## Accountants Professional Liability Insurance

## CLAIMS MADE WARNING FOR APPLICATION

## THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD THAT MAY APPLY.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the <a href="entire">entire</a> Applicant Firm.

Name of Applicant Firm								
Street Address							Suite	
City		County	County		State		Zip C	ode
Website Address (if applicable)			Federal Employer Identifica					
he person designated as agent of the presentatives concerning this insuran		olicant Firm and of all <b>Ins</b>	ureds to	receive any and	d all notices	from the	ne <b>Insurer</b>	or their authorize
Contact Name				M.	Title			
E-mail Address		Telephone Nun	nber	34	Fax Num	ber		
roducer Information								
Submitted by (Agency Name)				<u>.</u>	Dated			
Agent's Name (Individual's Name)					Agent's License Number			
Coverage Requested (Indicated)	ate a	Il options desired)			Agent 3 L	lochisc i	Vulliber	
Limits of Liability Desired (Each Cla	Ų.	5- HI IN HI 15 H						
\$100,000 / \$100,000		\$100,000 / \$200,000		\$100,000 / \$30	0,000		\$250,000 /	\$250,000
\$250,000 / \$500,000		\$500,000 / \$500,000		\$500,000 / \$1,0	000,000		\$1,000,000	/ \$1,000,000
\$1,000,000 / \$2,000,000		\$2,000,000 / \$2,000,000		\$3,000,000 / \$3	3,000,000		Other: \$	
Deductible Desired (Each Claim):			19 <u>. 18</u> 33			( <u>) = ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) </u>	100	
\$0	Ш	\$1,000		\$2,500			\$5,000	
\$10,000		\$15,000		\$20,000			Other: \$	
First Dollar Claim Expense (Damag	es On	ly) Deductible:		Yes			No	
Claims Expense:		Inside the Limit		Outside the Lin	nit		Both Optio	ns Desired
dditional Coverage Reque	este	d						
Additional Coverage Requested? Employment Practices Liability Claims Expense Life Insurance Agent Professional Liability Nonprofit Directorship Liability Claims Expense Real Estate Agent Professional Liability Registered Representative Professional Liability  Coverage Requested? Proposal Form Required Proposal Form (APL 28780) Additional Entity / Individual License Proposal Form (APL 28750) Additional Entity / Individual License Proposal Form (APL 28750) Registered Representative Professional Liability Proposal Form (APL 28750) Registered Representative Professional Liability Registered Representative Professional Liability					PL 28700) 50) PL 28700)			
Current Insurance Informat	ion	(Provide details to all "	Yes" ans	swers)				
List the professional liability insur Insurance Carrier	ance		Firm for e Expiration		3 years. If "N of Liability		o state. ductible	None Premium \$
05.								

