

Lawyers' Professional Liability Application



AmTrust E&S Insurance Services
An AmTrust Financial Company

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This is an application for a claims made and reported policy. Please read the entire application carefully before signing. Whenever used in this application, the term "Firm" means the Named Insured(s) and any other entity proposed for coverage. Please answer all questions and attach all requested materials including the following:

- Copy of Firm's Letterhead Five Year Carrier Loss Runs

Section I – Firm Information

Firm: _____

Address: _____ City: _____ State: _____ Zip Code: _____

P.O. Box: _____ City: _____ State: _____ Zip Code: _____

Telephone: _____ Website: _____ Date Established: _____

1. Number of lawyers: _____ Previous year: _____ Two years ago: _____ Three years ago: _____

Please complete the attached attorney roster for each lawyer seeking coverage.

2. Complete the following chart for all support staff:

| Abstractor | Accounting | Administrative | Investigator | Law Clerk | Paralegal | Other | TOTAL |
|------------|------------|----------------|--------------|-----------|-----------|-------|-------|
| | | | | | | | |

3. Provide the following financial information:

| | Last Fiscal Year | 1st Prior Fiscal Year | 2nd Prior Fiscal Year |
|----------------|------------------|-----------------------|-----------------------|
| Gross Revenues | \$ _____ | \$ _____ | \$ _____ |

4. Does the Firm practice from any additional locations? Yes No

If YES, please provide details for each office (including city, state, percentage of billings, and number of attorneys) on a separate sheet and attach as part of this application.

5. Predecessor Firms:

a. Has the name of the Firm changed or has any other Firm or organization combined with or been merged into the Firm within the last ten years? Yes No

b. Is there any pending change in the name of the Firm or pending/contemplated merger? Yes No

If YES to either question, please provide details for all predecessor Firms for which the Firm seeks coverage on a separate sheet and attach as part of this application.

6. Does the Firm share office space with any other Firm(s) or attorney(s)? Yes No

a. If YES: Does the Firm(s) or attorney(s) maintain separate staff and office systems? Yes No

b. Does the Firm(s) or attorney(s) utilize separate letterhead from the Firm? Yes No

Section II – Insurance History

1. Request:

Effective Date: _____ Per Claim Limit: \$ _____ Aggregate Limit: \$ _____

Retro Date: _____ Per Claim Retention \$ _____ Aggregate Retention: \$ _____

2. Complete the following chart detailing the Firm's Lawyers' Professional Liability insurance history:

| | Insurer | Per Claim Limit | Aggregate Limit | Retention | Premium | # Attys. |
|--------------|---------|-----------------|-----------------|-----------|---------|----------|
| Current | | \$ | \$ | \$ | \$ | |
| Prior Year 1 | | \$ | \$ | \$ | \$ | |
| Prior Year 2 | | \$ | \$ | \$ | \$ | |
| Prior Year 3 | | \$ | \$ | \$ | \$ | |

3. Has the Firm had any professional liability insurance declined, cancelled or non-renewed within the past three years?

Yes No

If YES, please describe:

Section III – Areas of Practice

1. Complete the chart below based on the Firm's gross billings (if newly established, please provide estimates):

| | | | | | | |
|-------------------------------|---|--|---|-----------------------------------|--------------|-------------|
| Administrative | % | Trusts & Estates | | Labor Law – Management | % | |
| Admiralty / Maritime | % | Assets < \$1M | % | Labor Law – Union / Employee | % | |
| Antitrust / Trade Regulation | % | Assets > \$1M | % | Litigation | | |
| Banking / Financial | % | Other: _____ | % | Class Action / Mass Tort | % | |
| Bankruptcy | % | Family Law | | Commercial | % | |
| Collections | % | Child Custody / Guardianship | % | Insurance Defense | % | |
| Communications | % | Divorce w/ Assets < \$1M | % | Plaintiff | % | |
| Construction | % | Divorce w/ Assets > \$1M | % | Workers' Compensation – Defense | % | |
| Commercial / Corporate | | Elder | % | Workers' Compensation – Plaintiff | % | |
| General | % | Social Security | % | Real Estate | % | |
| Formation / Alteration | % | Government / Municipal (no bonds) | % | Securities / Bonds | | |
| M&A | % | Healthcare | % | Federal | % | |
| Secured Transactions | % | Immigration / Naturalization | % | State | % | |
| Other: _____ | % | Intellectual Property | | Private Placements | % | |
| Criminal | % | Copyright / Trademark | % | Bonds | % | |
| Employment / Civil Rights | % | Litigation | % | Tax | | |
| Environmental | % | Patent | % | Corporate | % | |
| Entertainment | % | Investment Counseling / Money Management | % | Individual | % | |
| ERISA / Employee Benefits | % | International Law | % | Tax Opinions | % | |
| Other: _____ | % | | | | TOTAL | 100% |

