



Professional Liability Insurance Plan
Offered Through
CPA Mutual Insurance Company of America Risk Retention Group
 Burlington, Vermont

THIS POLICY IS ISSUED BY YOUR RISK RETENTION GROUP. YOUR RISK RETENTION GROUP MAY NOT BE SUBJECT TO ALL OF THE INSURANCE LAWS AND REGULATIONS OF YOUR STATE. STATE INSURANCE INSOLVENCY GUARANTY FUNDS ARE NOT AVAILABLE FOR YOUR RISK RETENTION GROUP.

RENEWAL APPLICATION FOR ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE

Note: This coverage is provided on a "claims-made basis"; therefore, only claims which are first made against you during the policy term are covered, subject to the policy provisions.

INSTRUCTIONS:

- The application and any additional sheets must be completed, signed and dated by a principal of the firm.
- Answer all questions completely.
- Please type or print clearly. **DO NOT USE PENCIL.**

1. Firm Information: Policy # _____ Expiration Date _____

Name _____

Mailing Address _____ City _____ State _____

Zip _____ Telephone (____) _____ Fax (____) _____

(Please attach letter head if principal address different than mailing address)

Contact Person: _____ **E-mail Address** _____

2. Please indicate the number of **full time equivalent (over 1040 hours worked in the aggregate for part-time employees divided by 2,080 hrs)** personnel in the firm, including covered Separate Entities, by the categories listed below.

- a. Owners, partners and officers..... _____
- b. Licensed CPAs (Not including owners, partners and officers)..... _____
- c. Non-CPA accounting professionals (including owners, partners, officers, per diems and independent contractors)..... _____
- d. Other Support Staff..... _____
- e. Part-Time Equivalent Employees – **not included in the above counts** (Complete Part-Time Equivalent Supplement, page 6)..... _____

TOTAL (as of date nearest to application completion) _____

3. Areas of Practice:

	Are engagement letters used?			Are engagement letters used?
GENERAL			TAXES	
A. Bookkeeping	_____ %	<input type="checkbox"/> Yes	K. Corporate	_____ % <input type="checkbox"/> Yes
B. Review	_____ %	<input type="checkbox"/> Yes	L. Individual/Estate	_____ % <input type="checkbox"/> Yes
C. Compilation	_____ %	<input type="checkbox"/> Yes	M. Other	_____ % <input type="checkbox"/> Yes
D. Investment Service (Complete supplemental form, if applicable page 6)	_____ %	<input type="checkbox"/> Yes		
AUDITING			MAS AND/OR BUSINESS INVESTMENT ADVICE	
E. Publicly Held Clients	_____ %	<input type="checkbox"/> Yes	N. Limited Partnership and Tax Shelter Syndication	_____ % <input type="checkbox"/> Yes
F. Financial Institutions (Complete supplemental form, if applicable, page 3)	_____ %	<input type="checkbox"/> Yes	O. Business Consulting	_____ % <input type="checkbox"/> Yes
G. Insurance Companies (Complete supplemental form, if applicable, page 4)	_____ %	<input type="checkbox"/> Yes	P. Trustee Services	_____ % <input type="checkbox"/> Yes
H. All Other (Complete supplemental form, if applicable, page 4)	_____ %	<input type="checkbox"/> Yes	Q. Entertainment/Sports clients	_____ % <input type="checkbox"/> Yes
ASSURANCE SERVICES			R. Other (Explain fully)	_____ % <input type="checkbox"/> Yes
I. Elder Care	_____ %	<input type="checkbox"/> Yes		
J. Other	_____ %	<input type="checkbox"/> Yes	TOTAL	_____ %
TOTAL OF ALL ITEMS (A THROUGH R) MUST EQUAL 100%				