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2.	Has the Extended Reporting Period (or Discovery Period) been exercised for any of the Applicant Firm's, or any predecessor in business, prior professional liability insurance policies? If "Yes", provide full details.	Yes No					
3.	(I) (I) 10 Particular - I (Control Control Con						
4.	Does the Applicant Firm's current or most recently expired professional liability insurance policy contain a retroactive date?  If "Yes", indicate the date (Mo/Day/Yr):	Yes No					
Gei	neral Information (Provide details to all "Yes" answers by attachment, when appropriate)						
5.	Form of Applicant Firm: Corporation Partnership Professional Corporation	oration					
	☐ Limited Liability Corporation ☐ Professional Association ☐ Sole Proprietorship						
	☐ Limited Liability Partnership ☐ Other:	7 marvidadi					
6.	The Applicant Firm has been in continuous operation since:						
7.	Does the Applicant Firm share office space with any other entity / person?	☐ Yes ☐ No					
	(a) If "Yes", does the Applicant Firm keep separate files, employ separate staff and present itself as an independent	LI YES LI NO					
	practice to the public?	Yes No					
	(b) If "No", complete the Multiple / Shared Office Supplemental Form (APL 28720).						
8.	Within the last 5 years, has the Applicant Firm:						
	(a) changed its name?	Yes No					
	(b) experienced a change in ownership or principals?	Yes No					
0	(c) merged with or acquired, the business of any individual or entity?	☐ Yes ☐ No					
9.	Provide the following on <u>all</u> <b>Predecessor Firm(s)</b> to whose assets and liabilities the Applicant Firm is the majority successor in interest. Include the date the <b>Predecessor Firm(s)</b> were acquired. If "None", so state.	☐ None					
	Name of <b>Predecessor Firm</b> Date Acquired Requested □ Yes □ No						
6	□ Yes □ No						
54	□ Yes □ No						
10.	Does the Applicant Firm have any affiliates and/or subsidiaries?	Yes No					
	If "Yes", and coverage is requested, complete the Additional Entity / Individual License Supplemental Form (APL 28700) for						
11.	each entity proposed for coverage.  Is the Applicant Firm, any <b>Predecessor Firm</b> , subsidiary, affiliated entity, or any member of the Applicant Firm engaged in any of the following activities? If "None", so state.	□ None					
	Registered Representative Real Estate Agent / Agency Life Insurance Agent / Agency Lawyer	= None					
	□ Investment Advisor □ Title Insurance Agent / Agency □ Other:						
12.	Indicate which professional association(s) the Applicant Firm or at least one member of the Application Firm is an active	3					
	member of. If "None", so state.	■ None					
	□ AICPA □ State CPA Society □ National Society of According to the control of th						
	■ National Association of Tax Professionals ■ National Association of Enrolled Agents ■ American Taxation Asso	ociation					
40	American Payroll Association American Institute of Professional Bookkeepers						
13.	Indicate active American Institute of Certified Public Accountants (AICPA) section membership(s). If "None", so state.	None					
	☐ Center for Public Company Audit Firms ☐ Government Audit Quality Center						
C	□ Employee Benefit Plan Audit Quality Center □ Private Companies Practice Section						
100000000	rent Staffing Information						
14.	Indicate the total number of personnel for the Applicant Firm by Full Time and Part Time (<1,250 hours).	DT					
	(a) Total number of Professional Staff for the Applicant Firm.  Owners, Partners and Officers (# CPAs; # Public Accountants; # Tax Professionals):	<u>PT</u>					
	Employed Certified Public Accountants (not included above):	<del>-</del> 8 8					
	Other Accounting or Tax Professionals (not included above):						
	Independent Contractors and Temporary Staff:	-0 %					
	(b) Total number of Additional Staff for the Applicant Firm. <u>FT</u>	PT					
	Administrative / Support Staff:						
	Leased, Seasonal, and Temporary Staff:						

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<ul><li>15.</li><li>16.</li></ul>	Within the last 5 years, has the professional sta merger or acquisition activity? Not applicable to List the following information for each Owner, F	firms with less than	n 10 professionals.	which was not related to a	ny 🗖	Yes 🗖 No
	Name(s)	(C)	in Practice	State(s) where Lice	ense(s) A	pply
		#				
	*	#	C :=			
8)	· · · · · · · · · · · · · · · · · · ·	#				
Not	ure of Practice Information	#				
						-
17.	Indicate the Gross Annual Revenue for the App		V ( C   1 B	D : 1 IN 15		
	Prior Fiscal Year	Current Fiscal	Year (estimated)	Projected Next Fisca	l Year	
2	\$	\$		\$		
18.	Indicate the percentage of revenue for the Prior	r Fiscal Year from th				
	Largest Client % of Revenue	%	Second Largest Client %	of Revenue		<u>%</u>
	Type of Industry		Type of Industry	14-		
	Number Years as Client	<u> </u>	Number Years as Client			
19.	Indicate the percentage of revenue for the Prior	r Fiscal Year from th	ne largest states for the Appli	cant Firm.		
	State 9	of Revenue	State	% of I	Revenue	
	<u> </u>	%	4			%
	E	%				<b>%</b>
20.	Indicate the percentage of Gross Annual Rever	nue for the Prior Fis	cal Year derived from the foll	owing areas of practice:		
	Area of Practice	<u>%</u>	Area of Practice		<u>%</u>	
	Business Tax Services	<u>~</u> %	Litigation Support Service	S	85 <u>-</u> 83	%
	Estate Tax Services	<u>%</u>	Business / Personal Mana			%
	Individual Tax Services	<u>%</u>	*Fiduciary Services: Trust			%
	Bookkeeping and Write-Up Services	%	*Fiduciary Services: Non-	Trust Related		%
	Payroll Accounting Services	%	*Fiduciary Services: Empl			%
	Audit / Review Services: Public Clients (2)	%	Information Technology S	Services (6)		%
	Audit Services: Non Public Clients (3)	<u>%</u>	Assurance Services (5)	4		%
	Review Services: Non Public Clients	<u>%</u>	Securities (Other than Au			%
	Compilation Services: Non Public Clients	<u>%</u>	Other:			%
	Projection and Forecast Services	<u></u>	Other:			%
	Business Valuation Services	%_	*Describe services by atta	achment. TOTAL:	100%	
	Complete the following Supplemental / Proposal For Services (APL 28740); (3) Non Public Client Audit Sc (6) Information Technology Services (APL 28840); Enditional Client Services include: audit, review or forect Statement(s) filed with the Securities and Exchange State Securities Commission, NASD or any Stock Endits Commission Com	ervices (APL 28730), ( imployee Benefit Plan ast / projection engage Commission ("SEC") ( xchange, or similar org	(4) Securities Services (APL 288 (APL 28790). ements performed in connection or similar State Securities Companization.	320); (5) Assurance Services with, but not limited to: (1) Renission, or (2) Report(s) filed v	(APL 2883)	0);
21.	With respect to the areas of practice listed about					
	(a) have any of the professional services prov	1070 m		CONTRACTOR OF THE PROPERTY OF		Yes No
	(b) does the Applicant Firm foresee a 25 percentage.	ent change in the pr	rofessional services provided	I in the next 12 months?		Yes  No
	(c) have there been any professional services	s previously provide	d that have been discontinue	ed in the last 5 years?		Yes 🗖 No
	(d) are there any plans to expand professiona	al services into new	areas in the next 12 months'	?		Yes  No
22.	Is the Applicant Firm, if required, properly licens	sed and in good sta	nding for the state(s) in which	h it operates?	15	Yes No
23.	Within the last 5 years, has the Applicant Firm,	any Predecessor F	Firm, or any member of the A	Applicant Firm:		
	(a) performed services, other than tax, for a c debt obligation, or become insolvent?	t en vertigen aller er groten ander de een vertregen aller a			a 🔲	Yes 🗖 No
	<ul><li>(b) performed services for any financial institution</li><li>Bank, Credit Unions or Insurance Compar</li></ul>	nies)?	275.20 db 202	81.51 NO 1958		Yes 🗖 No
	(c) performed services or consented to the us offerings of securities, real estate, or other	r investments?	2 2	ction with public or private		Yes 🔲 No
	If "Yes", complete the Securities Services (d) exercised any discretionary control over cl					Yes 🔲 No

