

# Professional Liability Coverage Exclusively Available To NAEA Members



**Online Enrollment Available**

## Coverage Highlights

- ▶ Cyber Coverage Option (1st & 3rd Party) Limits \$250,000 to \$1,000,000
- ▶ Competitive Rates
- ▶ Coverage available for individuals and/or firms
- ▶ Fast and easy online purchase options - Certificate available immediately
- ▶ Limits from \$250,000 to \$2,000,000
- ▶ Personal Data Compromise Coverage Included
- ▶ Endorsements available to add Life Insurance Agent coverage & Registered Representative coverage
- ▶ Notary Public Coverage
- ▶ Coverage through an "A+" rated, surplus lines insurer

Coverage made available to Members & Associate members who meet underwriting criteria. This coverage is not designed for CPA's, Attorneys or Property Casualty Agents.

**Enrollment Now Open**

**Online purchase, program details & specimen policy available at:  
[www.calsurance.com/taxprep](http://www.calsurance.com/taxprep)**

CalSurance Associates, a Division of Brown & Brown Program Insurance Services, Inc.  
681 South Parker Street, #300, Orange, CA 92868, Domiciled in California, CA License # 0B02587

# Program Highlights

**Insurer:**

Interstate Fire & Casualty Company, (Member of Allianz Global Corporate & Specialty). (A non-admitted carrier)  
 Rated A+ (Superior): XV by AM Best\*

*\*The information obtained from A.M. Best dated June 30, 2017 is not in any way CalSurance Associate's warranty or guaranty of the financial stability of the insurer in question, and that the information is current only as of the date of the publication.*

**Risk Purchasing Group:**

By applying for this insurance, Agents are applying for membership in the Financial Sales Professionals Risk Purchasing Group, a group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901 et seq.). There is no additional charge for membership.

**Claim Administration:**

Lancer Claim Services, A Division of Brown & Brown Program Insurance Services, Inc.

**Policy Period:** July 1, 2018 - July 1, 2019

This is a group master policy.

**Named Insured:**

Named Insured means the individual identified in the Certificate of Insurance issued to them. To qualify as a Named Insured the individual must:

1. Maintain active membership in the National Association of Enrolled Agents as of the Inception Date of this Policy;
2. Have elected to enroll for coverage under this Policy, and whose enrollment is on file with the National Association of Enrolled Agents, Us, or Our authorized agent; and
3. Have paid his or her premium for coverage under this Policy.

**Limits of Liability:**

\$ 250,000 Each Claim/ \$ 500,000 Aggregate; or  
 \$ 500,000 Each Claim/ \$1,000,000 Aggregate; or  
 \$1,000,000 Each Claim / \$2,000,000 Aggregate; or  
 \$2,000,000 Each Claim / \$4,000,000  
 (Available to Enrolled Agents Only)

**Defense Costs:** In addition to the Limits of Liability

**Retention:** \$500 Each Per Claim. Applies to damages and defense cost

**Territory:**

This policy applies to Wrongful Acts committed by an Insured anywhere in the world, provided the Suit is brought within the United States of America, its territories or Puerto Rico.

**Coverage:**

Acts, errors or omissions arising out of rendering or failure to render Professional Services.

**Professional Services:**

The following services rendered by the Insured to a client in the conduct of the Named Insured's profession as an Enrolled Agent, as long as the Insured is properly licensed or otherwise legally entitled to render such services on any date on which any Wrongful Act involving such services is alleged to have occurred:

1. Tax advice;
2. Tax preparation and filing;
3. The representation of clients in connection with tax collection or audit actions, including appeals, before the Department of Treasury, the Internal Revenue Service, and if permitted, any State or local tax authority; or
4. Bookkeeping;
5. Services as a Notary Public.

No coverage for testing or auditing for any client.

Endorsements available for Life Agents and Registered Representatives (see policy for details).

**Personal Data Compromise:**

- Base policy includes \$50,000 limit; \$2,500 each incident deductible.

