



New England Excess Exchange, Ltd.

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Web Site: www.neee.com

APPLICATION FOR ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE (CLAIMS-MADE BASIS. PLEASE READ THE POLICY CAREFULLY.)

1. a) Name of Applicant / Firm: _____
 b) Address: _____
 City: _____ County: _____ State: _____ Zip Code: _____
 Email Address _____ Website: _____

c) Please list all branch offices on a separate sheet and include a breakdown of the staff per question 4. at each location.

2. a) Firm's practice is: Full time (more than 30 hours per week) Part time
 If part time, provide name of other employer and position held: _____

b) Date current Firm established: _____

3. If the name of the Firm has ever changed, or if there has been a consolidation, dissolution or change in business structure, please provide detailed listing of each firm in chronological order, indicating the date and nature of each change (i.e., merger, name changes). Without direct lineage, the current firm will not be considered a predecessor. Only those predecessor firms listed will be eligible for coverage consideration. Firms that are accepted for coverage will be listed on the Policy.

Name of Predecessor Firm(s)	Date Established	Nature of Change
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Total Staff (include branch offices)
 a) Please list all owners, partners, officers and CPA's: (attach a separate sheet, if necessary)

	Name	Position Code*	Licenses Held	Years in Practice	Length of Time with Firm	Professional Organizations
1	_____	_____	_____	_____	_____	_____
2	_____	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____	_____
5	_____	_____	_____	_____	_____	_____
6	_____	_____	_____	_____	_____	_____

*Position Codes
 O-Owners, Shareholders or Directors of the Corporation
 P-Partners in a Partnership
 S-Sole Practitioner
 E-CPA Employee
 D-Per diem CPA's employed by the firm

	Full Time	Part Time
b) Non-CPA employees providing accounting services whose time is billable to clients:	_____	_____
c) Other employees including clerical and non-accounting employees	_____	_____

5. a) Does the Firm currently carry professional liability insurance? Yes No
 If "Yes", provide details of insurance history below or on a separate sheet:

Insurance Company	Policy Period	Limit of Liability	Deductible	Premium
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

b) RETROACTIVE DATE ON CURRENT POLICY: _____ (month/day/year)

- c) Has the applicant, predecessor in business or any person for whom coverage is requested had professional liability coverage declined, canceled, rescinded or non-renewed? (NOT APPLICABLE TO MISSOURI APPLICANTS) Yes No If yes, please attach a statement providing full details.

6. Gross fees are to be reported below on a cash basis. Gross fees are defined as the exact dollar amount of gross income, including fees paid to consultants, but not including interest, rental income, or direct recovery of expenses.

Second Last Fiscal Year	Immediate Past Fiscal Year	Projection for Current Year
From: (mo/yr)	From: (mo/yr)	From: (mo/yr)
To:	To:	To:
Gross Fees \$	Gross Fees \$	Gross Fees \$

7. What percentage of services are covered by signed engagement letters stipulating the nature and scope of work to be performed?
 _____ %

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%)

Services	Percentage of Billings	Engagement Letter Always Used	Services	Percentage of Billings	Engagement Letter Always Used
a) Audits (Type of Clients)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	e) Tax:	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Agricultural	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	Business	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Construction	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	Individual	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Cooperative*	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	Estate	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Financial Institutions	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	Other: (Please describe)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Government/Municipal/Nonprofit	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	f) Fiduciary & Trustee***	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Insurance Companies	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	g) Financial Planning**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Manufacturing/Retail	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	h) EDP Consulting	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Pension	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	i) Development of Computer Software**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other (Please describe)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	j) Forecasts & Projections	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Review	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	k) Litigation Support	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Compilation/Write up	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	l) Assurance Services**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) Bookkeeping	%	<input type="checkbox"/> Yes <input type="checkbox"/> No	m) Other: (Please describe)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No

* Attach a description of cooperative clients (real estate, oil & gas, etc.) and an approximation of asset value.
 ** Please provide a detailed description of these services on a separate sheet.
 *** Please complete a Fiduciary and Trustee Supplement.

9. Provide the approximate percentage of billings generated in the last year by each of the following types of clients. (Note: Total must equal 100%.)