4. A. Provide Total Gross Receipts as indicated in your firm's last complete fiscal year end. \$ _____
 B. Percentage from largest client: _____ % Services rendered: _____
 C. Percentage from second largest client: _____ % Services rendered: _____
 Type of Industry if greater than 15% _____
5. Within the past 12 months, has your firm sued to collect fees? Yes No
 If "Yes", please provide the amounts, status, and reason of each suit on a separate sheet.
6. Does your firm control or disburse client funds? (If "Yes", complete the Funds Controlled Supplement on page 4.) Yes No
7. Does any member of your firm act as a trustee or co-trustee?..... Yes No
 If "Yes", provide name, purpose, services provided, and value of trusts on a separate sheet.
8. Within the past 12 months has your firm undergone a peer or quality review under the sponsorship of the PCAOB, AICPA, a State CPA Society or other professional organization?..... Yes No
 Opinion rendered* Unmodified Modified or Pass Pass with deficiencies Fail
***Please forward report, letter of comments or deficiencies and firm's response.**
9. Has your firm started any separate entities within the past 12 months that you would like considered for coverage? Yes No
 If "Yes", please complete supplemental information.
- 10. Claims/Disciplinary Action**
- A. Within the past 12 months, has any member of the firm become aware of any claim or circumstance which may give rise to a claim? Yes No
 If "Yes", please complete the CLAIM/INCIDENT SUPPLEMENT on page 5.
- B. Does your firm have updated information on any claims that have been reported to an insurance carrier other than CPAM?..... Yes No
 If "Yes", please complete the CLAIM/INCIDENT SUPPLEMENT on page 5.
- C. Within the past 12 months, has any member of the firm had his/her accounting license suspended or revoked, or been subject to any investigation, reprimand, disciplinary action, criminal penalty or fine? Yes No
 If "Yes", please attach full description.
11. Within the past 12 months, has your firm merged with, or acquired another accounting practice that you would like CPA Mutual to consider prior acts coverage under your policy? Yes No
 If "Yes", please attach full description of acquired firm's practice, copy of their expiring declarations page and last application.
12. Please indicate desired limits of liability \$ _____ and deductible \$ _____.
13. Would you like an optional quote for Data Breach /Identity Theft Coverage (formerly Electronic Media)? Yes No
 Please complete DATA BREACH/IDENTITY THEFT SUPPLEMENT on page 7. (**Not available with the Limited Liability Policy**)

THE COMPLETION OF THIS APPLICATION OR TENDERING OF PREMIUM DOES NOT BIND COVERAGE. THIS APPLICATION IS SUBJECT TO THE UNDERWRITING RULES OF THE COMPANY.

I, _____, AUTHORIZED BY AND ACTING ON BEHALF OF THE APPLICANT AND ALL PERSONS OR CONCERNS SEEKING INSURANCE, HAVE READ AND UNDERSTOOD THIS APPLICATION. I DECLARE THAT, AFTER INQUIRY, ALL STATEMENTS MADE IN THIS APPLICATION ARE TRUE, COMPLETE, AND ACCURATE.

I UNDERSTAND THAT THESE STATEMENTS ARE MATERIAL TO THE ISSUANCE OF THE INSURANCE BEING APPLIED FOR AND DECLARE THAT THE APPLICANT HAS NOT OMITTED, SUPPRESSED, OR MISSTATED ANY FACTS. I UNDERSTAND THAT THIS APPLICATION FORMS THE BASIS OF ANY INSURANCE POLICY WHICH MAY BE ISSUED TO THE APPLICANT AND THAT IT SHOULD BE DEEMED INCORPORATED INTO AND BECOME A PART OF THE POLICY AS ISSUED.

I FURTHER UNDERSTAND THAT THE APPLICANT IS UNDER A CONTINUING DUTY TO ADVISE CPA MUTUAL INSURANCE COMPANY OF AMERICA RISK RETENTION GROUP OF ANY OCCURRENCE OR EVENT TAKING PLACE PRIOR TO THE ISSUANCE OF THE POLICY APPLIED FOR WHICH MAY RENDER INACCURATE, UNTRUE, OR INCOMPLETE ANY STATEMENTS MADE IN THIS APPLICATION AND DECLARE THAT ANY SUCH CHANGE WILL BE IMMEDIATELY REPORTED IN WRITING TO THE COMPANY. I ACKNOWLEDGE AND AGREE THAT THE APPLICANT'S SUBMISSION AND COMPANY'S RECEIPT OF SUCH WRITTEN REPORT PRIOR TO THE INCEPTION OF THE POLICY APPLIED FOR IS A CONDITION PRECEDENT TO COVERAGE. I FURTHER ACKNOWLEDGE THAT THE SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT TO PURCHASE THE INSURANCE APPLIED FOR.

