

Press Release

Freeborn Secures Major Victory for Brown & Brown Insurance over Competitor's Restrictive Covenants Violations

CHICAGO – Oct. 25, 2016 – [Freeborn & Peters LLP](#) is pleased to announce that it has secured a major victory for its client Brown & Brown, Inc. (NYSE: BRO), an independent insurance intermediary, against AssuredPartners Inc. (AP) over violations of the restrictive covenants of former Brown & Brown employees hired by AP.

Brown & Brown alleged that AP, along with its senior executives Jim W. Henderson (CEO), and Thomas E. Riley (COO), hired away top sales and support staff from Brown & Brown to join AP, and assisted the former Brown & Brown employees in violating the restrictive covenants set out in their employment agreements, resulting in the loss of Brown & Brown customers, goodwill and advantageous business relationships to AP. The former Brown & Brown employees are Brian E. Lindahl, Phillip L. Masi, Negar Sharifi, Michael A. Randall, Richard T. Schwarz, II, Kathryn E. Bloodwell, Jennica A. Mandarano, and Danielle Mattson.

On Oct. 14, Judge Dennis Craig of the Seventh Judicial Circuit in Volusia County, Fla., granted Brown & Brown's motion for temporary injunction against AP, ruling that there is sufficient evidence that AP and certain former Brown & Brown employees hired by AP, violated the valid and enforceable restrictive covenants in Brown & Brown's employee contracts, and that Brown & Brown has a substantial likelihood of prevailing on the merits of its case against AP and its employees. The judge said the temporary injunction is necessary since there is no adequate remedy at law through damages.

In his ruling, the judge said, "I find that there is a legitimate business interest in those restrictive covenants to include the relationship with customers, to include the confidential information that those former employees would have had [as related to] customers, and it's not necessarily limited to just the information as to who the customer is, but specifically the information that would have been obtained from the customers by the former employees during their employment with Brown & Brown."

The Court specifically found that Lindahl, Randall, Schwarz, Masi, Sharifi, and Mandarano serviced or are working with former customers of Brown & Brown while employed at AP, in violation of the restrictive covenants contained in their employment agreements, and that AP, Henderson and Riley assisted the violations and therefore entered the temporary injunction as to AP, Henderson, Riley, Lindahl, Masi and Sharifi.

[Michael J. Kelly](#), a Freeborn partner and counsel for Brown & Brown in this case, said, "This is a significant victory for Brown & Brown that cannot be overstated as recognition that Brown & Brown's restrictive covenants are valid and enforceable. This ruling is extremely important to Brown & Brown's business interests, and it also sends a clear message to the insurance industry that a company cannot

simply ignore legitimate restrictive covenants and interfere with contractual relationships by poaching a competitor's employees and business without severe legal and financial repercussions.”

Mr. Kelly explained that the ruling prohibits AP from accepting Agent of Record (AOR) letters on any Brown & Brown accounts while the injunction is in place and directs AP to divest itself of accounts already procured and subject to this case. Mr. Kelly added that Brown & Brown will publish the injunction order to all insurance markets that are, or may be, considering AOR letters for the affected customers.

Freeborn partner [Katheleen A. Ehrhart](#) also represented Brown & Brown in this case, along with Thomas Leek and Melissa Murphy the Daytona Beach law firm of Cobb Cole.

ABOUT FREEBORN & PETERS

Freeborn & Peters LLP is a full-service law firm, headquartered in Chicago, with international capabilities. Freeborn is always looking ahead and seeking to find better ways to serve its clients. It takes a proactive approach to ensure its clients are more informed, prepared and able to achieve greater success – not just now, but also in the future. While the firm serves clients across a very broad range of sectors, it has also pioneered an interdisciplinary approach that serves the specific needs of targeted industries, including food, healthcare, transportation, private equity and venture capital, and insurance and reinsurance.

Freeborn is a firm that genuinely lives up to its core values of integrity, effectiveness, teamwork, caring, and commitment, and embodies them through high standards of client service and responsive action. Its lawyers build close and lasting relationships with clients and are driven to help them achieve their legal and business objectives.

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