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Accountant's Liability Newsletter, Number 32, Second Quarter 1993

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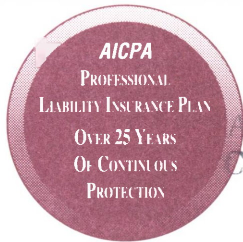

Accountants' Liability Newsletter

Number 32 Second Quarter 1993

The Liability Crisis in the United States: Impact on the Accounting Profession

Financial Crisis for the Accounting Profession

The following represents the second part of the two part statement of position issued by Arthur Anderson & Company, Coopers & Lybrand, Deloitte & Touche, Ernst & Young, KPMG Peat Marwick, and Price Waterhouse.

The financial impact of rampant litigation on the six largest accounting firms has been well-publicized. Numerous headlines and articles resulted from the firms' own disclosure that, in 1991, total expenditures for settling and defending lawsuits were $477 million—nine percent of auditing and accounting revenues in the United States. This figure, a multiple of what other businesses spend on litigation, does not even include indirect costs. It covers only costs of legal services, settlements and judgments, and liability insurance premiums, minus insurance reimbursements. The 1991 figure represents a substantial increase over the 1990 figure of $404 million or 7.7 percent of audit and accounting revenues. And based upon reported settlements through June 30, 1992, there appears to be no end to the continuous upward spiral.

The litigation explosion has affected the entire accounting profession. It has been estimated that there are about $30 billion in damage claims currently facing the profession as a whole. A recent survey by the AICPA indicates that claims against firms, other than the six largest, rose by two-thirds between 1987 and 1991. Ninety-six percent of firms having more than 50 CPAs reported an increase in exposure to legal liability. The same group has experienced a 300 percent increase in liability insurance premiums since 1985. Smaller firms must now carry far more coverage, and high deductibles force them to pay even medium-sized claims out-of-pocket. Forty percent of all the firms surveyed are "going bare", largely because liability insurance is simply too expensive.

For the largest firms, the increase in insurance premiums was dramatically higher than that reported by the smaller firms, coupled with drastically reduced policy limits. Deductibles also have risen dramatically. The higher rate of increase in liability insurance for the largest firms generally reflects the larger proportion of audit work for publicly-held companies, thereby subjecting them to a greater liability risk.

Impact on Corporate Accountability and Economic Competitiveness

The heavy financial burden placed on accounting firms by runaway litigation affects business and the economy in two major ways: first, through the actual and threatened failure of accounting firms; and, second, through the "survival tactics" firms are forced to employ.

In 1990, Laventhol & Horwath, the seventh-largest firm, collapsed—the largest bankruptcy for a professional organization in U. S. history—necessitating that its former partners agree to pay $48 million

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AICPA Professional Liability Insurance Plan

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to avoid personal bankruptcy. While other factors contributed to the firm's demise, the overriding reason was the weight of its liability burden. According to former CEO Robert Levine, L&H, like other accounting firms, was included as a defendant because of the perception of being a "deep pocket" rather than deficiencies in the performance of its professional responsibilities. "It wasn't the litigation we would lose that was our problem," he asserted. "It was the cost of winning that caused the greatest part of our financial distress."

The consequences of L&H's failure reverberated throughout the capital markets. Audits in process were interrupted. New auditors had to be found, with the inevitable time lag that occurs for start-up. Special rules had to be adopted by the SEC to deal with public companies whose prior year financial statements reported on by L&H had to be reissued in connection with public offerings and periodic public filings. Companies whose financial statements were audited by L&H were placed under a cloud through no fault of their own.

Furthermore, the failure undermined confidence in the ability of the profession to carry out its public obligations by creating concerns about the financial viability of other firms. It also created a deep sense of apprehension throughout the accounting profession that has only grown worse. During 1992, another prominent firm, Pannell Kerr Foster, closed or sold about 90 percent of its offices and opted to reorganize its offices as individual professional corporations. Accounting Today quoted a former PKF partner who indicated that liability was one of the reasons for this massive restructuring.