- **Includes:**

■ **Detrimental Code** (computer virus, program, routine, sub-routine, Trojan Horse, worm, script or other code string that destroys, alters or corrupts or causes a Personal Data Compromise incident)

■ **Identity Theft** (fraudulent or illegal use of Personal Information, including the fraudulent or illegal use of such information to establish credit accounts, secure loans, enter into contracts, make purchases, or commit crimes)

■ **Personal Data Compromise** (loss, theft, accidental release or accidental publication of Clients Personal Information by or from insured in the course of providing Professional Services)

- Optional higher limits \$100,000 or \$150,000 (must complete supplemental Data Compromise application Additional Premium applies)

**Supplementary Payments:**

Pre-Claim Assistance (included) Up to \$10,000 for expenses incurred for potential claim reported

Subpoena Assistance (included) Up to \$10,000 for reasonable fees, costs, expenses incurred relative to any subpoena of documents or testimony

**Extended Reporting Period:**

If the policy is cancelled or non-renewed by the Carrier, there is a basic extended reporting period of sixty (60) days after policy termination or the end of the policy period, whichever is earlier.

A supplemental extended reporting period is available for an additional premium and for up to 3 years.

Supplemental Extended Reporting Period Endorsements must be purchased within 60 days of termination of coverage.

If you should have any questions regarding this program, please contact CalSurance at 877-242-5998 or email

NAEAInsuranceProgram@calsurance.com

**Cyber Coverage Option\*\*:**

1. Third Party Liability Coverages

- a. Network Security and Privacy Liability Coverage
- b. Regulatory Proceedings Fines and Penalties Coverage

2. First Party Coverage

Cyber coverage Extensions:

- a. Subpoena Reimbursement
- b. Coverage Extension – Reward Expenses
- c. Loss Mitigation Expense
- d. Coverage Extension – Industrial Control Systems, Supervisory Control and Data Acquisition (SCADA) Systems

**Limit Options and Deductible:**

1. Cyber Limit may not exceed the E&O limit purchased

2. \$5,000 deductible applies to each incident

3. Defense costs are inside the limit of liability

4. Limits available:

- a. \$250,000 each claim/\$250,000 annual aggregate 3rd Party Coverages and \$62,500 Each Triggering Event and Annual Aggregate\*
- b. \$500,000 each claim/\$500,000 annual aggregate 3rd Party Coverages and \$125,000 Each Triggering Event and Annual Aggregate\*
- c. \$1,000,000 each claim/\$1,000,000 annual aggregate 3rd Party Coverages and \$250,000 Each Triggering Event and Annual Aggregate\*

\* Limits are in addition to E&O limit of liability; Reward Expenses and Loss Mitigation Expenses sub-limit \$1,000

\*\*Personal Data Compromise option not available if Cyber Coverage elected

*This information is a summary of coverage provided. All statements contained herein are subject to all of the terms, conditions and exclusions of the actual policy. A copy of the policy is available by calling CalSurance Associates 877-242-5998.*

# Exclusions

*(including but not limited to)*

We shall not be liable to make any payment in connection with any Claim based upon, arising out of, or in any way related to

