

## CMS/CANOPIUS PROPOSAL FORM 2012

**1. Proposing Entities**

a) Please state below the name of your **main business**. Please also enter below the full names of **any other entities that require cover**.

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b) Please list on a separate sheet any other **trading styles and any current or previous Appointed Representatives** for which cover is required.

2. Are any of the entities named in Question 1 above, a limited company that has ceased trading, been wound up or has nil assets?

Yes	No

3. Please provide details below of any directors, partners or principals of each proposing entity requiring cover.

Names of Directors/Partners/Principals	Age	Qualifications	Experience (if under five years' practical experience)

4. Number of permanent staff **other than** Directors/Partners/Principals:

a) Employed persons giving advice


b) All other employed persons

c) Self employed persons

5. Please confirm the date of your last financial year-end prior to the next policy renewal date:

\_\_\_/\_\_\_/\_\_\_

6. Please advise or estimate for the financial year-end identified in Question 5 above the total gross brokerage/commission/fee income of all Proposing Entities, generated by all principals/employees/self-employed persons.

7. Please indicate the total gross brokerage/commission/fee income the entities in Question 1 currently trading expect to achieve in the current financial year:

8. Please indicate whether any Proposing Entity has ever received, or is on notice of, a visit from the Regulator.

If YES, please confirm date(s) of visit(s) and enclose a copy of the report(s)

Date(s) \_\_\_/\_\_\_/\_\_\_

9. Please advise whether any insured activity has ever been undertaken outside the UK by any proposing entity. (Please note that cover for such work is not available unless specifically agreed)

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10. Please advise as to how the Compliance Function is managed:

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11. Please advise whether the proposer or any director/partner/principal, employee or any other individual for whom cover is required under this policy has any financial interest in any platform, wrap or product provider or whether there are any other potential conflicts of interest?

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12. Please indicate the % of gross income for the **Last complete year** as disclosed in Question 6 derived from the following categories.

**Please ensure that the Total boxes for Categories i) to vi) below add up to 100%.**

	Private	Business	Total
i) <b>Pension Sales &amp; Advice</b> (please include GPP business in private)	%	%	%
ii) <b>Investment Sales &amp; Advice</b>	%	%	%
iii) <b>Life Cover &amp; Protection Sales &amp; Advice</b> (including WOL, ASU, PHI & Medical)	%	%	%
iv) <b>Mortgage Sales &amp; Advice</b> (Including Equity Release and Reversion Schemes)	%	%	%
v) <b>General Insurance Sales &amp; Advice</b>	%	%	%
vi) <b>Fees</b>	%	%	%
	<b>Total Private</b>	<b>Total Business</b>	<b>Overall Total</b>
	%	%	<b>100%</b>

**13.** a) In respect of investments covered by 12)i) and ii) above, please indicate the number of single premium or annual investments made in the last financial year where the sum invested was (Please do not include monthly investments.)

	Number of investments
a) less than £25,000	<input type="text"/>
b) equal to or more than £25,000 but less than £100,000	<input type="text"/>
c) equal to or more than £100,000	<input type="text"/>

**14.** If access to funds held within an investment bond is required do you always ensure that the money is obtained via a full surrender of the whole bond or clusters, rather than a partial surrender of the bond?

Yes	No
<input type="text"/>	<input type="text"/>

If you have answered “no”, please provide details:

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**15.** Can you confirm that you have never recommended that a client borrow money in order to invest?

Yes	No
<input type="text"/>	<input type="text"/>

**16.** In their review into the quality of advice on structured investment products the FSA identified a key failure of over concentration of investment in a single product or product type resulting in increased risk due to the lack of diversification. It was suggested that good practice was to limit investment to 10% of a portfolio in a single product/fund and 25% into a product type/asset class. Please provide details below as to whether you adhere to these limits, in what circumstances you may consider exceeding them and any other steps taken in order to minimise risk by diversifying investment portfolios.

17. In terms of total client funds currently under management, please provide the top 3 investment funds.

Investment Fund	Total Client Funds Invested	Number of Investments

18. Has any advice or services been provided with regards to any investment that has had new investment and/or redemptions suspended, had the assets re-valued or is insolvent. **If YES, please provide FULL details below**

Yes	No

Has any advice or services been provided with regards to any investment or deposits with or in securities issued by any Financial Institution that is insolvent or is unlikely to be able to meet its obligations. **If YES, please provide FULL details below**

Yes	No

Name of Investor	Date of Investment	Value of client's investment portfolio	Original Investment Value	Product	Current Value	Date of Valuation

**19. Pension Transfers From Defined Benefit Occupational Pension Schemes**

- a) Please provide the number of Pension Transfers from **Defined Benefit Occupation Pension Schemes** that the proposer has ever arranged and provide the average and largest transfer value.

Number of transfers	Average Transfer Value	Largest Transfer Value

- b) Please provide the names and details of the experience and qualifications of the individuals authorised by the proposer to provide Pension Transfer advice

Names	Qualifications	Experience

20. Is cover required for **Pension Review**?

Yes	No

21. Please complete this question if any Proposing Entity has transacted/given advice in respect of **Unsecured Pensions** - please include Drawdown, Phased Retirement, 3<sup>rd</sup> Way products or Alternatively Secured Pensions. If not, please put 'not applicable'.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Number of cases transacted where original fund value was less than £100,000										
Number of cases transacted where original fund value was between £100,000 and £300,000										
Number of cases transacted where original fund value was over £300,000										
Largest original fund value										
Number of Annuity cases transacted (excluding Phased Retirement cases)										

- a) What % of cases arranged are taking maximum income? \_\_\_\_\_ %
- b) What % of cases have had the fund value enhanced by rebating commission? \_\_\_\_\_ %
- c) How frequently are cases reviewed? \_\_\_\_\_
- d) i) How many of the above transactions were carried out purely to raise cash? \_\_\_\_\_

ii) Has the Reason Why Letter always drawn to the client's attention the adverse effects such a withdrawal will have on future pension benefits and establish in each case why the client needed the cash and why other methods of raising finance were less suitable?