Signature of Applicant (must be signed by a Principal of the firm)	Title	Date / /
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PLEASE BE CERTAIN TO INCLUDE A COPY OF YOUR FIRM'S LETTERHEAD

Please return completed application to CPA Mutual's Servicing Office: CPA Mutual Management, Inc., 11801 Research Drive, Alachua, Florida 32615-6818 or fax to (386)418-4004. For questions, call (800)543-3029.

SUPPLEMENTAL SCHEDULES

Firm Name _____

LIST EACH PROPRIETOR, PARTNER AND SHAREHOLDER (Please attach additional sheet if necessary.) :

Name	Partner E-mail address	Years in Public Practice	State of CPA License
A.			
B.			
C.			
D.			

PUBLICLY HELD CLIENT SUPPLEMENT: QUESTION 3E.

1. Please complete only if your firm performed any Publicly Held Client engagements during the policy period per Question 3 E.
 List all Publicly Held Clients: (If more space is required, attach a separate sheet.)

Client Name	Trading symbol	Industry	Description of services	Opinion Rendered	Number months as client *

* If less than 12 months, please provide name of prior audit firm and type of audit opinion issued. _____
 Any disagreements with the predecessor auditor in the year prior to change which were disclosed in SEC filings? _____

2. For each client listed above, please complete the following table with either a "yes" or "no" with respect to the most recent audit year.

Client Name	Significant Uncertainties or contingencies?	Are you aware of the possibility that financial statements have been restated or may be?	Subject to regulatory inquiry or investigation regarding financial statement disclosures?	Unpaid fees or fee disputes?

If you answered "yes" to any question in 2. above please provide detail on separate sheet if necessary.

FINANCIAL INSTITUTIONS SUPPLEMENT: QUESTION 3F.

Provide the following information for each Financial Institution client included in Question 3F. If more space is required, attach a separate sheet.

Client Name	Location – City and State	Description of services	Opinion Rendered

INSURANCE COMPANY SUPPLEMENT: QUESTION 3G.

Provide the following information for each Insurance Company client included in Question 3G. If more space is required, attach a separate sheet.

Client	Services Provided	Insurance Type	Current A.M. Best Rating

ALL OTHER AUDIT SERVICES: QUESTION 3H.

State number of audit clients and estimated annual fees from the following engagements included in Question 3H:

Industry Type	Number of Audit Clients	Estimated Annual Fees	Number of Clients Insolvent or Bankrupt
Agriculture Cooperatives			
Broker/Dealers			
Employee Benefits Plans			
Factoring companies			
Garment Industry			
Government/Municipal			
Health Care Facilities			
Not-for-Profit			
Real Estate Development			
Tribal Entities			
Unions			
Warehousing/Distribution			
All Others			

- Does the firm have any specialized audit niches? Yes No
If "yes," please describe _____
- Do all clients sign a standard engagement letter? Yes No
- Have any clients been subject to investigation by State or Federal regulatory entities? Yes No
- Does your firm's client acceptance and retention procedures relating to audit engagements require sign-off by a second partner or committee prior to starting a new engagement? Yes No
If "no," are there procedures in place to monitor?
Please describe. _____

FUNDS CONTROLLED SUPPLEMENT: QUESTION 6.

Please complete only if you have answered "Yes" to Question 6.

- Does the firm have the authority to invest funds? Yes No If "Yes", amount \$ _____
- Does the firm practice a dual signature control procedure on disbursement of funds? Yes No
If "No", explain _____
- Does the firm handle funds for the payment of bills? Yes No If "Yes", amount handled \$ _____

SEPARATE ENTITY SUPPLEMENT: QUESTION 9.

Please complete only if you have answered "Yes" to Question 9.

1. Full legal name of new entity: _____
2. Date entity began practice: _____ Estimated annual fees: _____
3. Reason for establishment of entity?

4. List all services provided by this entity and percentage of total revenues from line 2 above:

Services	% of Fees
_____	_____
_____	_____
_____	_____
5. Ownership of separate entity if different from the insured? _____

6. Number of employees **if not included** in Question 2 of the application: _____

CLAIM/INCIDENT SUPPLEMENT: QUESTION 10

Complete all information for each claim or incident. (if more space is required, attach a separate sheet)
Please complete for claim(s) or incidents which may give rise to a claim, that have occurred within the past 12 months, not previously reported.

