



# Outside Coverage Counsel Guidelines

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## **INTRODUCTION**

Kinsale Insurance Company expects outside counsel to provide the highest quality of legal services in the most cost-effective manner. These Guidelines set out the principles by which Kinsale and outside counsel can achieve these objectives. Kinsale expects proactive file handling and communication on all assigned matters. Unless otherwise agreed to as part of the strategy for handling of a matter, Kinsale expects outside counsel to drive matters toward resolution. This includes, without limitation, the timely filing of declaratory relief actions, proactively advancing discovery, and the timely and aggressive pursuit of dispositive motions.

### **Scope and Applicability**

These Guidelines apply to outside counsel representing or advising Kinsale Insurance Company, including any Kinsale Insurance Company employees in their official capacity, (collectively, "Kinsale") in connection with Insurance Coverage or Regulatory Matters (hereinafter "Coverage Matters"). To the extent that any of these Guidelines conflict with or contradict any provision of an engagement letter or other agreement between Kinsale and such outside counsel (hereinafter referred to as "Coverage Counsel"), these Guidelines prevail unless otherwise explicitly agreed to in writing by Kinsale. Kinsale will not be liable to Coverage Counsel for any professional fees or disbursements incurred that are inconsistent with these Guidelines without prior approval in writing by Kinsale.

Although Kinsale requires all Coverage Counsel to comply with these Guidelines, we recognize that exceptions may be warranted under certain circumstances, and we will address them on a case-by-case basis. We encourage our Coverage Counsel to pursue regular and active communications with us regarding the terms of our professional relationship, these Guidelines, and the matters for which they are retained, and we will do the same.

Kinsale may periodically modify these Guidelines in its sole discretion. Kinsale will provide Coverage Counsel with reasonable notice prior to the effective date of any modifications.

## **FIRM ENGAGEMENT**

### **Contacts**

- Kinsale Contact

Kinsale will designate one point of contact in the Claims Department for each assigned Coverage Matter. All communication regarding the Coverage Matter should be directed to that contact, including all invoices, unless otherwise instructed. If the matter is reassigned to a different Kinsale employee, Coverage Counsel will update your file accordingly to ensure invoices and related correspondence are directed to the appropriate Kinsale contact.



- Firm Contacts

At the start of an engagement, you must provide us with the email address and direct dial office and mobile phone numbers of the lead attorney, as well as those of any other attorney assigned to work on each matter.

## **Staffing**

Efficient staffing is a necessary part of obtaining and continuing to obtain work from Kinsale. Even for the most significant matters, this usually means small teams, few timekeepers, relatively few associates and paralegals or legal assistants, and little turnover among team members.

At the outset of the engagement, Kinsale will, in consultation with Coverage Counsel, determine the appropriate staffing. However, it is expected that most matters will be sufficiently staffed with no more than one partner, one associate, and one paralegal. If additional attorneys and/or paralegals are needed, Coverage Counsel will request approval in writing, stating the reason for the additional staffing. Kinsale will only pay for charges billed by timekeepers approved by us.

You are expected to proactively provide Kinsale with the names of trial counsel and appellate counsel for matters that may proceed to trial (or appeal). If assigned Coverage Counsel will not be the counsel trying the case, you must provide us with recommendations for trial counsel. This must be done well in advance of trial to ensure Kinsale has the opportunity to vet and retain counsel appropriate for the matter.

## **Other Clients and Conflict Waivers**

Requests for waivers of potential or actual conflicts of interest will be considered on a case-by-case basis. Kinsale will not provide blanket waivers, and any prior blanket waivers are hereby revoked. Waiver requests should be directed to the Kinsale Claims Manager for the contact assigned to the matter, the Chief Claims Officer, or the AVP, Legal or Supervisor of the Coverage team. Requests should include a complete list of the matters currently being handled by the requesting Coverage Counsel firm, the identity of the attorney at such firm requiring the waiver (if not the Counsel assigned to the Coverage Matter) and the identity of Kinsale contact assigned to those matters.