Type of Client	Percentage of Billings	Type of Client	Percentage of Billings
Construction	%	Insurance Agency	%
Entertainment/Professional Athletes*	%	Insurance Company	%
Estate/Trust	%	Manufacturing	%
Factoring Company	%	Non Profit	%
Financial Institution	%	Real Estate Developers	%
Government**	%	Retail	%
Health Care Organizations	%	Unions	%
Health Care Professionals	%	Other	%
Individuals	%		%

* Provide the names and occupations of the client(s) and detail of the services provided.
 ** Provide the branch of the government and the type of services provided, including the purpose of the service.

10. Provide information on the Firm's two clients generating the highest percentage of fees in the last year.

Percentage from Largest Client	Percentage from 2 nd Largest Client
Client	Client Industry
Industry	
Services Performed	Services Performed

11. a) Is the Firm or any member of the Firm licensed or operating as the following:

Lawyer	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Investment Advisor	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Escrow Agent	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Insurance Agent/Broker	<input type="checkbox"/> Yes	<input type="checkbox"/> No

b) Is any revenue earned from the above professions? Yes No
 c) Under what firm name are such services provided? _____
 d) Do any accounting clients also receive the other professional services? Yes No
 e) Is a separate professional liability policy purchased for the above professionals? Yes No
 If "Yes," provide name of insurer and limit of liability: _____

12. Has the Firm ever provided accounting services to a Financial Institution or an Insurance Company? Yes No
 If "Yes", please complete the Supplemental Information Sheet B.

13. Has the Firm ever provided professional services:
 a) To a publicly traded company? Yes No

- b) Used in conjunction with Issuance, offering or sale of securities? Yes No
 c) To clients who are subject to SEC periodic reporting requirements or whose securities are registered with the SEC? Yes No
 If "Yes", to ANY of the above, a completed SEC Information Sheet is required.

14. a) Does the Firm delegate work to other accounting firms? Yes No
 b) Has the Applicant performed professional services as a subcontractor or per diem accountant for other accounting firms? Yes No
 If "Yes", provide details including the name of other accounting firms, nature of work and percentage of Firm's billings:

15. Has the Firm or any predecessor in business or any enterprise wholly or partially owned by the Firm or by the Firm's principals, partnerships, directors, or officers ever:
 a) received commissions, fees, reciprocity, or revenues for the sale or promotion of investments? Yes No
 b) Organized, arranged or procured Investments or real estate? Yes No
 c) Prepared projections for use in any prospectus, offering or sales material? Yes No
 d) Made recommendations as to the sale or purchase of specific stocks, bonds or other investments? Yes No
 If "Yes", to NY of the above, attach a statement providing details.

16. Has the Firm or any member of the Firm disbursed, received, invested or in any way acted in a decision-making capacity with respect to client funds within the last 5 years? Yes No
 If "Yes", please complete a Fiduciary and Trustee Services Information Sheet.

17. Has the Firm provided professional services to clients in which any firm member or spouse of any firm member:
 a) Served as an officer, director, trustee or partner? Yes No
 b) Owned an equity or financial interest? Yes No
 If "Yes", provide the following information:

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

18. a) Does the Firm wholly or partly own, operate, manage or control any other enterprise or is the Applicant wholly or partly owned, managed or controlled by any other enterprise? Yes No
 b) Has any member of the Firm participated in outside business ventures with, provided loans to, or received loans from any client? Yes No
 If "Yes", please attach a statement providing full details.

19. a) Does the Firm have a written quality control document? Yes No
 b) Does the Firm use written procedure manuals? Yes No
 c) Does the Firm have a written system for screening and evaluating new clients? Yes No
 If "No" to any ANY of the above, describe what procedures and systems are used on a separate sheet.

20. Have any claims involving professional services ever been made against the Firm, predecessors in business or any other person for whom coverage is requested? Yes No
 If "Yes", complete a Claim/Circumstance Information Sheet or attach a statement providing full details.

21. 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 the? Yes No
 If "Yes", complete a Claim/Circumstance Information Sheet or attach a statement providing full details.

22. Has the Firm, predecessors in business or any other person for whom coverage is requested, ever reported a potential claim to a professional liability insurance company? Yes No
 If "Yes", complete a Claim/Circumstance Information Sheet or attach a statement providing full details.

23. If "Yes", to questions 20, 21, or 22, state what actions the Firm has taken to prevent a similar claim/circumstance in the future.

24. 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", attach a statement providing details.

