



TOWERGATE
L I F E S T Y L E U N D E R W R I T I N G

Mortgage, General Insurance and Non
Investment Life Activities
Professional Indemnity Cover

**For Mortgage Intermediaries, Firms
And Individuals**

Distributed and Administered by
Towergate Lifestyle Underwriting, Suite 6 The South West Centre
Troutbeck Road, Sheffield, South Yorkshire S7 2QA
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Towergate Lifestyle Underwriting is part of the Towergate Underwriting Group Ltd
Authorised and Regulated by the Financial Services Authority

Towergate Lifestyle Underwriting

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

For all General Underwriting queries **0870 907 6790**

Fax the form to written quotation **0114 250 0033**

General email enquiries: **lifestyle@towergate.co.uk**

Larger cases, claims or technical queries contact: **Daniel Bower**

Telephone: **0114 280 2965**

Fax: **0114 250 0033**

Email: **daniel.bower@towergate.co.uk**

Send the completed proposal form with the appropriate method of payment to:

Towergate Lifestyle
6 The South West Centre
Troutbeck Road
Sheffield
South Yorkshire
S7 2QA

Please make cheques
payable to: **Towergate Lifestyle**

Notes on completing the application form:

1. Complete the application making sure that no sections are left blank or the form will be rejected. If you do not require cover for any section or additional activities, please tick no - (if you are renewing an existing Towergate Lifestyle policy, it is important that the application form is returned to us before the renewal date or your existing policy will automatically lapse leaving you with a gap in cover)
2. The applicant's / insured's name on the application form must correspond with the name at the top of the Consumer Credit Licence - you can include any trading styles that you are registering with the FSA - (example: John Smith t/a Smith Mortgages and Smith Finance)
3. Calculate the premium from the rate guide using your last financial years income or use projected income if you are a new business – if you are adding General Insurance and Non Investment Life activities, the limit of indemnity must be £1.1 million in the aggregate – see rate guide.
4. If your income falls outside of the published rate guide income bands, fax the completed application form to us requesting a quotation only – where possible we will reply the same day (if the quotation is acceptable to you, we must be in receipt of your signed acceptance and the original ink signed application form before we can issue any documents)
5. Decide on the method of payment
 - a) If paying by cheque please enclose with the proposal form
 - b) If using the monthly payment option please make sure the bank details are correct - a schedule of payments will be sent to you by Close Premium Finance
 - c) The Annual premium can be paid by Credit Card or Debit Card

Note: If you choose to pay by Monthly Instalments, you will be entering into a Finance Agreement with Close Premium Finance. Close Premium Finance will provide you with details of the Finance Agreement and provide a schedule of the dates of the monthly payments.

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Professional Indemnity Rates at 1st February 2005

For Mortgage Intermediaries, Firms or Individuals

Premium rates are calculated on **Mortgage related income** (see definition below) that was received in the applicants last complete financial year prior to inception or renewal of the policy. If the applicant 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.

INCOME BAND	MORTGAGE ACTIVITIES ONLY					
Mortgage related	£100,000 each and every claim Limited to £500,000 in the aggregate		Or	£100,000 each and every claim Limited to £1,000,000 in the aggregate		Policy Excess
Procuration fees, Arrangement, Completion & Packaging fees	Annual Premium	10 monthly payments of		Annual Premium	10 monthly payments of	Policy excess
Up to - £20,000	£245	26.34	£350	£37.63	£500	
£20,001 - £35,000	£350	37.63	£581	£62.46	£500	
£35,001 - £50,000	£560	60.20	£665	£71.49	£500	
£50,001 - £75,000	£644	69.23	£749	£80.52	£500	
Premiums shown include administration fee of £35 and Insurance Premium Tax @ 5%						
Over £75,000	Please refer to underwriters					

Definition of Mortgage Income – Gross Mortgage related income derived from **Procuration fees, Broker Arrangement fees Completion and Packaging fees.**

Premium rates for **Mortgage, General Insurance and Non Investment Life business.** Please note that cover under the policy differs for each activity. Cover does not extend to any FSA regulated Investment business, including but not limited to Flexible Unit linked Life, Whole of Life, Pension and Investment business and commission income derived from the sale of such products should not be included when calculating your cover requirements.

