



**Lawyers PROtectSM
Securities Supplemental Application**

BY COMPLETING THIS APPLICATION, THE APPLICANT IS APPLYING FOR COVERAGE WITH EITHER **COLONY INSURANCE COMPANY**, **COLONY SPECIALTY INSURANCE COMPANY** OR **PELEUS INSURANCE COMPANY**, AN AUTHORIZED SURPLUS LINES INSURER OR **ARGONAUT INSURANCE COMPANY**, A LICENSED INSURER.

INSTRUCTIONS –

- Answer all questions. The information provided herein is considered material to our underwriting and pricing decision for the policy or additional coverage under consideration at the time this supplemental application is submitted.
- If Applicant indicated any percentage of practice is securities or bond work, this supplement must be completed.
- This form must be completed, dated and signed by an authorized officer of the Applicant to include this completed form as part of the Application.

1. Applicant Name (as identified in the application submitted for the proposed insurance):

Due Diligence

2. Does the Applicant have a procedure:
- a. For evaluating a new client seeking securities advice relevant to a proposed transaction or offering to determine the client's financial strength, management expertise, reputation, the nature of its business and history of changing securities, lawyers and accommodations? Yes No
If "Yes", is this evaluation conducted by a lawyer or a committee of lawyers not anticipated to be working directly for the client? Yes No
 - b. Requiring the preservation of the factual source and verification made by your lawyers to support legal opinions and disclosure documents to be furnished in the transaction? Yes No
 - c. Requiring at least one securities lawyer, who is not working on the transaction in question, review and approve all written legal opinions to be furnished in the transaction? Yes No
 - d. Requiring an experienced securities lawyer to interview the client's directors, executive officers and principals in connection with document preparation and review, as well as disclosure documents? Yes No
 - e. Precluding the use of pre-signed signature pages for registration statements other than for immaterial amendments? Yes No
 - f. Precluding the use of firm name in disclosure documents? Yes No
 - g. Intended to prevent the improper use of material inside information or the tipping of such information by its lawyers and staff? Yes No
3. Does the Applicant have a policy prohibiting:
- a. Applicant's lawyers and staff from participating in the securities selling process; e.g., not participating in marketing meetings or calls involving prospective investors? Yes No
 - b. Any arrangement where the client's obligation to pay for the services is contingent upon the closing of a securities transaction? Yes No
 - c. Any arrangement where a securities client pays for the Applicant services with client securities? Yes No

Sarbanes-Oxley Act Compliance

- 4. Does the Applicant have a formal training program for firm lawyers specifically addressing compliance with regulations pertaining to Section 307 of the Sarbanes-Oxley Act? Yes No
- 5. Has the Applicant or any lawyer previously employed or associated with the Applicant firm ever been suspended from practicing before the Securities & Exchange Commission or any other regulatory body? Yes No
- 6. Has Applicant or any lawyer previously employed or associated with Applicant ever been the subject of a disciplinary action or proceeding brought by the Securities & Exchange Commission or any other regulatory body? Yes No

Certain Exempted Transactions

- 7. Has the Applicant provided legal services in connection with the offer and sale of securities intended to be a transaction exempted from registration under the 1933 Act by reason of one or more of the following provisions of Sections 3 or 4 of the 1933 Act or any regulation? Yes No
 - a. Section 3(a)(11) and/or rule 144? Yes No
If "Yes",
 - I. Were any such offers and sales of securities made to the public pursuant to any form of registration, qualification or similar filing under State Securities Law? Yes No
 - II. Were disclosure documents used in connection with all Section 3(a)(11) offerings? Yes No
 - b. Section 3(a)(2) as it relates to any security issued or guaranteed by a bank? Yes No
 - c. Section 3(a)(2) as it relates to any security issued by the U.S. or any state political Subdivision or public instrumentality of the U.S. or any state? Yes No
 - d. Section 3(a)(5) as it relates to any security issued by a savings and loan institution? Yes No
- 8. Has the Applicant provided legal services in connection with any tender or exchange offer? Yes No
If "Yes", has the Applicant advised any client with respect to an offer made or proposed to be made involving any entity whose management opposed or opposes such an offer? Yes No
- 9. Has the Applicant provided legal services in connection with any proxy contests involving a Public Company? Yes No
- 10. Securities offerings in which any Applicant is involved: First list filings expected to be made within the next ninety (90) days. Then list the most recent filings for the last twenty-four (24) months. If less than ten (10) filings listed in the twenty-four (24) month period, list all such filings for the past forty-eight (48) months. Include in this list filings withdrawn after having been filed, unsuccessful offerings and filings made pursuant to an exemption from registration under the 1933 Act.

Offering Date	Issuer	Type ¹	Dollar Size/Description	Did Firm Render Tax Opinion	Applicant Lawyers Invest
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

¹Type of Offering

B- Bond, Private
 GBO- Governmental Bond Offering
 IPO- Initial Public Offering
 TS- Tax Shelter

PR- Private Placement
 PR- Public Initial Placement
 PUS- Public Secondary Placement

LP- Limited Partnership
 SY- Syndication
 M- Municipal Financing

11. During the last five (5) years, has the Applicant provided legal services in connection with the offer and sale of private placement bonds? Yes No
 If "Yes", were disclosure documents used in connection with all private placement bonds with an aggregate price of \$100,000 or more? Yes No

12. In the last five (5) years, what is the approximate number of bond issues for which the Applicant has provided legal services?

a. Indicate the type of bonds issued by percent.

- I. General obligation %
- II. Refunding %
- III. Revenue %
- IV. Other (provide details below) %

b. Indicate the capacity in which the Applicant has acted in the above bond issues by percent.

- I. Bond counsel %
- II. Special counsel %
- III. Issuer counsel %
- IV. Underwriter counsel %
- V. Other (provide details below) %

c. On how many of the above indicated bond issues has the Applicant ever acted in more than one (1) capacity in the same transaction:

Please explain:

d. How many of the above indicated bonds are currently in default or have experienced a default proceeding?

13. Complete the schedule below for the Applicant's members who practice securities law, including bond practice. In the third and fourth columns, state the number of hours the lawyer has billed on securities law matters during the past twenty-four (24) months.

Lawyer	Number of Years Securities Law Experience	Billable Hours Most Recent 12 Months	Billable Hours Prior 12 Months

14. Complete the schedule below for all lawyers responsible for reviewing the tax implications of each issue.

Lawyer	Tax Practice Billable Hours Most Recent 12 Months	Tax Practice Billable Prior 12 Months	Member of Applicant Firm?	E & O Coverage?
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

THIS SUPPLEMENTAL APPLICATION IS INCORPORATED BY REFERENCE INTO THE PRIMARY APPLICATION

APPLICANT'S SIGNATURE	DATE
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