

You have the best coverage...

For nearly twenty years, **CPAGold™** has strived to be the most innovative and forward thinking professional liability insurance program for accountants. Our member firms face new and more difficult challenges which tests the mettle of even the most well managed practices. New areas of practice, new ways of doing business, new theories of negligence, new classes of potential claimants - all combine to form the perfect storm through which only the best managing partners can navigate.

Since 1994, **CPAGold™** encourages constant review and re-tooling of the program to ensure we offer the best quality coverage to member firms. The program constantly seeks ways to provide meaningful coverage enhancements to your policy. Often these arise from dialogues with member firms.

Beyond the broad definition of professional services including consulting services, the expansive list of covered persons, worldwide coverage, and the non-cancellable (by the insurer) features of the policy, some of the more important benefits are as follows:

Disciplinary Proceedings

Coverage of up to \$100,000 in defense expenses is provided for a proceeding before a state licensing board, peer review committee or governmental regulatory agency. This is in addition to the limit of liability and not subject to the deductible.

Subpoena Expenses

CPAGold™ provides unlimited coverage for you to respond to a subpoena for documents or testimony. This is in addition to the limit of liability and not subject to the deductible.

Expense Reimbursement

No limit coverage for actual loss of earnings and reasonable expenses incurred when you attend a hearing, trial or arbitration proceeding. This is in addition to the limit of liability and not subject to the deductible.

Claim Mitigation

- If ADR (Alternative Dispute Resolution) is used to resolve a claim, 100% of your deductible will be waived up to \$50,000.
- If you use an engagement letter for non-attest services, the deductible will be reduced by 50% up to a maximum reduction of \$25,000 each Claim, and \$50,000 in the aggregate for the Policy Period.
- If a claim is fully resolved within one year of being reported, the deductible will be reduced by 25% up to a maximum reduction of \$25,000.

How CPAGold™ is responding to today's challenges...

In today's technology driven world, a security breach, identity theft and other cyber perils have become a common occurrence. As a result, the threats against your accounting practice have expanded in ways hardly foreseen just a few years ago.

CPAGold™ has evolved to address these threats and has added the availability of the following endorsements to protect you, and your practice, in this ever-changing environment.



CPAGold™ Coverage Enhancements:

Client Notification and Consultant Costs* - CPAGold™ will reimburse you up to **\$50,000** (which can be increased to **\$500,000/\$1,000,000** by endorsement) for the cost of hiring a third party consultant or adviser, to mitigate the potential of legal liability claims arising from any security breach which results in the loss or theft of confidential client information. This coverage may not be subject to the deductible. Defense costs are up to the policy limit of liability.

Discriminatory Complaint Regulatory Coverage - CPAGold™ will reimburse you for attorney fees and other reasonable costs or fees paid to third parties as a result of a discrimination complaint filed with a government body or commission. This coverage is not subject to the deductible.

Supplemental Claims Expenses Coverage - In the event the aggregate limit of liability is exhausted by payment of loss or defense costs under this policy and there remain any unresolved or outstanding claims, CPAGold™ will reimburse you for an amount equal to 10 percent of the limit of liability up to a maximum amount of **\$250,000** for defense costs incurred by you in handling defense of such unresolved or outstanding claims. This coverage is not subject to the deductible.

Not For Profit Directorships Coverage* - CPAGold™ will reimburse you up to **\$25,000** per claim/ per policy period for legal liability arising out of your activities as a Director or Officer of a Not-for-Profit Organization that is not a client. This coverage is not subject to the deductible.

Reputation Protection Coverage - CPAGold™ will reimburse you up to **\$10,000** per claim/**\$50,000** per Policy Period for reasonable fees, costs, and expenses incurred by you for consulting services provided by a public relations firm approved by us to you in response to a Reputation Claim. This coverage is not subject to the deductible.

Privacy covered acts Coverage - CPAGold™ provides broad coverage as part of the policy wording for Electronic media perils, including misdirection of emails, denial of service.

Network Security Coverage - CPAGold™ will covers introduction of a virus, enabling unauthorized access or your unauthorized access into another third parties Computer system.

No hammer clause - CPAGold™ will not settle a claim without your consent.

* Formerly First Party coverage. Coverage will be excess and follow form of all valid and collectible insurance provided to you under any specific policy. Outside not-for-profit directorship coverage is excess of any indemnification provided by outside organization.