Any waiver granted by Kinsale must be in writing and will be conditioned upon (i) Coverage Counsel's other client providing a written agreement of waiver that will not object to Coverage Counsel's continued representation of Kinsale; (ii) and agreement, if the firm is required to recuse itself, to cooperate with Kinsale, at Coverage Counsel's own expense, in the selection and transfer of the Coverage Matter to new counsel; (iii) the establishment of ethical and physical walls to prevent the commingling of knowledge and information concerning Kinsale and the other client; and (iv) an agreement by Coverage Counsel not to represent the other client in any litigation or adversary proceeding against Kinsale.



Kinsale generally will not waive a conflict or potential conflict where representation of another client will involve the assertion of any type of claim against Kinsale. In addition, a waiver ordinarily will not be granted if the subject of the conflicting representation involves substantially the same matter in which the firm has represented Kinsale. Nor will a waiver be granted if the firm's access to Kinsale confidential information, including Kinsale's business and litigation strategies, potentially could be useful to the other client.

If Coverage Counsel anticipates that representation of another client will involve advancing a position on a legal issue which may be materially opposed to Kinsale's interests, Coverage Counsel shall, to the extent reasonably practicable and consistent with that counsel's confidentiality obligations to other clients, bring the matter to Kinsale's attention in advance.

### **Insurance**

Kinsale requires that Coverage Counsel carry professional liability insurance coverage that is commercially reasonable in relation to the type and size of matters counsel is handling or proposes to handle.

## **REPORTING**

Reporting is imperative to Kinsale's ability to assess and make decisions regarding a matter. Accordingly, Kinsale expects Coverage Counsel to timely report all case developments immediately to Kinsale. While there may be emergent circumstances that merit a delay in reporting, it is expected that Coverage Counsel will discuss any such circumstances with Kinsale should they arise, and do so in advance of any due date or filing deadline.

### **Initial Communications**

- Acknowledgement  
As soon as possible, but in no event later than three business days following the receipt of an assignment, Coverage Counsel should acknowledge the same in writing and advise Kinsale of the proposed staffing of the case, including the name(s) of each attorney and paralegal that is to be assigned (including their billing rates if warranted).
- Initial Meeting  
Within two weeks of receiving the assignment (every effort should be made to schedule this meeting well prior to any pending filing deadlines), Coverage Counsel should schedule a meeting or phone conference with Kinsale to discuss any significant activity that Coverage Counsel proposes to initiate during the initial stages of litigation (e.g., investigation, motions, discovery, legal research, etc.) and layout potential long-term strategy for disposing of the matter.

Coverage Counsel will work with Kinsale to define the strategy to be used in defending or prosecuting the lawsuit including, but not limited to:

- The anticipated course of action to be taken and prospect of success, i.e., motion



- to dismiss or motion for summary judgment;
- o Whether local counsel will be needed and who to retain;
- o The facts or elements which must be proved or disproved and the discovery necessary to establish these defenses;
- o The timing of the discovery, filing of motions, negotiations, or other objectives;
- o The tactics to be used in defending the case and the advantages to be gained by use of these tactics;
- o Where appropriate, whether bifurcation should be considered; and
- o Discussion concerning appropriateness of early resolution if warranted and/or what facts still need to be resolved to determine whether a case should be resolved or tried.

### **Frequency of Reporting**

While no specific reporting timeline is set, Coverage Counsel is responsible for providing regular updates on any developments in the matter, including Coverage Counsel's opinions and assessment of the case, promptly when a change occurs. Kinsale expects Coverage Counsel to keep Kinsale informed of all important events and to produce reports upon request from Kinsale. Additionally, Kinsale requests that Coverage Counsel be prepared to discuss possible outcomes prior to mediation and trial and, upon request, prepare pre-mediation and pre-trial reports for the matter. Requested reports should be provided as soon as possible, but in no event later than 30 days following the request from Kinsale.

