



THE CPA ADVANTAGE™
Professional Liability Insurance Application
SUPPLEMENTAL CLAIM/INCIDENT
INFORMATION



- Please type or print clearly,
Please DO NOT use pencil
Answer each question completely
Supplement must be signed by principal of the firm

Applicant or Firm Name _____

This form should be completed for each claim, suit or incident applicant firm is aware of after inquiry of all partners, officers, owners and employees.

All questions must be answered completely

- 1. Full name of Applicant or Insured:
2. Full name of Firm which reported claim:
3. Full name of claimant:
4. Indicate whether: Claim/Suit Incident
5. Date of alleged error: Date you became aware of alleged error:
6. Date it was reported to your insurance carrier:
7. Name of your insurance carrier:
8. Additional defendants:

- 9. a IF CLOSED indicate date closed: Total amount paid: \$
b. Of the total amount paid, how much was paid for legal expenses: \$
c. What was your deductible: \$

10. IF PENDING, PLEASE SEND SUIT PAPERS OR ANSWER ALL QUESTIONS BELOW:

- a. Claimant's settlement demand \$
b. Defendant's offer for settlement \$
c. Insurer's loss reserve \$
d. Is claim in suit? Yes No If yes, amount asked in summons: \$
e. Limits of Liability Deductible

11. Name of insurance carrier responding to this claim or incident: _____

12. Was an engagement letter issued? Yes No

13. Provide a brief description of the claim, indicate the alleged error, type of engagement and alleged injury: _____

14. Explain any steps that have been taken to prevent similar claims: _____

Signature of Owner, Officer or Partner Date



THE CPA ADVANTAGE™
Professional Liability Insurance Application
NON-PUBLIC AUDIT CLIENT
SUPPLEMENT



- ❖ Please type or print clearly.
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Applicant or Firm Name _____

1. Client Industry	# of Audit Clients	Estimated Audit Fees	# of Clients with Assets over \$5,000,000	# of Clients with Net Loss for last fiscal year
a. Agribusiness		\$		
b. Broker/Dealers		\$		
c. Construction		\$		
d. Entertainment Services		\$		
e. Government/Municipal		\$		
f. Manufacturing		\$		
g. Mining/Oil & Gas		\$		
h. Not-For-Profit		\$		
i. Real Estate Development/Mgmt		\$		
j. Retail		\$		
k. Other- (please describe)		\$		

2. Please complete the following for each professional engaged in audit services:

Name	Years of Industry Experience	Relevant CPE courses within the past 3 years

- a. Does your firm have a written policy on audit-related CPE training, including required courses and CPE hours per year specific to audit services? **Yes** **No**
- b. Does a second partner review all audit work papers and the audit report prior to sign off and release of audit report? **Yes** **No**
- c. Do your firm's client acceptance procedures pertaining to audit engagements require sign-off by a second partner or committee prior to accepting a new engagement? **Yes** **No**

Signature of Owner, Officer or Partner

____/____/____
Date



THE CPA ADVANTAGE™
Professional Liability Insurance Application
PUBLIC & PRIVATE OFFERINGS
SUPPLEMENT



- ❖ Please type or print clearly.
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Applicant or Firm Name _____

1. Please provide information for each offering of securities, real estate or other investments within the past 3 years, including non-regulated offerings.

Client Name and Industry	Type of Services Rendered by Your Firm	Size of Offering	Fees Charged	Type of Offering*
		\$ _____	\$ _____	
		\$ _____	\$ _____	

*If public, indicate primary or secondary. If private, indicate partnership, trust or stock sale.

