



ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE
COVERAGE APPLICATION FORM
"CLAIMS MADE" POLICY

- Please answer each question completely.
Please type or print clearly in ink.
Please attach a copy of the firm's current letterhead (all letterheads used by the firm, if different for branch offices).
This application must be signed by a partner, principal, owner, director, or officer of the firm.
Please ensure that all appropriate supplements are completed and attached.

A. GENERAL INFORMATION

1. Name of Applicant: _____

2. Form of Business:

- Individual
Partnership
Corporation
LLC/LLP
Other: _____

3. Principal Business Address - Street Addresses Only - No P.O. Boxes:

4. Telephone # (____) _____

5. Fax # (____) _____

6. Primary Contact and Title: Mr. / Ms. _____

7. E-mail address: _____

8. Firm Website: _____

B. FIRM HISTORY

9. Month/Year Firm Established: _____

Support staff _____

Total Firm Personnel _____

15. Do any of the firm's personnel maintain a professional license other than as an accountant?
 Yes No

If Yes, please provide details on a separate sheet of paper.

D. FINANCIAL

16. Total gross revenues for the last filed tax return, excluding recovered expenses:

\$ _____ for the period ending _____ [month/day/year]

17. Estimated gross revenues for the current fiscal year: \$ _____

18. Does the firm receive more than 10% of its gross billings from any client? Yes No

If Yes, please provide the following information on a separate sheet of paper: the name of the client, industry, percentage of gross billings, and the services provided.

E. AREA OF PRACTICE

19. Please indicate the percentage of gross billable dollars for the last fiscal year, from the following activities. If this is a newly established firm, please provide estimates. **Total must equal 100%.**

Activity	%
Audit: Publicly Held	
Audit: Not-For-Profit	
Audit: All Other	
Business Planning	
Business Valuation	
Bookkeeping	
Compilations	
Consulting Services*	
ERISA/Pension Plans	
Financial Planning	
Forecasts/Projections	
Information Technology	
Litigation Support	
Management Advisory Services**	
Mergers and Acquisitions	
Reviews	
SEC Related Activities	
Tax Planning	
Taxation: Corporate	
Taxation: Estate	

Taxation: Individual	
Third Party Administration	
Trustee Services	
Other Services (describe below)	
Total	100%

Other Services: _____

* Please describe Consulting Services: _____

** Please describe Management Advisory Services: _____

20. Within the past five (5) years, has your firm provided any:

i. Services in connection with the issuance of the registration or sale of any public security or offering? Yes No

ii. Projections or forecasts for inclusion in a prospectus or sales literature for any promoter or seller of securities? Yes No

If Yes to 20 i or 20 ii above, please complete the Securities Supplemental Application.

21. Within the past five (5) years has any of the professional staff of your firm provided any of the following services:

i. Audit, attestation, or consulting services for a publicly held company? Yes No

If Yes, please complete the Securities Supplemental Application.

ii. Audits of non-public organizations? Yes No

If Yes, please complete the Non-Public Audit Supplemental Application.

22. Within the past five (5) years has any of the professional staff of your firm rendered audit, attest, or review services for a business client that subsequently defaulted on a debt obligation, declared or filed for bankruptcy, or became insolvent? Yes No

If Yes, on a separate sheet of paper please provide the following information for each client: name of client; type of services rendered; dates of services rendered; date of default, bankruptcy, or insolvency; and whether there was any "going concern" reference.

23. Within the past five (5) years has any of the professional staff of your firm provided financial planning, investment management, or asset advisory services? Yes No

If Yes, please complete the Financial Planning, Investment Management, and Asset Advisory Services Supplemental Application.

24. Within the past five (5) years has any of the professional staff of your firm provided any services as an administrator, executor, or trustee of an estate? Yes No

If Yes, please complete the Trust Services Supplemental Application.

25. Other than reviewing collateral, has your firm provided any professional services to a bank, savings and loan, savings association, credit union, building association, or other banking institution, bank holding company, or affiliated institution? Yes No

If Yes, please complete the Financial Institutions Supplemental Application.

26. Within the past five (5) years, has any member of the professional staff of the firm provided any tax advisory services or counseled clients regarding any tax avoidance strategies or instruments (i.e., *tax shelters*)? Yes No

If Yes, please complete the Tax Shelter Supplemental Application.

27. In the past year has your firm issued a *going concern letter* for any of the firm's business clients that have declared or filed for bankruptcy, defaulted on a bond issue, or become insolvent subsequent to the rendering of such services? Yes No

If Yes, please provide details on a separate sheet of paper.

28. Within the past five (5) years, has any member of the professional staff of the firm provided audit or review services to a client while acting as an officer or director of such client? Yes No

If Yes, on a separate sheet of paper please provide the following information for each client: client name; position held; nature of professional service performed; fee earned; and whether there was written disclosure of potential for conflict of interest.

29. Within the past five (5) years, has any member of the professional staff of the firm provided audit or review services to a client in which they or a spouse have an equity or financial interest? Yes No

If Yes, on a separate sheet of paper please provide the following information for each client: client name; equity interest (%); nature of professional service performed; fee earned; and whether there was written disclosure of potential for conflict of interest.

F. RISK MANAGEMENT AND QUALITY CONTROL

30. Does the firm maintain a written policies and procedures manual? Yes No

31. Does the firm have a written quality control document? Yes No

32. Does the firm have a written policy regarding screening and evaluating new clients? Yes No

33. Have members of your professional staff completed continuing professional education in the last three (3) years? Yes No

If Yes, on a separate sheet of paper please provide details including names of attendees, dates of attendance, and the subject matter of the continuing professional education conference, program, seminar, etc.

