

Accountants Professional Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD THAT MAY APPLY.

Whenever printed in this Supplement Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Supplement Form is to be completed with respect to the entire Applicant Firm.

Name of Applicant Firm _____

APPLICANT FIRM'S INSTRUCTIONS

IF SPACE IS INSUFFICIENT TO ANSWER ANY QUESTIONS FULLY, PROVIDE SEPARATE ATTACHMENTS.

Business / Personal Management Services Information

Business / Personal Management Services ("B/PM") are those services where the Applicant Firm acts as the representative in some or all of the client's financial transactions (e.g., bill paying and cash disbursements).

For each Business / Personal Management client also complete the attachment to this Supplemental Form.

1. List approximate percentage of Applicant Firm's clients that are Business / Personal Management related. _____ %

2. List estimated percentage of prior fiscal year Business / Personal Management revenue by the following services:

<u>Area of Practice</u>	<u>%</u>	<u>Area of Practice</u>	<u>%</u>
Accounting or Audit for Royalties or Revenue	_____ %	Financial Statement Preparation	_____ %
Bill Paying	_____ %	Tax Services	_____ %
Bookkeeping Services	_____ %	Other: _____	_____ %
Business / Investment Advice	_____ %	Other: _____	_____ %
			TOTAL 100%

3. Is any member of the Applicant Firm acting as a director or officer of any company owned or controlled by a Business / Personal Management client? Yes No

4. List each professional of the Applicant Firm that provides Business / Personal Management Services and describe their industry experience and relevant Continuing Professional Education (CPE) courses completed in the last 3 years.

<u>Name(s)</u>	<u>Years of B/PM Experience</u>	<u>Name and # Hours of Relevant CPE Last 3 years</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

5. Attach a copy of the standard engagement letter used for these services.

6. Are background checks performed on employees with access to client funds? Yes No

7. Does the Applicant Firm have signature authority on client checking accounts or other forms of authority to release client funds? Yes No

If "Yes", describe the Applicant Firm's internal controls regarding documenting the client approval to release funds.

8. Does the Applicant Firm maintain a surety bond or other form of employee dishonesty coverage? Yes No

9. Are the Business / Personal Management services provided by the Applicant Firm conducted for clients in the Family Office or Entertainment Field? Yes No

If "Yes", provide the number of clients. _____ #

10. For each (1) Family Office client with assets under the Applicant Firm's control over \$10 million, or (2) Entertainment Field client with assets over \$5 million, provide a detailed description of services provided for each client.

Carolina Casualty Insurance Company

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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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 NEW YORK 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 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.

NOTICE TO NEW MEXICO, 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.

NOTICE TO APPLICANTS OF 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.

NOTICE TO APPLICANTS OF FLORIDA, MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND 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.

Please Read Carefully

I understand that the information submitted herein becomes a part of the Applicant Firm's Accountants Professional Liability Insurance Proposal Form and is subject to the same representations and conditions.

Dated

Signature of Owner, Partner, Officer or Principal

Title

Owner, Partner, Officer or Principal (Print Name)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:
Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

Carolina Casualty Insurance Company

**APPLICANT FIRM'S INSTRUCTIONS
COMPLETED APPENDIX IS REQUIRED FOR EACH CLIENT SERVICED.**

IF SPACE IS INSUFFICIENT TO ANSWER ANY QUESTIONS FULLY, PROVIDE SEPARATE ATTACHMENTS.

Provide the following information for each Client serviced:

1. Name of Client:

2. Does the Applicant Firm have discretionary authority to invest funds on behalf of this client? Yes No
If "Yes", describe the types of investments used.

 - (a) Are client's funds co-mingled with other funds? Yes No
 - (b) Amount of client funds under the Applicant Firm's control: \$ _____
 - (c) Number of employees who control or disburse funds for clients. _____ #
3. Describe how frequently an accounting of services rendered is given to the client.

4. How is the Applicant Firm compensated for services rendered? Commission Fee Referral Fee Other
If method of compensation is "Other", describe: _____
5. Are reports provided to any party other than the client? Yes No
If "Yes", to whom and how often?

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