

**IN THE CIRCUIT COURT FOR COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION**

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National Association of Professional  
Allstate Agents, Inc., et al.

Plaintiffs,

v.

Allstate Insurance Company, et al.

Defendant.

Case No. 21-L-7947

**ALLSTATE INSURANCE COMPANY'S OPPOSITION TO  
NAPAA'S AMENDED MOTION FOR PRELIMINARY INJUNCTION**

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In its motion for a preliminary injunction, the National Association of Professional Allstate Agents (“NAPAA”) asks this Court to enjoin Allstate Insurance Company (“Allstate”) from requiring Allstate Exclusive Agents (“EAs”) to use a new telecommunications technology platform, Allstate Agency Voice (“AAV”), and from terminating contracts with Allstate EAs who choose not to do so. NAPAA cannot meet its high burden of establishing the requirements necessary to justify entry of a preliminary injunction, so the Court should deny NAPAA’s motion. That is doubly true where, as here, the contracts are terminable at-will.

First, NAPAA’s assertion that the agency agreement gives EAs the right to “supply and maintain” the telephone system used by an agency is demonstrably false. The provision upon which NAPAA relies applies only where, unlike here, Allstate *does not* supply the telephone system. Thus, NAPAA cannot show that it possesses a clearly ascertainable right that is being infringed or a likelihood of success on the merits.

Second, NAPAA cannot establish that EAs will suffer irreparable injury or lack an adequate remedy at law. EAs can easily avoid any threat of their principal alleged form of irreparable injury—termination of the agency contract—by adopting AAV. In that scenario, in the unlikely event they ultimately prevail on the merits, EAs can recover money damages for the ordinary business harms they allege (such as the cost of implementing AAV). And NAPAA’s assertion that Allstate will terminate EAs who try to implement AAV but cannot get the requisite assistance from Allstate to do so is too speculative (and baseless) to support preliminary injunctive relief. Any threat

of termination from refusal to adopt AAV is entirely self-inflicted and cannot form the basis of relief.

Finally, NAPAA has failed to show that EAs will suffer greater harm without the injunction than Allstate will suffer if it is issued. As shown below, Allstate implemented AAV to protect itself (and EAs) from potentially significant legal and other liability related to agent telemarketing and data handling practices on Allstate's behalf. The harms Allstate will suffer if the Court were to enter an injunction significantly outweigh any purported harm to EAs, which could be remedied through an award of monetary damages.

## **BACKGROUND**

### **I. Allstate and its relationship with Exclusive Agents**

Allstate is a property and casualty insurance company based in Northbrook, Illinois. Allstate develops insurance products for individuals, families, and businesses to protect them against loss. Allstate distributes its products in a variety of ways to match consumer preferences, including through EAs, the Internet, and through call centers.

Allstate EAs operate throughout the country and are authorized by Allstate to market, offer, and bind insurance policies on its behalf. (Ex. A, Kumpula Aff. ¶ 3; Compl. ¶ 14.) EAs are independent contractors of Allstate who operate their own offices. (Ex. A, Kumpula Aff. ¶ 2.) The relationship between Allstate and its EAs is

governed by a contract (the “EA Agreement”) that outlines the parties’ respective rights and responsibilities. (Ex. A, Kumpula Aff. ¶ 5; Compl. ¶ 15, Exhibits 1-3.)<sup>1</sup>

EAs are exclusive to Allstate in that they work only with products available through Allstate or products available through other carriers that Allstate specifically authorizes. (Ex. A, Kumpula Aff. ¶ 4; Compl., Ex. 1.) Under the EA Agreement, the contracts for insurance and the customer and policyholder relationships that EAs create as agents of Allstate remain the property of Allstate. *Id.* Thus, when an EA decides to leave Allstate, the customer relationships remain with Allstate. In exchange, the EA Agreement gives EAs an economic interest in their agencies that EAs can sell to an approved buyer or receive a termination payment from Allstate. (Compl., Ex. 1, § XVI.)

