

Travelers 1st Choice+SM for Accounting Professionals Claim Examples

Personal Trustee Coverage

A long time client of an accountant asks for help with his personal estate plan. The accountant agrees, and under the estate plan, a trust has been set up to hold most of the client's assets for tax purposes. The client asks the accountant to serve as trustee of the personal trust. Under some accounting professional insurance policies, professional services as a trustee are not covered. However, under the new 1st Choice+ for Accounting Professionals policy form, services as a personal trustee for a personal, family or charitable trusts enjoy the same level of coverage as traditional accounting professional services.

Investment Advisor Coverage

Former clients of an accountant allege that he provided inappropriate investment and tax advice. They assert that the accountant used his tax representation relationship to convince them to invest in a limousine company which went bankrupt. Typically, most accountants' professional liability insurance would not extend coverage to claims involving investment losses. However, the new 1st Choice+ for Accounting Professionals policy form has a specific coverage extension to include investment advisor services, and would respond to this type of claim.

Pure Claims-Made Policy

A former client of an accountant alleges that a number of employees reported discrepancies in their social security and pension contributions. In response to these discrepancies, several employees filed complaints with their pension and annuity fund. The accountant receives the letter from the client complaining about these discrepancies but he doesn't think anything would come of it. When he later receives a letter from an attorney he realizes he needs to put his carrier on notice. In this case, although the accountant knew of this potential claim during the prior policy period, he did not report it until 90 days after the policy expired. Under most accounting professional liability insurance policies, the late notification to the carrier after the policy expired would cause a potential loss of coverage. However, under the new 1st Choice+ for Accounting Professionals policy form, a claim reported under the next Travelers renewal would still be entitled to coverage as long as the claim was reported "as soon as practicable."

Travelers 1st Choice⁺ SM for Accounting Professionals Risk Management Services

Travelers provides tailored risk management services for Accounting Professionals so you can have access to the most relevant risk management information available for your profession.

Risk Management PLUS+ Online[®]

Your one-stop resource providing you with a comprehensive set of risk management tools that will help protect your firm from unintended exposure and costly litigation. Delivered via a dynamic Web-based platform, you can be assured of the most up-to-date materials needed to address all your professional liability exposures.

Article Library

A library of articles written by Travelers claim handling experts and outside counsel is available to provide relevant risk management information pertaining to the accounting profession. News related articles and tips are also provided in response to recent market trends and developments in the industry.

Newsletter

A newsletter is distributed electronically to current insureds and Travelers agents in order to provide easy access to relevant risk management articles. Written in response to emerging market conditions and claim trends, these articles provide valuable insights as to how accounting professionals can reduce potential exposure.

Travelers Professional Liability Risk Management Hotline

Travelers provides one hour of free consultation with Litchfield Cavo LLP, a leading risk management resource in the professional industry. With access to this hotline, you can consult licensed attorneys regarding non-claim situations in order to get advice on current issues.



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