2. Specify the years of experience of firm personnel involved in the offering of securities, real estate, or other investments described above: _____

3. On how many offerings during the last three years for which the firm provided accounting services, was the firm acting in more than one capacity? **Number of Offerings:** _____
 Explanation: _____

Signature of Owner, Officer or Partner

____/____/____
Date



THE CPA ADVANTAGE™
Professional Liability Insurance Application
SEPARATE ENTITY SUPPLEMENT



- ❖ Please type or print clearly.
- ❖ Please **DO NOT** use pencil.
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Applicant or Firm Name _____

1. Number of entities under which your firm or its owners, partners or officers conduct business activities: _____

2. Provide the following for each entity: (attach a separate sheet for multiple entities.)

a. Name of entity and form of entity (*subsidiary, DBA, joint venture, LLP, etc.*):

b. Date established: ____/____/____

c. Percent of ownership held by your firm and all firm personnel: _____

d. Total professional staff: _____ Total support staff: _____

e. Provide a detailed description of the entity's services:

f. Gross Annual Revenue:

Last Fiscal Year Estimate	Estimate for Current Year
FYE ____/____/____	FYE ____/____/____
\$ _____	\$ _____

g. Are the staff and revenue numbers referenced above included in questions 5a & 6a of the application? Yes No

h. Does the entity currently have professional liability coverage? Yes No
If yes, please provide a copy of its current declaration page

 Signature of Owner, Officer or Partner

____/____/____
 Date



THE CPA ADVANTAGE™
Professional Liability Insurance Application
FINANCIAL PLANNING/INVESTMENT
ADVICE/INVESTMENT VENTURE
SUPPLEMENT



- ❖ Please type or print clearly,
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Applicant or firm Name _____

Please provide a sample contract offered to clients along with a copy of the resume for each individual providing services as an investment advisor.

1. Please provide the name and credentials of any owner, officer, employee producer or subagent of the applicant, who in the last five years has been registered or qualified with the SEC, NASD or a state securities agency as an investment adviser or supervised person of an investment adviser or registered representative of a securities broker-dealer.

Name of Applicant	Current Credentials (e.g. CFP, CFA)	Agency of registration

2. Year investment advisory operations commenced: _____
3. a. Total asset value of all accounts managed; Current year \$ _____ Previous year\$ _____
- b. Number of accounts lost during last 12 months and corresponding total asset value:
 _____ Accounts Asset Value \$ _____
- c. Reasons for loss of accounts: _____
- d. Percentage of accounts for which the applicant acts as custodian: _____%
- e. Percentage of accounts for which the applicant acts as financial planner or consultant: _____%
- f. Maximum size of account currently acceptable as a new account \$ _____.

4. Portfolio Distribution for accounts for which the applicant acts as Investment Advisor, Organizer or Manager:

Information on Discretionary Accounts:	Asset Value of Largest Account	Type of Remuneration (commission, referral fee, other)	Total Asset Value of All Accounts	Total Number of Accounts
ERISA Fiduciary Plans	\$ _____			
Non ERISA Pension and Employee Benefit Plans	\$ _____			
REITS	\$ _____			
Mutual Funds	\$ _____			
All other accounts including all Investment ventures	\$ _____			
Total	\$ _____			

Information on Non -discretionary Accounts	Asset Value of Largest Account	Type of Remuneration (commission, referral fee, other)	Total Asset Value of All Accounts	Total Number of Accounts
ERISA Fiduciary Plans	\$ _____			
Non ERISA Pension and Employee Benefit Plans	\$ _____			
All other accounts including all Investment ventures	\$ _____			
Total	\$ _____			

5. Highest single management fee in the applicant's current portfolio as a percentage of assets under management: Current year \$ _____ Previous year \$ _____

6. Does the applicant disclose all 12b₁ fees to affected clients Yes No

7. State the percentage of investments in the following specialty areas:

Commodity futures	_____ %	Real estate	_____ %	Unregistered securities	_____ %
Private placements	_____ %	Options	_____ %	Direct placements	_____ %
Junk Bonds	_____ %	Annuities	_____ %	Oil/gas joint ventures	_____ %
GICs/GACs	_____ %	Foreign securities	_____ %	Limited partnerships	_____ %