The magnitude of the six largest accounting firms' liability-related costs, as well as the size of some highly-publicized judgments and settlements, has fueled speculation about their survival. This is not surprising. A grim precedent has been set, and without decisive action the liability crisis will grow worse and the six firms' collective liability burden, enormous as it is, will increase.

The potential long-term threat to the survival of the six firms has serious implications for the independent audit function, the financial reporting system and the capital markets. As a group, the six largest accounting firms audit all but a handful of the country's largest and most prominent public companies in every category:

- 494 of the Fortune 500 industrials;
- 97 of the Fortune 100 fastest growing companies;
- 99 of the Fortune 100 largest commercial banks;
- 92 of the top 100 defense contractors; and
- 195 of the 200 largest insurance companies.

In each of these categories, at least one of the six firms audits more than 20 percent of the companies. According to figures from Who Audits America, the six firms audit 90 percent (4,748 of 5,266) of the publicly-traded companies in the U.S. with annual sales of one million dollars or more.

The detrimental effects on auditing, financial reporting, and our capital markets are already very much in evidence. They are a natural consequence of the risky and uncertain practice environment which the litigation epidemic has created not only for the six largest firms, but for the entire accounting profession.

The "Tort Tax"

One obvious effect is what the media has called "the tort tax"—that is, the increased cost of goods and services caused by runaway litigation. To quote SEC Chairman Richard C. Breeden, "Accounting firms, in particular, pay substantial and increasing costs to litigate and settle securities cases. At some point, these increasing litigation costs will increase the cost of audit services and tend to reduce access to our national securities markets." If companies must pay higher costs for services provided not only by auditors, but by underwriters, attorneys and other frequent "deep pocket" defendants, it will be more expensive for them to raise needed capital. Opportunities for investors will be reduced, and U. S. businesses will be placed at a competitive disadvantage vis-a-vis companies in countries with more rational liability systems—virtually every other country in the world.

The Impact of Risk Reduction

The liability burden cannot be measured only in dollars and cents. Other effects are less easy to detect, but are no less costly. For example, groups targeted by frequent litigation now practice risk reduction as a matter of professional survival. Doctors, for instance, are avoiding, such fields as gynecology and obstetrics. The result is a scarcity of practitioners in crucial specialties.

Accountants are also practicing risk reduction. The six largest firms are attempting to reduce the threat of litigation by avoiding what are considered high-risk audit clients and even entire industries. High risk categories include financial institutions, insurance companies, and real estate investment firms. Also considered "high risk" are high technology and mid-size companies, and private companies making initial public offerings (IPOs). These companies are a ready target of baseless Rule 10b-5 suits because their stock prices tend to be volatile. Unfortunately, they are also the companies that most need quality professional services, and are a key source of innovation and jobs, and play a crucial role in keeping this country competitive.

Risk avoidance is not confined to only the largest accounting firms. Smaller and medium-sized firms are dropping their public clients or abandoning their audit practices altogether. A recent survey of California CPA firms showed that only 53 percent are willing to undertake audit

work. This creates serious problems for smaller companies (and their shareholders) that need viable alternatives to the major firms. Additionally, the survey showed that thirty-two percent of the reporting CPA firms are discontinuing audits in what they consider as high risk sectors. Another survey by Johnson & Higgins found that 56 percent of the mid-sized firms surveyed will not do business with clients involved in industries they consider high risk.

Impact on Professional Recruitment and Morale

Another troubling effect of the litigation explosion on the accounting profession, its clients and the public is one that cuts across all industries and services. The litigious practice environment is making it increasingly difficult to attract and retain the most qualified individuals at every level. The Atlantic Monthly has reported that fewer top business students are choosing to go to public accounting firms to do audit work because, among other things, they perceive it as risky.

