



VSB

Special Committee on Lawyer Insurance

February 15, 2024

Virtual

**VIRGINIA STATE BAR**  
**SPECIAL COMMITTEE ON LAWYER INSURANCE**  
**FULL COMMITTEE MEETING**

**FEBRUARY 15, 2024**  
**Via Microsoft Teams**  
**(Link in LIC Meeting Calendar Invite)**

**AGENDA**

- A. Introductions - David D. Hudgins, Chair, LIC
- B. Approval of 11/14/2023 Minutes - David D. Hudgins, Chair, LIC  
(Attachment: *Minutes 11-14-2023 LIC Minutes (Draft)*)
- C. Virginia State Bar Members' Insurance Center Quarterly Update (Attachment: *VSBMIC Report February 2024*)
- D. ALPS report – Chris Newbold, COO / EVP, ALPS
  - a. ALPS Report – YE Results
  - b. Virginia update (Attachment: *Q4 2023 VA Comparison Data; Guide to Reading the VA Comparison Data Report*)
    - Policy Review Subcommittee Report (Attachment: *Redline – ALPS-LPL-PREFERRED (01-21 v. 07-24)*)
  - c. Policyholder Feedback (Attachment: *Q4 2023 VA Trustpilot Review*)
- E. Risk Management Activities
  - a. Guest: John Brandt, Risk Management Hotline Operator (Attachment: *Risk Management Hotline Statistics from Brandt; Rates for RM Hotline*)
  - b. Q4 2023 Risk Management Activity Report (Attachment: *Q4 2023 VA Risk Management Report*)
  - c. 2023 YE Risk Management Report (Attachments: *Final 2023 VA Risk Management Budget; Year over Year VA RM Budget Summary*)
  - d. Discussion: Revised RM Recommendations / Budget for 2024 (*ALPS Recommendations Memo; Proposed Revised 2024 Budget*)
- F. LIC Committee Roster Review – Upcoming Openings, Terms & Leadership Opportunities (*LIC Committee Roster (2.6.2024); LIC Roster Snapshot*)
- G. Next Meeting: May 16, 2024 – VSB Offices, Richmond
- H. Adjourn

**MINUTES OF THE VIRGINIA STATE BAR  
SPECIAL COMMITTEE ON LAWYER INSURANCE**

**Date:** Tuesday, November 14, 2023, 1:00 PM

**In-Person:** Virginia State Bar, Bank of America building, 1111 E. Main Street,  
Suite 700, Richmond

**Virtual:** Microsoft Teams Meeting ID 219 009 923 488

The VSB Special Committee on Lawyer Insurance held its' quarterly meeting in-person on Tuesday, November 14, 2023. Ten (10) committee members were in attendance. At 1:03 p.m., a quorum was established, and committee chair David D. Hudgins called the meeting to order.

**Committee members attending in-person:**

W. H. ("Hunter") Byrnes, Sr.  
Joan B. Davis  
Marialuisa S. Gallozzi  
Jeffrey H. Geiger  
Jacquelyn F. Gerlach  
Andrew S. Gerrish  
David D. Hudgins  
Matthew W. Lee  
William B. Porter  
Althea H. Randolph

**Absent:**

James A. Cales III  
David L. Marks  
Louis R. Richman  
Alanna C. Williams

**Also attending in-person:**

Janet P. Van Cuyk, VSB  
Michael Flaherty, ALPS  
Shawne D. Moore, VSB  
Chris Newbold, ALPS  
Jennifer Stevens, VSBMIC  
Debbie Stocks, VSBMIC

**Attending virtually:**

Alison Riley, ALPS

## Reports

### I. Welcome and Introductions

Chair David D. Hudgins introduced new member Jacquelyn F. (“Jackie”) Gerlach and invited roundtable introductions from everyone in attendance. The chair also introduced Alison Riley, ALPS Educational Services Coordinator, attending the meeting virtually as a guest. Attached to these minutes is a copy of the Microsoft Teams meeting attendance report.

### II. Virginia State Bar Members’ Insurance Center Quarterly Update

VSBMIC Manager Debbie Stocks presented a summary of the operations of the Virginia State Bar Members’ Insurance Center. A copy of the VSBMIC report dated October 30, 2023 was included in the materials provided. The following topics were discussed:

- Anthem small group renewals.
- Level-funded medical plans.
- Health Insurance (Anthem)
- New Critical Illness Group Policy will be available Q1 2024.
- Change in TPA and enhancements to billing services effective 11/1/2023.
- Proposed change to Long Term Disability carrier from SunLife to Prudential.

### III. ALPS Corporation Report

#### A. ALPS Update

Executive Vice President Chris Newbold presented the ALPS report to the committee. A copy of the ALPS AM Best 2023 Credit Report was included in the meeting materials.

#### B. Virginia Update

Copies of the Guide to Reading the VA Comparison Data Sheet and the 2023 Q3 Comparison Data (Revised 11/8/2023) were included in the meeting materials.

#### C. Policyholder Feedback

A copy of the Q3 2023 ALPS Virginia Trust Pilot Reviews was included in the meeting materials.

### IV. ALPS Corporation Risk Management Activities

Educational Services Coordinator Alison Riley presented the risk management activity report to the committee on the following topics:

#### A. Fall Ethics and Professionalism Tour Wrap-Up

A copy of the ALPS Virginia Fall 2023 Ethics and Professionalism CLE Report dated November 2023 was included in the meeting materials.

#### B. Q3 Activity Review

A copy of the 2023 Q3 Virginia Risk Management Report was included in the meeting materials.

#### C. Q3 Risk Management Budget and Q4 Forecast

A copy of the 2023 Risk Management Report Summary dated 11/8/2023 (2023 Virginia Risk Management budget YTD with Q4 projections) was included in the meeting materials.

D. Proposed 2024 Risk Management Budget

Copies of the Proposed 2024 Virginia Lawyer Insurance Committee Risk Management Budget and FY2023 Virginia Risk Management Budget Narrative were included in the meeting materials.

**V. Current Committee Roster**

A. Subcommittees

Chair David D. Hudgins solicited additional members to volunteer to serve on the Risk Management Subcommittee. Current members of the Risk Management Grant Subcommittee are Jeff Geiger, David Marks, and Althea Randolph. The chair also sought volunteers to create a Risk Management Hotline Review Subcommittee.

B. Committee Vacancy

Chair David D. Hudgins announced that member E. Stanley (“Stan”) Murphy resigned from the committee, therefore, his resignation created a vacancy for the 2023-2024 term. A copy of the Committee Roster for Committee on Lawyer Insurance, dated 11/9/2023, was included in the meeting materials.

**Action Items**

**I. Approval of the Minutes**

Chair David D. Hudgins presented the minutes of the September 26, 2023 meeting. A copy of the minutes for September 26, 2023 was included in the meeting materials. Chair David D. Hudgins solicited a vote from the committee to approve the minutes. Committee members unanimously voted “yes” verbally to approve the minutes of the September 26, 2023 meeting.

**II. Request for Approval of the Proposed 2024 Risk Management Budget**

On behalf of ALPS, Executive Vice President Chris Newbold presented the request for approval of the proposed 2024 Risk Management Budget. After a discussion, chair David Hudgins solicited a vote from the committee to approve the budget as presented and to defer making any changes to the budget until the February 15, 2024 meeting. Committee members unanimously voted “yes” verbally to approve the budget as presented and to defer making any revisions to the budget until the February 15, 2024 meeting.

**Next Meeting**

The chair announced the next quarterly meeting will be held virtually on Thursday, February 15, 2024.

There being no other business for the committee, at 2:39 p.m., the meeting was adjourned.

To: David Hudgins, Chris Newbold, Cameron Roundtree, and Shawne Moore

From: Debbie Stocks

Date: January 29, 2024

Subject: VSB Lawyer Insurance Committee Meeting---February 15, 2023

Please allow me to provide an update on VSBMIC operations:

- New Critical Illness group policy approved by VSB Insurance Committee will be available to members in 2024 and will be featured in the April 2024 mailing.
- Change in TPA to Member Benefits complete as of January 1, 2024
- Proposed change to Long Term Disability carrier from SunLife to Prudential in review and likely to be effective 7/1/2024.
  - Improves member experience with one application and underwriting step. Apply online or with a paper application. (SunLife only offers paper application)
  - Final policy review with Prudential
- One Digital/VSBMIC will once again sponsor the opening reception at annual meeting in May

Respectfully submitted by:

Debbie Stocks

Senior Client Executive, One Digital Health & Benefits

Manager – VSB Members' Insurance Center

**ALPS Virginia Comparison Data is Proprietary  
Information and not Publicly Available**



# PREFERRED

Lawyers Professional Liability Insurance | A Claims Made & Reported Policy



PLEASE READ THE ENTIRE POLICY CAREFULLY

## CLAIMS MADE AND REPORTED POLICY

This is a “**CLAIMS MADE AND REPORTED**” insurance **Policy**. Therefore, as a condition precedent to the **Company’s** obligation to defend or indemnify the **Insured** under this **Policy**, the **Insured** must immediately report any **Claim** to the **Company** in writing during the **Policy Period** or during any applicable **Extended Reporting Period**. No coverage exists under this **Policy** for a **Claim** which is first made against the **Insured** or first reported to the **Company** before or after the **Policy Period** or any applicable **Extended Reporting Period**. If the **Insured** receives notice of a **Claim**, or becomes aware of a **Wrongful Act** that could reasonably be expected to be the basis of a **Claim**, then the **Insured** must, as a condition precedent to the **Company’s** obligation to defend or indemnify any **Insured**, immediately deliver a written notice directly to the **Company** via email, facsimile, or mail at any of the following:

<u>NOTICE OF CLAIM</u>	
Email:	<a href="mailto:Claims@alpsinsurance.com">Claims@alpsinsurance.com</a>
Facsimile:	406-728-7416
Mail Address:	ALPS 111 N. Higgins, Ste. 600 P.O. Box 9169 Missoula, MT 59807-9169

If you deliver written notice of a **Claim** or circumstances which may give rise to a **Claim** to the **Company** via email at [Claims@alpsinsurance.com](mailto:Claims@alpsinsurance.com) you must then receive an email from the **Company** acknowledging receipt of the notice before the notice is considered to have been received. If you do not receive an acknowledging email from the **Company** by the end of the next business day after delivering a written notice to the **Company** via email, then please contact the **Company** at 406-728-3113 for further assistance.

## CLAIM EXPENSE ALLOWANCE

This **Policy** provides a **Claim Expense Allowance**. The **Company’s** payment of any **Claim Expenses** will first be applied against and reduce the **Claim Expense Allowance**. Any **Claim Expenses** paid by the **Company** will not be applied against or reduce the **Limit of Liability** until after the **Claim Expense Allowance** has been exhausted, at which time any additional **Claim Expenses** paid by the **Company** will be applied against and reduce the **Limit of Liability** available to pay **Damages**.

## SEPARATE AND DISTINCT POLICY AND LIMIT OF LIABILITY

This **Policy** is a separate insuring agreement and distinct from any other insurance policy the **Company** may issue to you. Each insurance policy the **Company** issues to you should be considered to be a separate and independent insuring agreement with its own separate terms, conditions and definitions. No coverage is afforded under this **Policy** for any **Claim** that is otherwise covered under any other insurance policy the **Company** issues to you. The limits of liability provided by each separate insurance policy the **Company** issues to you shall not be added together with the limits of liability of any other insurance policy the **Company** issues to you.





THIS POLICY DOES NOT RENEW

This **Policy** expires on the **Expiration Date** and time specified in the **Policy Declarations**. There is no right to a renewal of this **Policy**. If the **Insured** wishes to maintain insurance coverage with the **Company** following the **Expiration Date** of this **Policy**, the **Insured** must timely submit a fully completed application to the **Company** prior to the **Expiration Date** so that the **Company** may review the complete underwriting information and determine whether or not the **Insured** qualifies for continued coverage under a new policy, and if so, on what terms.



ALPS Property & Casualty Insurance Company (herein called “the **Company**”), agrees with the **Named Insured**, in consideration of the payment of the premium, and in reliance upon all applications, documents and information that the **Named Insured** has submitted for this **Policy** and any prior policies, as follows:

SECTION 1 – INSURING AGREEMENTS

A. COVERAGE

Subject to the **Limit of Liability**, exclusions, conditions and other terms of this **Policy**, the **Company** agrees to pay on behalf of the **Insured** all sums (in excess of the **Deductible** amount) that the **Insured** becomes legally obligated to pay as **Damages**, arising from or in connection with A **CLAIM FIRST MADE AGAINST THE INSURED AND FIRST REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD**, provided that all of the following conditions are satisfied:

1. The **Claim** arises from a **Wrongful Act** that occurred on or after the **Retroactive Coverage Date** set forth in Item 2 of the **Declarations**;
2. At the **Effective Date** of this **Policy**, no **Insured** knew or reasonably should have known or foreseen that the **Wrongful Act** might be the basis of a **Claim**;
3. Notice of the **Claim** or the **Wrongful Act** was not given nor required to be given to any other insurer prior to the **Effective Date**; and
4. The **Claim** is not otherwise covered under any other insurance policy that the **Company** or any other insurer has issued to the Named Insured.

