

QBE INSURANCE CORPORATION

ACCOUNTANTS & CONSULTANTS PROFESSIONAL LIABILITY  
COVERAGE APPLICATION

CLAIMS MADE AND REPORTED COVERAGE – PLEASE READ ALL POLICY PROVISIONS

NOTICE: EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR COVERED ACTS COMMITTED SUBSEQUENT TO THE RETROACTIVE DATE, IF APPLICABLE, FOR WHICH CLAIMS ARE FIRST MADE AGAINST YOU WHILE THE POLICY IS IN FORCE AND WHICH ARE REPORTED TO US NO LATER THAN SIXTY (60) DAYS AFTER THE TERMINATION OF THIS POLICY. THE COVERAGE OF THIS POLICY DOES NOT APPLY TO CLAIMS FIRST MADE AGAINST YOU AFTER THE TERMINATION OF THIS POLICY UNLESS, AND IN SUCH EVENT, ONLY TO THE EXTENT, AN EXTENDED REPORTING PERIOD OPTION APPLIES

Please fully answer all questions in ink. Complete all sections, including the appropriate supplements. If space is inadequate to answer all questions in full, please provide details on a supplemental sheet of paper.

Throughout this application the words "you" and "your" refer to the applicant herein and any subsidiary, partner, officer, director, member, covered independent contractor or employee of the applicant. The words "we", "us" and "our", refer to the insurance company to which this application is made.

PLEASE ENSURE THAT THE APPROPRIATE SUPPLEMENTS ARE COMPLETED AND ATTACHED.

1. Name of Applicant: \_\_\_\_\_  
(attach a copy of the firm's current letterhead)

Contact: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

URL: http://\_\_\_\_\_ Date Established: \_\_\_\_\_

Individual:  Corporation:  Partnership:  LLC/LLP:  Other:  \_\_\_\_\_

2. List any subsidiary, predecessor, acquired or merged firms for which coverage is requested:

<u>Name of firm:</u>	<u>Date of formation or Transaction:</u>	<u># of professional staff that joined you:</u>	<u>% of firm annual billings assigned to you:</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____



- d). Do you maintain a system to ensure timely completion of reports, filings and tax returns? YES  NO
- e.) Do you have a formal policy for destruction of documents YES  NO

7. a). Please provide the approximate percentages of income received from the following activities for the last fiscal year:

Activity:	%	[1]
Audit: publicly traded entities [2]:	_____	<input type="checkbox"/>
Audit (not-for-profit):		<input type="checkbox"/>
Audit (Investment professionals):		<input type="checkbox"/>
Audit (all other):		<input type="checkbox"/>
Agreed Upon Procedures [3]:		<input type="checkbox"/>
Review:		<input type="checkbox"/>
Compilation:		<input type="checkbox"/>
Bookkeeping:		<input type="checkbox"/>
Taxation:		<input type="checkbox"/>
Trustee Services [2]:		<input type="checkbox"/>
Personal Financial Planning [2]:		<input type="checkbox"/>

Activity:	%	[1]
Management Advisory Services.	_____	<input type="checkbox"/>

**Please Describe in Detail\* :**

Information Technology:		<input type="checkbox"/>
Valuation Services [2]:		<input type="checkbox"/>
ERISA/Pension Plans/TPA:		<input type="checkbox"/>
SEC/Sarbanes Oxley Services [2]:		<input type="checkbox"/>
Other Services:		<input type="checkbox"/>
<b>Please Describe in Detail* :</b>		
TOTAL:	100	<input type="checkbox"/>

[1] Please check if engagement letters used.  
Deductible reduction may be granted.

[2] Complete the appropriate supplement.

