

State Farm



**State Farm
Specialty Products**

Julie La
JULIE HUE TRI LA STATE FARM AGENCY
1005 Macarthur Blvd
San Leandro, CA 94577-3005

StateFarm



**State Farm
Specialty Products**

April 7, 2021

Julie La
JULIE HUE TRI LA STATE FARM AGENCY
1005 Macarthur Blvd
San Leandro, CA 94577-3005

RE: ACCOUNTING RESULTS INC.
Coverage: Accountants Professional Liability Insurance
Client No.: 299140
Submission No.: 462514

Dear Julie:

Thank you for your order for coverage on the captioned account. Enclosed is the original policy to be forwarded to the insured. Please review the policy carefully and let us know if you have any questions or comments.

Again, thank you for the order on this account and we look forward to further assisting you in serving your client.

Sincerely,

Krista Moncek
Sr. Underwriter

StateFarm



**State Farm
Specialty Products**

Dear Policyholder:

Thank you for purchasing the attached policy from State Farm.

Please review the policy and the attached application to ensure that they are accurate and complete. The application must be signed and dated by a principal, partner, officer or director of the firm.

If there are any errors or omissions in either the policy or the application, please contact your State Farm agent immediately.

State Farm Specialty Products



**ACCOUNTANTS
PROFESSIONAL
LIABILITY INSURANCE POLICY**

YOUR POLICY INCLUDES THIS FRONT PAGE AND THE FOLLOWING PARTS:

- PART 1. Declarations Page
- PART 2. Notices
- PART 3. Quick Reference to Policy Provisions
- PART 4. Introduction
- PART 5. Insuring Agreements and Exclusions
- PART 6. Definitions Used in This Policy
- PART 7. General Conditions
- PART 8. Endorsements
- PART 9. A Copy of **Your Signed Application or Renewal Application**

ALL OF THESE PARTS MUST BE INCLUDED TO MAKE A COMPLETE POLICY.



State Farm Fire and Casualty Company
A Stock Company with Home Offices in Bloomington, Illinois
Herein called the Insurer

ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE POLICY

Policy No: PS0000006548201
Renewal of Policy No: PS0000006548200

PART 1. DECLARATIONS PAGE

THIS POLICY IS WRITTEN ON A "CLAIMS MADE" BASIS. THIS POLICY APPLIES ONLY TO **CLAIMS** FIRST MADE AGAINST **YOU** DURING THE **POLICY PERIOD**. **CLAIMS** MUST BE REPORTED IN WRITING TO **US** DURING THE **POLICY PERIOD** OR WITHIN 60 DAYS AFTER THE END OF THE **POLICY PERIOD**. **DEFENSE COSTS** ARE INCLUDED IN THE LIMIT OF LIABILITY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

THIS DECLARATIONS PAGE, ALONG WITH **YOUR SIGNED APPLICATION OR RENEWAL APPLICATION** AND ALL FORMS AND ENDORSEMENTS LISTED IN ITEM 8. BELOW COMPLETE THE POLICY.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, **WE AGREE WITH YOU** TO PROVIDE INSURANCE UNDER THE PROVISIONS OF THIS POLICY.

Item 1. **Named Insured:** ACCOUNTING RESULTS INC.

Address: 1393 West St.
Hayward, CA 94545

Item 2. **Policy Period:**

Effective Date: June 1, 2021 Expiration Date: June 1, 2022
(12:01 A.M. Standard Time at the Address stated in Item 1.)

Item 3. **Retroactive Date:** August 17, 2010 IF NO DATE IS STATED HERE, COVERAGE DOES NOT APPLY TO **WRONGFUL ACTS** COMMITTED PRIOR TO THE EFFECTIVE DATE STATED IN ITEM 2. ABOVE.

Item 4. **Schedule of Insured Services:**

Services **You** perform for a client in **Your** capacity as: an accountant, including but not limited to those services of consulting or personal financial planning; a fiduciary for a **Personal Trust**; a member of a formal accreditation, ethics, peer review, licensing board, standards review or similar professional board or committee related to the accounting profession; and an arbitrator, mediator or notary public; provided that all or any portion of the fee accruing from all such services inures to the benefit of the **Named Insured** (unless such service is performed on a pro bono basis with the knowledge and consent of the **Named Insured**).

PART 1. DECLARATIONS PAGE (Continued)

Named Insured: ACCOUNTING RESULTS INC.

Policy No: PS0000006548201

Item 5. Limit of Liability: a. \$500,000 Each **Claim**
b. \$500,000 Total Limit of Liability

Item 6. Deductible: \$5,000 Each **Claim**

Item 7. Premium: \$1,472.00


Item 8. Form(s) and Endorsement(s) made part of this Policy at the time of issuance:

PSAC8000(09/02)	Accountants Professional Liability Insurance Policy
PSAC8019(09/02)	Publicly Owned Client Audit/Public Offerings/Securities Promotion Exclusion Endorsement
PSAC8026CA(09/02)	California Amendatory Endorsement

Item 9. Notices to the Insurer - All notices to the Insurer pertaining to this Policy must be sent to:

State Farm Specialty Products
222 South Riverside Plaza, Suite 2400
Chicago, IL 60606

Date of Issue: April 7, 2021

By: 
Authorized Representative

PART 2. NOTICES

A. Claims Made Policy

This insurance coverage is written on a "claims made" basis. Coverage applies only to those **Claims** that are first made against any of **You** during the **Policy Period**. To be covered, a **Claim** must be reported in writing to **Us** during the **Policy Period** or within 60 days after the end of the **Policy Period** shown on the Declarations Page unless an Extended Reporting Period applies. Coverage does not apply to any **Wrongful Acts** committed before the **Retroactive Date** stated on the Declarations Page.