## II. Allstate Agency Voice

In recent years, Allstate and its agents have faced mounting legal challenges associated with evolving regulatory requirements (such as those imposed by the Telephone Consumer Protection Act) and escalating cybersecurity risks and data privacy obligations. (Ex. A, Kumpula Aff. ¶ 6; Ex. B., Blume Aff. ¶ 2; Compl., Ex. 6.) In particular, Allstate faced increased exposure to liability from allegations that EAs violated the Telephone Consumer Protection Act (TCPA) by, among other ways, making telemarketing calls and other electronic communications to potential

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<sup>1</sup> The EA Agreement comprises several documents, including the R3001 Exclusive Agency Agreement (Compl., Ex. 1); the Exclusive Agency Independent Contractor Manual (Compl., Ex. 2); and the Supplement for the R3001 Agreement (Compl., Ex. 3).

customers who appear on a “do not call” registry or who did not give consent to be called using certain telephone equipment. (Ex. B., Blume Aff. ¶¶ 3-4.) Although EAs are obligated under the EA Agreement to indemnify Allstate for liabilities and costs created by their actions and omissions, EAs have no meaningful ability to indemnify Allstate for losses in these areas.

To address these issues, and consistent with its rights under the EA Agreement, Allstate began implementing the Allstate Agency Voice program in 2020. (Ex. A, Kumpula Aff. ¶ 7; Compl. ¶ 44.) AAV is a technology platform designed to provide EAs with state-of-the-art telephony, regulatory compliance features, and enhanced data security, all at a competitive price. (Ex. A, Kumpula Aff. ¶ 8; Compl., Ex. 6.) Among other things, it helps to ensure legal compliance by providing greater safeguards against EAs or their staffs improperly marketing to persons who appear on a “do not call” registry or who have not consented to receive calls. (Ex. A, Kumpula Aff. ¶ 9.) It also provides greater safeguards against EAs or their agents storing customer information improperly. (Ex. A, Kumpula Aff. ¶ 10.)

Allstate went to great lengths to ensure that EAs’ transition to AAV does not unreasonably increase EAs’ costs and is not disruptive to their businesses. Those efforts include:

- conducting extensive research to determine the reasonable cost for telephony systems (Ex. A, Kumpula Aff. ¶ 11(a); Compl., Ex. 6);
- procuring the system at a reduced cost so that EAs’ cost is consistent with similar systems (Ex. A, Kumpula Aff. ¶ 11(b));
- working with EAs to time transitions to AAV so that EAs do not incur cancellation fees from their current providers (and covering those costs

in instances where EAs cannot avoid those costs) (Ex. A, Kumpula Aff. ¶ 11(c); Compl., Ex. 6);

- providing technology allowances to EAs so that they can reduce the cost of any hardware they choose to purchase (Ex. A, Kumpula Aff. ¶ 11(d); Compl., Ex. 6); and
- providing a dedicated support network to assist EAs in their transition to the AAV platform (Ex. A, Kumpula Aff. ¶ 11(e); Compl., Ex. 6).

### III. NAPAA's Motion for Preliminary Injunction

Despite these efforts, NAPAA, an unincorporated association that purports to represent an unspecified number of Allstate EAs, asks this Court to enjoin Allstate from requiring EAs to implement AAV or terminating agents who choose not to do so. In particular, NAPAA argues that the EA Agreement gives EAs a right to “supply and maintain” the telephone system used by their agencies and that, by mandating use of AAV, Allstate is violating EAs’ rights under the EA Agreement. However, even the most cursory review of the contract provision that is the foundation of NAPAA’s argument demonstrates that the provision does not apply here.