It is likely that the most serious impact on recruitment and retention of qualified people is yet to be felt, since widespread media and public attention have only recently begun to focus on the accounting profession's liability plight. Recruiters from the six largest firms report that they are encountering more awareness, more questions and more apprehension about the liability risk on college campuses across the country. Transforming public accounting from a secure and respected career to one in which becoming a partner carries with it the threat of personal financial ruin, is no way to ensure the profession's ability to meet its responsibilities to investors and the public.

Needed Reforms

To restore equity and sanity to the liability system and to provide reasonable assurance that the public accounting profession will be able to continue to meet its public obligations requires substantive reform of both federal and state liability laws.

Proportionate Liability

While other serious problems must also be addressed, the principal cause of unwarranted litigation against the profession is joint and several liability, which governs the vast majority of actions brought against accountants at the federal and state levels.

In arguing for an end to joint and several liability, the profession is in no way attempting to evade financial responsibility in cases where accountants are culpable. The profession is merely asking for fairness—the replacement of joint and several liability with a proportionate liability standard that assesses damages against each defendant based on that defendants degree of fault. SEC Chairman Richard Breeden recently acknowledged that joint and several liability can lead to unfair results by forcing marginal defendants to settle even weak claims. He has also expressed support for reducing the coercive "effect of allegations of joint and several liability in cases of relatively remote connection by the party to the principal wrongdoing."

Proportionate liability will help restore balance and equity to the liability system by discouraging specious suits and giving blameless defendants the incentive to prove their case in court rather than settle. By creating overwhelming pressure on innocent defendants to settle, joint and several liability gives plaintiff's lawyers a strong incentive to bring as many cases as possible without regard to their degree of fault, and to settle these cases at a fraction of the alleged damages. Thus victims of real fraud receive no more (on average 5 to 15 percent of their alleged damages) than so-called "professional" plaintiffs and speculators trying to recoup investment losses. On the other hand, the lawyers bringing these suits typically receive 30 percent of the settlement plus expenses. If plaintiff's lawyers were not able to use the threat of joint and several liability to compel innocent defendants to settle meritless cases, they would have to focus all of their efforts on meritorious claims. That, in turn, would result in more appropriate awards for true victims.

Current Reform Efforts

The six largest firms have joined with the AICPA and concerned businesses in calling for federal securities reform to curb unwarranted litigation brought under Rule 10b-5. Proposed remedies include replacing joint and several liability with proportionate liability and requiring that plaintiffs pay a prevailing defendant's legal fees if the court determines that the suit was meritless.

Curbing baseless Rule 10b-5 actions will, however, ease but not solve the liability problem. Of the total cases pending against the six largest firms in 1991, only 30 percent contained Rule 10b-5 claims. Of that 30 percent, less than 10 percent were exclusively 10b-5 claims.

The greatest liability exposure resides in the states. Reform of state liability laws affecting accountants is of critical importance to the future viability of the profession. The 10b-5 effort, if successful, will certainly serve as an important precedent for further reform. Beyond proportionate liability, reasonable limitations on punitive damages, as well as disincentives to filing meritless claims ought to be enacted. Reforms could be accomplished either through federal preemption or state-by-state modification of their statutes governing legal liability. The accounting profession will continue to participate in various state liability reform initiatives.

No less important is the need for the accounting profession to remove legislative, regulatory and professional restrictions on the forms of organization that may be used by firms. Accountants must be free to practice in any form of organization permitted by state law, including limited liability

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organizations. The accounting profession is not seeking special treatment. Importantly, public accountants only seek to practice in forms of organization that are available to the vast majority of American businesses. Such changes will not relieve culpable individuals of legal responsibility for their own actions, but simply end the current inequity of full personal liability on all partners for all judgments against their firms resulting from the actions of others. The six largest firms will continue to aggressively pursue needed state-level liability reform.

The six largest firms are exploring all possible alternatives for reducing the threat that liability poses to their ability to meet their public obligations and to their survival. In this pursuit, the firms cannot support any legislative or regulatory proposal that increases the responsibilities of the profession unless these increased responsibilities are accompanied by meaningful and comprehensive liability reform. The firms will support initiatives at both the federal and state levels that will restore balance to the current system of justice.

