

Accountants Professional Liability Insurance Application

Firm _____

SEC Supplement **S-8.1**

**Complete only if your Firm provides services that fall under the 1933 or 1934 SEC Acts.
Do not complete for broker/dealer audits – unless the broker/dealer is publicly traded.**

1. Complete the following table for each of the Firm’s SEC practitioners’ expertise.

Individual(s)	Number of Years SEC Experience	Number of Hours SEC CPE in Past 12 months	Securities-Billable Hours most recent 12 months

- 2. Do you have current membership in the AICPA’s Center for Audit Quality? Yes No
- 3. Is the Firm currently registered with the Public Company Accounting Oversight Board (PCAOB)? Yes No
- 4. Percentage of total revenue derived from services provided to SEC-regulated entities: _____ %

Client Identification

- 5. a. Do you have a written procedure for new client identification and screening intended to assure that there will be no conflict of interest with respect to potential SEC-regulated clients? Yes No
- b. Is there a written policy requiring yearly reviews of existing clients for potential conflicts? Yes No
- 6. a. Does your written procedure for evaluating a new SEC-regulated client include an analysis of the client’s financial strength, its management expertise, its reputation, the nature of its business and its history of opinion shopping or changing attorneys and accountants? Yes No
- b. Do these procedures include background checks on the client’s senior management? Yes No
- If “Yes”, to a. or b., has your Firm ever declined a potential client based on these procedures? Yes No

Internal Procedures and Risk Management

- 7. Do you have a written procedure requiring that at least one CPA who is not working on the services in question, review and approve all written materials prior to their release? Yes No
- 8. Do you have a written policy that prohibits your firm members from participating in the securities selling process (e.g., not participating in marketing meetings or calls involving prospective investors)? Yes No
- 9. Do you have a written policy governing trading and investing in client securities by firm members? Yes No
- 10. Do you have a written policy prohibiting any contingency payment arrangement or any arrangements where a securities client pays for the applicant’s services with client securities? Yes No
- 11. Do you have written procedure that is intended to prevent the improper use of material inside information or the tipping of such information by firm members? Yes No

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12. In the past thirty-six (36) months have any of your SEC-regulated clients been involved in any regulatory inquiry or investigation regarding disclosure issues or financial statement reporting? Yes No
If "Yes", provide the following:

Name of Client	Explanation of the Inquiry or Investigation

13. During the past five (5) years have you been the subject of any investigation by the SEC or the PCAOB? Yes No
If "Yes", describe: _____

14. During the past five (5) years have you been terminated by a securities client or had a dispute with a client necessitating disclosure to securities regulators? Yes No
If "Yes", provide the following:

Name of Client	Date of Withdrawal	Description of Withdrawal or Dispute

15. Within the last five (5) years have you provided audits to publicly traded clients? Yes No

16. Provide the following for each audit client engaged within the last three (3) years or expected to be handled within the next twelve (12) months.

Name of Client	
Does the client maintain Directors and Officers (D & O) Liability Insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Nature of client business:	
Length of time as client	From: _____ To: _____
Services that you engaged to performed:	
Most recent engagement fees billed:	
Opinion Rendered:	
Have any restated financials been issued? If "Yes", were the initial financials audited by your firm, a <i>Predecessor Firm</i> or acquired firm?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
Has there been a change in the controlling ownership of the client company(ies) during the last fiscal year?	<input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", please provide details: _____
Has there been a change in the executive management of the client company(ies) during the last fiscal year?	<input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", please provide details: _____

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Private or Public Offering Supplement

17. Provide the following for each private or public offering within the past five (5) years.

Name of Client	Industry	Dates and Services Provided	Type of Offering*	Size of Offering	Fees

- * A. Primary public C. Private partnership E. Private stock sale G. Mortgage backed securities
 B. Secondary public D. Private trust F. Bonds

I recognize that information submitted on this supplement becomes a part of my application for coverage and is therefore subject to all of the representations and conditions of that application.

Completion of this supplement does not guarantee that coverage will be automatically granted. Any coverage will be subject to underwriting review.

Signature _____ Date _____

ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, RHODE ISLAND, 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.

CALIFORNIA APPLICANTS: FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT INFORMATION TO OBTAIN OR AMEND INSURANCE COVERAGE OR TO MAKE A CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

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 FOR INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

KANSAS APPLICANTS: 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, ELECTRONIC, ELECTRONIC IMPULSE, FACSIMILE, MAGNETIC, ORAL, OR TELEPHONIC COMMUNICATION OR 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 AND MAY BE SUBJECT TO CRIMINAL AND/OR CIVIL FINES OR PENALTIES.

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.

MAINE, TENNESSEE, VIRGINIA, 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.

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.

MINNESOTA APPLICANTS: A PERSON WHO FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.

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.

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.

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.

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.

OREGON 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 MAY BE COMMITTING A FRAUDULENT INSURANCE ACT, WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO PENALTIES.

PENNSYLVANIA APPLICANTS: 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.

VERMONT APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.