The provision of the EA Agreement that NAPAA cites in support of its argument that EAs have the right to “supply and maintain” the telephone system used to handle and submit Allstate business is contained in Section 8 of the Supplement for the R3001 Agreement. The first sentence of that section, entitled “Operating Procedures for Agency Technology,” shows that the provision does not apply here; it states that “[t]his section applies to agencies *using technology supplied by the agency* to conduct Allstate Business.” (Compl., Ex. 3, R3001 Supplement, 32.) (Emphasis added.) The remainder of the section sets forth technology specifications, asset protection,

security, and other standards with which EAs must comply when they are using technology *not supplied by Allstate* to handle Allstate Business.

Even if the Court were to ignore the key first sentence of Section 8 stating that it applies when agencies are using “technology supplied by the agency to conduct Allstate Business,” the remaining provisions of that section of the Supplement establish Allstate’s rights to implement AAV. Specifically, Allstate has the right to establish “Agency Technology Specifications,” which include “security specifications necessary to help protect Allstate information.” (Compl., Ex. 3, R3001 Supplement, 32.) EAs agree that these specifications “may be periodically changed by Allstate in its sole discretion.” (*Id.*) EAs agree that they will carry the costs associated with complying with these requirements. (Compl., Ex. 3, R3001 Supplement, 32 (“With Agency Technology, agencies will be required to supply and maintain at their own expense, the necessary desktop/notebook workstation equipment, desktop/notebook workstation software, broadband internet connectivity and networking, and telephone systems.”))

Other provisions of the EA Agreement also evidence Allstate’s right to implement AAV. Consistent with Allstate’s ownership of the policyholder relationships that EAs handle, the EA Agreement provides that “all telephone numbers used in connection with conducting [Allstate business] are the property of [Allstate].” (Compl., Ex. 1, R3001 § IX.) EAs also agreed that the “Agency will be responsible for the payment of all expenses that it incurs in the performance of this Agreement, including ... telephone ... and all other charges and expenses.” (Compl., Ex. 1, R3001 § VIII)

Furthermore, EAs agreed that Allstate “will furnish the Agency with such signs, forms, manuals, records, and other materials and supplies as the Company deems advisable to assist Agency. All such property and information furnished by the Company will remain the property of the Company. In addition, the Company will offer, at Agency’s expense, such additional materials and supplies as the Company feels may be helpful to the Agency.” (Compl., Ex. 1, R3001 § IV.A.) NAPAA did not cite any of these contract provisions in its motion.

### LEGAL STANDARD

A preliminary injunction “is an extraordinary remedy which is applicable only to situations where an extreme emergency exists and serious harm would result if it is not issued.” *Hartlein v. Illinois Power Co.*, 151 Ill. 2d 142, 157 (1992); *see also Illinois Beta Chapter of Sigma Phi Epsilon Fraternity Alumni Board v. Illinois Institute of Technology*, 409 Ill. App. 3d 228, 231-232 (1st Dist. 2011) (“A preliminary injunction is an extreme remedy to be used only where an emergency exists and serious harm would result if the injunction is not issued”) (cleaned up); *Guns Save Life, Inc. v. Raoul*, 2019 IL App (4th) 190334 ¶ 36 (quoting *Ford Motor Credit Co. v. Cornfield*, 395 Ill. App. 3d 896, 903 (2d Dist. 806 (2009)) (“The grant of a preliminary injunction is an extraordinary remedy, and courts do not favor their issuance.”); *Stenstrom Petroleum Services Group Inc. v. Mesch*, 37 Ill App. 3d 1077, 1089 (2d Dist. 2007) (same). “A party requesting a preliminary injunction must show: (1) that he possesses a clearly ascertainable right or interest which needs protection; (2) that he will suffer irreparable injury without protection; (3) that there is no adequate remedy at law; (4)



