



**Accountants PROtectSM
Audit Supplemental Application**

BY COMPLETING THIS APPLICATION, THE APPLICANT IS APPLYING FOR COVERAGE WITH EITHER **COLONY INSURANCE COMPANY**, **COLONY SPECIALTY INSURANCE COMPANY** OR **PELEUS INSURANCE COMPANY**, AN AUTHORIZED SURPLUS LINES INSURER OR **ARGONAUT INSURANCE COMPANY**, A LICENSED INSURER.

INSTRUCTIONS –

- Answer all questions. The information provided herein is considered material to our underwriting and pricing decision for the policy or additional coverage under consideration at the time this supplemental application is submitted.
- For any information that exceeds the space provided, continue responses on your letterhead.
- This form must be completed, dated and signed by an authorized officer of the Applicant to include this completed form as part of the Application.

1. Name of Applicant:

2. List both the number of clients and the percentage of audit revenue derived from the following businesses or industries for which the Firm provides audit services:

Industry	No. of Clients	Percentage of Revenue	Industry	No. of Clients	Percentage of Revenue
Agricultural		%	Not-for-Profit		%
Broker/Dealers		%	Oil & Gas/Mining		%
Construction		%	Pension/Employee Benefit Plans		%
Entertainment/Sports		%	Real Estate		%
Financial Institutions (Banks, Lending Inst.)		%	Retail		%
Healthcare		%	Service Providers		%
Insurance		%	Unions		%
Investment Funds		%	Universities/Colleges		%
Manufacturing		%	Wholesale/Distribution/Warehousing		%
Municipal/Government		%	Other (describe):		%
				Total	100%

3. In the last five (5) years, has the Firm had any audit client that has declared or filed bankruptcy, defaulted on a bond issue, or become insolvent subsequent to service rendered by the Applicant Firm? Yes No

If "Yes", provide the following:

Client Name/Industry	Nature of Services and Dates when Services were Provided	Type of Audit Opinion	Going Concern Reference	Date of Bankruptcy, Default or Insolvency
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

4. a. What percentage of time do you use audit engagement letters? %
 b. Please explain under what circumstances engagement letters are not used?

c. Please provide a specimen copy of the engagement letter.

5. Does the firm require an independent second partner review on audit work papers and the audit report prior to final sign-off and release of audit report? Yes No

6. Please provide a list the individuals at the Firm who perform audits.

Name	Years of Experience	Qualifications	Annual Number of Hours of CPE

7. Please list any audit client that has undergone, in the past three (3) years, a merger or acquisition that represents over 25% of their gross revenues.

Name	Industry Type	Date and Dollar Value of Merger or Acquisition

8. Please list your five (5) largest audit clients.

Name	Industry Type	Latest Annual Revenues to your Firm	Client Revenues

9. a. Do you conduct or have you received fraud awareness training to comply with the Fraud Risk Assessment requirements under SAS No. 122? Yes No

b. If "No", please describe how your firm keeps your personnel updated about order requirements.

10. Do your Firm's client acceptance procedures pertaining to audit engagements require sign-off by a second partner or committee prior to accepting a new engagement? Yes No

11. Do you have internal written policies in place for the acceptance and continuance of audit engagements for the following areas:

- a. Conflict of Interest Review? Yes No
 b. Financial History & Solvency of Client? Yes No
 c. Client Screening Protocols based on AICPA or PPC checklists? Yes No
 d. Guidelines for Acceptance, Non-Acceptance, and Disengagement of current or prospective clients? Yes No

THIS SUPPLEMENTAL APPLICATION IS INCORPORATED BY REFERENCE INTO THE PRIMARY APPLICATION

APPLICANT'S SIGNATURE	DATE
-----------------------	------