B. DEFENSE AND CLAIM EXPENSES

1. For any **Claim** seeking the recovery of **Damages** from the **Insured** and otherwise covered under this **Policy**, the **Company** shall have the right and the duty to defend such **Claim** even if any or all of the allegations of the **Claim** are groundless, false or fraudulent, but shall have no obligation to appoint legal counsel to defend a **Claim** that is not the subject of a pending civil action, arbitration, or similar proceeding seeking the recovery of **Damages**. The **Company** shall have the right to appoint legal counsel in the **Company**'s sole discretion after consultation with an **Insured** when practicable; consultation with any one **Insured** being sufficient. The **Company** shall have no duty to defend any **Claim** that does not seek the recovery of **Damages** from the **Insured**.
2. The **Company** shall pay **Claim Expenses** in accordance with the terms of this **Policy**. The **Company** shall not have a duty to defend or to pay such expenses as to any **Claim** not covered under this **Policy**, and shall have the right to seek reimbursement from all Insureds or any Insured, who shall promptly provide such reimbursement, for any amount paid by the **Company** in defending any such non-covered **Claim**, including any amount paid in defending a non-covered **Claim** that is asserted together with one or more covered **Claims**.
3. The **Company** may make such investigations as it deems appropriate.
4. Where an **Insured** has a right or obligation to arbitrate a **Claim**, or receives a demand for arbitration, the **Company** shall have sole discretion as to whether to seek, agree to or reject arbitration.
5. In the event a **Claim** covered under this **Policy** is made against an **Insured**, and in the same matter a **Claim** is also made against a non-attorney who referred to the **Insured** the matter from which the **Claim** arises, the **Company** shall provide the same defense to the referring party as to the **Insured**, but only for so long as the **Insured** remains liable to pay **Damages** arising from or in connection with the **Claim** against the **Insured**, and, provided, however, that such referring party shall accept the same legal counsel to defend the **Claim** as the **Company** appoints to represent the **Insured**. The **Company** shall have no other obligation to the referring party, including any obligation to pay any **Damages** or other **Claim Expenses** on the referring party's behalf. Any **Claim Expenses** associated with the defense of the referring party shall be subject to the **Deductible**, and shall be included within, and shall not increase, the **Claim Expense Allowance** and/or the **Limit of Liability**.

C. SETTLEMENT AND CONSENT TO SETTLE

The **Company** will not admit liability of any **Insured** or settle a **Claim** without the written consent of any **Insured**, which consent shall not be unreasonably withheld.



D. SUPPLEMENTARY PAYMENTS FOR DISCIPLINARY PROCEEDINGS

If an **Attorney** identified in Item 3 of the **Declarations**, at a time when the **Attorney** is an employee of the **Named Insured**, first receives notice during the **Policy Period** of a proceeding brought against the **Attorney** before a state licensing board, peer review committee or disciplinary agency or official to investigate allegations of professional misconduct by the **Attorney** concerning a **Wrongful Act** by the **Attorney** that would otherwise fall within the coverage of this **Policy**, then, except as provided in Section 1.D.6., ~~the~~**The Company** shall reimburse the **Named Insured** for attorneys' fees and expenses incurred by the **Named Insured** in relation to ~~such proceedings~~ **Disciplinary Proceeding**, subject to the following conditions:

1. The **Attorney** must be an employee of the **Named Insured** at the time the **Attorney** first receives notice of the ~~proceeding~~**Disciplinary Proceeding**, and must immediately deliver written notice of the **Disciplinary Proceeding** to the **Company** during the **Policy Period**;
2. The **Attorney** must ~~immediately deliver written notice of~~ be licensed as an attorney in the ~~proceeding to~~ jurisdiction in which the ~~Company~~ **Company** during the **Policy Period****Disciplinary Proceeding** is commenced;
3. The **Company** shall have the right to appoint legal counsel in the **Company's** sole discretion after consultation with the **Attorney** ~~that~~who is the subject of the ~~proceeding~~**Disciplinary Proceeding**;
4. The maximum reimbursement ~~amount~~during the **Policy Period** for any one **Attorney** ~~involved in such proceeding~~ shall be \$~~25~~**15**,000 ~~per Policy Period~~, without regard to the number of ~~such proceedings~~**Disciplinary Proceedings** involving the **Attorney** during the **Policy Period**;
5. The maximum reimbursement ~~amount~~during the **Policy Period** shall be \$~~75,000 per Policy Period and Extended Reporting Period, if applicable~~**45,000**, without regard to the number of ~~such proceedings~~**Disciplinary Proceedings** or the number of **Attorneys** listed in Item 3 of the **Declarations**; ~~and~~
6. The **Company** will not reimburse the **Named Insured** for any attorney's fees ~~and/or~~ expenses incurred by the **Named Insured** in relation to ~~such proceedings~~ **Disciplinary Proceeding** if the **Attorney** is disbarred in conjunction with such ~~proceedings~~**Disciplinary Proceeding** or surrenders the **Attorney's** license in lieu of disbarment; ~~and~~
7. The **Company** will not reimburse the **Named Insured** for any attorney's fees or expenses incurred to the extent that the **Named Insured** fails to timely submit to the **Company**, within 180 days after incurring such attorney's fees and expense, the supporting billing invoices, receipts, and other documentation setting forth the attorney's fees and expenses incurred for which the **Named Insured** seeks reimbursement.

Any payment made by the **Company** pursuant to Section 1.D. shall be applied against and reduce the **Claim Expense Allowance**, but no **Deductible** shall apply to any such payment.

E. EXHAUSTION OF LIMIT OF LIABILITY AND TENDER OF REMAINING LIMIT OF LIABILITY

The **Company's** duty to defend shall be fully satisfied, and the **Company** shall not be obligated to continue to defend any **Claim** or pay any **Claim Expenses**, nor be obligated to pay any **Damages**, or interest thereon, after:

1. The applicable **Limit of Liability** has been exhausted by payments of **Damages** and/or **Claim Expenses**; or
2. The **Company** has deposited an amount equal to the applicable **Limit of Liability**, minus any **Damages** paid on the **Claim** and any **Claim Expenses** paid on the **Claim** and chargeable against the **Limit of Liability**, with a court of competent jurisdiction, to be disbursed by the court's order.

In either ~~such~~ case, the **Company** shall have the right to withdraw from further defense of the **Claim** by tendering control of the defense to the **Insured**. The **Insured** agrees, as a condition to the issuance of this **Policy**, to accept such tender.

~~F. POLICY TERRITORY~~

~~This **Policy** applies to any **Wrongful Act** occurring anywhere in the world, provided that a **Claim** otherwise covered by this **Policy** is made within the United States of America, its territories or possessions, or Canada.~~

SECTION 2 – DEFINITIONS

As used in this **Policy**, including the **Declarations**:



- A. **Attorney** means an individual attorney who is properly licensed to practice law, or a professional business entity~~Organization~~ of which said individual attorney ~~who is properly licensed to practice law is and has always been~~ the sole owner and employee; provided, however, that with respect to the **Professional Services** which are the subject of a **Claim**, the individual attorney must have been properly licensed at the time the **Professional Services** were or should have been rendered within the jurisdiction in which the **Professional Services** were or should have been rendered.
- B. **Bodily Injury** means any injury to the body, any sickness or disease, or any death. **Bodily Injury** also includes any mental, psychological, or emotional injury, anguish, tension, distress, pain, suffering, shock or death, regardless of whether ~~or not~~ such condition arises from any injury to the body, from any sickness or disease, or from any death.
- C. **Claim** means a demand for money or services including, but not necessarily limited to, the service of suit or institution of arbitration or alternative dispute resolution proceedings against the **Insured**.

Claim does *not* mean *nor* include any demand, service, or proceeding arising from or in connection with any actual or alleged:

- 1. Discrimination by an **Insured** including, but not necessarily limited to, discrimination based on race, color, creed, age, sex, gender, nationality, marital status or sexual orientation;
  - 2. Sexual harassment or misconduct by an **Insured**;
  - 3. Employment-related matter involving an **Insured** as an employer;
  - 4. Security breach, unauthorized access, unauthorized use or misuse of any **Computer Systems**;
  - 5. Theft, unauthorized use or misuse of any login information, access information or identification, or personally identifiable information including, but not necessarily limited to, any password, username, social security number or other code or identifier intended for use in accessing any **Computer Systems**, account, website or the internet;
  - 6. Infection, damage or loss of use of any **Computer Systems** ~~due to the transmission of or failure to prevent the transmission of any malware, ransomware or malicious code~~;
  - 7. Notice or written demand arising from or in connection with any disciplinary, investigatory or other proceeding before a state licensing board, peer review committee or governmental regulatory body involving an **Insured Attorney**;
  - 8. Nuclear reaction, radiation or contamination, or any pollution, contamination or condition of any real or personal property, regardless of cause;
  - 9. Advertising or marketing services or activities; or
  - 10. **Bodily Injury** of any person.
- D. **Claim Expenses** means:
- 1. Fees charged by any attorney(s) designated by the **Company** to defend a **Claim** or otherwise represent an **Insured**;
  - 2. All other fees, costs, and expenses resulting from the investigation, adjustment, defense, and appeal of a **Claim** (including a suit or proceeding arising in connection therewith), if incurred by the **Company**, or if incurred by the **Insured** with the prior written consent of the **Company**; and
  - 3. Any supplementary payments incurred or reimbursed by the **Company** under Section 1.D.

Claim Expenses does *not* mean *nor* include:

- 4. Salaries or other compensation of regular employees or officials of the **Company** or the **Named Insured**; or
  - 5. Premiums for any supersedeas, appeal, attachment or other similar bond, and the **Company** shall have no obligation to apply for, furnish or issue such bond.
- E. **Claim Expense Allowance** means, with respect to **Claims** first made and first reported during the **Policy Period**, an amount equal to one half of the "Each **Claim**" **Limit of Liability** listed in Item 5 of the **Declarations**, or \$500,000, whichever is less, and includes the amount of any applicable **Deductible** and any supplementary payments incurred or reimbursed by the **Company** under Section 1.D. The **Claim Expense Allowance** is described further in Section 4.B.

**Claim Expense Allowance** means, with respect to **Claims** first made and first reported during any applicable **Extended Reporting Period**, the applicable **Claim Expense Allowance** further described in Section 5.H.



- F. **Computer Systems** means computers, information systems, servers, hardware, software, and associated input and output devices, data storage devices, networking equipment, back up facilities and any other associated or connected electronic devices, including mobile devices.
- G. **Contract Attorney** means a non-employee **Attorney** who is or was rendering services for and on behalf of the **Named Insured**, but solely for a **Claim** arising from or in connection with the provision of **Professional Services** by the **Named Insured** or **Predecessor Law Firm**, solely to the extent no other insurance or extension of insurance applies, and solely to the extent said **Contract Attorney's** services satisfy the following conditions:
  - 1. The services must be rendered to a client of the **Named Insured** in conjunction with the **Named Insured's** rendering of **Professional Services** to such client; and
  - 2. The non-employee **Attorney** must be identified as an **Attorney** in Item 3 of the **Declarations**.

- H. **Damages** means any:
  - 1. Monetary award by way of judgment or final arbitration, or any settlement; and
  - 2. Civil liability which may be imposed upon an **Insured** under § 813(a) of the federal Fair Debt Collection Practices Act ([\(codified at 15 U.S.C. § 1692k\(a\)\)](#)), as may hereafter be amended from time to time.

Damages does *not* mean *nor* include any:

- 3. Punitive, multiple, or exemplary damages, fines, sanctions, penalties or citations, including, without limitation, any consequential or incidental damages, attorney's fees or costs, or pre-judgment or post-judgment interest resulting therefrom, regardless against whom the same are levied or imposed and regardless of whether the same were levied or imposed in a separate matter or proceeding;
- 4. Awards deemed uninsurable by law;
- 5. Injunctive, declaratory, or other equitable relief, or costs or fees incident thereto;
- 6. Restitution, reduction, disgorgement or set-off of any fees, costs, consideration or expenses paid to, awarded to, charged by, or received by an **Insured**, or any other funds or property of any person or **entityOrganization** presently or formerly held or in any manner directly or indirectly controlled by an **Insured**;
- 7. Judgment, award, verdict, decision or order that includes, as a measure, element or portion of the damages or award set forth therein, any amount the basis of which was determined by reference to the amount of fees, costs, consideration or expenses paid to, awarded to, charged by, or received by an **Insured**;
- 8. Injury or damage to, destruction of, loss of, or loss of use of any funds or property;~~or~~
- 9. Pollution, contamination, or erosion of any property;or
- 10. Monetary amount for which any **Insured** is absolved or released from payment or has no liability or obligation for payment for any reason, including by reason of any covenant, agreement, stipulation, or court order.

- I. **Declarations** means the Policy Declarations attaching to this **Policy** for the current **Policy Period** listed in Item 4 of the Policy Declarations.
- J. **Deductible** means the **Deductible** amount for "Each **Claim**" stated in Item 6 of the **Declarations**. -The **Deductible** is described further in Section 4.A.

~~K.~~ **Disciplinary Proceeding** means a proceeding commenced against an **Attorney** identified in Item 3 of the **Declarations** and commenced before a state licensing board or disciplinary agency, body, or official, regarding allegations of professional misconduct arising from or in connection with a **Wrongful Act** by the **Attorney** that would otherwise fall within the coverage of this Policy.

**Disciplinary Proceeding** does *not* mean nor include any proceeding or process arising from or in connection with any:

- 1. Fee dispute resolution or any investigation, inquiry or review of any client trust account;
- 2. Funds or property held or controlled at any time by any **Insured**, or any negligent or fraudulent instruction or act regarding funds or property of any person or **Organization**; or
- 4. Fines, sanctions, penalties, or citations.



