



THE LAW SOCIETY
of SCOTLAND
www.lawscot.org.uk

THE LAW SOCIETY OF SCOTLAND MASTER POLICY FOR PROFESSIONAL INDEMNITY INSURANCE

Proposal Form 2019/2020

When completed, please return the
Proposal form for the attention of the
'The Master Policy Team'

Lockton Companies LLP
22 Rutland Street
Edinburgh
EH1 2AN

DX Address: DX ED120, Edinburgh
or email masterpolicyteam@uk.lockton.com

ALL SECTIONS MUST BE COMPLETED

WHERE PARTICULARS ARE PRE-PRINTED,
PLEASE AMEND WHERE APPROPRIATE AND
INITIAL AMENDMENTS.

IF THERE IS INSUFFICIENT SPACE
FOR THE INFORMATION REQUIRED IN ANY
SECTION, PROVIDE THE INFORMATION ON A
SEPARATE SHEET, SIGNED AND DATED

1. The Practice

Sole Practitioner

☐

Partnership

☐

LLP

☐

Ltd Co.

☐

1.1 Practice name

1.2 Practice Law Society ref:

1.3 Is the Practice conducted under any other business names/trading names or styles?
If **YES**, please list the names/styles.

YES ☐

NO ☐

1.4a Are any trustee or nominee companies operated in connection with the Practice?
If **YES**, please list the names.

YES ☐

NO ☐

1.4b Are any service or administration companies operated in connection with the Practice?
If **YES**, please list the names of the companies.

YES ☐

NO ☐

1.4c Are any subsidiary or other companies not included in 1.a or 1.b above operated in connection with the Practice?
If **YES**, please list the names and nature of the services for each company.

YES ☐

NO ☐

1.5 Date of commencement of the Practice
(only complete if you are applying as a new practice)

Date

 / /

1.6 Is the Practice considering becoming a Licensed Provider under the Legal Services
(Scotland) Act 2010?

YES ☐

NO ☐

1.7 Provide a complete list of all Predecessor Practices.

In this context, Predecessor Practice refers to any sole practitioner, partnership incorporated Practice, or limited liability partnership to the extent that the Practice has assumed responsibility (whether in whole or in part) for maintaining professional indemnity insurance under the Master Policy Certificate of the Practice in respect of the Predecessor Practice's Business.

MASTER POLICY PROPOSAL FORM

2. Your Offices

2.1 Principal address/contact details of the Practice.

Address

DX

DX

Telephone

Website

2.2 Number of additional offices (other than the office referred to in 2a. above). If none, please insert '0'

2.3 Does the Practice have any place of business outwith Scotland? If **YES**, please state address(es).

YES

☐

NO

☐

3. Principals and Staff

3.1 Your Contact details

Name of the Principal/Manager/Administrator to whom correspondence in connection with the Master Policy should be addressed.

Title	First name	Surname	Email	Telephone

Name of the Practice's nominated Risk Management Contact.

Title	First name	Surname	Email	Telephone

Name of Practice's nominated Claims Contact.

Title	First name	Surname	Email	Telephone

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4. Fee Income & Source of Fees

4.1 Please provide details of your Gross Fee Income

		Last Completed Financial Year (Year end: dd/mm)	Current Financial Year (anticipated)
(a)	In the UK for UK domiciled clients	£	£
(b)	In the UK for clients domiciled in the USA/Canada (Please complete 4.2)	£	£
(c)	In the UK for clients domiciled elsewhere (Please complete 4.2)	£	£
(d)	From Offices in the USA or Canada (Please complete 4.2)	£	£
(e)	From Offices elsewhere in world (Please complete 4.2)	£	£
TOTAL		£	£

4.2 Work undertaken for clients domiciled outside the UK

(a) If you undertake work for clients domiciled outside the UK, please provide details of the countries of domicile.

Client Location

(b) Does work undertaken for clients domiciled in the USA/Canada exceed 10% of your Gross fees in respect of either your Last Completed Financial Year or your Current Financial Year?

YES ☐ NO ☐

(c) Does work undertaken for clients domiciled 'elsewhere in the world' exceed 25% of your Gross fees in respect of either your Last Completed Financial Year or your Current Financial Year?