that there is a substantial likelihood of success on the merits; and (5) that in absence of preliminary relief, he will suffer greater harm without the injunction than defendant will suffer if it is issued.” *Village of Lake in the Hills v. Laidlaw, Waste Systems, Inc.*, 143 Ill. App. 3d. 285, 291 (2d Dist. 1986). “The failure to establish any one of these elements requires the denial of the preliminary injunction.” *Yellow Cab Co., Inc. v. Production Workers Union of Chicago & Vicinity, Local 707*, 92 Ill. App. 3d 355, 356 (1st Dist. 1980). Because a preliminary injunction “is an extraordinary remedy, [the] complaint must show clearly that the relief sought is warranted. Allegations supporting the claim must be positive, certain, and precise. Mere opinion, conclusion, or belief will not suffice.” *McErlean v. Harvey Area Community Organization*, 9 Ill. App. 3d 527, 529 (1st Dist.1972). If a court determines that injunctive relief may be appropriate, it must then determine whether the balance of hardships weigh in favor of granting the injunction. *Delta Medical Systems. v. Mid-American Medical Systems, Inc.*, 331 Ill. App. 3d 777, 789 (1st Dist. 2002).

## ARGUMENT

### **I. NAPAA has not established that its members have a clearly ascertained right to control Allstate’s phone lines.**

The plain language of a contract governs the parties’ rights and obligations under the agreement. *Air Safety, Inc. v. Teachers Realty Corp.*, 185 Ill. 2d 457, 462 (1999). A court may not read contract provisions in isolation. Rather, the contract must be read as integrated whole, giving effect to all the contract’s provisions. *Kasper v. McGill Management Inc.*, 2019 IL App (1st) 181204 ¶ 39.

**A. Nothing in the EA Agreement supports NAPAA’s argument that EAs have the right to “supply and maintain” the telephone system.**

The provision of the EA Agreement on which NAPAA relies in support of its request for a preliminary injunction is wholly inapplicable to AAV. The EA Agreement does not give EAs the right to “supply and maintain” the telephone system to conduct Allstate business. To the contrary, the “supply and maintain” language applies only when Allstate *does not* provide the resources for EAs to conduct Allstate business. Because Allstate, and not the EA, supplies the telephone system with AAV, the provision on which NAPAA relies is inapplicable. This alone shows that EAs do not have a “clearly ascertained” right to “supply and maintain” the telephone system used for Allstate business, as NAPAA alleges.

**B. The EA Agreement gives Allstate the right to implement AAV.**

By contrast, the EA agreement is clear that Allstate possesses the right to implement AAV. Allstate—not its EAs—owns the phone numbers through which EAs conduct Allstate business and are responsible for paying expenses associated with telephone used in the agency. (Compl., Ex. 1, R3001 §§ IX, VIII.) Furthermore, Allstate has the right to establish technology requirements for safeguarding its customer’s data, protecting its reputation, and ensuring a consistent experience for its customers. (Compl., Ex. 3, R3001 Supplement, 32.) The AAV program falls neatly within these provisions. Thus, NAPAA cannot establish that its members have a clear, ascertainable right in need of protection.

**C. Because the EA Agreement is terminable at will, NAPAA's members are not entitled to injunctive relief.**

What's more, the EA Agreement is terminable at will by either party, so long as it gives proper notice. (Compl., Ex. 1, R3001 § XVII.B.2.)<sup>2</sup> Specifically, the EA Agreement states that the agreement "may be terminated" by "either party, with or without cause, upon providing ninety (90) days prior written notice to the other, or such greater number of days as required by law." *Id.* Thus, it would be improper to grant injunctive relief preventing Allstate from terminating the agreement. *Gage v. Village of Wilmette*, 315 Ill. 328 (1924); *S. & F. Corp. v. American Express Co.*, 60 Ill. App. 3d 824, 829-30 (1st Dist. 1978) ("[A]n injunction will not be granted to restrain a party from discontinuing performance under an executory contract which is terminable at will."); *Alderman Drugs v. Metropolitan Life Ins. Co.*, 161 Ill. App. 3d 783, 790-791 (1987).

EAs, and NAPAA as a purported representative of EAs, have no ascertainable right to maintain their contractual, at-will relationship with Allstate. Accordingly, NAPAA's motion seeking to enjoin Allstate from terminating EAs who choose not to implement the AAV technology should be denied.