[3] Please describe on a separate sheet

8. Do engagement letters contain an alternative disputes resolution or mediation clause? YES  NO
9. Other than Life Insurance or non-funded Trusts, do any of **you** perform any duties as a trustee? YES  NO
10. Do any of you perform any duties as an executor or administrator of an estate? YES  NO
11. Do any of you have discretionary authority to manage, pay bills or invest clients' funds? YES  NO

**If the response to questions 9, 10 or 11 is "YES", please answer additional questions on the primary supplement.**

12. Do you have an employee dishonesty insurance policy or bond, which covers theft of client funds? YES  NO
13. In the past 5 years has any member of your firm had a professional license suspended or revoked? YES  NO

**If "YES" please attach details.**

14. For consideration of additional risk management premium credits, please provide the following:

Provide details of risk reduction and loss prevention techniques **you** currently use:

- Engagement letters are updated:

Annually for all engagements  Annually for attest engagements  As engagement changes  Evergreen

Other : please explain: \_\_\_\_\_

- *There is a second person/partner review of:*  
 Attest services  Tax services  All services   
 Other : please explain: \_\_\_\_\_
- *Use checklist (as approved by AICPA, PPC, other):*
- *Client screening procedures:*  
 New clients  Existing clients  Both   
 Other : please explain: \_\_\_\_\_
- *Use of other risk management procedures (please describe):*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

15. Complete if any percentage of **your** practice includes Non-SEC Audit Engagements [or check if not applicable

<u>Business</u>	<u>%</u>
Private Companies	
Government:	
ERISA/Pension Plan:	
Non-Profit:	
Other (describe below)	
<b>Total:</b>	<b>100%</b>

<u>Business by Type</u>	<u>%</u>
Manufacturing:	
Retail:	
Construction:	
Service:	
Government /School District:	
Hospital/Medical:	
Financial Institutions <sup>[1]</sup> :	
Non Profit	
Other	
<b>Total:</b>	<b>100%</b>

<sup>[1]</sup> Please complete the Financial Institutions supplement.

16. Within the past five (5) years, have any of **you** provided services *other than personal tax returns* to a client while acting as an officer, director, partner or manager of such client or have any of **you** or a spouse had or currently have an equity or financial interest in a client that is greater than 10%? YES  NO

**If "YES" to 16 above, complete the information below for each client:**

<b>Client:</b>	<b>Equity % Held:</b>	<b>Fees earned \$:</b>	<b>Position:</b>	<b>Services:</b>	<b>Disclosure of conflict:</b>
					YES <input type="checkbox"/> NO <input type="checkbox"/>
					YES <input type="checkbox"/> NO <input type="checkbox"/>

17. Other than in connection with *personal tax returns*, within the past three (3) years have **you** sued to collect fees? YES  NO

**If "YES", provide information below for each client:**

Client:	Fee amount:	Date of suit:	Services Rendered:	Status:

18. Other than in connection with activities as a receiver or trustee in bankruptcy, in the past year have **you** performed attest services for any of **your** business clients that have declared or filed for bankruptcy, defaulted on a bond issue, or failed subsequent to the rendering of such services? YES  NO

**If "YES" to 18 above please provide details on a separate sheet.**

19. Within the past five (5) years have **you** provided:

- a). Professional Services to a Public Traded Company? YES  NO
- b). Professional Services in connection with securities offerings, registration or sale of securities? YES  NO
- c). Forecasts, projections, etc., to sellers or promoters of investments for inclusion in a prospectus or Securities sales literature? YES  NO
- d). Are **you** registered with the Public Company Accounting Oversight Board? YES  NO

**If "YES" to 19 a), b), c) or d) above, complete the entire Securities Supplement.**

- e). **Professional Services** in connection with any investment syndication or tax shelter, including investment partnerships designed for tax shelters? YES  NO
- f). **Professional Services** as Registered Representative or Registered Investment Advisers or Broker or Dealer in Securities? YES  NO

**If "YES" to 19 e) or f) above please provide full details on a separate sheet.**

- g). **Professional Services** to clients that are the subject of an investigation by the Securities and Exchange Commission or other similar State or Federal regulatory agency? YES  NO

**If "YES" to 19 g) above, complete the entire SEC Investigation Questionnaire.**

- h). **Professional Services** to clients that have been active in subprime lending or loans to subprime borrowers? YES  NO

**If "YES" to 19 h) above, complete the entire Sub-prime mortgages questionnaire.**

20. Do any of **your** Financial Institution clients appear on the list of failed banks maintained by the Federal Deposit Insurance Company? ([www.fdic.gov](http://www.fdic.gov)) Not Applicable  YES  NO