34. Do you maintain a system to ensure the timely completion of reports, filings, and tax returns?
 Yes No

If Yes, on a separate sheet of paper please describe the system.

35. Are all work papers properly documented to reflect the professional services that were performed, when, and by whom? Yes No

36. Are all balance sheets, statements of financial condition, and reports signed by a partner, principal, owner, director, or officer of the firm? Yes No

37. Does your firm require the use of engagement letters including fee agreements on all new matters undertaken by the firm? Yes No

- i. If Yes, do engagement letters contain an Alternative Dispute Resolution Clause?
 Yes No

38. Are declination or non-engagement letters issued on all matters declined by your firm?
 Yes No

39. Are business ventures permitted with clients of the firm? Yes No

If Yes, on a separate sheet of paper please provide the following information for each specific venture: name of client; fees billed to client; services rendered; nature of investment; and amount of investment.

40. Within the past five (5) years has your firm sued to collect fees? Yes No

If Yes, on a separate sheet of paper please provide the following information for each such suit for fees: name of client; date of suit; services rendered; fee amount; and status.

41. Does the firm delegate, sub-contract, and/or have any split fee arrangements?
 Yes No

- i. If Yes, what percentage of your total revenue is derived from these fee sharing arrangements? _____%

- ii. Are the firms associated with these arrangements insured? Yes No

42. In the past five (5) years, has any current or past member of the firm served or is currently serving as a director, officer, partner, or employee of any past or present client? Yes No

If Yes, please complete the Outside Interest Supplemental Application.

43. Has any current or past member of the firm had or currently have any equity interest in any past or present client? Yes No

If Yes, please complete the Outside Interest Supplemental Application.

44. Has the firm had a peer or quality review performed? Yes No

If Yes, please provide the following information on a separate sheet of paper: date of review; organization sponsoring the review (i.e., AICPA, state society, or other professional organization); and whether the results were qualified or unqualified.

G. CLAIMS AND DISCIPLINARY ACTION

45. Within the past five (5) years have any claims been made or legal actions been brought against your firm? Yes No
46. Has any member of the professional staff of the firm ever been the subject of a complaint or disciplinary action or reprimand by: any state board of accountancy (or equivalent); the Securities and Exchange Commission or the Internal Revenue Service; any governmental regulatory or tax authority; any federal, state, or local court; or any national or state accounting society? Yes No
47. Having inquired of all partners, principals, owners, directors, officers, and employed accountants, are there any circumstances which may result in a claim being made against the firm, its predecessors, or any current or past partner, principal, owner, director, officer, or employed accountant of the firm? Yes No

If Yes to 45, 46, or 47 above, please complete the Claims Supplemental Application for each claim or circumstance.

H. PRIOR INSURANCE

48. Has your firm or previous firm(s) carry accountants professional liability insurance during the past five (5) years? Yes No

If Yes, on a separate sheet of paper please provide the following information for each year of the last five (5) years: policy inception date; policy expiration date; insurance carrier; limits of liability; deductible; and premium.

49. Within the past five years, has any professional liability insurer declined, canceled, or non-renewed insurance of the firm, its affiliates, or any of its personnel? Yes No

If Yes, please provide details on a separate sheet of paper. [This question is not applicable to Missouri residents.]

50. Has the firm or any accountant in the firm purchased an endorsement to extend the claims reporting period (i.e., extended reporting endorsement, ERP, or tail coverage) under a prior insurance policy? Yes No

If Yes, on a separate sheet of paper please provide details including: the accountant/firm who purchased the endorsement; the effective date of the endorsement; and the length of the reporting period.

51. Does your current policy have, or is any accountant in the firm subject to, a prior acts exclusion? Yes No

If Yes, on a separate sheet of paper please provide details including: the firm/accountant; the policy containing the prior acts exclusion; and the effective date of the exclusion.

52. Does your current policy contain, or is any accountant in the firm subject to, any restrictive endorsements? Yes No

If Yes, please attach a copy of any restrictive endorsements.

I. DESIRED COVERAGE

53. Desired effective date of coverage: _____

54. Desired Limit of Liability (each claim/annual aggregate): _____ / _____

55. Separate limit for Defense Expense? Yes No

56. Deductible: _____

Notice to Applicant – Please Read Carefully

THE APPLICANT REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.

Applicant acknowledges a continuing obligation to report to the Company as soon as practicable any material changes in the facts and statements above, and in each supplemental application, of which applicant becomes aware after signing the application.

NOTE: In applying for coverage, applicant agrees that covered losses must be defended by a Company lawyer and that the deductible applies to damages and claims expenses, investigation costs and legal fees. If applicant elects to handle a claim without involving the Company, then the policy may not afford coverage for such claim.

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT’S ACCEPTANCE OF COMPANY’S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. IT IS AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND THAT IT WILL BE ATTACHED TO THE POLICY.

Applicant hereby authorizes the release of claim information from any prior issuer to the Company.

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

Signing this form and tendering premium does not bind the applicant or the Company to complete the insurance. The Application must be signed and dated to be considered for quotation.

Notice:

Failure to report:

1. Any claim made against you during your current policy term; or
2. Any facts, circumstances, or events that may give rise to a claim to your current insurance company BEFORE policy expiration may create a lack of coverage.

Applicant Signature (Must be signed and dated in ink by a Partner, Principal, Owner, Director, or Officer of the Firm).

Signature of Applicant

Date (Month-Day-Year)

Print Name

Title

Firm