

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.

Non Public Client Audit Services Information

1. Complete the following for all non public client audit engagement professional services activity provided.

	<u># of Audit Clients</u>	<u>Estimated Audit Revenue Prior Fiscal Year</u>	<u># of Clients Assets over \$5 million</u>	<u># of Clients with Net Loss for Last Fiscal Year</u>
Agribusiness:	_____ #	_____ \$	_____ #	_____ #
Automobile / Vehicle Dealers:	_____ #	_____ \$	_____ #	_____ #
Bank and Lending Institutions:	_____ #	_____ \$	_____ #	_____ #
Broker / Dealers:	_____ #	_____ \$	_____ #	_____ #
Construction:	_____ #	_____ \$	_____ #	_____ #
Employee Benefit / Welfare Plans (subject to ERISA):	_____ #	_____ \$	_____ #	_____ #
Employee Benefit / Welfare Plans (not subject to ERISA):	_____ #	_____ \$	_____ #	_____ #
Entertainment:	_____ #	_____ \$	_____ #	_____ #
Government / Municipalities:	_____ #	_____ \$	_____ #	_____ #
Health Care Institutions:	_____ #	_____ \$	_____ #	_____ #
Insurance Companies*:	_____ #	_____ \$	_____ #	_____ #
Investment Companies and Funds (Hedge Fund / "Funds of Funds"):	_____ #	_____ \$	_____ #	_____ #
Investment Companies and Funds (all other):	_____ #	_____ \$	_____ #	_____ #
Manufacturing:	_____ #	_____ \$	_____ #	_____ #
Publishing / Broadcasting / Media:	_____ #	_____ \$	_____ #	_____ #
Mining / Oil and Gas:	_____ #	_____ \$	_____ #	_____ #
Nonprofit Organization:	_____ #	_____ \$	_____ #	_____ #

Carolina Casualty Insurance Company

Professional: Health Care:	_____ #	_____ \$	_____ #	_____ #
Professional: Non Health Care:	_____ #	_____ \$	_____ #	_____ #
Real Estate Development / Management:	_____ #	_____ \$	_____ #	_____ #
Retail, including Restaurants:	_____ #	_____ \$	_____ #	_____ #
Service Provider (all other):	_____ #	_____ \$	_____ #	_____ #
Transportation:	_____ #	_____ \$	_____ #	_____ #
Tribal Entity:	_____ #	_____ \$	_____ #	_____ #
Union:	_____ #	_____ \$	_____ #	_____ #
Warehousing, Distribution and Wholesale:	_____ #	_____ \$	_____ #	_____ #
Technology and Web-Based Businesses:	_____ #	_____ \$	_____ #	_____ #
Other, Describe:	_____ #	_____ \$	_____ #	_____ #

*Insurance Companies are defined to include all stock companies, Lloyd's organizations, insurance exchanges, mutual companies, reciprocal exchanges, fraternal organizations, captives, self-insurance funds, risk retention groups, pools / associations. (LIST ALL INSURANCE COMPANIES by name via attachment to this Supplemental Form with their current AM Best Rating).

- Indicate the number of non public audit clients and the percentage of these clients that were new.

# Clients, Prior Fiscal Year:	_____ #	Percent that were New Clients:	_____ %
# Clients, Prior Fiscal Year:	_____ #	Percent that were New Clients:	_____ %
- Indicate the percentage of prior fiscal year non public audit clients by their total asset size:

<u>Up to \$25 million in Assets</u>	<u>Over \$25 to \$100 million in Assets</u>	<u>Over \$100 million in Assets</u>
_____ %	_____ %	_____ %
- Within the last 5 years, has the Applicant Firm, or any **Predecessor Firm**, subsidiary, affiliated entity, or any member of the Applicant Firm performed services or consented to the use of the Applicant Firm's work product, in connection with public or private offerings of securities, real estate, or other investments? Yes No
If "Yes", complete the Securities Services Supplemental Form (APL 28820).
- List each professional of the Applicant Firm that performs Non Public Client Audit 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 Audit Experience</u>	<u>Name and # Hours of Relevant CPE Last 3 years</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
- Does Applicant Firm have a written policy on audit-related CPE training, including required courses and CPE hours per year specific to audit services? Yes No
- Does the Applicant Firm's client acceptance practice require sign-off by a second partner or committee prior to accepting a new audit services engagement? Yes No
- Within the past 3 years, has the Applicant firm, or any member of the firm, rendered audit services for Defined Benefit Pension Plans? Yes No

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