

**NEW JERSEY STATE POLICEMEN'S BENEVOLENT ASSOCIATION, INC.**

**LEGAL PROTECTION PLAN**

**I. INTRODUCTION**

A. The New Jersey State PBA Legal Protection Plan ("LPP") is a member-funded benefit sponsored by the New Jersey State PBA ("PBA") solely for its members. The LPP provides for the cost of legal defense and related expenses in criminal, civil and administrative proceedings of PBA members who choose to participate in the Plan. The LPP is operated pursuant to rules and conditions promulgated by the PBA and its appropriate officials. The cost for participation is \$132, and no deductible by members is required. Coverage under the LPP is not effective until the member's Delegate transmits the member's payment to the LPP.

B. The LPP Program provides reimbursement for "Legal Defense Costs" which arise from a matter occurring while the member is enrolled in the LPP Program, and only applies to claims that are first made during the Policy Period. The action or proceeding resulting in "Legal Defense Costs" must have occurred on or after the member's Retroactive Date, if any, and must arise out of the performance of the participant's law enforcement duties during the term of the member's policy period.

C. A "claim" by a member for reimbursement under the LPP will be deemed to have been made when notice of such claim is received and recorded by the member's local, or by Protection Management Company, whichever comes first.

**II. DEFINITIONS**

A. The "LPP" whenever used, shall mean the New Jersey State Policemen's Benevolent Association, Inc. Legal Protection Plan.

B. "Member" whenever used shall mean a person who is a licensed or certified peace officer and a member of the PBA who has paid the annual fee required for this member benefit. "Member" includes members covered under an expired policy who reapply within thirty (30) days after the inception of this policy.

C. "Legal Defense Costs", whenever used, shall include:

1. All expenses incurred and all costs taxed against the member in any action or proceeding as described in Members Benefits Sections A, B and C, and which do not exceed the stated limits, and

2. Premiums on appeal bonds required in any such action or proceeding.

D. "Aggregate Limit", whenever used, shall mean the total payment allowable under the plan for the plan period, inclusive of costs, expenses, and attorneys fees;

E. "Per Claim Limit", whenever used, shall mean the total payments to be made by the LPP for a claim, inclusive of costs, expenses and attorneys fees;

F. "Basic Extended Reporting Period", whenever used, shall mean a period of 120 days beyond the expiration of coverage for a Policy Period;

G. "Supplemental Coverage Program", whenever used, shall mean a LPP program for additional coverage beyond that otherwise provided in the LPP pursuant to the provisions of Article VIII herein;

H. "Policy Period", whenever used, shall mean a period of 365 continuous days, or any applicable portion thereof, following the first date of enrollment;

I. “Retroactive Date”, whenever used, shall mean the date upon which the member shall be deemed to have coverage under the LPP Program.

### III. STATEMENT OF MEMBER BENEFITS

#### Reimbursement of “Legal Defense Costs”

1. The LPP will pay the “legal defense costs” incurred by a member which are reasonable and necessary and which the member is legally obligated to pay for the defense of any action brought against the member arising out of the following activities:

a) Disciplinary & Administrative Proceedings

Any administrative action or proceeding involving dismissal, suspension, demotion, loss or reduction of salary, change of assignment, or other professional rights, duties or responsibilities involving the issuance, suspension, cancellation or revocation of any credential, certification, or license issued by federal, state or local authorities, which credential is required for law enforcement personnel; or involving administrative sanctions against a member by any law enforcement authority related to or arising from a member’s employment as a peace officer.

**The LPP will provide reimbursement of legal defense costs and expenses for the above proceedings up to a maximum of \$20,000.**

b) Civil or Criminal Proceedings

Any criminal or civil action or proceeding against a member arising out of the activities of a member as a peace officer, and arising from, relating to, or otherwise occurring in the course and scope of employment; the LPP will also pay the premium for bail bonds required of the member arising out of the activities of the member’s professional capacity, in the course and scope of employment, as hereinafter defined, not to exceed \$1,000 per bail bond, but without obligation to apply for or furnish such bond.