Yes	No

- e) Has any business ever been transacted where the client has given up a GAR?

Yes	No

22. a) Please provide the number of transfers to a **QROPS/QNUPS** that the proposer has ever arranged and provide the average and largest transfer value.

Number of transfers	Average Transfer Value	Largest Transfer Value

- b) Have any QROPS been arranged for a client that has remained a UK resident after the transfer?

Yes	No

23. Has the proposer ever provided advice/services with regards to any pension unlocking, pension busting or any pension value maximising scheme?

Yes	No

24. a) Please provide the number of Pension Switches made to Self Invested Personal Pensions (SIPP).

Year	Number of Switches	Average Fund Value	Largest Fund Value
2012			
2011			
2010			
2009			

- b) What percentage of switches have been made to schemes that are more expensive than the ceding scheme or a stakeholder pension?

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- c) Please provide details of the top 3 product providers of the receiving schemes.

Provider	Percentage of Switches

25. Does the proposer provide SIPP administration services?

Yes	No

26. Please indicate whether any Proposing Entity has **ever** provided advice or services with regards to investment in any of the following or collective investments that have funds invested in any of the following.

Product/Service	Yes	No
Structured Products		
Hedge Funds		
Unregulated Collective Investments		
Split Capital Investment Trusts		
Traded Life Policies		
Viatical Settlements		
Traded Endowment Plans		
Exchange Traded Products (ETF, ETC, ETP etc)		
Any Geared or Leveraged Investment		
Own branded Collective Investment Funds		
Discretionary Portfolio Management (in house)		
Broker Bonds		
Pension Fund Trustee Services		
Pension Fund Management Services		

**If you have answered YES to any of the above, please provide details below**

Name of Investor	Date of Investment	Value of client's investment portfolio	Original Investment Value	Product	Current Value	Date of Valuation

Has the Inland Revenue indicated that they intend to challenge the tax status of any of the above products arranged on behalf of any client? **If YES, please provide FULL details on a separate sheet.**

Yes	No

**27. Mortgages**

In respect of income covered by 12)iv) please confirm the proportion of income derived from the following areas.

i) Residential Mortgages	%
ii) Sub-Prime Mortgages	%
iii) Self Certification Mortgages	%
iv) Buy to Let Mortgages	%
v) Commercial Mortgages (ex Buy to Let)	%
vi) Secured Loans	%
vi) Equity Release/Home Reversion/Lifetime Mortgages/Sale and Rent Back	%

28. Has any proposing entity provided advice or services with regards to Sale and Rent Back?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

29. Please indicate the number of Home Income Plans, Equity Release Schemes or Home Reversion Schemes arranged/advised upon by the Proposing Entities.

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a) Are all providers of the schemes members of SHIP (Safe Home Income Plans Ltd)?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

b) Were all other means of raising the capital/income required by the client investigated prior to making the recommendation to release capital from their property?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

c) Were the beneficiaries of the clients estate informed and is evidence of this recorded on file for each of the plans arranged?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

d) Please provide a brief description of the philosophy used in advising clients in relation to the subsequent investment of monies raised

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30. Have any of the proposing entities ever arranged **payment protection insurance (PPi)**? If yes please provide a schedule of policies arranged.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

**31. Claims and circumstances which are likely to give rise to claims**

Have the Proposing Entities notified all Pension Transfers, Opt-Outs, FSAVCs, Endowments, SCITs and SCARPs where a client has requested a review or complained?

Yes	No	None

**If NO, please list on a separate sheet those cases that have not been notified.**

**32.** Other than the matters referred to above is any Proposing Entity aware, after enquiry, of any claims or circumstances which may give rise to claims which have not already been notified in writing to CMS Underwriting?

Yes	No

**If YES, please provide FULL details on a separate sheet.**

**33.** Has any Proposing Entity sustained any loss during the past ten years as a result of the fraud or dishonesty of any Director/Partner/Principal/employee/self-employed person?

Yes	No

**If YES, please provide FULL details on a separate sheet.**

**DECLARATION**

I/We declare on behalf of the Proposing Entities that the above statements and details are true and that I/we have not misstated or suppressed any material facts. 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. I/We undertake to inform Collegiate Management Services Limited of any material alteration to these facts occurring before completion of the Contract of Insurance. Signing this Proposal Form does not bind the Proposing Entities or Collegiate Management Services Limited to complete this insurance.

Signature of:

Director/Partner/Principal \_\_\_\_\_

Name \_\_\_\_\_

(in capitals)

Date \_\_\_\_\_

**Please Note: In the absence of any instructions to the contrary, Certificates will show only those firms named in Question 1 of this proposal form.**

**Data Protection Act:**

Some of the information given in this form, will constitute personal data for the purposes of the Data Protection Act 1998. Such personal data will be used by Collegiate and interested underwriters solely for the following purposes:

1. evaluating the proposal with a view to providing the insurance proposed for;
2. validating any information which may have been previously supplied.;
3. general statistical purposes.

The information will be held for as long as necessary for the above purposes or as may be required by law or to comply with any contractual, or to meet with any relevant regulatory requirements.