

ACCOUNTANTS PROFESSIONAL LIABILITY APPLICATION

Required documents, in addition to this application:

- Current Declarations page or copy of Insurance Policy(ies), as applicable
- Currently valued loss runs (five years)

APPLICANT INFORMATION

Legal name of Applicant:	
Mailing Address: (Street, City, State, Zip Code):	
Primary Location Address: (If different from above)	

List all other business/DBA names for which you ARE seeking coverage under this policy:	
--	--

List any names of other entities you own, manage, or do business under for which you ARE NOT seeking coverage:	
---	--

Date Established:		Website:	
--------------------------	--	-----------------	--

COVERAGE REQUESTED

Policy Period:	From:		To:	
Retroactive Date: (declarations page required)				
Limits of Insurance:	\$100,000/100,000		\$250,000/250,000	
\$500,000/500,000	\$1,000,000/1,000,000		\$2,000,000/2,000,000	
\$3,000,000/3,000,000	\$5,000,000/5,000,000		Other:	\$
Deductible:	\$5,000	\$10,000	\$15,000	
\$25,000	\$50,000	\$100,000	Other:	\$

GENERAL INFORMATION

1. Firm staff (including contract/per diem employees who work 500 or more hours per year)			
	CPAs	Non-CPAs	Total
Owners, Officers, Partners			
All other Accounting or Tax Professionals			
Other Consulting Professionals (not included above)			
Administrative Staff			
Total			

2. Based on the firm's fiscal year-end data, please provide the following gross revenue figures:		
Last Fiscal Year	Current Fiscal Year	Projected Next Fiscal Year
\$	\$	\$

3. Client profile and percentage of revenues

Individuals (<\$10m assets)	%	Public Company (<\$100m revenues)	%
High Net Worth (>\$10m assets)	%	Public Company (>\$100m revenues)	%
Private Company (<\$100m revenues)	%	Trusts	%
Private Company (>\$100m revenues)	%	Other (describe below)	%

Additional client profile information:

4. For clients that represent 20% or more of the firm's revenue, please provide the following:

Client	Industry	Revenue %	Services performed	Time as client
		%		
		%		
		%		
		%		

5. Please provide the approximate percentage of the firm's revenues derived from the service areas listed below (must total 100%):

Assurance Services (other than review, audits, compilations)	%	Payroll Accounting Services	%
Audit Services – Publicly Held Clients	%	Projection & Forecast Services	%
Audit Services – Non-Public Clients	%	Review Services – Publicly Held Clients	%
Bookkeeping and Write-Up Services	%	Review Services – Non-Public Clients	%
Business Valuation Services	%	Tax Services – Business	%
Compilation Services -Publicly Held Clients	%	Tax Services – Estate	%
Compilation Services – Non-Public Clients	%	Tax Services – Individuals	%
Information Technology Services	%	Interim Accounting/CFO Services	%
Litigation Support Services	%	Accounting – All Other Operations (describe below)	%

Additional service area information:

6. Has the firm, or any member or spouse of a member, within the past five (5) years:

a. Held an equity interest in, operated, or managed any entity (excluding the firm) for whom the firm provided professional services?	Yes	No
b. Acted as director, officer or exercised any managerial control over any entity (excluding the firm) for whom the firm provided professional services?	Yes	No
If "Yes", please explain:		

7. Does the firm, or any member, control or distribute client funds, other than as a trustee or executor?

	Yes	No
If "Yes", please explain:		

8. Has the firm, its predecessors, or affiliates, within the past five (5) years:		
a. Performed audits for or provided consulting services to SEC-regulated entities (other than broker/dealers who are not publicly traded)?	Yes	No
b. Performed services, or consented to the use of the firm's work product, in connection with public or private offerings of securities, real estate, or other investments	Yes	No
If "Yes", please explain:		

9. Is the firm in the process of or planning to bid on any new engagements for a publicly held company, its subsidiaries or its employee benefit plans?	Yes	No
If "Yes", please explain:		

10. Has the firms, its predecessors or affiliates, within the past five (5) years performed services for unregistered investment vehicles such as hedge funds, real estate or investment syndicates, limited liability companies or partnerships (limited or general)?	Yes	No
If "Yes", please explain:		

11. Has the firm, its predecessors or affiliates, within the past five (5) years:		
a. Arranged debt or equity financing or acted as a business broker?	Yes	No
b. Acted as a mortgage agent or broker?	Yes	No
c. Performed actuarial services?	Yes	No
If "Yes", please explain:		

12. Has the firm, its predecessors or affiliates, currently or within the past five (5) years:		
a. Organized, sold, acted as sales promoter or sales agent for, or participated in the management of or general partner for any real estate or other investment syndicate, limited liability company (LLC) or partnership (limited or general)?	Yes	No
b. Received commission, finder fees, reciprocity or participation from sellers or promoters of an investment, tax, shelter, securities, insurance products, or real estate?	Yes	No
c. Organized, sold, acted as sale promoter or sales agent for, prepared any promotional sales materials for, provided any tax advice, counsel or opinions with respect to, any "reportable transaction" as defined in Treasury Regulation §1.6011-4(b), or any 1031 Like-Kind Exchanges?	Yes	No
d. Organized, sold, acted as sale promoter or sales agent for, prepared any promotional sales materials for, provided any tax advice, counsel or opinions with respect to, or prepared or assisted in preparing any income, gift or estate tax returns incorporating or reporting a tax shelter or other tax advantaged investment which provided taxable income exclusions or tax deductions exceeding \$500,000 in any one tax year?	Yes	No
If "Yes", please explain:		

