

First Circuit Enforces Related-Claims Provision to Bar EPL Coverage

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Related-claims disputes are a recurring feature of insurance coverage litigation, and the consequences can be substantial. A determination that two matters are related can shift a claim into or out of the policy period, altering coverage entirely. Although those disputes often involve fact-specific questions, the coverage outcome also depends on the applicable policy language. *Urena v. Travelers Casualty and Surety Company of America*, 2026 WL 2322160 (1st Cir. Aug. 11, 2026) underscores this point and offers significant guidance for policyholders navigating related-claims issues.

***Urena*: The First Circuit's Decision**

The administrators of a deceased employee's estate sought to recover a 2023 discrimination judgment from the employer's insurer. The employer carried a directors and officers (D&O) liability policy with an Employment Practices Liability (EPL) endorsement, an add-on extending coverage to workplace claims. The employee's claims potentially implicated that endorsement. She filed an administrative complaint in 2019 and sued in 2021.

The EPL endorsement operated on a claims-made basis, meaning it covered only claims "first made" during the December 4, 2020, through August 5, 2021, policy period. The 2021 lawsuit, standing alone, fell within that window. But if the claim originated with the 2019 complaint, the claim preceded the policy, leaving the judgment uncovered.

The answer turned on the policy's related-claims provision. The base D&O policy contained Liability Coverage Terms and Conditions (LCTC) that applied across all coverage types, including EPL. The LCTC's related-claims provision said that when multiple claims arise from related wrongful acts, the policy treats them as a single claim and deems the claim first made on the date of to the earliest claim. The EPL endorsement defined Employment Claims and when they are first made, but it did not contain its own related-claims rule displacing the LCTC. Relying on the LCTC provision, the insurer moved for judgment on the pleadings, arguing the 2019 complaint and the 2021 lawsuit were a single claim first made in 2019.

The administrators did not dispute that the two matters were related. They argued instead that the EPL endorsement should operate as a self-contained set of rules, displacing the LCTC's related-claims provision and letting the 2021 lawsuit stand as its own claim first made during the policy period. Under New Hampshire law, however, an endorsement controls over the body of the policy only when the two actually conflict. The administrators offered three reasons why such a conflict existed. The First Circuit rejected each alleged conflict.

First, the administrators argued that the EPL endorsement's rules for when an Employment Claim is first made displaced the LCTC's related-claims provision. In their view, because the endorsement supplied its own timing rule and did not include a separate related-claims rule, the base policy's backdating rule could not apply. The First Circuit rejected that argument because the LCTC applied to "All Claims," including employment claims, and nothing in the EPL endorsement conflicted with it.

Second, the administrators relied on the EPL endorsement's prior-and-pending proceeding exclusion. They argued that because the exclusion barred claims tied to proceedings pending before December 4, 2015, the policy covered claims tied to later proceedings. The First Circuit rejected that converse logic. The exclusion removed coverage in specified circumstances; it did not create coverage otherwise. The related-claims provision determined when a claim was first made, while the exclusion separately barred coverage.

Third, the administrators argued that different prior-and-pending cutoff dates showed an intent to treat employment claims differently. The First Circuit rejected that argument because the provisions addressed different issues. The cutoff dates defined how far back the insurer could look for a disqualifying proceeding; the related-claims provision determined when a claim was first made. The provisions therefore worked together, and the EPL endorsement did not displace the related-claims provision.

With no conflict to give the endorsement priority, the First Circuit affirmed the district court's judgment for the insurer, holding that the 2021 lawsuit was deemed first made before the policy period.

Key Takeaways for Policyholders

Urena shows that related-claims disputes may depend not only on factual overlap but also on the policy language governing the effect of that overlap. The decision offers four practical takeaways for policyholders.

1. **Treat pre-suit matters as potential claims.** *Urena* shows that an administrative charge, demand letter, or tolling request can shift a later suit outside the policy period. Prompt identification and reporting can preserve coverage.
2. **Read endorsements with the base policy.** *Urena* confirms that an endorsement may not displace base-policy provisions. Policyholders should assess how endorsement terms interact with related-claims and prior-and-pending provisions before a dispute arises.
3. **Anchor arguments in the policy text.** The administrators' implied-term and structural arguments failed because the text pointed the other way.
4. **Ground arguments in governing law.** The First Circuit rejected the administrators' Texas authority as unpersuasive. Lead with governing-state law and use out-of-jurisdiction authority only as support.

Taken together, *Urena* is a reminder that the time to understand how a policy's provisions interact is before a claim arises, not after an insurer denies coverage.

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