



PROFESSIONAL LIABILITY INSURANCE
APPLICATION FORM B
EXCESS LIMITS and ADDITIONAL COVERAGES
For Members of l'Ordre des comptables agrées du Québec

This is a claims made policy. The policy applies only to claims first made against the insured during the policy period and reported to the company in writing during the policy period or the extended reporting period. If a policy is issued, this application will become part of the policy; therefore, it is important that all questions be answered accurately.

INSTRUCTIONS

Please read carefully all statements and questions on this application.
Complete only one Form B per firm.
Answer all questions; if the question does not pertain to your situation, state "n/a".
Round to the nearest integer all numeric answers.
If space is insufficient to answer questions fully, use Section R or submit separate sheets as Addenda.

A. Applicant (List all operating firms including Professional Corporations and Incorporated Companies requiring coverage and submit a copy of your letterhead)

Table with 3 columns: Name of Firm, Nature of Business, Date Established. Includes three rows of blank lines for data entry.

Address \_\_\_\_\_
Postal Code \_\_\_\_\_

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

Email address \_\_\_\_\_

Preferred Method of Communication: Email [ ] Fax [ ] Mail [ ]

Branch Office Locations \_\_\_\_\_

Does the Branch Office operate under a different name? \_\_\_\_ If yes, please list the operating name(s) under Section A.

Does/did the Applicant Firm participate in any Canadian association / nominal partnership of public accounting practitioners for which professional liability insurance is required? Yes [ ] No [ ] If yes, please specify:

Table with 3 columns: Name of Association, Nature of Business, Date Established / Ceased Practice. Includes two rows of blank lines for data entry.

Table with 4 columns: Name of Other Participants, Qualification, OCAQ Member Number, Date Qualified. Includes four rows of blank lines for data entry.

**B. Proprietors, Shareholders, Partners, Officers and all Chartered Accountants employed / contracted by your firm**

| <u>Name</u> | <u>Qualification</u> | <u>OCAQ Member Number</u> | <u>Date Qualified</u> |
|-------------|----------------------|---------------------------|-----------------------|
| _____       | _____                | _____                     | _____                 |
| _____       | _____                | _____                     | _____                 |
| _____       | _____                | _____                     | _____                 |
| _____       | _____                | _____                     | _____                 |
| _____       | _____                | _____                     | _____                 |

| <u>Staff</u>   | <u>Full-time</u> | <u>Part-time</u> |
|--|------------------|------------------|
| Total number of Proprietors, Shareholders, Partners and Officers | _____            | _____            |
| Number of other CAs employed                                     | _____            | _____            |
| Number of other staff  | _____            | _____            |
| Number of CA students  | _____            | _____            |
| Number of CAs employed per diem                                  | _____            | _____            |
| Number of other non-CA per diem employees                        | _____            | _____            |
| <b>Total</b>   | _____            | _____            |

(Other staff includes accountants, typists, clerks, etc. **engaged in client work** but excludes telephone operators, janitors, caterers, chauffeurs, internal accounting and administration personnel.)

**C. Former Firms** (List all former names, firms, practices purchased etc. where you are responsible for the professional liability and require coverage)

| <u>Name</u> | <u>Date Established</u> | <u>Date Ceased Practice</u> |
|-------------|-------------------------|-----------------------------|
| _____       | _____                   | _____                       |
| _____       | _____                   | _____                       |
| _____       | _____                   | _____                       |
| _____       | _____                   | _____                       |

**D. Annual Gross Revenues** Last Fiscal Year

1. Total all firms in Section A \$ \_\_\_\_\_
2. Largest client/group \$ \_\_\_\_\_
3. Second largest client/group \$ \_\_\_\_\_
4. Approximate number of clients \_\_\_\_\_
5. Percentage of 2 to 1 above \_\_\_\_\_ %  
If over 60% state client name and services rendered

