

# Aon Attorneys Advantage Program

## Underwriting Risk Appetite – Submissions That Are Not A Fit

Aon Attorneys Advantage is an admitted 50 state program for 1-25 attorney firms. The goal of the program is to insure small to medium sized accounts that would be considered a “standard risk”. This guide will help you understand the submissions that would not be a fit for the program. It is broken down into three categories: declines by area of practice; declines by staffing issues; declines by claim activity. Please do not send in submissions that fit into any of the three categories listed below.

### ◆ Declines: Areas of Practice

- ▶ **Patent Work:** any percentage
- ▶ **Class Action/Mass Tort Work:** any percentage
- ▶ **Real Estate Commercial:** if number of annual transactions is greater than 150 per attorney OR the maximum value of any transaction is greater than \$100,000,000.
- ▶ **Real Estate Residential:** if number of annual transactions is greater than 300 per attorney OR the maximum value of any transaction is greater than \$5,000,000.
- ▶ **Real Estate Foreclosure/Loan Workout:** if AOP percentage is greater than 5% AND there are more than 5 Foreclosure or Loan Workout transactions per attorney per year.
- ▶ **Real Estate Syndication/Development:** if percentage is greater than 25% or the percentage of passive investor RE transactions is greater than 5%.
- ▶ **Tax – Opinions/Corporate:** percentage greater than 35% whether corporate or opinion or both.
- ▶ **Securities – Publicly Traded/Private Placement Work:** combined percentage is greater than 35%, or if the combined percentage of Bonds + Securities Private Placement + Securities Publicly Traded is greater than 35%.
- ▶ **Bonds:** if percentage greater than 35%, or if the combined percentage of Bonds + Securities Private Placement + Securities Publicly Traded is greater than 35%.
- ▶ **Intellectual Property (Copyright/TM):** if percentage is greater than 25%.
- ▶ **Collections:** if percentage is greater than 50% AND attorney to staff ratio is greater than 4:1.
- ▶ **Entertainment:** if percentage is greater than 50%.
- ▶ **Investment Counseling:** percentage greater than 50%.
- ▶ **Natural Resources/Mining & Minerals/Oil & Gas:** if percentage is greater than 5%.

### ◆ Declines: Staffing Issues

- ▶ Any law firm that has more “Of Counsel” / “Independent Contractors” / “Per Diem” attorneys (on an FTE basis) than firm members.
- ▶ Any account where more than fifty-percent (50%) of the law firm’s attorneys and/or more than fifty-percent (50%) of the law firm’s revenues are located outside the firm’s state of domicile.
- ▶ Any law firm that discloses attorney staff (Partners, Shareholders, Members, Associates / Employed Attorneys) domiciled in a foreign office (outside the U.S.) or any law firm that discloses they have any clients domiciled outside the U.S.

### ◆ Declines: Claims

Solo – Either full time or part time	Severity greater than \$50,000 OR Frequency greater than 50%
2 to 3 Attorneys	Severity greater than \$50,000 OR Frequency greater than 30%
4 to 5 Attorneys	Severity greater than \$50,000 OR Frequency greater than 20%
6 to 10 Attorneys	Severity greater than \$75,000 OR Frequency greater than 15%
11 + Attorneys	Severity greater than \$75,000 OR Frequency greater than 10%

**Severity** is the total incurred value of the single largest claim in the past five years whether paid or reserved.

**Frequency** is the annualized number of non- zero claims in the past five years divided by number of attorneys. For example, if a 2 attorney firm had 2 non zero claims in the past five years it would be: (2 claims/5 years)/2 attorneys = 20%.

All other submissions that do not fall into these two categories will be considered.