- L. Effective Date** means 12:01 a.m., at the address stated in Item 1 of the **Declarations**, on the **Effective Date** listed in Item 4 of the **Declarations**.
- M. Exempt Organization** means an **Organization** exempt from taxation within the meaning of the following enumerated sub-sections of **Section** 501(c) of the United States Internal Revenue Code: **Subsection** 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8) and 501(c)(10).
- N. Expiration Date** means 12:01 a.m., at the address stated in Item 1 of the **Declarations**, on the **Expiration Date** listed in Item 4 of the **Declarations**.
- N.—O. ERP Endorsement** means an Extended Reporting Period Endorsement ~~means an endorsement~~ issued by the **Company** providing for an **Extended Reporting Period** as described in Section 5 for reporting of a **Claim** that: (a) would otherwise be covered by this **Policy**; (b) arises from a **Wrongful Act** that occurred after the **Retroactive Coverage Date** and before the end of the **Policy Period**; and (c) is first made, and first reported to the **Company**, after the end of the **Policy Period** and during the **Extended Reporting Period**.
- OP. Extended Reporting Period** means the ~~period of time set forth in an~~ automatic 60-day extended reporting period identified in Section 5.A. or the period of time set forth in an **Extended Reporting Period ERP Endorsement** that the **Company** may issue ~~after upon~~ expiration of the Policy Period or cancellation of the **Policy Period** ~~as described in Section 5~~.
- PQ. Formal Mediation** means a voluntary alternative dispute resolution (“ADR”) process agreed to by the **Company** and the **Insured** and engaged in without a court order or judicial rule, by which: (i) a qualified professional mediator is chosen by the parties to the **Claim** with agreement by the **Company**; (ii) a specific date, time and duration is established for the ADR process; and (iii) the mediator meets with and intercedes between the parties during the ADR process in an attempt to fully and finally resolve the **Claim**.
- QR. Insured** means the **Named Insured** listed in Item 1 of the **Declarations** and each of the following, but solely for **Claims** Claim arising from **Professional Services** performed for and on behalf of the **Named Insured** or a **Predecessor Law Firm**:
1. An **Attorney** who is, at the time a **Claim** is first made, or who was, at the **Effective Date** of the **Policy**, a principal, partner, shareholder, member or other owner or employee of the **Named Insured**, and who is or was identified in Item 3 of the **Declarations**, provided that the requirements of this **Policy** concerning amendment of Item 3 of the **Declarations** have been complied with, and only if no other professional liability insurance or extension of professional liability insurance applies to the **Claim**;
  2. An **Attorney** who was, before the **Effective Date** of the **Policy**, a principal, partner, shareholder, member or other owner or employee of the **Named Insured** or a **Predecessor Law Firm**, provided that information requested on the application concerning such person has been provided to the **Company**, and only if no other professional liability insurance or extension of professional liability insurance applies to the **Claim**;
  3. An **Attorney** acting as “of counsel” under formal contract with the **Named Insured** or a **Predecessor Law Firm**, and who is identified in Item 3 of the **Declarations**, provided that information requested on the application concerning such person has been provided and that the requirements of this **Policy** concerning amendment of Item 3 have been complied with, and only if no other professional liability insurance or extension of professional liability insurance applies to the **Claim**;
  4. A non-**Attorney** who is or was an employee of the **Named Insured** or a **Predecessor Law Firm**, solely for **Claims** arising from or in connection with actions within the scope of such person's duties as an employee of the **Named Insured** or a **Predecessor Law Firm**, and arising from or in connection with the rendering of **Professional Services** for and on behalf of the **Named Insured** or a **Predecessor Law Firm**, and only if no other professional liability insurance or extension of professional liability insurance applies to the **Claim**;
  5. The heirs, executors, administrators, assigns and legal representatives of an **Insured**, in the event of the **Insured**'s death, incapacity or bankruptcy;
  6. A **Contract Attorney** who is, at the time a **Claim** is first made, or who was, at the **Effective Date** of this **Policy**, a **Contract Attorney** of the **Named Insured**, and who is or was identified in Item 3 of the **Declarations**;
  7. Any **Predecessor Law Firm** listed as an additional **Insured** on an endorsement issued by the **Company** and identified in Item 8 of the **Declarations**; and



8. The spouse or legally recognized domestic partner of an **Insured**, but solely with respect to a **Claim** asserted against such **Insured** that is otherwise covered under this **Policy**; provided, however, that such spouse or legally recognized domestic partner shall accept the same legal counsel to defend the **Claim** as the **Company** appoints to represent the **Insured**, and only if no other professional liability insurance or extension of professional liability insurance applies to the **Claim**.

**RS. Interrelated Wrongful Acts** means **Wrongful Acts** that are temporally, logically or causally related, including all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, transaction, event, advice or decision, and all **Wrongful Acts** that are the same, related or continuous acts, regardless of whether the **Claim** or **Claims** alleging such **Wrongful Acts** involve the same, different or multiple claimants, **Insureds**, or causes of action.

**ST. Limit of Liability** means, with respect to **Claims** a **Claim** first made and first reported during the **Policy Period**, the “Each **Claim**” **Limit of Liability** and the “Aggregate” **Limit of Liability**, as applicable and as listed in Item 5 of the **Declarations**. The **Limit of Liability** ~~with respect to **Claims** first made and first reported during the **Policy Period**~~ includes the amount of any applicable **Deductible** and is described further in Section 4.C.

**Limit of Liability** means, with respect to **Claims** a **Claim** first made and first reported during any **Extended Reported Period**, the applicable **Limit of Liability** further described in Section 5.H.

**TU. Named Insured** means the law firm or individual **Attorney** listed as the **Named Insured** in Item 1 of the **Declarations**.

**UV. Organization** means any corporation, partnership, limited partnership, limited liability partnership or limited liability company; association; charitable entity, enterprise or organization; health or welfare benefit plan, program, fund or trust; pension, profit-sharing, 401(k) or other retirement benefit plan, program, fund or trust; mutual fund or investment trust; or any other business entity, enterprise or organization of any kind or nature whatsoever. **Organization** does not include a decedent’s estate or a trust (other than an investment trust).

**VW. Personal Injury** means an injury other than a **Bodily Injury** that results from:

1. False arrest, detention or imprisonment;
2. Wrongful entry or eviction or other invasion of private occupancy;
3. Malicious prosecution;
4. Publication or utterance of libel, slander or other defamatory or disparaging material; ~~and/or~~
5. Invasion of privacy, or publication or utterance in violation of an individual's right of privacy.

**WX. Policy** means this Lawyers Professional Liability Insurance Policy that the **Company** has issued to the **Named Insured**, including all endorsements attaching hereto, and including all current and previous application forms any **Insured** has delivered to the **Company**.

**XY. Policy Period** means the period of time between the **Effective Date** listed in Item 4 of the **Declarations** and the earlier to occur of (a) the **Expiration Date** listed in Item 4 of the **Declarations**, or (b) the date this **Policy** is otherwise terminated or cancelled prior to the **Expiration Date**. **Policy Period** does not mean nor include any **Extended Reporting Period** provided pursuant to Section 5.

**YZ. Predecessor Law Firm** means any sole proprietorship or legally recognized business ~~entity~~**Organization** previously engaged in the private practice of law that: (i) has undergone dissolution; (ii) has been disclosed to the **Company** in the **Named Insured**’s application for lawyers professional liability insurance; and (iii) is listed as an additional **Insured** on an endorsement issued by the **Company** and identified in Item 8 of the **Declarations**.

**ZAA. Professional Services** means services or activities performed for and on behalf of the **Named Insured** or a **Predecessor Law Firm** and rendered solely to others as:

1. An **Attorney** in an attorney-client relationship on behalf of one or more clients applying the **Attorney**’s specialized education, knowledge, skill, labor, experience and/or training, including pro bono services;
2. A mediator, arbitrator, or other facilitator in a dispute resolution process;
3. An administrator, conservator, guardian, executor, personal representative, trustee or ~~other~~fiduciary, so long as the **Insured**:- (i) is not a beneficiary of such estate, trust or other fiduciary relationship; and (ii) is not receiving compensation other than fees for such services paid directly from such estate or trust or for services in conjunction with such fiduciary capacity;



4. An **Attorney** in researching or certifying title to real estate, including services as a title insurance agent acting on behalf of a title insurance company;
5. A director, officer, or member of any professional legal association, legal bar association, or paralegal or legal assistant association, including its governing board or any of its committees;
6. An author or presenter of legal research papers, legal materials and legal seminars, including matters relating to the ethical and professional conduct of an **Attorney**, but only if such services or activities are performed without compensation or royalties, or the amount of compensation or royalties per publication, presentation or seminar does not exceed \$30,000;
7. A court-appointed child and family investigator in a domestic relations matter, or other similar position or role so long as the **Insured** is acting pursuant to a court order;
8. A government affairs advisor or lobbyist; and
9. A notary public.

**Professional Services** does not mean nor include any:

10. Services rendered or activities engaged in prior to the **Retroactive Coverage Date**;
11. Obligations or services assumed by or performed under any contract other than one to provide **Professional Services**;
12. Rendering of investment advice in any context or in any capacity including, but not limited to, advice concerning securities, real property, commodities, futures contracts, or franchises;
13. Holding, possessing, controlling, supervising, disbursing, or otherwise handling or overseeing in any manner or nature whatsoever any funds or property of the **Insured**, or of any -client, trust, estate, person, Organization, or any other third party;
14. Advertising or marketing services or activities;
15. Services as a broker, dealer, business manager, accountant, or real estate broker or agent; or
16. Services as an expert witness.

AABB. **Retirement** means an **Attorney** who: (i) has attained age 55 or older; and (ii) retires from and permanently and completely ceases the practice of law and the rendering of **Professional Services** during the **Policy Period**.

CC. **Retroactive Coverage Date** means the date for the **Named Insured** as listed in Item 2 of the **Declarations** and, if applicable, the date for any **Predecessor Law Firm** as listed in an additional **Insured** endorsement issued by the **Company** and identified in Item 8 of the **Declarations**. The effect of the **Retroactive Coverage Date** is described in Section 1.A.1. and Section 5.

BBDD. **Wrongful Act** means an actual or alleged:

1. Act, error, or omission by the **Insured** in the performance of **Professional Services**; ~~and/or~~
2. A **Personal Injury** resulting from the **Professional Services** of the **Insured**.

**Wrongful Act** does not mean nor include an act, error, or omission resulting in **Bodily Injury**.

### SECTION 3 – EXCLUSIONS

THIS **POLICY** DOES NOT APPLY TO ANY **CLAIM OR WRONGFUL ACT** ARISING FROM ~~OR~~, IN CONNECTION WITH, OR ATTRIBUTABLE TO, IN WHOLE OR IN PART:

- A. Any dishonest, fraudulent, criminal, malicious, or intentionally harmful **Wrongful Act** committed by an Insured, at the direction of, or under the control of an Insured, or with the consent of an **Insured**; subject to Section 6.A. (“innocent insured coverage”);
- B. Any trust or estate of which an **Insured** is an heir, devisee, beneficiary, or distributee of such trust or estate;





EC. An **Insured's** capacity as a past, present or prospective owner, shareholder, officer, director, manager, member, partner, trustee or fiduciary of any **Organization**.

D. Any **Professional Services** that were rendered or should have been rendered to or in connection with any **Organization** (including the ownership, maintenance or care of any property in connection with any such **Organization**) of which, at the time such **Professional Services** were or should have been rendered:

1. An **Insured** was an officer, director, employee or ~~other fiduciary;~~ fiduciary, or served in any capacity to directly or indirectly control, operate, or manage such **Organization**; or
2. An **Insured** was a partner, shareholder, member or ~~other~~ owner; provided, however, that this ~~provision~~ Section 3.D.2 does not apply if, at the time such **Professional Services** were or should have been rendered, no **Insured** (or group of **Insureds** collectively) owned, possessed or controlled a total voting interest or beneficial interest of more than ~~ten~~ five percent (~~10~~ 5%) of such **Organization**; or
3. ~~An **Insured** served in any capacity to directly or indirectly control, operate or manage such **Organization**.~~

This exclusion shall not apply to any **Claim** arising from or in connection with (i) an **Insured's** position as an officer or director of an **Exempt Organization**, but only to the extent the **Insured** is not indemnified by the **Exempt Organization**, and only to the extent no other insurance applies, or (ii) any **Professional Services** that were or should have been rendered to an **Organization** listed on an endorsement identified in Item 8 of the **Declarations**;

DE. Notary certification or attestation of an instrument without first determining from personal knowledge or satisfactory evidence or proof of the identity of the individual, that the individual signing the instrument has the identity claimed and has executed the instrument knowingly and willingly for the purposes intended;

EE. Any **Wrongful Act** that occurred prior to the **Effective Date** of this **Policy**, if:

1. The **Wrongful Act** occurred in the course of services or activities performed for a firm other than the **Named Insured**, and there is another policy of professional liability insurance that provides coverage for the **Claim**, regardless of the amount, if any, of the available limits of liability of the other policy, and regardless of whether ~~or not~~ the deductible provisions or limits of liability of the other policy are different from those of this **Policy**;
2. There is an earlier-incepting policy of professional liability insurance that provides coverage for the **Claim**, or would have provided coverage for the **Claim** if the **Insured's** obligations under that policy had been complied with, regardless of the amount, if any, of the available limits of liability of the prior policy, and regardless of whether ~~or not~~ the deductible provisions or limits of liability of the prior policy are different from those of this **Policy**; or
3. Prior to the **Effective Date** of this **Policy**, any **Insured** gave or should have given to any insurer, notice of a **Claim** or potential **Claim** arising from or in connection with the **Wrongful Act**, or ~~from~~ any **Wrongful Act** that is connected temporally, logically or causally, by any common fact, circumstance, situation, transaction, event, advice or decision, to the **Claim** or potential **Claim**.

EG. An **Insured's** activities as an elected public official, employee or representative of a governmental body, subdivision, or agency thereof ("public entity"), unless such **Insured** is deemed to be a public official, employee, or representative solely by reason of rendering **Professional Services** to such public entity;

EH. An **Insured's** activities or capacity as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended, or any regulation or order issued pursuant thereto, or under any other similar state or local law;

HI. Any loss, conversion, misappropriation, wrongful disbursement, improper commingling, or negligent supervision by any person of client or trust account funds or property, or funds or property of any other person or **Organization**, held or controlled at any time by an **Insured** in any capacity or under any authority, including any loss or reduction in value of such funds or property;

IJ. Any dispute over fees or costs, or any **Claim** that seeks, whether directly or indirectly, the return, reimbursement or disgorgement of fees, costs, or other funds or property held or controlled at any time by an **Insured**;

JK. Any defect in title to real estate that was not disclosed in public records and that any **Insured** ~~knew about~~ had actual or constructive knowledge of when a title insurance policy was issued;

KL. Breach of any underwriting authority granted any **Insured** by a title insurance company or its authorized representative;



~~LM~~. Any liability agreed to or assumed by an **Insured** under an agreement where the **Insured** has agreed to indemnify for or share or participate in any loss payment or expense due or payable under a title insurance policy;

~~MN~~. Any **Claim** that is otherwise covered under any other insurance policy ~~that the Company has issued to the Named Insured;~~ or;

~~NO~~. Any **Wrongful Act** committed by any **Attorney** with whom any **Insured** shares common office space or office facilities, ~~but which~~ if said **Attorney** is not identified as an **Insured Attorney** in Item 3 of the Declarations; ~~or~~

~~P~~. The unauthorized practice of law.

