



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 Saskatchewan

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 B: Claims

B.1. Have you reported more than 3 claims in the past 5 years? Yes No

B.2. Has any partner or principal for the entity stated or listed on this application ever been subject to a dismissal, suspension, or disciplinary sanction by the society? Yes No

Section C: Professional Liability Insurance

Premiums for Certificate Holders:

Limit of Liability (Per Loss/Aggregate per Certificate)	\$0-\$30,000 in annual receipts	\$30,001-\$80,000 in annual receipts	\$80,001-\$160,000 in annual receipts	\$160,001 - \$250,000 in annual receipts	\$250,001 - \$400,000 in annual receipts	\$400,001 - \$600,000 in annual receipts	>\$600,000 in annual receipts
\$1,000,000 / \$1,000,000	\$1,221	\$1,538	\$1,726	\$2,023	\$2,288	\$2,413	\$2,508
\$1,000,000 / \$2,000,000	\$1,343	\$1,692	\$1,899	\$2,123	\$2,404	\$2,535	\$2,634
\$2,000,000 / \$4,000,000	\$1,815	\$2,372	\$2,662	\$2,977	\$3,369	\$3,554	\$3,693

Higher limits are available upon request. Please contact Kristin Mavroudi, 1-800-663-6828, ext. 7703

C.1. Provide the following information for each partner or principal for the entity stated, including yourself. CAs and CGAs who are partners or principals with the applicant firm **must** either purchase E&O insurance under this program or provide proof of E&O insurance purchased through another insurer.

Name	Accounting Designation (CMA, CA, or CGA)	Professional Membership #	Other Professional Designations	Premium (as per above chart)
SUBTOTAL PREMIUM				
Applicable Discounts: 1 paying CMA/CA/CGA = no discount 2 or 3 paying CMAs/CAs/CGAs = 10% > 3 paying CMAs/CAs/CGAs = 20%				()
TOTAL PREMIUM				

C.2. Income Tax Penalties Extension of Coverage

Do you perform any tax preparation work? Yes No

If 'yes', you must purchase this coverage. If you have performed tax preparation work in the past but are no longer doing so you must purchase this coverage in order to have coverage for your prior services rendered (even if you have purchased this coverage in the past).

Annual Premium	#of Accounting Professionals listed above who are performing Tax Services	Calculate Premium, if applicable (\$100 x # professionals listed in C1)
\$100		

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 Limits for Program	Totals
Office Contents <ul style="list-style-type: none"> 90% co-insurance applies including Leasehold Improvements and Laptops Also includes EDP/Computer Equipment up to a limit of \$10,000 	\$25,000	\$350
Business Personal Property <ul style="list-style-type: none"> Equipment Temporarily away from Premises Off Insured's Premises \$2,000 Newly Acquired Property, subject to 120 day reporting \$2,500 	\$2,500	Included
Personal Effects of Employees, 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, 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"> Non Owned Auto \$1,000,000 Tenants Legal Liability, All Risks \$1,000,000 Medical Payments - per person \$5,000 Medical Payments, per occurrence \$25,000 	\$1,000,000	Included (CGL and Non-owned auto can be increased to \$2,000,000 for additional \$100 flat rate)
Basic Annual Premium		\$350
\$100 Additional CGL Premium (if applicable) to increase to \$2,000,000		
TOTAL ANNUAL PREMIUM		

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.

	Basic Premium Limits for this Comprehensive Package	Additional Limits Required (above basic limit)	Rates per \$1,000 for Additional Coverage Above Basic Limit	Totals
Base Premium				\$710
Office Contents • **90% co-insurance applies • 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	
Equipment Breakdown Coverage – must be increased to match the combined contents and computer limits if they are in excess of \$50,000	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
Basic Annual Premium				\$710
Premium for Additional limits				
TOTAL ANNUAL PREMIUM				

**** 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)*	\$
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 1st, February 11th and March 25th, 2011 (**please ensure cheque is dated March 25th, 2011 NOT March 31st, 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				
TOTAL				

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) _____