- A. Any criminal, malicious, fraudulent, knowingly wrongful, or dishonest act or omission, or willful violation of any statute or regulation committed by the Insured or with the knowledge, consent or approval of the Insured. This exclusion shall not apply unless there is a judgment or other final ruling adverse to the Insured in any judicial, administrative or alternative dispute resolution proceeding establishing that such acts or omissions were criminal, malicious, fraudulent, knowingly wrongful or dishonest, or that the Insured approved, consented to or had knowledge of such conduct. The conduct or knowledge of one Insured shall not be imputed to another Insured, except that the conduct or knowledge of any past present or future officer, managing partner or general counsel of any insured organization shall be imputed to the insured organization.
- B. The Insured's unjust enrichment, or obtaining any profit, remuneration or advantage to which such Insured was not legally entitled. However, this exclusion shall not apply unless a judgment or other final ruling adverse to the Insured in any judicial, administrative or alternative dispute resolution proceeding establishes that there was in fact unjust enrichment or obtaining of profit, remuneration or advantage to which such Insured was not legally entitled. For the purposes of this exclusion, the conduct of one Insured shall not be imputed to another Insured.
- C. Any liability assumed by the Insured under any contract or agreement, whether written or oral, except to the extent the Insured would have been legally liable in the absence of such contract or agreement.
- D. Any actual or alleged direct or indirect infringement or use of any copyright, patent, trademark, trade name, trade dress, service mark, trade secret, misappropriation of ideas, or any other infringement or misappropriation or use of any other intellectual property right.
- E. Failure to procure, place or maintain any bond or insurance or appropriate or adequate bond or insurance.
- F. Libel, slander, oral or written publication of defamatory or disparaging material, invasion of privacy, wrongful entry or eviction, violation of rights of occupancy, false arrest, false imprisonment, malicious prosecution, malicious use of or abuse of process, assault, battery, loss of consortium or any disability, shock, humiliation, embarrassment, mental injury or anguish, emotional distress or injury to personal or business reputation or character.
- G. Any Claim by any Employee, Leased Worker, Temporary Worker or any other person alleging an employment relationship with any Insured for any actual or alleged injury, damage or sums due of any kind arising out of any actual or alleged employment by any Insured, including any liability, obligation or responsibility the Insured may have to them as their actual or alleged employer, whether based in contract, equity, common law, statute, law, ordinance or regulation of any kind. This exclusion applies to Claims brought by heirs or representatives of the Employee, Leased Worker or Temporary Worker or to any obligation of the Insured to share Damages with or repay someone else who must pay Damages because of the Claim, or injury or damage to the actual or purported employee. However, this exclusion shall not apply to requests by any Employee, Leased Worker or Temporary Worker seeking defense or indemnity in any Claim being made against them for Damages arising out of the performance of Professional Services for or on behalf of the Named Insured.
- H. Any actual or alleged discrimination on any basis or harassment of any kind.
- I. The sale, supply or distribution of any goods or products designed or manufactured by the Insured or by others under license or trade name from the Insured, including, but not limited to, computer programs and software. This exclusion does not apply to computer software designed or modified for and sold or supplied to a client of the Insured in connection with the Insured's rendering of Professional Services for that client.
- J. Any Claim made against any Insured by any other Insured or by any entity
  1. That is operated, managed or controlled by the Insured or in which the Insured has an ownership interest in excess of 49%; or
  2. In which the Insured is an officer or director; or
  3. Which wholly or partly owns, operators, or manages the Insured.
- K. Any express warranties and guarantees. However, this limitation does not apply to a warranty or guarantee by the Insured that the Insured's Professional Services are in conformity with the standard of care applicable to that Professional Service.
- L. The Insured's unauthorized recording, use of or dissemination of confidential, privileged or non-public material or information for any purpose whatsoever.
- M. Any actual or alleged
  1. Bodily injury, including sickness, injury, disease or death of any person, provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the Insured's rendering of or failure to render Professional Services, or
  2. Trespass, nuisance, inverse condemnation, temporary or permanent taking, adverse possession or dedication by adverse use involving any real property; or the destruction, loss, theft, conversion, loss of use, diminution in value of, or injury to, any real or personal property; provided, however, this exclusion shall not apply to client records that an Insured has in their care, custody or control, or over which an Insured is exercising physical control for any reason.
- N. For any actual or alleged violation of
  1. the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or,
  2. The rules or regulations of
    - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
    - b. Any state insurance or securities department, commission or agency.
- O. Any actual or alleged violation of
  1. The Telephone Consumer Protection Act (TCPA) including any amendment of or addition to such law;
  2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
  3. The Fair and Accurate Credit Transaction Act of 2003 (FACTA), part of The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681 et. seq., including any amendment of or addition to such law;
  4. Any statute, ordinance or regulation other than the TCPA, FACTA, FCRA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information, or the inclusion of full credit card numbers or credit card expiration dates on any receipts provided to customers at the time of a credit card transaction or handling of or dissemination of personal financial or other information;
  5. The Health Insurance Portability Accountability Act of 1996 (HIPAA), including any amendment of or addition to such law, and any rules or regulations promulgated pursuant to such law; or
  6. The Employee Retirement Income Security Act of 1974, (ERISA) including any amendments or additions to such law, and any rules or regulations promulgated pursuant to such law.
- P. Any breach of a data-security system, or unauthorized access or use of or tampering with data or systems.
- Q. Notary services performed in the absence of the physical presence of the person whose signature is notarized.
- R. Any Insured's obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law.
- S. Any Insured's actions, activities, responsibilities or duties as a third party administrator of any benefit plan, whether insured or self-insured.



