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ISBA MUTUAL INSURANCE COMPANY

223 West Ohio Street • Chicago, IL 60654-4445 • 800-473-4722 • 312-379-2000 • Fax: **312-379-2002** • www.isbamutual.com

LAWYERS PROFESSIONAL LIABILITY INSURANCE
NEW BUSINESS APPLICATION

PLEASE TYPE OR PRINT IN INK. If space is insufficient to answer any questions, please use Applicant letterhead. Any omissions will be considered an incomplete submission and will not be processed.

1. Firm Name: ______________________ Phone Number: ( ) ______________

Contact Person: ______________________ Fax Number: ( ) ______________

2. Suite Number / Post Office Box: ______________________ E-mail: ______________

Street Address: ______________________ Website: ______________

City: ____________ County: ____________ State: ________ Zip: __________

3. List all other practice locations: ______________________

4. Desired Effective Date: _____/_____/_____

5. Date Applicant Established: _____/_____/_____

6. Select limits of liability and deductible. Please remember that the limits are shared by all Applicant members.

LIMIT OF LIABILITY
EACH CLAIM / ANNUAL AGGREGATE

- ☐ $ 250,000 / $ 500,000
- ☐ $ 500,000 / $ 500,000
- ☐ $ 500,000 / $1,000,000
- ☐ $1,000,000 / $1,000,000
- ☐ $1,000,000 / $2,000,000
- ☐ $2,000,000 / $2,000,000
- ☐ $2,000,000 / $4,000,000
- ☐ $3,000,000 / $3,000,000
- ☐ $4,000,000 / $4,000,000
- ☐ $5,000,000 / $5,000,000
- ☐ Higher $____________

DEDUCTIBLE
EACH CLAIM

- ☐ $1,000
- ☐ $2,000
- ☐ $2,500
- ☐ $3,000
- ☐ $4,000
- ☐ $ 5,000
- ☐ $10,000
- ☐ $15,000
- ☐ $20,000
- ☐ $25,000
- ☐ Higher $____________

COMPLETE THE SUPPLEMENT INDICATED ONLY IF A "YES" RESPONSE IS INDICATED BELOW:

	No Supplement Needed	Complete Supplement	Supplement to Complete
7. During the past 5 years, has Applicant or Applicant member provided legal services in connection with:			
(a) the issuance, offering, or sale of securities?	☐ No	☐ Yes	Securities
(b) a financial institution in which he/she either (a) serves/served as a director, officer or committee member and/or (b) holds/held an equity interest?	☐ No	☐ Yes	Financial Institution
(c) the formation, syndication, promotion, or management of any limited partnership or private placement?	☐ No	☐ Yes	Limited Partnership
8. During the past 5 years, has Applicant or any Applicant member:			
(a) acted in the capacity of or with the title "trustee" for a client?	☐ No	☐ Yes	Fiduciary
(b) had discretionary investment authority over client funds?	☐ No	☐ Yes	Fiduciary
9. During the past 5 years, has Applicant or any Applicant member:			
(a) served as a director, officer, partner or employee of a past or present client?	☐ No	☐ Yes	Outside Interest
(b) had an equity interest in a past or present client?	☐ No	☐ Yes	Outside Interest
(c) engaged in business ventures with a past or present client?	☐ No	☐ Yes	Outside Interest
10. Do any of Applicant's clients make up 25% or more of Applicant's gross revenue?	☐ No	☐ Yes	Practice
11. Has Applicant or any Applicant member provided legal services outside of the state of Illinois either with or without other counsel, (including contingency fee referrals) in the past 5 years?	☐ No	☐ Yes	Practice
12. Does Applicant or Applicant members own 100% of a title agency for which coverage is sought?	☐ No	☐ Yes	Title

