Accountants Professional Liability Renewal Application

APPLICANT'S INFORMATION

Applicant's Legal Name of Business (Include all Named Insured):

_____

Has your business address changed in the last year? ☐ Yes ☐ No

_____

APPLICANT'S INFORMATION

Total Staff (includes branch offices)

	Officers, Partners, Owners	Employees
CPA employees providing accounting services whose time is billable to clients.		
Non-CPA employees providing accounting services whose time is billable to clients.		
Other employees including clerical and nonaccounting employees		
Total Employees		

7. Gross Fees are defined as the exact dollar amount of gross income, including fees paid to subconsultants, but not including interest, rental income, or direct recovery of expenses.

	Previous Fiscal Year	Current Fiscal Year	Projection for Next Fiscal Year
Gross Fees	$	$	$

8. Provide the approximate percentage of billings generated in the last year by each of the following types of engagements, and if signed engagement letters are used with such services. (Note: Total must equal 100%)

Billings	Percentage of Billing	Prior Year	Engagement Letter Used
Bookkeeping Services	%	%	☐ Yes ☐ No
Write-Up	%	%	☐ Yes ☐ No
Payroll Services	%	%	☐ Yes ☐ No
Individual Tax	%	%	☐ Yes ☐ No
Business Tax	%	%	☐ Yes ☐ No
Estate/Trust Tax Services	%	%	☐ Yes ☐ No
Compilation / Attest Services / Write-Up	%	%	☐ Yes ☐ No
Review	%	%	☐ Yes ☐ No

Audit: Private Companies	%	%	☐ Yes ☐ No
Audit: Public Companies	%	%	☐ Yes ☐ No
Audit: Governmental, Municipal, Non-Profit	%	%	☐ Yes ☐ No
Audit: Pension	%	%	☐ Yes ☐ No
Management Advisory Services	%	%	☐ Yes ☐ No
Litigation Support	%	%	☐ Yes ☐ No
Business Investment Advice	%	%	☐ Yes ☐ No
Valuations and Projections	%	%	☐ Yes ☐ No
ERISA	%	%	☐ Yes ☐ No
SEC Engagements Other Than Tax	%	%	☐ Yes ☐ No
Fiduciary Services	%	%	☐ Yes ☐ No
Executor / Trustee Services (other than tax)	%	%	☐ Yes ☐ No
Personal Financial Planning	%	%	☐ Yes ☐ No
Forensic Accounting	%	%	☐ Yes ☐ No
Personal Business Management	%	%	☐ Yes ☐ No
Elder Care	%	%	☐ Yes ☐ No
Forecasts and Projections	%	%	☐ Yes ☐ No
Registered Investment Advisory	%	%	☐ Yes ☐ No
Real Estate Agent	%	%	☐ Yes ☐ No
Life / Health Insurance Agent	%	%	☐ Yes ☐ No
Data Processing and Entry	%	%	☐ Yes ☐ No
Selling and/or Training on Computer Software and Hardware	%	%	☐ Yes ☐ No
Development and/or Sale of Computer Software	%	%	☐ Yes ☐ No
Monitor and Maintaining Client Systems	%	%	☐ Yes ☐ No
Network Design and Installation	%	%	☐ Yes ☐ No
Modifying, Developing, or Designing Custom Software or Hardware for Use By Single Client	%	%	☐ Yes ☐ No
Hosting Web Sites or Web Page Development	%	%	☐ Yes ☐ No
Other (describe):	%	%	☐ Yes ☐ No

9. Excluding activities as a receiver or trustee in bankruptcy, within the past (3) years has the Firm rendered any audit, review or attest services for a client that subsequently declared or filed bankruptcy, defaulted on a debt obligation or become insolvent?
If yes, please complete the following chart:

Client Industry	Date of Bankruptcy, Default or Insolvency	Services Performed & Dates when those services were performed by the Firm	Type of Audit Opinion	Going Concern Reference
				☐ Yes ☐ No
				☐ Yes ☐ No

10. Please complete the following chart based upon the Firm's gross revenue for each category:
The total must equal 100%

Type of Client	Percentage of Practice	Type of Client	Percentage of Practice
Individuals	%	Small Public Companies (<$100M revenues)	%
Financial Institutions	%	Large Public Companies (>$100M revenues)	%
Small Private Companies (<$100M revenues)	%	Trusts (>$5M)	%
Large Private Companies (>$100M revenues)	%	Small Public Companies (<$100M revenues)	%

11. Within the past three years, has the firm provided:
    a. Professional services or received commissions, fees, reciprocity or revenue for referrals in connection with the sale or promotion of any investments or tax shelter, including investment partnerships designated for tax shelters? ☐ Yes ☐ No
    b. Recommendations as to the sale or purchase of any investments, including specific stocks, bonds, or other securities for which the firm received compensation? ☐ Yes ☐ No
    c. Financial Planning, asset management, or investment advisory services? ☐ Yes ☐ No
    If yes, is the firm registered with the SEC as an investment advisory? ☐ Yes ☐ No

If yes to either a., b., or c. above, please provide further details.