**ENROLLED AGENTS  
 PROFESSIONAL LIABILITY INSURANCE  
 COVERAGE APPLICATION FORM  
 "CLAIMS MADE AND REPORTED" POLICY**

- ⌚ Please answer each question completely.
- ⌚ Please type or print clearly in ink.
- ⌚ This application must be signed by a partner, principal, owner, director, or officer of the firm.
- ⌚ Please ensure that all appropriate supplements are completed and attached.

**A. GENERAL INFORMATION**

1. Full Legal Name of Applicant: \_\_\_\_\_

Form of Business:     Individual                       LLC/LLP  
                               Partnership                       Other: \_\_\_\_\_  
                               Corporation

Principal Business Address – **Street Addresses Only – No P.O. Boxes:**  
 \_\_\_\_\_  
 \_\_\_\_\_

Telephone # ( \_\_\_\_ ) \_\_\_\_\_ Fax # ( \_\_\_\_ ) \_\_\_\_\_

Primary Contact and Title: Mr. / Ms. \_\_\_\_\_

E-mail address: \_\_\_\_\_ Firm Website: \_\_\_\_\_

**B. COVERAGE**

2. Desired effective date of coverage: \_\_\_\_\_

Desired Limits of Liability: Per Claim / Aggregate:

- \$ 250,000 each claim /\$500,000 Aggregate
- \$ 500,000 each claim /\$1,000,000 Aggregate
- \$1,000,000 each claim /\$2,000,000 Aggregate
- \$2,000,000 each claim /\$4,000,000 Aggregate

**C. FIRM HISTORY**

3. Month/Year Firm Established: \_\_\_\_\_ How many offices are maintained? \_\_\_\_\_

4. Indicate which professional associations the applicant is an active member of:

- National Association of Enrolled Agents (NAEA)                       AICPA
- National Association of Tax Professionals (NATP)                       State CPA Society

American Payroll Association (APA)

American Taxation Association

5. During the past five (5) years, has the name or ownership of the Applicant changed or has there been an acquisition, merger, consolidation or any other change?  Yes  No **If yes, list all predecessor, acquired, or merged firms for that period:**

Name of firm	Date of formation, acquisition, or merger	# of professional staff at the date of dissolution	# of professional staff that joined Applicant	% of billings assigned to the Applicant	Prior Acts Coverage?	ERP Purchased or Coverage Desired

6. Does your firm or any owners, partners or officers render services or conduct any business activities under a separate entity name?  Yes  No **If Yes, provide details** \_\_\_\_\_

7. Does the applicant Firm share office space with any other separate entity/person?  Yes  No **If yes, explain the relationship and business arrangement:** \_\_\_\_\_

8. Does the applicant anticipate any material changes to the firm or practice within the next twelve (12) months?  Yes  No **If yes, provide details on a separate sheet.**

#### D. STAFFING

9. Please indicate the number of firm personnel as follows:

CPAs	Other Accounting or Tax Professionals including Enrolled Agents	Consulting Professionals	Support Staff	Total Firm Personnel

10. Professional Staff (please list all professionals, including all those with a PTIN):

Name	Status <sup>1</sup>	# of Years with firm	Full or Part Time	Years in Practice	Professional Designations and Licenses	PTIN Number

<sup>1</sup> Status Code: **O** = owners, officers, directors, partners, principals, or shareholders  
**E** = all other professional employees

If necessary, please provide personnel list containing required categories.