13. How many suits for the collection of fees have been filed by the firm during the past 24 months?				
a. How many of these suits for fees have been resolved successfully?				
b. How many of these suits remain open?				
c. Average suit amount?	\$	Largest suit amount?	\$	

RISK MANAGEMENT

14. Please provide the percentage of client engagements where an engagement letter was utilized:				%
a. Do engagement letters contain a mediation/arbitration (ADR) clause?	Yes	No		
b. Do engagement letters contain a limitation of liability clause?	Yes	No		
If yes, what is the liquidated damages amount stipulated?				

15. Engagement letters are updated:	
Annually for all engagements	Annually for attest engagements
As engagements change	Evergreen (not updated)
Other (please describe):	

16. Second Person/Partner review:	
Attest Services	Tax Services
All Services	No second person/partner review
Other (please describe):	

17. Checklists used:	
AICPA	PPC
Not used or not applicable	Other

18. Client screening procedures	
New Clients prior to acceptance	Existing clients
Both	None

19. Does the firm utilize declination/non-engagement letters on all matters declined by the firm?		Yes	No
If "No", please explain:			

20. Does the firm have disengagement procedures for terminating client relationships?		Yes	No
If "No", please explain:			

21. What is the date of the firm's most recent peer or quality review?			
a. Was the review onsite or offsite?	On	Off	
b. Was the review modified, qualified, adverse, or other? If "Yes", please provide a copy of the letter of comments, your firm's response, and the committee acceptance letter.	Yes	No	
c. If none in the last three (3) years, what is the anticipated date of next review?			

INSURANCE HISTORY

22. Are you being cancelled or non-renewed by your current professional Liability insurance carrier?

Yes

No

If "Yes", please explain:

23. Professional Liability Insurance History (Past 5 years)

Insurer	Policy Period	Limits of Insurance	Deductible	Premium
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

If you are currently insured, what is the retroactive date on your current policy?

LOSS HISTORY

For any "Yes" answers to the following questions, please provide detailed information in the Supplemental Information section of this application or provide separate attachments.

24. Has any insurance company ever rescinded, cancelled or non-renewed any similar insurance for the applicant?

If "Yes", please explain in the space provided below.

Yes

No

25. After inquiry with each person as appropriate, in the last five (5) years have any claims been made against the person or entity applying for insurance, or any of your past or present members, partners, officers, directors, employees, or any predecessors in business?

If "Yes", please complete a supplemental claim/incident form for each.

Yes

No

26. After inquiry with each person as appropriate, are you, or any of your partners, officers, directors, or employees, aware of any circumstances, acts, errors, omissions, or any allegations or contentions of any incident which may result in a claim?

If "Yes", please complete a supplemental claim/incident form for each.

Yes

No

27. After inquiry with each person as appropriate, have you, or any of your partners, officers, directors, or employees been the subject of any complaint or subject to any disciplinary action by any state licensing agency or other regulatory body during the past five (5) years?

If "Yes", please provide a description of circumstances, and if applicable, a copy of the regulatory body's decision and any penalties involved.

Yes

No

SUPPLEMENTAL INFORMATION

Please use this section to provide additional details for Questions 24-27, or for any other questions requiring additional space for answers.



FRAUD WARNING

NOTICE TO ALABAMA, ALASKA, ARIZONA, ARKANSAS, CONNECTICUT, DELAWARE, GEORGIA, IDAHO, ILLINOIS, INDIANA, IOWA, KANSAS, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, NORTH CAROLINA, NORTH DAKOTA, OREGON, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TEXAS, UTAH, VERMONT, WASHINGTON, WEST VIRGINIA, WISCONSIN, AND WYOMING APPLICANTS: In some states, any person who knowingly, and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information, or, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act which is a crime in many states.

NOTICE TO CALIFORNIA INSURED: For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of the third degree.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

NOTICE TO LOUISIANA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud an insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of



insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company, or other person, files an application for insurance or statement of a claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

NOTICE TO TENNESSEE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO VIRGINIA APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

The Applicant acknowledges that the answers provided herein are based on a reasonable inquiry and/or investigation. The Applicant warrants that the above statements and particulars together with any attached or appended documents are true and complete and do not misrepresent, misstate or omit any material facts.

The Applicant agrees to notify us of any material changes in the answers to the questions on this questionnaire which may arise prior to the effective date of any policy issued pursuant to this questionnaire and the Applicant understands that any outstanding quotations may be modified or withdrawn based upon such changes at our sole discretion.

Completion of this form does not bind coverage. Applicant's acceptance of the company's quotation is required prior to binding coverage and policy issuance.

All written statements and materials furnished to the company in conjunction with this application are hereby incorporated by reference into this application and made a part of this application.

Applicant Signature _____

(Must be signed by an owner, principal, partner or officer)

Title: _____

Date: _____