



Ullico Casualty Group, LLC

8403 Colesville Road  
Silver Spring, MD 20910  
888.315.3352 tel

A Ullico Inc. Company  
www.ullico.com/casualty

*Not all companies are  
licensed in all states*

*CA: Ullico Insurance Agency, LLC,  
Lic#:0E16939; NY: Ullico Casualty  
Agency*

## LITIGATION MANAGEMENT GUIDELINES LMG (02-2017)

The intent of these guidelines is to facilitate communication and coordination between Ullico Casualty Group, LLC. (“Ullico”) as program administrator and the **Insured’s** counsel to ensure prompt and proper resolution of claims against our **Insured**. Although these guidelines outline our litigation management philosophy, expectations, and requirements, we encourage you to share with us any cost effective and creative solutions that will benefit the **Insured**. **These guidelines are not intended to interfere with counsel’s independent professional judgment regarding the representation of the Insured.** Our litigation management guidelines are the following:

**\*\*PLEASE INCLUDE ULLICO’S CLAIM NUMBER ON ALL CORRESPONDENCE\*\*  
WE PREFER E-MAIL COMMUNICATIONS – NO PAPER PLEASE**

### **I. Conflict of Interest**

It is your sole responsibility to immediately review your representation of our insured to determine if your firm has a conflict in representing the assigned defendants. If a potential conflict exists, advise us immediately in writing.

### **II. Errors and Omissions Insurance**

The law firm and all attorneys working on this case shall have errors and omissions coverage. The E&O policy must remain in full force and effect at all times during this litigation. If the policy should go out of force, Ullico shall be notified in writing as soon as possible.

### **III. Staffing Requirements**

#### **1. Primary Attorney**

a. One (1) attorney, with a minimum of five (5) years experience in the area that is the subjective matter of this litigation, should be designated as the primary attorney on the assigned case and as such has primary responsibility for the management of the daily activities of the assigned case. Ullico expects the designated attorney to do all of the work and to remain on the case from its inception until its conclusion, absent his/her departure from the firm.

b. To achieve the best efficiency and value, the role and responsibilities of the staff members should be clearly defined and appropriate to each individual’s qualifications, level of experience and billing rate. Defense counsel should delegate work to subordinates wherever possible to achieve efficiency and cost-effectiveness without compromising quality.

## 2. **Partner and Associate**

If the primary attorney is an associate, one partner may supervise the activities of the associate. If the primary attorney is a partner, the partner may use one (1) associate for appropriate tasks that do not require the partner's involvement. However, associates may not be rotated in and out of a case without Ullico's consent.

## 3. **Paralegals**

a. Assignment of work to paralegals should not result in duplicative work by the attorneys, or reworking of paralegals' work.

## 4. **Apportionment of Duties**

a. The assigned partner, whether the primary attorney or the primary attorney's supervisor, should handle tasks that require greater experience than that of the associate, while tasks that require lesser experience should be delegated to the assigned associate.

b. No more than one of the assigned attorneys should perform a particular task, and, absent our prior approval, no more than one of the assigned attorney(s) may attend a deposition or court appearance.

## **IV. Acknowledgment of Claim and Contact with the Insured(s).**

1. Ullico will contact the designated attorney to assign cases and/or confirm the attorney's representation of the **Insured**.
2. Ullico requires that the attorney assigned to the case, if not chosen by the **Insured**, contact the **Insured** within one week of our assignment and advise the **Insured** of the representation unless circumstances warrant an earlier contact.
3. Assigned attorneys must send us an acknowledgment letter within ten (10) business days of receipt of the claim.

## **V. Reporting.**

Reporting is required in the following cases:

### 1. **Defense Attorney's Evaluation Report**

a. Ullico expects defense counsel to complete the **Defense Attorney's Evaluation Report** (see attached form) within forty-five (**45**) days from the date of the assignment. The **Report** is not required on cases involving the NLRB, EEOC or similar state or local agencies, while the matter remains pending with those agencies.

b. The **Report** should contain the following:

- i. A summary of the information discovered during the initial investigation,
- ii. Any liability issues (i.e. defenses/exposure),
- iii. An outline and assessment of potential damages, the theory and the allegations/facts supporting that calculation.
- iv. Counsel's recommended course of action,
- v. A discussion of the potential for settlement or ADR,
- vi. A litigation plan identifying:
  - Each significant activity counsel proposes to initiate,
  - Discovery and motions that have been or are likely to be initiated by other parties,
  - The estimated completion date for each activity,

- The estimated cost for each activity, vii. A discussion of the potential success and timing of dispositive or otherwise significant motions.
- viii. An **Opinion Report** outlining:
- The liability and exposure of the **Insured**,
  - Counsel's settlement value for the case,
  - Counsel's assessment of a possible adverse verdict.