### **Trial Reports (Including Pre-Trial)**

Coverage Counsel is required to immediately advise Kinsale when a trial date is set for any matter. In addition, Coverage Counsel, if requested, is required to submit a Pre-Trial Evaluation Report to Kinsale no later than 60 days prior to the trial date.

Such report shall include the following:

- o Summary of the facts and procedural posture of the case;
- o Legal issues to be resolved by the trial;
- o Strength of legal defenses;
- o Estimated value of the case;
- o Probability of an adverse verdict and likely range of such a verdict;
- o Identity of Trial Counsel, as well as Appellate Counsel, if applicable;
- o Coverage Counsel's recommended course of action; and
- o Trial budget.

Should the case be continued, Coverage Counsel must notify Kinsale immediately and should update the pre-trial report as necessary and submit the updated report to Kinsale at least 60 days prior to the new trial date, if possible.

- Daily Trial Reports





A Kinsale representative will attend all trials where Kinsale is a named party in the action (except direct action matters, which will be reviewed on a case-by-case basis to determine if attendance is necessary).

- If a Kinsale representative attends, there will be no reporting requirement for Coverage Counsel during the trial, except to the extent input is requested from the Kinsale attendee or Chief Claims Officer.
- If a Kinsale representative is not able or required to attend a trial, Coverage Counsel is required to provide Kinsale with a written update via email daily during trial. These daily updates should include all summaries of all substantive happenings during that trial day including, without limitation, voir dire and jury member details, opening/closing statements, motions argued and rulings, witnesses questioned and summaries of their testimony, etc.
- Coverage Counsel must immediately advise Kinsale of the result of the trial. If the result is adverse, it is expected that Coverage Counsel will provide a recommended course of action.

## **Budgeting**

Budgets are essential to plan and manage legal expenses effectively, as well as to evaluate the resolution value of a Coverage Matter. Coverage Counsel must provide Kinsale with an estimated budget upon request. The budget should be split into litigation phases, where appropriate, with detailed line items included in each phase and estimated hours and charge for each line item. It is expected that Coverage Counsel will charge only those fees and expenses that are consistent with budgets approved in advance by Kinsale. If unexpected changed circumstances require a budget adjustment, Coverage Counsel should notify Kinsale in writing of the changed circumstances with an explanation of why deviation from the budget is warranted and an estimated change in the amount.

## **AUTHORITY**

All authority regarding settlement of and strategy for any Coverage Matter resides solely with Kinsale. Coverage Counsel shall not settle any matter, make any representation as to settlement possibilities, or make any settlement offer that binds Kinsale in any way without **Prior Approval** from Kinsale. Likewise, Coverage Counsel should consult with Kinsale before agreeing to a jury trial, stipulating liability/coverage/damages, filing an appeal, joining other parties, filing a counterclaim, or taking any other action in any Coverage Matter.

## **Correspondence and Pleadings**

Coverage Counsel must consult with Kinsale before drafting or filing any motions on behalf of Kinsale. Drafts of all filings to be made on behalf of Kinsale must be provided to and approved by Kinsale prior to filing. Coverage Counsel must obtain **Prior Approval** from Kinsale before preparing any pleadings, dispositive motions, or appeals and must give Kinsale sufficient time





to review drafts of such documents before the applicable filing deadline.

Copies of pertinent correspondence, investigation, and summaries of depositions, interrogatories, and pertinent pleadings shall be promptly provided by Coverage Counsel to Kinsale as soon as practicable, but not later than five business days after service or receipt. Coverage Counsel will promptly respond to all letters and phone calls from Kinsale and will keep Kinsale fully advised of the progress of each matter. Kinsale expects that Coverage Counsel will report to or communicate with Kinsale as developments occur during the course of all Coverage Matters.

