Loan	%
f)	Commercial Mortgages (incl. Buy to Let)	%

Is all commercial advice/sales (other than Buy to Let) conducted in accordance with the NACFB regulations? Yes  No

### 7.2 In respect of above, please confirm:

7.2.1	The average mortgage loan amount	7.2.2	The largest mortgage loan amount
a) i)	£	a) i)	£
	ii)	ii)	£
b)	£	b)	£
c)	£	c)	£
d)	£	d)	£
e)	£	e)	£
f)	£	f)	£

- 7.3 In respect of a)ii above, do you always ensure that the client is aware of the need for a repayment vehicle and that is always recorded in writing? Yes  No
- 7.4 Has the Firm, (or any other company requiring cover under this proposal for Insurance), acted as an introducer, advised on or sold any Equity Release Schemes and/or Home Income Plans and/or Reversionary Income Plans in the last 10 years? Yes  No
- If 'Yes', are non regulated equity release products treated as regulated advice? Yes  No

Please state the number of cases and years involved:-

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>No. of Cases</b>												

Please advise the largest average bond investments arranged for the following years

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Largest</b>												
<b>Average</b>												

Please advise the largest and average amounts of equity release in the following years:

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Largest</b>												
<b>Average</b>												

Do you intend to advise on these products in the forthcoming year? Yes  No

What is the estimated income for the forthcoming year? £

Are all these products signed-off by suitably qualified and competent persons? Yes  No

Do you advise on home reversion plans? Yes  No

Are you a member of SHIP? Yes  No

Do you advise on home purchase plans? Yes  No

Do you make any "non-advised" sales? Yes  No

Are you advisors for lifetime mortgages compliant with TC2? Yes  No

Has the Firm ever arranged/does it intend to arrange/offer advice on equity release or Home Reversion type products? Yes  No

If 'Yes', is it your standard procedure to deal only with providers that abide by the SHIP code? Yes  No   
If 'No', please provide details

What is the total income for the last 12 months derived from such products? £

What is the total income for the last 12 months derived from such products? £

Who offers advice on this type of product within the Firm, and what are their relevant qualifications (have they passed the CF7 Lifetime Mortgages examination?) What experience do they have?

Have you given / will you give advice on the release of funds from property and the subsequent reinvestment of the fund realised, other than in respect of care home free planning/long term care planning etc? Yes  No

If 'Yes', do you have advise on products that encourage the release of equity for the purpose of investment in a specific and pre-defined product of a higher risk nature than property? Yes  No

Do you insist on/recommend (with a record) the involvement of a solicitor in the advice process? Yes  No

Do you insist on/recommend (with a record) the involvement of family members/heirs in the advice process? Yes  No

Do you always ensure that alternative means of raising capital are considered and that the deliberations are recorded? Yes  No

**If the Firm arranges, or has in the past arranged, self-certification mortgages:**

Do you provide confirmation to the lender that an applicants stated income is correct and the loan amount is affordable? Yes  No

If 'Yes', is this always fully researched? Yes  No

If 'No', please provide further details:

**QUESTION EIGHT**

**8.1 INCOME DRAW DOWNS**

Please complete the following table:

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total Number of draw down cases transacted													
Number of Cases where original fund value was less than £100,000													
Number of cases where original fund value was more than £100,001 and £300,000													
Fund value of largest case in Year	k	k	k	k	k	k	k	k	k	k	k	k	k

**8.2** Please provide a brief analysis of your strategy for the sale of income drawdown/phased retirement products terms of fund values (e.g. why might you recommend drawdown on a fund value below £100,000?) drawdown amount taken and commission is taken.

Do you intend to advise on these products in the forthcoming year? Yes  No

What is the estimated income for the forthcoming year? £

Are all these products signed-off by suitably qualified and competent persons? Yes  No

**QUESTION NINE**

**9.1 STRUCTURED CAPITAL AT RISK PRODUCTS (SCARPS)**

Name of Investor	Product	Date of Investment	Maturity Date	Sum Invested	Relevant Tracking Index	Current maturity value*	Guaranteed income / growth amount	Execution Only basis

\* (excluding accrued interest). Continue on additional sheet if necessary.  
**Please provide the Key Feature Document for each product indicated above.**

9.2 Do you intend to advise on these products in the forthcoming year? Yes  No

9.3 What is the estimated income for the forthcoming year? £

9.4 Are all these products signed-off by suitably qualified and competent persons? Yes  No

**QUESTION TEN**

**SPLIT CAPITAL**

10.1 Please advise which of the following you have been involved in relative to Split Capital or Zero Dividend Preference Share Investments.

- i) Marketing Yes  No
- ii) Arrangement of Yes  No
- iii) Stock Selection Yes  No
- iv) The giving of advice Yes  No

Please provide full details (all figures in £ sterling)

Name of Investor	Name of Fund / Provider	Amount invested in Split Cap/Zero	% of C out of named investors Total Investment	Current value of Split Cap / Zero	Current Loss of Split Cap / Zero (C-E)	Gain / Loss on all other Investment	Current Loss of Split Cap / Zero as % of Total Investment

10.2 Do you intend to advise on these products in the forthcoming year? Yes  No

10.3 What is the estimated income for the forthcoming year? £

10.4 Are all these products signed-off by suitably qualified and competent persons? Yes  No

**QUESTION ELEVEN**

**HIGH INCOME OR EXTRA INCOME BONDS**

11.1 Please advise which of the following you have been involved in relative to high income or extra income bonds Investments.

- i) Marketing Yes  No
- ii) Arrangement of Yes  No
- iii) Stock Selection Yes  No
- iv) The giving of advice Yes  No

If 'Yes', state below the number of cases and years involved:-

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>No. of Cases</b>												

Please advise the largest average bond investments arranged for the following years:-

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Largest</b>												
<b>Average</b>												

11.2 Do you intend to advise on these products in the forthcoming year? Yes  No

11.3 What is the estimated income for the forthcoming year?

11.4 Are all these products signed-off by suitably qualified and competent persons? Yes  No

**CONFIRMATION**

**DISCLOSURE OF MATERIAL FACTS**

It is essential that every Proposer or Insured when seeking a quotation, taking out or renewing an insurance, reveals to the prospective Insurers any material facts or information (including any material circumstances or change in circumstance) which might influence the judgement of Insurers in fixing the premium or in determining whether they will accept the risk. Failure to do so may render the contract of insurance voidable from inception at the option of the Insurers and enable them to repudiate liability thereunder. If you have any doubt as to what constitutes a material fact or circumstance, seek our advice.

I declare that the above statements and particulars are true, full enquiry having been made, and I have not omitted, suppressed or mis-stated any material facts and undertake to inform the Insurer of any change to any material fact. I understand that the information I provide will be used in deciding the price charged by the Insurer for the risk and whether the Insurer will accept the application. I further agree that this declaration, together with any other information provided shall be the basis of any contract between me and the Insurer.

**A COPY OF THIS PROPOSAL SHOULD BE RETAINED BY YOU FOR YOUR OWN RECORDS**

**THIS FORM MUST BE SIGNED BY A PRINCIPAL OF THE FIRM**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print name: \_\_\_\_\_ Position: \_\_\_\_\_

Please return this Application Form along with any other supplementary information sheets to the address detailed below:-

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