



Association News

Quarterly Newsletter for the **National Association of Certified Valuation Analysts**

Fourth Quarter 2010

CEO's Message

By Parnell Black, MBA, CPA, CVA, Chief Executive Officer

NACVA Unveils a New Professional Liability/E&O Insurance Program

NACVA is pleased to announce that there is a new Professional Liability Errors and Omission Insurance program available to all members of NACVA.

NACVA, in partnership with Primus Assurance Group (PAG), has been designing and building this exciting new program for almost two years. We have challenged the insurance industry with supplying business valuation and litigation support professionals with professional liability insurance that is tailored to their practices.

We scoured the insurance world, and no carriers offered professional liability insurance for practitioners who specialize in business valuation and litigation support. Most existing policies for our membership are written by carriers on what is termed an "Accountant's Liability Policy," which meshes tax, review, and audit engagement risk evenly with consulting work. As we well know from recent headlines, these traditional services carry much higher insurance risk than a typical business valuation or litigation support engagement.

As a result, NACVA endeavored to find a carrier willing to underwrite policies that specifically cover the true nature of the work that our members pursue, rather than base the underwriting on the fact that the insured could be termed an "Accountant." It has been a challenge, but after providing thousands of hours of discussion regarding our profession, our standards, and our educational background and recertification requirements, the effort has really paid off.

NACVA's high professional standards and continuing education requirements, coupled with a true understanding of our profession, have enabled Primus Assurance Group to create the Guard Series™*, which are better insurance programs than have ever been available to anyone of our profession—and at a **significantly lower cost**.

The Guard Series™ programs are available to all levels of [NACVA membership](#) who are either Certified Public Accountants or non-CPA professionals, holding any business valuation credential issued by NACVA, IBA, AICPA, or ASA, or holding a related credential such as the CFA, CFE, or CFF (other credentials may qualify).

After interviewing and consulting with several major insurance carriers in this industry, NACVA choose to partner with an A.M. Best A+ Carrier† that clearly understands the reduced risk associated with NACVA's members.

The insurance provider for our program is a national insurance company, which is an industry leader in both exceptional pricing and coverage. This is evidenced by their average client retention of 10 years.

Primus Assurance Group, in collaboration with NACVA, has designed insurance coverage for this new program with maximum protection for the insured NACVA member. Through PRIME Guard™, Practice Guard™, and Professional Guard™, Primus offers a wide range of coverage limits, deductibles, and optional coverage types to meet the needs of small, medium, and larger firms, with varied mixes of practice areas covering traditional accounting and tax as well as business valuation and litigation consulting.

For maximum member protection, PAG's Guard Series™ policies include unlimited defense coverage by placing the defense cost outside the liability limits. Most policies written for professional liability and errors and omissions insurance actually limit defense coverage by placing defense costs inside the liability limit (check your current policy—this can have a very negative impact to your cash flows if you ever have to defend a claim).

We tested this new program by providing Primus Assurance Group with information from NACVA member firms, ranging from solo practitioners to firms with 60+ professionals with multiple locations. The pilot program resulted in 100% better coverage, better A.M. Best ratings, and an **average premium savings of 24%** for all policies quoted.

You can find more information about this exciting new program at www.PAGnow.com. Here you can even get a free quote by logging in and downloading the applications. Or you can contact Primus Assurance Group at (877) 388-VALU, or e-mail your request for a quote to info@PAGnow.com. Make sure to include your NACVA member number, as only NACVA members get the best savings under this unique new nationwide program.

Thank you for your support.

Sincerely,



Parnell Black, MBA, CPA, CVA
Chief Executive Officer

* PRIME Guard™, Practice Guard™, and Professional Guard™ are the three primary programs Primus Assurance Group has created for NACVA members.

† Several very prominent carriers that have historically catered to the CPA/accounting industry have recently been downgraded to B or B- AM Best ratings. We should all be aware of the A.M. Best rating of our carriers, as this is a measure of their stability and their Ability to service the professional liability policies that they have written.