

C. COVERAGE

4. Desired effective date of coverage: _____

Desired Limits of Liability: Per Claim / Aggregate

- | | | |
|--|--|--|
| <input type="checkbox"/> \$100,000/\$200,000 | <input type="checkbox"/> \$1,000,000/\$2,000,000 | <input type="checkbox"/> \$6,000,000/\$6,000,000 |
| <input type="checkbox"/> \$250,000/\$250,000 | <input type="checkbox"/> \$2,000,000/\$2,000,000 | <input type="checkbox"/> \$7,000,000/\$7,000,000 |
| <input type="checkbox"/> \$250,000/\$500,000 | <input type="checkbox"/> \$2,000,000/\$4,000,000 | <input type="checkbox"/> \$8,000,000/\$8,000,000 |
| <input type="checkbox"/> \$500,000/\$500,000 | <input type="checkbox"/> \$3,000,000/\$3,000,000 | <input type="checkbox"/> \$9,000,000/\$9,000,000 |
| <input type="checkbox"/> \$500,000/\$1,000,000 | <input type="checkbox"/> \$4,000,000/\$4,000,000 | <input type="checkbox"/> \$10,000,000/\$10,000,000 |
| <input type="checkbox"/> \$1,000,000/\$1,000,000 | <input type="checkbox"/> \$5,000,000/\$5,000,000 | |

Desired Deductible: Aggregate Deductible

- | | | | | |
|----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|--------------------------------------|
| <input type="checkbox"/> \$1,000 | <input type="checkbox"/> \$5,000 | <input type="checkbox"/> \$25,000 | <input type="checkbox"/> \$100,000 | <input type="checkbox"/> \$1,000,000 |
| <input type="checkbox"/> \$2,000 | <input type="checkbox"/> \$10,000 | <input type="checkbox"/> \$35,000 | <input type="checkbox"/> \$250,000 | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> \$3,000 | <input type="checkbox"/> \$15,000 | <input type="checkbox"/> \$50,000 | <input type="checkbox"/> \$500,000 | |
| <input type="checkbox"/> \$4,000 | <input type="checkbox"/> \$20,000 | <input type="checkbox"/> \$75,000 | <input type="checkbox"/> \$750,000 | |

D. FIRM HISTORY

5. Month/Year Firm Established: _____

6. List all predecessor, acquired, or merged firms for the last five (5) years:

Name of firm	Date of formation, acquisition, or merger	# of professional staff at the date of dissolution	# of professional staff that joined Applicant	% of billings assigned to the Applicant	Prior Acts Coverage	ERP Purchased or Coverage Desired

7. Does your firm or any owners, partners or officers render services or conduct any business activities under a separate entity name? Yes No

If Yes, please complete the Separate Entity Supplemental Application.

8. Does the firm maintain any branch offices? Yes No

If Yes, please provide the address of each of the firm's offices on a separate sheet of paper.

E. STAFFING

9. Please indicate the number of firm personnel as follows:

CPAs	Other Accounting or Tax Professionals	Consulting Professionals	Support Staff	Total Firm Personnel

10. Professional Staff (please list all professionals):

Name	Status ¹	Date joined the Firm	Full Time Or Part Time	Years in Practice	Professional Designations and Licenses

***If necessary, please fill out the Staffing Supplement or provide personnel list containing required categories.**

F. AREA OF PRACTICE

11. 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%.**

	%	Engagement Letters?		%	Engagement Letters?
AUDIT			CONSULTING		
Audit: Publicly Held*		<input type="checkbox"/> Yes <input type="checkbox"/> No	Management Advisory Services (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Audit: Non Public*		<input type="checkbox"/> Yes <input type="checkbox"/> No	Benefits/ERISA		<input type="checkbox"/> Yes <input type="checkbox"/> No
Reviews		<input type="checkbox"/> Yes <input type="checkbox"/> No	Information Technology*		<input type="checkbox"/> Yes <input type="checkbox"/> No
Compilations		<input type="checkbox"/> Yes <input type="checkbox"/> No	Financial Planning*		<input type="checkbox"/> Yes <input type="checkbox"/> No
Bookkeeping		<input type="checkbox"/> Yes <input type="checkbox"/> No	Mergers & Acquisitions (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
TAX			Projections/Forecasts		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Individual		<input type="checkbox"/> Yes <input type="checkbox"/> No	Valuations		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Corporate		<input type="checkbox"/> Yes <input type="checkbox"/> No	Consulting-Other (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Estate		<input type="checkbox"/> Yes <input type="checkbox"/> No	OTHER		
Tax Planning		<input type="checkbox"/> Yes <input type="checkbox"/> No	Other Services (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
			Total	100%	

***Note: If your firm provides a percentage amount of any of these areas of practice, please complete the appropriate supplemental application.**

¹ Status Code: **O** = owners, officers, directors, partners, principals, or shareholders
E = all other professional employees

- a. Does your firm's engagement letters contain an Alternative Dispute Resolution Clause? Yes No
- b. Are declination or non-engagement letters issued on all matters declined by your firm? Yes No

If No, please name any services where these letters are used.