YES ☐ NO ☐

5. Areas of Practice

5.1 Please provide a breakdown of the work by the Practice, for the **Last Completed Financial Year**

	£	%
Property/Conveyancing (complete 5.2)	£	%
Court (complete 5.3)	£	%
Commercial	£	%
Corporate (complete 5.4)	£	%
Financial Services	£	%
Trust & Executry	£	%
Tax Advice	£	%
Insurance	£	%
Other	£	%
TOTAL	£	100%

5.2 Property Conveyancing

Please provide a further breakdown of your total Property Conveyancing work for the **Last Completed Financial Year**, as noted in 5.1 above. Complete either in £s OR in %s

	£	%
Residential (including securities)	£	%
Commercial	£	%
Commercial Securities	£	%
Estate Agency	£	%
Hotels & Licensed Properties	£	%
Other	£	%
TOTAL	£	100%

5.3 Court

Please provide a further breakdown of your total Court work for the **Last Completed Financial Year**, as noted in 5.1 above. Complete either in £s OR in %s

	£	%
Criminal	£	%
Commercial	£	%
Personal Injury (Pursuer)	£	%
Personal Injury (defender/insurer)	£	%
Insurer (non personal injury)	£	%
Matrimonial	£	%
Employment	£	%
Other	£	%
TOTAL	£	100%

5.3b Will all your work in the **Current Financial Year** relate to criminal court work only?

YES ☐ NO ☐

If **YES**, and you are applying for a reduced rate of premium as a Criminal Court Practice please complete the Criminal Court Undertaking appended to this form.

5.4 Corporate

Please provide a further breakdown of your total Corporate work for the **Last Completed Financial Year**, as noted in 5.1 above. Complete either in £s OR in %s

	£	%
Company/Business Acquisition/Sales	£	%
Public Issues	£	%
Employment (non litigious)	£	%
Other	£	%
TOTAL	£	100%

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6. Financial Services

a. (i) Are you currently authorised by the FCA to conduct investment business, regulated mortgage activities or insurance business?

YES ☐

NO ☐

(ii) If YES, state FCA reference number.

b. Are you currently licensed by The Law Society of Scotland to conduct incidental financial business (IFB)?

YES ☐

NO ☐

7. Matters (Claims and Circumstances) not previously reported

It is important that all Claims and Circumstances are intimated. Are you or any of your staff aware of Claims or any matters that could potentially give rise to a claim (Circumstances) that have not already been intimated?

YES ☐

NO ☐

If YES:

Please supply,

- a memorandum relating to each matter not previously reported referring, in particular, to
- the name of the client/claimant,
- the cause of the claim/potential claim, and
- an estimate of the sum(s) claimed.
- a copy of all relevant correspondence.

Total number of new matters now being intimated

8. Limit of Indemnity & Self Insured Amount

8.1 Your Master Policy provides £2 million compulsory cover. You can 'top-up' this cover. If you would like 'Top-up' cover please note the total limit of indemnity that you require (e.g. if you take £8m 'Top-up' cover your total limit of indemnity is 10m)

£ million

If you would like an alternative total limit quoted, please detail

£ million

8.2 Please select your preferred 'Self-insured Amount option'

SIA Options	2019/20 standard Self-Insured Amount per principal per claim (capped at 15 Principals)	Premium consequence	Select SIA Option
Option 1 no reduction and no increase in level of SIA	£4,500	No premium adjustment	<input type="checkbox"/>
Option 2 reduction in level of SIA	£3,000	Practice's premium increased by 12%	<input type="checkbox"/>
Option 3 increase in level of SIA	£9,000	Practice's premium reduced by 11.5%	<input type="checkbox"/>

Whatever level of standard SIA is selected by your Practice, that amount is doubled or trebled in respect of certain categories of claim. For more details see a copy schedule or contact Lockton.

9 Other Insurances

Would you like a quotation for any of the following insurances:

Fidelity Insurance (Please complete Q 10.)

YES ☐

NO ☐

Cyber Insurance (Please complete Q 11.)

YES ☐

NO ☐

Office Insurance (We will send you a separate proposal form)

YES ☐

NO ☐

Other (Please specify)

10. Supplementary Fidelity Questionnaire (only complete if Fidelity Cover required)

10.1 Has there during the last 5 years been occasion to question the honesty of any Employee (including Principal)?

YES ☐

NO ☐

If **YES**, Please provide details

10.2 Has any Principal been convicted of or charged (but not yet tried) with a criminal offence other than a motoring offence?

YES ☐

NO ☐

If **YES**, Please provide details

10.3 In respect of any risks to which this Proposal relates (and any business in which your Principals have been engaged) have there been any losses of a type covered by this policy within the last 5 years whether insured or not?