**E. Nature of Work** Percentage of gross billings

1. Audit engagements for publicly held companies. Please list company names. \_\_\_\_\_ %  
\_\_\_\_\_
2. Audit engagements for credit unions. Please list names of credit unions. \_\_\_\_\_ %  
\_\_\_\_\_
3. Audit engagements for all others \_\_\_\_\_ %
4. Review engagements \_\_\_\_\_ %
5. Non-review preparation of financial statements \_\_\_\_\_ %
6. Tax return preparation \_\_\_\_\_ %
7. Tax and estate planning \_\_\_\_\_ %
8. Management consulting. Describe general nature \_\_\_\_\_ %  
\_\_\_\_\_
9. Receivership and Trustee in bankruptcy services \_\_\_\_\_ %
10. Valuation and business brokerage \_\_\_\_\_ %
11. Within the past five years, has the Applicant Firm or any partner, shareholder, principal or employee received, disbursed, managed, controlled or invested client funds in excess of \$25,000 in any capacity? Yes  No  If yes, please describe below:  

| <u>Client</u> | <u>Capacity</u> | <u>Amount of funds</u> |
|---------------|-----------------|------------------------|
| _____         | _____           | _____                  |
| _____         | _____           | _____                  |

12. Is the Applicant Firm bonded for handling client funds? Yes  No  \_\_\_\_\_ %  
 If yes, please specify the amount of the bond, the expiration date and carrier.  
 \_\_\_\_\_
13. Does the Applicant Firm have sole cheque signing authority on behalf of clients? \_\_\_\_\_ %  
 Yes  (not covered) No
14. Does the Applicant Firm hold the title of Controller for any clients? \_\_\_\_\_ %  
 Yes  (not covered) No
15. Acted as Trustee (other than Trustee in Bankruptcy)? Yes  No  \_\_\_\_\_ %  
 If yes, please specify nature of trust and amount of assets held /disbursed.
16. Executor; Power of Attorney services \_\_\_\_\_ %
17. Personal financial planning \_\_\_\_\_ %
18. PrimePlus formerly Eldercare services (please complete Supplement B if an amount is recorded) \_\_\_\_\_ %
19. Webtrust services \_\_\_\_\_ %
20. Systrust services \_\_\_\_\_ %
21. Investigative and forensic accounting services \_\_\_\_\_ %
22. Investment consulting \_\_\_\_\_ %
23. Other services; specify: \_\_\_\_\_ %  
 \_\_\_\_\_  
 \_\_\_\_\_
- Total \_\_\_\_\_ 100 %

F. On all engagements where the firm audits, reviews, compiles financial statements, provides management consulting, personal financial planning or projections-forecasts, does the Applicant Firm require an engagement letter annually? Yes  No  If no, please explain the firm's policy for up-dating engagement letters. Please list the services you render without the utilization of an engagement letter.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

G. **Other Countries** YES/NO % of gross billings

Does the Applicant Firm render services outside of Canada? \_\_\_\_\_ %

Does the Applicant Firm render services within Canada for or on behalf of corporations or individuals in the U.S.A. or in other countries outside of Canada? \_\_\_\_\_ %

If yes to either question, please indicate the percentage of gross billings and provide the nature of services rendered.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

H. **Computer Services**  
 Please advise if you have a separate company set up for custom computer programming. Yes  No   
 If yes, give details. (If separate firm, the name, billings, etc. must be included in the relevant sections of this application if coverage for this activity is required).

PLEASE NOTE THERE IS NO COVERAGE FOR THE SALE, INSTALLATION OR MAINTENANCE OF HARDWARE EQUIPMENT, THE PROGRAMMING OF PACKAGED ACCOUNTING SOFTWARE, NOR THE PROGRAMMING OF CUSTOM ACCOUNTING SYSTEMS, OR THE DEVELOPMENT AND/OR MAINTENANCE OF CLIENT WEBSITES.

I. **Other Services and Relationships**

In the following questions, "you" refers to the Applicant Firm, its partners, proprietors and/or officers.