THIS **POLICY** DOES NOT APPLY TO ANY **CLAIM** MADE BY:

~~EQ~~. An employer against an **Insured** who is or was an employee of the employer;

~~PR~~. An **Insured**;

~~QS~~. A family member or other relative of an **Insured**; or

~~RT~~. Anyone who is or was a partner, officer, director, owner, stockholder or employee of any **Insured**.



## SECTION 4 – DEDUCTIBLE, CLAIM EXPENSE ALLOWANCE, LIMIT OF LIABILITY, AND MULTIPLE CLAIMS

## A. DEDUCTIBLE

1. For each and every **Claim** covered by this **Policy**, the **Named Insured** shall immediately pay all **Claim Expenses** and **Damages** up to the ~~Deductible for each and every covered Claim.~~ The **Named Insured's** payment of all **Claim Expenses** and **Damages** up to the **Deductible** for each and every covered **Claim** is a condition precedent to the **Company's** obligation to pay any **Claim Expenses** or **Damages** for each and every covered **Claim**. Each **Insured** shall be jointly and severally liable for such **Claim Expenses** and **Damages** in the event the **Named Insured** fails to make any required payment.
2. The **Company** shall not have any obligation to pay **Claim Expenses** or **Damages** until after the **Deductible** is exhausted. If the **Company** pays any amount within the **Deductible**, the **Named Insured** and each **Insured** shall be jointly and severally liable to the **Company** for any and all such amounts paid by the **Company** and, on demand, shall promptly reimburse such amounts to the **Company**.
3. The maximum aggregate **Deductible** amount payable by the **Named Insured** for all **Claims** first made and reported during a **Policy Period**, without regard to the number of **Claims** or claimants, or the number of **Insureds**, shall be twice the "Each **Claim**" **Deductible** amount listed in Item 6 of the **Declarations**.
4. If a **Claim** is resolved through **Formal Mediation**, the **Deductible** payable by the **Named Insured** for that **Claim** will be reduced by an amount equal to the lesser of: (i) fifty percent (50%) of the **Deductible**; or (ii) \$25,000.

## B. CLAIM EXPENSE ALLOWANCE

1. This **Policy** provides a **Claim Expense Allowance**. The **Company's** payment of any **Claim Expenses** will first be applied against and reduce the **Claim Expense Allowance**. Subject to Section 4.B.2., the **Claim Expense Allowance** shall be the maximum aggregate amount the **Company** shall be obligated to pay for **Claim Expenses** for all **Claims** first made and reported during a **Policy Period**, without regard to the number of **Claims** or claimants, or the number of **Insureds**.
2. In the event payment by the **Named Insured** or the **Company** (or both) of **Claim Expenses** exhausts the remaining available **Claim Expense Allowance** under this **Policy**, any further payment of **Claim Expenses** shall be applied against and reduce the remaining available **Limit of Liability**, described in Section 4.C. The **Company** shall have no further obligation to pay **Claim Expenses** once any **Limit of Liability** is reached.
3. The **Claim Expense Allowance** includes the **Deductible**, and to the extent any **Insured** ~~is required during the Policy Period~~ becomes obligated to pay **Claim Expenses** ~~as part to satisfy any portion of the~~ at the **Deductible**, the remaining available **Claim Expense Allowance** for the **Policy Period** shall be reduced by the amount of such ~~payments by the Insured~~ Claim Expenses.
4. If the **Company** issues an ~~Extended Reporting Period~~ ERP **Endorsement**, the **Claim Expense Allowance** applicable during the **Extended Reporting Period** is described in Section 5.~~H~~ J.

## C. LIMIT OF LIABILITY

1. Subject to Section 4.B.2. and subject always to the remaining available "Aggregate" **Limit of Liability** in the event more than one **Claim** is first made and first reported during the **Policy Period**, the "Each **Claim**" **Limit of Liability** listed in Item 5 of the **Declarations** shall be the maximum amount the **Company** shall pay for each **Claim** first made and first reported during a **Policy Period**, without regard to the number of claimants or the number of **Insureds**. The **Limit of Liability** includes the **Deductible**, and to the extent any **Insured** ~~is required during the Policy Period~~ becomes obligated to pay **Damages** ~~as part to satisfy any portion of the~~ at the **Deductible**, the remaining available **Limit of Liability** for the **Claim** shall be reduced by the amount of such ~~payments by the Insured~~ Damages.
2. The "Aggregate" **Limit of Liability** listed in Item 5 of the **Declarations** shall be the maximum amount the **Company** shall pay for all **Claims** first made and first reported during a **Policy Period**, without regard to the number of **Claims** or claimants, or the number of **Insureds**.
3. If the **Company** issues an ~~Extended Reporting Period~~ ERP **Endorsement**, the **Limit of Liability** applicable during the **Extended Reporting Period** is described in Section 5.~~H~~ J.



- If the **Company** pays any amount in excess of the applicable **Limit of Liability**, or any other amount for which the **Company** has no obligation under this **Policy**, each **Insured** shall be jointly and severally liable to the **Company** for any and all such amounts and, on demand, shall promptly reimburse such amounts to the **Company**.

D. MULTIPLE CLAIMS, CLAIMANTS, OR INSUREDS

Neither the making of one or more **Claims** against more than one **Insured**, nor the making of **Claims** by more than one claimant, shall operate to increase the **Limit of Liability**. All **Claims** that arise out of or in connection with the same **Professional Services** or **Interrelated Wrongful Acts**, whenever made and without regard to the number of **Claims**, claimants, or implicated **Insureds**, shall be treated as a single **Claim**. All such **Claims**, whenever made, shall be deemed first made at the time the earliest **Claim** arising out of such **Professional Services** or **Interrelated Wrongful Acts** was first made, and all such **Claims** shall be subject to the same "Each Claim" **Limit of Liability**, "Aggregate" **Limit of Liability**, and **Claim Expense Allowance**.

E. NON-CUMULATION OF LIMITS OF LIABILITY

If two or more policies of lawyers professional liability insurance issued by the **Company** would otherwise provide coverage to an **Insured** or multiple **Insureds** with respect to any **Claim**, the **Claim** shall be subject to, and the maximum amount the **Company** shall be obligated to pay is, the highest available **Limit of Liability** of one of such policies. The **Limit of Liability** under this **Policy** shall be reduced, and may be exhausted, by payments under this **Policy** or payments under such other policies issued by the **Company**.

SECTION 5 – EXTENDED REPORTING PERIOD

A. AUTOMATIC 60-DAY EXTENDED REPORTING PERIOD

- If this **Policy** is cancelled or ~~not renewed~~coverage is discontinued by the **Company** or **Named Insured** for any reason other than nonpayment of premium or **Deductible**, or for fraud or material misrepresentation in any application for lawyers professional liability insurance ~~delivered to the Company~~, then the **Named Insured** shall have an automatic 60-day period to report a **Claim**, commencing immediately upon expiration of the Policy Period or cancellation of the ~~Policy-Period~~, subject to the terms and conditions of Section 5.~~JH~~ and Section 5.~~KI~~.
- The automatic 60-day reporting period under this Section 5.A. shall immediately terminate if: (i) the **Company** issues an Extended Reporting Period ERP Endorsement to the **Named Insured** at any time during such 60-day period; or (ii) the **Named Insured** binds coverage or otherwise becomes insured under another policy of lawyers professional liability insurance ~~issued by any insurer~~.

B. FREE EXTENDED REPORTING PERIOD FOR RETIRING SOLE PRACTITIONER

—This Section 5.B. shall apply to any Extended Reporting Period ERP Endorsement issued to an individual **Attorney** who is the only **Attorney** identified in Item 3 of the **Declarations**.

- Except as provided in Section 5.B.~~5-7-2~~, upon Retirement of an **Attorney** practicing as a sole practitioner, the retiring Attorney shall have the right, upon written request to the **Company** no later than thirty (30) days after expiration of the Policy Period or cancellation of the ~~Policy-Period~~, to have the **Company** issue an Extended Reporting Period a free ERP Endorsement of unlimited duration to the **Attorney** if the **Attorney** satisfies the following conditions:
  - ~~(a) The Attorney has been the only Attorney identified in Item 3 of the Declarations and the only Attorney~~ continuously insured by the **Company** under this **Policy** or a predecessor to this **Policy** during the five-year period immediately preceding expiration of the Policy Period or cancellation of the ~~Policy-Period~~; and
  - ~~(b) The Attorney has attained age 55 or older and retires from and permanently and completely ceases been~~ the practice only Attorney identified in Item 3 of law and the rendering of Professional Services during the Policy Period-Declarations throughout said five-year period.
- ~~No additional premium will be charged if the Company issues an Extended Reporting Period Endorsement to the sole practitioner Attorney pursuant to Section 5.B.1.~~
- ~~If the Company issues an Extended Reporting Period Endorsement pursuant to Section 5.B.1., the Company's Limit of Liability during the Extended Reporting Period shall be as stated in Section 5.J.~~



4. ~~Any **Extended Reporting Period Endorsement** issued under this Section 5.B. shall be subject to the terms and conditions of Section 5.K.~~

5. ~~No **Extended Reporting Period**. 2. No **ERP Endorsement** shall be available to an **Attorney** under this Section 5.B. if the **Attorney** has been insured by the **Company** under the **Company's** policy form ALPS-LPL-BASIC at any time during the five-year period immediately preceding expiration or cancellation of the **Policy Period**.~~

**C. FREE EXTENDED REPORTING PERIOD FOR ATTORNEY RETIRING FROM NAMED INSURED FIRM**

~~This Section 5.C. shall apply to any **Extended Reporting Period Endorsement** issued to an individual **Attorney** if the **Named Insured** has more than one (1) **Attorney** identified in Item 3 of the **Declarations**.~~

1. ~~Except as provided in Section 5.C.5. and Section 5.C.6., an **Attorney** identified in Item 3 of the **Declarations** shall have the right, upon written request to the **Company** no later than thirty (30) days after expiration or cancellation of the **Policy Period**, to have the **Company** issue an **Extended Reporting Period Endorsement** of unlimited duration if the **Attorney** satisfies the following conditions:~~

(a) ~~The **Attorney** has been identified in Item 3 of the **Declarations** and continuously insured by the **Company** under this **Policy** and each predecessor policy to this **Policy** during the five-year period immediately preceding expiration or cancellation of the **Policy Period**; and~~

(b) ~~The **Attorney** has attained age 55 or older and retires from and permanently and completely ceases the practice of law and the rendering of **Professional Services** during the **Policy Period**.~~

2. ~~No additional premium will be charged if the **Company** issues an **Extended Reporting Period Endorsement** to an **Attorney** pursuant to Section 5.C.1.~~

3. ~~If the **Company** issues an **Extended Reporting Period Endorsement** pursuant to Section 5.C.1., the **Company's** **Limit of Liability** during the **Extended Reporting Period** shall be as stated in Section 5.J.~~

4. ~~Any **Extended Reporting Period Endorsement** issued pursuant to Section 5.C.1. shall be subject to the terms and conditions of Section 5.K.~~

5. ~~No **Extended Reporting Period Endorsement** shall be available to an **Attorney** under this Section 5.C. if the **Attorney** has been insured by the **Company** under the **Company's** policy form ALPS-LPL-BASIC at any time during the five-year period immediately preceding expiration of the **Policy Period** or cancellation of the **Policy Period**.~~

6. ~~No **Extended Reporting Period Endorsement** shall be available to an **Attorney** under this Section 5.C. if fifty percent (50%) or more of the **Attorneys** identified in Item 3 of the **Declarations** retire from and permanently and completely cease the practice of law and the rendering of **Professional Services** during the **Policy Period**.~~

**D. FREE EXTENDED REPORTING PERIOD UPON DEATH**

1. ~~If an **Attorney** identified in Item 3 of the **Declarations** dies during the **Policy Period**, the executor, personal representative or other duly authorized administrator of the **Attorney's** estate shall have the right to request that the **Company** issue an **Extended Reporting Period** a free **ERP Endorsement** to the **Attorney's** estate, subject to satisfaction of all of the following terms and conditions:~~

(a) ~~1. The executor, personal representative or other duly authorized administrator of the **Attorney's** estate shall deliver to the **Company** no later than thirty (30) days following expiration of the **Policy Period** or any applicable **Extended Reporting Period**: (i) a written request that the **Company** issue an **Extended Reporting Period** **free ERP Endorsement**; and (ii) written proof of the date and cause of death of the **Attorney**;~~

(b) ~~2. No **Extended Reporting Period** **ERP Endorsement** shall be available if suicide or abuse or misuse of any substance is the cause of the **Attorney's** death; and~~

(c) ~~3. The **Extended Reporting Period** **ERP Endorsement** issued to the **Attorney's** estate shall terminate upon the earlier of: (i) the informal or formal closing of the **Attorney's** estate; or (ii) that date which is three (3) years following the date of death of the **Attorney**.~~

2. ~~No additional premium will be charged if the **Company** issues an **Extended Reporting Period Endorsement** to an **Attorney** pursuant to this Section 5.D.1.~~

3. ~~If the **Company** issues an **Extended Reporting Period Endorsement** pursuant to Section 5.D.1., the **Company's** **Limit of Liability** during the **Extended Reporting Period** shall be as stated in Section 5.J.~~



4. Any ~~Extended Reporting Period Endorsement~~ issued pursuant to Section 5.D.1. shall be subject to the terms and conditions of Section 5.K.

**E. FREE EXTENDED REPORTING PERIOD UPON TOTAL AND PERMANENT DISABILITY**

1. If an **Attorney** identified in Item 3 of the **Declarations** becomes totally and permanently disabled during the **Policy Period**, then the **Attorney** or the legal guardian acting on behalf of the **Attorney** shall have the right to request that the **Company** issue an **Extended Reporting Period Endorsement** of unlimited duration, subject to satisfaction of all of the following terms and conditions:

(a) The **Attorney** or such legal guardian shall deliver to the **Company** no later than thirty (30) days following expiration of the **Policy Period**: (i) a written request that the **Company** issue an **Extended Reporting Period Endorsement**; and (ii) a written certification from a licensed physician stating that the **Attorney** is totally and permanently disabled;

(b) No **Extended Reporting Period Endorsement** shall be available if the **Attorney** is totally and permanently disabled arising from or in connection with abuse or misuse of any substance;

(c) If the **Company** issues an **Extended Reporting Period Endorsement** to an **Attorney** who is totally and permanently disabled, the **Extended Reporting Period** shall immediately terminate if the **Attorney** begins to render any **Professional Services** at any time after the **Company** issues the **Extended Reporting Period Endorsement**; and

(d) Upon the **Company's** request and at the **Company's** sole expense, the **Attorney** must agree to submit to a medical examination by a licensed physician designated by the **Company**.