CONFLICT MANAGEMENT

12. In the last five (5) years, has the Firm provided professional services to clients in which Firm, any Firm member or any related individual served as an officer, director, trustee or partner or owned an equity or financial interest?

If "Yes," provide the following information:

Client	Type of Business	Annual Fees	Positions Held	Services Rendered	Equity Percentage
		$			%
		$			%
		$			%
		$			%

RISK MANAGEMENT

13. If you are a sole practitioner providing audit services, have you made arrangements for another CPA to perform a cold review for those services? ☐ Yes ☐ No

14. In the past five years has any professional in the firm:
    a. Served as a Director, Officer, Trustee, partner or Employee or has an ownership interest in any entity? ☐ Yes ☐ No
    b. Had or have financial interests or any outside interest in any entity? ☐ Yes ☐ No
    c. Acted as trustee for or exercised any form of fiduciary control over any client funds? ☐ Yes ☐ No

If "Yes," please provide further details.

15. Have any of your staff attended a loss control seminar or completed a loss control course within the last three (3) years? ☐ Yes ☐ No

16. Has the firm had a quality review under sponsorship of the AICPA, a state society or any other professional association? ☐ Yes ☐ No

    a. If "Yes," is the Firm in compliance with all peer review requirements? ☐ Yes ☐ No
    b. If "Yes," please attach copy of the opinion, along with management's response.
    c. Date of most recent review: _____

Result: ☐ Pass ☐ Pass with Deficiencies ☐ Fail

If result is "Pass with Deficiencies" or "Fail," please provide further details.

17. Has the firm undergone a peer or quality review? ☐ Yes ☐ No
    Unqualified? ☐ Yes ☐ No
    Date of Review: _____ / _____ / _____

If qualified or modified, please provide further details.

18. Does your organization have a social engineering fraud risk management strategy in place, including an employee training and awareness program? ☐ Yes ☐ No

CLAIMS HISTORY

If any of the below questions are "yes," complete a Claims Supplement Application or attach a statement providing full details.

19. After inquiry, does the Firm, predecessors in business or any other person for whom coverage is requested, have knowledge of any actual or alleged act, error, omission, or circumstance which may result in a claim being made against them or any other basis to reasonably anticipate a claim being made against them? ☐ Yes ☐ No

    If "Yes," how many? _____

20. Has any member of the firm ever been the subject of a complaint to authorities or disciplinary action as a result of the professional activities? ☐ Yes ☐ No

    If "Yes," how many? _____

21. In the last five (5) years have you or anyone I your Firm received any complaints concerning products or services provided by you or anyone else on your behalf? ☐ Yes ☐ No

    If "Yes," how many? _____

22. Has the Firm, predecessors in business or any other person for whom insurance is requested ever been the subject of a complaint to or disciplinary action or reprimand by any state board of accountancy (or equivalent); the S.E.C.; the IRS; any governmental regulatory or tax authority, federal, state, local court; any state or national accounting society? ☐ Yes ☐ No

    If "Yes," please provide further details.

It is recommended that you report any incidents, acts or omissions to your current insurance carrier. Please note that any incident or omission about which you are currently aware, will not be covered by a subsequently issued claims made policy.

FRAUD STATEMENT / SIGNATURES

THE FRAUD STATEMENT APPLICABLE TO YOU APPEARS ON THE FOLLOWING PAGE OF THIS INSURANCE APPLICATION. PLEASE READ IT CAREFULLY AND SIGN YOUR APPLICATION.

FRAUD STATEMENT
(Not applicable in the states mentioned below where a specific warning applies)

Alabama
Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

Arkansas, District of Columbia, Louisiana, Rhode Island, West Virginia
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.

Colorado
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 for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

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.

Kansas

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

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.

Maine

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

Maryland

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Jersey, New Mexico

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.

Ohio

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 a false or deceptive statement is guilty of insurance fraud.

Oklahoma

WARNING: Any person who knowingly, and with intent to injure, 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.

Oregon

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Pennsylvania

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.

Pennsylvania (Auto)

Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to $15,000.

Tennessee, Virginia, Washington

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.

New York

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.

New York (Auto)

Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, 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 value of the subject motor vehicle or stated claim for each violation.

SIGNATURES

DO NOT SIGN UNTIL YOU HAVE READ THE CONTENTS OF THIS APPLICATION AND THE APPLICABLE FRAUD WARNING(S).

I have reviewed the contents of this application and with my signature, I declare to the best of my knowledge that all statements herein are true and no material facts have been suppressed or misstated. I am also aware that my operation may be inspected by the Insurance Company.

APPLICANT / NAMED INSURED:	
APPLICANT / NAMED INSURED SIGNATURE	DATE

Agent / Broker:

1. Are you personally familiar with this Applicant's operations? ☐ Yes ☐ No
2. Did your office control this risk in the past year? ☐ Yes ☐ No

AGENT'S OR BROKER'S NAME AND ADDRESS	TELEPHONE NUMBER	LICENSE NO.
AGENT'S OR BROKER'S SIGNATURE		DATE