



Certified Management Accountants



The Society of Management Accountants of Canada

2011-2012 Renewal Application
Professional Liability / Errors & Omissions and Office Package Insurance
For applicants in Ontario, Nova Scotia, Prince Edward Island

General Information

- Please complete this application form in full since it forms the basis upon which insurance is provided.
In the event of a non-disclosure, a claim may be refused at the option of the Insurer.
All completed applications received by LMS PROLINK before December 6th will make the principals eligible for a draw for one of two \$400 gift certificates for the Hudson's Bay Company.

Entity Name \_\_\_\_\_

Contact Name \_\_\_\_\_

Certificate of Insurance # \_\_\_\_\_ CMA Membership # \_\_\_\_\_

Phone # \_\_\_\_\_ Fax # \_\_\_\_\_ Email \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Location of Insured Property for Office Package (complete if different from mailing address):

Location Address \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Section A: Information

- A.1. Are you still a member in good standing with the Society of Management Accountants? O Yes O No
A.2. What were your total annual gross receipts from all sources for the past 12 month period? \$ \_\_\_\_\_
A.3. What percentage of the gross receipts was derived from US clients? \_\_\_\_\_ %
A.4. Have there been any modifications to your business or services provided? (For example, do you now provide forensic accounting, property management or computer services?) If 'yes', please provide details O Yes O No

\_\_\_\_\_
\_\_\_\_\_



## Section D: Office Package Insurance

**Both Options A and B are on a replacement cost basis.** Applicable deductibles for both Basic and Comprehensive Office Packages: 5% Earthquake; \$5,000 Flood; \$2,500 Sewer Backup, \$1,000 All other property losses; \$2,500 All liability losses.

### Option 1: The Basic Office Package

*Please note that limits cannot be increased under this Basic Package, with the exception of Commercial General Liability.*

*The maximum limit of insurance available is \$25,000 inclusive of ALL coverage extension limits you see in the table below, with the exception of Commercial General Liability.*

|  | Basic Premium<br>Limits for Program | Totals   |
|--|-------------------------------------|--|
| Office Contents <ul style="list-style-type: none"> <li>90% co-insurance applies</li> <li>including Leasehold Improvements and Laptops</li> <li>Also includes EDP/Computer Equipment up to a limit of \$10,000</li> </ul>   | \$25,000                            | \$350  |
| Business Personal Property <ul style="list-style-type: none"> <li>Equipment Temporarily away from Premises \$2,000</li> <li>Off Insured's Premises \$2,500</li> <li>Newly Acquired Property, subject to 120 day reporting \$2,500</li> </ul>   |                                     | Included   |
| Personal Effects of Employees,<br>any one loss   | \$1,250                             | Included   |
| Removal of Debris after Loss   | 10% of Value of Contents            | Included   |
| Extra Expense  | \$2,500                             | Included   |
| Valuable Papers & Records  | \$500                               | Included   |
| Accounts Receivable  | \$500                               | Included   |
| Loss of Business Income  | Actual Loss Sustained               | Included   |
| Money & Securities,<br>On- & Off Premises  | \$250                               | Included   |
| Professional Fees, Included  | \$500                               | Included   |
| Blanket Glass & Sewer Backup   | Included                            | Included   |
| Commercial General Liability including, but not limited to: <ul style="list-style-type: none"> <li>Non Owned Auto \$1,000,000</li> <li>Tenants Legal Liability, All Risks \$1,000,000</li> <li>Medical Payments - per person \$5,000</li> <li>Medical Payments, per occurrence \$25,000</li> </ul> |                                     | Included (CGL and Non-owned auto can be increased to \$2,000,000 for additional \$100 flat rate) |
| <b>Basic Annual Premium</b>  |                                     | <b>\$350</b>   |
| <b>\$100 Additional CGL Premium (if applicable) to increase to \$2,000,000</b>   |                                     |  |
| <b>TOTAL ANNUAL PREMIUM</b>  |                                     |  |