1. Full name of claimant: _____
2. Date claim reported: _____
3. Name of insurer: _____
4. Additional defendants: _____
5. If pending: Please provide the insurer's loss reserve _____. If no reserve exists, provide your settlement offer _____, or the claimant's demand contained in the suit papers _____. Also, include any claim expenses paid to date _____.
6. If closed, please provide date closed ____ / ____ / ____; total claim(s) expenses and settlement/loss amount paid _____.
7. Claim / Incident description:

PART-TIME EQUIVALENT EMPLOYEES : QUESTION 2e.

**By All
Independent Contractors,
Leased, Part-Time, Per Diem
Employees***

Total Hours Worked During
Most Recently Completed 12 month
Period nearest application date Divided by _____ = _____
2,080 hrs

Full-Time Equivalents (Round to
Nearest Whole Number): _____

2(e) Equals: _____

* Not included as full-time owners or staff in Question 2(a) – 2(d) of application.

Note: Please list services provided by all Independent Contractors.

PROFESSIONAL INVESTMENT SERVICES SUPPLEMENT: QUESTION 3D.

1. Name of entity providing investment services (if different than Named Insured CPA Firm):

List all employed registered investment advisors or registered representatives of broker-dealer, including self:

Name of Employee Providing Investment Services or Registered Rep.	Professional Designation	NASD Licenses	Professional Society Membership

2. a. Total annual revenues earned from financial planning, RIA fee activities, commissions and/or product sales: \$ _____

State percent of revenues which are derived from the following managed accounts:

Listed Stocks	_____	Commodities	_____
Unlisted Stocks	_____	Commodity Futures	_____
Proprietary Partnerships	_____	Mutual Funds	_____
Listed Bonds	_____	Other Limited or Limited Liability Partnerships	_____
Unregistered Stocks or Bonds	_____	Variable Annuities	_____
Commercial Paper	_____	Life Insurance	_____
Options Contracts	_____	Other (Please specify):	_____

b. What percent are discretionary accounts: _____%

3. Claims or Disciplinary Proceedings Against Applicant or Any Associated Professional within last 12 months:
- a. Any audit by SEC, NASD, State Securities Department, or Other Licensing or Regulatory Agency? Yes No
If "Yes," please provide copy of any findings.
- b. Have any complaints been filed with any consumer agencies, applicants, broker-dealer, the SEC, NASD, IRS, State Securities, Insurance Departments or any other Regulatory Agency? Yes No
If "Yes," please provide details: _____
- c. Involved in or aware of any fee disputes? Yes No
If "Yes," please list. _____
4. Are you covered under any other insurance policy for these services? Yes No
If "yes," list amount of limit/deductible: Limit: \$ _____ Deductible: \$ _____
Insurer: _____
5. Would you like a quote for this coverage from CPA Mutual? Yes No

DATA BREACH AND IDENTITY THEFT SUPPLEMENT: QUESTION 13.

ACCOUNTANTS AND CONSULTANTS PROFESSIONAL LIABILITY INSURANCE
APPLICATION/CHECKLIST
DATA BREACH AND IDENTITY THEFT SUPPLEMENT

		Circle One	
1.	Do you have a physical backup system (tape or disk) for electronic client files?	Yes	No
2.	Do you have a formal procedure for destroying or archiving old client files?	Yes	No
3.	Do you have a formal policy regarding the security of client files?	Yes	No
4.	Are partners and staff advised of your formal policy regarding data security?	Yes	No
5.	Do you use laptops or portable media devices to transport or remotely work on client files?	Yes	No
6.	Are all client files contained on laptops or portable media devices encrypted?	Yes	No
7.	Are all servers or network computers "firewall" protected against outside access?	Yes	No
8.	Do you have a formal procedure for the disposal of obsolete computers or hard drives?	Yes	No
9.	Are all partners and staff advised of the obligations to secure client privacy?	Yes	No
10.	Do you have a client notification system in the event of loss or theft of personal records?	Yes	No
11.	Are passwords changed frequently?	Yes	No
12.	Do you undertake security background checks for new employees?	Yes	No
13.	Are passwords and network access immediately revoked for terminated employees?	Yes	No
14.	Is access to your computer network restricted to IT personnel only?	Yes	No
15.	Do you monitor and log access to your computer network?	Yes	No
16.	Do you use firewall software on your computer network?	Yes	No
17.	Are all firewalls and firewall software current and regularly updated?	Yes	No
18.	In the past five years have any client records in your custody or control been lost or stolen	Yes	No
Describe: _____			

ADDITIONAL INFORMATION