1. Do you accept remuneration (e.g. finders' fees, commissions, reciprocity or revenue) from sources other than the client in respect to goods or services sold to your clients? i.e. for sale or promotion of investments, tax shelters, computers, or computer software?
2. Do you organize, arrange, or procure investments, real estate or tax shelters?
3. Do you prepare projections for use in selling tax shelters?
4. Do you make recommendations as to the sale or purchase of specific stocks, bonds or other securities?

| YES | NO |
|-----|----|
|     |    |
|     |    |
|     |    |
|     |    |

5. Do you undertake property management?
6. Do you enter into "joint ventures" with other accounting firms?
7. Do you have affiliations/associations with International Accounting firms?
8. Do you have a financial interest in any client?
9. Do any clients have a financial interest in you?
10. Do you provide professional services to any outside firm or company
  - i). in which you or your spouse have an ownership interest?
  - ii) by which you or your spouse are employed?
11. Have you or are you planning to enter into a joint venture with a client whereby you will have at least 20% interest or effective control?

| YES | NO |
|-----|----|
|     |    |
|     |    |
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If yes to any of the above, please indicate question # and provide details.

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12.
  - i. Do you perform peer review of other CA firms?
  - ii. Do(es) other CA firm(s) perform peer review of your firm's practice?

| YES | NO |
|-----|----|
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|     |    |

If yes to either 12.i. or 12.ii., please provide the names of the other CA firm(s).

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**J.** Are you a participating firm in the Canadian Public Accountability Board's (CPAB) oversight program? Yes  No

**K.** Are you engaged in any business other than a public accounting practice on either a part-time or full-time basis? Yes  No  If yes, explain and include hours per week and income.

| <u>Name</u> | <u>Occupation/Business</u> | <u>Activity</u> | <u>Hrs/Week</u> | <u>Gross Income</u> |
|-------------|----------------------------|-----------------|-----------------|---------------------|
|             |                            |                 |                 |                     |
|             |                            |                 |                 |                     |
|             |                            |                 |                 |                     |

**L.** In addition to your public accounting practice, do you have an employer either on a full-time or part-time basis? Yes  No  If yes, please provide the name of your employer \_\_\_\_\_

**M. GAAR Penalty Coverage**

Coverage is available for aggressive tax planning penalties as outlined in the October 15, 2009 Information Bulletin # 2009-5 issued by *Finances Québec*. For more information, please consult [www.finances.gouv.qc.ca](http://www.finances.gouv.qc.ca). The coverage limit per firm is \$100,000. with a \$100,000. annual aggregate limit subject to a nil deductible at a cost of \$250. per CA in the firm. Do you require this coverage? Yes  No

**N. Excess Directors and Officers Liability Extension**

If you subscribe to the Directors and Officers Liability Extension under the Ordre's group professional liability insurance plan, an extension of coverage is available to include liability where a partner or CA employee acts as a Director or Officer of a non-profit association or corporation without share capital, constituted for some types of charitable, sporting, professional social and like objectives. If required, please indicate:

| <u>Name of Partner/CA Employee</u> | <u>Organization</u> | <u>Organization's Objective</u> |
|------------------------------------|---------------------|---------------------------------|
|                                    |                     |                                 |
|                                    |                     |                                 |

**O. Claims and Disciplinary Action**

It is imperative to answer the following questions correctly. Failure to do so could prejudice your rights under the policy in the event of a claim. Matters listed by each Quebec CA member on their application for the primary insurance under the Quebec Group Professional Liability Insurance Plan need not be repeated as each of those application forms will be deemed to form part hereof.

The following questions should only be answered AFTER ENQUIRY of the firm's partners and management personnel. Any affirmative response to the following questions should be fully explained under Section R.

Claims must be listed, even those previously reported.

1. Has any professional liability insurance been declined, cancelled or renewal refused for the Applicant Firm, any of its principals, shareholders, partners, officers, or predecessor firms?
2. Is the applicant or any principal, partner or officer aware of any claim made or pending against the applicant, any of the principals, shareholders, partners, officers, employees or any predecessor firm?
3. Is the Applicant Firm, or any of the principals, shareholders, partners, officers, employees, or any predecessor firms, aware of any claim payout that has been made within the past five years?
4. Does the applicant or any of the present principals, shareholders, partners or officers have any knowledge of any prior incident, act, error or omission, which could be a basis for claim under the insurance applied for?
5. Within the past five years, has the Applicant Firm or any of the present or former partners, officers, principals, shareholders or employees:
  - a) Had his or her accounting license or authority to practice accounting revoked or suspended?
  - b) Been subject to disciplinary action by any Ordre / Provincial Institute?
  - c) Been subjected to any fine, reprimand, criminal penalty or civil liability related to the performance of professional services?

| Since last application |    | Previously Reported |    |
|------------------------|----|---------------------|----|
| YES                    | NO | YES                 | NO |
|                        |    |                     |    |
|                        |    |                     |    |
|                        |    |                     |    |
|                        |    |                     |    |

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The policy does not cover any claim or situation stated in O(2) and/or O(3) or any claim or act, mistake, omission or circumstance which could give rise to a claim, of which the insured has knowledge prior to the inception of the policy.

