



DONALD GADDIS CO., INC.

WHOLESALE E&S LINES INSURANCE BROKERS

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**APPLICATION FOR
LAWYERS PROFESSIONAL LIABILITY INSURANCE**

INSTRUCTIONS

Please answer all questions on this application. If there is insufficient space to complete an answer, continue on a separate sheet. This application must be dated and signed by a partner or officer of the applicant.

APPLICANT PROFILE

1. Name of applicant: _____

2. Street address: _____

City/State/Zip Code: _____

Tel No: _____ Fax No: _____

3. The applicant was first established on _____ (Mo/Day/Yr). The applicant currently operates as a:

() Sole Proprietorship

() Partnership

() Corporation

() _____.

4. List the names of all predecessor firms whose assets and liabilities the applicant is the majority successor in interest. Include the date each predecessor firm was established and the date of merger.

<u>Name of Predecessor Firm</u>	<u>Date Established</u>	<u>Date of Merger</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

5. List the address of each branch office and the date it was established:

	<u>Address of Branch Office</u>	<u>Date Established</u>
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____

6. Indicate the total number of personnel by location (match branch office personnel with the branch offices listed in question 5).

	<u>Principal Office</u>	<u>Branch Office (a)</u>	<u>Branch Office (b)</u>	<u>Branch Office (c)</u>
Partners or Officers	_____	_____	_____	_____
Associates/Employed Lawyers	_____	_____	_____	_____
Lawyers "Of Counsel"	_____	_____	_____	_____
Paralegals or law clerks	_____	_____	_____	_____
Other clerical staff	_____	_____	_____	_____

LIST ON A SEPARATE SHEET THE NAMES OF ALL LAWYERS IN THE FIRM. INDICATE FOR EACH LAWYER HIS OR HER DESIGNATION IN THE FIRM, BAR AFFILIATION AND THE DATE OF ADMISSION TO THE BAR.

7. How many partners or officers have joined the firm during the past 12 months? _____.

How many partners or officers have left the firm during the past 12 months? _____.

8. Has the applicant ever closed a branch office or had a group departure of five or more lawyers during the past three years? () Yes () No. If yes, provide full details:

9. Does any lawyer in the firm serve as a director, officer, trustee or partner of, or exercise any fiduciary control over, any organization, which is also a client of the firm? () Yes () No. If yes, list the lawyer's name, the name of the organization, the nature of the organization's business and the position held.

<u>Name of Lawyer</u>	<u>Name of Organization</u>	<u>Nature of Business</u>	<u>Position Held</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

10. Does the applicant own, in whole or in part, any business enterprise whose business activities are outside the practice of law? () Yes () No. If yes, provide full details:

11. Applicant's fiscal year ends on: Month: _____ Day: _____.
Indicate the gross income for the applicable fiscal year (gross income means all sums billed to clients for services rendered):

(a) Actual for second previous fiscal year: \$ _____

(b) Actual for immediate past fiscal year: \$ _____

(c) Estimate for current fiscal year: \$ _____

12. Does the applicant ever accept securities of a client or other forms of compensation in lieu of fees? () Yes () No. If yes, provide full details:

PRACTICE PROFILE

13. Indicate the percentage of gross income for the past fiscal year derived from the following areas of practice:

<u>Area of Practice</u>	<u>_____ %</u>	<u>Area of Practice</u>	<u>_____ %</u>
Administrative Law	_____ %	Local Governmental Law	_____ %
Admiralty/Maritime	_____ %	Oil and Gas	_____ %
Antitrust/Trade Regulation	_____ %	Pension and Employee Benefits	_____ %
Bankruptcy	_____ %	Personal Injury and Negligence:	
Banks/Savings and Loan	_____ %	Defendant Representation	_____ %
Business Transactions and Commercial Law	_____ %	Plaintiff Representation	_____ %
Civil Rights and Discrimination	_____ %	Public Contract Law	_____ %
Collection/Repossession	_____ %	Public Utilities	_____ %
Communications (FCC)	_____ %	Real Property:	
Construction Law	_____ %	Conveyance	_____ %
Copyright/Patent/Trademark	_____ %	Development	_____ %
Corporate and Business Organization	_____ %	Syndication	_____ %
Criminal Law	_____ %	Title Examination	_____ %
Entertainment/Sports	_____ %	Securities Law	_____ %
Environmental Law	_____ %	Tax:	
Estate, Trust and Probate	_____ %	Opinions	_____ %
Family Law	_____ %	Preparation of Tax Returns	_____ %
Healthcare	_____ %	Workers' Compensation:	
Immigration and Naturalization	_____ %	Defendant Representation	_____ %
International Law	_____ %	Plaintiff Representation	_____ %
Labor Relations		Other (list)	
Labor Representation	_____ %	_____	_____ %
Management Representation	_____ %	_____	_____ %
Litigation (Civil)	_____ %	_____	_____ %
		Total	100%

