

Risk Management Questionnaire

Underwritten by The Hanover Insurance Company

I. INSTRUCTIONS

Whenever used in this Application, the term "you", "your(s)", "firm" or "Applicant" shall mean the Named Insured and all subsidiaries or other organizations applying for coverage, unless otherwise stated.

II. GENERAL INFORMATION

Name of Applicant: _____

III. FIRM MANAGEMENT

- 1. Is the firm managed by a management/executive committee?
If "Yes", how many partners or officers comprise the committee?
How often has the management committee met in the past twelve months?
2. Does the firm employ an administrator?
a. Is the administrator a non-lawyer?
b. Is the administrator full-time?
c. Is the administrator a member of the ALA?
3. Does the firm have a written risk management program?
4. Does a single person have ultimate responsibility for risk management?
5. Does the firm (or departments within the firm) conduct periodic meetings involving all lawyers of the firm (or department)?
6. Is a designated partner or officer of the firm responsible for every matter in the office?
7. Does the firm's Oversight, Peer Review, or Internal Communication procedures:
a. Require that firm management regularly review the status and direction of all firm matters?
b. Require all lawyers to attend regular firm meetings (in person or virtually) whereby matter of common importance are communicated?
c. Require all significant or critical opinions or decisions to be peer reviewed by at least two other lawyers?
8. Does the firm have a written partner/shareholder agreement?
9. Does the firm use a peer review system to evaluate the performance of:
a. All practicing lawyers?
b. Partners or Officers?
10. Does the firm maintain a training program for new associates?
11. Are departing lawyers' files reviewed by a partner or officer of the firm?
12. Does the firm have a system requiring that complaints by either a client or other counsel be reviewed by a partner or officer other than the lawyer about whom the complaint is made?
13. Does the firm require independent review of high exposure work product, such as third-party opinion letters, securities issuances and settlement advice?

14. Are two signatures required for all withdrawals of funds from custodial accounts? Yes No
15. Does the firm have formal, written procedures regarding the maintenance and use of custodial accounts, including escrow funds? Yes No
16. Does the firm maintain a fidelity bond covering all employees? Yes No
17. Are custodial accounts (money, securities, and other property held on behalf of clients) audited by an independent outside auditor? Yes No
18. Has the firm or any predecessor firm purchased an Extended Reporting Period under any Lawyers Professional Liability insurance policy?
If "Yes", please provide details: _____
19. Does the firm have a computer back-up system or some other form of emergency back-up system in the event of a disruption or interruption of business? Yes No
20. Does the firm engage independent contractors and/or per diem lawyers to render services on behalf of the firm? ***If "Yes", please provide details of such engagements.*** Yes No

IV. SUITS OR FEES

- Do suits for collection of fees have to be approved by a committee or at least to partners or officers? Yes No

V. OUTSIDE INTERESTS

1. Does the firm have a policy governing the trading and/or investing by its lawyers in securities of clients and the disclosure of such trading and/or investing to the firm? Yes No
2. Does the firm have a policy governing transactions for clients when its lawyers own or serve as fiduciaries, directors, officers, trustees, consultants, employees or partners of, or exercise any fiduciary management control over such clients? Yes No
3. Does service on a client's Board of Directors have to be approved by a committee or at least two partners or officers of the firm? Yes No
4. Does the firm ever accept securities of a client or other forms of compensation in lieu of fees? Yes No
5. Has one client or group of related clients produced more than 30% of the firm's total income over the past three years? Yes No
If "Yes", name(s) of client, clients industry and services performed:
- _____
- _____

VI. CLIENT MANAGEMENT

1. Are new clients subject to the approval of a committee or designated partner or officer other than the lawyer generating the business? Yes No
2. Does the firm have written procedures for co-counsel representation? Yes No
3. Does the firm have a procedure for evaluating prospective clients to determine such things as the prospective client's financial strength, management expertise, reputation and history of changing lawyers? Yes No
4. Does the firm have a written client intake, screening or file opening procedure?
If "Yes" does the firm's client intake, screening or file opening procedure:
 - a. Prohibit the disclosure of confidential information before a conflict check is completed? Yes No
 - b. Require a conflicts approval before a new file can be opened? Yes No
 - c. Examine the difficulty or complexity of the proposed representation? Yes No
 - d. Examine the match between the proposed representation and the current skill sets of the lawyer(s) who will be working on the matter? Yes No
 - e. Examine the likelihood of success or expectations of the client? Yes No
5. How often is information regarding all new clients made available to all lawyers of the firm? _____

