



Travelers 1st Choice SM
ACCOUNTANTS PROFESSIONAL LIABILITY COVERAGE
SECURITIES SUPPLEMENT

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 supplement the terms "you" and "your" means the entity or individual applying for this insurance.

APPLICANT INFORMATION

1. ☐ New business ☐ Current Travelers policy number: _____
2. Your full legal name: _____

PUBLIC CLIENTS

3. Have you provided audits to publicly traded companies within the last five years?.....☐Yes ☐No
If yes, please provide the following information for each engagement within the last five years or any engagement expected to be performed within the next 12 months:

Client Name and Stock Symbol	Primary Industry	Number Years as Client	Date Incorporated	Description of Services Rendered	Audit Services Provided	Consulting Services Provided	Were SEC Reports Prepared	Was a Qualified Opinion Issued
					<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

4. For each client listed above, please complete the following chart:

Client Name and Gross Revenue	Date and Type of Last Report	Net Loss	Negative Cash Flow	Negative Retained Earnings	Significant Uncertainties or Contingencies	Going Concern Statement
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

5. At any time during the past five years, did you become aware of any client disagreements with the predecessor auditor, based on audit or review engagements of public companies or their employee benefit plans that were new to you and not disclosed in the SEC filings?.....☐Yes ☐No
If yes, please identify the client and describe the disagreement:

6. At any time during the past five years, have any public clients been subject to regulatory inquiry or investigation with regard to financial statement reporting or disclosure matters?.....☐Yes ☐No
If yes, please identify the client and describe the nature of the investigation or inquiry:

7. At any time during the past five years, has any public company or their employee benefit plan, for which your firm provided audit or review services, issued corrected financial statements or had their auditor withdraw or issue revised audit or review papers?.....☐Yes ☐No
If yes, please identify the client and list the year(s) for which the subject financial statements were corrected or audit or review reports were withdrawn or revised, and explain the reason for the statement or report correction/revision/withdrawal:

8. Please provide the date you registered with the Public Company Accounting Oversight Board (PCAOB):.....
mm/dd/yyyy

Please attach copies of the résumés of all firm principals/partners/managers responsible for the oversight of these services.

SECURITIES

9. Please provide the following information for each filing for the last five years. Include filings that were withdrawn, offerings which were unsuccessful, filings made pursuant to an exemption from registration, and filings anticipated within the next 90 days. Also, please provide this information on affiliated reports, statements, or similar offering documents:

Date Offering Began	Name of Issuer	Type of Offering (1)	Nature of Client's Business	Dollar Amount of Offering	Description of Security	Registered or Exempt Offering	Did Firm Render an Opinion	Applicant Accountant For (2)
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	

- (1) Key: PR = Private Placement, PUI = Public Initial Placement, PUS = Public Secondary Placement, B = Bond (Private), SY = Syndication, M = Municipal Financing, LTP = Limited Partnership
(2) Key: I = Issuer, U = Underwriter, L = Lender, P = Purchaser, A = Auditor, O = Other (please describe):_____

10. Exempted Securities: Within the past five years, have you provided accounting services in connection with the offer and sale of securities in any transaction involving a security that was intended to be an exempted security under one of the provisions of Section 3(a) of the 1933 Act?.....☐Yes ☐No

11. Tender Offers and Exchange Offers:

- A. Within the past five years, have you provided accounting services in connection with any tender offer or exchange offer?.....☐Yes ☐No
- B. Within the past five years, have you advised any client with respect to a tender offer made or proposed to be made involving any entity whose management opposed or opposes such offer?...☐Yes ☐No

12. Proxy Contests:

- A. Within the past five years, have you provided accounting services in connection with any proxy contest involving a public company?.....☐Yes ☐No
- B. Was your client, in connection with any such contest, a person or entity opposing director nominees of the public company or its management?.....☐Yes ☐No

BONDS

13. Within the past five years, have you provided accounting services in connection with the offer and sale of securities in any transaction involving a security that was intended to be exempt under one or more of the following provisions of Section 3(a) of the 1933 Act:

- A. Section 3(a)(2) as it relates to any security issued or guaranteed by a bank?.....☐Yes ☐No
- B. Section 3(a)(2) as it relates to any security issued by the U.S. government or any State or political subdivision or public instrumentality of the U.S. government or any State?.....☐Yes ☐No
- C. Section 3(a)(6) as it relates to any security issued by a savings and loan institution?.....☐Yes ☐No

14. Please complete the following chart for securities addressed in question 13.A. and 13.C. above:

Name of Institution	Location	Nature of Accounting Services Provided	Dates of Service

15. Within the past five years, have you provided accounting services in connection with the offer and sale of private placement bonds?.....☐Yes ☐No
- If yes, is due diligence documentation retained for services in connection with all private placement bonds with an aggregate price of \$100,000 or more?.....☐Yes ☐No*

16. For the past five years, please indicate the number of bond issue by type for which you provided accounting services:

- A. General Obligation:.....
- B. Revenue:.....
- C. Other (please describe.....):.....