14. Does the applicant anticipate any material changes in the percentages shown in question 13 for the period of the proposed insurance? () Yes () No. If yes, provide full details:

15. List the five clients which generated the most fees for the applicant during the past fiscal year. Indicate the nature of the client's business and describe the services rendered by the applicant using the categories shown in question 13:

<u>Name of Client</u>	<u>Nature of Business</u>	<u>Area(s) of Practice</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

16. Does the applicant provide investment advisory services or have discretionary investment authority over the funds of any client?

() Yes () No. If yes, provide full details:

SECURITIES LAW

17. What percentage of the applicant's securities practice for the past fiscal year involved:

(a) the Public Offering of Securities -

Securities registered under the Securities Act of 1933: _____ %

Securities exempt from registration under the Securities Act of 1933: _____ %

(b) the Private Placement of Securities: _____ %

(c) Municipal Bonds -

General Obligation or Revenue Bonds: _____ %

Industrial Development Bonds: _____ %

(d) Representation of clients as to compliance with proxy and reporting requirements under the Securities Exchange Act of 1934 (other than in takeovers or mergers of publicly held companies): _____ %

(e) Representation of clients as to compliance with proxy and requirements under the Securities Exchange Act of 1934 relative to takeovers and mergers of publicly held companies: _____ %

(f) Other securities work (describe) _____

 _____ %

18. How many lawyers in the firm are involved with securities work? _____ What is their average work experience (number of years) in this area? _____ years.

19. Does the applicant conduct what is commonly referred to as a "due diligence" investigation when representing clients in securities transactions? () Yes () No. If yes, does the applicant make routine use of checklists in its investigations? () Yes () No.

20. During the past five years has the applicant been involved in or does the applicant currently have knowledge of any facts which would indicate that they may be involved in an investigation or administrative action by the SEC or by any state agency regulating securities? () Yes () No. If yes, provide full details: _____

21. List on a separate sheet, the securities transactions the applicant has handled or been involved with during the past two years. Please report this information on the format shown below:

(a) the Public Offering of Securities (registered and unregistered securities):

- (1) Date of the offering
- (2) Name and address of the issuer
- (3) Type of business
- (4) Underwriter
- (5) Accountant
- (6) Dollar size of the offering
- (7) Description of the securities
- (8) Client represented

(b) the Private Placement of Securities:

- (1) Date of the offering
- (2) Name and address of the issuer
- (3) Type of business
- (4) Underwriter
- (5) Accountant
- (6) Dollar size of the offering
- (7) Description of the securities
- (8) Client represented

(c) Municipal Bonds:

- (1) Date of the offering
- (2) Name and address of the issuer
- (3) Underwriter
- (4) Accountant
- (5) Dollar size of the offering
- (6) Description of the securities (i.e. general obligation bond, revenue bond or industrial development bond)
- (7) Investment grade assigned to the securities
- (8) Client represented

ADMINISTRATIVE SYSTEMS AND PROCEDURES

(APPLICANT MAY ELECT TO PROVIDE ADDITIONAL DETAILS ON A SEPARATE SHEET IN SUPPORT OF A RESPONSE TO ANY QUESTION IN THIS SECTION.)