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<sup>2</sup> A contract is considered "terminable at will" when either party can terminate it with or without case. The fact that a contract, like the one at issue here, requires notice before termination does not alter the fact that it is terminable at will. *See S. & F. Corp. v. American Express Co.*, 60 Ill. App. 3d 824, 829-30 (1st Dist. 1978) (holding that a contract with a six-month termination notice period was terminable at will); *Alderman Drugs v. Metropolitan Life Ins. Co.*, 161 Ill. App. 3d 783, 790-791 (1987) (holding that a contract with a 30-day termination notice period was terminable at will).

**II. There is no reasonable likelihood that NAPAA’s underlying claim will succeed.**

For all the reasons noted above, injunctive relief also is unavailable because NAPAA cannot establish a reasonable likelihood that it would prevail on the merits of its claim.

Breach is an essential element of any contract claim. *McCleary v. Wells Fargo Securities, L.L.C.*, 2015 IL App (1st) 141287, ¶ 19; *Batson v. Oak Tree, Ltd.*, 2013 IL App (1st) 123071, ¶ 35. Not only can NAPAA not show a breach by any provision by Allstate, it cannot refute Allstate’s showing that the terms of the EA Agreement give Allstate the right to implement AAV. Because NAPAA cannot establish that the AAV program breaches the contract, there is no substantial likelihood that NAPAA would succeed on its underlying claim.

**III. NAPAA has not shown that implementation of the AAV program will cause irreparable harm to NAPAA members.**

Because the EA Agreement is terminable at will, whether NAPAA members would suffer irreparable harm if Allstate were to terminate their contracts is immaterial to the Court’s analysis. *S.& F. Corp.*, 60 Ill. App. 3d at 829 (“Irreparable harm ... is insufficient to prevent the otherwise lawful termination of a contract.”) (cleaned up). Even so, NAPAA has failed to establish that its members will suffer irreparable harm because of Allstate’s implementation of the AAV program.

**A. NAPAA’s speculative claims are not sufficient to establish irreparable harm.**

NAPAA claims the AAV program harms its members in two ways: (1) it increases the costs of running their business and (2) it puts them at risk of being terminated

because Allstate does not provide sufficient guidance and support for their transition to AAV. (Compl., ¶ 55.) These assertions are, at best, speculative.

NAPAA's claim that Allstate does not provide guidance and support is asserted "on information and belief." (Compl., ¶ 54; Motion, pp. 4, 8.) Its claim that AAV is materially more expensive for EAs than comparable options is also devoid of factual support. For these reasons alone, NAPAA's allegations are insufficient to warrant injunctive relief. *See Illinois Beta Chapter of Sigma Phi Epsilon Fraternity Alumni Board*, 409 Ill. App. 3d at 232-33 (holding that the trial court improperly issued a preliminary injunction where the alleged injury was speculative and the moving party supplied little more than anecdotal evidence that some harm might occur); *Maas v. Cohen Associates, Inc.*, 112 Ill. App. 3d 191 (1st Dist. 1983) (assertions based on "information and belief" are insufficient to support a petition for injunctive relief). And even if there were substance to NAPAA's bald assertions, inconvenience or expenditure of money, time, or energy necessary to implement AAV does not rise to the level of harm necessary to warrant injunctive relief.

**B. If NAPAA members are terminated because they choose not to implement AAV, their losses will be self-inflicted.**

Allstate designed AAV to benefit Allstate, its agents, and its customers. Importantly, Allstate designed AAV with the intention of providing its agents with cutting-edge technology that not only provides them with a more flexible work environment, but also mitigates risk associated with operating their businesses and provides features that can help agencies enhance their productivity and service to Allstate customers. It is entirely possible that some NAPAA members will choose not

to adopt AAV. In doing so, they will be making a choice that they no longer wish to be affiliated with Allstate. Such self-inflicted injuries are insufficient to establish the type of irreparable harm required for a court to issue an injunction. *See, e.g., DISH Network LLC v. Cox Media Grp., LLC*, No. 20 C 570, 2020 WL 4053604, at \*7 (N.D. Ill. July 20, 2020); *CF Entm't, Inc. v. Nielsen Co. (US), LLC*, No. 20-CV-2393, 2020 WL 3892988 (N.D. Ill. July 10, 2020).