For all highlighted areas, please complete the Lawyers' Professional Liability Supplemental Application.

Section III – Areas of Practice (continued)

2. Complete the following chart detailing information about the Firm's five largest clients:

| Client Name | No. Years Client | Nature of Client Business | Area(s) of Practice | % of Gross Billings |
|-------------|------------------|---------------------------|---------------------|---------------------|
| 1. | | | | % |
| 2. | | | | % |
| 3. | | | | % |
| 4. | | | | % |
| 5. | | | | % |

3. Does the Firm perform services outside of the United States, its territories or possessions? Yes No

4. Does the Firm provide services as an accountant, investment advisor, insurance agent/broker or title agent / broker? Yes No

If YES, describe:

Section IV – Risk Management Procedures

General

1. Does the Firm have a Full-Time Non-Lawyer Office Administrator? Yes No

2. Has the Firm undergone a risk management audit by an external auditor in the past two years? Yes No

3. Does the Firm have written document retention procedures? Yes No

4. Does the Firm have written risk management procedures that are circulated to all Firm employees? Yes No

a. Does the Firm have a written policy requiring that notice of claims or potential claims be reported as soon the employee / attorney is made aware of the claim or potential claim? Yes No

b. Does the Firm have a dedicated contact or committee for the handling of claims or potential claims? Yes No

5. Do any Firm lawyers serve as a director / officer of any client business, or hold any equity interests in client business? Yes No

If YES, please complete outside interests supplement.

Conflict of Interest / Docket Control

6. Does the Firm have a computerized system to conduct conflict of interest inquiries? Yes No

If YES, is the conflict of interest system centralized and used for all Firm business? Yes No

If NO, explain process:

7. Are all conflict checks conducted through a committee or with at least one non-interested partner? Yes No

8. Are background checks conducted on every potential client prior to acceptance? Yes No

a. Do background checks include creditworthiness and reputation of timely payment of bills? Yes No

b. Do background checks include client reputation for changing lawyers or law Firms? Yes No

9. If conflict of interest is identified, does the Firm require approval of a committee or at least on non-interested partner to proceed? Yes No

10. What percentage of new matters are undertaken with a formal engagement letter? _____ %

a. Are payment terms clearly set forth in all engagement letters? Yes No

b. Does the Firm require non-engagement letters for each matter that is declined? Yes No

c. Does the Firm require disengagement letters when terminating or completing professional services? Yes No

11. Check all methods that apply to the methods utilized by the Firm for docket and calendaring requirements:

Computer software program Individual attorney calendars Docket clerk / administrator

Other: _____

Section IV – Risk Management Procedures (continued)

12. Does the docket / calendar system track statues of limitation? Yes No
13. Are conflict of interest and docket/calendar data updated daily and backed up to a separate location? Yes No

Fees and Billing Procedures

14. What percentage of the Firm's billings is overdue by more than 180 days? _____ %
15. Does the Firm utilize an outside Firm to assist with collecting outstanding client bills? Yes No
16. Does the Firm have a policy prohibiting the filing of fee suits? Yes No
- a. **If NO, check the box below that most accurately describes the Firm's fee suit policy:**
- Approval of managing partner or management committee required
 - Approval permitted only after non-interested partner reviews underlying work-product to determine counterclaim potential
 - May be brought by any partner of the Firm
 - May be brought by any lawyer of the Firm
- b. **If NO, how many fee suits has the Firm initiated in the past two years?** _____
- c. **If NO, how many fee suits are currently pending?** _____