YES ☐

NO ☐

If **YES**, please give details in the additional information box of

a) Date, b) Circumstances, c) Amount, d) Steps taken to prevent recurrence

10.4 Do you currently have Fidelity/Employee Dishonesty/Commercial Crime Insurance?

YES ☐

NO ☐

If **YES**, Please provide details of: Date from which continuous cover has been purchased, Name of Current Insurer, Current Limit of Indemnity, Current Excess

10.5 Date from which you wish this cover to commence

Date / /

10.6 Do you wish a quotation to include retroactive cover?

YES ☐

NO ☐

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10.7 Minimum Standards of Control

Please confirm compliance with the following Minimum Standards of Control. If you are unable to confirm compliance with any of these standards, you must provide details in order to satisfy the requirements of a 'fair presentation of risk'.

10.7a Prepared cheques

- | | | |
|---|------------------------------|-----------------------------|
| i) No manual cheque shall be signed until the signatory has examined the supporting documentation | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| ii) Manually prepared cheques drawn on the Firm's account for more than £25,000 shall have two handwritten signatures added after the amount has been inserted | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| iii) In the case of computer or machine prepared cheques, the supporting documentation shall be examined and authorised before the requisition for the cheque is input. Computer or machine prepared cheques drawn on the Firm's account for more than £25,000 shall have one handwritten signature added after the cheque or instrument is prepared. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| iv) The Insured's bankers shall be advised of the above requirements as to signatures. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |

10.7b Electronic/Written Funds Transfers (other than manual and computer prepared cheques)

- | | | |
|---|------------------------------|-----------------------------|
| i) Written funds transfer payment authority forms shall not be signed until the signatory has examined the supporting documentation. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| ii) A system of passwords or codes on written funds transfer instructions shall be established with the Service Provider/Bank. Such passwords or codes should be known only to individuals authorised to send written funds transfer instructions to the Service Provider/Bank for verification purposes. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| iii) All written fund transfer instructions with a value of more than £25,000 shall have two handwritten signatures on the payment authority form after the amount has been inserted. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| iv) In respect of electronic fund transfers via a computer terminal situated in your office access to the computer shall be controlled by unique passwords held by each individual. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| v) Independent authorisation shall be required on any electronic funds transfer instruction with a value of more than £25,000. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| vi) The Insured's bankers shall be advised of the above requirements. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |

10.7c Payroll

- | | | |
|--|------------------------------|-----------------------------|
| i) A quarterly reconciliation of the petty cash account must be undertaken by a person independent to the control of such account. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
|--|------------------------------|-----------------------------|

10.7d Computer Security

- | | | |
|--|------------------------------|-----------------------------|
| i) Security checks will be built in to all computer functions with reconciliations made as necessary | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| ii) Responsibility for processing of transactions and authorisation of transactions shall be exercised by different Employees. | YES <input type="checkbox"/> | NO <input type="checkbox"/> |

10.7e Additional Notes

11. Supplementary Cyber Questionnaire (only complete if Cyber Cover required)

11.1a Do you have anti-virus software installed and enabled on all desktops, laptops and smart-phones and servers (excluding database servers)? YES ☐ NO ☐

11.1b Is it updated on a regular basis? YES ☐ NO ☐

11.2 Do you have firewalls installed on all external gateways? YES ☐ NO ☐

11.3a Do you take regular back-ups (at least weekly) of all critical data and store it offsite or in a fireproof safe, or your outsourced service provider meets this requirement? YES ☐ NO ☐

11.3b What format does the Practice use for backing up computer system data?

Tape ☐ Disk ☐ Online Back Up ☐ Other ☐ [please specify]

11.3c Are tapes or other portable media containing back-up materials encrypted? YES ☐ NO ☐ N/A ☐

11.4 Do you ensure that all confidential client data transmitted over open networks or stored on portable devices is encrypted? YES ☐ NO ☐

11.5 Are staff able to store data to the hard drive of portable computers, tablets or portable media devices such as USB drives (memory sticks)? YES ☐ NO ☐

11.6 What other controls have been implemented by the Practice to protect data?

11.7a Do you process or store credit card information? YES ☐ NO ☐

11.7b Is this function outsourced to a third party that accepts full responsibility for PCI compliance? YES ☐ NO ☐

11.7c Have you been certified as PCI compliant within the last 12 months, or successfully completed a self-assessment audit? YES ☐ NO ☐

11.7d Approximately how much money has been received by way of credit card payments to the Practice in the last year?