**P. Previous Insurer**

Were you previously insured through AICA? Yes  No

If no, please advise: Previous Insurer: \_\_\_\_\_

Expiry date of last insurance policy: \_\_\_\_\_ Limit per claim: \_\_\_\_\_

In case of a new policy, effective date required: \_\_\_\_\_

**Q. Excess Limits**

Indicate below excess limits, per claim and in the aggregate as well as deductible for which quotation(s) are requested.

Please note that the limits you select are excess the amount available to you under the primary policy offered to Quebec CAs under the Group Professional Liability Insurance Plan for CLAIMS covered by the Certificates issued to Quebec CAs in your firm. Depending on how many Certificates are triggered by a CLAIM, that underlying limit may be \$1,000,000 or \$2,000,000.

In addition, the limit you select will be available as a primary limit for CLAIMS covered by this Policy which are not covered by the primary policy offered to Quebec CAs under the Group Professional Liability Insurance Plan.

The amount selected as a limit also represents the annual aggregate limit that will be available for all CLAIMS.

Same amount as prescribed by the expiring policy:  and/or the following:

- |   |  |  |
|---|--|--|
| <p><b>Excess Limit</b></p> <p>\$ 500,000. <input type="checkbox"/></p> <p>\$ 1,000,000. <input type="checkbox"/></p> <p>\$ 1,500,000. <input type="checkbox"/></p> <p>\$ 2,000,000. <input type="checkbox"/></p> <p>\$ 3,000,000. <input type="checkbox"/></p> <p>\$ 4,000,000. <input type="checkbox"/></p> <p>Other (specify): <input type="checkbox"/> _____</p> | <p><b>Excess Limit</b></p> <p>\$ 5,000,000. <input type="checkbox"/></p> <p>\$ 6,000,000. <input type="checkbox"/></p> <p>\$ 7,000,000. <input type="checkbox"/></p> <p>\$ 8,000,000. <input type="checkbox"/></p> <p>\$ 9,000,000. <input type="checkbox"/></p> | <p><b>Deductible</b></p> <p>0 <input type="checkbox"/></p> <p>\$ 1,000. <input type="checkbox"/></p> <p>\$ 2,500. <input type="checkbox"/></p> <p>\$ 5,000. <input type="checkbox"/></p> <p>\$ 10,000. <input type="checkbox"/></p> <p>\$ 15,000. <input type="checkbox"/></p> |
|---|--|--|



**CA Professional Liability Insurance Application**

**Applicant Name:** \_\_\_\_\_

**PRIMEPLUS SERVICES SUPPLEMENT as referenced in Question E #18.**

1. List the professionals who perform PrimePlus services for clients.

| Name | Profession & Licenses | Employee/or Independent Contractor | Type of Services Rendered |
|------|-----------------------|------------------------------------|---------------------------|
|      |                       |                                    |                           |
|      |                       |                                    |                           |
|      |                       |                                    |                           |

2. What experience do the professionals listed above have in rendering PrimePlus services? Attach a detailed description, resume or curriculum vitae.

3. Please provide a **detailed** description of your PrimePlus consulting and attest services:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. Please complete the following table:

|  | Last Fiscal Year | Estimate For Current Year |
|--|------------------|---------------------------|
| Revenues from PrimePlus services                                   | \$               | \$                        |
| Total number of PrimePlus clients                                  |                  |                           |
| Total number of PrimePlus clients receiving <b>attest services</b> |                  |                           |

5. Have any personnel of the firm or firm affiliates served as a conservator or guardian for a client or legally assumed responsibility for the physical well being of any client?.....  Yes  No

Are additional sheets attached? ..... Yes  No