



**ALLEGIANCE**  
EXECUTIVE & PROFESSIONAL  
LIABILITY INSURANCE SERVICES, INC.

# Allegiance Lawyers Employment Practices Liability Policy Coverage Highlights

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**T**HE INSURANCE FOR THIS product is underwritten by certain underwriters at Lloyd's. Allegiance Underwriting Group, Inc. arranges this insurance as a coverholder at Lloyd's. Allegiance Underwriting Group only transacts business in the State of California as Allegiance Executive & Professional Liability Insurance Services, Inc.

The descriptions contained in this broker communication are for preliminary informational purposes only. The product is available only on a surplus lines basis through licensed surplus lines brokers. The publication and delivery of the information contained herein is not intended as a solicitation for the purchase of insurance on any risk. The exact coverage afforded by the products described herein is subject to and governed by the terms and conditions of each policy issued. Any insured or applicant for this insurance should read the actual policy wording carefully and consult with their agent, broker, or a qualified attorney with any questions regarding coverage. Items appearing in bold face type are definitions in the actual policy or in the actual endorsement attached to the policy. The words "you" and "your" refer to the Insured. The word "Insured" means any person or organization qualifying as such under the definition in the policy. The words "we," "us," and "our" refer to the Underwriters providing this insurance.

## Lawyers Employment Practices Liability Policy

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Allegiance's lawyers stand-alone employment practices liability "EPL" policy is a specialized product targeting the various employment practice exposures of law firms. Policyholders, who purchase employment practices liability, receive access to loss prevention services through EPLI Pro™, a multi-faceted EPL risk management service.



## Coverage Overview

- Provides insurance coverage for **Loss** that the **Insureds** become obligated to pay as a result of **Claims** first made against any **Insured** during the **Policy Period**, or the Extended Reporting Period if applicable, and reported in accordance with the notice provisions in Section V.B.1, for any actual or alleged **Wrongful Employment Practices** or **Client Discrimination**
- Coverage provided for **Wrongful Employment Practice** acts claimed by or on behalf of an **Employee**, former **Employee**, or applicant for employment, and only if committed or attempted by any of the **Insureds** in their capacity as such
- **Wrongful Employment Practice** includes:
  - (1) wrongful failure or refusal to promote, including wrongful failure to advance, grant tenure or offer or grant partnership or shareholder status;
  - (2) retaliation, including retaliation for exercising protected rights, supporting in any way another's exercise of protected rights, or threatening or actually reporting wrongful activity of an **Insured** such as violation of any federal, state, or local "whistle blower" law or any disciplinary rule governing lawyers' conduct;
  - (3) discrimination, harassment, hostile work environment, wrongful termination, breach of employment contract, employment decisions that violate public policy, defamation, wrongful infliction of emotional distress, misrepresentation, negligent hiring, etc. (see policy for further detail)
- **Client Discrimination** includes actual or alleged discrimination, including harassment, committed by an **Insured** against any natural person who is not an **Employee**, including a former, current, or prospective client of the **Firm** (if purchased)

## Insured Overview

- **Insured** includes the **Firm** and the following individuals acting in their respective capacities as: a partner, shareholder, officer, or principal of the **Firm**; an **Employee** of the **Firm** who is a lawyer; a lawyer who is "counsel" or "of counsel" to the **Firm**; a non-lawyer **Employee**, if the **Firm** requests coverage for such individual at the time of the **Claim**
- **Firm** includes the **Insured Firm**, whether as a partnership, limited liability partnership, professional corporation, joint venture, association, or otherwise; listed predecessor firms, but only for **Claims** arising out of conduct by partners, shareholders, or principals of the **Insured Firm**
- **Employee** includes any individual whose labor or service is engaged by and directed by the **Firm**, whether partners, associates, attorneys in "counsel" or "of counsel" positions, and including all staff members, whether part-time, full-time, seasonal, or temporary, including **joint Employees**, **Leased Employees**, independent contractors, and claimants alleging they are employees under the law



