

## NOTE 1

### ***A broad definition of what and who is covered.***

Section 8. DEFINITIONS of the Policy states:

- 8.15 **Professional Services** means services performed or advice given by **you** to others provided that the remuneration for such services or advice, or a portion thereof, inures to **your** benefit (unless, with **your** consent and knowledge, such services or advice are provided Pro Bono). **Professional Services** shall include **your** activities performed on behalf of any professional institute or society or duly constituted standards board, and activities performed in the process of peer review.

This definition is arguably one of the most expansive available for an accountant or a CPA firm. It contains no limitation to fees, no limitations as to the type of activities anticipated and no limitation relating to the person covered. Subject to the various other definitions and the exclusions of the policy, it seeks to cover a broad variety of professional services and persons that work on behalf of the policyholder.

Additionally, the definition of persons or entities (Insured) is as follows:

- 8.11 **Insured** means:
- 8.11.1 a **Named Insured**;
  - 8.11.2 any person who is, was, or hereafter becomes **your** partner, principal, officer, director, member, or employee, but only while acting on **your** behalf;
  - 8.11.3 any of **your** present or former temporary or leased personnel, or a present or former subcontractor engaged by **you**, but only while acting on **your** behalf;
  - 8.11.4 the heirs, executors, administrators, and legal representatives of any **Insured**, in the event of the death, incapacity or bankruptcy of any **Insured**, but only for **Covered Acts** committed prior to such death, incapacity or bankruptcy, and only to the extent **you** would have otherwise been provided coverage under this Policy;
  - 8.11.5 any **Subsidiary** or **Predecessor in Business**
  - 8.11.6 any **Affiliated Firm**;
  - 8.11.7 the lawful spouse of any of **you** solely by reason of:
    - a spousal status; or
    - b. a spouse's ownership interest in property or assets that are sought as recovery. This definition shall not apply to the extent a **Claim** alleges any wrongful act by such spouse.

This clause affords protection to an extensive of persons and businesses that perform professional services on behalf of the policy.

**This information is intended to provide a general overview of the coverage described. Only the insurance policy and any coverage quotation offered can give actual terms, coverage, conditions and exclusions.**