22. Management

- (a) Is the firm managed by a management committee? () Yes () No
- (b) How many partners or officers comprise the management committee? _____
- (c) Does the firm employ an administrator? () Yes () No
- (d) What percentage of the administrator's time is devoted to the practice of law? _____ %
- (e) Does the firm use a peer review system to evaluate the performance of partners or officers? () Yes () No

23. Docket and Calendar

- (a) Does the firm maintain a planned docket control system and procedure with at least two

- independent date controls? () Yes () No
- (b) Is the docket control system and procedure computerized? () Yes () No
- (c) Does the planned docket control system and procedure produce a weekly calendar? () Yes () No
- (d) Does the planned docket control system and procedure cover all aspects of the firm's practice? () Yes () No
- (e) Does the planned docket control system and procedure require lawyers to both calendar and remove from calendar all filing dates? () Yes () No
- (f) Are open calendar entries on the planned docket control system and procedure circulated to all lawyers or, if the firm is divided into formal departments, to all lawyers in the appropriate department? () Yes () No

24. Training and Supervision

- (a) Does the firm maintain a formal training program for new lawyers as to office and court procedures? () Yes () No
- (b) How many lawyers in the firm have participated in formal continuing legal education programs of at least seven hours during the last year? _____
- (c) Are all associates of the firm under the direct supervision of a partner or officer? () Yes () No
- (d) Are all associates of the firm subject to periodic, formalized review? () Yes () No

25. New Business

- (a) Are new clients subject to approval of the firm's management committee or at least two partners or officers? () Yes () No
- (b) Is information as to all new clients made available on at least a weekly basis to all partners or officers of the firm? () Yes () No
- (c) Does the firm maintain a system to avoid conflicts of interest? () Yes () No
- (d) Is the conflicts system computerized? () Yes () No
- (e) Is a lawyer generating new business required to associate with a partner or officer with specific expertise in the matter? () Yes () No

26. Outside Communications

- (a) Is it the firm's standard practice to use engagement and nonengagement letters when agreeing or declining to represent a client? () Yes () No
- (b) Is it the firm's standard practice to outline in writing the firm's billing policy and procedure when agreeing to represent a client? () Yes () No
- (c) Do major opinion letters have to be approved by at least two partners or officers of the firm? () Yes () No
- (d) Do letters to auditors have to be approved by at least two partners or officers of the firm? () Yes () No

27. Miscellaneous

- (a) Does the firm allow its lawyers to practice law outside the firm? () Yes () No
- (b) Does the firm have formal, written rules to prevent trading in a client's securities on the basis of non-public information? () Yes () No
- (c) Does service on an outside Board of Directors have to be approved by the firm's management committee or by at least two partners or officers? () Yes () No
- (d) Do suits for collection of fees have to be approved by the firm's management committee or by at least two partners or officers? () Yes () No
- (e) How many suits for collection of fees have been filed by the firm during the past two years? _____

PRIOR INCIDENTS AND CLAIMS EXPERIENCE

28. During the past five years, has any lawyer in the firm been refused admission to practice, disbarred or suspended from practice, or reprimanded, sanctioned or disciplined by any court or administrative agency? () Yes () No. If yes, provide full details:

29. During the past ten years, has any professional liability claim been made against the applicant or any predecessor in business or any of the past or present lawyers in the firm? () Yes () No. If yes, provide full details on a separate sheet. The information should be presented clearly and in sufficient detail to enable the Old Republic Insurance Companies and Chicago Underwriting Group, Inc. to assess each claim. The information must include:

- (a) the full name of the claimant(s);
- (b) the exact date of claim (month/day/year);
- (c) the jurisdiction or location where the claim was made;
- (d) the practice area(s) from which the claim arose;
- (e) the individuals in the firm who are or were involved in the claim;
- (f) the names of any other defendants;
- (g) a description of the alleged acts, errors or omissions that caused the claim;
- (h) the damages or other relief sought by the claimant(s);
- (i) the name of the firm's insurance carrier and the date the claim was reported to them;
- (j) the amounts paid in settlement of the claim or in satisfaction of any judgment (inclusive of any deductibles);
- (k) the expenses incurred in defense of the claim (inclusive of any deductibles);
- (l) the current status of the claim, including most recent developments.

NOTICE: THIS APPLICATION WILL BE REJECTED IF THE APPLICANT FAILS TO PROVIDE ALL OF THE INFORMATION REQUESTED IN (a) THROUGH (l) FOR EACH CLAIM.