8. Are all clients required to select their own brokers for executions? Yes No
9. Does the applicant guarantee, in any way, a predetermined return on investments to its Clients? Yes No
10. Within the past 3 years has the Firm recommended to their clients any non-public investments in which the firm has an ownership interest? Yes No
11. Does the firm use an engagement letter or contract with each new client outlining the Client's investment objectives, and does the firm obtain an updated one annually? Yes No
12. Does the firm have a written procedure requiring the preservation of written records of the factual source and verification made by the firm in connection with client investment objectives, return objectives and risk tolerance? Yes No
13. Does the Firm obtain a signed engagement letter or written agreement updated annually outlining the client's investment objectives and the services the firm will perform? Yes No
14. Does the Firm, as a fiduciary or adviser to an ERISA plan, recommend investments or mutual funds to which the firm provides other accounting services or acts as an officer or director? Yes No
15. Does the Firm have established procedures, and a system to apply such procedures, which would reasonably be expected to prevent and detect any failure to adhere to agreed upon investment guidelines? Yes No
16. Does the Firm have established procedures, and a system to apply such procedures, which would reasonably be expected to prevent and detect violations of the 1988 Insider Trading Act? Yes No
17. Does the product training provided to those to be covered for their activities in the provision of investment advice or sales of securities business through the applicant include regular training on;
- a. required compliance policies Yes No
 - b. Federal securities laws? Yes No
 - c. Self-regulatory organization (SRO) rules? Yes No
 - d. NASD Conduct Rule 2310? Yes No
18. Please provide the current Form ADV, Parts I & II (as filed with the SEC) for each investment adviser in the firm. ADV number: _____ Date Approved _____

Signature of Owner, Officer or Partner

____/____/____
Date





THE CPA ADVANTAGE™
Professional Liability Insurance Application
INFORMATION TECHNOLOGY
SUPPLEMENT



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Applicant or Firm Name _____

1. Please indicate the percentage of total sales generated by the following types of Services for the current and two previous years:

	Type of Service	Current Year	Previous Year	Previous year
A	Consulting	_____%	_____%	_____%
B	Custom Programming or Software Development	_____%	_____%	_____%
	1. Application	_____%	_____%	_____%
	2. Operating	_____%	_____%	_____%
	3. Network or Communication	_____%	_____%	_____%
C	Data Processing/Timesharing	_____%	_____%	_____%
D	Facilities Management	_____%	_____%	_____%
E	Application Service Provider (ASP)	_____%	_____%	_____%
F	Network/Communication Systems Development	_____%	_____%	_____%
G	Packaged Software Development	_____%	_____%	_____%
	1. Application	_____%	_____%	_____%
	2. Operating	_____%	_____%	_____%
	3. Network or Communication	_____%	_____%	_____%
H	Computer Integrated Systems Design/Analysis	_____%	_____%	_____%
I	Website Development and/or Hosting	_____%	_____%	_____%
J	Other Services than above (Please describe on separate page)	_____%	_____%	_____%

2. Are any changes in the nature of services described above anticipated in the next 24 months? Yes No
If yes, please attach an explanation

3. Has the firm generated receipts during the last five-year period in any of the End Use or applications listed below? *If yes, please attach an explanation.*

a. CAD, CAM, CAP	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Conversion or Creation of Enterprise Wide Systems	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Credit Card Processing	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Data Security/Verification	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Expert Systems	<input type="checkbox"/> Yes <input type="checkbox"/> No
f. Robotics	<input type="checkbox"/> Yes <input type="checkbox"/> No
g. Factory Floor or Mission Critical	<input type="checkbox"/> Yes <input type="checkbox"/> No
h. Production Applications	<input type="checkbox"/> Yes <input type="checkbox"/> No
i. Financial Analysis	<input type="checkbox"/> Yes <input type="checkbox"/> No
j. Funds Transfer	<input type="checkbox"/> Yes <input type="checkbox"/> No
k. Systems Testing	<input type="checkbox"/> Yes <input type="checkbox"/> No
l. Super Computer	<input type="checkbox"/> Yes <input type="checkbox"/> No
m. None of the Above	<input type="checkbox"/> Yes <input type="checkbox"/> No

4. Are you involved in product or system design or development? Yes No
If yes, do you have a procedure that requires:
- a. Development methodologies to be in writing? Yes No
 - b. Documentation of all system designs and changes? Yes No
 - c. Retention of documentation records for the life of the systems or products? Yes No
 - d. Use of a third party to escrow source codes? Yes No
 - e. Which of the following testing procedures do you have in place (check each that apply):
- | | | |
|----------------------------------------------|----------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> Component Testing | <input type="checkbox"/> Alpha Testing | <input type="checkbox"/> Pre-Release Virus Testing |
| <input type="checkbox"/> Integration Testing | <input type="checkbox"/> Beta Testing | <input type="checkbox"/> Acceptance/Final Testing |
| <input type="checkbox"/> System Testing | <input type="checkbox"/> Pilot Testing | <input type="checkbox"/> Other. Explain Below * |

