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**AMERICAN ALTERNATIVE INSURANCE CORPORATION**

**555 College Road East, Princeton, NJ 08543-5241**

***RENEWAL APPLICATION* FOR LAWYERS’ PROFESSIONAL LIABILITY INSURANCE**

**Claims Made and Reported Insurance Policy**

**IMPORTANT NOTICE –** This is a renewal application for a Claims-made and Reported insurance policy.  This means the Company will not provide coverage or defense for any Claim that is either first made against the Insured or first reported to the Company, before or after the Policy Period and any applicable Extended Reporting Period.  To be eligible for coverage, a Claim must be first made against the Insured and first reported to the Company during the Policy Period and any applicable Extended Reporting Period, and also arise from a Wrongful Act that occurred on or after the Retroactive Date shown in the Policy Declarations and before the end of the Policy Period, among other requirements.  Additional limitations may apply, please consult your Insurance Advisor or see the policy language for full details.

**DEFENSE EXPENSES NOTICE (For New York Insureds Only);** If this Policy contains an insuring agreement that includes Claim Expenses within the Limits of Liability, payment of Claim Expenses may reduce the Limits of Liability applicable to Damages by up to 50%. If this Policy includes an insuring agreement that includes a Deductible that applies to Claim Expenses, up to 50% of the Deductible amount may be applied to Claim Expenses.

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| **Firm Profile Section** |

1. Firm Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Please include a copy of your Firm’s letterhead showing all Office Locations if there have been any changes since your last application.***

2. Since the date of your last Lawyers Professional Liability application with American Alternative Insurance Corporation***,*** has there been any change in any of the following:

a. Your Office or Mailing Address? YES NO

b. The licensure status or states of admission to practice for any attorneys currently with the firm*?*  YES NO

c. Has there been any Merger or Acquisition activity, or is any planned for the next 12 months? YES NO

***If YES to any part of this Question, please provide an update at the end of the Application.***

3. a. Total # of Attorneys who left the firm in past 12 months: \_\_\_\_\_\_\_.

b. Total # of Attorneys who joined the firm in past 12 months: \_\_\_\_\_\_.

c. Total # of Non-Attorney Staff? \_\_\_\_\_\_.

4. Please provide the following information for each New Attorney who has joined the Firm in the past 12 Months, or for any attorney working less than Full Time: *(Please any additional Attorneys on Separate Attachment or at end of Application)*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Attorney Name:** | **Title1**  *(see Key***)** | **State(s) Licensed** | **Year First**  **Admitted** | **Mo/Year Joined Firm** | **Ave. Hours per Week** | **Average Hourly Rate** | **CLE Hours** |
|  |  |  |  |  |  | $ |  |
|  |  |  |  |  |  | $ |  |
|  |  |  |  |  |  | $ |  |
|  |  |  |  |  |  | $ |  |

**1TITLE KEY: O** = Owner/Officer/Member/Shareholder **S** = Sole Practitioner **CA** = Contract/Per Diem Attorney

**A** = Associate **OC** = Of Counsel **EA** = Other Employed Attorney **P** = Partner **IC** = Independent Contractor

5. a. Does any Firm member have ownership in a Title Agency not disclosed in prior Lawyers Professional Liability applications with American Alternative Insurance Corporation? YES NO

b. If YES, is Title Agency Coverage desired? YES NO ***If YES to 7.a., please give Title Agency name, location, and ownership % at the end of the Application. If YES to 7.b., please complete the Title Agency Supplement.***

6. Requested Coverage Terms: Same as Expiring  New Limits & Deductible per below

a. New Requested Limit Per Claim: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ New Aggregate $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. New Requested Per Claim Deductible: $\_\_\_\_\_\_\_\_\_\_\_  (*select one*):  Damages and Claim Expense  Damages Only

7. Does any attorney in the Firm hold a position as director, officer, or manager, or have any direct or indirect control or financial interest in any firm client’s business that was not disclosed in prior Lawyers Professional Liability applications with American Alternative Insurance Corporation? YES NO

***If YES, please give the following information for FIRM CLIENTS ONLY (Includes Non-Profit organizations)*** ***where any attorney has any Position, Equity or Control that was not previously disclosed.*** *(Add additional positions in space at end)*

|  |  |  |  |
| --- | --- | --- | --- |
| **Name/Type of Client Business or Enterprise:** | **Location (City & State)** | **List All Position(s) with Client held by Firm Members AND Percentage of Equity or Ownership** | **Any Firm Member has Decision-Making Authority or Control?** |
|  |  | /\_\_\_\_\_% Equity | YES NO |
|  |  | /\_\_\_\_\_% Equity | YES NO |
|  |  | /\_\_\_\_\_% Equity | YES NO |

8.  a. **ALL FIRMS**: Please complete the chart below.

b. Has there been any change in Areas of Practice revenues since the date of your last Lawyers Professional Liability application with American Alternative Insurance Corporation? YES NO *If NO, please skip to question 9*. ONLY IF YES:

1. **1-5 ATTORNEYS FIRMS ONLY:** If more than **5% of Firm Revenues** come from an Area of Practice listed in ***Bold Italics*** in below, the relevant portion of AREA OF PRACTICE SUPPLEMENT must also be completed.