B. Defense Costs

This insurance coverage contains a provision that reduces the Limit of Liability stated in the Policy by the amount of **Defense Costs**.

C. Awareness

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine **Your** rights and duties, and what is and is not covered. **We** will not pay sums or perform acts or services unless explicitly provided for in this Policy.

PART 3. QUICK REFERENCE TO POLICY PROVISIONS

The following is a quick reference indexing of **Your** Policy's provisions. The descriptions in the quick reference are not binding. The quick reference should only be used to help **You** locate the actual Policy provisions.

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PART 4. INTRODUCTION

The words **We**, **Us** and **Our** refer to the Insurer named on the Declarations Page.

Other words or phrases that are **bold-faced** have special meaning. Refer to Part 6.

PART 5. INSURING AGREEMENTS AND EXCLUSIONS

A. What We Insure

We will pay on **Your** behalf those sums in excess of the Deductible and up to the applicable Limit of Liability stated in Item 5. of the Declarations Page that **You** become legally obligated to pay as **Damages** or **Defense Costs** because of **Claims** arising out of a **Wrongful Act** in performing **Insured Services** for others. **We** will have the right and duty to appoint an attorney and defend any **Claim** to which this insurance applies, even if the allegations are groundless, false or fraudulent. But:

1. **We** will not settle any **Claim** without the First **Named Insured's** informed consent. If **We** recommend a settlement to the First **Named Insured**, that is acceptable to the claimant, and the First **Named Insured** elects to contest the **Claim** or continue any legal proceedings in connection with the **Claim**, **Our** duty to defend ceases and liability is limited to the total amount for which the **Claim** could have been settled plus the amount of **Defense Costs** incurred up to the time **We** made the recommendation for settlement.
2. **Our** right and duty to defend and pay on **Your** behalf ends when **We** have used up the applicable Limit of Liability in payment of **Damages** or **Defense Costs**.

B. Supplementary Payments

1. Assistance For Subpoenas For Documents or Testimony

If, during the **Policy Period**, **You** receive a subpoena for documents or testimony not related to a **Claim** then, at **Your** request, **We** will retain legal counsel to advise **You** regarding the production of documents or to represent **You** in providing sworn testimony. **We** will pay for all costs and expense **We** incur in providing legal advise in connection with the production of documents. **We** will also pay for all costs and expense to prepare **You** for, and to represent **You** at, a deposition at which **Your** testimony will be taken. Any notice **You** give **Us** under this provision will be considered notice under Part 7.C.

These payments are in addition to the Limit of Liability and will not be considered as payment of **Damages** or **Defense Costs**. The Deductible does not apply to these payments.

2. Defendants Reimbursement

We will pay **You** for **Your** time, as a result of being required by **Us** to attend a mediation, arbitration, deposition, court hearing or trial for a **Claim** for which **We** are defending **You**, subject to the following:

- a. This payment is in addition to the Limit of Liability and will not be considered as payment of **Damages** or **Defense Costs**. The Deductible does not apply to this payment.
- b. Limits of Defendants Reimbursement Payments:
\$50 per hour;
\$5,000 per **Claim**; and
\$10,000 for the **Policy Period**.

3. **Regulatory Inquiries**

We will pay for attorney fees and costs, and court costs resulting from the investigation or defense of a proceeding before a state licensing board, peer review committee or regulatory body incurred as the result of a notice of a proceeding first received by **You** during the **Policy Period**. **Our** duty to pay these fees and costs is subject to the following:

- a. The proceeding must arise out of a **Wrongful Act** in the rendering of or failure to render **Insured Services** by **You**;
- b. **You** must provide notice of the proceeding to **Us** in accordance with Part 5.D.2.c.;
- c. The payments are in addition to the Limit of Liability. The payments will not be considered as payment of **Damages** or **Defense Costs**. The Deductible does not apply to the payments; and
- d. **Our** duty to make the payments is limited to a maximum of \$5,000 for the **Policy Period**, regardless of the number of:
 - (1) Regulatory investigations brought against **You**; or
 - (2) **You** who are subject to such investigations.

C. What We Do Not Insure – Exclusions

1. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** for, alleging, or arising out of:
 - a. **Bodily Injury** or **Property Damage**. This exclusion does not apply to **Property Damage** to client records that are in **Your** care, custody or control;
 - b. Infringement of:
 - (1) Copyright; or
 - (2) Trademark, trade dress, trade name, service mark, service name, title or slogan.

This exclusion does not apply to infringement arising from **Your** advertising or publication activities in the course of rendering **Insured Services**;

- c. Infringement of patent;
- d. Unfair competition, restraint of trade or any other violation of antitrust laws. This exclusion does not apply to allegations arising solely from **Your** performance of **Insured Services** as a member of a formal accreditation, standards review or similar professional board or committee, related only to accountancy and such services are within the scope of that committee's or board's established guidelines;

- e. Harassment, misconduct or discrimination because of or relating to:
 - (1) Race, creed, color or age;
 - (2) Sex, gender, sexual preference, marital status, military service, national origin or religion; or
 - (3) Handicap, disability or health condition;Or any other similar conduct prohibited by federal, state or local laws;
- f. Gain, profit or advantage to which any of **You** are, in fact, not legally entitled, including misappropriation, commingling or defalcation of funds or other property;
- g. Assumption of liability by any of **You** under any contract or agreement. This exclusion does not apply to liability **You** would have incurred in the absence of such contract or agreement;
- h. The actual or threatened discharge, dispersal or release of any **Pollutant**; or the creation of an injurious condition involving any **Pollutant**; or the existence of any **Pollutant** on any property; or the cleanup, removal, testing, monitoring, containment, treatment, detoxification or neutralization of any **Pollutant**. This exclusion is effective whether or not the pollution was sudden, accidental, gradual, intended, expected or preventable or whether or not any of **You** caused or contributed to the pollution;