**B. FINANCIAL**

11. Total gross revenues for the applicant firm:

Last Fiscal Year	Current Fiscal Year	Projected Fiscal Year
___/___/___	___/___/___	___/___/___
\$	\$	\$

12. List the firm's largest two (2) clients based on billings.

Client's Name	Client's Industry	Services Rendered	% of Gross Billings

13. Provide the percentage of your billings derived from the following client types:

Client Type	% of Billings	Client Type	% of Billings
Individuals		Non-Profit or Charities	
Individuals – High Net Worth (>\$5M Assets)		Trusts	
Small Private Co's. (< \$25M revenue)		Financial Institutions (banks)	
Large Private Co's (> \$25M revenue)		Financial Services (RIA, Broker/Dealer)	
Small Public Co's (< \$25M revenue)		Health Care/HMO	
Large Public Cos (> \$25M revenue)		Insurance Companies	
Governmental or Municipal entities		Other:	

14. Now or in the past, has your firm or any member of the firm provided any tax or Enrolled Agent-related professional services to a Broker/Dealer, Registered Investment Advisor (RIA firm), Asset Management firm, Private Equity firm, or other type of financial services firm?  Yes  No

15. Now or in the past, has your firm or any member of your firm provided any tax or Enrolled Agent-related professional services or consented to the use of its work product in connection with any public or private offerings of securities, limited partnerships, real estate or other investments including (but not limited to) pooled investment funds, hedge funds, private equity funds, unregistered securities, venture capital or other types of investment funds?  Yes  No

16. Do you or have you ever provided any tax advice, or organized, sold or prepared any sales material with respect to tax shelters or tax advantaged investments or any "reportable transactions" as defined in Treasury regulation section 1.6011-4?  Yes  No

17. Now or in the past, has your firm provided any professional services to a bank, savings and loan, savings association, credit union, building association, or other banking institution, bank holding company, or affiliated institution?  Yes  No

**If you answered "yes" to questions #14 – #17 above, provide complete details on separate sheet.**

**F. AREA OF PRACTICE**

18. Please indicate the percentage of gross billable dollars for the last fiscal year, from the following activities. If this is a newly established firm, please provide estimates. **Total must equal 100%.**

	%	Engagement Letters?		%	Engagement Letters?
<b>AUDIT</b>			<b>CONSULTING</b>		
Audit: Publicly Held*		<input type="checkbox"/> Yes <input type="checkbox"/> No	Management Advisory Services (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Audit: Non Public*		<input type="checkbox"/> Yes <input type="checkbox"/> No	Benefits/ERISA/TPA		<input type="checkbox"/> Yes <input type="checkbox"/> No
Reviews		<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Information Technology*</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Compilations		<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Financial Planning* and/or Investment Advisory Services</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Bookkeeping/Payroll processing		<input type="checkbox"/> Yes <input type="checkbox"/> No	Mergers/Acquisitions (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>TAX</b>			Projections/Forecasts		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Individual		<input type="checkbox"/> Yes <input type="checkbox"/> No	Valuations		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Business		<input type="checkbox"/> Yes <input type="checkbox"/> No	Consulting-Other (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Taxation: Estate		<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>OTHER</b>		
Tax Planning		<input type="checkbox"/> Yes <input type="checkbox"/> No	Fiduciary Services* (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>INSURANCE</b>			Trustee Services* (describe below)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Individual Life/Health		<input type="checkbox"/> Yes <input type="checkbox"/> No	Mutual Funds/Variable Products (Series 6)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Group Life/Health		<input type="checkbox"/> Yes <input type="checkbox"/> No	Securities Activities (Series 7)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Annuities-Fixed		<input type="checkbox"/> Yes <input type="checkbox"/> No	Other (describe)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Property/Casualty		<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Total</b>	<b>100%</b>	

**\*Note: If your firm provides a percentage amount of any of these areas of practice, please describe services provided in detail below:**

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- a. Does your firm engage in mass marketing as a "tax/debt relief" firm?  Yes  No
- b. During the past 5 years, has your firm received commissions, fees, reciprocity or revenue for referrals, sale or promotion of investments or tax shelters?  Yes  No
- c. Within the past five (5) years has any of the professional staff of your firm provided any services as an administrator, executor, or trustee of an estate?  Yes  No
- d. Within the past five (5) years, has any current or past member of the firm provided any services:
  - 1) as an officer, director or board member of a client/non-client?  Yes  No
  - 2) to a client in which they or a spouse have an equity or financial interest?  Yes  No

19. Within the past five (5) years has any of the professional staff of your firm rendered audit, attest, or review services for a business client that subsequently defaulted on a debt obligation, declared or filed for bankruptcy, or became insolvent?  Yes  No

***If Yes, please complete the following (please list additional on a separate sheet of paper):***

Client's Name	Services Rendered	Date of Services	Date of Default, Bankruptcy, or Insolvency	"Going Concern" Referenced?