INCOME BAND	COMBINED MORTGAGE, GENERAL INSURANCE & NON INVESTMENT LIFE ACTIVITIES			
Combined Activities	Mortgage Activities section provides a limit of £100,000 each and every claim and: General Insurance and Non Investment Life business section activities provides a limit of £750,000 each and every claim. The overall aggregate limit for both activities is £1.1 million but each section is subject to the policy excesses shown opposite		Policy Excess for Mortgage Activities	Policy excess for General Insurance & Non Investment Life Activities
Total Annual Income from: Mortgage activities and Commission earned from the sale of General Insurance & Non Investment Life products.	Annual Premium	10 monthly payments of		
Up to £35,000	£560	60.20	£500	£1000
£35,001 - £50,000	£665	71.49	£500	£1000
£50,001 - £75,000	£770	82.78	£500	£1000
Premiums shown include administration fee of £35 and Insurance Premium Tax @ 5%				
Over £75,000	Please refer to underwriters			

Integrated General Insurance & Non Investment Life activities are limited to: - Buildings Insurance – Contents Insurance - Accident Sickness & Unemployment plans (ASU – ASR – MPPI) - Private Motor - Pet Insurance and Travel Insurance - Level and Decreasing Term Assurance – F.I.B.- Critical Illness - PMI (Private Medical Insurance) - PHI (Permanent Health Insurance) – Death in Service (note, group PMI, CI & DIS are allowable). (Please note that our cover does not extend to Commercial Insurance of any kind, Commercial Motor Fleet or Commercial Liability)

The policy excess may differ from those shown above subject to final underwriting

Will Writing cover is available under the General Insurance and Non Investment Life activities section as an additional activity provided that 5 years claim free experience can be shown and fees are less than £5,000 per annum. The additional premium for this activity is £100 plus IPT – the limit of indemnity is restricted to £250,000 in the aggregate with a section policy excess of £2,500.

Annual premiums and Monthly instalments shown include Insurance Premium Tax at 5% and a **£35** Policy Fee - Cheques should be made payable to Towergate Lifestyle.

A Premium Instalment option is available on all premiums subject to a **7.5% (21.63% apr)** additional charge, which is included in the monthly payments shown. Monthly payments are collected over 10 months and the premiums shown above may be subject to slight rounding differences. When paying by this method please note that you will be entering into a finance agreement with Close Premium Finance who will send you full details on acceptance.

Credit and Debit Card payments are subject to a 2.5% additional charge

If a change or mid term adjustment is made during the term of the policy, we will charge an administration fee of £35.00 and once your Professional Indemnity policy has been issued, cover cannot be cancelled.

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Mortgage Intermediaries Professional Indemnity Questionnaire

For Mortgage, General Insurance & Non Investment Life activities
carried out in accordance with the FSA guidelines.

1st February 2005 - 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 the relevant method of payment is attached, i.e. single premium cheque, credit cards details or the optional Premium Instalment Facility section for monthly payment terms is completed.

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 application, 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 a PI policy is in force at the time of notification of the complaint or claim.

Please note that PI policies are issued as annual contracts and you cannot cancel the policy 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 Underwriting.

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

1 – General Information

Name of Insured (must correspond with the registered name at the top of your CCL and the FSA)	Include any additional trading styles registered with FSA provided these also appear on your CCL		
Date Firm Established	Address		Post Code
Consumer Credit Licence Number	Are you authorised under FSA regulation	Yes	No
Please enclose a copy or insert date CCL applied for			
If yes please provide details of your firms FSA registration number			
If you are considering joining a network or have ceased trading, you should consider Run Off cover for your longer-term protection against potential longer-term customer complaints. Please ask for a Run Off proposal form			
Please give details of any parent or other associated companies			
Telephone:	Mobile:		
Fax:	Email:		
Full Names of Sole Trader / Directors / Partners	Date Of Birth	Mortgage/Financial Qualifications	Years Experience
Please advise the name and qualifications of your compliance officer(s) and state how long he/she/they have held this position. (If you are a Self-Employed sole trader this will normally be yourself).			

Do Not Leave Blank

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2 – Business details and FSA status - please complete all the relevant boxes - Are you:			
A Sole Trader	Yes	No	
A Partnership or business requiring cover for more than one person	Yes	No	
A Mortgage Network or Club If yes you must provide full details or a business model on how the business functions	Yes	No	
<i>Please advise your FSA status – please complete all the relevant boxes:</i>			
Are you directly authorised with the FSA	Yes	No	
If no are you an Appointed Representative or	Yes	No	
An Appointed Introducer	Yes	No	
If you are not directly authorised which network or club are you a member of:			
<i>Type of business – please complete all the relevant boxes:</i>			
Are you tied to a life office	Yes	No	If yes which life office:
Are you an Independent Financial Adviser	Yes	No	If yes which Network or state n/a:
How many Advisers/Consultants will be covered under this policy (You must complete this question and include yourself if appropriate)	Consultants		
What level of service do you provide	Advised Sales		Non Advised Sales

3 - Additional Information – Only complete this section if you are a Mortgage Packager and / or a Correspondent Lender			
Are you a Mortgage Packager	Yes	No	
Are you a Correspondent Lender (provide full details below)	Yes	No	
As a packager and/or Correspondent lender, do you offer ANY advice	Yes	No	
As a Packager/Correspondent Lender, do you have any direct contact with customers	Yes	No	
If yes, what level of service do you provide	Advised Sales		Non Advised Sales
How many Consultants/Advisers tied to your company are to be covered under this policy	Consultants		
If you do not provide advice or have any consultants/advisers, can you confirm that 100% of your business is introduced to you by third parties, i.e. other fully authorised firms	Yes	No	

