

A Comparison of the TLIE Regular and Basic Policies

As a lower cost alternative to the Regular Policy, TLIE also offers a Basic Policy with lower limits, lower deductibles and somewhat less comprehensive coverage than the Regular Policy. The major differences between the two policies are noted below, subject to policy endorsements for unique situations.

- **Underwriting Criteria:** The Basic Policy is only available to attorneys and firms with excellent claim histories, while the Regular Policy may be offered to firms meeting less stringent underwriting criteria. TLIE also offers the Basic Policy at discounted rates for new lawyers (licensed less than 3 years), part-time lawyers (no more than 24 hours per week), contract attorneys (75% of work performed for other lawyers) and referral service only coverage.
- **Limits of Liability:** The Regular Policy is available with limits of liability ranging from \$100,000 to \$10,000,000. The Basic Policy is available with 4 different limits of liability:

\$100,000 per claim/\$300,000 aggregate
\$200,000 per claim/\$600,000 aggregate
\$500,000 per claim/\$500,000 aggregate
\$1,000,000 per claim/\$1,000,000 aggregate

- **Deductibles:** The Basic Policy has a \$1,000 deductible per policy year that applies only to loss payments. Deductible amounts vary for the Regular Policy based on the limit of liability and insured's qualifications, but the deductible applies to both loss payments and defense costs.
- **Expense Allowance:** For limits up to \$1,000,000, the Regular Policy provides a \$50,000 allowance for defense costs in addition to the policy limit. The Basic Policy has no expense allowance.
- **Prior Acts Coverage:** In general, coverage is provided under both the Regular and Basic Policy for legal services provided on behalf of the Named Insured since the Retroactive Date specified in the Declarations. The Retroactive Date is based upon the Insured's history of continuous coverage, either with TLIE or another carrier. Additional prior acts coverage is sometimes offered to qualified insureds for legal services prior to joining the Named Insured. Special circumstances sometimes require limiting prior acts coverage under either the Regular or Basic Policy.
- **Securities Coverage:** The Regular Policy provides coverage for claims based on or arising out of securities-related legal work. The Basic Policy excludes all such claims.
- **Punitive Damages.** If an actual damage award is covered under the Regular Policy, then punitive damages, exemplary damages and mental anguish damages are also covered. These damages are excluded under the Basic Policy.
- **DTPA Coverage:** The Regular Policy provides coverage for additional damages assessed under the Deceptive Trade Practices Act. These damages are not covered under the Basic Policy.
- **Grievance Coverage:** In addition to the policy limit, the Regular Policy also provides up to \$10,000 for the defense of grievance complaints. The Basic Policy does not provide this additional coverage.

This is intended only as a brief summary of certain policy provisions. PLEASE READ THE ACTUAL POLICY LANGUAGE FOR COMPLETE DETAILS. Our underwriters will be happy to answer any questions you may have. Our toll free telephone number is 1-800-252-9332.