20. Within the past five (5) years, has any member of the applicant firm provided any non-accounting or non-tax related services to any client of the firm?  Yes  No

Non-Accounting Services Rendered	Total Time Rendering Services	E&O Coverage? If Yes, please provide the Declarations page of current policy.

**G. RISK MANAGEMENT AND QUALITY CONTROL**

21. Does your firm utilize engagement letters or service agreements outlining professional services to be provided?  Yes  No ***If No, explain how client expectations are managed.***

22. Does your firm's engagement letters contain an Alternative Dispute Resolution Clause?  Yes  No

23. Are declination or non-engagement letters issued on all matters declined by your firm?  Yes  No ***If No, explain how misunderstandings about representation are prevented.***

24. Does the firm maintain a written policies and procedures manual?  Yes  No

25. Does the firm have written internal quality control procedures?  Yes  No

26. Does the firm have procedures in place regarding screening and evaluating new clients including screening for conflict of interest avoidance?  Yes  No

27. Have members of your professional staff completed continuing professional education in accordance with applicable state regulation in the last three (3) years?  Yes  No ***If No, please explain on a separate sheet of paper.***

28. Do you maintain a system to ensure the timely completion of reports, filings, and tax returns?  Yes  No ***If Yes, please describe the system below:***

\_\_\_\_\_

29. Are all work papers properly documented to reflect the professional services that were performed, when, and by whom?  Yes  No

30. a. Do you require a second person or partner review for tax returns?  Yes  No

b. Do you utilize checklists to review work and ensure all required tasks are performed?  Yes  No

31. Are business ventures permitted with clients of the firm?  Yes  No

***If yes, explain*** \_\_\_\_\_

32. Within the past five (5) years has your firm sued to collect fees?  Yes  No

**If Yes, on a separate sheet of paper please provide the following information for each such suit for fees: name of client; date of suit; services rendered; fee amount; and status.**

33. Does the firm delegate, sub-contract, and/or have any split-fee referral arrangements?  
 Yes  No **If yes, explain on separate sheet.**

34. Has the firm had a peer review performed?  Yes  No  
 a. Was the peer review unqualified?  Yes  No  
 b. Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**If Yes, please provide the opinion and related comment documents**

**H. CLAIMS AND DISCIPLINARY ACTION**

35. Within the past five (5) years have any claims been made or legal actions been brought against your firm?  Yes  No If yes, please submit loss runs in addition to Claims Supplemental below.

36. Having inquired of all partners, principals, owners, directors, officers, and employed accountants/enrolled agents, are you aware of any circumstances which may result in a claim being made against the firm, its predecessors, or any current or past partner, principal, owner, director, officer, employed accountant or enrolled agent of the firm?  Yes  No

37. Has any member of the professional staff of the firm ever been the subject of a complaint or disciplinary action or reprimand by: any state board of accountancy (or equivalent); the Securities and Exchange Commission or the Internal Revenue Service; any governmental regulatory or tax authority; any federal, state, or local court; or any national or state accounting society?  Yes  No

**If Yes to 35, 36, or 37 above, please complete the Claims Supplemental Application for each claim or circumstance.**

**I. PRIOR INSURANCE**

38. Has your firm or previous firm(s) carried Accountants or Enrolled Agents Professional Liability Insurance during the past five (5) years?  Yes  No

Policy Period	Insurance Carrier	Limits of Liability	Deductible	Premium
____/____/____ to ____/____/____				\$
____/____/____ to ____/____/____				\$
____/____/____ to ____/____/____				\$
____/____/____ to ____/____/____				\$
____/____/____ to ____/____/____				\$

**\*Please attach a copy of your firm's most recent declaration page.**

39. Does your current policy have, or is any professional in the firm subject to, a prior acts exclusion?  
 Yes  No

**If Yes, Retroactive date of current policy: \_\_\_\_/\_\_\_\_/\_\_\_\_**

40. Within the past five years, has any professional liability insurer declined, canceled, or non-renewed insurance of the firm, its affiliates, or any of its personnel?  Yes  No

**If Yes, please provide details on a separate sheet of paper.** [This question is not applicable to Missouri residents.]

