

- NAVIGATORS INSURANCE COMPANY (NAV)
- NAVIGATORS SPECIALTY INSURANCE COMPANY (NSIC)



## LAWYERS PROFESSIONAL LIABILITY

### TAX SUPPLEMENT

1. Please provide the following information for all attorneys engaged in taxation work in the last five years.

Name	Years of Experience in Taxation	% of Time Devoted to Taxation
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Please provide a breakdown of the firm's gross billable income by showing the percentages for each of the following:

a. opinion on tax shelters	_____%
b. liquidation of corporations	_____%
c. estate tax returns	_____%
d. other tax returns (please describe by attachment)	_____%
e. subchapter S elections	_____%
f. all other tax work performed (please describe by attachment)	_____%
<b>TOTAL:</b>	_____%

3. During the past five years, has your firm helped create or write an opinion supporting a transaction whose primary purpose was to reduce federal taxes and resulted in (or intended to result in) savings of \$1 million or more? . . . . .  Yes  No

***If yes, specify the number of such transactions and the aggregate amount of taxes saved or to be saved for the following types of transactions:***

	No. of transactions	Amount saved
a. Use of grantor trusts to realize capital gains;	_____	_____
b. Currency trades, and currency option trades, to generate losses;	_____	_____
c. Devices to delay taxes on the stock option gains;	_____	_____
d. Devices to offset gains from the sale of a business or other assets;	_____	_____
e. Use of "split dollar" or "split premium" insurance;	_____	_____
f. "Potentially abusive tax shelters," as that term is used by the IRS;	_____	_____
g. Any other devices sometimes referred to as "tax shelters."	_____	_____
<b>TOTALS:</b>	_____	_____

4. During the past five years has the IRS challenged transactions of the types listed in No. 3 above where your firm participated in, or opined on, the transaction? . . . . .  Yes  No

***If yes, list the dollar amount in dispute and the status or ultimate disposition of each such challenge.*** \_\_\_\_\_

***(Please use additional pages as necessary)***

5. During the past five years has your firm been served by the IRS with an administrative summons, sometimes referred as a "promoter summons"? . . . . .  Yes  No

***If yes, what was the disposition of the summons?*** \_\_\_\_\_

6. Has your firm been the subject of any other federal, state, or local government proceeding regarding transactions that were also the subject of an IRS inquiry, audit and/or investigation? . . . . .  Yes  No  
**If yes, list and describe any such proceeding and its status or ultimate disposition.** \_\_\_\_\_
7. Do you ever become involved in the preparation of private placement memoranda? . . . . .  Yes  No  
**If yes, please complete the Securities or Bonds Supplement.**
8. Does the firm assure that all Attorneys and staff remain current with the changes in the Tax Code? . . . . .  Yes  No

I understand that the information submitted in this supplement becomes a part of my Lawyers Professional Liability application and is subject to the same representations and conditions.

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

**INCOMPLETE, UNSIGNED AND UNDATED APPLICATIONS WILL BE RETURNED FOR COMPLETION.**