

# SECURITIES SUPPLEMENTAL APPLICATION

Name of Firm \_\_\_\_\_

(Please print or type)

**The Securities Supplemental Application must be completed, signed, and dated by a securities lawyer who is an owner, officer, or partner of the firm.**

## Section I. – Risk Management

### A. Client Identification and Evaluation

- (1) Does the applicant (partners, associates, and/or employees of the firm) have a procedure for new client identification intended to assure that there will be no conflict of interest with respect to the securities matters to be undertaken by the applicant?  Yes  No
- If Yes, is the procedure in writing?  Yes  No
- (2) Does the applicant have a procedure for evaluating a new client seeking securities advice relevant to a proposed transaction or offering to determine such items as the client’s financial strength, management expertise, reputation, the nature of its business, and history of changing securities attorneys and accountants?  Yes  No
- If Yes, is the procedure in writing?  Yes  No
- If Yes, is this evaluation conducted by a lawyer or committee of lawyers who are not anticipated to work directly with the client?  Yes  No
- (3) Does the applicant use an engagement letter with each new client that retains the applicant in connection with any securities offering?  Yes  No

### B. Legal Opinions

- (1) Does the applicant have a procedure requiring the preservation of the factual source and verification made by the applicant’s lawyers to support legal opinions rendered by the applicant?  Yes  No
- If Yes, is the procedure in writing?  Yes  No
- (2) Does the applicant have a procedure requiring at least one securities lawyer who is not working on the transaction in question to review and approve all written legal opinions to be furnished in the transaction?  Yes  No
- If Yes, is the procedure in writing?  Yes  No

### C. Disclosure Requirements and Exemptions

- (1) Does the applicant have a procedure requiring an experienced securities lawyer to interview the client’s directors, executive officers, and principals in connection with disclosure document preparation and review?  Yes  No
- If Yes, is the procedure in writing?  Yes  No
- (2) Does the applicant have a procedure requiring the preservation of written records of the factual source and verification made by the applicant’s lawyers in connection with disclosure document preparation?  Yes  No
- If Yes, is the procedure in writing?  Yes  No
- (3) Does the applicant have a procedure requiring back-up “cold review” of disclosure documents by an experience securities lawyer who is not working on the transaction?  Yes  No
- If Yes, is the procedure in writing?  Yes  No

- (4) Does the applicant have a procedure precluding the use of the applicant's name in disclosure documents other than as having passed on specific legal matters?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (5) Does the applicant have a policy that prohibits its lawyers and staff from participating in the securities selling process (e.g., not participating in marketing meetings or calls involving prospective investors)?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (6) Does the applicant have any arrangement where the client's obligation to pay for the services is contingent upon the closing of a securities transaction?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (7) Does the applicant have any arrangement where a securities client pays for the applicant's services with client securities?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (8) Does the applicant have a policy governing trading and investing in securities by firm members?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (9) Does the applicant have a policy prohibiting a lawyer with an investment in a client from working on a securities transaction for such clients?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (10) Does the applicant have a policy prohibiting any lawyer who is a director, officer or general partner of a securities client or limited partnership from working on a securities transaction for such client?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (11) Does the applicant have a policy prohibiting any contingency payment arrangement or any arrangements where a securities client pays for the applicant's services with client securities?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (12) Does the applicant have any procedure that is intended to prevent the improper use of material inside information or the tipping of such information by its lawyers and staff?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (13) Does the applicant have a policy requiring Executive or Management Committee review prior to any lawyer serving as director, officer or general partner of a securities client?  Yes  No  
 If Yes, is the procedure in writing?  Yes  No
- (14) During the past three (3) years, has any past or present applicant been the subject of any investigations by the SEC or been terminated by a securities client or had a dispute with a client necessitating disclosure to securities regulators?  Yes  No

Name of Client	Date of Withdrawal or Dispute	Description of Withdrawal or Dispute

- (15) Has any past or present applicant been named as a party to any legal action under the SEC Acts of 1933 or 1934, state statute or common law tort actions arising out of or relating to the issuance, offering or sale of securities?  Yes  No

If yes, describe fully: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

If in the past 5 years, the applicant has, or is, practicing in any area of securities law which includes providing legal services or opinions for any state or federal securities, both **exempt** and **registered**, limited partnerships, syndications, private placements, tax shelters, prospectus, opinions of exemptions, or any other securities work, this supplement must be completed in its **ENTIRETY**.

**Section II. – Recent Experience**

- A. Provide the legal fees derived from the applicant firm’s securities practice during the last fiscal year. \$ \_\_\_\_\_
- B. Provide the experience of the applicant firm’s securities lawyers.

Lawyer’s Name	# of Years SEC Experience	Billable hours most recent 12 months	Billable hours prior 12 months

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.

I understand the information submitted herein becomes a part of my Professional Liability Insurance Application and is subject to the same warranty and conditions.

Signature of Owner, Officer or Partner	Title	Date
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**Section III. – Exempt and Non-Exempt Transaction Summary**

List in chronological order the securities transactions expected to be made within the next 90 days, then the most recent issues for the last 24 months. If less than 10, list all for the last 5 years. Include all that were withdrawn or were unsuccessful. Please provide the following information.

Date	If filed, the date of filing, otherwise an estimated date.
Issuer	The name of the organization issuing the securities.
Business	The business activity of the issuer, i.e., Electronics, Real Estate.
Type of Offering	Form of security offered.
Dollar Size of Offering	The maximum dollar amount sold or anticipated to be sold.
Underwriter	The name of the organization underwriting the securities.
Accountant	The name of the accountant involved in the issue.

Date	Issuer	Business	Type (1) of Offering	Dollar Size of Offering	Exempt (E) or Registered (R)	Did Firm Render Tax Opinion No/Yes	Underwriter	Accountant	As (2) Counsel (Specify)	Any Applicant have equity interest or official capacity with Issuer (3)
						<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				
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						<input type="checkbox"/> Yes <input type="checkbox"/> No				
						<input type="checkbox"/> Yes <input type="checkbox"/> No				

(1) Type of Offering (Indicate):

- PR-** Private Placement
- PUS-** Public Secondary Placement
- SY-** Syndication
- LP-** Limited Partnership

- CP-** Corporate Bond
- PUI-** Public Initial Placement
- TS-** Tax Shelter
- O-** Other (Specify) \_\_\_\_\_

(2) As Counsel For:

- I-** Issuer
- L-** Lender
- P-** Purchaser
- U-** Underwriter
- IC-** Insurance Company
- A-** Auditor
- O-** Other (Specify) \_\_\_\_\_

(3) Capacity means Lawyer is officer, director, general counsel, or employee of issuer.

**NOTE:** If the applicant lawyers have an equity interest or serve as an officer, director, general counsel, or an employee of the entity in any of the above securities transactions, the Outside Interests and/or Financial Institution Supplemental Application must be completed.