



CALIFORNIA RISK MANAGEMENT QUESTIONNAIRE

To be used for firms with 6 attorneys or more:

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

1. TRAINING AND SUPERVISION

- a. Does the firm maintain a training program for new associates? Yes No
- b. Are all associates of the firm under the direct supervision of a partner or officer? Yes No
- c. Are all associates of the firm subject to periodic, formalized review? Yes No

2. MANAGEMENT

- a. Is the firm managed by a management/executive committee? Yes No
- b. Does the firm employ an administrator? Yes No
- c. Does the firm (or departments within the firm) conduct periodic meetings involving all lawyers of the firm (or department)? Yes No
- d. Is a designated partner or officer of the firm responsible for every matter in the office? Yes No
- e. Does the firm use a peer review system to evaluate the performance of its partners or officers? Yes No
- f. Are departing lawyers' files reviewed by a partner or officer of the firm? Yes No

3. INTERNAL CONTROLS

- a. Does the firm have written partner/shareholder compensation guidelines? Yes No
- b. Does the firm have a written partner/shareholder agreement? Yes No
- c. Have you sued any client for fees in the past five years? (if yes, please explain) Yes No
- d. Do suits for collection of fees have to be approved by a committee or at least two partners or officers? Yes No
- e. 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? Yes No

4. OUTSIDE INTERESTS (Check N/A where appropriate if the Firm does not permit such outside interest)

- 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? Yes No N/A
- 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? Yes No N/A
- 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? Yes No N/A

5. NEW BUSINESS

- a. Does the firm outline and reduce to writing its billing policy and procedures when agreeing to represent a new client? Yes No
- b. Are new clients subject to the approval of a committee or designated partner or officer other than the lawyer generating the business? Yes No
- c. Does the firm have a procedure for evaluating prospective client's financial strength, management expertise, reputation, and history of changing lawyers? Yes No
- d. Is information as to all new clients made available on at least a weekly basis to all lawyers of the firm? Yes No
- e. Does the firm use scope of service letters when taking on new matters for existing clients? Yes No

6. INFORMATION SECURITY

- a. Does the firm store or handle any of the listed types of records: Yes No
 - Social security number
 - Medical or healthcare data including protected health information
 - 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
 - Proprietary business information
 - 3rd Party confidential information
- b. Is firewall technology used to prevent unauthorized access to and from internal networks and external networks? Yes No
 - If YES:
 - 1. Are firewall configurations regularly reviewed and kept up to date? Yes No
 - 2. Is any data stored or retained outside of the firewall (while not in transit) Yes No
- c. Is anti-virus software installed on all computers/servers that connect to your network? Yes No
 - If YES, is the anti-virus software package updated regularly? Yes No
- 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. Yes No
- f. Does the Applicant handle or expect to handle wire transfers? Yes No
 - If YES, does the Applicant have a formal written policy requiring that all attorneys and employees verify via telephone call to an established contact at the original source that any change to delivery or wire instructions is legitimate? Yes No

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? Yes No
- b. Does the firm have formal, written procedures regarding the maintenance of custodial accounts? Yes No
- c. Does the firm have formal, written procedures regarding the maintenance of and use of escrow funds? Yes No

- 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? Yes No
- 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. Yes No
- f. Do you share office space with attorneys not listed on your letterhead? Yes No
 If YES, do you share clients or support staff? Yes No

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| Signature of Owner, Officer or Partner _____ | Title | Date |
| Name of Firm | | |

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.