



EMPLOYED LAWYERS PROTECTION PLUS

WHY PHLI?

- 20+ years of operating experience in the Management and Professional Liability market with superior service and coverage
- Superior financial strength from A.M. Best (A++ XV) and Standard & Poor's (A+)
- Dedicated team with over 100 underwriters & claims professionals located across 13 Regional Offices
- Available for privately held, non-profit, and publicly traded companies
- Admitted policy form in most states

PROHIBITED CLASSES

- Advocacy Group
- Court Appointed Special Advocate (CASA) Association
- Depository Financial Institution
- Guardians Ad Litem (GAL)
- Labor Union
- Law Firm
- Lobbying Entity
- Staff Counsel providing legal services to clients
- Women's Shelter

THE NEED FOR EMPLOYED LAWYERS INSURANCE

How are Employed Lawyers/In-House Counsel exposed?

Exposures continue to grow for in-house counsel from Errors & Omissions claims arising from the following:

- Representation of their employers
- Complex legal advice given to their employers and executives
- Legal professional services
- Advice given to other employees
- Regulatory reviews
- Moonlighting services
- Pro bono services

An Employed Lawyers policy covers claims brought by:

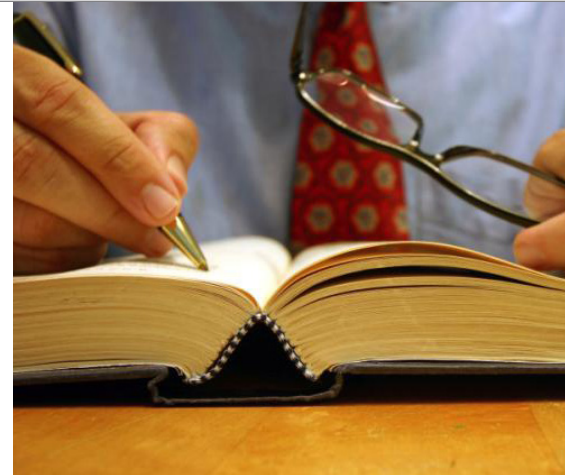
- Vendors, clients, and other third parties
- Employees and executives of the organization
- The organization itself, but for defense costs only

In-House Counsel cannot rely on a D&O policy to protect them.

- D&O policies are not designed to cover professional services and often have a professional services exclusion
- D&O policies may contain an insured versus insured exclusion limiting coverage for claims by employees for advice and recommendations provided by the in-house counsel
- D&O policies may not cover claims against non-officer attorneys and legal support staff

An Employed Lawyers policy can protect both the legal staff and the corporation by:

- Minimizing the dilution of the D&O limit
- Reimbursing the company for its costs in indemnifying the attorneys
- Providing a specific coverage grant for this exposure



CLAIM SCENARIOS

Failure to Disclose

An in-house attorney faces fines and disbarment due to allegations of federal securities law violations after loan and stock options were offered to a director of the company, but not properly disclosed to the public.

Moonlighting

A general counsel for a company handled the CEO's divorce. The ex-spouse discovered the CEO had concealed assets during the divorce proceedings and sued the CEO and general counsel for over \$1M for conspiring to conceal the assets.

Conflict of Interest

An in-house attorney faces a conflict of interest suit filed by a client arising out of a contract he drafted. The client alleges the attorney did not disclose he was a corporate lawyer representing the company at the time the contract was executed. The client demanded \$2M in damages.

Violation of Federal Securities Law

A corporate attorney prepared certain required SEC filings, as well as a press release to the general public concerning the financial condition of the corporation. Two separate class actions were brought against the corporation and several of its officers, including the corporate attorney. It was alleged the documents were misleading, deceptive, and in violation of federal securities law.

EMPLOYED LAWYERS PROTECTION PLUS

KEY FEATURES

- Limits available up to \$10M for select risks
- Written on an admitted basis in most states
- Available for privately held, non-profit, and publicly traded companies
- Moonlighting and pro bono services covered without requiring prior company approval (for full time counsel)
- Full defense coverage for Sarbanes-Oxley §307 actions (for publicly held companies)
- Coverage available for part-time and contracted attorneys
- Most favorable venue wording for punitive, multiple, and exemplary damages
- Full Limit of Liability available for defense even when the company or the shareholders sue the attorney
- Coverage provided for support staff including paralegals, secretaries, legal assistants, and notaries
- Availability of complementary coverages to provide broader risk management solutions including Directors & Officers, Employment Practices, Fiduciary, Crime, and Cyber Liability
- Quick turnaround times for proposals and policy issuance

SUBMISSION REQUIREMENTS

- Completed application
- Latest financial statement (audited for limits over \$1M)
- 3 years loss history
- Supplemental claim form, if applicable

RISK MANAGEMENT SERVICES

Risk Management Hotline

- PHLY has partnered with Wilson Elser, a nationally-recognized law firm, to offer a Risk Management Hotline
- Available to all PHLY Management and Professional Liability Division insureds
- Provides policyholders with two free hours of legal consultation with knowledgeable attorneys on any matter that could potentially result in a claim under a PHLY policy

ABOUT US

Company Profile

Philadelphia Insurance Companies (PHLY) headquartered in Bala Cynwyd, PA, designs, markets, and underwrites commercial property/casualty and professional liability insurance products, incorporating value-added coverages and services for select industries. By maintaining a disciplined approach to business, we provide greater security for our policyholders and superior value for our shareholder. PHLY has field offices strategically located across the United States to provide superior service. Rated "A++" (Superior) by A.M. Best Company. Rated "A+" by Standard & Poor's. PHLY is a member of the Tokio Marine Group, Japan's oldest and leading property/casualty insurer.

PHLY has three underwriting divisions:

Commercial Lines | Management & Professional Liability | Personal Lines

A.M. Best Rating

The Company's two insurance subsidiaries are pooled for risk assumption and accumulated surplus. AM Best Company has assigned the insurance subsidiaries an "A++" (Superior) rating.

Standard & Poor's

Assigned "A+" for counterpart credit and financial strength.

Ward's 50®

Nationally recognized as a member of Ward's 50 Benchmark Group of Property/Casualty insurance companies for outstanding achievement in the areas of financial strength, claims performance, and consistently favorable underwriting results.

CONTACT US: 800.873.4552 | **PHLY.com**

RISK MANAGEMENT SERVICES: 800.873.4552

CLAIMS REPORTING: 800.765.9749

800.685.9238 Fax | E-mail: claimsreport@phly.com
Gather facts, mitigate loss, inventory damage

PAYMENT OPTIONS: 877.438.7459

E-mail: service@phly.com | Direct billed |
MasterCard, Visa, Discover, American Express, electronic checks



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group



800.873.4552 | **PHLY.com**



TOKIO MARINE GROUP
To Be a *Good Company*