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COMPLETE THE SUPPLEMENT INDICATED ONLY IF A "YES" RESPONSE IS INDICATED BELOW:	No Supplement Needed	Complete Supplement	Supplement to Complete
13. Has Applicant sued any client for fees within the past 24 months? **If yes, identify the number of fee suits filed. _____**	☐ No	☐ Yes	Fee Suit
14. Has Applicant or any Applicant member been disbarred, suspended, refused admittance to practice, reprimanded, sanctioned, or held in contempt by a court, administrative agency, regulatory body, or the ARDC, had a disciplinary complaint issued or been the subject of a disciplinary trial? **If yes, please provide details on letterhead.**	☐ No	☐ Yes	
15. In the past 5 years, has Applicant or any Applicant member received an inquiry, a request for investigation of a lawyer, correspondence reflecting an investigation will not proceed, or an inquiry from or to a disciplinary body; given a sworn statement, or gone before the Inquiry Panel with regard to the ARDC or a disciplinary body? **(a) If yes, identify the number of matters. ____** **(b) Number currently open ____**	☐ No	☐ Yes	
16. In the past 5 years, has Applicant or Applicant member been convicted of a criminal offense other than a misdemeanor motor vehicle violation? **If yes, please explain.** ______________________	☐ No	☐ Yes	
17. During the past 5 years, has any claim been made or been in open status against: Applicant or a predecessor firm, any current member of Applicant or a predecessor firm; or, to your knowledge, any former member of Applicant or a predecessor firm? ("Predecessor Firm" in this application means any law firm or professional legal corporation of which the majority of lawyers are now affiliated with the Applicant.) **If yes, identify the number of claims. _____**	☐ No	☐ Yes	Claim
18. When was the most recent claim made against Applicant or Applicant member?	________ Year	☐ Never	
19. Is Applicant or any current member of Applicant aware of any circumstance or incident that may result in a claim or suit? **If yes, identify the number of circumstances or incidents. _____**	☐ No	☐ Yes	Claim
20. Has Applicant or any Applicant member purchased an extended reporting period endorsement (tail coverage)? **If yes, provide effective date: (mm/dd/yy)**__________________	☐ No	☐ Yes	
21. Has any insurance carrier cancelled, refused to renew, or declined to provide professional liability insurance to Applicant or any Applicant member? If yes, provide carrier's letter. **Please explain.** ______________________	☐ No	☐ Yes	
22. In what year did Applicant's continuous malpractice coverage begin?	Year: ______________		

23. List all professional liability coverage that Applicant and Applicant members had in the past 5 years.

Firm Name	Policy Period	Insurance Company	Limit of Liability Per Claim/Aggregate	Deductible	Premium	Number of Lawyers Covered

24. Total gross revenue including contingent fees: (a) Past 12 months: $__________ (b) Projected next 12 months: $__________
Revenue information is kept strictly confidential.

25. (a) Average case value: $__________________ (b) Average per attorney caseload: ____________________

26. Identify the number of non-lawyer and support staff in Applicant firm: Paralegal ______ Other (secretary, clerk, etc.) ______

27. Identify the number of lawyers (including independent contractors and Of Counsel) for whom coverage is sought: ______________

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28. **ALL LAWYERS <u>INCLUDING SOLO PRACTITIONERS</u> MUST COMPLETE THE CHART BELOW FOR EACH ATTORNEY IN THE FIRM, OF COUNSEL, AND INDEPENDENT CONTRACTOR <u>FOR WHOM COVERAGE IS SOUGHT</u>.**

	<u>Lawyer's Name/Email Address</u>		# of hours per year worked for <u>Applicant</u>	O, OF, Di, P, OC, E, <u>IC**</u>	Date Joined Applicant <u>Firm</u>
(1)	Name:	ISBA #			
	Email:	ARDC #			
(2)	Name:	ISBA #			
	Email:	ARDC #			
(3)	Name:	ISBA #			
	Email:	ARDC #			
(4)	Name:	ISBA #			
	Email:	ARDC #			
(5)	Name:	ISBA #			
	Email:	ARDC #			

