

HUDSON EXCESS INSURANCE COMPANY

LAWYERS PROFESSIONAL LIABILITY APPLICATION

If the space given is insufficient, please attach a separate sheet referenced to the specific question.

1. **A.** Name of Applicant Firm: _____
Partnership: ___ Professional Corp.: ___ Other: _____
B. Address of principal office: _____
City: _____ State: _____ Zip: _____
C. Telephone Number: _____ Fax Number: _____
D. Year firm established: _____ **E.** Website address: _____

2. Total number of Lawyers:
Current: _____ Last Year: _____ Two Years Ago: _____ Three Years Ago: _____

3. Total number of Current:
Partners/Shareholders/Owners: _____ Employed Lawyers/Associates: _____ Of Counsel: _____

4. Total Gross Receipts (whether collected or not, including contingent fees) by Fiscal Year:
Current Year to Date: _____ Last Year: _____ Two Years Ago: _____ Three Years Ago: _____

5. Please state coverage Limits and Retention Requested
A. Coverage Limits of Liability: 3,000,000 _____ 5,000,000 _____ 10,000,000 _____
Other: _____
B. Requested Retention: \$25,000 _____ \$50,000 _____ \$100,000 _____ \$150,000 _____ \$200,000 _____
\$250,000 _____ \$500,000 _____
Other: _____

6. Please provide the following information, for the past three fiscal years:

A. Maximum, minimum and year-end capital balance:

	Last Year	Prior Fiscal Year	3rd Prior Fiscal Year
Maximum Balance			
Minimum Balance			
Year-End Capital Balance			

B. Maximum, minimum and year-end long-term indebtedness, normal and maximum line of credit, including the extent to which individual partners are personally liable:

	Last Year	Prior Fiscal Year	3rd Prior Fiscal Year
Maximum Indebtedness			
Minimum Indebtedness			
Year-End, Long-term Indebtedness			
Line of Credit			
Maximum Line of Credit (used)			
Extent to which Individual Partners are Personally Liable			

C. Percentage of current receivables:

	Over 90 Less than 120 Days	Over 120 less than 180 Days	Over 180 Days
Current Receivables			
Last Fiscal Year			
Prior Fiscal Year			

7. Please list the firm's five (5) largest clients (by revenue over the past twelve (12) months) and indicate the percentage of the firm's overall revenues for each, as well as the type of legal work performed:

Name of Client:	Percentage of the Firm's Overall Revenues:	Type of Legal Work Performed:

8. Indicate Percentage of this years “Total Gross Billings” derived from:

Category	Allocation
Administrative Law	%
Admiralty	%
Antitrust	%
Association Law	%
*Bankruptcy	%
Business Transactions	%
Civil Rights and Discrimination	%
Construction (Building Contracts)	%
Consumer Claims)	%
Copyright Registration/Licensing	%
Corporate and Business Organization	%
Criminal	%
*Debt Collection	%
*Entertainment	%
*Estate / Trust / Probate	%
Family Law	%
Financial Institutions	%
Litigation	%
Corporate	%
Lobbying	%
Labor & Employment	%
Immigration and Naturalization	%
Insurance	%
International	%
Mergers & Acquisitions	%
<i>* Complete the applicable Supplemental Application for this area of practice if practice is more than 10% of total Billings</i>	

Category	Allocation
Municipal Law	%
Oil & Gas	%
Local Government	%
Municipal Finance	%
Natural Resources	%
*Patent General	%
*Patent Infringement Counseling	%
*Patent Licensing	%
*Patent Litigation	%
*Patent Prosecution (Domestic)	%
*Patent Prosecution (International)	%
*Patent Searches	%
Pension and Employee Benefits	%
Personal Injury / Property Damage (Defendant)	%
*Personal Injury / Property Damage (Plaintiff)	%
Public Utility / Energy	%
*Real Estate (Commercial)	%
*Real Estate (Residential)	%
*Real Estate (Unspecified)	%
Securities	%
Securities Litigation	%
*Taxation	%
Trademark Registration/Licensing	%
Worker's Compensation	%
Other (please specify)	%
Total	%

Controls

9. Management

- A. Is the Applicant Managed by a management committee? Yes No N/A
- B. How many partners and/or officers comprise the management committee? _____ N/A
- C. How often on an annual basis does the management committee meet? _____ N/A
- D. Does the Applicant employ a Firm Administrator? Yes No N/A
- E. Does the Applicant have a General Counsel? Yes No N/A
- F. What percentage of the General Counsel's time is devoted to the practice of law? _____ N/A

10. New Business / Conflicts

- A. Does the Applicant maintain a system to avoid conflicts of interest? Yes No N/A
- B. Is the conflicts of interest system computerized? Yes No N/A
- C. Are new clients subject to approval of the Applicant's management committee or at least two (2) partners or officers of the Applicant? Yes No N/A
- D. Is information as to all new clients made available on at least a weekly basis to all partners or officers of the Applicant? Yes No N/A
- E. Is a non-partner/non-officer who generates new business required to work under supervision of a partner or officer having specific expertise in the matter? Yes No N/A

11. Docket and Calendar

- A. Does the firm maintain a calendar system using these methods:
- i. Single Calendar Yes No
 - ii. Dual Calendar Yes No
 - iii. Tickler Listing Yes No
 - iv. Master Listing Yes No
 - v. Computer Yes No
 - vi. Use two or more individuals to maintain its calendar system? Yes No
 - vii. Update its calendar system at least weekly? Yes No
 - viii. Place ultimate responsibility for calendar system with a firm lawyer? Yes No
 - ix. Does the docket control system and procedure cover all aspects of the Applicants practice? Yes No

12. How many times has the Applicant sued a client for unpaid fees in the last two (2) years? _____

a. If applicable, please confirm the Applicant's policy and procedure toward filing suits for unpaid fees:

13. Training and Supervision

A. Does the Applicant maintain a formal training program for new lawyers as to office and court procedures? _____ Yes _____ No _____ N/A

B. Are all lawyers (including Of Counsel) of the Applicant in compliance with the continuing education requirements established by the State Bar? _____ Yes _____ No

If "No," please explain the reasons for noncompliance on a separate addendum.

