

## HiscoxPRO™

### Accountants Professional Liability application form

**1. General Information**

Applicant name:

Address:

State:  Zip code:

Website:

Year organized or established:

Number of Partners:  CPAs:  Support Staff:

Limits requested:

\$500,000 / \$1,000,000       \$3,000,000 / \$3,000,000

\$1,000,000 / \$1,000,000       \$5,000,000 / \$5,000,000

\$2,000,000 / \$2,000,000       Other:

Retention requested:

\$2,500       \$25,000

\$5,000       \$50,000

\$10,000       Other:

**2. Applicant's Sales & Services**

Indicate total gross revenues:

Previous 12 months	Next 12 months (projected)
\$	\$

Breakdown of how applicant revenue is generated:

Services:	Percentage of Billings		Services:	Percentage of Billings	
	Previous	Last Year		Previous	Last Year
a) Audits (Type of Clients)			e) Tax (Type of Clients)		
▪ Agriculture			▪ Business		
▪ Construction			▪ Individual		
▪ Cooperative			▪ Estate		
▪ Financial Institution			▪ Other:		
▪ Government/ Municipal/ Nonprofit			f) Fiduciary & Trustee		
▪ Insurance Companies			g) Financial Planning		
▪ Manufacturing/ Retail			h) EDP Consulting		
▪ Pension			i) Development of Computer Software		
▪ Other:			j) Forecasts & Projections		
b) Review			k) Litigation Support		
c) Compilation/ Write Up			l) Assurance Services		
d) Bookkeeping			m) Other:		
<b>Must equal 100%</b>				<b>100 %</b>	

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### 3. Applicant's Practice & Client Type

Do you use engagement letters?

Yes  No

If yes, please indicate how often engagement letters are updated:

Annually for all engagements

Annually for attest engagements

As engagement changes

Other:

Please indicate the services that require a second person or partner review:

Attest services

Tax services

All services

No second person/partner review of any services

Other:

Do you maintain a written risk management policy for all employees?

Yes  No

If yes, please indicate which of the following are included:

Client screening

Conflict checks

Diary system

Have you experienced any change in ownership or M&A activity during the past 3 years?

Yes  No

a) If yes, please provide details below:

Please provide the following for your 3 largest clients:

1. a) Percentage of your revenue derived from client:

%

b) Client name & industry:

c) Services provided by your firm:

2. a) Percentage of your revenue derived from client:

%

b) Client name & industry:

c) Services provided by your firm:

3. a) Percentage of your revenue derived from client:

%

b) Client name & industry:

c) Services provided by your firm:

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Please provide the percentage of your billings derived from the following client types:

Client Type	Percentage of billings	Client Type	Percentage of billings
Individuals	%	Non-profits or charities	%
Individuals – High net worth >\$10M assets	%	Trusts >\$10M assets	%
Small private companies <\$100M revenue	%	Financial Institutions / Insurance Companies	%
Large private companies >\$100M revenue	%	Governmental or Public Institutions	%
Small public companies <\$100M revenue	%	Healthcare or HMO	%
Large public companies >\$100M revenue	%	Other:	%
<b>Must equal 100%</b>			<b>100 %</b>

Do you anticipate any material changes to the firm or its practice within the next twelve months? Yes  No

a) If yes, please provide details below:

Do you or any member of your firm provide professional services as a practicing lawyer, real estate agent or broker, life and health insurance agent, investment advisor, or securities agent or broker? Yes  No

Have you or any member of your firm served as trustee or performed professional services for any client in which any firm member or spouse serves as trustee? Yes  No

a) If yes, please complete the Trustee Supplement.

Received loans from any client? Yes  No

a) If yes, please provide details below:

Made recommendations as to the sale or purchase of any investments, including specific stocks, bonds or other securities for which you received compensation? Yes  No

During the past 12 months has the firm or any member of the firm provided professional services related to the following:

a) Tax shelter advice Yes  No

b) M&A transactions Yes  No

c) Audits for publicly traded companies Yes  No

If yes, please provide details below:

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4. Insurance History & Claims Experience

Within the past five years, have you sued or threatened to sue to collect fees? Yes  No

a) If yes, please describe all collection suits including name of clients, services rendered, dates of services, suit date, fee amounts, status or outcome of suit, and whether your firm is still providing services for this client:

Within the past five years have you had a quality peer review? Yes  No

a) If yes, was the review unqualified? Yes  No

b) Please attach a copy of the peer review and any response you may have had to recommendations.

Has any similar Accountants Professional Liability Coverage ever been declined or cancelled? Yes  No

a) If yes, please explain:

Please list the Accountants Professional Liability Insurance Coverage carried during the past 3 years:

Name of Insurer	Policy Period	Limits of Liability	Retention	Premium

Have you or any member of your firm ever had their accounting license suspended or revoked or been subject to any investigation by any board of accounting, AICPA, SEC, State CPA Society or any other governmental agency, or court, or been subject to any reprimand, criminal penalty or fine, including a tax preparer's fine, or been convicted of any felony charge, or are they currently under indictment? Yes  No

Does any person proposed to be insured have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim against him? Yes  No

a) If yes, please explain:

Has any professional liability claim or suit been made against any of the following during the past 5 years:

a) You, your firm, or any member of your firm? Yes  No

b) Any predecessor firm? Yes  No

c) Any former member of your firm or predecessor firm while a member of such firm? Yes  No

d) If none, please check here:



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Associations Professional Liability application form

5. Execution

**APPLICATION DISCLOSURES:**

If there is any material change in the answers to the questions in this Application before the proposed policy inception date, you must notify us in writing and any outstanding quote for insurance coverage may be modified or withdrawn.

Your submission of this Application does not obligate us to issue, or you to purchase, a policy. You authorize us to make any inquiry in connection with this Application.

All written statements and materials furnished to us in conjunction with this Application are incorporated into this Application and made a part of it.

**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 material fact, commits a fraudulent insurance act, which is a crime.**

6. Declaration

I declare that (a) this application form has been completed after reasonable inquiry, including but not limited to all necessary inquiries of my fellow principals, partners, officers, directors, and employees, to enable me to answer the questions accurately and (b) its contents are true and accurate and not misleading.

I will undertake to inform you before the inception of any policy issued pursuant to this application of any material change to the information already provided or any new fact or matter that may be material to the consideration of this application for insurance.

I agree that this application form and all other information which is provided are incorporated into and form the basis of any contract of insurance.

\* Applicant Signature:

Date:

Title:

\* Must be signed by President, Chairman, Chief Executive or Chief Financial Officer, Corporate Risk Manager, or General Counsel.

**\* A copy of this application should be retained for your records.**