**IV. NAPAA members have adequate legal remedies for any supposed breach of the EA Agreement caused by implementation of AAV.**

Distilled to its essence, NAPAA's argument is simply this: despite the contract's express provisions establishing Allstate's right to implement AAV, its members should not be required to incur any incremental cost that might potentially be associated with adopting AAV. But whatever those supposed costs might be, they would be determinable and compensable by money damages if this Court were to determine that Allstate breached the contract by implementing the AAV program. Thus, NAPAA has not carried its burden of establishing that there is no adequate legal remedy available to its members. *See Illinois Beta Chapter of Sigma Phi Epsilon Fraternity Alumni Board*, 409 Ill. App. 3d at 232 ("Illinois courts have consistently held that money damages are the appropriate remedy for breach of contract.")

**V. The balance of hardships weighs in Allstate's favor.**

The purpose of a preliminary injunction is "to preserve the status quo pending a hearing on the merits of a case." *Stenstrom Petroleum Services Group*, 37 Ill App. 3d at 1089. But the injunction NAPAA seeks would not maintain the status quo—it would radically alter it.

As it stands, either party may terminate the EA Agreement for any reason, so long as it gives adequate notice to the other. If this Court grants NAPAA's motion, that would no longer be the case. The effect of such an injunction would be a rewriting of the contract in favor of NAPAA's members. Such a result would be inappropriate and unfair to Allstate because it would materially alter the terms of the contract. *See, e.g., S. & F. Corp.*, 60 Ill. App. 3d at 830 (holding that enjoining a party from exercising its right to terminate a contract constitutes a judicial revision of the contract that frustrates the parties' intentions); *Alderman Drugs*, 161 Ill. App. 3d at 790-791 (holding that, because business factors may change during the course of performance, mutual termination at will clauses are essential for the protection of all parties to an agreement and may not be disregarded).

Allstate's interest in implementing the AAV program is substantial. For example, its exposure to liability from allegations that EAs' have violated the Telephone Consumer Protection Act has increased significantly. Likewise, its exposure to liability for cybersecurity breaches has increased dramatically. At the same time, EAs have no meaningful ability to indemnify Allstate for such losses. AAV mitigates these risks consistent with Allstate's rights under the contract between it and its EAs.

By comparison, NAPAA members face no material risk of harm from the move to AAV. At most, they may experience incremental expenses while transitioning to AAV. But even then, Allstate reduces the cost to minimize any potential impact on EAs' businesses. Thus, the equities weigh in Allstate's favor and against issuing the requested injunction. *See, e.g., Alderman Drugs*, 161 Ill. App. 3d at 790-791.

## CONCLUSION

For the foregoing reasons, Allstate respectfully requests that this Court deny NAPAA's request for a preliminary injunction. Allstate further requests such other relief as this court deems just and appropriate.

Dated: October 25, 2021

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I certify that the foregoing document was filed on October 25, 2021, using the court's electronic filing system, which will send notice of the filing to all counsel of record.

/s/ Joshua D. Lee\_\_\_\_\_

# EXHIBIT A

**IN THE CIRCUIT COURT FOR COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION**

National Association of Professional  
Allstate Agents, Inc., et al.

Plaintiffs,

v.

Allstate Insurance Company, et al.

Defendant.

Case No. 21-L-7947

**AFFIDAVIT OF PATRICIA KUMPULA**

I, Patricia Kumpula, declare:

1. For the last 31 years I have been employed by Allstate Insurance Company (“Allstate”). I am currently Allstate’s Vice President of Allstate Technology, Services, & Ventures. From my work in that role, I am familiar with the following facts:

2. Allstate Exclusive Agents (“EAs”) are independent contractors of Allstate.

3. Allstate EAs operate throughout the country and are authorized by Allstate to market, offer, and bind insurance policies on Allstate’s behalf.