A Positive Sign: California Supreme Court Rules in Favor of Limiting Accountants' Liability.

In a major victory for the accounting profession, the California Supreme Court overturned a California Court of Appeals decision and ruled auditors generally owe no duty of care to non-clients.

The case arose from audits of Osborne Computer Corp. by Arthur Young & Company in the early 1980s. In an effort to raise capital, Osborne obtained bank loans secured by letters of credit from a group of investors. In return, the investors were issued warrants to purchase Osborne stock when an initial public offering was made.

In September 1983, before any offering took place, Osborne filed for bankruptcy. The investors sued Young, alleging its January 1983 unqualified audit opinion failed to disclose various problems at Osborne before its bankruptcy filing.

The issue before the court was whether Young owed a duty of care to the investors. The Court of Appeals adopted a broad "foreseeability rule" under which an auditor could be held responsible to all parties who reasonably relied on Young's audit opinion and whose reliance was reasonably foreseeable by the "professionally sophisticated auditor".

The California Supreme Court rejected this rule, saying an auditor is not liable to non-clients unless the auditor knows the audit is being prepared for the specific benefit of a party or if the auditor engages in fraudulent conduct.

In striking down broad accountant liability to third parties, the court said the rule would "inevitably produce large numbers of complex lawsuits of questionable merit as scores of investors and lenders seek to recoup business losses." The court went on to say its ruling would "deter careless audit reporting while avoiding the specter of a level of liability that is morally and economically excessive."

This ruling is a welcome reversal of decades of case law in California expanding the scope of professional liability. Cases in which investors, lenders, purchasers and others allege negligence against an accounting firm are likely to fail unless those parties can show the audit was prepared specifically for their benefit.

...and Another: Arizona Superior Court Overturns Jury Verdict Against Auditor.

An Arizona state judge overturned a record $338 million jury verdict against Price Waterhouse while ordering a new trial in a case that stands as a landmark in the audit profession's liability crisis.

Superior Court Judge John R. Sticht called the jury's verdict against Price Waterhouse so "irreconcilably inconsistent" as to be "blatantly erroneous".

The case exploded onto the accounting scene when an 11-month jury trial ended with London-based Standard Charter winning $338 million in damages allegedly caused by poor audits.

Standard sued Price in 1988 after losing an alleged $207 million on an investment in United Bank, a Phoenix institution Price audited in 1985 and 1986.

"Price Waterhouse has consistently asserted that this jury verdict was unfair, unjustified and contrary to the evidence, and that we would never be required to pay it," declared Shaun O'Malley, Price's chief executive.

Leaders of the accounting profession had rallied to support Price Waterhouse, with Gene Freedman, of Coopers & Lybrand, and Phil Chenok, chief of the AICPA, heading the charge.

The AICPA said it "believes this (ruling) indicates the growing trend among courts to look closely at the fairness issues in these situations and not simply rubber-stamp clearly irrational verdicts and legal holdings."

These articles were compiled from various news reports.

Beware What Your Bills Reflect

By
Katherine M. Mezzanotte, Esquire

Your periodic billing statement may be the last thing that comes to mind when you are attempting to target possible damaging evidence in defending a professional negligence action. You may be surprised, however, when counsel for your client or a third party cross examines you and attempts to draw negative inferences based on the language in your bills. After defending numerous cases, I warn you to beware of what your bills reflect.

In lawsuits alleging professional negligence, some of the more common issues are:

1. What services your firm actually performed.
2. What services were mutually agreed upon between your firm and your client.
3. What duty your firm owes to your client.
4. What duty your firm owed to foreseeable third party plaintiffs who were not clients.

There are three basic theories on the issue of privity with different jurisdictions following different theories or some combination of these theories. In Pennsylvania, privity has been narrowed and limited over the years but it does still exist to some extent. As a result, when suit is filed by a non-client plaintiff the first question that arises is whether there is privity between you and the third party plaintiff. You may not believe it but what your billing statements reflect may have some evidential bearing on the issue of privity.