2. Solely for purposes of this Section 5.E., including the written certification from a licensed physician as required under Section 5.E.1.(a), the phrase "totally and permanently disabled" shall mean:

(a) Due to **Bodily Injury**, other than death, the **Attorney** is wholly and entirely prevented from rendering any **Professional Services**;

(b) Such **Bodily Injury** has existed for no less than six (6) months prior to expiration of the **Policy Period**; and

(c) Such **Bodily Injury** is reasonably expected to be continuous and permanent.

3. No additional premium will be charged if the **Company** issues an **Extended Reporting Period Endorsement** to an **Attorney** pursuant to Section 5.E.1.

4. If the **Company** issues an **Extended Reporting Period Endorsement** pursuant to Section 5.E.1., the **Company's Limit of Liability** during the **Extended Reporting Period** shall be as stated in Section 5.J.

5. Any **Extended Reporting Period Endorsement** issued pursuant to Section 5.E.1. shall be subject to the terms and conditions of Section 5.K.

**FD. FREE EXTENDED REPORTING PERIOD UPON ACTIVE MILITARY SERVICE**

1. If an **Attorney** listed in Item 3 of the **Declarations** is called to active duty as a member of the United States armed forces, then the **Attorney** shall have the right to request that the **Company** issue an **Extended Reporting Period** a **free ERP Endorsement** of unlimited duration to the **Attorney**. The To be eligible for a free ERP Endorsement, the Attorney shall deliver to the Company no later than thirty (30) days after being called to active duty: (i) a written request for issuance of an **Extended Reporting Period ERP Endorsement**; and (ii) written proof demonstrating that the **Attorney** has been called to active duty.

2. No additional premium will be charged if the **Company** issues an **Extended Reporting Period Endorsement** to an **Attorney** pursuant to this Section 5.F.1.

3. If the **Company** issues an **Extended Reporting Period Endorsement** pursuant to Section 5.F.1., the **Company's Limit of Liability** during the **Extended Reporting Period** shall be as stated in Section 5.J.

4. Any **Extended Reporting Period Endorsement** issued pursuant to Section 5.F.1. shall be subject to the terms and conditions of Section 5.K.

**GE. OPTIONAL EXTENDED REPORTING PERIOD FOR INDIVIDUAL ATTORNEY**



1.—If an **Attorney** identified in Item 3 of the **Declarations** ceases to be a principal, partner, shareholder or other owner or employee of the **Named Insured** during the **Policy Period**, then the **Attorney** shall have the right, upon written request to the **Company** and upon payment of the additional premium specified in Section 5.4G.2. no later than thirty (30) days after ceasing to be a principal, partner, shareholder or other owner or employee of the **Named Insured**, to have the **Company** issue an Unlimited Extended Reporting Period ERP Endorsement to the Attorney.

2.—If the **Company** issues an Extended Reporting Period Endorsement pursuant to this Section 5.G., the **Company's Limit of Liability** during the Extended Reporting Period shall be as stated in Section 5.J.

3.—Any Extended Reporting Period Endorsement issued pursuant to this Section 5.G. shall be subject to the terms and conditions of Section 5.K.

**HF. OPTIONAL EXTENDED REPORTING PERIOD FOR NAMED INSURED**

1.—If this ~~If the Policy Period expires or the Policy is cancelled or not renewed~~ by the **Company** or **Named Insured** for any reason other than nonpayment of premium or **Deductible**, or for fraud or material misrepresentation in any application for lawyers professional liability insurance ~~delivered to the Company~~, and except as otherwise provided herein, the **Named Insured** shall have the right, upon written request to the **Company** and upon payment of the additional premium specified in Section 5.4G.1. no later than thirty (30) days after expiration of the Policy Period or cancellation of the **Policy-Period**, to have the **Company** issue an Extended Reporting Period ERP Endorsement of a duration as set forth in Section 5.4G.1.

2.—If the **Company** issues an Extended Reporting Period Endorsement pursuant to this Section 5.H., the **Company's Limit of Liability** during the Extended Reporting Period shall be as stated in Section 5.J. ———

3.—Any Extended Reporting Period Endorsement issued under this Section 5.H. shall be subject to the terms and conditions of Section 5.K.

**4G. PREMIUM FOR EXTENDED REPORTING PERIOD ENDORSEMENT**

1. If the **Company** issues an Extended Reporting Period ERP Endorsement to the **Named Insured** pursuant to Section 5. ~~H.1., F.~~, the premium for any Extended Reporting Period ERP Endorsement shall be calculated based upon a percentage of the expiring premium of this **Policy** as applied to the duration of the **Extended Reporting Period** as follows:

Duration of <b>Extended Reporting Period</b>	Percentage of Expiring Premium
1 Year	125%
2 Years	175%
3 Years	200%
5 Years	265%
Unlimited	300%

2. If the **Company** issues an Extended Reporting Period ERP Endorsement to an individual **Attorney** pursuant to Section 5. ~~GE.~~, the premium for any Extended Reporting Period the ERP Endorsement shall be calculated based upon the **Attorney's individual** portion of the expiring premium of this **Policy** multiplied by the percentage applicable to an Unlimited Extended Reporting Period ERP Endorsement as set forth in Section 5.4G.1.

3. Except as stated in Section 5. ~~GE.~~, the premium for any Extended Reporting Period ERP Endorsement must be paid no later than thirty (30) days after expiration of the Policy Period or cancellation of the **Policy-Period**. If the **Company** issues an Extended Reporting Period ERP Endorsement pursuant to Section 5. ~~GE.~~, the premium for the Extended Reporting Period ERP Endorsement must be paid no later than thirty (30) days after the individual **Attorney** ceases to be a principal, partner, shareholder or other owner or employee of the **Named Insured**.

4. No additional premium will be charged if the Company issues an ERP Endorsement to an Attorney pursuant to Section 5.B., Section 5.C., or Section 5.D.

**H. LIMIT OF LIABILITY AND CLAIM EXPENSE ALLOWANCE DURING EXTENDED REPORTING PERIOD**

1. If the **Company** issues an Extended Reporting Period ERP Endorsement to a sole practitioner **Attorney** pursuant to Section 5.B.1. or to the **Named Insured** pursuant to Section 5.H., the Extended Reporting Period Endorsement does not create or establish a new or separate Policy, Limit of Liability or Claim Expense Allowance and will not increase or reinstate the Limit of Liability or the Claim Expense Allowance under this Policy. Instead, F., the maximum



amount the **Company** shall pay as **Claim Expenses** and **Damages** for all **Claims** first made and first reported to the **Company** during the **Extended Reporting Period** shall be the remaining **Limit of Liability** and the remaining **Claim Expense Allowance** under this **Policy** at the time of expiration of the **Policy Period** or cancellation of the **Policy Period**.

2. ~~Subject to the further limitation set forth in Section 5.J.4., if~~ the **Company** issues an ~~**Extended Reporting Period**~~**ERP Endorsement** to an individual **Attorney** pursuant to Section 5.C., Section 5.D., ~~Section 5.E., Section 5.F., or Section 5.G.~~, the maximum amount the **Company** shall pay as **Claim Expenses** for all **Claims** first made against the **Attorney** and first reported to the **Company** during the **Extended Reporting Period** shall be the *lesser* of:
  - (a) The remaining **Claim Expense Allowance** under this **Policy** at the time of expiration of the **Policy Period** or cancellation of the **Policy Period**; or
  - (b) \$125,000.

The amount of such **Claim Expense Allowance** shall be determined without regard to the number of **Claims** or claimants. If the **Company** issues an **ERP Endorsement** during the **Policy Period** to one or more **Attorneys**, the applicable amount set forth in this Section 5.H.2. shall be the maximum amount the **Company** shall pay as **Claims Expenses** for all **Claims** first made and first reported during any **Extended Reporting Period** against all such **Attorneys**, without regard to the number of **Claims** or claimants, or the number of **Attorneys** to whom the **Company** has issued an **ERP Endorsement**.

3. ~~Subject to the further limitation set forth in Section 5.J.4., if~~ the **Company** issues an ~~**Extended Reporting Period**~~**ERP Endorsement** to an individual **Attorney** pursuant to Section 5.C., Section 5.D., ~~Section 5.E., Section 5.F., or Section 5.G.~~, the maximum amount the **Company** shall pay as **Damages** for all **Claims** first made against the **Attorney** and first reported to the **Company** during the **Extended Reporting Period** shall be the *lesser* of:
  - (a) The remaining **“Aggregate” Limit of Liability** under this **Policy** at the time of expiration of the **Policy Period** or cancellation of the **Policy Period**; or
  - (b) \$500,000.

The maximum amount the **Company** shall pay as **Damages** during the **Extended Reporting Period** shall be determined without regard to the number of **Claims** or claimants. If the **Company** issues an **ERP Endorsement** during the **Policy Period** to one or more **Attorneys**, the applicable amount set forth in this Section 5.H.3. shall be the maximum amount the **Company** shall pay as **Damages** for all **Claims** first made and first reported during any **Extended Reporting Period** against all such **Attorneys**, without regard to the number of **Claims** or claimants, or the number of **Attorneys** to whom the **Company** has issued an **ERP Endorsement**.

4. ~~If the **Company** has issued an **Extended Reporting Period Endorsement** to more than one former **Attorney** of the **Named Insured**, the “**Each Claim**” **Limit of Liability** listed in Item 5 of the **Declarations** shall be the maximum amount the **Company** shall pay for all **Claims** first made and first reported during any **Extended Reporting Period**, without regard to the number of **Claims** or claimants, or the number of **Attorneys** to whom the **Company** has issued an **Extended Reporting Period Endorsement**.~~

**K).** TERMS AND CONDITIONS OF EXTENDED REPORTING PERIOD ENDORSEMENT

1. Any **ERP Endorsement** issued by the **Company** does *not* create or establish a new or separate **Policy, Limit of Liability, or Claim Expense Allowance** and will not increase or reinstate the **Limit of Liability** or the **Claim Expense Allowance** under this **Policy**.
2. If the **Company** issues any ~~**Extended Reporting Period**~~**ERP Endorsement** to an individual **Attorney** pursuant to Section 5.C., or Section 5.D., ~~Section 5.E., Section 5.F., or Section 5.G.~~, the **Extended Reporting Period** shall only become effective and shall commence only upon the latest to occur of the following:
  - (a) The date the **Named Insured** no longer has available any other insurance that provides coverage to the **Attorney** for any **Claim** first made and first reported to the **Company** after the **Company** has issued the ~~**Extended Reporting Period**~~**ERP Endorsement**;
  - (b) Expiration of the **Policy Period** or cancellation of the **Policy Period**;
  - (c) Expiration or cancellation of any renewal or successive renewal of this **Policy**; and





- (d) Expiration or cancellation of any ~~Extended Reporting Period~~ERP Endorsement issued to the Named Insured.
23. Any **Extended Reporting Period** and ~~Extended Reporting Period~~ERP Endorsement provided under Section 5 simply extends the reporting period to first report a **Claim** to the **Company** under this **Policy** that:
- (a) Is otherwise covered by this **Policy**;
  - (b) Arises from a **Wrongful Act** that occurred after the **Retroactive Coverage Date** and before the end of the **Policy Period**; and
  - (c) Is first made, and first reported to the **Company**, after the end of the **Policy Period** and during the **Extended Reporting Period**.
34. Any **Claim** reported to the **Company** during the **Extended Reporting Period** shall be treated as if reported during the **Policy Period**.
45. Immediately upon issuance of an ~~Extended Reporting Period~~ERP Endorsement, any premium paid for the ~~Extended Reporting Period~~ERP Endorsement shall be non-refundable and the ~~Extended Reporting Period~~ERP Endorsement shall not be cancellable, except as provided in Section 5.~~K.5.1.6~~.
56. No ~~Extended Reporting Period~~ERP Endorsement under this Section 5 shall be available to an **Attorney** or the **Named Insured**, and if: issued shall be cancellable if:
- (a) The **Company** cancels this **Policy** or any other policy for failure to pay ~~the premiums when due or for failure to pay~~, any **Deductible**, or any other amount due to the **Company**;
  - (b) The **Company** cancels or rescinds this **Policy** ~~or~~, any other policy, or any ERP Endorsement, for fraud or misrepresentation in any application or other submission to the **Company**;
  - (c) Any **Insured** fails to comply with the terms and conditions of this **Policy** or any other policy, including any ~~Extended Reporting Period~~ERP Endorsement or any other endorsements; ~~or~~
  - (d) Any **Insured**'s license or right to practice law ~~has been~~is revoked, suspended, or surrendered after the commencement of any investigation or disciplinary proceeding by any regulatory authority; ~~or~~
  - 6(e) The Attorney or the Named Insured fails to timely pay when due any Deductible with respect to any Claim reported during the Policy Period or any Extended Reporting Period.
7. If the **Company** issues any ~~Extended Reporting Period~~ERP Endorsement under Section 5, it is understood that any such ~~Extended Reporting Period~~ERP Endorsement is not a new insurance policy, but instead an endorsement that simply extends the time period during which to report a **Claim** under this **Policy**. All other terms and conditions of this **Policy** shall apply to any **Extended Reporting Period** and any ~~Extended Reporting Period~~ERP Endorsement.
78. An **Attorney** remains eligible for an ~~Extended Reporting Period~~ERP Endorsement under ~~Sections~~Section 5.B. ~~and 5.C.~~ even if, upon permanently and completely ceasing the practice of law, the **Attorney** ~~intends to or does render~~renders services solely within the context of a pro bono, volunteer service, access to justice, or access to legal services program sponsored by a national, state, or local agency or bar association; provided, however the ~~Extended Reporting Period~~ERP Endorsement provides no coverage under this **Policy** for such services.