- f. Are interim changes documented with customer sign-off? Yes No
 - g. Is a final test run made with customer sign-off? Yes No
5. Do you have a written process in place for resolving disputes with customers? Yes No
6. Do you keep a log of customer complaints? Yes No
7. Do you have a procedure that requires the use of a written contract with new clients of the firm? *If Yes complete the following:* Yes No

Date Project Commenced And Terminated	Client Name	Professional Service Provided	Describe Client Industry	Project Fees	Contractual provisions or protections from 7 A- O
/ /				\$	
/ /				\$	
/ /				\$	
/ /				\$	

For each contract listed above indicate which contractual provisions or protections shown listed below (7A-O) were present

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> a. Clear Statement of Scope of Services provided b. Confidentiality agreement c. Disclaimer of Warranties d. Hold harmless agreement in favor of Insured e. Hold harmless agreement in favor of Client f. Limitation of Liability to cost of the services provided g. Ownership rights outlined h. Sign-off and acceptance procedures outlined | <ul style="list-style-type: none"> i. Termination provisions outlined j. Arbitration provision k. Force Majeure Clause l. Forum selection clause m. Payment Terms n. Written guidelines on Milestone Management o. Clear definitions of Technical Terms p. Contractual Statute of Limitation |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
8. Does legal counsel review all contracts, warranties, brochures and product literature? Yes No
9. Who approves variations in your standard contract wording? _____

Signature of Owner, Officer or Partner

Date





THE CPA ADVANTAGE™
Professional Liability Insurance Application
PUBLIC AUDIT CLIENT
SUPPLEMENT



- ❖ Please type or print clearly,
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Applicant or Firm Name _____

1. Complete the following for all public entities for which auditing services were provided within the past **three years**. If a client has changed names, please provide the former and the current name.
Attach a separate sheet if necessary.

Client Name and Stock Symbol	Primary Industry	Years in Business	# of Months as a Client*	Dates Audit Reports Issued	Type of Audit Reports Issued (Unqualified, etc.)	Method of Securities Trading (List exchange if applicable: NYSE, OTC, etc.)

*If less than 18 months, provide name of predecessor auditor(s) and type of audit report issued. _____

2. For each client identified above, please complete the following table and respond “yes” or “no” with respect to the most recent financials you have reported on.

Client Name	Net Loss?	Negative Cash Flow?	Negative Retained Earnings?	Significant Uncertainties or Contingencies	Going Concern Statement?
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

3. Have any of your public audit clients issued corrected financial statements or has the auditor (your firm or the predecessor) withdrawn an audit report or issued a revised audit report? Yes No

If yes, identify client and list the year(s) for which the subject financial statements were corrected and/or audit reports withdrawn or revised, explaining the reason for the statement correction or audit report withdrawal/revision: _____

4. For public audit engagements performed which were new to your firm in the past year, were there client disagreements with the predecessor auditor in the year prior to the change in auditors, which were disclosed in SEC filings? *If yes, identify the client and describe the disagreement* Yes No

5. In the past 3 years, have any of your public clients been the subject of any regulatory inquiry or investigation regarding financial statement reporting or disclosure matters? Yes No
If yes, identify the client and describe the nature of the inquiry or investigation

6. List firm partners or principals responsible for supervision of public audit engagements

Name	Years of Supervisory Experience in Auditing Public Clients	Years of Audit Field Work Experience for Public Clients	Years of Relevant Industry Experience

7. Does the firm belong to the SEC Practice Section of the AICPA? Yes No
If yes, attach a copy of the firm's most recent Peer Review Report as well as the Letter of Comments and the firm's Letter of Response, if any.

8. Does the firm use written guidelines for acceptance and continuance of public audit engagements? Yes No

If yes, does the firm review and document its adherence to these guidelines for each client at least annually? Yes No

Signature of Owner, Officer or Partner

____/____/_____
Date