Based upon past experiences, some of them unpleasant, I now routinely ask my clients to review and provide me with copies of all billing statements sent to the involved client. This must be done before your deposition. It is important that you know, and/or refresh your recollection on, what your billing statements reflect early in the litigation process. While your billing statements may, for legitimate reasons, not completely and accurately reflect the work that was actually performed, you should make certain that you are not claiming that work was not done when your bills reflect otherwise.

You will also need to explain why your billing statements read as they do, and what is intended by the words used in the billing statements. For instance, certain buzz words or phrases may be used to describe work performed but may not completely and/or accurately describe the work that was actually performed in any particular case. One example is the use of the word "review". The word "review" as in "review statement" is a term of art in the accounting profession. For an attorney the word review can be used either as a verb or a noun. As a verb it is often used to describe legal work that is or has been performed. Certainly the verb is used in the English language. However, if it is your position (and such a position may be very important for you to maintain, if for instance you are seeking Dismissal via Motion for Summary Judgment) that the only work you ever performed for a client were compilations and your billings reflect "review statements", you should be prepared and ready to factually explain why the bills use such terms and to assure that there was no misunderstanding between you and your client as to the scope of work you performed. The last thing that you want is to be surprised or caught off guard on cross-examination by a billing statement that contradicts your testimony as to the extent of your engagement.

In arguing lack of privity as to a third party plaintiff, you may have a good argument that a compilation cannot and should not ever be relied upon by anyone, as it expressly warns that (1) you are not expressing an opinion, (2) it is for internal use only, (3) it should not be used by the client for anything other than internal management, and (4) it should not be distributed to third parties. A review statement, however, which involves analytical review of the client's information, a more in-depth analysis and the posing of questions to the client, may be something that could be, or may arguably be, relied upon by a third party depending upon the facts and circumstances.

Your bills might also reflect that work was performed on a much more frequent basis than you may have stated, or that while the engagement letter stated one level of work, the bills indicated a much more expansive engagement. We all get busy and perhaps the language on a bill may be the last item of importance. But remember, you are all at risk in these litigious times. Lawsuits can and will continue to be filed and minor inconsistencies can be, and likely will be, manipulated by clever plaintiffs' attorneys. The best defense is advance planning and preparation.

Ms. Mezzanotte is a member of the law firm of Harvey, Pennington, Herting & Renneisen, Ltd., Philadelphia, PA. Ms. Mezzanotte has contributed several excellent articles for inclusion in the newsletter, for which we are grateful.

An Accountant's Potential Liability For An Undiscovered Embezzlement Or Management Fraud

By: Matthew J. Iverson

For the past several years, accounting publications have been full of articles alerting auditors to the increased liability exposure they face under the "expectation gap" standards (SAS's Nos. 53 through 61). This increased liability arises whenever an accountant fails to uncover during an audit an employee embezzlement or management fraud. (See, in particular, SAS's Nos. 53 and 54 which, for audit periods commencing after January 1, 1989, replace SAS's Nos. 16 and 17.) These expectation gap standards should be a matter of real concern to you in your practice.

But, equally important, you should be aware of the tendency of courts to impose liability on accountants for undiscovered defalcations, even though the accountant's level of professional work is at a much lower level than that of an audit. Such claims typically involve a liberal dose of hindsight. Not only have accountants been found liable for undiscovered defalcations when they do reviews, but courts have imposed liability on accountants who have done only compilations or tax returns.

Indeed, simple bookkeeping tasks can later be enough to subject the accountant to malpractice liability when defalcations are discovered. Consider these illustrative examples:

Accountants who perform bank reconciliations for a client, often simply as an accommodation, later may find themselves blamed for an embezzlement involving that bank account. Typically the plaintiff will argue, with blinding hindsight, that the accountant in reconciling the bank account should have undertaken extra steps—not fairly part of the reconciliation process. Naturally, these extra procedures would have resulted in discovery of the defalcation or, at minimum, would have raised a red flag.