## 2. Periodic Status Reports

It is important that Ullico be provided with **Periodic Status Reports** to enable us to evaluate the claim, the potential exposure to our **Insured** and to set proper reserves. Ullico requests that you send these supplemental reports on a sixty (60) day diary and/or **as significant developments occur**, including but not limited to the following:

- a. Your initial and ongoing strategy for defense and resolution. Ullico requires that you report all information bearing upon the liability of the **Insured**.
- b. A description of planned discovery and a synopsis of all discovery as it is completed.
- c. General and special damages claims.
- d. Summaries of testimony received during depositions.
- e. Documentary evidence that positively or negatively affects **Insured's** liability and/or damage claims or that is otherwise noteworthy.
- f. Demonstrative evidence that positively or negatively affects **Insured's** liability and/or damage claims, or that is otherwise noteworthy.
- g. Any and all amendments to the pleadings and developments relating to the pleadings and developments relating to the pleadings or the case, such as demurrers, motions for summary judgments, etc.
- h. **Court dates (hearings on discovery, mandatory settlements and conferences, trial setting conferences, and trial dates).**
- i. Settlement demands.
- j. Your estimation of value for settlement purposes and the potential for a jury verdict if the matter is going to trial.

Supplemental Reports should contain updated assessments of liability and evaluation of damages, proposed changes in defense strategy, proposed changes in anticipated discovery or previously projected defense costs.

## VI. Litigation Documents

- (a) We require copies of all pleadings to include Complaints, Cross-complaints, Answers, Motion Briefs, Court Orders, and summaries of important depositions.
- (b) We do not require routine discovery requests or responses to routine discovery requests unless otherwise requested.

## VII. Depositions

- a. You must notify us in advance of the dates of any depositions and preparation sessions that may be significant.
- b. Ullico requires that you obtain our consent before deposing non-parties to the litigation who were not scheduled for deposition in any of the reports in section V.
- c. You need only provide us with copies of the transcripts that we specifically request.
- d. You do need to provide us with your summary of the deposition's salient points and your evaluation of the impact of the deposition on the case.

## **VIII. Pre-trial Report**

We expect that you will submit your pre-trial report within sixty (60) days prior to the scheduled trial date or within thirty (30) days after the completion of discovery.

## **IX. Legal Research, Motions & Appeals**

### **1. Legal Research**

- a. All legal research in excess of ten (10) hours, including electronic research, must be approved by Ullico prior to conducting research.
- b. You need to inform us of the issues to be researched, explain the importance of the issue to the case, and the anticipated amount of time to complete the task.
- c. You must submit memoranda and/or notes regarding all approved legal research conducted.
- d. Fixed cost for computer research equipment and services such as Lexis and Westlaw are not covered by Ullico, however, we will honor on line charges for specific research which we authorize in advance provided we receive a copy of the research.
- e. Ullico will not pay for legal research prepared for other clients.

### **2. Motions/Appeals**

- a. All motions and/or appeals must be approved by Ullico prior to conducting research and filing of such motions. If approved, you must submit your motion briefs for our review and consideration in advance of filing.
- b. You need to advise us of return dates and the results of motions on a timely basis.

## **X. Professional Services**

1. **Experts:** Should you need any expert as part of your defense strategy, we require that you will discuss with us the purpose of the expert retention, and provide an appropriate budget that includes the expert's hourly rates, anticipated number of hours, and costs.
2. **Other Outside Services:** Consultants, investigators, temporary attorneys, outside paralegals, or other professional services shall not be used without Ullico's prior written consent.

## **XI. ADR**

1. We encourage the use of the various methods of ADR to amicably resolve the litigation. We ask that you thoroughly explore ADR resolution as early as practicable before significant defense costs are incurred.
2. Settlement offers and other alternatives to trial should be immediately communicated to Ullico. Settlement authority must first be cleared with Ullico.
3. We anticipate that you will advise us thirty (30) days in advance of any dates of ADR.

## **XII. Retainer Agreements**

1. If a Retainer Agreement or similar agreement exists between the Insured and the attorney or attorney's firm, the Insured and/or the attorney shall provide Ullico a copy within ten (10) business days of receipt of the claim or investigation by the attorney.
2. Ullico shall be entitled to all the same terms and conditions available to the Insured under any Retainer Agreement between the Insured and the attorney/firm, unless agreed otherwise in writing by Ullico.

3. Under no circumstances is Ullico to be considered a party to the Retainer Agreement, but shall only to be considered a third-party beneficiary of the Retainer Agreement.

### **XIII. Billing Requirements**

1. **\*\*\*\*ALL LEGAL FEES /COSTS MUST BE SUBMITTED WITHIN NINETY (90) DAYS OF BEING INCURRED. LEGAL FEES/COSTS SUBMITTED AFTER NINETY (90) DAYS WILL NOT BE HONORED\*\*\*\***

2. **Frequency of Billing**

We require that you submit your invoice statement to Ullico on a **MONTHLY BASIS** and within ninety (90) days of being incurred. This includes any invoices incurred while the Insured is paying you directly under the self-insured retention (deductible). Once the self-insured retention is reached, Ullico will pay your firm directly for reasonable and necessary claims expenses or investigatory expenses incurred, for those matters which are covered by the Policy. We reserve the right to deny coverage for claims expenses or investigatory expenses incurred prior to the date we were placed on notice of any claim, investigation or any matter reported to Ullico. We reserve the right to deny coverage for claims expenses or investigatory expenses not submitted to Ullico within ninety (90) days of being incurred.