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24.		Within the last 5 years, has the Applicant Firm, any <b>Predecessor Firm</b> , or any member of the Applicant Firm (including members of the immediate family):							
	(a) held an equity interest in any entity, organization, corporation or enterprise (including any current or former clients) to which the Applicant Firm has rendered services?								
	(b)	served as a director or officer, or served (including any current or former clients)	in a	fiduciary capacity, in any entity, orga			☐ Yes ☐ No		
	(c)	exercised any managerial control over a former clients) to which the Applicant Fir			iterpri	se (including any current or	☐ Yes ☐ No		
25.	With	Form (APL 28710). the Applicant Firm:							
20.	(a)	ntures?	☐ Yes ☐ No						
	(b)	provided management services for investigation					Yes No		
	(c) participated with clients in any investment or business?								
	(d)	arranged debt or equity financing or acte					Yes No		
	(e) received commissions, referral fees, reciprocity or other inducements arising from the sale, promotion or recommendation of securities, insurance products, real estate or other investments?								
	(f)	organized, sold, acted as sales promote or other investment syndicate, limited lia	bility	company or partnership (limited or	gene	ral)?	☐ Yes ☐ No		
	(g)	organized, sold, acted as sales promote tax advice, counsel or opinions with resp							
		returns incorporating or reporting a tax s exclusions or tax deductions exceeding	helte	er or other tax advantaged investme			Yes No		
26.	(a)	Does the Applicant Firm have a policy ag					Yes No		
	(b)	Does the Applicant Firm refer all collection	on m	atters concerning outstanding fees	to an	independent Collection Agency?	☐ Yes ☐ No		
	(c)	During the last 3 years, has the Applicar fees or other compensation, which may	be d	ue for professional services rendere	d?		Yes No		
Ger	era	I Practices and Procedures	(Pro	ovide details to all "No" answe	ers by	y attachment)			
27.	Doe	s the Applicant Firm have client project s					Yes		
	(a)	Do these procedures require sign-off by	a se	cond partner or relevant special pur	pose	committee prior to accepting a	☐ Yes ☐ No		
	(b)	new engagement? Is the Conflict of Interest avoidance syst	om s	automatod?			Yes No		
	(b)	Does the Conflict of Interest avoidance p					Tes INO		
	(0)	(i) current and former clients?	31000	dures molade.			Yes		
		(ii) clients of Predecessor Firm(s) and	d me	rged or acquired firms?			Yes No		
		(iii) matters or clients that have been de	eclin	ed?			Yes No		
28.									
	E	ngagement Letters are updated:		Annually for all Engagements		Annually for Audit and Securities E	ngagements		
		■ Engagement Letters are not used		As Engagement Changes		Not Updated (Evergreen)			
	0					Other:	20		
	о П	econd person / partner review of:		Audit / Attest Services		All Services			
NEWSCOT	_	No second person / partner review	_	Taxation Services		Other:			
29.		s the Applicant Firm have a written policy	on	Continuing Professional Education (	CPE)	training, including required	☐ Yes ☐ No		
30.									
31.	If th	e Applicant Firm is a sole practitioner, ha	ve ar	rangements been made for another	CPA	to perform a cold review and	□ N/A		
		dle client deadlines in the event of an exte					☐ Yes ☐ No		
32.	32. Checklists Used. If "None", so state.						■ None		
	■ AICPA ■ Practitioners Publishing Company ■ Other:								
33. Does the Applicant Firm have a calendar system to ensure on-time completion of professional service activities?							☐ Yes ☐ No		
	(a)	Is the calendar system automated?	automated?						
	(b)	Does the calendar system track items, e					Yes No		
	(c)	Does the calendar system include a pro- scheduling of events?	cedu	re for the verification of the completi	ion of	calendared items or the re-	☐ Yes ☐ No		