**If "YES" please provide full details.**

- 21. a). Within the past five (5) years have any claims or incidents been notified to an insurance company or legal actions been brought against **you** alleging a failure to perform professional services? YES  NO
- b). After inquiry, do any of **you** for which coverage is requested, have knowledge of any act, error or omission, fee dispute, client bankruptcy, incident or other circumstance, including the receipt of a subpoena, that is or could be the basis for a claim under this proposed insurance policy? YES  NO

**If "YES" to either 21 a) or b) above, complete the claims supplement for each claim or circumstance.**

22. a). Either attach a copy of **your** current policy declarations page and any endorsements or provide details of professional liability insurance history for the past five years:

<u>Period:</u> From: To:	<u>Insurer:</u>	<u>Limit:</u> (each loss/aggregate)	<u>Deductible:</u>	<u>Premium:</u>
to		\$ / \$	\$	\$
to		\$ / \$	\$	\$
to		\$ / \$	\$	\$
to		\$ / \$	\$	\$
to		\$ / \$	\$	\$

b) Have **you** ever purchased an extended reporting period endorsement? YES  NO

**If "YES", provide expiration date of the extended reporting period:** \_\_\_\_\_

c) What is the prior acts limitation/retroactive date on **your** current policy? \_\_\_\_\_

23. Effective date of coverage: \_\_\_\_\_

24. Limits of Liability and Deductible requested:

<b>Limit of Liability:</b> (each claim/annual aggregate)	
<b>Separate limit for Defense Expense:</b>	<input type="checkbox"/> <i>check</i>
Each Claim: \$ _____.	
Aggregate: \$ _____.	

<b>Deductible:</b>	
<b>Deductible applicable to Damages Only:</b>	<input type="checkbox"/> <i>check</i>
Each Claim: \$ _____.	
Aggregate: \$ _____.	

REPRESENTATION: It is represented to **us**, that the information contained herein is true and that it shall be the basis of the policy of insurance and deemed incorporated therein, should **we** evidence its acceptance of this application by issuance of a policy. The undersigned hereby authorize the release of claim information from any prior insurer to the insurer.

Except to such extent as may be provided otherwise in the policy, the policy for which application is being made is limited for **ONLY THOSE CLAIMS FIRST MADE AGAINST YOU** while the policy is in force.

**APPLICANT FRAUD WARNINGS**

**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 DISTRICT OF COLUMBIA APPLICANTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.**

**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 KANSAS APPLICANTS: A "fraudulent insurance act" means an act committed by 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.**

**NOTICE TO KENTUCKY APPLICANTS: 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 LOUISIANA 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 MAINE 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 may include imprisonment, fines, or denial of insurance benefits.**

**NOTICE TO MARYLAND APPLICANTS: 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.**

**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 a false or deceptive statement is guilty of insurance fraud.**

**NOTICE TO OKLAHOMA APPLICANTS: 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.**

**NOTICE TO PENNSYLVANIA APPLICANTS: All Commercial Insurance, Except As Provided for Automobile Insurance: 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.**

**Automobile Insurance: 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.**

NOTICE TO PUERTO RICO APPLICANTS: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

NOTICE TO 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 TENNESSEE APPLICANTS: All Commercial Insurance, Except As Provided for Workers' Compensation **It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.**

Workers' Compensation: **It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers' compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits.**

NOTICE TO UTAH APPLICANTS: Workers' Compensation: **Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.**

NOTICE TO VIRGINIA 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 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 WEST VIRGINIA 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 ALL OTHER STATES: **Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison.**

I agree that signing this form will permit Jorgensen & Company as managers for CPA Gold™ or their agents to send emails relating to **your** coverage to the party identified in Item 1. of this application, and their designees.

Signature of Applicant\* \_\_\_\_\_ Date: \_\_\_\_\_  
Title: \_\_\_\_\_ Firm: \_\_\_\_\_

**\*SIGNING THIS FORM DOES NOT BIND YOU OR US TO COMPLETE THE INSURANCE.**

Agent: \_\_\_\_\_ Lic.#: \_\_\_\_\_

Producer: \_\_\_\_\_