C. Are all associates of the Applicant under the direct supervision of a partner or officer? _____ Yes _____ No _____ N/A

D. Are all associates of the Applicant subject to periodic, written review? _____ Yes _____ No _____ N/A

14. Miscellaneous

A. After inquiry of the principals, partners, directors, officers and professional employees of the Applicant: has the Applicant or and past or present Lawyer or employee of the Applicant ever been:

i. Disbarred: _____ Yes _____ No

ii. Refused admission to practice law: _____ Yes _____ No

iii. The subject of any disciplinary complaint, grievance or action by any court, bar association, administrative agency, or regulatory body? _____ Yes _____ No

iv. Convicted of a felony within the previous 5 years: _____ Yes _____ No

If "Yes" please attach an addendum outlining the relevant details, including the name of the Lawyer, dates, current disposition and a copy of the final opinion or decision of the court, bar association, administrative agency or regulatory body.

B. At any time in the past five years has any member of the firm served as director, officer, partner or employee of any client or has any firm member exercised fiduciary or possessed any ownership interest in any client or any joint venture with a client? _____ Yes _____ No

If "Yes", please complete Outside Interest Supplemental Application.

15. Insurance History

A. Current Policy expiration date: _____

B. Current Policy Retroactive Date, if any: _____

C. For how many years has the firm been continuously insured for malpractice claims? _____

D. Has the Applicant or any attorneys (including Of Counsel) ever had a policy for professional liability insurance declined, cancelled or non-renewed? _____ Yes _____ No

If yes, please provide details (including date, carrier and reason(s) for action) on a separate addendum

E. After inquiry, have any claims or suits been made against any lawyer (including Of Counsel) of the Applicant firm or any past/present owners, partners, shareholders, corporate officers or employees or its predecessors in business during last five (5) years?

If yes, how many claims or suits _____, please complete enclosed Supplement for each claim or suit

F. After inquiry and based upon a reasonable belief, is/are any lawyer (including Of Counsel) of the Applicant aware of any circumstances, allegations, tolling agreements or contentions as to any incident which may result in a claim being made against the applicant of any of its past or present owners, partners, shareholders, corporate officers or employees or its predecessors in business during last five (5) years?

If yes, how many claims or suits _____, please complete enclosed Supplement for each incident.

G. Has the Applicant ever purchased an Extended Reporting Period option? _____ Yes _____ No

H. Have all claims and circumstances requiring a response in questions 15E and 15F already been reported to and accepted by a current or past Insurer?

If no, please give full details below or on a separate addendum.

I. Please list all primary and excess lawyers professional liability insurance policies carried by the Applicant, or any predecessor firm, for each of the past five years:

<u>Policy Period</u>	<u>Insurer(s)</u>	<u>Limits of Liability</u>	<u>Retention</u>	<u>Premium</u>	<u>Total No. of Lawyers</u>

Please complete a *Claim Summary Report Supplemental Application* for any claim made against the applicant or any predecessor in business of the firm, as well as for any open circumstances the applicant has reported to its insurer(s), over the past ten (5) years.

THIS INFORMATION WILL ATTACH TO AND FORM A PART OF THE POLICY, IF A POLICY IS ISSUED. ADDITIONAL INFORMATION MAY BE REQUIRED BY INSURERS. AFTER INQUIRY OF THE FIRM'S MANAGEMENT/EXECUTIVE COMMITTEE, THE UNDERSIGNED DECLARES THIS INFORMATION IS TRUE AND ACCURATE.

FRAUD WARNINGS

To All Prospective Insureds: 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, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act which is a crime and subjects such person to criminal and civil penalties in many states.

To Prospective Insureds in:

California: For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

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 claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

District of Columbia and Louisiana: “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 and may be subject to fines and confinement in prison.”

Florida: Any person who knowingly and with intent to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Oklahoma: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony.

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 commercial or personal 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.

Maine, Tennessee, Virginia, 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.

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

New Hampshire: Any person who, with a purpose to injure, defraud or deceive an insurance company, files a statement of claim containing any false, incomplete, or misleading information is subject to prosecution and punishment for insurance fraud as provided in RSA 638:20.

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 \$5,000 and the stated value of the claim for each such violation.

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 any materially false information or conceals for purposes of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Oregon: 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, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act which may be a crime and subjects such person to criminal and civil penalties in many states.

SIGNATURE AND AUTHORIZATION

This Application must be signed and dated by a Principal or Officer of the Applicant Firm. Signing this Application will not bind nor obligate the Company to complete this insurance, but it is agreed the applicant's responses to the questions contained in this Application, as well as all attachments, are material and the underwriting Company will rely on these responses and information in the event a policy is issued.

Signature of Principal or Officer of Applicant Firm: Date: _____

Producer's Name:

Area Code:

Phone Number:

Agent Name: _____ Agent License Number: _____
(Applicable to Florida Agents Only)

Iowa Licensed Agent: _____
(Applicable to Iowa Agents Only)

Producer's Signature: _____ Date: _____
(Applicable to New Hampshire Producers Only)