"**Pollutant**" means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to:
 - (1) Smoke, vapor, soot, fumes, acids, alkalis, chemicals, lead, mold, fungi, bacteria or asbestos;
 - (2) Hazardous, toxic or radioactive matter or nuclear radiation;
 - (3) Waste, which includes material to be recycled, reconditioned or reclaimed; or
 - (4) Any other pollutant as defined by applicable federal, state or local statutes, regulations, rulings or ordinances;
- i. Performance or non performance of any specific security, real estate investment or other investment upon which **You** have based a recommendation, representation or opinion to buy or sell such security or investment or **You**, acting on behalf of another, have bought, sold or otherwise disposed of such security or investment;
- j. **Insured Services** performed for any entity in which, at the time of the act, error, omission or personal injury, **You** or **Your** spouse:
 - (1) Were a director, officer, partner or manager; or
 - (2) Controlled or owned an interest greater than 10% of the total equity individually, collectively, or in a **Personal Trust**; or

- k. Any dishonest, fraudulent, intentionally wrongful, criminal or malicious act or omission committed by **You** or at **Your** direction. **We** agree that the insurance coverage that would otherwise be provided under this Policy will continue to apply to any of **You** who did not personally commit, participate in, have knowledge of, or conceal the dishonest, fraudulent, intentionally wrongful, criminal or malicious acts or omissions. Criminal proceedings are not covered under this Policy regardless of the allegations made against **You**.
2. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** made by:
- a. Any entity that wholly or partly owns, operates, manages or controls **You**; or
 - b. Any of **You** against any of **You**, unless such **Claim** arises solely out of **Insured Services** performed in an accountant/client capacity.
3. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** based on or arising out of **Your** capacity as:
- a. A guardian or conservator of an individual or a conservator, receiver, or bankruptcy trustee of an entity;
 - b. A trustee for an investment fund established for the benefit of any entity or group of unrelated individuals. This exclusion does not apply to an accountant while acting as a trustee for a **Personal Trust**;
 - c. An executor, administrator or personal representative of an estate or as a trustee if **You** are or **Your** spouse is a beneficiary or distributee of the estate or trust;
 - d. A plan administrator of an employee benefit plan, or the trustee of any trust established to fund such plan, or any other fiduciary of such plans, regardless of whether the **Claim** is brought against **You** under the Employee Retirement Income Security Act of 1974, its amendments or any other similar state or local law. This exclusion does not apply if **You** are deemed to be a fiduciary solely by virtue of the **Insured Services** you rendered to the plan; or
 - e. A broker or dealer in securities as those terms are defined by the Securities Exchange Act of 1934, Sections 3(a)(4) and (5).

D. Where and When We Insure

1. Where We Insure

The territory of this insurance is worldwide. If **Damages** or **Defense Costs** are paid in a currency other than United States of America dollars, then the payment under this Policy will be considered to have been made in United States of America dollars at the conversion rate which was used for the payment.

2. **When We Insure**

a. **Claims First Made and Reported**

This insurance applies when a **Claim** is first made against any of **You** during the **Policy Period**. To be covered:

- (1) The **Claim** must arise from a **Wrongful Act** committed during the **Policy Period**; and
- (2) The **Claim** must be reported in writing to **Us** during the **Policy Period** or within 60 days after the end of the **Policy Period**.

We will consider a **Claim** to be first made against **You** when a **Claim** is first received by any of **You**.

This insurance also applies to **Claims** under the following conditions:

b. **Prior Wrongful Acts**

We will cover a **Claim** first made against any of **You** arising from a **Wrongful Act** committed on or after the **Retroactive Date** and before the Effective Date of this Policy, but only if all of the following conditions are met:

- (1) The **Claim** is first made against any of **You** during the **Policy Period**;
- (2) The **Claim** must be reported in writing to **Us** during the **Policy Period** or within 60 days after the end of the **Policy Period**;
- (3) None of **You** knew, or reasonably should have known, prior to the Effective Date of the first of one or more accountants professional liability policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of an incident, situation or event that could reasonably be expected to lead to the **Claim**; and
- (4) There is no other valid and collectible professional liability insurance for the **Claim**.

We will consider a **Claim** to be first made against **You** when a **Claim** is first received by any of **You**.

c. **Reported Circumstances**

We will cover a **Claim** first made against any of **You** during or after the end of the **Policy Period** arising out of a **Circumstance** reported by **You** to **Us** during the **Policy Period**, but only if all of the following conditions are met:

- (1) The **Circumstance** results in a **Claim** arising out of a **Wrongful Act** committed on or after the **Retroactive Date** and before the end of the **Policy Period**;

- (2) **We** receive written notice from **You** during the **Policy Period** of the **Circumstance**. The notice must include all of the following information:
 - (a) The names of any individuals and any entities involved;
 - (b) A description of the **Insured Services You** provided and when they were provided;
 - (c) A description of what happened and the possible injury or potential **Damages**; and
 - (d) How and when **You** first became aware of the **Circumstance**;
- (3) None of **You** knew, or reasonably should have known, prior to the Effective Date of the first of one or more accountants professional liability policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of such incident, situation or event or **Wrongful Act** that could reasonably be expected to lead to the **Claim**; and
- (4) There is no other valid and collectible professional liability insurance for the **Claim**.

A **Claim** first made after the end of the **Policy Period** and arising from a reported **Circumstance** will be covered under the provisions of the Policy in effect on the date **We** receive the written notice of the **Circumstance** from **You**.

d. Extended Reporting Period Provisions

This section describes the provisions and conditions that apply to **Claims** first made after the end of the **Policy Period** when **You** have not reported a **Circumstance** during the **Policy Period** in accordance with Part 5.D.2.c. above. Such **Claims** are not automatically covered. To cover them, the First **Named Insured** must elect and pay the applicable premium, if any, for one of the Extended Reporting Period Options from **Us**.

If the First **Named Insured** elects and pays the appropriate premium for an Extended Reporting Period, **We** will cover a **Claim** first made against any of **You** during that Extended Reporting Period Option, but only if all of the following conditions are met:

- (1) The **Wrongful Act** is committed on or after the **Retroactive Date** and before the end of the **Policy Period**;
- (2) The **Claim** is reported to **Us** in writing during the Extended Reporting Period;

- (3) None of **You** knew, or reasonably should have known, prior to the Effective Date of the first of one or more accountants professional liability policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of an incident, situation or event that could reasonably be expected to lead to the **Claim**;
- (4) There is no other valid and collectible professional liability insurance for the **Claim**;
- (5) **We** will consider a **Claim** to be made during the Extended Reporting Period only if a written **Claim** is first received by any of **You** after the Expiration Date of the **Policy Period** and prior to the Expiration Date, if any, stated in the Extended Reporting Period Endorsement;
- (6) The endorsement shall also include the provisions and conditions applicable to the Extended Reporting Period;
- (7) A **Claim** that is first made during the Extended Reporting Period will be deemed made on the last day of the **Policy Period**. The provisions of the Policy in effect on the last day of the **Policy Period** will apply;
- (8) The Extended Reporting Period does not reinstate or increase the Limit of Liability;
- (9) The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided; and
- (10) Any Extended Reporting Period may not be cancelled. The premium for any Extended Reporting Period is fully earned on the Effective Date and **We** are not liable to return any portion of the premium for any Extended Reporting Period.

e. Extended Reporting Period Options

(1) Cancellation or Nonrenewal Option

If **You** or **We** cancel or nonrenew the Policy, at the request of the First **Named Insured**, **We** will sell one of the Extended Reporting Period terms listed below, unless **We** cancel or nonrenew the Policy because:

- (a) Any of **You** failed to pay the Premium or Deductible; or
- (b) Any of **You** failed to comply with the Policy provisions.

Extended Reporting Period terms and the respective percentage of the Premium, as stated in Item 7. of the Declarations Page, **You** must pay to purchase the Extended Reporting Period are:

One Year	=	100%
Three Years	=	175%
Five Years	=	225%

Changes or proposed changes in premium or policy provisions shall not be construed as cancellation or nonrenewal of the Policy by **Us**.

We must receive the First **Named Insured's** request for this Extended Reporting Period option in writing within 60 days after the end of the **Policy Period**. On receipt and acceptance of the request, **We** will issue an endorsement showing the Extended Reporting Period. **We** will bill the additional premium. **We** must receive payment within 30 days after the billing date for the endorsement to be effective.

(2) Retiree Option

If the **Named Insured** is a sole proprietor and cancels or fails to renew this Policy due to retirement from active business, the **Named Insured** will have the right to purchase an Unlimited Extended Reporting Period following the effective date of such cancellation or nonrenewal in which to give written notice to **Us** of **Claim(s)** first made against the **Named Insured** during this Extended Reporting Period.

You must pay 300% of the full annual Policy premium within 60 days after the effective date of cancellation or nonrenewal. **We** must receive payment within 30 days after the billing date for the endorsement to be effective.

The additional premium for this Extended Reporting Period will be waived if the **Named Insured** has been continuously insured by **Us** for at least five consecutive years prior to such cancellation or nonrenewal and is at least 55 years of age at the time of retirement.

(3) Death or Total Permanent Disability Option

If the **Named Insured** is a sole proprietor and cancels or fails to renew this Policy because of death or total and permanent disability, the **Named Insured** shall have the right to an Unlimited Extended Reporting Period following the effective date of such cancellation or nonrenewal in which to give written notice to **Us** of **Claim(s)** first made against the **Named Insured** during this Extended Reporting Period.

There is no additional premium for this Extended Reporting Period. **We** must receive the First **Named Insured's** or their legal representative's request for the Extended Reporting Period in writing within 60 days after the end of the **Policy Period**. The request must include satisfactory written proof of the death or total and permanent disability.

E. Limit of Liability, Deductible and Reimbursement

1. **Limit of Liability**

a. **Each Claim**

The Each **Claim** Limit of Liability stated in Item 5.a. of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for any single **Claim** made during the **Policy Period** and any Extended Reporting Period.

b. **Single Claim**

All **Claims** arising from the same **Wrongful Act** or **Related Wrongful Acts** will be treated as a single **Claim**, no matter how many:

- (1) Of **You** this Policy covers;
- (2) **Claims** are made; or
- (3) Persons or entities make **Claims**.

The **Claim** shall be deemed to have been made on the earlier of the following times:

- (4) The date the first of those **Claims** is made against any of **You**; or
- (5) The first date **We** receive **Your** written notice of the **Circumstances**.

The provisions of the Policy in effect on that date will apply.

c. **Total Limit of Liability**

The Total Limit of Liability stated in Item 5.b. of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period, no matter how many:

- (1) Of **You** this Policy covers;
- (2) **Claims** are made;
- (3) Persons or entities make **Claims**; or
- (4) **Wrongful Acts** or **Related Wrongful Acts** are committed.

2. **Deductible**

a. A separate Deductible applies to each **Claim**. The Deductible applies to **Damages** and **Defense Costs** combined, and **Our** duty to pay **Damages** and **Defense Costs** applies only to the amount of **Damages** and **Defense Costs** in excess of the Deductible. The Limit of Liability will not be reduced by the application of the Deductible. The amount of **Your** Deductible is stated in Item 6. of the Declarations Page.

b. If **You** participate in an alternative dispute resolution procedure to settle a **Claim** for an amount acceptable to **You** and **Us** without the service of suit or if **You** elect to participate in an alternative dispute resolution procedure within 60 days of the service of suit against **You**, **We** will reduce **Your** Deductible applying to the **Claim** by 50% up to a maximum of \$25,000 per **Claim**. If the alternative dispute resolution procedure fails to resolve the **Claim** and the **Claim** proceeds to litigation, the Deductible stated in Item 6. of the Declarations Page will apply from inception as if no alternative dispute resolution procedure had been instituted.

- c. If **You** use an engagement letter in any engagement, other than audit or attest services, which was signed within twelve months prior to rendering the **Insured Services** resulting in a **Claim**, **We** will reduce **Your** Deductible applying to the **Claim** by 50% up to a maximum of \$5,000 per **Claim**.

3. **Reimbursement**

If, at **Our** option, **We** have paid any amounts for **Damages** or **Defense Costs** in excess of the applicable Limit of Liability or if **We** have paid part or all of any Deductible, the **Named Insured** shall be liable to reimburse such amounts to **Us** upon demand.

PART 6. DEFINITIONS USED IN THIS POLICY

A. "Application or Renewal Application" means all the following:

1. The **Named Insured's** signed Accountants Professional Liability Insurance Policy Application;
2. The **Named Insured's** signed Accountants Professional Liability Insurance Renewal Application, if this is a renewal of a policy issued by **Us**; and
3. All attachments to the **Application or Renewal Application** and any other information furnished to **Us** for the purpose of applying for the insurance. All such attachments and information will be kept on file by **Us** and deemed attached to and a part of the Policy as if physically attached to it.

B. "Bodily Injury" means disability, emotional distress, mental anguish, mental injury, pain or suffering, shock or fright, physical injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily Injury** does not mean disability, emotional distress, mental anguish, mental injury, pain or suffering, shock or fright solely resulting from **Personal Injury**.

C. "Circumstance" means an incident, situation or event that:

1. **You** first become aware of during this **Policy Period**;
2. **You** reasonably expect could result in a **Claim** against **You**; and
3. Involves **Damages** and arises out of **Your Insured Services**.

D. "Claim" means a demand for money or services made against any of **You** seeking **Damages**. A **Claim** also includes service of suit or the institution of an arbitration or other alternative dispute resolution proceeding against any of **You** seeking **Damages**.

E. "Damages" means money judgment, award or settlement for compensatory damages, except those for which insurance is prohibited by law. **Damages** does not include:

1. Punitive or exemplary damages;
2. The multiplied portion of multiple damages;
3. The return, withdrawal or reduction in professional fees; or
4. Fines, sanctions, forfeitures, taxes or penalties imposed by law except fines and penalties assessed against clients of **Yours** by the Internal Revenue Service or by any state or municipal tax authority.

F. "Defense Costs" means expenses incurred by **Us** or by **You** with **Our** consent in the investigation, adjustment, negotiation, arbitration, mediation and defense of **Claims**, whether paid by **Us** or **You** with **Our** consent. **Defense Costs** include:

1. Expenses **We** incur, other than salary or adjustment expenses of **Our** regular employees or officials or fees and expenses of independent adjusters;
2. Reasonable and necessary attorneys fees;
3. Costs taxed against **You** in any suit defended by **Us** and to which this insurance applies;
4. Pre-judgment interest and post judgment interest on the amount of any judgment, award or settlement that is covered under this Policy and that accrues before **We** have paid, offered to pay or deposited in court the part of the judgment, award or settlement that is within the applicable Limit of Liability;
5. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable Limit of Liability. **We** do not have to furnish these bonds; and
6. Reasonable expenses incurred by **You** at **Our** request other than:
 - a. Loss of earnings; and
 - b. Salaries or other compensation paid to any of **You**;except as provided in Part 5.B. Supplementary Payments.

G. "Insured Services" means those services stated in Item 4. of the Declarations Page.

H. "Named Insured" means the person or entity listed in Item 1. of the Declarations Page. The First **Named Insured** is the **Named Insured** first listed on the Declarations Page.

I. " Personal Injury" means:

1. Oral or written publication of material that slanders or libels a person or entity or disparages a person's or entity's goods, products or services;
2. Oral or written publication of material that violates a person's right to privacy;
3. False arrest, detention or imprisonment;
4. Wrongful entry into or eviction of a person from a room, dwelling or premises that the person occupies; or
5. Malicious prosecution.

Personal Injury also means disability, emotional distress, mental anguish, mental injury, pain or suffering, shock or fright resulting from 1. thru 5. above.

J. "Personal Trust" means an individual or family trust established for the sole benefit of the individual or family or a charitable remainder trust as defined under Internal Revenue Code Section 664.