### **Depositions and Experts**

Depositions must be jointly agreed to as part of the litigation plan. This includes both party and non-party depositions, as well as Company witness and 30(b)(6) depositions. All significant depositions must be discussed with Kinsale as soon as practicable prior to the deposition(s) taking place. Likewise, the selection and use of experts must be jointly agreed to as part of the litigation plan. CVs and rates should be provided to Kinsale with any request to retain an expert.

### **Vendors**

Coverage Counsel may engage additional service providers, such as document managers, translators, consultants, accountants, or other lawyers, only with the express **Prior Approval** of Kinsale. Kinsale may select service providers directly, and where it does so, Coverage Counsel will work with and use Kinsale's preferred providers for Kinsale matters.

### **Scheduling**

Apart from court-ordered conferences scheduled by the judge, **Prior Approval** by Kinsale of the scheduling of all depositions, deposition prep sessions, and mediations or other settlement conferences is required. If any such date is set by the court, Kinsale requires timely notification of such dates. We consider timely notification to be not less than three weeks in advance with four to five weeks being preferable. Notice is to be given in writing to Kinsale.

## **LEGAL BILLING**

The following legal billing guidelines apply to invoices submitted by Coverage Counsel in connection with any Coverage Matter. Kinsale reserves the right to conduct periodic audits of its approved panel coverage firms to ensure quality legal services and compliance with these billing guidelines.

Where **Prior Approval** is referenced, it must be secured in relation to each individual task on each individual assignment. **Prior Approval** requirements are not intended to be limitations on the quality of the legal services. Where **Prior Approval** has been requested and declined, and Coverage Counsel believes that the result will compromise Kinsale's position in the matter, it should advise Kinsale immediately. Tasks requiring **Prior Approval** must be noted in the



relevant invoice line item, together with the date **Prior Approval** was provided and identification of the individual providing it.

## **Rates**

Rates are to be approved by Kinsale. Any rates which vary from those previously authorized must be approved in advance. Requests for rate changes are to be directed to the Director of Claims Operations and reviewed/approved by the Chief Claims Officer. Any agreed upon change in rates will be applicable to new assignments going forward from the date of approval and will not apply to matters currently pending at that time.

## **Quarterly Billing**

Bills are to be submitted to Kinsale on a quarterly basis. If an invoice is expected to be higher than usual due to increased activity or complex issues, please advise Kinsale and those bills may be submitted on a monthly basis for the period of increased activity. Expense receipts and any support for other costs and disbursements should be included with the quarterly invoice.

- Timely Billing

Kinsale will not pay for fees or expenses that are not billed on a timely basis. At its discretion, Kinsale reserves the right to reject invoices that are submitted late and under no circumstances will Kinsale pay any fees or expenses submitted more than six months following the performance of services resulting in those fees or expenses.

## **Invoice Processing**

Kinsale will make every effort to ensure that undisputed invoices are processed within 30 days of receipt by the Kinsale contact assigned to the file. Coverage Counsel is not entitled to charge any late fees or penalties on any invoice. We understand that Coverage Counsel may desire to have expedited payment of large invoices at the end of the calendar year or your fiscal year. While we endeavor to expedite such payments, we cannot commit to payment terms in deviation of our standard policy.

## **Invoice Contents**

Coverage Counsel must direct all invoices to the appropriate Kinsale contact assigned to the file. Invoices that are sent to an individual no longer handling the file may result in delayed processing and payment. Accordingly, it is Coverage Counsel's responsibility to update their files so that their billing department sends bills to the correct individual. Legal bills **will not** be paid unless the billing includes the following information:

- Invoice Caption

Each invoice should contain:

- The case caption, if applicable;
- The insured's name;
- The firm's name, address, and EIN;
- The Kinsale claim file number;



- The firm's file number;
- Time period for which the bill applies;
- Full name and position of each attorney, paralegal, and law clerk whose initials appear on the bill;
- Hourly rate for each attorney, paralegal, and law clerk who appears on the bill;
- Time spent on each specific task;
- Kinsale employee name; and
- All final invoices must be clearly marked as "Final Invoice".
- Minimum Time Billed  
Actual time in units of 1/10 hour must be charged.
- Closing Totals
  - Each invoice must include the total hours billed by each attorney, paralegal, and other legal staff, as well as the total dollar amount billed for each.
  - Each invoice should include the total of new charges, as well as the total charged, and any payments received over the course of the matter at that point in time.