£

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11.8 How many websites or social media sites (including blogs) do you maintain in?

11.9 In respect of any risks to which this Proposal relates (and any business in which your Principals have been engaged) have there been any losses of a type covered by this policy within the last 5 years whether insured or not?

YES ☐

NO ☐

If **YES**, please give details in the additional information box of

a) Date, b) Circumstances, c) Amount, d) Steps taken to prevent recurrence

11.10 Does the Practices or any director, officer or employee have knowledge of or information regarding any fact, circumstance, situation event or transaction which may give rise to a claim or loss or obligation to notify a breach under the proposed insurance? If **YES**, Please provide details

11.11 Do you currently have any Cyber insurance product in place?

YES ☐

NO ☐

If **YES** please state: Date from which continuous cover has been purchased,
Current Limit of Indemnity, Current Excess, Name of Current Insurer

11.12 Date from which you wish this cover to commence

Date

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IMPORTANT NOTICE CONCERNING YOUR DUTY TO MAKE A FAIR PRESENTATION OF THE RISK

Before your professional indemnity policy takes effect you have a duty to make a fair presentation of the risks to be insured under your policy. A *fair presentation of the risk* is one which:

- discloses to Insurers every material circumstance which you know of or ought to know of; or
- gives Insurers sufficient information to put them on notice that they will need to make further enquiries for the purpose of revealing those material circumstances,
- which makes that disclosure referred to above in a manner which is reasonably clear and accessible to Insurers; and
- every material representation as to a matter of fact is substantially correct, and every material representation as to a matter of expectation or belief is made in good faith.

A *material circumstance* is one that would influence an Insurers decision as to the terms of that insurance. If you are in any doubt as to whether a circumstance is material you should disclose it to us.

A copy of the proposal should be retained for your records.

MASTER POLICY DECLARATION

I/We declare that the answers to the questions in this Proposal Form are true and accurate having consulted with all Partners/ Principals/Directors of the practice. I/We confirm that a reasonable search has been undertaken of information available to me/ us in accordance with the terms of the Insurance Act 2015 and that a written record has been retained evidencing all such searches. I/We have not omitted suppressed or misstated any material facts which may be relevant to insurers' consideration of this proposal form. ☐

I/We undertake to inform the insurer of any change to any material fact that occurs prior to the point at which the insurance contract has been agreed. ☐

I/We understand that the information I/We provide will be used in deciding the price charged by the Insurer for the risk and whether the Insurers will accept the application and the terms of any policy provided. ☐

I/We are duly authorised to sign this Proposal Form by all principals/members/directors of the firm. ☐

By signing and submitting this proposal form, you consent to Lockton Companies LLP using the information we may hold about you for the purpose of providing insurance and handling claims, if any, and to process sensitive personal data about you where this is necessary (for example, criminal convictions).

This may mean we have to give some details to third parties involved in providing insurance cover. These may include insurance carriers, third-party claims adjusters, fraud detection and prevention services, reinsurance companies and insurance regulatory authorities.

In the course of performing our obligations to you, this information may be disclosed to agents and service providers appointed by us and insurers (which includes their re-insurers, legal advisers, loss adjustors or agents).

Where such sensitive personal information relates to anyone other than you, you must obtain the explicit consent of the person to whom the information relates both to the disclosure of such information to us and its use by us as set out above. The information provided will be treated in confidence and, where appropriate, in compliance with the relevant Data Protection legislation.

You have the right to apply for a copy of your information (for which we may charge a small fee) and to have any inaccuracies corrected.

Signature of Principal

Principal's Full Name

On behalf of

Date

[Proposal Form will be returned to the Practice if it is dated more than sixty days prior to Commencement Date]

A COPY OF THE PROPOSAL FORM SHOULD BE RETAINED BY YOU FOR YOUR OWN RECORDS

PLEASE ENSURE THAT ALL SECTIONS HAVE BEEN FULLY COMPLETED AND THE DECLARATION IS SIGNED AND DATED BEFORE THE PROPOSAL FORM IS SUBMITTED TO LOCKTON

Fair Processing Notice

RSA will treat your personal information fairly and lawfully in accordance with the Data Protection Act 2018 and The General Data Protection Regulations (GDPR).

Financial or Trade Sanctions

The Insurer shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation.

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NOTES

Fees Information

For the purposes of completing sections 4 and 5 of Appendix A - Fees Information, work types are deemed to include those listed below.

