Pegasus Underwriting Limited
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PROFESSIONAL INDEMNITY PROPOSAL FORM
for
INSURANCE BROKERS/INSURANCE AGENTS

<u>IMPORTANT NOTICE</u>

THE TERMS AND CONDITIONS of the proposed Policy provide that, if a Claim (as defined) is made against you then you must immediately notify the Underwriters thereof. This notification must be given during the term of the Policy for the Policy to apply.

If any circumstances come to your attention which are likely to cause a Claim to be made against you or which you should reasonably expect to cause a Claim to be made against you during the term of the Policy, you should notify Underwriters immediately. Failure to notify may affect Policy response, i.e. all or part of any subsequent claim may not be covered. Notification must be given during the term of the Policy for the Policy to apply.

The time of happening of the acts or circumstances which give rise to a Claim or a possible Claim is not of relevance provided they occur after the retroactive date stated on the Schedule and the relevant sum insured is adequate.

Upon expiry of the Policy no further claims can be made thereunder and the maintenance of insurance or arrangement of run off cover is essential.

<u>Claim and/or Circumstances which may give rise to claims (Proposal Question 15)</u>

A claim circumstance may be anything of which you have knowledge which may develop into a claim against the firm at some future period.

If in doubt as to what constitutes a claim and/or claim circumstance consult your insurance broker.

This insurance is underwritten by Pegasus Underwriting Limited for and on behalf of Lloyd's *.

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* Pegasus Underwriting Limited is a service company. Pegasus Underwriting Limited is registered as an Insurance Agent by the Insurers Agents Registration Board of the Hong Kong Federation of Insurers, and trades under Lloyd's licence in its capacity as a Lloyd's coverholder. Lloyd's is an authorised insurer in Hong Kong under the Insurance Companies Ordinance,and is regulated by the Office of the Commissioner of Insurance. Pegasus Underwriting Limited has authority to enter into contracts of insurance on

Pegasus Underwriting Limited

Insurance Brokers/Insurance Agents Professional Indemnity Proposal Form

1. Please answer all questions, leaving no blank spaces.
2. If you have insufficient space to complete any of your answers, please continue on your headed paper.
3. This form **must** be **signed and dated** by a Partner, Principal or Identified Officer of the Firm.

Name of Firm: ....

2. Address of Firm: ....

3. Date when first established ....

4. Give details below of principals / partners / directors

Full Name	Age	Qualifications	Date qualified	No. of years as Partner, Principal, Director of this firm?	How long a Partner, Principal, Director of previous firm?

5. Total numbers of Partners and Staff:
   - Partner, Directors ....
   - Staff other than Office Juniors and Typists ....
   - Office Juniors and Typists .... Total (all staff) ....

6. a) Is the Firm currently insured against Professional Negligence? Yes / No

   b) If the answer to a) is NO, has this practice ever been insured? Yes / No

   c) If the answer to a) or b) is YES, please supply the following data:

   Amount of Cover ....

   Amount of Excess ....

   When lapsed or, if current, the Expiry Date ....

   Last Annual Premium ....

   Name of Insurer ....

7. Does the Firm engage in any activities OTHER than as an insurance brokers? Yes / No

   If so detail other activities ....

8. Does the Firm have the authority to accept / bind risks on behalf of any Insurance Company? Yes / No

   If Yes provide details of the class of business underwritten and the annual premium income.

   ....

9. Is the Firm a member of a professional Body or Association? If so state details. Yes / No

....

10. Details of total gross fees or commissions
   a) Received or rendered during the last 12 months ....
   b) Estimate for ensuing 12 months ....

11. Indicate categories of business handled and the percentage of each relative to the Firm's total brokerage income.

Direct Business and Facultative Reinsurance

a) Property	..........%	d) General Accident	..........%
b) Marine: Cargo	..........%	e) Motor	..........%
Hull (i) Ocean Going	..........%	f) General Liability	..........%
(ii) Pleasure Craft	..........%	g) Workmen's Compensation	..........%
		h) Life and Pensions	..........%
c) Aviation	..........%	i) Others (please specify)	..........%

12. Financial Advisors

Please provide the approximate percentage of the total fees earned in the last 12 months as follows:

i)	advice only fees	%
ii)	Commissions from Insurance investment bonds	%
iii)	Commissions from non-insurance related investment	%
iv)	Commissions earned from traditional insurance business	%

13. What percentage of the Firm's total premium income was derived from

a) its own country? ....%
b) elsewhere? ....% (if more than 10% of brokerage income please specify each country)

14. a) Has any proposal for similar insurance made on behalf of the firm, any predecessors in business or present partners, ever been declined or has any such insurance ever been cancelled or renewal refused? Yes / No

b) Have any special terms ever been imposed? Yes / No

If YES to a) or b) give details.

15. a) Have any claims ever been made against the Firm/Company or any of the present Partners/Directors or against its predecessors in business or any past Partners/Directors in relation to the professional activities of the Firm/Company? Yes / No

If YES, please provide details of each claim.

b) Are any of the Partners/Directors, having made specific inquiry of management and staff, aware of any circumstances which may give rise to claims in relation to the professional activities of the Firm/Company or their predecessors in business or any of the present or former Partner/Directors, whether you consider yourselves liable or not? Yes / No

If YES, please give full details.

NOTE: Coverage will be excluded for items mentioned in response to a) and b).

16. a) Amount of indemnity required. ....

b) What excess are you prepared to carry in respect of each and every claim? ....

Declaration

I, the undersigned, being one of the persons referred to in Question 4 of this proposal, acknowledge and declare:

1. I am duly authorised to make this proposal and this declaration on behalf of the Firm/Company.
2. I have specifically enquired of all persons and companies referred to in Question 1 and 4 and state that all answers to the questions in this proposal form are true and correct.
3. I acknowledge that Underwriters will be relying on this Declaration, the answers given to the questions in the proposal and all information provided by me in deciding whether to issue a contract of insurance, and, if so, the terms of such insurance and the premium charged.

Signed ....
(Partner/Principal)

Name of Firm .... Date …......................................

The applicant understands, acknowledges and agrees that, as a result of the applicant purchasing and taking up the policy to be issued by Pegasus Underwriting Limited, Pegasus Underwriting Limited will pay the authorized insurance broker commission during the continuance of the policy including renewals, for arranging the said policy. Where the applicant is a body corporate, the authorized person who signs on behalf of the applicant further confirms to Pegasus Underwriting Limited that he or she is authorized to do so.

The applicant further understands that the above agreement is necessary for Pegasus Underwriting Limited to proceed with the application.