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34.	Does the Applicant Firm delegate or refer work outside of the firm?	Yes No
35.	If "Yes", explain the nature of the work, to whom and percentage of Applicant Firm's Prior Fiscal Year Gross Revenue via attachment to this Application.  Within the last 3 years, has a peer or on-site quality review under the sponsorship of the AICPA, any state CPA Society, or any other professional association or organization, been conducted?  (a) If "Yes", indicate the opinion rendered: Unqualified / Unmodified Qualified / Modified* Adverse*  *If Qualified / Modified or Adverse, provide a copy of the Peer Review Report as well as the Letter of Comments and the Applicant Firm's Letter of Response for this review and the Applicant Firm's prior peer or on-site quality review.  (b) If "No", and the Applicant Firm provides compilation, review and/or audit services, indicate the anticipated date of review.	Yes No
	gation and Claim Information	-
36.	Has the Applicant Firm, any <b>Predecessor Firm</b> , or any member of the Applicant Firm:  (a) ever had his/her certificate, license, or permit to practice suspended or revoked?	Yes  No
	<ul><li>(b) ever been subjected to an investigation or disciplinary action by any state board of accountancy, State Society, the AICPA or any other state or federal regulators?</li><li>If "Yes", provide full details.</li></ul>	Yes No
		5) 73
37. 38.	During the last 5 years, has any professional liability claim or suit been made against the Applicant Firm, any <b>Predecessor Firm</b> , or partner, stockholder or professional staff person?  Is the Applicant Firm or any partner, stockholder or professional staff person in the Applicant Firm aware of any fact,	Yes No
00.	circumstance, or situation that might reasonably be expected to result in any professional liability claim or suit against the Applicant Firm, any <b>Predecessor Firm</b> , or partner, stockholder or professional staff person in the Applicant Firm?	☐ Yes ☐ No
CON CIRO 36.,	HANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTI ISEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DO CUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE 37., OR 38. CUMENTS Required (The following information must be submitted with the completed Proposal Form).	EMAND, FACT,
	Provide details to all "Yes" answers, when applicable below, or by attachment when additional space is required.	
	Completed Supplemental Forms, where appropriate.	
Pro	vide Additional Information here	
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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 POLICY HOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

NOTICE TO NEW MEXICO, 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 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 SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO APPLICANTS OF KENTUCKY: 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 APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND WASHINGTON 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 APPLICANTS OF FLORIDA: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

NOTICE TO ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, MARYLAND, AND RHODE ISLAND 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 NEW YORK APPLICANTS: 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 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 FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and that they are material and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the Policy. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the Policy inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately;
- any Policy, if issued, will be in reliance upon the truth of such representations;
- this Proposal Form has been completed as respects the entire Applicant Firm;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

Dated	Signature of Owner, Partner, Officer or Principal	
Title	Owner, Partner, Officer or Principal (Print Name)	

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