41. Has the firm or any professional in the firm purchased an endorsement to extend the claims reporting period (i.e., extended reporting endorsement, ERP, or tail coverage) under a prior insurance policy?  Yes  No

**If Yes, please complete the following:**

Who Purchased?	Effective Date	Length of Reporting Period

42. Does your current policy contain, or is any accountant or enrolled agent in the firm subject to, any restrictive endorsements?  Yes  No

**If Yes, please attach a copy of any restrictive endorsements.**

**Notice to Applicant – Please Read Carefully**

THE APPLICANT REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.

Applicant acknowledges a continuing obligation to report to the Company as soon as practicable any material changes in the facts and statements above, and in each supplemental application, of which applicant becomes aware after signing the application.

NOTE: In applying for coverage, applicant agrees that covered losses must be defended by a Company lawyer and that the deductible applies to damages and claims expenses, investigation costs and legal fees. If applicant elects to handle a claim without involving the Company, then the policy may not afford coverage for such claim.

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. IT IS AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND THAT IT WILL BE ATTACHED TO THE POLICY.

Applicant hereby authorizes the release of claim information from any prior issuer to the Company. Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.

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**Notice:**

Failure to report:

1. Any claim made against you during your current policy term; or
2. Any facts, circumstances, or events that may give rise to a claim to your current insurance company BEFORE policy expiration may create a lack of coverage.

**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 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 KENTUCKY APPLICANTS** – Warning: Any person who knowingly, and with intent to defraud any insurance company or any 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 MINNESOTA APPLICANTS** – A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO NEW YORK APPLICANTS** – Any person who knowingly and with intent to defraud any insurance company or any person files an application for insurance containing any 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 (\$5,000) and the stated value for each such violation.

**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 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 OREGON APPLICANTS** – Any person with the intent to knowingly 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 that is related to the acceptance of the risk by the insurer, may be guilty of insurance fraud and may be subject to prosecution.

**NOTICE TO PENNSYLVANIA APPLICANTS** – Any person who knowingly and with intent to defraud any insurance company or other person files and 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 subject the person to criminal and civil penalties.

I UNDERSTAND THAT THE SIGNING AND DELIVERY OF THIS APPLICATION DOES NOT BIND ME TO COMPLETE THE INSURANCE, NOR THE COMPANY TO ISSUE A POLICY: BUT EACH ANSWER GIVEN IN THIS APPLICATION IS A STATEMENT OF FACT THAT BECOMES A PART OF THE POLICY SHOULD A POLICY BE ISSUED. BY SIGNING THIS APPLICATION I ACKNOWLEDGE THAT I AM AWARE THAT IF AT ANY TIME IT IS DISCOVERED ANY OF THE STATEMENTS OF FACT CONTAINED IN THIS APPLICATION ARE CONCEALED OR FALSELY STATED, THE POLICY MAY BE MODIFIED, RESCINDED, OR DECLARED VOID FROM ITS INCEPTION AND IN ACCORDANCE WITH ANY APPLICABLE STATE LAWS.

**Applicant Signature (Must be signed and dated in ink by a Partner, Principal, Owner, Director, or Officer of the Firm).**

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date (Month-Day-Year)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm

## Personal Data Compromise Supplemental Application

1. Name of Applicant: \_\_\_\_\_

2. Please indicate the additional personal data compromise limits of liability you are requesting:

\$100,000     \$150,000

3. Does your website collect personal information such as the social security number, date of birth, etc., of others?  Yes  No

If yes, is it collected through a secure interface?  Yes  No

4. Does your business have a secure firewall and up-to-date anti-virus program?  Yes  No

5. Are your business systems password protected?  Yes  No

6. Do you restrict access to personal information?  Yes  No

7. Is encryption used when transmitting personal information through email?  Yes  No

8. Are portable devices containing personal information encrypted or password protected?  Yes  No

9. Are paper records containing personal information securely stored when not in use?  Yes  No

10. Does your business shred documents containing personal information prior to disposal?  Yes  No

11. Within the last 3 years has your business experienced a security breach or loss of personal information or been accused of a privacy violation?  Yes  No

If yes, please provide detailed explanation on separate sheet of paper.