VII. CONFLICT OF INTEREST

1. Does the firm maintain a system to avoid conflicts of interest? Yes No
If "Yes", is the conflicts system computerized? Yes No
 - a. How often is it updated? _____
 - b. Does it include: (check all that apply) client name, opposing party, opposing counsel, client subsidiaries, client principals, previous firms of lateral hires, other (please describe) _____
2. Are potential conflicts always referred to an independent conflict partner or committee? Yes No
3. Do your conflict of interest avoidance procedures:
 - a. Require written disclosure of the potential conflict to all clients? Yes No
 - b. Require written consent form all parties to a potential conflict prior to performing legal services? Yes No
 - c. Prohibit representation where any lawyer has any kind of financial interest in the proposed client or subject matter of the representation, other than traditional hourly or contingent legal fees? Yes No

VIII. CALENDARING/DOCKETING

1. Does the docket control system have redundancies in input, review, and oversight? Yes No
2. Does the firm have a docket control administrator? Yes No
3. How often are open calendar entries on the docket control system circulated to all lawyers, or, if the firm is divided into formal departments, to all lawyers in the appropriate department?: _____

Additional Information:

IX. MATERIAL CHANGE

If any of the Applicants discover or become aware of any significant change in the condition of the Applicant between the date of this Questionnaire and the policy inception date, which would render the Questionnaire inaccurate or incomplete, notice of such change will be reported in writing to us immediately and any outstanding quotation may be modified or withdrawn.

X. DECLARATIONS, NOTICE AND SIGNATURES

The submission of this Questionnaire does not obligate the **Insurer** to issue, or the Applicant to purchase, a policy. The Applicant will be advised if the Questionnaire for coverage is accepted. The Applicant hereby authorizes the **Insurer** to make any inquiry in connection with this Questionnaire.

The undersigned, declare that to the best of their knowledge and belief, after reasonable inquiry, the statements set forth in this Questionnaire and in any attachments or other documents submitted with the Questionnaire are true and complete and were made to obtain requested information from each and every Applicant proposed for this insurance to facilitate the proper and accurate completion of this Questionnaire.

The undersigned agree that the information provided in this Questionnaire and any material submitted herewith are the representations of all the Applicants and the basis for issuance of the insurance policy should a policy providing the requested coverage be issued, and that the **Insurer** will have relied on all such materials in issuing any such policy. The undersigned further agree that the Questionnaire and any material submitted herewith shall be considered attached to and a part of the policy. Any material submitted with the Questionnaire shall be maintained on file (either electronically or paper) with us.

The information requested in this Questionnaire is for underwriting purposes only and does not constitute notice to the **Insurer** under any policy of a **Claim** or potential **Claim**.

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

NOTICE TO ARIZONA AND MISSOURI APPLICANTS: Claim Expenses are Inside the Policy Limits. All claim expenses shall first be subtracted from the limit of liability, with the remainder, if any, being the amount available to pay for damages.

NOTICE TO ARKANSAS, LOUISIANA AND WEST VIRGINIA APPLICANTS: 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.

NOTICE TO COLORADO APPLICANTS: 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.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO IDAHO AND OKLAHOMA APPLICANTS: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO KANSAS APPLICANTS: Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means 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 or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

NOTICE TO KENTUCKY APPLICANTS: 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.

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

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or 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.

NOTICE TO MICHIGAN APPLICANTS: Any person who knowingly and with intent to defraud an insurance company or another person files an application for insurance containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent act, which is a crime and subjects the person to criminal and civil penalties.

NOTICE TO NEW JERSEY APPLICANTS: Any person who knowingly includes any false or misleading information on an application for an insurance policy or files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

NOTICE TO NEW HAMPSHIRE APPLICANTS: 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.

NOTICE TO NEW MEXICO AND RHODE ISLAND APPLICANTS: 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 civil fines and criminal penalties.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud or solicit another to defraud any insurance company: (1) by submitting an application, or (2) by filing a claim containing a false statement as to any material fact, may be violating state law.

NOTICE TO PENNSYLVANIA APPLICANTS: 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 subjects such person to criminal and civil penalties.

NOTICE TO VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Note: This **Application** must be signed by a representative of the Applicant acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

Date

Signature

Title

Produced By: Agent: _____ Agency: _____

Agency Taxpayer ID or SS No.: _____

Agent License No.: _____ Agent Signature: _____

Address (Street, City, State, Zip): _____