Section V – Claims & License History

1. Have any claims, suits or proceedings been made during the past five years against the (a) Firm; (b) its predecessor in business; (c) any Subsidiary or Affiliate of the Firm; (d) any entity proposed for coverage on this application; or (e) any past or present Principal, Partner, Member, Director, Officer, Employee, Leased Employee or Independent Contractor of the Firm, its predecessors in business or any Subsidiary or Affiliate of the Firm or entity proposed for coverage on this application? Yes No
2. After diligent inquiry of each Principal, Partner, Managing Member, Director or Officer, is the Firm aware of any fact, circumstance, incident, error, situation or accident that may result in a claim being made against (a) the Firm; (b) its predecessor in business; (c) any Subsidiary or Affiliate of the Firm; (d) any entity proposed for coverage on this application; or (e) any past or present Principal, Partner, Member, Director, Officer, Employee, Leased Employee or Independent Contractor of the Firm, its predecessors in business or any Subsidiary or Affiliate of the Firm or entity proposed for coverage on this application? Yes No
3. Has the Firm or any individual or entity seeking coverage ever been the subject of a Reprimand or Disciplinary Proceeding, or Criminal Proceeding, by any Federal, State or Local Authority, Professional Association or State Licensing Board? Yes No
4. Has the Firm or any individual or entity seeking coverage during the past three years been involved in any disputes with respect to fees or other compensation which may be due for Professional Services rendered by the Firm or any individual or entity seeking coverage? Yes No
- If YES, to Questions 1, 2, 3 and/or 4, please complete a Supplemental Claim Application for each matter.**
5. Has the Firm reported each matter in questions 1 – 4 to its current / former insurance carrier? N/A Yes No

Fraud Warning

Any person who, with intent to defraud or knowing that (s)he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

ALABAMA, ARKANSAS, LOUISIANA, MARYLAND, NEW JERSEY, NEW MEXICO and VIRGINIA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an Application for insurance is guilty of a crime. In Alabama, Arkansas, Louisiana and Maryland, that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines & denial of insurance benefits.

COLORADO: It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

DISTRICT OF COLUMBIA, KENTUCKY and PENNSYLVANIA: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. In District of Columbia, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the Applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

FLORIDA and OKLAHOMA: Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

KANSAS: An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an Insurer, purported Insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for personal or commercial insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is considered a crime.

MAINE: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

NEW YORK: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation

OHIO: Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OREGON: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

TENNESSEE and WASHINGTON: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines and/or denial of insurance benefits.

Representation Statement

I hereby apply for a policy of insurance as set forth in the application and I declare that all information contained in this application is correct and complete to the best of my knowledge and belief. I understand that any policy which may be issued by the company will be issued on the basis of and reliance upon my statements in this application. I agree that such policy shall be null and void if such information is false, or misleading, or would materially affect acceptance of the risk by the company.

The signing of this application does not bind the undersigned to purchase the insurance and accepting this application does not bind the Insurer to complete the insurance or to issue any particular policy. If a policy is issued, it is understood and agreed that the Insurer relied upon this application in issuing each such policy and any endorsements thereto. The undersigned further agrees that if the statements in this application change before the effective date of any proposed policy, which would render this application inaccurate or incomplete, notice of such change, will be reported in writing to the Insurer immediately.

The Application must be signed and dated by a Principal, Partner, Managing Member or Senior Officer of the Applicant. Electronically reproduced signatures will be treated as original.

Applicant:

Print Name: _____ Signature: _____

Title: _____ Date: _____

I hereby declare that all the information contained in this application is correct and complete to the best of my knowledge and belief, that the application was complete and personally signed by the applicant and that a completed copy hereto has been given to the applicant.

Name of Producing Agency: _____

Signature of Producing Agent: _____ Date: _____

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY