



Accountants Professional Liability Insurance Renewal Application

THIS IS AN APPLICATION FOR A CLAIMS MADE AND REPORTED POLICY. THIS APPLICATION IS NOT A BINDER.

This Application for Accountants Professional Liability Insurance is intended to be used for the preliminary evaluation of a submission. When completed in its entirety, this Application will enable the Underwriter to decide whether or not to authorize the binding of insurance. Please type or print clearly and answer all questions. If space is insufficient to answer any question fully, attach a separate sheet. Complete all required supplemental forms/applications.

| 1. GENERAL INFORMATION | | | |
|--|--------------------------|--------------------------------|--|
| Name of applicant (Firm) | | Date established | |
| Trade or Doing Business as Name | | Expiring Policy Number | |
| Street address | | Phone | |
| City, State, Zip | | Contact e-mail | |
| Branch office cities | | Website | |
| 2. FORM OF BUSINESS | | | |
| a. Has there been any change whatsoever in the nature of the applicant's profession or business activity? If Yes, please explain: | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| b. Are there any planned or anticipated changes within the next twelve (12) months? If Yes, please explain: | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. APPLICANT INFORMATION | | | |
| a. List number of firm staff as follows (include employees who work 500 or more hours per year): | | | |
| | | CPAs | Non-CPAs |
| (1) Owners, Partners, Shareholders | | | |
| (2) All Other Accounting or Tax Professionals | | | |
| (3) Other Consulting Professionals (not included above) | | | |
| (4) Administrative | | | |
| (5) Total | | | |
| b. What is the firm's anticipated twelve (12) month revenue for the current fiscal year? (Combine the actual revenue to date and estimated revenue until the end of the fiscal year). | | | \$ |
| c. What was the firm's actual twelve (12) month revenue for the prior fiscal year? | | | \$ |
| d. In the last twelve (12) months, has: | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (1) any client represented twenty-five (25%) percent or greater of the firm's revenue? If Yes, please provide the following: | | | |
| Client Industry | Services Provided | Percent of Firm Revenue | |
| | | % | |

| | |
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| <p>(2) the firm provided services to any client (or their spouse) while a member of the firm; served as a director or officer of the client; or had a combined ownership interest greater than ten (10)% in the client? If Yes, please complete the SA -8 Outside Interest Supplemental Application.</p> <p>(3) any client become bankrupt, insolvent, been placed into receivership, or operated under regulatory direction or agreement? If Yes, please complete the SA-6 Insolvency Supplemental Application.</p> <p>(4) has the firm or any member of the firm invested, received, disbursed, or in any way acted in a decision-making capacity with respect to a client's funds? If Yes, please complete the SA-5 Personal Financial Planning and Investment Advice Supplemental Application.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
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| <p>e. In the past twelve (12) months, have there been any material changes made to the firm including, but not limited to, mergers, acquisitions, restructuring, or the addition of a new client industry or scope of practice? If Yes, please explain:</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
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f. For all services provided, indicate the approximate percentage of the firm's prior fiscal year twelve (12) month revenue and whether engagement letters are used for each practice area. The total percentage must add up to 100%.

| Area of Practice | % of Revenue | Engagement letters on all matters? | Area of Practice | % of Revenue | Engagement letters on all matters? |
|--|--------------|--|--|--------------|--|
| Bookkeeping | | | Consulting | | |
| Bookkeeping/Write-ups/Payroll | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Business Valuations | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Tax | | | Forecasts and Projections | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Individual Tax | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Forensic Accounting/Litigation Support/Investigative Accounting | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Business Tax | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Hardware/Software Consulting and Sales | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Estate and Trust Tax | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Management Advisory Services | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Attestation | | | Mergers and Acquisitions | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Private Entity Audit ⁽¹⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Personal Financial Planning or Investment Advisory Services ⁽²⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Publicly Traded Entity Audit ⁽¹⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Specialty Services | | |
| Non-Financial Statement Audit ⁽¹⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Executor/Administrator/Trustee ⁽³⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Reviews | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Limited Partnership & Tax Shelter Syndication ⁽⁴⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Compilations | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Securities ⁽⁴⁾ | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | | Registered Representative | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Other Services | | | Life and Health Insurance Agent | % | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (describe): | % | <input type="checkbox"/> Yes <input type="checkbox"/> No | Total: | 100% | |

Please complete: (1) SA-1 Audit Services Supplemental Application; (2) SA-5 Personal Financial Planning and Investment Advice Supplemental Application; (3) SA-4 Executor, Administrator, and Trustee Supplemental Application; and/or (4) SA-9 Securities Supplemental Application for each marked areas of practice.