- K. "Predecessor Firm"** means:
1. A partnership, professional corporation, professional association, limited liability corporation or limited liability partnership engaged in **Insured Services** which has undergone dissolution and from which 50% or more of:
 - a. The owners, members, partners or officers have joined the **Named Insured** as an owner, member, partner, officer, associate or employee; or
 - b. The prior firm's annual gross billings and such billings have been assigned or transferred to the **Named Insured**.
 2. A sole proprietor engaged in **Insured Services** that has joined the **Named Insured** as an owner, member, partner, officer, associate or employee.
- L. "Policy Period"** means the period of time stated in Item 2. of the Declarations Page, or any shorter period resulting from Policy cancellation.
- M. "Property Damage"** means:
1. Physical injury to tangible property, including all resulting loss of use of that property; or
 2. Loss of use of tangible property that is not physically injured.
- N. "Retroactive Date"** means the date, if any, stated in Item 3. of the Declarations Page.
- O. "Related Wrongful Acts"** means all **Wrongful Acts** that are logically, contractually or causally connected by common facts, circumstances, situations, transactions, events, advice or decisions.
- P. "Wrongful Act"** means the following conduct or alleged conduct by **You** or any person or entity for whom **You** are legally liable:
1. A negligent act, error or omission; or
 2. A **Personal Injury**.
- Q. "You" and "Your"** means, individually and collectively:
1. The **Named Insured** and any **Predecessor Firm**;
 2. The **Named Insured's** principals, partners, members, officers, directors, employees and leased personnel, but only for **Wrongful Acts** within the scope of their duties in such capacity for the **Named Insured**;
 3. The **Named Insured's** and any **Predecessor Firm's** former principals, partners, members, officers, directors, employees and leased personnel of the **Named Insured**, but only for **Wrongful Acts** both:
 - a. Within the scope of their duties in such capacity for the **Named Insured** or any **Predecessor Firm**; and
 - b. Made while they were the **Named Insured's** or any **Predecessor Firm's** principal, partner, member, officer, director, employee and leased personnel;

4. In the event of death, incapacity, insolvency or bankruptcy of any of the persons listed in 2. or 3. above, their legal representative but only for **Wrongful Acts** within the scope of their duties for the **Named Insured** or **Predecessor Firm**; and
5. Any accountant or accounting firm, including their partners, members, officers, directors, employees, not affiliated with the **Named Insured** but only while performing **Insured Services** within the scope of their contract with, and on behalf of the **Named Insured** or **Predecessor Firm**.

PART 7. GENERAL CONDITIONS – These conditions apply to the entire Policy.

A. Special Rights and Duties of the First Named Insured

The First **Named Insured** is responsible for the payment of all premiums and Deductibles. The First **Named Insured** has exclusive authority to act on behalf of all of **You** with respect to matters relating to this Policy, including:

1. Giving and receiving notice of cancellation and nonrenewal;
2. Receiving refunds;
3. Agreeing to any changes to this Policy; and
4. Purchasing an Extended Reporting Period.

B. What to Do if You Have a Claim or Suit

1. If there is a **Claim**, **You** must do the following:
 - a. Notify **Us** in writing as soon as practicable, but in no event later than 60 days after the end of the **Policy Period**; this notice must:
 - (1) Be sent to **Us** at the address specified in Item 9. of the Declarations Page; and
 - (2) Include all of the following information:
 - (a) The names of any individuals and any entities involved;
 - (b) A description of the **Insured Services You** provided and when they were provided;
 - (c) A description of what happened, when it happened and the possible injury or potential **Damages**; and
 - (d) How and when **You** first became aware of the **Claim**;
 - b. Immediately send **Us**, at the address specified in Item 9. of the Declarations Page, copies of all demands, notices, summonses or legal papers received in connection with the **Claim**;
 - c. Authorize **Us** to obtain records and other information;
 - d. Cooperate with and assist **Us** in the investigation, settlement and defense of the **Claim**; and

- e. Assist **Us**, upon **Our** request, in enforcing any rights of contribution or indemnity against another who may be liable to any of **You**.
2. None of **You** will, except at **Your** own cost, voluntarily make a payment, admit liability, assume any obligation, incur any expense or enter into any settlement without **Our** prior written consent.
3. **You** must obtain **Our** written consent prior to exercising any right **You** may have under an **Insured Services** contract to reject or demand arbitration or other alternative dispute resolution process.

C. What to Do if You Become Aware of a Circumstance

If **You** become aware of a **Circumstance** for which coverage is provided by this Policy, and give **Us** written notice during the **Policy Period**, then any **Claim** that may subsequently be made against **You** arising out of such **Circumstance** shall be deemed to have been made on the date **We** received written notice of the **Circumstance** from **You**. The written notice **You** give **Us** must include the information listed in Part 5.D.2.c.

You will refuse, except solely at **Your** own cost, to voluntarily make without **Our** approval any payment, admit liability or assume any obligation or incur any expense.

D. Legal Action Against Us

No person or entity has a right under this insurance:

1. To join **Us** as a party or otherwise bring **Us** into a suit asking for **Damages** from any of **You**; or
2. To sue **Us** on this insurance unless all of **You** have fully complied with all the Policy provisions.

A person or entity may sue **Us** to recover on “an agreed settlement” or on a final judgment against **You** obtained after an actual trial; but **We** will not be liable for **Damages** and **Defense Costs** that are not payable under the provisions of this insurance or that are in excess of the applicable Limit of Liability. “An agreed settlement” means a settlement and release of liability signed by **Us**, **You** and the claimant or the claimant's legal representative.

E. Bankruptcy

The bankruptcy or insolvency of **You** or **Your** estate will not relieve **Us** of **Our** duty under this Policy. However, this Policy will not apply to liability directly or indirectly due to such bankruptcy, insolvency, receivership or subsequent liquidation.

F. Other Insurance

If other valid and collectible insurance is available to any of **You** for any **Claim We** cover, this insurance is excess over such other insurance, except when the other insurance is purchased by the **Named Insured** specifically to apply in excess of this insurance and no other insurance exists.

G. Transfer of Rights of Recovery Against Others to Us

You and **We** may have rights to recover all or part of any payment **You** or **We** make under this insurance. If so, those rights are transferred to **Us**.