For example, in a number of lawsuits pending in various jurisdictions, the plaintiff is contending that the accountant, in performing reconciliation work, should have compared the payee on each check against that on the check stub—even though obviously this is not the purpose or within the scope of a normal bank reconciliation. But, of course, if done under the facts later developed, the accountant would have discovered an embezzlement scheme, involving the use of duplicate checks or checks with subsequently altered payees.

Another example. An accountant prepares a financial projection for his client who thereupon buys an interest in a car dealership. Thereafter, the accountant does tax returns for the dealership, but no other professional services. Time passes and the client discovers that his partner has embezzled significant amounts from the dealership. Despite the accountant's limited professional services, the client sues him claiming the accountant should have discovered the defalcation.

These examples illustrate how important it is to warn the client—preferably in writing—whenever you discover any red flags suggesting possible fraud. This should be done regardless of how limited may be the scope or level of your engagement. Such a warning may later protect you from suit should the client, or an aggrieved third party such as a bonding company, later look for a deep pocket to cover the loss.

Such examples reaffirm the importance of sending an engagement letter to the client for each project. At minimum, an engagement letter can prevent the client from later claiming the accountant is liable for not performing professional work which the accountant never agreed to undertake.

Mr. Iverson is a vice president and shareholder in the Chicago, Illinois law firm of Burditt & Radzius, Chtd. He is heavily involved in defending accountants accused of malpractice.

When Should A Tax Deficiency Notice Be Reported As A Potential Claim?

By: Robert S. Knowles
Manager—Claims
Crum & Forster Managers Corp.

A question insureds often ask is whether they should report a tax deficiency notice that a client has received as a potential claim. Our usual response is, if they are concerned enough about the situation to have called, there is probably sufficient reason for them to report the potential claim to us in writing.

We tell insureds to do this to protect their coverage. The policy not only requires that insureds report claims, it also allows the insureds to report circumstances that might give rise to a claim. The policy says that if we receive notice of an act, error or omission which could reasonably be expected to give rise to a claim during the policy period, we will cover any actual claims made in the future under the policy in which the potential claim was reported. By reporting the potential claim now, the insured will be protected against an actual claim arising out of that circumstance in the future.

A basic feature of claims-made coverage is that it is not intended to, and does not apply to, claims which are expected to be made in the future. This is basic to insurance. One should not be able to buy insurance against something that he knows will occur. Insurance is available to protect the insured against the unknown and the unanticipated. This not only protects the insurance company, it protects the integrity of the AICPA sponsored Plan.

To protect the insurance company and the Plan against insuring expected or anticipated claims, the policy contains an exclusion for claims arising out

of circumstances which took place prior to the effective date of the policy if the insured, at the effective date, knew or could have reasonably foreseen that such act, error or omission might be expected to be the basis of a claim or suit.

Prompt reporting of any facts or circumstances which might reasonably be expected to give rise to a claim in the future is extremely important. If you fail to report such circumstances within the policy in which you become aware of them, you run the risk of not being covered for any claim subsequently made.

One area of practice in which the question of whether to report a potential claim frequently arises is the tax area. The question is: When a client receives a notice of tax deficiency for a tax year in which the insured either gave tax advice or prepared the tax return, should a potential claim be reported? The short answer is no. You need to consider the circumstances to determine whether they might be expected to be the basis of a claim.

One situation in which it might not be reasonable to expect a claim is where a reasonable position was taken in an unsettled area of the tax law, and the client knew there was a risk the IRS would challenge the position. If the deficiency was related to a problem caused by incorrect or inadequate information provided by the client, it is probably not reasonable to expect a claim.

At the other extreme is when the accountant made a clear error, penalties are assessed and there is no reasonable basis upon which to have the penalties abated. In this circumstance, you should not wait for an actual claim, as it is likely a claim will be made against you.

