

## 2017 Excess Coverage

Applications are now available for 2017 PLF Excess Coverage. As in the past, coverage is available to Oregon law firms with limits above the \$300,000 mandatory coverage ranging from \$700,000 to \$9.7 million. Included with all Excess Coverage is a Cyber Liability and Breach Response Endorsement. This additional coverage assists law firms in the event of a data breach or other cyber event. To learn more about Excess Coverage, or to download a 2017 Application, please visit [www.osbplf.org](http://www.osbplf.org).

Each year we make changes to the Excess Application to ensure we are keeping up with changes to the practice of law in Oregon and past losses. The most notable shift we have seen over the past several years is the rise in severe claims brought against lawyers under ORS Chapter 59 dealing with Oregon Securities. These claims are complicated and costly. It has been a challenge for us to determine which firms are exposed to this particular risk because the definition of “Securities” in ORS Chapter 59 is so broad that many aspects of general business or real estate practices may be impacted. In our experience, some firms having significant exposure under ORS Chapter 59 are either unaware of that risk entirely or unaware that some lawyers in their firm are practicing in this high-risk area.

For 2017, we are addressing this issue directly by redrafting the Securities Law Supplement and adding a new Business Law Supplement to the application. It is our hope that these changes will clarify to firms what type of business and real estate work generates exposure under ORS Chapter 59 and will provide the PLF with better information for evaluating the specific risk exposure a

firm may present. We are acutely aware that firms carrying our coverage appreciate a clear and straightforward application process. Although these new and reworked supplements may require a bit more time on behalf of a firm to complete, we think the information they will provide to both firms and underwriters is invaluable.

Nearly all firm premiums will increase in 2017 because of the rise in the number and severity of claims experienced by the Excess Program. This increase is simply an unavoidable consequence of the cost of past claims experienced by the reinsurers backing our program. We anticipate the changes made to the 2017 Application will better identify firms practicing in areas of law with ORS Chapter 59 exposure so that we might better underwrite that risk, and perhaps decrease the number of claims we experience moving forward.

Renewing firms should be aware that the application deadline has been moved to December 12, 2016. This earlier deadline is necessary due to the increased underwriting review necessitated by the updated supplements. New firm applicants may submit an application at any time throughout the year.

If you have questions about the Excess Program, please contact Emilee Preble (ex. 413) or Jeff Crawford (ex. 455) at 503.639.6911.

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