

ACCOUNTANTS & CONSULTANTS PROFESSIONAL LIABILITY SEC/Securities Supplement

1. Within the last *five years*, have **you** provided services to any publicly traded clients or to any clients that are subject to SEC or other financial industry regulatory oversight? Yes No
- a. If "YES", provide the following information for each client:
- i. Name of client: _____
 - 1. CIK #: _____
 - ii. Nature of client's business: _____
 - iii. Years as a client: _____
 - iv. Fees billed last year: _____
 - v. Services rendered:
 - 1. Audit/Review Yes No
 - 2. Audit/Review & Tax Yes No
 - Tax only Yes No
 - 3. All Other (see **Q.12.** below) Yes No
 - vi. Were SEC reports prepared? Yes No
 - vii. Was a qualified opinion issued? Yes No
 - viii. Have **you** restated any quarterly or annual financial statements? Yes No
2. Experience of **your** professional staff engaged in securities and/or public audit related matters:

<u>Employee Name</u>	<u>Securities Billable Hours (current 12 months)</u>	<u>Securities Billable Hours (past 12 months)</u>	<u>Years of SEC/Securities Experience</u>

3. Do **you** have current membership in the:
- a. Firms Securities Practice Section of the AICPA? Yes No
 - b. Public Company Practice Section of the AICPA? Yes No

4. Do **you** have a formal procedure for keeping current on SEC No Action Letters, Advisories, and Rulings? Yes No

a. Explain:

5. How many hours each year do **you** require **your** securities accountants to participate in continuing education courses on current securities development: _____

6. Do **you** have written procedures and/or policies for:

a. Identifying and avoiding conflicts of interest among clients for which **you** will provide securities work, including during new client identification and intake? Yes No

i. Explain:

b. Requiring yearly reviews of existing clients for potential conflicts? Yes No

i. Explain:

c. Evaluating new clients seeking securities advice, relevant to a proposed transaction or offering, to determine the client’s financial strength, reputation, management expertise, nature of business, and history of “opinion shopping” or changing attorneys and/or accountants? Yes No

i. Explain:

d. Requiring that at least one accountant who is not working on a specific securities transaction/engagement review and approve all written materials to be furnished by **you** in the transaction/engagement? Yes No

i. Explain:

7. Do **you** have written procedures and/or policies:
- a. Prohibiting any of **you** from participating in the securities selling process (e.g. not participating in marketing meetings or prospective investor calls)? Yes No
 - b. Governing trading and investing in client securities by any of **you**? Yes No
 - i. If "YES", does this policy distinguish between trading and investing by those of **you** working on securities matters and those of **you** not? Yes No
 - ii. If "YES", does this policy prohibit all of **you** with an investment in a client from working on a securities matter for such client? Yes No
 - c. Prohibiting any of **you** who is a member, director, officer, or partner of a securities client or limited partnership from working on a securities matter for such client? Yes No
 - d. Prohibiting any contingency payment arrangement or any arrangements where a securities client pays for **your** services with client securities? Yes No
 - e. Intended to prevent the improper use of material inside information or the tipping of such information by any of **you**? Yes No
 - f. Requiring Executive or Management Committee review prior to any of **you** serving as director, officer, or general partner of a securities client? Yes No
8. Do **you** use a written disclaimer or warning on all forecasts and projections? Yes No
- a. If "NO", please explain why not and in what circumstances:

9. Are assumptions disclosed on all forecasts and projections? Yes No
- a. If "NO", please explain why not and in what circumstances:

10. During the past *five years*, have **you** been the subject of any investigations by the SEC or any other financial industry regulatory body, been terminated by a securities client, or had a dispute with a securities client necessitating disclosure to securities regulators? Yes No
- a. If "YES", provide the following:
 - i. Name of client: _____
 - ii. Date of withdrawal: _____

iii. Description of dispute:

11. Have **you** been named as a party to any legal action under the Securities Acts of 1933 or 1934 or any state statute relating to the issuance, offering, or sale of securities? Yes No

a. If "YES", describe fully:

12. Provide the below information for all Non-Attest/Taxation Securities Engagements and services provided by **you** in the past *five years*:

<u>Client Name</u>	<u>Services Provided [1]</u>	<u>Type of Issue (PP; PIP; PSP; LP; SY; B) [2]</u>	<u>Year Became Client</u>	<u>Dates of Service</u>	<u>Written Opinion (Y/N)</u>

[1] Projection or Forecast__ MAS__ Other (describe:) _____

[2] PP – Private Placement; PIP – Public Initial Placement; PSP – Public Secondary Placement; LP – Limited Partnership; SY – Syndication; B – Bond (private)

Signature of Applicant: _____

Date: _____