These examples are somewhat simplified to illustrate the point. Most situations have other facts to consider, including your relationship with the client and any communications you had with the client. If the client has expressed dissatisfaction with your services, and penalties and/or interest have been assessed on the deficiency, the matter should be reported to us.

When you have a concern or there is any doubt as to whether to report a potential claim, you should report the matter. By reporting it promptly, you protect yourself should there be a claim; there is no risk if no claim develops. And remember, report all claims to your carrier in writing!

LOSS CONTROL HOT LINE

Crum and Forster Managers Corporation is pleased to announce a free "Loss Control Hot Line" for the benefit of AICPA Professional Liability Plan Insureds. This new service puts Plan insureds in touch with legal counsel experienced in defending accounting malpractice cases and in providing other legal advice and services to accountants free of charge. While this service is being paid for by Crum and Forster Managers, discussions with the attorney will remain strictly confidential. Insureds need not give their name or policy number. The toll-free number for the "Loss Control Hot Line" is 1-800-428-1861.

AICPA Introduces New Automobile and Home Insurance Program

The AICPA is pleased to introduce the new AICPA Vehicle and Home Insurance Plans. This exclusive, members only program, underwritten by National General Insurance Company (NGIC) of St. Louis, Missouri, was developed to provide members with safe-driving records complete, affordable vehicle and home protection.

Intensive research and screening went into the selection of NGIC. Many important factors were looked at in comparing companies, and NGIC came out heads above the rest.

NGIC, a General Motors Insurance Company, is committed to rewarding members of associations with the complete vehicle protection they need and the affordable rates they deserve. Readers of a leading consumer reporting magazine ranked NGIC among the top five insurance companies in overall customer satisfaction. NGIC has earned an A+ (Superior) rating from A.M. Best Company, a leading analyst on the financial health of insurance companies.

One big difference you'll see with the AICPA Vehicle Insurance Plan is that you won't be lumped in with the careless drivers on the road when it comes to figuring rates. This members-only plan bases its rates on the safe-driving experience of mature, responsible AICPA members.

The AICPA Vehicle Insurance Plan offers complete protection for your cars, pickup, vans and RVs, with convenient, toll-free service hours—including a 24-hour toll-free emergency claims hotline. That means no matter where an accident happens, the help you need is as close as the nearest telephone—guaranteed.

In addition to the new AICPA Vehicle Insurance Program, a complete home protection package is also available to AICPA members. Watch for future articles about the AICPA Vehicle and Home Insurance Plans. And watch your mail for complete details on both plans.

If your current policy is due to expire soon, call one of the toll-free numbers below:

◆ *Vehicle Insurance:* ***1-800-847-2886*** ◆

◆ *Home Insurance:* ***1-800-847-7233*** ◆

We'll be there . . .

Do you have questions about your accountants professional liability insurance? If so, members of the underwriting unit of the AICPA Plan are tentatively scheduled to be at the following AICPA and/or State CPA Society meetings to answer your questions. Please come over to our booth and visit!!

SHOW	LOCATION	DATES
AICPA Practice Management/ Firm Administrator Conference	The Capitol Hilton, Washington, D.C.	July 19 - 21, 1993
California CPA Computer Show	Fairmont Hotel, San Francisco, California	July 19 - 21, 1993
Arkansas CPA Society Management Information Show	Camelot Hotel, Little Rock, Arkansas	August 2, 1993
AICPA Small Firm Conference	Sheraton Palace, San Francisco, California	August 18 - 20, 1993
Midwest Accounting Show	O'Hare Exposition Center, Rosemont, Illinois	August 24 - 27, 1993
FICPA (Florida) Accounting Show	Ft. Lauderdale Convention Center Ft. Lauderdale, Florida	September 8 - 10, 1993
Texas CPA/Computer Show	J.W. Marriott Hotel, Houston, Texas	September 20 - 22, 1993
AICPA Practice Management Conference	Las Vegas Hilton, Las Vegas, Nevada	September 27 - 29, 1993

Rollins Burdick Hunter Direct Group is now Aon Direct Group

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