Packager/Correspondent Lender – further information

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4 - Financial Details – Residential Mortgage Activities Gross Fee Income

Please answer the following questions & provide details of your **Gross Mortgage Related Fee** income in respect of: **Procurement fees, Arrangement, Completion & Packaging** fees for each of your complete financial years. (**Do not** include Buy to Let income – this should be included in the **Additional Activities** question 5)

Please tick if you are: An Established Mortgage Business A New Start-up Mortgage Business

Please show your residential mortgage income below - show gross fees earned for the last two years and project fees for the forthcoming year. (If you are a new business start up, please project gross fee income for your first year of trading.)

<i>Gross Fees/Income earned in:</i>	<i>Previous Year</i>	<i>Last Complete Financial Year</i>	<i>Next year (projected)</i>
Residential Mortgages	£	£	£
How many residential mortgages are completed each year or are projected for your first year			Mortgages
What is the average size of mortgage loan completed (if new business show N/A)			£
What is the largest mortgage loan completed (if new business show N/A)			£

5 – Additional Mortgage or Loan Activities (Buy to Let, Commercial Mortgages and Secured Loans)

Whether you require these activities or not, you **must** answer all of this question by ticking the relevant yes / no boxes below

Do you require additional cover for: If you have answered No to all three additional activities shown opposite, please go to question 6	Buy to Let Mortgages	Yes	No
	Commercial Mortgages	Yes	No
	Secured Loans	Yes	No

If Yes - Please complete each section below showing gross fees earned for each activity requiring cover

<i>Gross fees/Income earned in:</i>	<i>Previous Year</i>	<i>Last Complete Financial Year</i>	<i>Next Year (projected)</i>
Buy to Let Mortgages	£	£	£
Commercial Mortgages	£	£	£
Secured Loans	£	£	£
If yes, how many individual loans in respect of the above activities are completed each year			
What is the average Loan completed (if new business show N/A)			£
What is the largest Loan completed (if new business show N/A)			£

If you have requested cover for any additional activities:

Can you confirm that you operate good practice and compliance procedures similar to that for regulated products when providing advice and throughout the sales process

Yes

No

If you cannot confirm that you operate such procedures, please detail why at the end of the proposal form.

When calculating the premium on gross fee income, we will add together the Residential activities income detailed in section 4 and any Additional activities income detailed in section 5

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6 – General Insurance and Non Investment Life activities (not available as a stand alone option under this proposal form - if stand alone cover is required please request the appropriate form)

Do you want to include General Insurance and Non Investment Life activities under this policy? (If yes, please complete the income section and business split section below and consult the rate guide for the correct premium) – if you have answered no please go to Question 7 Please note that this section excludes all FSA Regulated Investment activities and extends only to those activities listed below.	You must answer this question		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Yes</td> <td style="width: 50%; text-align: center;">No</td> </tr> </table>	Yes	No
Yes	No		

<i>Commission income earned in:</i>	<i>Previous Year</i>	<i>Last Complete Financial Year</i>	<i>Next Year (projected)</i>
General Insurance & Non Investment Life	£	£	£

For underwriting purposes, please indicate the approximate percentage split for the products sold below in the last complete financial year (or approximate split projected for the next financial year)

1 - Buildings and Contents	%
2 – Monthly Premium Accident Sickness & Unemployment (ASU – MPPI – ASR)	%
3 – Single Premium Accident Sickness & Unemployment (ASU – MPPI – ASR)	%
4 - Private Motor	%
5 - Individual or Family Travel Insurance and/or Pet Insurance	%
6 - Term Assurance and Family Income Benefit	%
7 - Critical Illness plans	%
8 - Permanent Health Insurance	%
9 - Private Medical Insurance	%
10 - Group DIS, CI, PMI, PHI	%
TOTAL	100%

Please note that Commercial Business, Commercial Combined or any Commercial Fleet business is NOT covered under this policy and if these activities are an important requirement, you should not submit this proposal form

Will Writing (Limited Cover can be included as an additional activity under this section provided that 5 years claims free experience can be shown and fees are less than £5,000 per annum) if outside this criteria, cover is not available – Please note the additional Premium is £100 plus IPT – see rate guide for details	If you require Will Writing cover please Tick this box <input style="width: 20px; height: 20px; border: 1px solid black;" type="checkbox"/>
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Please provide the following additional information in respect of the above General Insurance and Non Investment Life activities so that we can underwrite the proposal quickly.