**Option 2: The Comprehensive Office Package**

*The coverage extension limits listed in the table below are IN ADDITION to the \$25,000 in contents coverage. Please refer to the policy wording for a full list of extensions. Please note if increasing contents and/or computer limit, Equipment Breakdown must also be increased.*

|  | <b>Basic Premium Limits for this Comprehensive Package</b> | <b>Additional Limits Required (above basic limit)</b> | <b>Rates per \$1,000 for Additional Coverage Above Basic Limit</b> | <b>Totals</b>   |
|--|--|---|--|-----------------|
| <b>Base Premium</b>  |  |   |  | <b>\$710</b>    |
| Office Contents<br>• **90% co-insurance applies<br>• including Leasehold Improvements and Laptops  | \$25,000   | \$  | @ \$1.20   |                 |
| Value of Computer Equipment (includes hardware, software, phone systems, printers, copiers, fax etc.)  | \$25,000   | \$  | @ \$1.20   |                 |
| <b>Equipment Breakdown Coverage – must be increased to match the combined contents and computer limits if they are in excess of \$50,000</b> | Up to \$50,000   | \$  | @ \$1.00   |                 |
| Personal Effects of Employees, any one loss  | \$10,000   | Not available   | Not applicable   | Included        |
| Removal of Debris after Loss   | 10% of Value of Contents                                   | Not available   | Not applicable   | Included        |
| Accounts Receivable  | \$25,000   | \$  | @ \$1.20   |                 |
| Extra Expense  | \$25,000   | \$  | @ \$1.20   |                 |
| Outdoor Signs  | \$10,000   | \$  | @ \$5.75   |                 |
| Valuable Papers & Records  | \$25,000   | \$  | @ \$1.20   |                 |
| Loss of Business Income  | Actual Loss Sustained                                      | Not available   | Not applicable   | Included        |
| Money & Securities, On- & Off Premises   | \$5,000  | \$  | @ \$65.00  |                 |
| Employee Dishonesty  | \$5,000  | Not available   | Not applicable   | Included        |
| Professional Fees, Included  | \$25,000   | Not available   | Not applicable   | Included        |
| Deferred Sales   | \$25,000   | Not available   | Not applicable   | Included        |
| Expediting Expense   | \$25,000   | Not available   | Not applicable   | Included        |
| Cost to Prepare Proof of Loss  | \$5,000  | Not available   | Not applicable   | Included        |
| Home Office Extension  | \$10,000   | \$  | @ \$1.20 (per \$100)   |                 |
| Commercial General Liability including, but not limited to:  | \$2,000,000  | \$  | \$75 per additional \$1,000,000 to maximum of \$5,000,000          |                 |
| Non Owned Auto   | \$2,000,000  | \$  |  |                 |
| Tenants Legal Liability, All Risks   | \$1,000,000  |   | \$25 flat to increase to \$2,000,000                               |                 |
| Medical Payments - per person  | \$5,000  |   |  |                 |
| Medical Payments, per occurrence   | \$25,000   |   |  |                 |
| Blanket Glass  | Included   | Not available   | Not applicable   | Included        |
| Sewer Backup   | Included   | Not available   | Not applicable   | Included        |
| Building 90% Co-Insurance applies  | Not included   | \$  | Contact Broker   | Broker to Quote |
| <b>Basic Annual Premium</b>  |  |   |  | <b>\$710</b>    |
| <b>Premium for Additional limits</b>   |  |   |  |                 |
| <b>TOTAL ANNUAL PREMIUM</b>  |  |   |  |                 |

**\*\* Co-insurance provision can be amended to Stated Amount, upon receipt of Statement of Values Form. This must be provided with completed application, please see Appendices A & B**

## Section E: Premium Summary

Please complete the following:

|  |    |
|--|----|
| Premium for Professional Liability                             | \$ |
| Premium for Income Tax Penalties Extension                     | \$ |
| Premium for Office Package                                     | \$ |
| Late Administration Fee \$50 (applicable after Jan. 21, 2011)* | \$ |
| SUBTOTAL   | \$ |
| PST (Ontario Residents add 8%)                                 | \$ |
| TOTAL  | \$ |

\* All applications received after Jan. 21, 2011 will be subject to a \$50 late administration fee.

\* All applications received BEFORE Dec. 6, 2010 are entered into a draw for one of two \$400 gift certificates.

All application questions should be directed to Kristin Mavroudi, 1-800-663-6828; ext. 7703 or KRISTINM@LMS.CA

\_\_\_\_\_  
*Print Name, Principal or Owner*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Signature of Partner, Principal or Owner*

### Payment Options

- Full payment. Please make your cheque payable to 'LMS PROLINK Ltd' for January 1, 2011.
- Three payment plan (**not available for credit card payments**): premium may be divided into three (3) equal installments. All three (3) cheques must be sent simultaneously and dated January 1<sup>st</sup>, February 11<sup>th</sup> and March 25<sup>th</sup>, 2011 (***please ensure cheque is dated March 25<sup>th</sup>, 2011 NOT March 31<sup>st</sup>, 2011***). Please make your cheques payable to LMS PROLINK Ltd. A \$20 fee will be assessed on all cheques returned due to non-sufficient funds ("NSF").