| 4. LOSS PREVENTION/RISK MANAGEMENT | |
|--|---|
| <p>a. In the last twelve (12) months, have any of the following loss prevention and risk management controls changed?</p> <p>(1) Control systems and conflict of interest procedures</p> <p>(2) Client screening procedures and suits for fees</p> <p>(3) Firm management and office policies and procedures</p> <p>(4) Use of engagement letters</p> <p>(5) Firm oversight procedures.</p> <p>If Yes to any of the above, please describe below.</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>b. Is the firm subject to Peer Review?</p> <p>If Yes, is the firm in compliance with all peer review requirements?</p> <p>Date of most recent review: _____ Result: <input type="checkbox"/> Pass <input type="checkbox"/> Pass with deficiencies <input type="checkbox"/> Fail</p> <p>Attach a copy of the Peer Review and details of any corrective action.</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>c. In the past twelve (12) months, has any member of the firm:</p> <p>(1) had license suspended, revoked, or been subject to any investigation or disciplinary action by any entity providing regulatory or professional oversight?</p> <p>(2) been indicted or convicted of a felony or paid any criminal or civil penalty or fine, including a tax preparer's fine, in connection with any professional service or business activity?</p> <p>If Yes to c.(1) or c.(2), describe below.</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| 5. NETWORK SECURITY AND PRIVACY LIABILITY <input type="checkbox"/> Check if not applying for this coverage option. | |
| <p>Complete this section only if your firm is applying for Network Security and Privacy Liability coverage.</p> <p>*Depending on the Applicant's responses to the questions below and/or the class of business, additional information and/or supplemental applications may be needed.</p> | |
| <p>a. How does your firm store personal information about your clients (including, but not limited to, social security numbers, credit card information, and zip codes)?</p> <p>Check all that apply:</p> <p><input type="checkbox"/> Electronically</p> <p><input type="checkbox"/> Physically</p> | |
| <p>b. Is the total number of customer and employee records you store either electronically or in physical files of 500,000 or less?</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>c. Access to this personal information is controlled by?</p> <p>Check all that apply:</p> <p><input type="checkbox"/> Password</p> <p><input type="checkbox"/> Encryption</p> <p><input type="checkbox"/> Physical Security (e.g. locked doors, file cabinets, etc.)</p> <p><input type="checkbox"/> Other (Specify):</p> | |
| <p>d. Does your firm collect credit card information from your customers or vendors?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If Yes, how much of your firm's revenue is collected using credit cards?</p> <p><input type="checkbox"/> Less than 10%</p> <p><input type="checkbox"/> 10-25%</p> <p><input type="checkbox"/> 26-50%</p> <p><input type="checkbox"/> More than 50%</p> <p>If Yes, is your firm PCI DSS compliant?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> | |

e. Your firm's computer systems contain which of the following security measures?

Check all that apply:

Anti-Virus
 Firewall
 Intrusion Detection
 Automatic Updates
 Other (specify):

f. Within the last five (5) years has your firm had any of the following:

Check all that apply:

A breach of security?
 Unauthorized acquisition, access, use or disclosure of personal information?
 Violation of any privacy law, rule or regulation?
 Transmission of any virus or malicious code?
 None

If you checked any, explain in detail what happened and the steps taken to mitigate the problem and prevent a recurrence (use additional sheets as necessary).

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| <p>g. Does your firm have access to, collect, store, maintain or transmit personal information on behalf of your clients(s)?</p> <p>If Yes, the SA-11 Network Security and Privacy Supplemental Application must be completed prior to considering coverage.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
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NOTICE TO APPLICANT

NOTICE: THIS INSURANCE PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR CLAIM EXPENSES. FURTHER NOTE THAT AMOUNTS INCURRED FOR CLAIM EXPENSES SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

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 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.

The Applicant hereby acknowledges that he/she/it is aware that the limit of liability shall be reduced, and may be completely exhausted, by claim expenses and, in such event, the Insurer shall not be liable for the amount of any claim expenses, judgment or settlement that exceeds the limit of liability.

CERTIFICATION AND SIGNATURE

The applicant has read the foregoing and understands that completion of this Application does not bind the Underwriter or the Broker to provide coverage. It is agreed, however, that this Application is complete and correct to the best of applicant's knowledge and belief and that all particulars which may have a bearing upon acceptability as a Professional Liability insurance risk have been revealed. It is understood that this Application shall form the basis of the contract should the Underwriter approve coverage and should the applicant be satisfied with the Underwriter's quotation.

It is further agreed that, if in the time between submission of this Application and the requested date for coverage to be effective, the applicant becomes aware of any information which would change the answers furnished in response to any questions of this Application, such information shall be revealed immediately in writing to the Underwriter.

The Application shall be deemed attached to and form a part of the Policy should coverage be bound.

Must be signed by a Principal, Partner, Officer or Director

| | |
|--------------------------------|--------------------------|
| Print or Type Applicant's Name | Title of Applicant |
| Signature of Applicant | Date Signed by Applicant |