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
[Print Name] [Print Title]

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
[Must be signed by Owner, Partner or Senior Officer] [Month/Day/Year]

## Cyber Coverage Endorsement Supplemental Application

1. Name of Applicant: \_\_\_\_\_

2. Please indicate the Cyber Coverage Endorsement Limits of Liability you are requesting (cannot be higher than your E&O limit)

- \$250,000 Third Party coverage including \$62,500 First party     
  \$500,000 Third Party coverage including \$125,000 First party     
  \$1,000,000 Third Party coverage including \$250,000 First Party

Annual Revenue: \$ \_\_\_\_\_

Number of records stored or handled containing personally identifiable information: \_\_\_\_\_

3. Does your website collect personal information such as the social security number, date of birth, driver's license, etc., of others?  Yes  No  
 If yes, is it collected through a secure interface?  Yes  No
4. Does your business have a secure firewall and up-to-date anti-virus program?  Yes  No
5. Are your business systems password protected?  Yes  No
6. Do you restrict access to personal information on a business need-to-know basis?  Yes  No
7. Is encryption used when transmitting personal information through email?  Yes  No
8. Are portable devices containing personal information encrypted or password protected?  Yes  No
9. Are paper records containing personal information securely stored when not in use?  Yes  No
10. Does your business shred documents containing personal information prior to disposal?  Yes  No
11. Do you conduct training for all employees regarding your firm's privacy and security policies?  Yes  No
12. Are third-party or outsourced service providers required to demonstrate adequate data protection, security policies and protocols prior to contracting with them?  Yes  No
13. Do you update (e.g. patch, upgrade) commercial software for known security vulnerabilities according to manufacturer's notifications and advice?  Yes  No
14. Within the last 3 years has your business experienced a security breach or loss of personal information or been accused of a privacy violation? If yes, provide detailed explanation.  Yes  No
15. Within the last 3 years, have you or your business been the subject of an investigation or action by any regulatory or administrative agency for privacy-related violations? If yes, provide detailed explanation.  Yes  No
16. Is the applicant or any other person proposed for this insurance aware of any fact, circumstance, situation, event, act or transaction that may reasonably give rise to a claim or privacy breach notification under the proposed insurance? If yes, provide details.  Yes  No

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
[Print Name] [Print Title]

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
[Must be signed by Owner, Partner or Senior Officer] [Month/Day/Year]

## SUPPLEMENTAL CLAIM / INCIDENT INFORMATION

**Instructions: Complete a separate page for each claim, suit or incident that firm is aware of.**

1. Name of Applicant: \_\_\_\_\_
2. Name of Person Involved in Claim: \_\_\_\_\_
3. Name of Claimant: \_\_\_\_\_
4. Date of Error: \_\_\_\_\_ 5. Date of Claim: \_\_\_\_\_
6. Name(s) of Additional Defendant(s): \_\_\_\_\_
7. Name of E&O Carrier: \_\_\_\_\_
8. Claim Status:     Open     In Suit     Paid
9. If Paid,
  - a. amount of damages paid:                    \$ \_\_\_\_\_
  - b. amount of expenses paid:                    \$ \_\_\_\_\_
10. If Open, or in Suit
  - a. claimant's settlement demand:            \$ \_\_\_\_\_
  - b. defendants offer for settlement:            \$ \_\_\_\_\_
  - c. E&O carrier Loss Reserve:                    \$ \_\_\_\_\_ (VERY IMPORTANT)
11. Act, error or omission alleged by claimant: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
12. Description of claim and events: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
13. Was an engagement letter used?    \_\_\_\_\_ Yes    \_\_\_\_\_ No
14. What specific actions have been taken to reduce the likelihood of a reoccurrence of this type of claim?  
\_\_\_\_\_  
\_\_\_\_\_

The statements included on this page are true and correct to the best of my knowledge.

\_\_\_\_\_  
Signature (Must be signed by Owner or Principal)

\_\_\_\_\_  
Date