## Billing Entries

- Separate and Complete Identification of Legal Activities  
It is essential that each legal activity be identified in the invoice. Vague or ambiguous identification of any activity will not be accepted. For example, "review file" and "prepare for trial" are entries that will not be accepted as they do not give a detailed description of activities performed.
  - The attorney, paralegal, or other assigned staff performing the individual task must be identified and the time spent on the activity must be shown.
  - **Listing a single time and a total charge for multiple legal activities ("block entries") will not be accepted.**
  - Task-specific rates are not permitted. Kinsale requires that the attorney, paralegal, or law clerk charge for the actual time expended in performing a legal activity.
- Telephone Conversations  
When billing for telephone conversations, Coverage Counsel should specifically describe the parties and the purpose of the telephone call. If the call pertains to a deposition or court conference, the precise reason for the call should be given.
- Specific Identification of Documents  
When billing for drafting, review, revision, or any other activity relating to any correspondence, pleading, or any other document, Coverage Counsel must specifically identify the document involved.
- Apportioning Time  
When work is being performed on other matters in addition to the case billed to Kinsale,



Kinsale should only be billed for the proportion and time spent on each Kinsale matter. Such situations often arise during delays at court appearances, depositions, and other circumstances where delays are inevitable.

### **Efficient Staffing**

Kinsale expects Coverage Counsel to make appropriate staffing decisions and to discuss any need for additional staffing on a Coverage Matter in advance. Attorneys and staff assigned to Kinsale matters must have an appropriate level of legal knowledge. Kinsale will not absorb the costs of training junior associates and paralegals on its matters.

In general, Kinsale expects that only one primary lawyer will be assigned to each case unless specific circumstances warrant otherwise and those circumstances have been discussed and approved by Kinsale. Kinsale will not pay for more than one assigned associate and one assigned paralegal in addition to the primary attorney on a matter without prior approval from Kinsale. Coverage Counsel is to advise Kinsale, in writing, of the need for additional staff before any time is billed by that staff.

In addition, Kinsale expects that only one attorney will attend depositions, meetings, hearings, court conferences, and trials. If circumstances arise whereby the primary attorney anticipates utilizing an associate attorney or a paralegal during the course of trial, the primary attorney must seek approval in advance from Kinsale.

- Extended Workdays

If a single timekeeper has billed more than 10 hours in one calendar day, express approval must be obtained from Kinsale authorizing the extended workday and the billing invoice must indicate the name of the individual who provided such approval.

### **File Reviews**

Kinsale will not pay for general file reviews or “review of file.” Kinsale will pay for the review of specific items or documents, if referenced on the invoice and:

- The review is prompted by a legal or factual development, such as the receipt of correspondence; or
- The review results in the creation of actual work product, such as a letter or report.

Where a file is to be reviewed because of a change of attorney initiated by the firm or the current unavailability of the previous attorney, the time spent reading by the new personnel will not be compensable.

### **Firm Conferencing**

Kinsale will pay for interoffice conferences, consulting, strategy sessions, or other similar meetings among attorneys of the same firm. However, Kinsale will only pay for the hourly rate of the most senior attorney in attendance, regardless of the number of attorneys or staff in attendance.



## Legal Research

- Computer Research

**Prior Approval** from Kinsale must be obtained before conducting any computer research anticipated to exceed five hours. Online charges for computerized legal research, including subscription fees and additional charges for items outside of the firm's subscription, and charges for purchases, online services, or CD-ROM programs are considered part of Coverage Counsel's overhead and will not be reimbursed by Kinsale.