## SECTION 6 – GENERAL CONDITIONS

### A. INNOCENT INSURED COVERAGE

1. Whenever a **Claim** otherwise covered by this **Policy** would be excluded based solely upon Section 3.A. and no other applicable exclusion under this **Policy**, coverage will be afforded to any individual **Insured** who did not personally commit, or personally participate in committing or causing any such **Wrongful Act**, and who did not remain passive after learning of the **Wrongful Act**, provided that each such individual **Insured** shall have immediately notified the **Company** and complied with all obligations under this **Policy** once said **Insured** obtained knowledge of the **Wrongful Act**. Nothing in this ~~section~~Section 6.A. shall be interpreted to afford any coverage to a **Named Insured** that is an ~~entity~~Organization rather than an individual.



2. No coverage will be afforded to any individual **Insured** under Section 6.A.1. if the **Claim** is otherwise excluded from coverage based upon any applicable exclusion from coverage under this **Policy** other than Section 3.A.
3. The **Company's** obligation to provide coverage or make any payment of **Damages** or **Claim Expenses** under this Section 6.A. shall be in excess of any and all assets of any **Insured** who is not afforded coverage under ~~this~~ Section 6.A.

B. INSURED'S OBLIGATIONS UPON NOTICE OF CLAIM OR POTENTIAL CLAIM

1. When an **Insured** becomes aware of a **Wrongful Act** that could reasonably be expected to be the basis of a **Claim**, but no **Claim** arising therefrom has yet been made, then as a condition precedent to the **Company's** obligation to defend or indemnify the **Insured** under this **Policy**, the **Insured** shall immediately give written notice to the **Company**. Such notice shall include the fullest information obtainable concerning the potential **Claim**. The **Insured** must deliver written notice to the **Company** in accordance with the CLAIMS MADE AND REPORTED POLICY paragraph set forth on page 1 of this **Policy**.
2. If, during the **Policy Period** or any **Extended Reporting Period**, the **Company** is given written notice of a potential **Claim** pursuant to Section 6.B.1, and a **Claim** arising from or in connection with the same **Wrongful Act** is subsequently made against an **Insured** no later than six years after the end of the **Insured's** last **Policy Period** or any applicable **Extended Reporting Period**, then any such **Claim** shall be deemed to have been first reported during the **Policy Period** or **Extended Reporting Period** in which the potential **Claim** was reported.
3. When a **Claim** is made against an **Insured**, the **Insured** shall immediately forward to the **Company** every demand, notice, summons, or other process received by the **Insured** or the **Insured's** representative. The **Company** shall have no obligation hereunder with respect to a **Claim** unless and until so notified.
4. In the event an **Insured** fails to give written notice to the **Company** of a **Claim**,<sup>7</sup> prior to the end of the **Policy Period** in which the **Claim** is made, or in the event an **Insured** fails to give written notice to the **Company** of a potential **Claim**,<sup>7</sup> as described in Section 6.B.1,<sup>7</sup> prior to the end of the **Policy Period** in which the **Insured** first becomes aware of a **Wrongful Act**, then no coverage for any such **Claim** shall be afforded to the **Insured** under any future policy issued by the **Company**.

C. ASSISTANCE AND COOPERATION OF THE INSURED

- ~~1. Each~~<sup>1.</sup> At the Insured's expense, each **Insured** shall cooperate with the **Company** in its investigation of any **Claim**, including, without limitation, by promptly complying with all requests for any **Insured** to submit to or provide any statements, including any sworn statements or statements under oath of any **Insured**, reports, documents, or other information, and by providing copies of all pertinent files upon request.
2. Each **Insured** shall cooperate and assist, as requested, in the defense of any **Claim**, in making any settlements, and in enforcing any right of contribution or indemnity against any person ~~or Organization~~. If requested by the **Company**, such assistance may include, without limitation, attendance at hearings and trials and assistance in securing and giving evidence and in obtaining the attendance of witnesses. ~~Neither the Insured nor the Insured's~~ legal representative shall impede the **Company's** investigation or defense of any **Claim**. Neither the **Insured** nor the **Insured's** legal representative shall in any manner impair the right of the **Company** to make any settlement that the **Company** deems, in its discretion, to be reasonably necessary pursuant to any statutory or common law requirements concerning the fair or unfair claim settlement practices of insurers.
3. Each **Insured** shall notify the **Company** of any demand to arbitrate a **Claim** against an **Insured**, and any right to demand arbitration of a **Claim**, and in the event the **Company** elects to proceed with arbitration, shall cooperate in any such proceeding.
4. No **Insured** shall, without the **Company's** prior written consent, engage in or offer to engage in any of the following with respect to any **Claim** or potential **Claim**: ~~(a) make any payments; (b) admit any liability; (c) stipulate to the~~ entry of a judgment against the **Insured**; (d) settle any **Claim**; (e) assume any obligation; (f) negotiate any tolling agreement; or (g) incur any expense. If an **Insured** engages in or offers to engage in any of the foregoing, the **Insured** shall do so at the **Insured's** own liability and expense, and such engagement, action or offer by the **Insured** shall be deemed to be a breach of the **Insured's** duty to cooperate with the **Company** with respect to such **Claim** or potential **Claim**.



D. ACTION AGAINST COMPANY

No action shall lie against the **Company** unless and until the **Insured** has fully complied with all terms and conditions of this **Policy**, and unless and until the amount of the **Insured's** obligation to pay has been finally determined either by judgment against the **Insured** or by written agreement of the **Insured**, the claimant(s) and the **Company**. No person or **Organization** shall have the right under this **Policy** to join the **Company** as a party to any **Claim** against an **Insured**.

E. OTHER INSURANCE

Except where coverage under this **Policy** is excluded under Section 3.E., the insurance provided under this **Policy** shall be excess over any other valid and collectible insurance, whether such insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is specifically written only as excess insurance over this **Policy**.

F. SUBROGATION

1. In the event of any payment under this **Policy**, the **Company** shall be subrogated to all the **Insured's** rights of recovery against any person or ~~organization~~**Organization**. The **Insured** shall execute and deliver such instruments and papers as may be required by the **Company**, and shall do whatever else is necessary, to secure such rights. The **Insured** shall at no time do anything to prejudice such rights.
2. The **Company** shall not exercise any subrogation rights against another **Insured**, except with respect to any **Claim** arising from, involving, or in connection with any dishonest, fraudulent, criminal, malicious, or intentionally harmful **Wrongful Act** caused by such **other Insured**.
3. Any amounts recovered through subrogation shall be apportioned as follows: First, to the repayment of expenses incurred in enforcing subrogation; Second, to repayment of any loss and expense payments **made** by the **Insured** in excess of any **Deductible**; Third, to any loss and expense payments **made** by an excess carrier on behalf of the **Insured**; Fourth, to any loss and expense payments **made** by any primary carrier, including the **Company**, on behalf of the **Insured**; and Last, to repayment of the ~~Insured's~~**Deductible**.

G. CHANGES IN POLICY TERMS

Except where otherwise provided herein, no part of this **Policy** may be waived or changed, except by written endorsement issued to form a part of this **Policy** and signed by an authorized representative of the **Company**. Neither notice to an agent nor knowledge possessed by an agent or by any other person **or Organization** shall effect any waiver or change in any part of this **Policy** or estop the **Company** from asserting any right under this **Policy**.

H. FIRM CHANGES

1. The **Named Insured** shall immediately notify the **Company** if, during the **Policy Period**, the **Named Insured** has: (a) any increase or decrease by more than 25 **Attorneys** or by more than 50% in the total number of **Attorneys** listed in Item 3 of the **Declarations**; or (b) any acquisition, dissolution or merger by or of the **Named Insured**. Upon receipt of such notice, the **Company** reserves the right, in its sole discretion, to re-evaluate the risk insured under this **Policy** and to take appropriate underwriting action.
2. In all instances other than those described in ~~the immediately preceding section,~~**Section 5.H.1.**, the **Named Insured** shall notify the **Company** within a commercially reasonable period of time if, during the **Policy Period**, the **Named Insured** seeks to add or delete an **Attorney** to or from the list of insured **Attorneys** in Item 3 of the **Declarations**. Upon receipt of such notice, the **Company** reserves the right, in its sole discretion, to re-evaluate the risk insured under this **Policy** and to take appropriate underwriting action.

I. ASSIGNMENT

No rights or interests hereunder of any **Insured** may be assigned.

J. CANCELLATION

1. The **Named Insured** may cancel this **Policy** at any time by surrendering this **Policy** to the **Company** (or an authorized representative of the **Company**), or by written notice to the **Company** stating the date on which the **Named Insured** proposes that the cancellation will be effective. In the event the **Named Insured** cancels this **Policy**, the **Company** shall be entitled to retain the customary "short rate" portion of the premium.



2. In the event the **Named Insured** or any **Insured** has failed to pay when due a premium or **Deductible** under this **Policy**, or any ~~other~~ **ERP Endorsement**, or failed to pay any money owed to the **Company**, the **Company** may cancel this or any other policy or **ERP Endorsement** by written notice of cancellation to the **Named Insured**. The notice shall state the date on which the cancellation will be effective, which shall be no fewer than ten (10) days following the date of the notice. Such notice shall be effective and conclusive as to all **Insureds** hereunder. Proof of mailing shall be sufficient proof of notice and the effective date of cancellation stated in the notice shall become the end date of the **Policy Period**.
3. For any reason other than nonpayment of premium or **Deductible** as set forth in Section 6.J.2, including but not limited to: (a) material misrepresentation; (b) substantial change in the risk assumed; or (c) substantial breach of contractual duties, conditions, statements or assurances, the **Company** may cancel this **Policy** by written notice of cancellation to the **Named Insured**. The notice shall state the date on which the cancellation will be effective, which shall be no fewer than forty-five (45) days after the date of the notice. Such notice shall be effective and conclusive as to all **Insureds** hereunder. Proof of mailing is sufficient proof of notice and the effective cancellation date stated in the notice will become the end date of the **Policy Period**.

In the event the **Company** cancels this **Policy** for any reason, it will compute earned premium on a *pro rata* basis. The **Company** may make any resultant premium adjustments at the time cancellation is effective, or as soon thereafter as is practicable. However, the payment or tender of unearned premium is not a condition of or a prerequisite to cancellation of this **Policy**.

K. STATEMENTS IN DECLARATIONS AND APPLICATION

By acceptance of this **Policy**, each **Insured** agrees with, represents to and assures the **Company** that the statements, information and representations in the **Declarations**, in the application for this **Policy**, and in the applications for each prior policy issued by the **Company** to the **Insured**, are true and correct, that the **Declarations** and the application(s) form a part of this **Policy**, and that this **Policy** is issued in reliance upon the truth of such statements, information and representations.

L. ENTIRE CONTRACT

This **Policy**, including any signed endorsements attaching hereto, and including any current or previously submitted application documents which are incorporated herein by reference, embodies all agreements existing between the **Insured** and the **Company** relating to this insurance.

M. NONASSESSABLE POLICY

This **Policy** is not assessable.

N. SPECIAL LAWS

Any and all provisions of this **Policy** that are in conflict with applicable laws of the jurisdiction wherein this **Policy** is issued are hereby amended to conform to such laws.

O. POLICY TERRITORY

This **Policy** applies to any **Wrongful Act** occurring anywhere in the world, provided that a **Claim** otherwise covered by this **Policy** is made within the United States of America, its territories or possessions, or Canada.

OP. NOTICES

All notices to be delivered to the **Named Insured** under this **Policy** if the **Named Insured** has agreed to conduct business with the **Company** by electronic means, then any notices to be delivered to the **Named Insured** may be delivered by: (i) placing such information within the body of an electronic message; (ii) placing such information as an attachment to an electronic message; (iii) displaying the information, or a clear and conspicuous link to the information, as an essential step to completing the transaction to which the information relates; or (iv) placing such information on the **Company's**



secured server and an electronic message is provided advising that insurance information or, when appropriate, time-sensitive insurance information has been placed on the insurer's secured server and is available for retrieval.

If the **Named Insured** has not agreed to conduct business with the **Company** by electronic means, then all notices to be delivered to the **Named Insured** shall be mailed first class postage to the **Named Insured** at the address shown in Item 1 of the **Declarations**, unless the **Company** is notified in writing of a change in the mailing address of the **Named Insured**.

Except for notice of ~~a claim~~/an actual or potential claim**Claim**, which shall be delivered to the **Company** in accordance with the NOTICE OF CLAIM paragraph set forth on page 1 of this **Policy**, all other notices to be delivered to the **Company** ~~shall~~may be: (i) mailed with first class postage paid thereon and delivered to the **Company** at the following **Company's** mailing address: set forth on page 1 of this **Policy**; or (ii) delivered electronically by placing such information within the body of an electronic message or as an attachment to an electronic message and delivered to customerservice@alpsinsurance.com.

ALPS  
111 N. Higgins, Ste. 600  
P.O. Box 9169  
Missoula, MT 59807-9169

**PQ.** SINGULAR AND PLURAL FORM OF A WORD OR DEFINED TERM

Whenever the singular form of a word or defined term is used herein, the same shall include the plural form of the word or defined term when required by context.

**QR.** NAMED INSURED REPRESENTS ALL INSURED

By acceptance of this **Policy**, the **Named Insured** shall be designated to act on behalf of all **Insureds** for all purposes including, but not limited to, the giving and receiving of all notices, consents, communications and correspondence, the cancellation or non-renewal of this **Policy**, the payment of any premiums and **Deductible** due hereunder and the receipt of any return premiums that may be due under this **Policy**.



Dec 29, 2023

### **Fast and Easy Process!**

Easy to contact. Very efficient!



Dec 29, 2023

### **Simplicity**

Simplicity



Nov 8, 2023

### **Lisa is awesome at what she does**

Lisa is awesome at what she does. She follows up well, makes sure things are done timely, and makes the process as easy as possible for me (every year). I'm thankful for her and ALPS. I recommend them to any lawyer seeking good customer service and reasonable rates. Thank you!



Oct 18, 2023

### **Excellent customer service**

Working with ALPS for about ten years. Excellent customer service. Very good pricing and value. Renewal process easy and efficient. Highly recommend.