12. Within the past three (3) years, has your firm provided any services in connection with the issuance of the registration or sale of any public security or offering? Yes No

If Yes, please complete the Securities Supplemental Application.

13. 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, please complete the following (please list additional on a separate sheet of paper):

Client's Name	Services Rendered	Date of Services	Date of Default, Bankruptcy, or Insolvency	"Going Concern" Referenced?

14. Within the past three (3) 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.

15. 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.

16. Within the past three (3) years, has any current or past member of the firm provided any services:
- a) as an officer, director or board member of a client/non-client? Yes No
- b) to a client in which they or a spouse have an equity or financial interest? Yes No

If Yes, please complete the Outside Interest Supplemental Application.

17. Within the past five (5) years, has any member of the applicant firm provided any non-accounting services to any client of the firm? Yes No

Non-Accounting Services Rendered	Total Time Rendering Services	E&O Coverage? If Yes, please provide the Declarations page of current policy.

G. RISK MANAGEMENT AND QUALITY CONTROL

- 18. Does the firm maintain a written policies and procedures manual? Yes No
- 19. Does the firm have a written quality control document? Yes No
- 20. Does the firm have a written policy regarding screening and evaluating new clients?
 Yes No

- 21. Have members of your professional staff completed continuing professional education in accordance with applicable state regulation in the last three (3) years? Yes No

If No, please explain on a separate sheet of paper.

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

If Yes, please describe the system below:

- 23. Are all work papers properly documented to reflect the professional services that were performed, when, and by whom? Yes No
- 24. Are all balance sheets, statements of financial condition, and reports signed by a partner, principal, owner, director, or officer of the firm? Yes No
- 25. 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.

- 26. 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.

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

- 28. Has the firm had a peer review performed? Yes No
 - a. Was the peer review unqualified? Yes No
 - b. Date _____/_____/_____

If Yes, please provide the opinion and related comment documents

- 29. Has the firm had PCAOB review performed? Yes No
 - a. Was the peer review unqualified? Yes No
 - b. Date _____/_____/_____

If Yes, please provide the opinion and related comment documents

H. CLAIMS AND DISCIPLINARY ACTION

30. Within the past five (5) years have any claims been made or legal actions been brought against your firm? Yes No
31. 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
32. 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

If Yes to 30, 31, or 32 above, please complete the Claims Supplemental Application for each claim or circumstance.

I. PRIOR INSURANCE

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

Policy Period	Insurance Company	Limits of Liability	Deductible	Premium
___/___/___ to ___/___/___				\$
___/___/___ to ___/___/___				\$
___/___/___ to ___/___/___				\$
___/___/___ to ___/___/___				\$
___/___/___ to ___/___/___				\$

***Please attach a copy of your firm’s most recent declaration page.**

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

If Yes, Retroactive date of current policy: ___/___/___

35. 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.]

36. 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, please complete the following:

Who Purchased?	Effective Date	Length of Reporting Period

37. 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.

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.

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.

NOTICE TO ARKANSAS 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 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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder 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 FLORIDA APPLICANTS – 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 KENTUCKY APPLICANTS – Warning: Any person who knowingly, and with intent to defraud any insurance company or any 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 MINNESOTA APPLICANTS – A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEW YORK APPLICANTS – Any person who knowingly and with intent to defraud any insurance company or any person files an application for insurance containing any 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 (\$5,000) and the stated value for each such violation.

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 OHIO APPLICANTS – Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS – WARNING – Any person who knowingly, and with intent to injury, 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 OREGON APPLICANTS – Any person with the intent to knowingly 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 that is related to the acceptance of the risk by the insurer, may be guilty of insurance fraud and may be subject to prosecution.

NOTICE TO PENNSYLVANIA APPLICANTS – Any person who knowingly and with intent to defraud any insurance company or other person files and 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 subject the person to criminal and civil penalties.

I UNDERSTAND THAT THE SIGNING AND DELIVERY OF THIS APPLICATION DOES NOT BIND ME TO COMPLETE THE INSURANCE, NOR THE COMPANY TO ISSUE A POLICY: BUT EACH ANSWER GIVEN IN THIS APPLICATION IS A STATEMENT OF FACT THAT BECOMES A PART OF THE POLICY SHOULD A POLICY BE ISSUED. BY SIGNING THIS APPLICATION I ACKNOWLEDGE THAT I AM AWARE THAT IF AT ANY TIME IT IS DISCOVERED ANY OF THE STATEMENTS OF FACT CONTAINED IN THIS APPLICATION ARE CONCEALED OR FALSELY STATED, THE POLICY MAY BE MODIFIED, RESCINDED, OR DECLARED VOID FROM ITS INCEPTION AND IN ACCORDANCE WITH ANY APPLICABLE STATE LAWS.

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