



Travelers 1<sup>st</sup> Choice<sup>SM</sup>  
ACCOUNTANTS PROFESSIONAL LIABILITY COVERAGE  
APPLICATION

Travelers Casualty and Surety Company of America  
Hartford, Connecticut

**Important Note:** This is an application for a claims-made policy. To be covered, a claim must be first made against an insured during the policy period or any applicable extended reporting period.

**New York Defense Expenses Notice:** If this policy contains an insuring agreement that includes defense expenses within the limits of coverage, payment of defense expenses may reduce the professional liability coverage limits up to 50%. If this policy contains an insuring agreement that includes a deductible that applies to defense expenses, up to 50% of the deductible amount may be applied to defense expenses.

Throughout this application "you" and "your" means the entity or individual applying for this insurance.

APPLICANT INFORMATION

- 1.  New business Effective date requested: \_\_\_\_\_ (mm/dd/yyyy)       Renewal Renewal of policy number: \_\_\_\_\_
- 2. Date firm established: \_\_\_\_\_ (mm/dd/yyyy)
- 3. Your full legal name: \_\_\_\_\_
- 4. Your "trade name" or "doing business as" name: \_\_\_\_\_
- 5. Your address:
  - A. Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_
  - B. Mailing (if different) \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_
- 6. Your primary contact:
  - Name \_\_\_\_\_ Title \_\_\_\_\_
  - Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_
- 7. Your website address: \_\_\_\_\_
- 8. Your legal status:  Individual  General Partnership  Professional Corporation or Association  
 Limited Liability Partnership (LLP)  Limited Liability Company (LLC)  Other (please describe) \_\_\_\_\_

9. Do you have more than one office location?  Yes  No  
*If yes, please complete the following chart:*

	Other Location 1	Other Location 2	Other Location 3
Location address			
Primary contact at this location			
Percentage of professional staff at this location			
Percentage of total revenues at this location:			

10. Do you share office space, expenses or staff with any other accountants or with any other professionals?  Yes  No  
*If yes, please complete the Office Sharing Supplement.*

- A. Please provide the name and industry of the entity \_\_\_\_\_  
 B. Please complete the Office Sharing Supplement if you desire coverage for this/these entities.

11. Do you or any owners, partners, or officers render services or conduct any business activities under a separate entity name?..... Yes  No

- If yes:*  
 A. Please provide the name and industry of the entity(ies): \_\_\_\_\_  
 B. Do you desire coverage for this/these entity(ies)?..... Yes  No  
*If yes, please complete the Separate Entity Supplement.*

12. Within the past five years, have you or any of your affiliates:  
 A. changed its ownership structure or name?..... Yes  No  
 B. had a reduction in the number of your owners, partners, or officers of more than 50%?..... Yes  No  
 C. merged with or acquired the business of any sole practitioner, accounting firm or other business entity?..... Yes  No

*If yes, please provide complete details including the name of the firm, the date of formation, acquisition, or merger, number of professional staff that joined applicant, and percentage of firm annual billings assigned to you on a separate sheet. Please list the name of the firm for any subsidiary, predecessor, acquired or merged firms for which coverage is requested on a separate sheet.*

13. Do you anticipate any material changes to the firm or its practice within the next twelve months?..... Yes  No  
*If yes, please provide details and attach a copy of your firm's current letterhead:*

\_\_\_\_\_  
 \_\_\_\_\_

Yes, I would like to receive the free quarterly Travelers Risk Management newsletter. My email address is provided above.

**LIMITS AND DEDUCTIBLES**

14. Limits requested:  \$100,000/\$100,000  \$100,000/\$250,000  \$250,000/500,000  
 \$500,000/\$1,000,000  \$1,000,000/\$1,000,000  \$2,000,000/\$2,000,000  
 \$3,000,000/\$3,000,000  \$5,000,000/\$5,000,000  Other: \_\_\_\_\_

15. Defense expenses in addition to the limits:  Currently have  Interested in quotation

16. Deductible requested:  \$0  \$1,000  \$2,500  \$5,000  \$10,000  \$15,000  
 \$20,000  \$25,000  Other: \_\_\_\_\_

17. Aggregate deductible:  Currently have  Interested in quotation

18. Deductible applies to damages only:  Currently have  Interested in quotation

**GENERAL INFORMATION**

19. What is the total number of your professional staff?

- A. Full-time.....
- B. Part-time.....

20. Please complete the chart below by listing all employees by category from all office locations:  
Attach a separate sheet if necessary.

Name of Employee	Education or Work Experience	Date of Hire	Status*	Years in Practice	Professional Membership or Association	Hours of CPE	Full Time or Part Time

\*Key: O= owners, officers, directors, partners, principals or shareholders E = all other professional employees

21. Please indicate the number of your employees as follows:

- A. CPA's:.....
- B. Consulting professionals:.....
- C. Support Staff :.....
- D. Other accounting or tax professionals:.....
- E. Total staff:.....