4. EAs are exclusive to Allstate in that they work only with products available through Allstate or those offered by other carriers that Allstate specifically authorizes.

5. The relationship between Allstate and EAs is governed by a contract (the “EA Agreement”) that outlines the parties’ respective rights and responsibilities.

6. In recent years, Allstate and EAs have faced mounting legal challenges associated with evolving regulatory requirements (such as those imposed by the Telephone Consumer Protection Act) and escalating cybersecurity risks and data privacy obligations.

7. To address these issues, and consistent with its rights under the EA Agreement, Allstate began implementing a program called “Allstate Agency Voice” (“AAV”) in 2020.

8. AAV is a technology platform developed to provide EAs with state-of-the-art telephony, regulatory compliance features, and enhanced data security, all at a competitive price.

9. AAV helps to ensure legal compliance by ensuring that EAs or their staffs do not improperly market to persons on a “do not call” registry or who have not consented to receive calls.

10. AAV also helps to ensure that Allstate customer information is stored properly.

11. As part of the development and implementation of the AAV program, Allstate has taken the following measures to ensure that the EAs’ transition to AAV does not unreasonably increase EAs’ costs and is not disruptive to their businesses:

- (a) conducting extensive research to determine a reasonable cost for telephony systems;
- (b) procuring the system at a reduced cost so that EAs’ cost is comparable to offerings from other providers;
- (c) working with EAs to time transitions to AAV so that EAs do not incur cancellation fees from their current providers (and covering those costs in instances where EAs cannot avoid them);

- (d) providing technology allowances to EAs so that they can reduce the cost of any hardware they choose to purchase; and
- (e) providing a dedicated support network to assist EAs in their transition to the AAV platform.

12. On average, EAs using AAV should experience a 20% reduction in cost from plans offered by other providers. But other providers' plans do not offer the legal compliance and data security components standard with AAV.

13. Between March and May 2020, there were eight incidents where a limited number of AAV users experienced intermittent, sporadic disruptions in service. The impact was limited, and, in each instance, the disruptions were resolved in less than three hours. Not all these disruptions affected AAV users' ability to make or receive calls. Rather, most of the incidents related to the availability of features like caller ID.

14. Benefits of the AAV system were demonstrated recently during Hurricane Ida, when calls to agencies using AAV, whose offices were otherwise unable to answer those calls due to the hurricane, were automatically forwarded to Allstate's call center for uninterrupted service. By contrast, customers calling other agencies that had not yet transitioned to the AAV system and that had not forwarded their non-AAV systems to the call center suffered service disruption. Those customer calls were not automatically forwarded at a time when the needed service may have been more critical to those Allstate customers.

*Patricia Kumpula*

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, I certify that the statements set forth in this declaration are true and correct.

# EXHIBIT B

IN THE CIRCUIT COURT FOR COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION

National Association of Professional Allstate  
Agents, Inc., et al.

Plaintiffs,

v.

Allstate Insurance Company, et al.

Defendant.

Case No. 21-L-7947

AFFIDAVIT OF BRIAN BLUME

I, Brian Blume, declare:

1. For the last 34 years I have been employed by Allstate Insurance Company ("Allstate"). I am currently Allstate's Marketing Director. From my work in that role, I am familiar with the following facts:

2. Over the last several years, Allstate and its agents have faced mounting legal challenges associated with evolving regulatory requirements.

3. In particular, Allstate has faced increased exposure to liability from allegations that Allstate agents have violated the Telephone Consumer Protection Act (TCPA) by, among other ways, making telemarketing calls and other electronic communications to potential customers on a "do not call" registry, without prior express written consent.

4. Allstate has spent more than \$16 million dollars to settle TCPA class action lawsuits.





Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, I certify that the statements set forth in this declaration are true and correct.