**Designated Codes: (O) Owner, (OF) Officer, (Di) Director, (P) Partner, (OC) Of Counsel, (E) Employee, (IC) Independent Contractor

29. If Applicant or Applicant member works *less than full-time* for Applicant, please provide an explanation (e.g. family care, identify other employment). ______

30. Are there any predecessor firms for Applicant or Applicant member during the past 10 years? ☐ No ☐ Yes
("Predecessor Firm" in this application means any law firm or professional legal corporation of which the majority of lawyers are now affiliated with the Applicant.) **If yes, complete below.**

Name of <u>Predecessor Firm</u>	Date <u>Formed</u>	Date of Merger/ <u>Dissolution</u>	Number of <u>Lawyers</u>	Number of Lawyers from Predecessor Firm Currently Employed at <u>Applicant</u>

31. During the past 5 years has Applicant or any Applicant member:

(a) owned a business or entity other than Applicant? ☐ No ☐ Yes

(b) worked as an employee of a business or entity other than Applicant? ☐ No ☐ Yes

(c) rendered professional services to a business or entity owned by a relative? ☐ No ☐ Yes
("Relative" is defined in this application to mean a parent, sibling, spouse, child, or grandparent.)

If yes to 31 (a), (b), or (c) then complete below.

(1) Identify the name of the business: ______

(2) Identify the nature of the business: ______

(3) Time frame of affiliation: ______

(4) Describe nature of work Applicant performed for the business: ______

(5) Number of hours per week Applicant devoted to the business: ______

(6) Total combined percent ownership interest of Applicant and Applicant's relatives. ______%

(7) Has Applicant or Applicant member performed, or is Applicant or Applicant member performing legal services for the business or entity? ☐ No ☐ Yes

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32. Does Applicant or any Applicant member case-share; use independent contractors, co-counsel, Of Counsel; refer or delegate cases; or office share with any lawyers or other professionals? ☐ No ☐ Yes
If yes, then identify attorneys, describe nature of relationship, and state whether or not the attorneys carry malpractice insurance.

____

____

____

33. Identify the percentage (%) of time that Applicant's practice is devoted to the following categories. ***(Must equal 100% in total.)***

1 ____ Admiralty
2 ____ Antitrust
3 ____ Appellate
4 ____ Arbitration/Mediation
5 ____ Banking
6 ____ Bankruptcy
7 ____ Bonds**
8 ____ Civil Rights
9 ____ Class Actions
10 Collections
____ Commercial
____ Consumer
11 Commercial
____ Litigation
____ Transactional
12 ____ Construction
Corporate
13a ____ Acquisitions/Mergers**
13b ____ Formations
13c ____ General
14 ____ Criminal Defense
(not including Insurance Defense)
15a ____ Bodily/Personal Injury
15b ____ Medical Malpractice
15c ____ Worker's Compensation

16 ____ Elder
Employment
17a ____ Employees
17b ____ Labor Management
17c ____ Labor Unions
18 ____ Entertainment/Sports*
19 ____ Environmental*
20 ____ ERISA
21 ____ Estate/Probate/Trust/Wills
22a ____ Family Adoptions
22b Family Divorce
____ Estate under $1 million
____ Estate over $1 million
23 ____ Guardianship
24 ____ Foreclosure
25 ____ Immigration
26 ____ Insurance Defense
27 ____ International
28 ____ Intellectual Property*
29 ____ Lobbying
30 ____ Municipal/Government
31 ____ Oil/Gas/Mining
32 ____ Other (Must explain below)

****Complete the corresponding supplement***
*****Complete the Securities Supplement***

Plaintiff
33a ____ Bodily or Personal Injury
33b *Medical Malpractice*
____ Under $1 million
____ Over $1 million
33c ____ Worker's Compensation
Real Estate
Commercial
34a ____ Under $1 million
34b ____ Over $1 million
34c ____ Residential
34d ____ Title
34e ____ Real Estate Development or Syndication**
35 ____ Securities**
Exempt, Limited Partnerships, Private Placements, Federal, Registered, State, Investment Advice, Money Management
Tax
36a ____ Opinion/Advice
36b ____ Preparations
37 ____ Traffic
38 ____ Utilities

Total **0** % **(Must = 100%)**

If you wish to elaborate on the above, please do so here. ______________________________

____

It is the parties' intent that the electronic application and electronic signature shall be deemed to be of the same force and effect as an original executed document.