## Summary of Important Definitions

- **Claim** includes written demand for monetary damages or non-monetary relief or for mediation, arbitration or the tolling or waiver of a statute of limitations; a charge, complaint or other notice of commencement of federal, state, or local administrative proceedings; filing of a civil or criminal judicial proceeding; a complaint or grievance filed with a federal, state, county or municipal bar association
- Covered **Loss** includes damages, judgments, settlements, verdicts, and awards, including compensatory damages, back pay, front pay, statutory attorney's fees, pre-judgment and post-judgment interest, statutory liquidated damages and **Defense Costs**
- **Loss** also includes punitive, multiple, and exemplary damages, to the extent insurable under the law of any applicable jurisdiction most favorable to insurability (if purchased)

## Claims Reporting Requirements

- **Claims** made and reported **Policy**
- **Policy** requires written notice of any **Claim** made against the **Insureds** as soon as practicable, but in no event later than 75 days after the end of the **Policy Period**
- **Claim** deemed first made when it is received by an **Insured**
- Solely at the **Insured's** option, the **Insured** may within the **Policy Period** or within the Extended Reporting Period, if purchased, provide us with notice of circumstances that could give rise to a **Claim** for **Wrongful Employment Practices** or **Client Discrimination**. Such notice shall include the identity of the person(s) involved and the reason the **Insured** believes a **Claim** may be made. If such notice is received by us or by our Authorized Representative within the **Policy Period**, or within the Extended Reporting Period, if purchased, then any **Claim** subsequently arising from such circumstances shall be deemed made on the date such notice was received

## Other Terms and Conditions

- Duty to defend policy
- Additional Defense-Only Limit available which pays first leaving the original Limits of Liability to apply second to a covered **Claim**
- 85/15 settlement clause
- 50% Self-Insured Retention reduction if prior to the termination of any **Employee**, the **Firm** obtains and adopts the written advice of legal counsel recommended or approved by us as respects such termination, and a **Claim** is commenced by that **Employee** arising from the events of the termination
- 10% Self-Insured Retention reduction if a **Claim** is reported within 30 days of when it is first made
- 10% Self-Insured Retention reduction if the **Firm** consents to a settlement of a **Claim** within 20 days of the first request by Underwriters to consent and the settlement is accepted by the claimant
- 25% Self-Insured Retention reduction if there is a determination of "No Liability" of all **Insureds**
- **Policy** is intended to be primary insurance for **Wrongful Employment Practice Claims**
- As to coverage for **Claims** against **Leased Employees**, this **Policy** applies excess of all



indemnification and insurance available to any **Insured** from or through the leasing company

- As to coverage for **Claims for Client Discrimination**, this **Policy** applies excess of all indemnification and insurance that may be otherwise available to any **Insured**.
- Spousal and domestic partner coverage extension
- Coverage applies to **Wrongful Employment Practices** and **Client Discrimination** taking place and **Claims** made anywhere in the world
- Automatic new subsidiary coverage for newly acquired or created entities during the **Policy Period** that do not increase the total number of your **Employees** by more than 50%
- 120 day automatic new subsidiary coverage for newly acquired or created entities during the **Policy Period** that increase the total number of your **Employees** by more than 50%
- Extended reporting period available for a policy cancellation or non-renewal at the following options: 12 months for 75% additional premium; 24 months for 120% additional premium; 36 months for 140% additional premium
- **Policy** can be cancelled by Underwriters for non-payment of premium only
- Liberalization clause

## Coverage Extensions by Endorsement

- **Wage and Hour Claim** coverage available by endorsement
- **Employee Privacy Violation** coverage available by endorsement
- **Immigration Practices Claim** coverage available by endorsement
- **Employment Event Loss** coverage available by endorsement providing coverage for fees and expenses charged by an **Employment Advisor** in connection with minimizing an **Insured Company's** exposure regarding layoffs/terminations, employment status changes, public announcements, or workplace disaster

## Contact Information

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