**NOTE: THE THREE PAYMENT PLAN CANNOT BE OFFERED ON APPLICATIONS RECEIVED AFTER JANUARY 1, 2011.**

- Credit Card. If paying by Credit Card, payment must be made IN FULL. Please complete the attached credit card payment form (Appendix C).

Please sign and date this completed application and send it to our office at the address below along with your payment.

Mailing Address:     **LMS PROLINK Ltd**  
                              **Attention: Kristin Mavroudi**  
                              **480 University Avenue, Suite 800**  
                              **TORONTO, ON M5G 1V2**

## **Appendix A: Co-Insurance vs. Stated Amount**

### **Co-Insurance (90%)**

Under the terms of this clause, property must be insured for an amount equal to or exceeding 90% of its insurable value. Failure to do so will result in a penalty for under reporting/declaring/insuring if there is a partial loss. The penalty is based on what you should have insured for (in this case 90% or higher of the insurable value) and the amount underreported (the amount you actually insured for). As an example:

*Office contents are actually valued at \$40,000 and have a 90% coinsurance clause. This means they should be insured for a minimum of \$36,000. They are insured for only \$30,000. Since the insured value is less than 90% of the actual value, when there is a partial loss, the recovery will be subject to the underreporting penalty.*

*There is a loss of \$15,000*

*Formula: \$30,000 (amount insured for) / \$36,000 (amount should be insured for) x \$15,000 (loss) = \$12,500 (recovery)*

*In this example the underreporting penalty would be \$2,500*

Note the penalty is only applicable in a partial loss. If there was a total loss of \$40,000, the insured would claim \$30,000 as this is the TOTAL they are insured for.

### **Stated Amount**

By completing a Statement of Values form, in the event of a partial loss, the co-insurance penalty is waived. The claim would be settled based on the amount of the claim up to the maximum Stated Amount on the policy/certificate.

Using the above example:

*Contents are actually valued at \$40,000 but insured for only \$30,000 as declared on the Statement of Values form. Since this is the stated amount declared, this is the total limit of insurance provided. The co-insurance clause is waived.*

*There is a loss of \$15,000*

*Because the contents are insured up to \$30,000, and are not subject to the underreporting penalty, recovery is \$15,000*

Note in the event of a total loss of \$40,000, the insured would only recover \$30,000 as this was the total declared on the Statement of Values form.

**If you have any questions please contact Kristin Mavroudi in office to discuss further.**

**1-800-663-6828; ext. 7703**

**Appendix B: Statement of Values – ONLY APPLICABLE IF PURCHASING THE COMPREHENSIVE OFFICE PACKAGE**

Date of Policy or Renewal: \_\_\_\_\_

**Note 1: The policy wording will be drawn to cover only property for which values are given in the respective columns.**

**Note 2: Separate values are required on each separately rated building (and on its contents if included in the insurance)**

|              | CONTENTS |                        | BUILDING |                        |
|--------------|----------|------------------------|----------|------------------------|
|              | Item     | Replacement Cost Today | Location | Replacement Cost Today |
| 1            |          |                        |          |                        |
| 2            |          |                        |          |                        |
| 3            |          |                        |          |                        |
| 4            |          |                        |          |                        |
| 5            |          |                        |          |                        |
| 6            |          |                        |          |                        |
| 7            |          |                        |          |                        |
| 8            |          |                        |          |                        |
| 9            |          |                        |          |                        |
| 10           |          |                        |          |                        |
| 11           |          |                        |          |                        |
| 12           |          |                        |          |                        |
| 13           |          |                        |          |                        |
| 14           |          |                        |          |                        |
| 15           |          |                        |          |                        |
| 16           |          |                        |          |                        |
| 17           |          |                        |          |                        |
| 18           |          |                        |          |                        |
| 19           |          |                        |          |                        |
| 20           |          |                        |          |                        |
| <b>TOTAL</b> |          |                        |          |                        |

Company: \_\_\_\_\_

Date: \_\_\_\_\_

Submitted By: \_\_\_\_\_

Signature: \_\_\_\_\_

## Appendix C: Credit Card Payment Authorization Form

Date of Transaction \_\_\_\_\_

Customer Code / Customer Number \_\_\_\_\_  
(TO BE COMPLETED BY LMS PROLINK)

Name of Person Authorizing Payment \_\_\_\_\_

Name on Card \_\_\_\_\_

Type of Card  VISA  MASTERCARD

Credit Card Number \_\_\_\_\_

Credit Card Expiry Date \_\_\_\_\_

Total Amount to be charged \_\_\_\_\_

Request from CSR/TSR  
(TO BE COMPLETED BY LMS PROLINK) \_\_\_\_\_