25. a) Has the Firm filed any suit for the collection of fees during the past 5 years? Yes No
 If "yes", attach a statement providing details

- b) Has the Firm adopted a policy against filing suit for fees? Yes No

26. a) Has the Firm provided audit, review or compilation services within the past five years to clients who subsequent entered into bankruptcy or receivership? Yes No

- b) Is the Firm aware of any current audit, review or compilation clients who are contemplating bankruptcy? Yes No
 If "Yes", to a) or b) above, attach a statement providing full details.

27. Please provide the number of professionals who attended a loss control seminar or who completed a loss control course within the last three years. _____ In order to receive a loss control credit, please attach documentation of program completion and a list of individuals who participated.

28. a) Has the Firm had a quality review under sponsorship of the AICPA, a state society or any other professional association? Yes No

b) Were results unqualified?

Yes No

c) Date of Last review _____

Firms that have successfully completed a quality review are eligible for premium credit. Please attach a copy of the opinion, the letter of comments and the Firm's response if premium consideration is requested.

29. Please attach any literature that describes the Firm's capabilities and practice, including resumes, brochures and promotional materials provided to prospective clients.

WARNING

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 MAY BE A CRIME. IN SOME JURISDICTIONS, INSURANCE FRAUD MAY ALSO BE SUBJECT TO CRIMINAL AND/OR (NY: SUBSTANTIAL) CIVIL PENALTIES. IN SOME JURISDICTIONS, INSURANCE BENEFITS MAY ALSO BE DENIED.

APPLICABLE IN ARKANSAS, LOUISIANA, NEW MEXICO & 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.

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

APPLICABLE IN DISTRICT OF COLUMBIA

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.

APPLICABLE IN 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.

APPLICABLE IN HAWAII

For your protection, Hawaii Law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment or both.

APPLICABLE IN 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.

APPLICABLE IN MAINE, 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 may include imprisonment, fines or a denial of insurance benefits.

APPLICABLE IN NEW JERSEY

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

APPLICABLE IN 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.

APPLICABLE IN NORTH CAROLINA

The Information contained in and submitted with this application will be physically attached to the policy and will become a part of any policy issued by the company. These provisions do not apply unless the application is physically attached to the policy.

APPLICABLE IN OHIO

Any person who, with intent to defraud or knowing that he/she 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.

APPLICABLE IN 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.

APPLICABLE IN OREGON

Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

APPLICABLE IN 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.

APPLICABLE IN VERMONT

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.

THE APPLICANT AND FIRM ACCEPT NOTICE THAT ANY POLICY ISSUED WILL BE ON A "CLAIMS MADE" BASIS.

BY SIGNING THIS APPLICATION I HEREBY AUTHORIZE THE INSURANCE COMPANY TO USE THE INFORMATION CONTAINED IN THIS APPLICATION AND IN THEIR FILES FOR THE PURPOSE OF UNDERWRITING THIS INSURANCE. THE UNDERSIGNED IS AUTHORIZED BY AND ACTING ON BEHALF OF THE FIRM AND REPRESENTS THAT ALL STATEMENTS ARE TRUE, COMPLETE AND ACCURATE AND THAT THERE HAS BEEN NO SUPPRESSION OR MISSTATEMENT OF FACT AND AGREES THAT THIS APPLICATION SHALL BE THE BASIS OF COVERAGE.

THE APPLICANT AND FIRM ACCEPT NOTICE THAT THEY ARE REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO THE COMPANY OF ANY CHANGES TO THIS APPLICATION THAT MAY HAPPEN BETWEEN THE SIGNATURE DATE BELOW AND ANY PROPOSED EFFECTIVE DATE.

THE APPLICATION MUST BE SIGNED BY AN OWNER, PARTNER, PRINCIPAL OR SHAREHOLDER.

Signed _____ Date _____

(please print name)

Title _____

Licensed Insurance Agent _____

SIGNING THIS FORM OR TENDERING PREMIUM WITH THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY TO COMPLETE THE INSURANCE. Application must be signed and dated to be considered for quotation. A properly completed, original signed and date application will allow prompt issuance of coverage should quotation be offered and accepted.

WARNING:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER 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 AND SUBJECTS THE PERSON TO CRIMINAL AND (NY: SUBSTANTIAL) CIVIL PENALTIES.