22. During the past five years has your staff size either increased or decreased by more than 50%?.....Yes No  
If yes, please provide details: \_\_\_\_\_

23. What is your gross billable income for the applicable fiscal year:

Last Fiscal Year: Ending __/__/__ \$ _____	Current Fiscal Year: Ending __/__/__ \$ _____	Next 12 Months Projected: Ending __/__/__ \$ _____
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24. Please provide the total number of your clients for the past year (if newly established, please estimate the number for next year):.....

25. Please provide the following for your largest client:

- A. Percentage of your revenue derived from client:.....%
- B. Client name & industry:\_\_\_\_\_
- C. Services provided by your firm:\_\_\_\_\_

26. Please provide the following for your next largest client:

- A. Percentage of your revenue derived from client:.....%
- B. Client name & industry:\_\_\_\_\_
- C. Services provided by your firm:\_\_\_\_\_

27. Do you have any single clients representing 15% or more of your gross billable income?.....Yes No  
If yes, please provide details including client profile, services performed by you, and percentage of your revenue:  
\_\_\_\_\_  
\_\_\_\_\_

28. Please Indicate the approximate percentage of your last year's billings and whether engagement letters are used:  
The Total percentage must add up to 100%.

Area of Practice	Percentage of Income	Engagement Letters Used?
<b>A. AUDITS</b>		
1. Audit – Non-public****	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Audit – Public *	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Audit – Other	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>B. GENERAL</b>		
1. Bookkeeping/Write-ups/Payroll Processing	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Reviews	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Compilations	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Financial Advisory Services – including personal financial planning and investment advisory services**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Enrolled agent	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Business Valuations	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Forecasts and Projections	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Forensic Accounting	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Mergers and Acquisitions	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>C. TAX SERVICES</b>		
1. Tax - Individual	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Tax – Business	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Tax – Estate	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>D. CONSULTING</b>		
1. Litigation Support (Consulting)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Business Investment Advice (please describe)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Other Consulting	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>E. MANAGEMENT ADVISORY SERVICES</b>		
1. Describe _____	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>F. EDP/COMPUTER SERVICES***</b>		
1. Hardware/Software Sales	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Data Processing Service	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Hardware/Software Consulting	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>G. FIDUCIARY SERVICES</b>		
1. Administrator, Executor or ERISA Trustee	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Bankruptcy Trustee or Receiver	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Other Trustee Services	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>H. SECURITIES ACTIVITIES**</b>		
1. Limited Partnership and Tax Shelter Syndication*	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Debenture Financing/Bonds*	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Securities including Federal and State Securities*	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Registered Representative**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Other (please describe) _____	%	<input type="checkbox"/> Yes <input type="checkbox"/> No

Area of Practice	Percentage of Income	Engagement Letters Used?
<b>I. SPECIAL SERVICES</b>		
1. Life and Health Insurance Agent**	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Professional (other than Accounting)	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Non-Accounting Services	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>J. OTHER</b>		
1. Describe _____	%	<input type="checkbox"/> Yes <input type="checkbox"/> No

**TOTAL** 100%

\*Please complete the Securities Supplement.

\*\*Please complete the Investment Advice/Financial Planning Practice Supplement

\*\*\*Please complete the Technology/Computer Related Services Supplement

\*\*\*\* Please complete the Non-Public Client Audit Supplement

29. Please provide the percentage of your billings derived from the following client types:

Client Type	Percentage of Billings	Client Type	Percentage of Billings
Individuals	%	Non-Profit or Charities	%
Individuals - High Net Worth (> \$10M Assets)	%	Trusts (>\$5M)	%
Small Private Companies (<\$100M Revenues)	%	Financial Institutions	%
Large Private Companies (>\$100M Revenues)	%	Health Care / HMO	%
Small Public Companies (<100M Revenues)	%	Insurance Companies	%
Large Public Companies (>100M Revenues)	%	Other (please describe): _____	%
Governmental or Public Institutions	%		%

30. Have you provided professional services, including audits, to a publicly traded client in connection with the registration, sale, or offering of securities, or in connection with the offer and sale of private placement bonds?.....Yes No  
*If yes, please complete the Securities Supplement.*

31. Does you or any member of your firm provide professional services as a practicing lawyer, real estate agent or broker, life and health insurance agent, investment advisor, or securities agent or broker?.....Yes No  
*If yes, please complete the following chart:*

Name of Employee	Type of License	Revenue	Professional Liability Insurer	Limits of Liability	Policy Expiration Date

A. Would you like to receive a quote for any of these professional services?.....Yes No

32. Excluding activities as a trustee or receiver, has any client been the subject of bankruptcy, insolvency, or receivership proceedings within the past five years?.....Yes No  
*If yes, please complete the following chart:*

Name of Client	Date of Bankruptcy, Insolvency or Receivership	Services Performed By You	Date of Engagement	Engagement Letter Used?
				<input type="checkbox"/> Yes <input type="checkbox"/> No