CPAGold™ Optional Endorsements

Cyber Enhancement Endorsement

This endorsement expands the Accountants' Professional Liability Policy to include up to and additional \$500,000/\$1,000,000 of coverage for:

- Breach and Monitoring Costs
- Loss of Digital Property
- Business Interruption and Additional Costs
- Cyber Extortion Coverage

Fraudulent Instructions Endorsement

This optional endorsement provides up to \$100,000 arising from claims for fraudulent instructions from a third party which results in the loss of client funds.

Reducing Deductible Endorsement

This endorsement provides a 10% reduction in the amount of the deductible, up to 50%, for each year you are claims free.

Fiduciary Coverage Endorsement

This endorsement provides coverage for any Fiduciary Act, including breach of responsibilities imposed under ERIA, HIPAA or other common or statutory law, or errors arising from the administration of a benefit plan.

PCAOB Investigation Endorsement

This endorsement provides up to \$50,000, for defense expenses incurred responding to an investigation by the Public Companies Accounting Oversight Board, or any Federal or State Securities Administrators

Expanded PFP Endorsement

This endorsement provides additional coverage for the cost of corrections arising from securities trade errors.

Part-time Legal Services Endorsement

This endorsement provides coverage for services as a part-time attorney or CPA-Attorney. It is not intended to replace lawyers' professional liability insurance

Life Agent, RIA or Registered Representative Endorsement(s)

This endorsement provides coverage for services and includes Chief Compliance Office and Cost of Corrections coverage.

CPAGold™ Optional Endorsements - *continued***IRS Penalties Endorsement**

This endorsement provides additional coverage for fines and penalties arising from Section 6694 of the tax codes.

Valuation Services Endorsement

This endorsement provides coverage for fines and penalties levied against you imposed upon **you** pursuant to Internal Revenue Code section 6695A.

Internal Revenue Code 7216 Penalties Endorsement

IRC Section 7216 prohibits anyone who is involved in the preparation of tax returns from knowingly or recklessly disclosing or using the tax-related information provided other than in connection with the preparation of such returns. Anyone who violates this provision may be subject to a fine or even imprisonment.

CPAGold™ provides an optional endorsement to clarify coverage for penalties imposed upon **you** pursuant to Internal Revenue Code section §7216.

And the same top quality added value services...

- A free loss control program which has NASBA QAS approval for 12 CPE credits and secures a credit of 7.5 % of the premium for successful completion.
- Consultation services via the Legal Assist Line. This service, provided by Ralph Picardi, an attorney/CPA, is free of charge and strictly confidential.
- Free review of engagement letters, risk management issues and access to a library of engagement letters and standard client correspondence dealing with a variety of professional risk situations.
- Assistance with the addition of Mediation language to engagement letters (which also qualifies for a premium credit).
- Monthly blog bulletins on professional liability risk management topics for accountants.

With the same superior coverage enhancements...

- CPAGold™ covers professional services performed for an entity even if an insured is an officer, director, general partner or manager of the entity, or of which the insured or spouse has a 10% or less equity in such client (unless the services are audits or reviews).
- CPAGold™ covers professional services performed by entities of which your firm owns more than 50%.
- CPAGold™ applies to claims brought against you anywhere in the world.
- "Professional Services" is defined as services performed or advice given by you provided that the remuneration for such services or advice, or a portion thereof, inures to your benefit. (Also includes coverage for services or advice provided Pro Bono.) The use of "remuneration" opens up a broader definition of the services and activities covered.
- Covers Punitive Damages (unless uninsurable by law).
- The policy is non-cancellable by the insurer.
- The most competitive and comprehensive Extended Reporting Period Options.



Backed by Strength...

CPAGold™ is the registered trade mark of the Professional Advisers Purchasing Group, Inc. **CPAGold™** is an advocate for member firms to secure the best policy terms and pricing. **CPAGold™** also develops loss control and risk management services on behalf of members. **CPAGold™** regularly consults with member and non-member firms to discuss developments in the environment for accountants' professional liability insurance, and where appropriate, makes changes to the program.



QBE **CPAGold™** is underwritten by QBE Insurance Corporation ["QBE"] an insurer rated A ["Excellent"] Class XIV by A.M. Best. Staffed with experienced underwriters and a responsive claims team, QBE is committed to becoming the premier professional liability insurer for accountants and related professionals. QBE writes a variety of other professional liability classes, and is accessible and responsive to the needs of **CPAGold™** member firms. The insurer's website is: <http://qbena.com/>.



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