

ACCOUNTANTS & CONSULTANTS PROFESSIONAL LIABILITY Sub-Prime Mortgage Supplement

1. Do **you** provide **attest services** to any of the following:

a. Banks (or other Financial Institutions offering mortgages)	Yes <input type="checkbox"/> No <input type="checkbox"/>
b. Hedge Funds specializing in subprime lending	Yes <input type="checkbox"/> No <input type="checkbox"/>
c. Limited Partnerships specializing in subprime lending	Yes <input type="checkbox"/> No <input type="checkbox"/>
d. Mortgage Brokers or Mortgage Bankers	Yes <input type="checkbox"/> No <input type="checkbox"/>
e. Mortgage Companies	Yes <input type="checkbox"/> No <input type="checkbox"/>
f. Mutual Funds specializing in subprime lending	Yes <input type="checkbox"/> No <input type="checkbox"/>
g. Real Estate Agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
h. Real Estate Appraisal or Home Inspection companies	Yes <input type="checkbox"/> No <input type="checkbox"/>
i. Real Estate Investment Trusts (REITs)	Yes <input type="checkbox"/> No <input type="checkbox"/>
j. Savings & Loan Associations	Yes <input type="checkbox"/> No <input type="checkbox"/>

2. Have any of the above clients been active in **subprime lending** or loans to **subprime borrowers**?
 - a. Yes No

3. Do **you** provide valuation services of mortgage-related securities/derivatives? Yes No

4. As part of **your** Personal Financial Practice, have **you** sold or recommended investments in Collateralized Mortgage Obligations (CMOs), Collateralized Debt Obligations (CDOs), Real Estate Investment Trusts (REITs), or Mutual Funds, Hedge Funds, or Limited Partnerships specializing in **subprime lending**? Yes No

5. If "YES", to Questions 2., 3., or 4., above, please provide a narrative:

Attest Services means a formal statement made by an auditor after a thorough examination and consideration as to whether financial statements fairly present financial position and operating results. With an **attest service**, the public accountant provides an objective evaluation to aid financial users.

Subprime Lending (aka B-Paper) means near-prime or second chance lending and is the practice of making loans to borrowers who do not qualify for the best market interest rates because of their deficient credit history.

Subprime Borrowers means borrowers with weakened credit histories that include payment delinquencies and possibly more severe problems such as charge-offs, judgements, and bankruptcies.

Subprime Borrowers may also display reduced payment capacity as measured by credit scores, debt-to-income ratios, or other criteria that may encompass borrowers with incomplete credit histories.

Signature of Applicant: _____

Date: _____