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33. Within the past five years, have you:
- A. Received commissions, fees, reciprocity or revenue for referrals, sale or promotion of investments or tax shelters?.....Yes No  
*If yes, please complete the Investment Advice/Financial Planning Practice Supplement*
  - B. Organized, arranged, procured or evaluated investments, real estate or tax shelters, or prepared projections for use in these areas?.....Yes No  
*If yes to any part of this question, please provide details:\_\_\_\_\_*
  - C. Participated in the management of any investment partnership, limited partnership, tax shelter or other investment venture?.....Yes No  
*If yes, please provide details:\_\_\_\_\_*
  - D. Received loans from any client?.....Yes No  
*If yes, please provide details:\_\_\_\_\_*
  - E. Made recommendations as to the sale or purchase of any investments, including specific stocks, bonds or other securities for which you received compensation?.....Yes No  
*If yes, please complete the Investment Advice/Financial Planning Practice Supplement*
  - F. Provided information technology services?.....Yes No  
*If yes, please complete the Technology/Computer Related Services Supplement*
34. Within the past five years, have you invested, received, disbursed or in any way acted in a decision-making capacity with respect to a client's funds?.....Yes No  
*If yes, please complete the Discretionary Authority/Funds Controlled Supplement*
35. Have you or any member of your firm served as trustee or performed professional services for any client in which any firm member or spouse serves as trustee?.....Yes No  
*If yes, please complete the Trustee Supplement*
36. Has any member or former member of your firm, provided auditing or any consulting services to, or acted as a Director or Officer of or been a committee member of, any financial institution in the past five years?.....Yes No  
*If yes, please complete the Financial Institution Supplement*
37. Have you performed any professional services for any client in which any member of your firm, or any relative or spouse of such member of your firm:
- A. Served as an officer, director, manager, owner, employee or contractor?.....Yes No
  - B. Had a financial interest?.....Yes No
- If yes, please complete the Outside Interest Supplement*

**RISK MANAGEMENT**

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38. Do you have a written policies and procedures manual?.....Yes No
39. Do you have a written quality control document?.....Yes No
40. Do you have a formalized quality control procedures training program in place for all new professionals?.....Yes No
41. Do you have a written policy regarding screening and evaluating:
- A. New clients?.....Yes No
  - B. Existing clients?.....Yes No
42. Do you maintain a diary, tickler, or similar system to ensure the timely completion of reports, filings, and tax returns?.....Yes No
43. Do you use engagement letters?.....Yes No  
*If yes, please indicate how often engagement letters are updated:*
- Annually for all engagements
  - Annually for attest engagements
  - As engagement changes
  - Other (please explain):\_\_\_\_\_



53. Have you or any person or entity seeking coverage under this proposed policy ever been declined professional liability insurance or had such insurance nonrenewed or cancelled, other than for nonpayment of premium? (Missouri applicants: do not complete).....Yes No  
If yes, please provide details: \_\_\_\_\_

**COMPENSATION NOTICE**

**Important Notice Regarding Compensation Disclosure**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: [http://www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

**FRAUD WARNINGS**

**Attention: Insureds in AR, CO, DC, KY, LA, NJ, NM, NY, and OH**

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 may also be subject to a civil penalty.

(In New York, the civil penalty is not to exceed five thousand dollars and the stated value of the claim for each such violation.)

(In Colorado, 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.)

**Attention: Insureds in FL**

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 felony of the 3<sup>rd</sup> degree, and may also be subject to a civil penalty.

**Attention: Insureds in ME, TN, VA, and WA**

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.

**Attention: Insureds in PA**

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.

**SIGNATURE AND AUTHORIZATION**

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The undersigned authorized representative of the firm, or individual if this application is for an individual, agrees to all of the following:

- The statements and representations made in this application are true and complete and will be deemed material to the acceptance of the risk assumed by Travelers in the event an insurance policy is issued.
- If the information supplied in this application changes between the date of the application and the effective date of any insurance policy issued by Travelers in response to this application, you will immediately notify us of such changes, and we may withdraw or modify any outstanding quotation or agreement to bind coverage.
- Travelers is authorized to make an investigation and inquiry in connection with this application.
- Travelers is not bound or obligated to issue any insurance policy or to provide the insurance requested in this application.

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Signature\* (Partner, Member, Officer, Shareholder)

Date

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Name (print)

Title

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\*If you are electronically submitting this application to Travelers, apply your electronic signature to this form by checking the Electronic Signature and Acceptance box below. By doing so, you hereby consent and agree that your use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes your signature, acceptance, and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.

**Electronic Signature and Acceptance**

**Important note:** This application is not a representation that coverage does or does not exist for any particular claim or loss, or type of claim or loss, under any insurance policy issued by Travelers. Whether coverage exists or does not exist for any particular claim or loss under any such policy depends on the facts and circumstances involved in the claim or loss and all applicable wording of the policy actually issued.

**INSURANCE AGENT OR BROKER MUST COMPLETE THE FOLLOWING:**

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Submitting agency name DANIELS-HEAD INSURANCE AGENCY, INC.  Direct  Sub-produced

Address (street, city, state, zip code) P.O. BOX 160730, AUSTIN, TX 78716-0730

Phone 800-950-0551

Fax 888-839-6107

Email

Licensed producer name

License number

**ADDITIONAL INFORMATION:**

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In the section below you may provide additional information to any of the questions in this application (please reference the question number).