You must do nothing to impair such rights. At **Our** request, **You** will bring suit or transfer those rights to **Us** and help **Us** enforce them. Any recoveries shall be applied as follows:

1. First, to the cost and fees incurred by **You** or **Us** to obtain the recovery;
2. Second, to the First **Named Insured** up to the amount of **Your** payment for **Damages** and **Defense Costs** in excess of the applicable **Limit of Liability**;
3. Third, to **Us** up to the amount of **Our** payment for **Damages** and **Defense Costs**;
4. Then, to the **First Named Insured** as recovery of Deductible amounts paid as **Damages** and **Defense Costs**.

H. Changes in Policy Provisions; Changes in Your Operations

1. This Policy contains all the agreements between the **Named Insured** and **Us** concerning the insurance afforded by this Policy. This Policy's provisions can be amended or waived only by written endorsement issued by **Us** and made a part of this **Policy**.
2. This Policy applies only to the **Insured Services** and **Named Insured(s)** as defined in the Policy or by endorsement as of the Effective Date of the **Policy Period**. This Policy shall not apply to any other services or entities unless such services or entities are added by written endorsement issued by **Us** and made a part of this Policy. If an endorsement is added, **You** shall promptly pay any additional premium that may become due.

I. Transfer of Your Rights and Duties Under the Policy

Your rights and duties under this Policy may not be transferred without **Our** written consent. This includes any claim or cause of action against **Us**, whether in contract, tort or otherwise, that relates to or arises in connection with this Policy, including any claim or cause of action for bad faith.

J. Cancellation

1. The First **Named Insured** may cancel this Policy by mailing or delivering to **Us** or **Our** authorized representative advance written notice of cancellation.
2. **We** may cancel this Policy by mailing or delivering to the First **Named Insured** written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if **We** cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if **We** cancel for any other reason.

We will mail or deliver **Our** notice to the address stated in Item 1. of the Declarations Page.

Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date.

If this Policy is canceled, **We** will send the First **Named Insured** any premium refund due and the refund will be pro rata. The cancellation will be effective even if **We** have not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

K. Nonrenewal

We may elect to nonrenew this Policy by mailing or delivering to the First **Named Insured** written notice of nonrenewal at least 60 days before the Expiration Date. **We** will mail or deliver **Our** notice to the address stated in Item 1. of the Declarations Page.

L. Representations


By accepting this Policy, **You** agree:

1. The statements in the **Application or Renewal Application** for this insurance furnished to **Us** are accurate and complete;
2. Those statements furnished to **Us** are representations the **Named Insured** made to **Us** on behalf of all of **You**;
3. Those representations are a material inducement to **Us** to issue this Policy;
4. **We** have issued this Policy in reliance upon those representations; and
5. If this Policy is a renewal of a policy issued by **Us**, **Your** representations include the representations made in **Your** original signed Accountants Professional Liability Insurance Policy Application, but only as of the Effective Date of the original policy issued by State Farm Mutual Automobile Insurance Company or its affiliates. The representations **You** make on **Your** Accountants Professional Liability Insurance Renewal Policy Application(s) apply as of the Effective Date of **Your** renewal policy(ies).

IN WITNESS WHEREOF, the Insurer has caused this Policy to be executed and attested, but this Policy will not be valid unless countersigned by a duly authorized representative of the Insurer, to the extent required by applicable law.



Michael L. Tipsord, President



Lynne M. Yowell, Secretary

PART 8. ENDORSEMENTS

Required endorsements are attached to the back of this Policy.

PART 9. A COPY OF YOUR SIGNED APPLICATION OR RENEWAL APPLICATION

A copy of **Your** signed **Application or Renewal Application** is attached to the back of this Policy.

ENDORSEMENT

Issued to: ACCOUNTING RESULTS INC.
Policy Number: PS0000006548201
Endorsement number:
(applicable when the endorsement is not issued with the Policy or takes effect after the effective date of the Policy)

**PUBLICLY OWNED CLIENT AUDIT/ PUBLIC OFFERINGS/SECURITIES
PROMOTION EXCLUSION ENDORSEMENT**

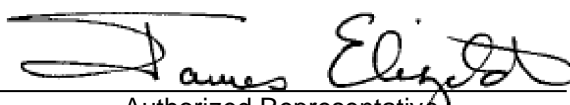
You and We agree that the following exclusions are added to Part 5.C.:

1. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** for, alleging or arising out of:
 - a. Certifications of financial statements or audits performed by or participated in by **You** or **Your** Firm, of any entity if, at the time of performance or participation, the entity:
 - (1) Had any class of securities, whether debt, equity or otherwise, that were publicly traded or listed on any stock exchange or quoted on any electronic trading or quotation system;
 - (2) Had filed a registration statement pursuant to the Securities Act of 1933 that becomes effective; or
 - (3) Was subject to periodic reporting requirements of the Securities and Exchange Commission.Exclusion 1.a. does not apply to the **Insured Services** that were performed and completed by **You** or **Your** Firm for any entity prior to the inception of (1), (2) or (3) above.
 - b. Public offerings or sales of any securities in which **You** or **Your** Firm performed any **Insured Services** in connection with such offerings or sales.
 - c. Performing or failure to perform **Insured Services** for any entity when **You** or **Your** Firm participated in the promotion, sale or solicitation for sale of securities, ownership interests or other investments for that entity. This exclusion does not apply to **Claims** arising solely out of **Your** preparation of pro forma statements for private offerings.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the Policy and takes effect on the effective date indicated below.

Effective date of this endorsement: June 1, 2021

If this endorsement is issued as part of the Policy on the Effective Date shown in the Declarations Page, then the countersignature on the Declarations Page also applies to this endorsement. If this endorsement is not issued with the Policy or takes effect after the Effective Date of the Policy, an Authorized Representative of the Insurer must countersign in the space below to validate the endorsement.