PROPERTY/CONVEYANCING

- Domestic (including domestic securities)
- Commercial including:
 - Farms and Estates
 - Fishing
 - Minerals
 - Security Work (not domestic)
- Hotels and Licensed Premises
- Property Letting/Factoring
- Leasing (heritable property)
- Planning
- Time Share Schemes
- Crofting Matters
- Succession to Tenancies
- Estate Agency

COURT

- Arbitration
- Commercial
- Construction
- Criminal
- Personal Injury
- Matrimonial
- Criminal Injuries Compensation Board
- Employment Tribunal
- Children's Panel
- Debt Recovery/Defence/Diligence
- Alternative Dispute Resolution
- Licensing
- Reparation
- Re-possession
- Planning (Enquiry)
- Interdict
- Family/Child Law Matters
- Lands Tribunal

COMMERCIAL

- Partnerships
- Licensing
- Insolvency Work
- Leasing (non-heritable property)
- Environmental Law
- Intellectual Property
- Planning
- Employment Advice
- Banking
- Shipping/Maritime Law
- Energy Law
- Franchising
- Commercial Contracts
- Regulatory Matters

CORPORATE

- Company/Business Acquisition/Sales
- Employment Matters
- Insolvency
- EEC and Competition Law
- Banking
- Employee Benefits
- Management Buy-outs
- Share Purchase/Reorganisation
- Company Formation
- Company Secretarial
- Public Issues

FINANCIAL SERVICES

- Investment Advice
- Pension Advice
- Pension Scheme Administration
- Pension/Employee Benefits
- Mortgage Advice
- Tax Advice
- Insurance Advice (not general insurances)
- Bonds
- Split Capital Investments
- Zero Dividend Investments

TRUST AND EXECUTRY

- Will Drafting
- Trust Administration
- Trust Variation
- Executry Administration
- Tax Planning
- Off-Shore Trusts

TAX ADVICE

- Tax Compliance
- Tax Planning
- Tax Advice

INSURANCE

- General insurance work i.e. arranging or providing advice on arranging general insurance contracts, not concerned with Financial Services legislation

GENERAL

- Guardianship
- Charity Administration/Law
- Adoption
- Immigration/Naturalisation
- Preparation of Accounts
- Social Security Matters
- Mental Health Matters
- Miscellaneous advice and matters not otherwise shown e.g. Powers of Attorney

CHECKLIST FOR YOUR OWN USE ONLY

Points to be checked before submission of Proposal Form



- Have memoranda been supplied in respect of Claims or Circumstances not previously reported? ☐
- Have all sections of the Proposal Form been fully completed? ☐
- Have all changes been initialled? ☐
- Has the Declaration been signed and dated no more than sixty days prior to Commencement Date? ☐
- Have you securely attached all additional information sheets with the Practice name shown at the top of each sheet? ☐
- Has a copy of the completed Proposal Form been retained for your own records? ☐

MASTER POLICY PROPOSAL FORM

Our mission

To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits and retirement services.

Our goal

To be the best place to do business and to work.



Lockton Companies LLP.
Authorised and regulated by the Financial Conduct Authority.
A Lloyd's broker. Registered in England & Wales at The St Botolph Building,
138 Houndsditch, London, EC3A 7AG. Company No. OC353198.

www.locktonlaw.scot

If you wish to use this document for the purposes of your undertaking to the Society, simply complete it in duplicate. One copy of the document should be submitted to the Society and one copy to be sent to Lockton Companies LLP with your Proposal Form.

The Registrar
The Law Society of Scotland
LP 1 Edinburgh - 1
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Dear Sir,

**The Master Policy for Professional Indemnity Insurance - 2019/2020
Criminal Court Undertaking**

I/We hereby undertake that this Practice's activities will be restricted to criminal court work only throughout the period _____ to 31 October 2020

A copy of this letter has been sent to Lockton Companies LLP, brokers to the Master Policy.

I/We understand that this restriction will entitle us to a 75% discount on the basic premium element of the Master Policy premium and accordingly, I/we are applying for a reduced rate of premium.

If the situation changes, I/we will promptly notify you and the brokers to the Master Policy. I/we understand that if I/we rescind the criminal court undertaking, standard premium rates will apply as advised by the brokers.

Yours faithfully,

Signature of Principal _____ Principal's Full Name _____

On behalf of _____ Date

d	d
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 /

m	m
---	---

 /

y	y	y	y
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