Oct 17, 2023

### **Great Company**

The company is very well managed overall, but I sometimes have a hard time getting in touch with a person at ALPS on the same day, due to the time zone difference from ET to MT.

## Chris Newbold

---

**From:** John Brandt <jbrandt@nmplc.com>  
**Sent:** Thursday, January 4, 2024 11:23 AM  
**To:** David Hudgins  
**Cc:** Chris Newbold; Rountree, Cameron  
**Subject:** RE: 4th quarter 2023 statistics and yearly statistics for Hot-Line

**[EXTERNAL EMAIL]** DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

81 individual bar members received benefits during the 2023 year, some of whom called in more than one month. I hope this helps and best,

**John J. Brandt, Esq.**

Nolan & Mroz, PLC  
2301 Gallows Road  
Suite 200  
Dunn Loring, Virginia 22027  
Phone: 703.281.2600 x101  
Fax: 703.560.0080  
[jbrandt@nmplc.com](mailto:jbrandt@nmplc.com)

This email message is personal and confidential; is subject to the attorney-client privilege and/or is work product protected. Any dissemination, use or copying of this message to anyone other than the recipient/s is unauthorized. If you have received this message inadvertently, please notify the sender by telephone at the above number or reply by email and permanently delete the communication from your system.

---

**From:** David Hudgins [mailto:[dhudgins@hudginslawfirm.com](mailto:dhudgins@hudginslawfirm.com)]  
**Sent:** Wednesday, January 3, 2024 4:09 PM  
**To:** John Brandt <[jbrandt@nmplc.com](mailto:jbrandt@nmplc.com)>  
**Cc:** Chris Newbold <[cnewbold@alpsnet.com](mailto:cnewbold@alpsnet.com)>; Rountree, Cameron <[CRountree@vsb.org](mailto:CRountree@vsb.org)>  
**Subject:** Re: 4th quarter 2023 statistics and yearly statistics for Hot-Line

John -

Can you please give us a breakdown on the numbers of different individuals receiving the benefits of your calls?

Please include a total number of individuals serviced for the calendar year.

Thanks,

David D. Hudgins  
HUDGINS LAW FIRM, P.C.  
2331 Mill Road, Suite 100  
Alexandria, Virginia. 22314

(703) 837-3206 Direct  
(703) 362-7929 Cell  
[dhudgins@hudginslawfirm.com](mailto:dhudgins@hudginslawfirm.com)

On Jan 3, 2024, at 2:45 PM, John Brandt <[jbrandt@nmpc.com](mailto:jbrandt@nmpc.com)> wrote:

Gentlemen: The 4<sup>th</sup> quarter 2023 statistics are as follows:

October: 8 calls @\$877.50

November: 10 calls @\$916.50

December 9 calls @\$1,014.00

Totals: 27 calls @ \$2,808.00

+++++2023 YEARLY TOTALS+++++

1<sup>st</sup> Quarter 18 calls @ \$1,476.15

2d Quarter 35 calls @ \$3,802.50

3d Quarter 31 calls @ \$3,802.50

4<sup>th</sup> Quarter 27 calls @ \$2,808.00

Yearly Totals 111 calls @\$11,889.15

I am also copying Cameron on this e/mail and I hope that all of you, and your families, have the happiest of New Year's in 2024. Regards,

**John J. Brandt, Esq.**  
Nolan & Mroz, PLC  
2301 Gallows Road  
Suite 200  
Dunn Loring, Virginia 22027  
Phone: 703.281.2600 x101  
Fax: 703.560.0080  
[jbrandt@nmpc.com](mailto:jbrandt@nmpc.com)



**From:** John Brandt <[jbrandt@nmpc.com](mailto:jbrandt@nmpc.com)>  
**Sent:** Tuesday, December 12, 2023 9:50 AM  
**To:** Rountree, Cameron <[CRountree@vsb.org](mailto:CRountree@vsb.org)>; David Hudgins <[dhudgins@hudginslawfirm.com](mailto:dhudgins@hudginslawfirm.com)>  
**Cc:** Chris Newbold <[cnewbold@alpsnet.com](mailto:cnewbold@alpsnet.com)>  
**Subject:** rate raise

Gentlemen: I hope you, and your families, will have a wonderful holiday season and I will be soon closing another year operating the Risk Management Hot Line for all Virginia licensed attorneys. After 20+ years, it is still an honor and privilege to lend a helping hand to our colleagues who work diligently each day to help our fellow/sister Virginians.

My current hourly rate is \$195 (as of August/ September 2019) and I write to ask you to consider raising my rate to \$225 hourly, starting with the January 2024 Hotline year. By way of background, my firm typically bills its services to other clients at \$425 hourly; and we will always discount our services to the Bar as a way of giving back to such a worthy cause.

By way of comparison with my 2023 fees, after 11 months (Jan. – Nov.) I have spent 62.4 hours @ \$195, earning \$12,168. Using those same hours, @ \$225 per hour, I would receive \$14,040, a raise of \$170.18 per month.

Thank you for considering what I believe to be a modest raise and I hope you enjoy the holidays. Regards,

**John J. Brandt, Esq.**

Nolan & Mroz, PLC

2301 Gallows Road

Suite 200

Dunn Loring, Virginia 22027

Phone: 703.281.2600 x101

Fax: 703.560.0080

[jbrandt@nmpc.com](mailto:jbrandt@nmpc.com)

This email message is personal and confidential; is subject to the attorney-client privilege and/or is work product protected. Any dissemination, use or copying of this message to anyone other than the recipient/s is unauthorized. If you have received this message inadvertently, please notify the sender by telephone at the above number or reply by email and permanently delete the communication from your system.



## Virginia Risk Management Report

2023 Q4

**On-Demand Programing:** Currently, 25 programs exist in the Virginia on-demand library. They range in length from 60 to 90 minutes. New on-demand programs have been added throughout the year. Charges for the on-demand seminars are as follows: 1-hour programs are \$40 for insureds, \$70 for non-insureds; 2-hour programs are \$50 for insureds, \$80 for non-insureds; and 3-hour programs are \$70 for insureds, and \$100 for non-insured. Course listings can be viewed at: <https://alps.ce21.com/>

- **Quarterly Result:** In Q4, we had 119 VA registrants complete on-demand programs, with 73 ALPS insureds and 46 non-insured.

**YTD Result:** In 2023, we had 213 VA registrants complete on-demand programs.

**Webinar Programming:** In Q4 we hosted six webinars, three exclusively for Virginia Attorneys:

- Wed. October 18: A Penny Pincher's Guide to Ethical Cybersecurity for Law Firms (w. Sharon Nelson)
- Wed. November 15: 10 Things They Didn't Teach in Law School. (w. Mark B and Claims Manager Stacey Smith)
- Wed. December 6: How to Avoid Conflict of Interest Malpractice Missteps (w. Mark B)
- The Firm Retreat: The Virtual Ethics CLE Tour of Virginia Parts 1, 2, and 3 on October 13, 15, and 15, respectively.

**Quarterly Result:** In Q4, we had 2138 VA registrants for Live Webinars, with 1033 ALPS insureds and 1105 non-ALPS insured.

**YTD Result:** In 2023, we had 2265 VA registrants for Webinars with 1130 ALPS insureds and 1135 non-ALPS insured.

- **Webinars Scheduled:**

Q1 2024 features two webinars:

- Succession Planning: Mastering the Art of Retiring (Feb 14), hosted by Mark Bassingthwaighte
- Ethical Cybersecurity: Law Firms are Now Held to a Higher Standard (March 6), hosted by Sharon Nelson of Sensei Ent. Inc., in Fairfax, VA.

- **Fall CLE Tour:**

The tour has ended. The full report was included in the Q3 meeting packet. Per the committee's decision to postpone 2024 budget approval, tour planning for 2024 has not yet commenced.



Tentative Live Tour Dates: September 9 - 20: Richmond, Charlottesville, Roanoke, Virginia Beach, Chesapeake, Alexandria, Fairfax

Virtual Tour Dates: October 1, 2, 3: virtual online webcasts.

**Virginia  
Risk Management Report Summary  
2023**

Specific Allocations	Budget	3/31/2023	6/30/2023	9/30/2023	12/31/2023	Total	Budget Variance (over) / under	Budget Variance %
<b>Revenue</b>								
ALPS 3% Contribution	279,476	69,869.00	69,869.00	69,869.00	69,869.00	279,476.00	0.00	0%
Face to Face CLE Revenue	-	-	-	-	-	-	0.00	0%
Total Revenue less 3% ALPS Contribution	-	-	-	-	-	-	0.00	
<b>Total Revenue</b>	<b>279,476</b>	<b>69,869.00</b>	<b>69,869.00</b>	<b>69,869.00</b>	<b>69,869.00</b>	<b>279,476.00</b>	0.00	0%
<b>Expenses</b>								
Fall CLE Tour	133,500.00	12,576.86	38,778.45	89,611.18	4,066.52	145,033.01	(11,533.01)	-9%
Lawyers Helping Lawyers	30,000.00	-	30,000.00	-	-	30,000.00	0.00	0%
RM Claims Prevention Hotline	14,000.00	2,804.93	5,039.92	2,636.96	2,843.94	13,325.75	674.25	5%
RM Seminars VA Local, County, Specialty Bars, VSB Section, Other Organized Bars	6,000.00	-	-	-	4,500.00	4,500.00	1,500.00	25%
Support of VSB Events - VA Tech show / Forum	8,000.00	-	-	-	-	-	8,000.00	100%
Local Bar Grant Pool	15,000.00	-	2,500.00	-	13,830.00	16,330.00	(1,330.00)	-9%
RM Coordinator Costs	35,000.00	8,750.00	8,750.00	8,750.00	8,750.00	35,000.00	0.00	0%
Administrative/Miscellaneous	3,000.00	621.00	894.00	316.93	687.00	2,518.93	481.07	16%
RM Marketing Budget	30,500.00	9,936.00	500.00	-	19,993.50	30,429.50	70.50	0%
ALPS Liaison Travel	4,500.00	-	1,197.20	-	1,263.31	2,460.51	2,039.49	45%
<b>Total Expenses</b>	<b>279,500</b>	<b>34,688.79</b>	<b>\$87,659.57</b>	<b>\$101,315.07</b>	<b>\$55,934.27</b>	279,597.70	(97.70)	
						279,597.70	(97.70)	
<b>Net Income (Loss)</b>	<b>(24)</b>	<b>35,180.21</b>	<b>(17,790.57)</b>	<b>(31,446.07)</b>	<b>13,934.73</b>	<b>(121.70)</b>		
						(121.70)		

<b>2023 Budget Allocation Virginia Risk Management</b>	
Direct Premiums Earned at 9/30/22	9,315,850
<b>2023 Budget @ 3%</b>	<b>279,476</b>

**Virginia**  
**Risk Management YoY Budget Summary**  
**2021, 2022 & Budgeted 2023**

Specific Allocations	2022 Budget	2022 Actual	Budget Variance	2023 Budget	2023 Actual	Budget Variance	2023 Budget
<b>Revenue</b>							
ALPS 3% Contribution	\$274,450.00	\$274,450.00	\$0.00	\$279,475.00	\$279,475.00	\$0.00	\$307,919.00
Face to Face CLE Revenue - Fall Tour	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Revenue</b>	<b>\$274,450.00</b>	<b>\$274,450.00</b>	<b>\$0.00</b>	<b>\$279,475.00</b>	<b>\$279,475.00</b>	<b>\$0.00</b>	<b>\$307,919.00</b>
<b>Expenses</b>							
Fall CLE Tour & Spring CLE Series	\$117,000.00	\$143,927.17	-\$26,927.17	\$133,500.00	\$145,033.01	-\$11,533.01	\$151,500.00
Claims Prevention Hotline	\$15,600.00	\$8,317.32	\$7,282.68	\$14,000.00	\$13,325.75	\$674.25	\$18,000.00
RM Seminars w/ VA Local, County Specialty Bars	\$6,000.00	\$2,564.12	\$3,435.88	\$6,000.00	\$4,500.00	\$1,500.00	\$6,000.00
Lawyers Helping Lawyers	\$30,000.00	\$30,000.00	\$0.00	\$30,000	\$30,000	\$0.00	\$30,000
Support of VSB Events	\$14,000.00	\$984.23	\$13,015.77	\$8,000.00	\$0.00	\$8,000.00	\$8,000.00
RM Position / Coordinator Costs	\$35,000.00	\$35,000.00	\$0.00	\$35,000.00	\$35,000.00	\$0.00	\$40,000.00
Administrative/Miscellaneous	\$2,000.00	\$3,257.90	-\$1,257.90	\$3,000.00	\$2,518.93	\$481.07	\$3,000.00
RM Marketing Budget	\$35,500.00	\$35,951.81	-\$451.81	\$30,500.00	\$30,429.50	\$70.50	\$30,000.00
Local Bar Grant Pool	\$15,000.00	\$12,200.00	\$2,800.00	\$15,000.00	\$16,330.00	-\$1,330.00	\$15,000.00
ALPS Liaison Travel	\$4,350.00	\$2,289.46	\$2,060.54	\$4,500.00	\$2,460.51	\$2,039.49	\$6,500.00
<b>Total Expenses</b>	<b>\$274,450.00</b>	<b>\$274,492.01</b>	<b>-\$42.01</b>	<b>\$279,500.00</b>	<b>\$279,597.70</b>	<b>-\$97.70</b>	<b>\$308,000.00</b>



February 8, 2024

To: Virginia State Bar Lawyers Insurance Committee  
Fr: Chris Newbold, ALPS COO / EVP

**Re: Revised Risk Management Recommendations for FY 2024 Budget**

LIC Members,

At our November meeting, a 2024 risk management budget was approved, albeit with a discussion and dialogue about potential pivots as we look to maximize impact and expense stewardship intent on our mission to aid Virginia lawyers become better practitioners through content, resources and support.

After thought and deliberation, we offer a revised budget recommendation for consideration. This budget recommendation centers around a steadfast commitment to core values articulated by the LIC over two decades and putting limited risk management dollars to work in impactful ways.

