

New Lawyers Professional Liability Product Announced By Munich Re Specialty Insurance Helps Cover The Insurance Gap

Munich Re Specialty Insurance today announced the introduction of Lawyers Professional Liability (LPL) insurance, an errors and omissions policy specially designed for mid-size law firms. “Law firms have specialized risk management needs that are not comprehensively addressed by standard property and casualty insurance policies,” said Marcia Blanco, Head of Professional Liability Underwriting, Munich Re Specialty Insurance. “Our Lawyers Professional Liability coverage fills that insurance protection gap by offering law firms a tailored policy to meet their needs with the flexibility to reflect current trends in the market supported by expert claims service.”

The LPL policy provides up to \$5 million in primary or excess liability coverage for errors or omissions that cause financial harm to another person or entity, including misrepresentation, violation of good faith and fair dealing, and inaccurate advice, subject to the actual terms of the policy. The policy includes payment for damages for covered claims as well as the cost to defend against such claims. Policy highlights include:

- Broad definition of insured including independent contractor and predecessor firm
- Broad definition of professional services
- Innocent insured coverage for intentional acts
- Personal injury coverage
- Non-practicing Extended Reporting Period

LPL claims are managed by a dedicated claims team that understands the complexities and nuances that accompany these types of lawsuits.

“Law firms may face significant liability when there is a conflict of interest, a deadline that was missed or a poorly drafted engagement letter,” said Blanco. “Many firms may self-insure against a professional malpractice lawsuit, but the rising costs of defending such claims and the increasingly litigious nature of clients, means that this practice could be financially devastating to a mid-size firm. Multimillion-dollar lawsuits are not uncommon and defense costs continue to rise making this a potentially costly lawsuit for any size law firm to defend against.”

About Munich Re Specialty Insurance

Munich Re Specialty Insurance is a description for the insurance business operations of affiliated companies in the Munich Re Group that share a common directive to offer and deliver specialty property and casualty insurance products and services in North America. Since December 2018, the Munich Re Specialty Insurance operations have brought together the existing expertise of certain of Munich Re Group’s commercial specialty insurance divisions under one umbrella to gain efficiency, leverage technology and develop future-focused solutions. Munich Re Specialty Insurance offers its clients innovative risk and claims solutions powered by advanced technology

and analytics, superior service and enhanced responsiveness to clients' needs, and simplified access to the full breadth of Munich Re Group's solutions through a dedicated Broker Relationship Leader.

About Munich Re

Munich Re is one of the world's leading providers of reinsurance, primary insurance and insurance-related risk solutions. Since it was founded in 1880, Munich Re has been known for its unrivalled risk-related expertise and its sound financial position. It offers customers financial protection when faced with exceptional levels of damage – from the 1906 San Francisco earthquake through to the 2019 Pacific typhoon season. The company is playing a key role in driving forward the digital transformation of the insurance industry, and in doing so has further expanded its ability to assess risks and the range of services that it offers. Its tailor-made solutions and close proximity to its customers make Munich Re one of the world's most sought-after risk partners for businesses, institutions, and private individuals.

Any descriptions of coverage briefly outlined here are meant to be general in nature and do not include or are intended to include all of the actual terms, benefits and limitations found in the insurance policy.

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