I affirm that the information contained herein is true and complete to the best of my knowledge and that it shall be the basis of the policy of insurance and deemed incorporated therein should the Company evidence its acceptance of this application by issuance of a policy.

Owner, Partner, or Officer Signature

Print Applicant Name ______________________________

Title ______________________________

Date ______________________________

Unless the application is fully completed, coverage cannot be bound. Signing this form and tendering premium does not bind the Company to provide the insurance. This coverage is provided on a "claims-made-and-reported" basis. Only claims which are first made against you and reported to us during the policy term are covered, subject to policy provisions.

ATTACH TO THIS APPLICATION:

1. *Letterhead* All letterhead on which any Applicant or Applicant member's name appears.
2. *Current Policy* A copy of your current Declarations Page and all endorsements if currently insured.
3. *Disciplinary* If unresolved, provide all correspondence with disciplinary body or court.
4. *Supplements* All supplements corresponding with your responses. (Visit www.isbamutual.com for supplements.)

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PRACTICE TIPS FOR LAWYERS

- Avoid clients who discharge attorneys or engage in fee disputes with prior attorneys;
- Do not ignore conflicts and proceed with the representation. Conflicts may include representing the driver and passenger, representing the closely held corporation and its principals, and finalizing an already agreed to deal between the buyer and seller of real estate or a business, or between future business partners;
- When considering an out of state case, formally retain an out of state lawyer to advise on statutes of limitations and repose. Don't just engage in an informal phone call with an out of state lawyer. Also don't engage in activities on out of state matters that could be deemed to be practicing in a state in which you are not licensed;
- Don't put in an email what you wouldn't put in a letter. Save emails;
- Implement a firm calendar/docketing system (centralized calendar system) that includes multiple people such as attorneys and secretaries;
- Don't plan to file within days of the deadline. File early to avoid deadline problems;
- Promptly notify uninsured and underinsured motorist carriers when retained, even if the case does not appear to be an uninsured or underinsured motorist exposure;
- Become familiar with shortened statutes of limitations (municipalities) and with claims with stringent notice requirements (Chicago Transit Authority).
- Do not ignore testamentary capacity and undue influence issues in estate planning.
- Conduct detailed research into the Fair Debt Collections Practices Act.
- Don't let past due amounts get large. Frequently issue bills and follow up on unpaid amounts;
- Issue declination letters noting that there may be statutes of limitations and repose without providing dates. Advise to promptly consult with another attorney;
- Provide potential clients with a letter of understanding during the period in which the potential client or you are considering whether to enter into a formal retention. Consider statutes of limitations or repose expiring during this period;
- Issue engagement letters identifying the client represented, scope of representation, billing rates, expenses to be paid, and retainer terms if required. Include litigation hold directives and provide multiple party disclosures and waivers if applicable. Disclose firm document retention policies. Make sure engagement letters are signed by the attorney and the client;
- Issue disengagement letters to clients at the end of representation noting the conclusion of your engagement as of the date of the letter, and tasks accomplished per your engagement letter. Consider whether there may be potential statutes of limitations or repose on remaining claims;
- When referring cases, confirm the attorneys have professional liability insurance and check the ARDC website. Make sure the referral agreement is in writing and the client consents;
- Contact ISBA Mutual at 800-473-4722 to speak with a Risk Management attorney at no charge. Review the ISBA Mutual Risk Management emails to stay current on issues.