- Routine Legal Research

Routine legal research is not compensable. Matters of common knowledge among reasonably experienced attorneys in the jurisdiction are non-chargeable items. Kinsale expects that where circumstances exist enabling Coverage Counsel to utilize its data or brief banks, Kinsale will only be charged for the updating of previously researched material. It is expected that junior associates, paralegals, or law clerks will be used on research matters.

Partners may not bill for any time spent conducting research unless they first obtain **Prior Approval**. Such request for **Prior Approval** must specify the reasons why the partner needs to conduct the research project instead of more junior staff. A copy of significant research products, such as cases, briefs, or internal memoranda, should be submitted to Kinsale.

## Paralegals/Law Clerks

Kinsale endorses the use of paralegals and law clerks for those tasks which do not have to be performed by a lawyer such as drafting discovery, legal research, etc. Kinsale will not pay for time billed by summer associates.

Kinsale expects Coverage Counsel to utilize paralegals appropriately throughout the life of a matter. Kinsale will not pay attorney rates for work traditionally performed by paralegals such as:

- Preparing subpoenas *duces tecum*, witness subpoenas (to be billed at .1 at the paralegal rate);
- Preparing notices of deposition (to be billed at .1 at the paralegal rate);
- Preparing of proofs of service;
- Preparing form/template documents (e.g., authorizations, notices for hearings, routine orders, etc.);
- Preparing form pleadings (entry of appearance, jury demand, substitution of attorney, etc.);
- Preparing standard motions to compel;
- Preparing initial form/standard interrogatories;
- Preparing initial form/standard requests to produce;



- Preparing stipulations to extend the time to answer or reply;
- Preparing stipulations of dismissal;
- Preparing demands for statement of damages (form or standard);
- Preparing page/line deposition summaries for trial exhibits;
- Locating parties and witnesses;
- Arranging for service of process;
- Handling records requests and related follow up;
- Preparing timelines/chronologies;
- Routine communications regarding discovery and pending extensions;
- Routine internet or non-legal research (including social media, background searches, and other related investigative tasks);
- Conducting legal research, if appropriate;
- Cite checking and Shepardizing;
- Preparing exhibits for motions and depositions;
- Preparing Freedom of Information Act requests; and
- Preparing demonstrative exhibits.

With regard to the revision of standardized forms/pleadings, such as interrogatories and requests for production, only the actual time spent revising standardized pleadings, documents, or discovery requests or responses to the case at hand should be billed, rather than the time originally spent drafting standard language. Only time spent on substantive changes (other than the style of the case) will be compensable.

Kinsale will not be responsible for adjusting rates based on the work performed. Paralegal work performed by attorneys will be cut entirely from the bill.

### **Reimbursable Expenses**

Kinsale retains authority for extraordinary expenses that may be incurred during a Coverage Matter. Coverage Counsel should consult with Kinsale and obtain **Prior Approval** before incurring any type of extraordinary expense.

**Prior Approval** from Kinsale shall be obtained for any expense in excess of \$1,000. While emergent circumstances may arise, Kinsale expects that any such circumstances necessitating a deviation from this approval requirement will be promptly disclosed to Kinsale along with the details of any resulting expense incurred.

All expenses under \$1,000, should be paid by Coverage Counsel and billed to Kinsale on the next invoice cycle, with all support documentation attached. In addition, any approved expense over \$1,000 may be paid by Coverage Counsel and billed to Kinsale on the next invoice cycle, as allowed by the firm's internal processes and procedures. Kinsale will directly pay those approved expenses which are not paid and invoiced by Coverage Counsel.