Do you place Insurance business directly with Insurers or Lenders	Yes	No
Do you place business with Third Party Administrators (e.g. PaymentsShield, Network Data, Ceta) If yes you must list ALL the agencies you are using below	Yes	No
1	5	
2	6	
3	7	
4	8	

7 - Please select (tick) the Limit of Indemnity required

Please tick one of the following boxes – for additional information refer to the rating guide

<i>These limits are only available for Mortgage activities in isolation and, subject to income, are compliant with FSA requirements</i>		<i>This limit is for combined Mortgage and General Insurance activities and, subject to income, is compliant with FSA requirements</i>
£100,000 any one claim limited to £500,000 in the aggregate	£100,000 any one claim limited to £1 million in the aggregate	£100,000 any one claim for mortgages and £750,000 any one claim for General Insurance – The aggregate limit under this section is limited to £1.1 million

Please note that high incomes may require individual quotations with higher limits of indemnity.

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8 - How do you wish to pay your premium? (if paying by single premium please attach cheque to application)

Single Premium Cheque	Monthly Instalment Facility	Annual Premium by Credit/Debit Card
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Please complete one of the following payment methods

I enclose a cheque made payable to Towergate Lifestyle for the annual premium of:	£
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Or I prefer to pay the premium by instalments using the monthly payment option below

The Premium Instalment Facility administered by Close Premium Finance is payable over 10 months and is subject to a 7.5% (21.63% apr) additional charge, which is included in the monthly payment detailed on the rating guide. If you have chosen this option, please complete the details below:

Bank Name & Address	
Sort Code	
Account Number	
Account Name	
Your Preferred Collection date	Choose a date between the 1 st and the 28 th of each month

On acceptance of your application for premium instalments, **Close Premium Finance (CPF)** will write to you enclosing details of your **Finance Agreement** and a schedule of monthly payments. Please note that the words **Lifestyle U/W** will appear on your bank statement in connection with the payments that Close Premium Finance will collect by direct debit.

The **“preferred collection date”** (PCD) means that, after the first instalment is collected on the policy commencement date, you can select the most suitable day of the month that ongoing direct debits will be requested from your bank account, irrespective of the policy start date.

Please note that if your bank rejects a direct debit request, **CPF** will make an additional administration charge (currently £25) on or around the time they re-present the direct debit or collect any outstanding or overdue monthly payments. If the second request for payment is also rejected, **CPF** will advise us of your failure to maintain monthly payments, will continue to remind you of your obligation to make payments and will subsequently instruct us to cancel the policy immediately.

Call us if you require further information. Please note that dependent on the policy start date and the PCD, two payments may be collected in the first month.

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

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<i>Insured name</i>	<i>Client Ref</i>	<i>Policy No</i>	<i>Premium</i>
			£

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9 – What date do you want your policy to start (Insert start date or tick one other box & do not backdate)		
Start Date	or on renewal date of existing Towergate Lifestyle Policy	Or T.B.A.

10 - Please answer the following questions carefully			
Will you and/or your firm act in full compliance of the FSA Guidelines?		Yes	No
Have you or your firm or any individuals therein ever been subject to MCCB, FSA or any other disciplinary procedures? (If yes, you must attach full details - in this event, rates may change from those published).		Yes	No
Have you or your firm or any individuals therein ever had any complaints or claims made against you/them or are you/they aware of any circumstances that may give rise to a claim? (If yes, you must attach full details - in this event, rates may change from those published).		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		Yes	No
Please provide details of your previous Professional Indemnity policy	Name of Insurer	Policy Number	Expiring Policy Premium

Important Information - This questionnaire forms the basis of the insurance contract – so before signing the declaration please complete any section that has been left blank and enclose a copy of your consumer credit licence when returning. Any agreement entered into by you with any third parties (including Insurers) may prejudice your cover in the event of a claim. We draw your attention to exclusion 8 of the policy wording (available on request or from our website). You are also reminded that all claims or circumstances must be notified to us in accordance with the terms and conditions of the policy.

11 – Declaration	
<p>I / We hereby warrant that all advice has been / is / will be given in strict accordance with the terms and provisions of the Mortgage Code as published and updated by the MCCB and/or those as published and updated by the FSA.</p> <p>I / We declare that I / We have answered this questionnaire honestly and to the best of my/our knowledge and after full enquiry of all Principals, Partners, Directors, Employees and Consultants, I / We declare that I / We are not aware of any circumstance or matter that may give rise to a claim.</p> <p>I / We declare that I / We have not withheld any material information that would affect the underwriters judgement of this insurance and I / We undertake to inform Towergate Lifestyle of any material alteration to these facts occurring before the completion of the contract of insurance.</p> <p>I / We understand that in the event that the policy is not renewed, is cancelled or withdrawn by the underwriters, the current regulator will be notified.</p>	
Full Name	Sign
Position	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
and attach a copy of your Consumer Credit Licence.

Notes section - Please use this space for additional information:
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