3. **Invoice**

Your invoice statement should be itemized as follows:

- a. Case Caption.
  - b. Ullico's claim file number.
  - c. Precise characterization of individual services rendered.
  - d. Identity of attorney or paraprofessional providing the service.
  - e. Time allocated for the specific service to the nearest tenth (0.10) hour.
  - f. Descriptions of all disbursements or out-of-pocket expenses.
  - g. Receipts for all costs incurred over \$150.
  - h. A summary of the time and cost for each individual working on the case.
  - i. Law firm's tax ID number.
4. **Billable hours** ours must be recorded by the single entry time keeping method. Thus:
    - a. Narrative billing is unacceptable
    - b. Block billing in increments greater than fifteen (15) minutes is unacceptable.
    - c. Each task undertaken should be separately stated and should be identified with a specified time for performing the task, and must describe the activity performed and the purpose or subject matter of the activity.
    - d. Telephone conferences should specify the participants and the subject matter discussed.

### **XIV. Fees**

1. **Charges for Attorney Services**

- a. The attorneys' hourly rates must be agreed upon in advance and must be in writing.
- b. Ullico will not pay for more than one attorney doing any one task.
- c. Absent Ullico's prior approval, Ullico will not pay for more than one attorney to attend a deposition or make an appearance in court.
- d. Ullico will not pay for duplicate entries for reviewing and analyzing documentation and legal research.
- e. Ullico will not pay for an attorney duplicating the work of another attorney.

- f. Ullico will not pay for interoffice conferences, consulting, strategy sessions, or any similar meetings among attorneys of the same firm unless a conference is a necessary strategy meeting relating to some significant legal event, such as an upcoming trial - then Ullico will only pay for the time of one attorney.
- g. Ullico will not pay for numerous attorneys, law clerks, and paralegals educating themselves or doing work of a transient nature on the case.
- h. Ullico will not pay for work initially prepared for other clients.

## 2. Fees and Expenses considered as overhead

Ullico shall not pay for general overhead and administrative costs. Ullico considers these to be part of the hourly rate. Such costs include, but are not limited to:

- a. word processing.
- b. travel time.
- c. receipt of faxes
- d. photocopying charges in excess of \$0.25 per page.
- e. air conditioning, rental of equipment, etc.
- f. postage.
- g. local telephone calls.
- h. overtime or extra help.
- i. delivery of documents.
- j. stamping.
- k. minor reworking of form motions and other form papers.
- l. routine meetings.
- m. bookkeeping
- n. office supplies
- o. secretarial and routine clerical functions.

## 3. External Services

- a. Charges for external services shall be pre-approved by Ullico in writing.

## 4. Extraordinary Fees

Absent prior approval in writing, Ullico will not pay for any extraordinary expenses incurred. This includes, but is not limited to:

- a. investigative services.
- b. computer litigation support services.
- c. video taping of depositions.
- d. travel expense, meals, etc.

5. While certain of these expenses may be necessarily incurred, prior approval must be obtained, absent emergency circumstances.

6. We ask that you provide us with your firm's fee schedule, if not already submitted.

## XV. Auditing

- 1. Ullico reserves the right to conduct audits of these assigned files at your premises. The audits will be scheduled at a mutually agreeable time and place.

2. Our practice of auditing fees and expenses is no way intended to infringe upon counsel's independent professional judgment.
3. Ullico may withhold payment of bills that do not comply with these guidelines, but counsel may request a review of any amount that is disputed.

**XVI. Media Relations**

Any contact with members of the media, and any public comment, regarding any matter related to counsel's representation of Ullico's **Insured**, must first be approved in writing by Ullico.

**XVII. Confidentiality**

Any confidential information, including but not limited to information regarding Ullico, its client(s), its internal strategy must be kept confidential at all times. Any documents or other material entrusted to counsel must be kept confidential and should be returned to Ullico at the end of counsel's representation of the **Insured**.

***\*\*\*If our guidelines create any conflict with your ability to handle the assignment, please notify us in writing immediately. \*\*\****

**DEFENSE ATTORNEY’S EVALUATION**

Date:

RE: Insured:  
Claimant:  
Claim No:  
Case Name:

**Facts of case:**

**Liability issues (i.e. defenses/exposure):**

**Damages (i.e. damage theory, assessment, and verification):**

**Other Insurance Available (i.e. based on the knowledge of your client, advise of any other insurance to which this claim was or will be submitted and send a copy of the coverage decision)**

**Recommended course of action:**

Is this a case to be settled or tried? \_\_\_\_\_

If settled, what settlement range do you recommend? \_\_\_\_\_

If tried, what are the percentage chances of the **Insured** prevailing?

\_\_\_0% \_\_\_25% \_\_\_50% \_\_\_75% \_\_\_85% \_\_\_95% \_\_\_100% \_\_\_Other

**Anticipated amount of adverse judgment? (Please provide a range if applicable)**

**Estimated Expenses** through: (1) Initial status conference; (2) Discovery (3) Pre-trial motions; (4) Trial; (5) Appeal, if any.

Additional Comments:

*Feel free to use a letter - which follows this format - in lieu of this form.*