## Business Travel

- Travel Time
  - Local Travel: Travel within a 50-mile radius of the firm is considered local travel. Expenses and disbursements incurred in local travel are considered overhead and within Coverage Counsel's rate structure. The time and expense fee for local travel is not billable.
  - Non-Local Travel: Travel more than 50 miles from the firm is considered non-local. Coverage Counsel should consult with Kinsale prior to incurring non-local travel expenses to secure an agreement with Kinsale on reasonable expenses that will be reimbursed. The time for non-local travel will be paid at 50% of the timekeeper's hourly rate unless work is performed on the matter during the travel itself. This must be noted in the invoice entry in order to be approved.
- Travel Expenses
  - Receipts should be obtained for all expenditures. Receipts for expenses of \$25 or more are required for reimbursement and must accompany the invoice.
  - *Airfare and Rental Vehicles:*
    - ◇ Unless authorized expressly in advance, Kinsale will only pay for coach/economy airfare and compact or mid-size rental cars.
  - *Taxis* should not be used for extended distances when more economical means of transportation (such as shuttle vans, rental cars, or public transportation) are available.
  - *Personal vehicles* should be used when they are the most practical and economic means of transportation.
    - ◇ Expenses for parking away from the office and tolls are reimbursable.
    - ◇ Reimbursement for miles traveled will be at the maximum rate allowed by the IRS at the time of travel.
  - ◇ *Lodging:*
    - ◇ Kinsale will only pay for reasonable and moderately priced hotel accommodations.
  - ◇ *Meals:*
    - ◇ Meals purchased while traveling on business for Kinsale are generally reimbursable. Meals of \$25 or more must have receipts.
    - ◇ Meals where Kinsale business is discussed are considered business meals. Proper documentation of the business purpose is required and must include the persons in attendance, the topic of discussion, and the name of the establishment or restaurant where the meeting was held. Meals of \$25 or more must have receipts. Kinsale reserves the right to deny reimbursement for any amount considered excessive.





## Non-Reimbursable Expenses

The following expenses are not reimbursable:

- Office/Firm Overhead, such as:
  - ◇ Office equipment and supplies;
  - ◇ Storage and conference room charges;
  - ◇ Equipment rental;
  - ◇ Support staff salaries and overtime;
  - ◇ Methods of exchanging reports and documents other than email (The preferred method of exchanging reports and documents is via email. Kinsale will not pay for other methods of delivery when email is available and sufficient. The necessity of express charges or messenger services should be discussed with Kinsale and approved prior to incurring the charges, except in emergency situations. If there is no written confirmation of approval, Kinsale will not pay for these services);
  - ◇ Any other items traditionally associated with overhead.
- Operational expenses, such as:
  - ◇ Summer associates or law clerks;
  - ◇ Charges for computerized legal research services including, but not limited to LexisNexis, Westlaw, or PACER;
  - ◇ Rent, whether for office space, conference rooms, office or computer equipment, or software;
  - ◇ Utilities including, but not limited to HVAC, local and long-distance telephone, and internet charges;
  - ◇ Local couriers and delivery charges;
  - ◇ Internal calls;
  - ◇ Toll charges for outgoing or incoming cellular, conference, local, or long-distance calls;
  - ◇ Time spent keeping current on legal developments, including attendance at seminars;
  - ◇ Fax, telephone, and videoconferencing charges;
  - ◇ Technology costs, including hardware, software, licenses, personnel, or services related to acquisition, maintenance, or upgrade of Coverage Counsel's technology infrastructure (If Coverage Counsel finds it necessary to incur additional technology costs as a result of a specific matter, Coverage Counsel should discuss this need with Kinsale);
  - ◇ UPS, FedEx, or expedited mailing charges, unless **Prior Approval** is obtained from Kinsale;
  - ◇ Internal copying charges;



- ◇ Mobile telephone charges;
- ◇ Books, periodicals, research materials, publications, and seminars;
- ◇ Membership fees;
- ◇ Meals or refreshments during meetings, depositions, or similar events;
- ◇ Charges attributable to weekend work or overtime;
- ◇ Litigation support or any other services in excess of the amount actually expended by Coverage Counsel for such services;
- ◇ Vendor charges for extensive copying unless **Prior Approval** is obtained from Kinsale. If permitted, Coverage Counsel will be reimbursed for the amount actually expended; and
- ◇ Entertainment or client development.
- Personal items, such as:
  - ◇ Travel insurance;
  - ◇ Traffic fines and court costs;
  - ◇ Medical expenses;
  - ◇ Articles of clothing;
  - ◇ Personal entertainment;
  - ◇ Luggage and briefcases; and
  - ◇ Health club and racquet club fees.