2. **6+ ATTORNEY FIRMS ONLY**: In addition to the chart below, please complete the AOP GRID as well as the relevant portion of the AREA of PRACTICE SUPPLEMENT for each Area of Practice in ***Bold Italics*** listed below that generates ANY Firm Revenues.

**AOPS REQUIRING AOP SUPPLEMENT:** ***Bankruptcy/Collections, Banks/Financial Institutions, Bonds/Securities, Copyright/Trademark/Patent, Entertainment, Estates & Trusts, Oil & Gas, Plaintiff, Real Estate, Tax.***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Area of Practice (AOP):** | **Estimated Percentage of Firm Revenues** | **Estimated Average Case Size or Transaction Value *(leave blank if cases lack economic value, i.e., Criminal Law*)** | **Estimated Max. Case Size or Transaction Value *(leave blank if cases lack economic value, i.e., Criminal Law*)** | **Estimated Number of Cases or Matters Handled Per Year** |
| 1. | % | $ | $ | **\_\_\_\_\_\_**Per Year |
| 2. | % | $ | $ | **\_\_\_\_\_**Per Year |
| 3. | % | $ | $ | **\_\_\_\_\_**Per Year |
| ***All Other AOPs Combined:*** | % | $ | $ | **\_\_\_\_\_**Per Year |
| **Total:** (*Revenues Must Total 100%)* | **100%** |  | | |

9. Please complete the following chart based upon the best estimate of current Firm Revenues generated by the Client Types below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Client** | **Est. % of Firm Revenues** | **Type of Client** | **Est. % of Firm Revenues** | |
| Individuals-High Net Worth ($1M+ Assets) | % | Small Public Companies (Under $100M Revs.) | % | |
| Individuals-All Other | % | Large Public Companies ($100M+ Revenues) | % | |
| Small Private Companies (Under $100M Revs.) | % | Fortune 500 Companies | % | |
| Large Private Companies ($100M+ Revenues) | % | Government or Public Institutions | % | |
| Non-Profit Organizations or Charities | % | Other (Please Specify): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | % | |
| **Total:** (*Revenues must total 100%*) | | | | **100%** |

10. Does any Firm Client generate more than 10% of total Firm Revenues, that has not been previously disclosed? YES NO

*If YES, please complete the chart below for each such Client (use additional attachment if necessary):*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Client Name or Description** | **Client Industry** *(i.e., Retail, Technology, Financial Services, etc.)* | **# Years a Firm Client** | **Areas of Practice/Types of Professional Services Provided** | **Est. % of Firm Revenue** | **Any loans, investments or other financial relationships with Firm Members?3** |
|  |  |  |  | % | YES NO |
|  |  |  |  | % | YES NO |
|  |  |  |  | % | YES NO |

*3If YES, please describe any business relationships with any of these Clients outside of professional services at end of Application.*

11. Please complete the following chart for each year shown:

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial History** | **Ending Date (Month/Year)** | **Gross Firm Revenues** | **Net Firm Income** *(net of expenses/before atty comp.* **)** |
| Current Fiscal Year Estimate | \_\_\_\_\_\_\_\_/\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Prior Fiscal Year Actual | \_\_\_\_\_\_\_\_/\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| Risk Management Section |

12. a. Do you share any of the following with attorneys who are *not* members of your firm:  Office Space  Letterhead  Website  Signage  Administrative Staff b. Shared Resource Attorney/Firm Name(s):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

13. a. Has there been any change in your Risk Management Procedures since your last Lawyers Professional Liability application with American Alternative Insurance Corporation? YES NO

If YES, ***Firms of 6 OR MORE ATTORNEYS must complete a Risk Management Supplement.*** *Firms of* ***1 to 5 ATTORNEYS*** please provide the following information:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **RM Policy/Procedure** | **In Place for All Matters/ Used Consistently** | **Partially in Place/ Used Sometimes** | **Not in Place/ Never Used** | **Will Implement in next 3 Months** |
| Fully Automated Conflict of Interest Avoidance System that monitors both Clients and Related or Opposing Parties |  |  |  |  |
| Fully Automated Docket Control System, with multiple redundancies and oversight, tracking every stage of engagement, project, transaction or litigation |  |  |  |  |
| Client Intake Procedures require Conflict of Interest clearance, Docket Control entry & review of Client Financials and Bill Paying History prior to opening File |  |  |  |  |
| Engagement Letters, Non-Engagement Letters & Termination Letters |  |  |  |  |
| Conflict of Interest Disclosures/Waivers used for Potential Conflicts of Interests |  |  |  |  |
| Formal Office Policies and Procedures Manual |  |  |  |  |

b. How many suits for collection of professional fees has your firm initiated in the Past Year? \_\_\_\_\_ Past 5 years? \_\_\_\_\_\_