#### **What are said core values?**

- A broad commitment to delivering risk management services and supports in areas designed to aid Virginia practitioners be their very best as they deliver legal services to the public.
- A dedicated focus on small firms and solo practitioners, which generally represent upwards of 70-80% of all Virginia private practitioners and is a core market focus for ALPS as a carrier.
- A dedicated geographic focus to serve rural practitioners, when possible.
- Reducing the number of Virginia practitioners opting to go bare, without malpractice insurance; estimated to be 30% of all solo practitioners.
- An appropriate expense-incurred balance between services offered relative to overall number of practitioners impacted.

#### **What questions are we focused on addressing?**

- The Fall Ethics and Professionalism tour is the largest CLE tour of its kind in the Commonwealth. The Tour is well-respected for its content, entertainment value (via the unique vignette presentation-style), is made available at no cost to all Virginia lawyers and aids many in need of valuable ethics credits immediately preceding the CLE reporting deadline.

In a post-pandemic world, however, in-person CLE attendance has seen a precipitous decline. Virtual attendance is on the rise, so much so that overall engagement in the Tour is at an all-time high. Yet, the cost per in-person attendee has risen significantly given these changing dynamics, begging the question whether the core tour model should be modified and reimagined.

- The state of the existing Risk Management hotline offering, currently staffed by Virginia attorney John Brandt. The Risk Management hotline lacks awareness more broadly in legal circles, has limited usage and, if it were marketed well and utilization soared, the cost of the counsel would



escalate proportionally, thus creating potential budget uncertainty and a significant amount of budget resources could be consumed with limited benefit to only those directly benefiting.

- Whether the \$30,000 annual operating support annually allocated to the Virginia Judges and Lawyer Assistance Program (VJLAP) is as consequential to the need in lieu of an assessment now placed upon all licensed attorneys which has significantly elevated resources available to VJLAP and other wellness initiatives. Formerly, the ALPS support was a significant element of a support for a woefully under-funded program. As time have changes, should this allocation also change in some way? If so, to what other risk management priorities?

Difficult questions. Yet, important questions to our mission and the effective stewardship of said funds. We should be open to experimenting and exploring new paths or opportunities. Yet, we should also recognize many of these historically funded programs are so valued and appreciated by current beneficiaries.

#### **What's the recommendation on the Fall Tour front?**

The primary recommendation is a pivot from the current in-person architecture of the Fall tour. We suggest we move from a seven-site, ten session architecture to a reduced four-site, seven (or eight) session in-person footprint in 2024 to see how that evolves, looking to maximize efficiency on venue spaces and where lawyers reside.

The four in-person recommended stops would be:

- Richmond
- Fairfax
- Alexandria
- Virginia Beach

We'd envision running morning and afternoon sessions at each location for economies of scale. We project we could likely get 70-80% of historic tour attendance levels, yet with less overall cost, thus lowering the cost per attendee ratio. We'd need to assess on the scheduling front whether we can take a two-week tour and evolve it into one week. That may be desired, yet unrealistic. Venue availability is something we cannot control (particularly on the Fairfax front), and we need to be cognizant that central figures in the Tour are not being asked to work 12-hour days, then traveling to the next stop, then doing it again the next day. Alison will need flexibility to schedule accordingly.

#### **How much money will that save?**

We estimate approximately \$30-\$40k, primarily in the areas of venues / catering, reduced travel costs and reduced AV logistics. You may think the cost savings would be significantly higher. Unfortunately, there are fixed costs inherent whether we're doing in-person or virtually, namely areas such as content creation by Mark, marketing investments and vignette production costs.



**In that scenario, would we do anything differently on the virtual front?**

Yes. The virtual offering has proven to be popular, significantly elevating the overall impact of the tour from an engagement and participation perspective. Thus, we'd look to compliment the current virtual tour offering (3 sessions delivered in one-hour increments over three days) with a second virtual tour offering all three credit hours in one block on one day. This second offering would also be offered at no cost to participants.

This experimentation will allow us to better evaluate where attendees go to access tour content, what their preferred content consumption preferences are and allow us to build a better tour model heading into 2025.

**Given the Tour savings, how would we reallocate to other Risk Management opportunities?**

Three primary areas.

First, we'd like to elevate our outreach to local and affinity Bars and look for better integration into already existing event opportunities. That would require us to elevate our connection to these organized Bars, yet that outreach should be reciprocated with greater opportunities for us to weave our way into places where lawyers are already aggregate. Here, we would elevate projected expenses from \$6k to \$15k.

Second, an initiative to reduce uninsured lawyers in private practice. This would entail identifying the community (as reported to the VSB), developing a campaign around the costs of going bare and would include ALPS doing direct outreach to the audience identified by the VSB to encourage them to enter the insured market. We'd budget \$12,500 for this initiative and likely look to perform it before September, with an emphasis on our most affordable Basic policy option to emphasize the cost is often times less than they may have presumed.

Third, a solo-specific content series or virtual conference to aid the nearly one in two Virginia lawyers who sit in the solo community and face unique practice dynamics. This group is most in need of resources, often ignored by legal service vendors and many reside in rural areas and would benefit from direct content relevant to them. We'd need to noodle this as to what structure would enlist greatest participation yet seek \$15k to achieve said goal within the 2024 budget. Worthy of exploration and experimentation, and this too would be envisioned at no cost to attendees.

**What action should we take with respect to the Risk Management Hotline?**

The most important short-term action is to ask John Brandt, the current hotline operator, to provide the Committee with his assessment of impact, topics being discussed and user demographics to establish a baseline of impact relative to cost. That conversation is planned for the February meeting and from there we can more knowledgeably assess value and direction.





**Should we take any action with respect to operating support provided to the VJLAP?**

The recommendation is to not alter this line item in the 2024 budget. However, it does make sense to have VJLAP leadership attend a future LIC meeting to talk about the current financial situation, program need and impact, from which we can be informed as to how best to assess whether the \$30k of operating funds currently allocated is an optimal use of funds. We should invite ED Tim Carroll to the May LIC meeting.



## Revised Proposed 2024 Virginia LIC Risk Management Budget

### Revenue

ALPS 3% Contribution	\$307,919.00
<b>Fall Ethics and Professionalism CLE Tour</b>	
ALPS Attendees	\$0.00
Non- ALPS Attendees (Net of Registration Fees)	\$0.00
<b>Total Revenue</b>	<b>\$307,919.00</b>

### Expenses

Fall Ethics and Professionalism CLE Tour	\$115,000.00
VJLAP Contribution	\$30,000.00
Risk Management Hotline	\$18,000.00
Uninsured Outreach Campaign	\$12,500.00
Solo Practitioners Initiative	\$15,000.00
RM Seminars w/ VA Local, County, Specialty Bars, VSB Section, Other Organized Bars	\$15,000.00
Support of VSB Events (TECH Show / Solo & Small Firm Forum / Indigent Defense Training / Annual Meeting)	\$8,000.00
Local Bar Grant Pool	\$15,000.00

### Revenue Assumptions

Premium Earned (\$10,649,153 ) - Cyber/EPL (\$385,202)	\$ 10,263,950.00
---	------------------

### Key Expense Change Recommendations (in Red)

- Reduce Tour Costs from \$151,500 to \$115,000  
(includes expanded Virtual offering)
- New Line Item: Uninsured Outreach Campaign - \$15,000
- New Line Item: Solo Content Series / Conference
- Elevated RM Seminar Outreach from \$6k to \$15k

RM Coordinator Costs	\$40,000.00
Administrative Fees / Misc	\$3,000.00
Risk Management Marketing Budget	\$30,000.00
ALPS Travel	\$6,500.00
<b>Total Expenses</b>	<b>\$308,000.00</b>

# Committee Roster for Committee on Lawyer Insurance

Period: Current

Type: Committee Members

Member	Position	Begin Date	End Date
<b>David Drake Hudgins</b> Hudgins Law Firm, P.C. Suite 100 2331 Mill Road Alexandria, VA 22314 UNITED STATES dhudgins@hudginslawfirm.com Work Phone: (703) 739-3300	Chair	7/1/2019	6/30/2024
<b>Committee [Vacancy]</b> UNITED STATES	Member	10/5/2023	6/30/2024
<b>Committee [Vacancy]</b> UNITED STATES	Member	2/5/2024	6/30/2028
<b>Wells Huntington Byrnes, Sr.</b> 501 Bridge St Danville, VA 24541-1405 UNITED STATES hbyrnes@infinityrp.com	Member	7/1/2022	6/30/2026
<b>James Arthur Cales, III</b> Furniss, Davis, Rashkind and Saunders, P 6160 Kempsville Circle Ste 341B Norfolk, VA 23502 UNITED STATES jcales@Furnissdavis.com Work Phone: (757) 461-7100	Member	7/1/2021	6/30/2026
<b>Joan Bellefield Davis</b> 3 Steam Brewery Ct Henrico, VA 23231-3037 UNITED STATES jdavis@schroderbrooks.com Work Phone: (804) 510-0700	Member	7/1/2022	6/30/2026

# Committee Roster for Committee on Lawyer Insurance

Period: Current

Type: Committee Members

Member	Position	Begin Date	End Date
<b>Marialuisa Sabina Gallozzi</b> Covington & Burling LLP 850 Tenth St NW Ste 540 N Washington, DC 20001 UNITED STATES mgallozzi@cov.com Work Phone: (202) 662-5344	Member	7/1/2023	6/30/2028
<b>Jeffrey Hamilton Geiger</b> Sands Anderson, PC 919 East Main Street, Suite 2300 PO Box 1998 Richmond, VA 23218-1998 UNITED STATES jgeiger@sandsanderson.com Work Phone: (804) 783-7248	Member	7/1/2019	6/30/2024
<b>Jacquelyn Fromal Gerlach</b> 1309 Austin Road Chester, VA 23836 UNITED STATES jacquelyngerlach@gmail.com Work Phone: (804) 297-2364	Member	7/1/2023	6/30/2028
<b>Andrew Shane Gerrish</b> Frith Anderson & Peake PC 29 Franklin Road SW Roanoke, VA 24011 UNITED STATES agerrish@faplafirm.com Work Phone: (540) 725-3370	Member	7/1/2021	6/30/2026
<b>Matthew William Lee</b> Wilson Elser Moskowitz Edelman and Dicke Suite 510 8444 Westpark Drive McLean, VA 22102 UNITED STATES matthew.lee@wilsonelser.com Work Phone: (703) 245-9300	Member	7/1/2021	6/30/2026

# Committee Roster for Committee on Lawyer Insurance

Period: Current

Type: Committee Members

Member	Position	Begin Date	End Date
<b>David Lyndon Marks</b> Law Offices of David L. Marks Suite 204 10513 Judicial Drive Fairfax, VA 22030 UNITED STATES dmarks@davidmarkslaw.com Work Phone: (703) 385-1100	Member	7/1/2020	6/30/2025
<b>Althea Hurt Randolph</b> 7802 Fairview Farm Road Scottsville, VA 24590 UNITED STATES althearandolph05@gmail.com Work Phone: (434) 296-8433	Member	7/1/2023	6/30/2028
<b>Louis Robert Richman</b> Sentara Health 824 N. Military Hwy #100 Norfolk, VA 23502 UNITED STATES lrrichma@sentara.com Work Phone: (757) 233-4913	Member	12/13/2019	6/30/2024
<b>Alanna Camille Williams</b> Cook, Craig & Francuzenko, PLLC 3050 Chain Bridge Rd Ste 200 Fairfax, VA 22030 UNITED STATES awilliams@cookcraig.com Work Phone: (703) 865-7480	Member	7/1/2019	6/30/2024
<b>Cameron Michael Rountree</b> Virginia State Bar 1111 E Main St Ste 700 Richmond, VA 23219 UNITED STATES crountree@vsb.org Work Phone: (804) 775-0560	Liaison		

# Committee Roster for Committee on Lawyer Insurance

Period: Current

Type: Committee Members

Member	Position	Begin Date	End Date
--------	----------	------------	----------

**Shawne Moore**

Virginia State Bar  
1111 E Main St  
700  
RICHMOND, VA 23219  
UNITED STATES  
smoore@vsb.org

Committee Administrator

**Total Members: 17**

## Chris Newbold

---

**From:** Moore, Shawne <[smoore@vsb.org](mailto:smoore@vsb.org)>  
**Sent:** Tuesday, February 6, 2024 8:46 AM  
**To:** Chris Newbold  
**Cc:** Rountree, Cameron  
**Subject:** RE: EXTERNAL SENDER RE: Agenda & Meeting Materials for the VSB LIC February 15, 2024 Meeting  
**Attachments:** LIC CommitteeRoster (2.6.2024).pdf

**[EXTERNAL EMAIL]** DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Attached is a copy of an updated roster reflecting the two (2) current vacancies on the committee, and the revised 2024-25 list below:

**Lawyer Insurance Committee  
2024-2025**

<b>Vacancies: 5</b>	<b>Term</b>
Geiger, Jeffrey H.	(2024/2)
Hudgins, David D.	(2024/2)
Murphy, E. Stanley	(2024/X)
Porter, William B.	(2028/X)
Williams, Alanna C.	(2024/2)

<b>Eligible for Reappointment: 1</b>	<b>Term</b>
Richman, Louis R.	(2024/1)

<b>Continuing Members: 9</b>	<b>Term</b>
Byrnes, Sr. Wells H. ("Hunter")	(2026/2)
Cales III, James A.	(2026/2)
Davis, Joan B.	(2026/2)
Gallozzi, Marialuisa S.	(2028/2)
Gerlach, Jacquelyn F.	(2028/1)
Gerrish, Andrew S.	(2026/1)
Lee, Matthew W.	(2026/2)
Marks, David L.	(2025/2)
Randolph, Althea H.	(2028/2)



**Shawne Moore, Assistant to the Executive Director**

Virginia State Bar  
1111 East Main Street, Suite 700 | Richmond, Virginia 23219-0026  
(804) 775-0551  
[www.vsb.org](http://www.vsb.org) | [smoore@vsb.org](mailto:smoore@vsb.org)

The Virginia State Bar is a state agency that protects the public by educating and assisting lawyers to practice ethically and competently, and by disciplining those who violate the Supreme Court's Rules of Professional Conduct, all at no cost to Virginia taxpayers.