30. (a) After inquiry, does the applicant or any lawyer in the firm know of any acts, errors, omissions or circumstances that could reasonably give rise to a professional liability claim against the applicant or any predecessor in business or any of the past or present lawyers in the firm? Yes () No () If yes, provide full details: _____

(b) Have all of the matters shown in (a) above been reported to the applicant's current or former professional liability insurer? Yes () No () If yes, give the name of the insurer and the date each matter was reported to them. _____

NOTICE: THE POLICY BEING APPLIED FOR WILL NOT PROVIDE COVERAGE FOR ANY CLAIM ARISING OUT OF THE MATTERS REQUIRED TO BE LISTED IN (a) AND (b) ABOVE.

PRIOR INSURANCE

31. Has the applicant or any predecessor in business ever had an insurer cancel or refuse to renew their professional liability insurance? () Yes () No. If yes, provide full details:

32. Has the applicant or any predecessor in business ever purchased an "extended reporting period" endorsement under a prior policy which extended the claims reporting period of that policy following its cancellation or non-renewal? () Yes () No. If yes, provide full details:

33. Professional liability insurance written on a "claims made" basis has been carried by the applicant since _____
List the professional liability insurance carried by the applicant for the past five years. (Mo/Day/Yr)

<u>Insurer</u>	<u>Limit of Liability</u>	<u>Deductible</u>	<u>Premium</u>	<u>(Mo/Day/Yr)</u>	<u>(Mo/Day/Yr)</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

34. Does the applicant's current professional liability insurance contain an exclusion for claims relating to acts, errors or omissions committed prior to a specific date ("retroactive date")? () Yes () No. If yes, indicate the retroactive date: _____
(Mo/Day/Yr)

* * * * *

35. Desired Limit of Insurance: \$_____ aggregate Deductible: \$_____ each claim.

36. List the person designated to receive notices from the Old Republic Insurance Companies or Chicago Underwriting Group, Inc. if a policy is issued:

Name	Title
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THIS APPLICATION DOES NOT BIND THE APPLICANT, THE OLD REPUBLIC INSURANCE COMPANIES OR CHICAGO UNDERWRITING GROUP, INC. TO COMPLETE THE INSURANCE; HOWEVER, THIS APPLICATION WILL BE THE BASIS OF THE CONTRACT IF A POLICY IS ISSUED, AND IT WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.

THE UNDERSIGNED PARTNER OR OFFICER, ACTING ON BEHALF OF THE APPLICANT AND ALL PERSONS PROPOSED FOR THIS INSURANCE, REPRESENTS THAT ALL STATEMENTS RELATING TO THIS APPLICATION ARE TRUE. THE UNDERSIGNED PARTNER OR OFFICER AGREES THAT IF ANY OF THE INFORMATION RELATING TO THIS APPLICATION CHANGES BETWEEN THE DATE OF THE APPLICATION AND THE EFFECTIVE DATE OF THE POLICY APPLIED FOR, THE UNDERSIGNED PARTNER OR OFFICER WILL IMMEDIATELY NOTIFY THE OLD REPUBLIC INSURANCE COMPANIES/CHICAGO UNDERWRITING GROUP, INC. OF SUCH CHANGES AND THE OLD REPUBLIC INSURANCE COMPANIES/CHICAGO UNDERWRITING GROUP, INC. SHALL HAVE THE RIGHT TO WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

THE UNDERSIGNED PARTNER OR OFFICER, ACTING ON BEHALF OF THE APPLICANT AND ALL PERSONS PROPOSED FOR THIS INSURANCE, AGREES THAT FEES, COSTS AND EXPENSES INCURRED IN THE INVESTIGATION AND DEFENSE OF CLAIMS SHALL BE APPLIED AGAINST THE DEDUCTIBLE (IF THE POLICY IS PRIMARY INSURANCE) AND SHALL REDUCE, AND MAY COMPLETELY EXHAUST, THE LIMIT OF LIABILITY OF THE POLICY.

Signed: _____

Date: _____

Print Name: _____

Print Title: _____

(Partner or Officer)