

TO: Our Colorado Agents

RE: Tax Preparers' Errors & Omissions Insurance

New Increased Limits and Expanded Coverage Options!

We are pleased to offer Tax Preparers' Errors & Omissions Insurance with new, increased limits and expanded coverage options. More and more tax preparers are finding they need protection against legal action. Tax season creates tremendous pressure to meet deadlines. Our updated Tax Preparers' Errors & Omissions provides valuable protection when the pressure is on. We're pleased to offer the following options:

Policy Limits

\$10,000 Single/\$20,000 Aggregate
\$25,000 Single/\$50,000 Aggregate
\$50,000 Single/\$100,000 Aggregate – NEW!
\$100,000 Single/\$200,000 Aggregate – NEW!

Additional Coverage Options

Bookkeeping Service – NEW!
Retroactive Coverage (One year included automatically) – NEW!
Extended Reporting Coverage

Policy Discounts

Enrolled Agents – NEW!
Tax Preparer Association Membership – NEW!

The tax season places heavy demands on tax preparers and because many tax preparers also perform bookkeeping services, there is added pressure when meeting last minute deadlines. It's easy to make mistakes, and the most careful preparers can still face legal action. Even in an unjustified case, defense fees can wipe out an entire season of profits. Our Tax Preparers' Errors & Omissions protects against honest mistakes and with the new optional bookkeeping coverage, preparers can obtain additional protection for bookkeeping errors, and the policy provides defense costs up to the policy limit.

We've made applying for coverage easy and convenient. Please review the attached Tax Preparers' Errors & Omissions Application. Our new rates are listed on the reverse side of this letter.

Don't allow your tax preparer clients to wait until it's too late. You can provide them with valuable protection and offer them peace of mind knowing they are covered with CNA Surety's Tax Preparers' Errors & Omissions Insurance. Complete the application today!

Rates:

Tax Preparers' Errors & Omissions Insurance Rates (Annual Premium)

Number of Employees	\$10,000 single/ \$20,000 aggregate	\$25,000/\$50,000	\$50,000/\$100,000	\$100,000/\$200,000
1-3	\$182	\$363	\$556	\$737
4	\$226	\$451	\$686	\$909
5	\$270	\$539	\$817	\$1,086
6	\$314	\$627	\$947	\$1,260
7	\$358	\$715	\$1,078	\$1,434
8	\$402	\$803	\$1,209	\$1,608
Each Additional	\$44	\$88	\$131	\$174

Tax Preparers' Errors & Omissions Discounts

Enrolled Agent	0.9 factor
Tax Preparer Association Member	0.9 factor
Enrolled Agent and Association Member	0.85 factor

Tax Preparers' Errors & Omissions – Additional Coverage Options

	\$10,000 single/ \$20,000 aggregate	\$25,000/\$50,000	\$50,000/\$100,000	\$100,000/\$200,000
1 Year Retroactive	complimentary	complimentary	complimentary	complimentary
2 Year Retroactive	\$125	\$250	\$375	\$500
Bookkeeping	1-10%	1.15 factor		
	11-25%	1.25 factor		
	25%+	1.33 factor		
Extended Reporting	0.5 factor	0.5 factor	0.5 factor	0.5 factor

07/09