By: 
Authorized Representative

Issued to: ACCOUNTING RESULTS INC.
Policy Number: PS0000006548201
Endorsement number:
(applicable when the endorsement is not issued with the Policy or takes effect after the effective date of the Policy)

CALIFORNIA AMENDATORY ENDORSEMENT

You and We agree:

1. **PART 7. GENERAL CONDITIONS, J. Cancellation** is deleted and replaced by the following:

J. Cancellation

1. The First **Named Insured** may cancel this Policy by mailing or delivering to **Us** or **Our** authorized representative advance written notice of cancellation.
2. If this Policy has been in effect for less than 60 days and is not a renewal with **Us, We** may cancel this Policy by mailing or delivering to the First **Named Insured** written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if **We** cancel for failure to pay the premium when due or for fraud; or
 - b. 30 days before the effective date of cancellation if **We** cancel for any other reason.
3. If this Policy has been in effect for more than 60 days, or if it is a renewal with **Us**:
 - a. **We** may cancel this Policy by mailing or delivering to the First **Named Insured**, and the agent of record, written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if **We** cancel for failure to pay the premium when due; or
 - (2) 60 days before the effective date of cancellation if **We** cancel for any other reason; and
 - b. **We** may cancel only for the following reasons:
 - (1) Nonpayment of any premium when due;
 - (2) A judgment by a court or an administrative tribunal that the **Named Insured** has violated any law of this state or the United States having as one of its necessary elements an act that materially increases any of the risks insured against;

- (3) Discovery of fraud or material misrepresentation by **You** or **Your** representative in obtaining coverage, or by the **Named Insured** or its Representative in pursuing a **Claim** under the Policy;
- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by the **Named Insured** or its representative, which materially increase any of the risks insured against;
- (5) Failure by the **Named Insured** or its representative to implement reasonable loss control requirements which were agreed to by **You** as a condition of policy issuance or which were conditions precedent to use by **Us** of a particular rate or rating plan, if the failure materially increases the risks insured against;
- (6) A determination by the commissioner that the loss of, or changes in, reinsurance covering all or part of the risk would threaten **Our** financial integrity of or solvency;
- (7) Determination by the commissioner that a continuation of the Policy would place **Us** in violation of laws of this state or **Our** state of domicile or that the continuation of coverage would threaten **Our** solvency;
- (8) A change by the **Named Insured** or its representative in the activities or property of the commercial or industrial enterprise which results in a material added risk, a materially increased risk or materially changed risk, unless the added, increased, or changed risk is included in the Policy.

We will mail or deliver **Our** notice to the address stated in Item 1. of the Declarations Page.

Notice of cancellation will state the effective date of cancellation and it will include the reason(s) for cancellation. The **Policy Period** will end on that date.

If this Policy is canceled, **We** will send the First **Named Insured** any premium refund due and the refund will be pro rata. The cancellation will be effective even if **We** have not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

2. **PART 7. GENERAL CONDITIONS, K. Nonrenewal** is deleted and replaced by the following:

K. Nonrenewal

1. **We** may elect to nonrenew this Policy by mailing or delivering to the First **Named Insured**, and the agent of record, written notice of nonrenewal at least 60 days, but not more than 120 days, before the Expiration Date if **We** intend not to renew the Policy, or to condition renewal upon a reduction of the Limit of Liability, elimination of coverages, increase in Deductible, or increase of more than 25% in the rate upon which the premium is based. **We** will mail or deliver **Our** notice to the last known address of the First **Named Insured**. The notice shall include the reason for such non-renewal.

2. A notice of nonrenewal shall not be required in the event:
- a. Of the transfer of, or renewal of, the Policy without a change in its terms or conditions or the rate on which the premium is based between insurers that are members of the same insurance group;
 - b. The Policy has been extended for 90 days or less and the notice required in J. 1. above has been given prior to the extension;
 - c. The First **Named Insured** has obtained replacement coverage or has agreed, in writing, within 60 days of the termination of the Policy, to obtain that coverage;
 - d. The Policy is for a period of no more than 60 days and **You** are notified at the time of issuance that it may not be renewed;
 - e. The First **Named Insured** requested a change in the terms or conditions or risks covered by the Policy within 60 days before the Expiration Date; or
 - f. **We** have made an offer, at least 60 days before the Expiration Date, to renew the Policy under changed terms or conditions or at a changed premium rate. As used in this provision, "terms and conditions" includes, but is not limited to a reduction in the Limit of Liability, elimination of coverages, or an increase in Deductible.

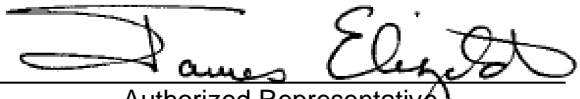
If **We** offer to renew this Policy at less favorable terms and conditions, including a reduction in limits, elimination of coverages, an increase in Deductible, or at an increase of more than 25% in the rate upon which the premium is based, such less favorable terms will take effect on the renewal date if **We** have given **You** notice of the change(s) in terms at least 60 days before the Expiration Date.

If **We** have not given **You** such advance notice, then the First **Named Insured** may cancel the renewal Policy within 60 days after the date notice was given by **Us** and **We** will forward the First **Named Insured** any premium refund due and such refund will be pro rata.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the Policy and takes effect on the effective date indicated below.

Effective date of this endorsement: June 1, 2021

If this endorsement is issued as part of the Policy on the Effective Date shown in the Declarations Page, then the countersignature on the Declarations Page also applies to this endorsement. If this endorsement is not issued with the Policy or takes effect after the Effective Date of the Policy, an Authorized Representative of the Insurer must countersign in the space below to validate the endorsement.

By: 
Authorized Representative