### **Non-compensable Activities**

The following activities are not compensable and will be deducted from any invoice:

- Clerical tasks
  - File creation and organization (including file opening, file closing, filing, indexing, assembling documents and binders, and general organizing);
  - Time spent preparing invoices or negotiating billing questions;
  - Tabbing, date-stamping, and Bates-stamping documents;
  - Routine copying, scanning, printing, posting, and sending faxes;
  - Calendaring, scheduling, and docketing;
  - Routine correspondence to the Court and other parties;
  - Arranging travel;
  - Arranging deposition logistics, including scheduling of court reporters and videographers;
  - Routine calls to the court to obtain dates and filing statuses;
  - Routine emails regarding scheduling, status, etc.;
  - Preparing files or documents for attorney review;
  - Preparing mailings and mail distribution;
  - Data entry, transcription, proof-reading, word processing, and other clerical and secretarial services;



- Inventorying documents;
- Preparation of macros and templates;
- Preparation of standardized letters and correspondence;
- Routine, local document pick-up and delivery; and
- Other tasks performed by clerical professionals (these tasks largely do not require the use of legal knowledge, judgment, or expertise).
- Administrative tasks
  - Management, supervision, instruction, and training of any temporary, contract, or law firm personnel, including time to onboard newly assigned staff;
  - Preparing, reviewing, or revising budgets;
  - Preparing, reviewing, or processing invoices, including time spent in relation to invoice audits and responding to billing inquiries;
  - Preparing, reviewing, or processing third party contracts (including expert fee agreements);
  - Time spent correcting mistakes;
  - Processing conflict searches and waivers;
  - Checking court dockets;
  - Organizing material for storage and moving boxes or files; and
  - Performing other administrative services that are generally attendant to having Kinsale as a client (e.g., review of professional journals, administrative conferences, marketing, and research on general or client industry trends).


## **CONFIDENTIALITY AND PRIVILEGE**

Kinsale expects you to maintain the confidentiality of all information we provide to you or that you learn during an engagement. We also expect you to comply with all statutes, regulations, rules, and codes regarding the maintenance of confidentiality.

Kinsale expects you to make reasonable efforts to prevent unauthorized access to Kinsale's information and to protect Kinsale's information from inadvertent or unauthorized disclosure, including:

- Ensuring your personnel are informed of and comply with the confidentiality requirements of these Guidelines;
- Implementing up-to-date physical and technical access controls to Kinsale's information in your possession;
- Establishing policies that prohibit removal of files containing Kinsale's information from your premises or systems;
- Using encrypted communications and collaboration tools; and
- Employing encryption tools to protect laptops, memory sticks, and other portable devices containing Kinsale's information.





To the extent third-party vendors are engaged by you to provide services to Kinsale in a Coverage Matter, you agree to inform them of, and ensure their compliance with, the confidentiality requirements of these Guidelines.

Kinsale requests that you make available to Kinsale secure means of communicating electronically with you and for submitting, creating, sharing, and collaborating on documents and information.

You will not use third-party cloud-based tools or systems to create, revise, or store Kinsale's information without our **Prior Approval** in writing.

Coverage Counsel should represent us in a manner that preserves the attorney-client privilege. Kinsale generally does not waive the attorney-client privilege, and if we do, such waiver is not effective unless and until you receive Kinsale's consent in writing.

### **Media Contact and Publicity**

In general, Kinsale does not publicly comment on litigation, potential transactions, regulatory proceedings, or other legal matters. If you are contacted for comments, interviews, or information, do not respond to any such requests without **Prior Approval** in writing from Kinsale. You may forward the request to our attention for response if warranted.