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| Claim Section |

14. Since the date of your last Lawyers Professional Liability application with American Alternative Insurance Corporation, has any of the following occurred:

a. Has any professional liability claim been made or any lawsuit been brought against any member of the Firm,

or has any member of the Firm become aware of any fact, circumstance, act, error, or omission that could

reasonably be expected to form the basis of a future professional liability claim, regardless of the merits

of such claim? YES NO

b. Has any member of the Firm had a disciplinary complaint, been suspended from practice, disbarred, or

been formally reprimanded by any court, administrative agency or regulatory body in the past year; or

has any Firm member been placed under investigation or has any Firm member been charged with or

been convicted of a felony or serious crime involving dishonesty or fraud? YES NO

***IF YES to either part of this Question, please complete a Claim, Potential Claim or Other Matter Supplement.***

***Additional Comments/Supplementary Responses to Application Questions:*** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **Application for Lawyers’ Professional Liability Insurance NOTICES** |

NOTICE TO THE APPLICANT - PLEASE READ CAREFULLY

**APPLICANT REPRESENTATIONS AND ASSURANCES:** The undersigned hereby represents to and assures the Company that the information contained in this application is true and correct as of the date this application is executed and that the Company shall be entitled to rely upon this application as the basis of any insurance policy the Company may issue to the applicant firm. The undersigned acknowledges and agrees that the accuracy of the information contained in this application will be material to the decision by the Company to issue any insurance policy to the applicant firm.

The undersigned further represents to and assures the Company that the applicant firm will report to the Company (as soon as practicable) any material change in any answers, responses, facts or information set forth in this application or any supplemental application submitted herewith, including, but not limited to, the existence of any claim(s) or any facts or circumstances which may give rise to a claim.

**RELEASE OF CLAIMS INFORMATION:** By executing this application, the undersigned hereby authorizes any prior insurer to release the applicant's claims information to the Company.

**DEFENSE OF CLAIMS:** In applying for coverage, the undersigned agrees that, in the event of a covered loss, the Company will be required to defend the applicant and that, if the applicant has not purchased first dollar defense cost coverage, the deductible shall apply to loss and claim expenses, adjusting expenses, investigation costs and legal fees. If the applicant elects to defend a claim without involving the Company, no coverage for that claim will be afforded the applicant under the policy.

**CLAIMS MADE AND REPORTED POLICY:** The undersigned understands and agrees that the policy applied for is a “Claims Made and Reported” policy. Therefore, the applicant must immediately report any claim to the Company while the policy is in force. No coverage exists under the policy for a claim which is first made against the Insured or first reported to the Company before or after the policy period or any applicable extended reporting period. All coverage ceases with the termination of the policy unless the undersigned exercises certain options available in accordance with the terms of the policy.

**SCOPE OF COVERAGE:** The Cornerstone Program is intended to provide a basic level of coverage for those sole practitioner attorneys who have low to moderate professional exposures and have either never previously purchased professional liability insurance, or are willing to accept a Prior Acts Exclusion on their initial program policy. It is open to both Full-Time and Part-Time Attorneys. There is no coverage under the policy for Office Sharing liability; Liability for other law firms for whom or with whom you provide Legal Services; Claims arising out of suits over legal fees; or any Claims involving Securities (Federal or State), Mergers & Acquisitions, Intellectual Property, Class Action/Mass Tort, or Medical Malpractice areas of practice; or the following professional services for High Net Worth ($1M+ Assets) Individuals only-Tax, Divorce, Estates & Trusts, or Business/Money Management. If your firm has these exposures or if you anticipate providing these services in the future, please request a standard New Business Application from your Agent.

**FAILURE TO REPORT CLAIMS:** The failure to report any claims made against the applicant or any attorney in the applicant's firm under any current or previous insurance policy, or failure to reveal timely facts or circumstances which may give rise to a claim against current or prior insureds, may result in the absence of coverage for any matter which should have been reported or may result in the failure of coverage altogether.

**COMMITMENT TO PRIVACY:** The Company is committed to safeguarding the confidentiality, integrity and security of your non-public, personal information. Access to your personal information is restricted solely to those the Company employees and authorized agents who have a business need for such information. the Company believes all of your personal information is confidential. Therefore, it is our policy not to disclose your personal information to any third parties, except as permitted by law, unless you direct us to do so or if we are compelled by law to do so.

**NOTICE TO THE APPLICANT - PLEASE READ CAREFULLY- WARNING**

**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 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 KANSAS APPLICANTS:** IN KANSAS, 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 LOUISIANA** and **MAINE APPLICANTS:** It is a crime to provide false, incomplete or misleading information to an Insurance Company for the purpose of defrauding the Company. Penalties may include imprisonment, fines or a 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 MEXICO 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 NEW YORK APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or any 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 or 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 OKLAHOMA APPLICANTS:** WARNING: Any person who knowingly and with intent to injure, defraud or deceive any insurer makes a claim for the proceeds of any insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**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 TENNESSEE, VIRGINIA & 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 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.

**This application must be signed by an owner, partner or corporate officer. Signing does not bind the applicant or the Company.**

Signature of Owner, Partner or Corporate Officer Date (mm/dd/yyyy)

Print or Type Name/Title

[In States Where Required]

Authorized Representative Signature\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State Producer License #\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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