

BUSINESS LAW SUPPLEMENT

Legal work on certain business matters may create an increased risk of claims against a law firm under ORS 59.115 (3) or ORS 59.137 (1), especially where investors are involved. These questions are designed to assist the PLF Excess Program in identifying possible risks in your Firm's business practice. No single question reveals an increased risk; rather, the entire set of questions helps to provide an assessment of the business-related legal work your Firm performs.

- 1. BUSINESS ENTITIES:** In the past three years, has your Firm, or any lawyer in the Firm, provided services in connection with the formation, organization, or financing of any of the following business entities? Check all that apply:
- ☐ Corporations
 - ☐ Limited liability companies
 - ☐ Limited partnerships
 - ☐ Other business entities or organizations (please describe) _____
 - ☐ *No services were provided in connection with the formation, organization, or financing of any business entities. (Skip to Question 2.)*

For all others, please answer the following set of questions for the types of entities for which your Firm performed services in the past three years:

1.1 For any entity listed above, has your Firm prepared or drafted articles of incorporation, bylaws, article of organization, operating agreements, partnership agreements, or other formation documents? ☐ Yes ☐ No

1.2 Has your Firm prepared subscription agreements, shareholder agreements, or other agreements to be executed by investors? ☐ Yes ☐ No

1.3 Did any of the legal services that you identified above occur during a time period in which the business, its promoters, or its founders were soliciting investors or seeking capital investment? ☐ Yes ☐ No

1.4 In connection with the legal services identified above, have you prepared any other documents that were provided to or used by investors or potential investors? If yes, please describe: ☐ Yes ☐ No

1.5 Was your Firm's name, or any attorney in your Firm, identified in documents or promotional materials provided to investors or potential investors? If yes, please describe: ☐ Yes ☐ No

1.6 Has your Firm provided services related to the sale of a business that involved the sale of stock (i.e., not an asset sale)? ☐ Yes ☐ No

1.7 With respect to any of the legal services identified above, has your Firm received compensation in the form of an interest in the business, such as stock, LLC membership interest, or limited partnership interest? If yes, please describe: ☐ Yes ☐ No

1.8 For LLCs only, for what types of limited liability companies did your Firm provide formation, organization, or financing-related services identified above? Check all that apply:

- ☐ Member-managed limited liability companies
- ☐ Manager-managed limited liability companies
- ☐ Single member limited liability companies
- ☐ Professional limited liability companies
- ☐ Limited liability companies used for estate planning purposes
- ☐ Limited liability companies used for investment purposes
- ☐ Limited liabilities companies used to hold real estate investments
- ☐ My Firm did not provide services for LLCs.

1.9 Which best describes your Firm's clients with respect to the formation, documentation, or financing-related services identified above? Check all that apply:

- ☐ We represented the corporation/LLC/LP/other entity.
- ☐ We represented promoters or founders of the corporation/LLC/LP/other entity.
- ☐ We represented directors or officers of the corporation/LLC/LP/other entity.
- ☐ We represented shareholders or investors in the corporation/LLC/LP/other entity.

1.10 For any of the legal services you identified above, has a lawyer in your Firm acted as a director, officer, manager, LLC member, or otherwise participate in the management of a business client of the Firm? If yes, please explain: ☐ Yes ☐ No

1.11 Are there other legal services your Firm or any lawyer in your Firm provides or has provided in connection with business entities not mentioned above? If yes, please summarize: ☐ Yes ☐ No

2. LOAN DOCUMENTATION: In the past three years, has your Firm or any lawyer in your Firm provided services in connection with the documentation of loans or loan collateral? *If no, skip to Question 3.* ☐ Yes ☐ No

2.1 Were any of your Firm's services provided in connection with loans funded by persons who were not banks, credit unions, mortgage companies, or other institutional or government lenders? ☐ Yes ☐ No

2.2 If your answer to the question above is "yes," how would you describe the loans for which your Firm provided services? Check all that apply:

- ☐ Loans made by individual investors or groups of investors
- ☐ Private money or "hard money" loans
- ☐ Bridge loans
- ☐ Mezzanine financing loans
- ☐ Other type of loans (please list) _____

2.3 What services did your Firm provide with regard to the types of loans you checked above? Check all that apply:

- ☐ Drafted or prepared promissory notes.
- ☐ Drafted or prepared trust deeds or mortgage documents.

- ☐ Prepared documents to create or perfect security interests under the Uniform Commercial Code, Article 9.
- ☐ Prepared documents used to describe loans to investors or lenders.
- ☐ Other services (please list) _____

2.4 Which best describes your Firm's clients with respect to the loan-related services referenced above? Check all that apply:

- ☐ We represented the borrowers.
- ☐ We represented the lenders.
- ☐ We represented the investors.
- ☐ We represented the promoters or founders of the business entity or organization.
- ☐ We represented managers, directors, or officers of the entity or organization.
- ☐ We represented the brokers or finders of the loans.

3. REAL ESTATE FINANCING: In the past 3 years, did your Firm perform services in connection with the financing of real estate transactions? *If no, skip to Question 4.*

☐ Yes ☐ No

3.1 For which types of real estate financing did your Firm perform services? Check all that apply:

- ☐ Loans made by banks, mortgage companies, credit unions, or institutional lenders
- ☐ Loans made by individual investors or groups of investors
- ☐ Pooled investments by individuals or entities
- ☐ Sale and leaseback transactions
- ☐ Real estate investment trusts ("REITs")
- ☐ Tenant-in-common investments ("TICs")
- ☐ Other real estate financing transactions (please list) _____

3.2 What services did your Firm perform in connection with the real estate financing transactions identified above? Check all that apply:

- ☐ Drafted or prepared sales contracts or deeds.
- ☐ Drafted or prepared promissory notes, trust deeds, or mortgages.
- ☐ Drafted or prepared agreements signed by investors.
- ☐ Drafted or prepared TIC agreements.
- ☐ Drafted or prepared disclosures or risk factors provided to investors.
- ☐ Other services (please list) _____

3.3 Which best describes your Firm's clients with respect to the real estate financing services referenced above? Check all that apply:

- ☐ We represented the developers or sponsors.
- ☐ We represented the banks, mortgage companies, credit unions, or institutional lenders.
- ☐ We represented the borrowers or buyers of the real estate.
- ☐ We represented the sellers of the real estate.
- ☐ We represented investors in the real estate.
- ☐ We represented the promoters, brokers, or finders of investors.

4. OTHER SERVICES INVOLVING INVESTOR FUNDING OR FINANCING: Other than what you have identified in the above questionnaire or in the Securities Law Supplement (if applicable to you), in the last three years, has your Firm or any lawyer in your Firm provided any

services (excluding litigation) related to funding or financing by investors? If yes, please
summarize below: ☐ **Yes** ☐ **No**