17. Please indicate the entity that employed your firm in the above bond issues:

- ☐Bond Counsel
- ☐Issuer
- ☐Underwriter
- ☐Other (please describe):.....

18. How many of the bond issues above:

- A. Are currently in default?.....
- B. Have experienced a default proceeding?.....

RISK MANAGEMENT

19. Client Identification and Evaluation:

- A. Do you have a procedure for new client identification intended to assure that there will be no conflict of interest with respect to the securities matters to be undertaken by you?.....☐Yes ☐No

- B. Do you have a written procedure for evaluating a new client seeking securities advice relevant to a proposed transaction or offering to determine such things as the client's reputation, the nature of its business, financial strength, management expertise, and history of changing securities accountants and lawyers?.....☐Yes ☐No
- C. Do you use an engagement letter with each client that retains your firm in connection with any securities offering, including existing clients?.....☐Yes ☐No
- D. Have you ever declined a client based on these procedures?.....☐Yes ☐No

If you answered no to any part of question 19., please provide details:

20. Disclosure and Opinion Requirements:

- A. Do you require an experienced securities accountant to interview the client's directors, executive officers, and principals in connection with disclosure documents preparation and review?.....☐Yes ☐No
- B. Do you require the preservation of written records of the factual source and verification made by your accountants in connection with disclosure documents and preservation of records to support opinions rendered by you?.....☐Yes ☐No
- C. Do you prohibit your staff from participating in the securities selling process, not including participating in marketing meetings or calls involving prospective investors?.....☐Yes ☐No

If you answered no to any part of question 20., please provide details:

21. Potential Conflicts:

- A. Do you always prohibit an accountant who is a director, officer or general partner or a securities accountant with an investment in a client, from working on a securities transaction for that client?.....☐Yes ☐No
- B. Do you always prohibit securities accountants and non-securities employees from trading and investing in client securities?.....☐Yes ☐No
- C. Do you require a securities accountant to disclose all securities investments in clients of your firm?.....☐Yes ☐No
- D. Do you have a procedure intended to prevent the improper use of material inside information or the tipping of such information by your accountants and staff?.....☐Yes ☐No
- E. Do you always prohibit any arrangement where a securities client pays for your firm's services with client securities?.....☐Yes ☐No

If you answered no to any part of question 21, please provide details:

22. For each non-principal/partner employee providing SEC services, or involved in the offering of securities, real estate, or other investments, please provide the following information:

Name of Employee	Securities Practice-Billable Hours Most Recent 12 Months	Securities Practice-Billable Hours Prior 12 Months	Years of Securities Experience	Number of Hours SEC CPE in past 3 years

23. Please list your partners and principals responsible for supervision of public audit engagements:

Name of Partner or Principal	Number of Years Experience as a Supervisor Auditing Public Companies	Number of Years of Audit Field Work Experience for Public Companies	Number of Years of Relevant Industry Experience

24. Have you or your employees served as an officer, director or trustee of any securities client?.....☐Yes ☐No

25. Have you or your employees ever held an equity or financial interest in any securities client?.....☐Yes ☐No
If yes, please identify client and nature of equity:

26. Have you had a dispute with a securities client that necessitated disclosure to the Securities and Exchange Commission?.....☐Yes ☐No
If yes, please provide the name of the client, date of withdrawal or dispute, and description of the withdrawal or dispute:

27. Has any past or present member of your firm been named as a party to:
- A. any investigation or administrative action undertaken by the Securities and Exchange Commission or any state securities regulatory body?.....☐Yes ☐No
- B. any legal action under the SEC Acts of 1933 or 1934 or any state statute relating to the issuance, offering, or sale of securities?.....☐Yes ☐No

If yes to any part of question 27, 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

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 3rd 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

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.

Signature (Partner, Member, Officer, Shareholder)

Date

Name (print)

Title

*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:

Submitting agency name

☐ Direct

☐ Sub-produced

Address (street, city, state, zip code)

Phone

Fax

Email

Licensed producer name

License number

ADDITIONAL INFORMATION:

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