

## RISK MANAGEMENT QUESTIONNAIRE

Please provide additional details in support of a response to any question on a separate attachment.

- |  |            |            |           |
|--|------------|------------|-----------|
| <b>1. TRAINING AND SUPERVISION</b>   |            |            |           |
| a. Does the Firm maintain a training program for new associates?   |            | <b>Yes</b> | <b>No</b> |
| b. Are all associates of the Firm under the direct supervision of a partner or officer?  |            | <b>Yes</b> | <b>No</b> |
| c. Are all associates of the Firm subject to periodic, formalized review?  |            | <b>Yes</b> | <b>No</b> |
| <b>2. MANAGEMENT</b>   |            |            |           |
| a. Is the Firm managed by a management/executive committee?  |            | <b>Yes</b> | <b>No</b> |
| b. Does the Firm employ an administrator?  |            | <b>Yes</b> | <b>No</b> |
| c. Does the Firm (or departments within the Firm) conduct periodic meetings involving all lawyers of the Firm (or department)?   |            | <b>Yes</b> | <b>No</b> |
| d. Is a designated partner or officer of the Firm responsible for every matter in the office?  |            | <b>Yes</b> | <b>No</b> |
| e. Does the Firm use a peer review system to evaluate the performance of its partners or officers?   |            | <b>Yes</b> | <b>No</b> |
| f. Are departing lawyers' files reviewed by a partner or officer of the Firm?  |            | <b>Yes</b> | <b>No</b> |
| <b>3. INTERNAL CONTROLS</b>  |            |            |           |
| a. Does the Firm have written partner/shareholder compensation guidelines?   |            | <b>Yes</b> | <b>No</b> |
| b. Does the Firm have a written partner/shareholder agreement?   |            | <b>Yes</b> | <b>No</b> |
| c. Do suits for collection of fees have to be approved by a committee or at least two partners or officers?  |            | <b>Yes</b> | <b>No</b> |
| d. Does the Firm have a system requiring complaints by either a client or other counsel to be reviewed by a partner or officer other than the lawyer about whom the complaint is made?   |            | <b>Yes</b> | <b>No</b> |
| <b>4. OUTSIDE INTERESTS (Check N/A where appropriate if the Firm does not permit such outside interest)</b>  |            |            |           |
| a. 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?   | <b>N/A</b> | <b>Yes</b> | <b>No</b> |
| b. 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? | <b>N/A</b> | <b>Yes</b> | <b>No</b> |
| c. Does the 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?  | <b>N/A</b> | <b>Yes</b> | <b>No</b> |
| <b>5. NEW BUSINESS</b>   |            |            |           |
| a. Does the Firm outline and reduce to writing its billing policy and procedures when agreeing to represent a new client?  |            | <b>Yes</b> | <b>No</b> |
| b. Are new clients subject to the approval of a committee or designated partner or officer other than the lawyer generating the business?  |            | <b>Yes</b> | <b>No</b> |
| c. Does the firm have a procedure for evaluating prospective client's financial strength, management expertise, reputation, and history of changing lawyers?   |            | <b>Yes</b> | <b>No</b> |
| d. Is information as to all new clients made available on at least a weekly basis to all lawyers of the Firm?  |            | <b>Yes</b> | <b>No</b> |
| e. Does the Firm use scope of service letters when taking on new matters for existing clients?   |            | <b>Yes</b> | <b>No</b> |

**6. INFORMATION SECURITY**

- |    |  |            |           |
|----|--|------------|-----------|
| a. | Does the firm store or handle less than 10,000 of the listed types of records:   | <b>Yes</b> | <b>No</b> |
|    | <ul style="list-style-type: none"> <li>• Social security number</li> <li>• Medical or healthcare data including protected health information</li> <li>• Any account number, credit or debit card number, and if applicable, any associated password or security code that would permit access to the financial account</li> <li>• Proprietary business information</li> <li>• 3<sup>rd</sup> Party confidential information</li> </ul> |            |           |
|    | If yes, please provide an estimate _____.  |            |           |
| b. | Is firewall technology used to prevent unauthorized access to and from internal networks and external networks?  | <b>Yes</b> | <b>No</b> |
|    | If yes:  |            |           |
|    | 1. Are firewall configurations regularly reviewed and kept up to date?   | <b>Yes</b> | <b>No</b> |
|    | 2. Is any data stored or retained outside of the firewall (while not in transit)?  | <b>Yes</b> | <b>No</b> |
| c. | Is anti-virus software installed on all computers/servers that connect to your network?  | <b>Yes</b> | <b>No</b> |
|    | If so, is the anti-virus software package updated regularly?   | <b>Yes</b> | <b>No</b> |
| d. | What third-party systems do you use to maintain network security?  |            |           |
|    | e. During the last 3 years, have you had any information security breaches including unauthorized access, unauthorized use, denial of service attack, breach, theft of data, fraud, electronic vandalism, sabotage or other security events? If yes, please explain on a separate attachment.  | <b>Yes</b> | <b>No</b> |

**7. MISCELLANEOUS**

- |    |  |            |           |
|----|--|------------|-----------|
| a. | Does the Firm require independent review of high exposure work product, such as third-party opinion letters, securities issuances and settlement advice?                                   | <b>Yes</b> | <b>No</b> |
| b. | Does the Firm have formal, written procedures regarding the maintenance of custodial accounts?   | <b>Yes</b> | <b>No</b> |
| c. | Does the firm have formal, written procedures regarding the maintenance of and use of escrow funds?  | <b>Yes</b> | <b>No</b> |
| d. | 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?                                      | <b>Yes</b> | <b>No</b> |
| e. | Does the Firm engage independent contractors and/or per diem lawyers to render service on behalf of the Firm? If yes, please provide details of such engagements on a separate attachment. | <b>Yes</b> | <b>No</b> |



**NOTICE: ANY PERSON WHO, KNOWINGLY OR WITH INTENT TO DEFRAUD OR TO FACILITATE A FRAUD AGAINST ANY INSURANCE COMPANY OR OTHER PERSON, SUBMITS AN APPLICATION OR FILES A CLAIM FOR INSURANCE CONTAINING FALSE, DECEPTIVE OR MISLEADING INFORMATION MAY BE GUILTY OF INSURANCE FRAUD.**

**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 or confinement in prison, or any combination thereof.

**NOTICE TO ARKANSAS, LOUISIANA, NEW MEXICO, RHODE ISLAND 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 in the third degree.

**NOTICE TO KANSAS APPLICANTS:** 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, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with the intent to defraud any Insurance Company or other 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 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 who 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 NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW YORK 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

**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 OKLAHOMA APPLICANTS: WARNING:** 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 OREGON APPLICANTS:** Any person who, knowingly and with intent to defraud or facilitate a fraud against any insurance company or other person, submits an application, or files a claim for insurance containing any false, deceptive, or misleading material information may be guilty of insurance fraud.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with the 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 PUERTO RICO APPLICANTS:** Any person who knowingly and with the intent to defraud, presents false information in an insurance request form, or who presents, helps, or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years, or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Completion of this form does not bind coverage. Applicant's acceptance of company's quotation is required prior to binding coverage and policy issuance. It is agreed that this application shall be the basis of the contract of insurance should a policy be issued and it will be attached to the policy.

Signature of Owner, Officer or Partner _____	Title	Date
Producer Name: _____ Address: _____ City: _____ State: _____ Zip Code: _____ (Required in FLORIDA, IOWA, NEW HAMPSHIRE only)		
Producer License Number: _____ Applicable State: _____ (Required in FLORIDA only)		
Producer Signature: _____ (Required in NEW HAMPSHIRE only)		