



Lawyers PROtectSM
Transactional Practice 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.
• This supplement must be completed if the Applicant indicated any percentage of practice is estate, probate and/or trust, entertainment or tax opinion work.
• 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): [text box]

ESTATE, PROBATE & TRUST

2. a. Is any of the Applicant's work Estate, Probate and/or Trust? [] Yes [] No

If "Yes",

Does the Applicant firm:

- I. Write checks? [] Yes [] No
II. Provide investment advise? [] Yes [] No
III. Make investments? [] Yes [] No
IV. Have discretionary control of funds? [] Yes [] No
V. Provide tax advice? [] Yes [] No

If "Yes", to any of the above, please provide full details.

[text box]

b. How does the Applicant firm handle tax advice given in conjunction with estate and trust work?

- [] Firm refers all tax work outside the firm.
[] Firm employs tax lawyer(s) to handle all tax matters.
[] Firm refers most tax work, but retains some.
[] Nature of firm's estate and trust work does not require tax advice.

[] Other (describe): [text box]

c. If the Applicant firm does not provide tax or investment advice, is this clearly articulated in the engagement letter provided to the client? [] Yes [] No

If "No," explain the measures the Applicant firm takes to insulate itself from liability based on service provided by that professional.

[text box]

d. Does the value of any estate or trust handled by the Applicant firm exceed \$5,000,000? [] Yes [] No

If "Yes", attach a separate sheet listing the lawyer name, client name and approximate value of the estate(s) and trust(s).

- e. Please complete the following schedule for five (5) largest clients to which a member of the firm provided services in the last twenty-four (24) months:

| Name of Client | Date Established | Type* | Asset Value | Services Provided |
|----------------|------------------|-------|-------------|-------------------|
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |

*E = Estate P = Personal/Family Trust B = Business Trust F = Foundation C = Charity R = Real Estate
O = Other (please describe)

- f. Do the activities as trustee include investment decisions resulting in the purchase or sale of the following?
- I. Securities Yes No
- II. Real estate Yes No
- III. Other investments Yes No

If "Yes", to any of the above, identify the applicable trust(s), provide a description of services rendered and indicate if Applicant firm receives compensation in the form of a commission or fee.

- g. Please indicate the controls in place to monitor trust activity:
- I. Audits Yes No
- II. Dual signatures Yes No
- III. Court reports Yes No
- IV. Other (describe): Yes No

- h. Does any trust have or reasonably anticipate having any disputes over assets or distribution of the trust? Yes No
- If "Yes", please provide full details.

ENTERTAINMENT

3. Is any of the Applicant's work Entertainment? Yes No
- If "Yes",

- a. Does the Applicant provide entertainment services for the following:

| | | | |
|-----------------------------|--|-----------------------|--|
| Sports teams | <input type="checkbox"/> Yes <input type="checkbox"/> No | Actors | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Individual athletes | <input type="checkbox"/> Yes <input type="checkbox"/> No | Authors or publishers | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Musical groups or musicians | <input type="checkbox"/> Yes <input type="checkbox"/> No | Public figures | <input type="checkbox"/> Yes <input type="checkbox"/> No |

- b. Does the Applicant:

| | | | |
|---|--|---|--|
| Manage money | <input type="checkbox"/> Yes <input type="checkbox"/> No | Act as business manager | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Make investments or offer investment advice | <input type="checkbox"/> Yes <input type="checkbox"/> No | Negotiate financing or distribution of products | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Serve as trustee | <input type="checkbox"/> Yes <input type="checkbox"/> No | Serve as talent agent or manager | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Manage estates | <input type="checkbox"/> Yes <input type="checkbox"/> No | File for trademark/copyright protection | <input type="checkbox"/> Yes <input type="checkbox"/> No |

- c. Does the Applicant have any outside business relationships with any entertainment client or ever accepted compensation in lieu of fees? Yes No
- d. For the last five (5) years, please list the Applicant firm's top five (5) entertainment clients.

| Client | Nature of Relationship | Year First Retained |
|--------|------------------------|---------------------|
| | | |
| | | |
| | | |
| | | |

TAX OPINIONS

4. Is any of the Applicant's work tax opinions? Yes No

If "Yes",

a. What type of tax opinions does the Applicant render?

| Area Of Tax Practice | Percent of Revenue | Area Of Tax Practice | Percent of Revenue |
|-------------------------------|--------------------|---|--------------------|
| Personal | % | Liquidation of Corporations | % |
| Corporate | % | Opinions on Tax Shelters | % |
| Investment Counselor Services | % | Opinion Involving Private Placement Memoranda | % |
| Estate Tax Returns | % | State or local bonds | % |
| Subchapter S Elections | % | Others (describe): | % |

b. If tax opinions are provided for bonds, what percentage are provided as:

| | | | |
|-------------------|---|---------------|---|
| Original issuance | % | Post issuance | % |
|-------------------|---|---------------|---|

c. What percentage of tax opinions rendered are:

| | | | |
|-----------|---|-------------|---|
| Qualified | % | Unqualified | % |
|-----------|---|-------------|---|

d. What percentage of tax opinions rendered are:

| | | | |
|-------------------|---|------------------------|---|
| Reliance opinions | % | Marketed opinions | % |
| Covered opinions | % | Limited scope opinions | % |

e. Do all tax opinion letters:

- I. Identify any tax issues for which the IRS may have a reasonable basis for challenge? Yes No
- II. State the opinion may not be sufficient to avoid penalties? Yes No
- III. Contain the Applicant's overall conclusion regarding the matter or contain reasons why a conclusion cannot be reached? Yes No
- IV. Disclose in the opening paragraph of the opinion letter the scope of the opinion limiting it to the specific tax issue for which the opinion is rendered? Yes No
- V. Contain prominent disclosures in compliance with Circular 230 Rules? Yes No
- VI. Receive a cold review of the tax opinion letter by an experienced tax lawyer who does not work directly for the client? Yes No

f. Does the Applicant have a written procedure requiring:

- I. Verification and preservation of factual source, assumptions and representation on which the opinion is based? Yes No
- II. Compliance with IRS Circular 230? Yes No
- III. Written client acknowledgment as to the scope, purpose and use of the advice? Yes No

g. Complete the schedule below for all lawyers responsible for providing tax opinion letters and/or the cold review of these documents.

| Lawyer | Tax Practice Billable Hours Most Recent 12 Months | Tax Practice Billable Hours Prior 12 Months | Member of Application 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 |

THIS SUPPLEMENTAL APPLICATION IS INCORPORATED BY REFERENCE INTO THE PRIMARY APPLICATION

| | |
|-----------------------|------|
| APPLICANT'S SIGNATURE | DATE |
|-----------------------|------|