Reimbursement for legal defense costs and expenses for civil and criminal proceedings shall only be made by the LPP after the member seeks coverage of same from his employer or other available sources, and rejection of same is received by the member.

Effective March 15, 2006, the LPP shall provide additional coverage to a

covered member in an aggregate amount up to \$40,000 for any civil or criminal matter involving a successor trial resulting from a hung jury; a successor civil or criminal, state or federal proceeding resulting from the same or similar charges previously adjudicated; or a successful civil or criminal proceeding resulting in a mistrial.

Notwithstanding any other provision to the contrary, legal defense costs for a successor proceeding resulting from a hung jury pursuant to this provision shall be paid retroactive to March 1, 2003 or thereafter at the then applicable coverage.

**The LPP will provide reimbursement of legal defense costs and expenses for the above proceedings up to a maximum of \$40,000.**

c) Target of a Criminal Investigation

The LPP will reimburse a member who is a “target” of a criminal investigation arising out of the scope of the member’s duties as a peace officer.

**The LPP will provide reimbursement of legal defense costs and expenses for the above proceedings up to a maximum of \$2,500.**

#### IV. ATTORNEYS

The LPP shall maintain a list of attorneys who may be selected by the member to provide necessary legal defense. No attorney is obligated to accept a case and the member agrees to cooperate with any attorney so selected. The member may choose to change attorneys in the course of representation upon request to the LPP, which shall not unreasonably be denied.

The LPP retains sole authority to select, appoint and terminate attorneys participating in the Plan, and to determine the terms of their retention. Attorneys shall be included in the LPP upon demonstration of experience and/or expertise in the representation of law enforcement officers. The LPP shall entertain requests by members for the addition or deletion of attorneys to the Plan.

## V. EXCLUSIONS

### **The LPP does not provide coverage for:**

- A. Activities of the member not carried on, or arising from, the member's professional activities in the course and scope of employment as a peace officer, and which involve a civil or criminal claim.
  
- B. Activities of the member carried on in a private security related business or professional endeavor.
  
- C. Obligations for which the member or any carrier may be liable under Worker's Compensation, Unemployment, Disability benefits or similar laws.
  
- D. Activities of any member while acting as an elected or appointed member of any peer review process or similarity constituted body.
  
- E. Any written or oral reprimand, counseling letter, or any other action that does not involve loss of salary, rank, or time.
  
- F. Any member found to also be a member of any other organization or union that serves as a bargaining representative for law enforcement officers.
  
- G. Claims which a member knew or reasonably should have known might exist at the time of his/her initial participation in the LPP.
  
- H. Dismissals during or at the conclusion of a probationary employment period.

## VI. OTHER CONDITIONS

- A. Limits of Coverage

1. Under Member Benefits A, B and C:

a) The Aggregate Limit is the most the LPP will pay.

b) Subject to (a) above, the Per Claim Limit is the most the LPP will pay for all “legal defense costs” covered by the Plan

c) Subject to (b) above, the Bail Bond Limit is the most the LPP will pay under the Plan.

B. Notice of Event Warranting LPP Coverage

Whenever a member participating in the LPP asserts that an event or occurrence has occurred warranting LPP coverage, written notice in a manner required by the LPP shall be given by or on behalf of the member to the LPP as soon as practicable. Such notice shall contain particulars sufficient to identify the member and also other information describing the time, place and circumstances of the occurrence.

Members must confirm that efforts to resolve the matter were initiated but were unsuccessful.

C. Assistance and Cooperation of the Member

The Member shall cooperate with the LPP toward the resolution of any claim.

D. Insurance or Other Sources of Coverage

If any valid and collectible insurance or coverage is available to the member for reimbursement of legal defense costs as defined herein, the LPP shall not apply. These sources include, but are not limited to, insurance coverage or benefits provided by other groups or associations, insurance coverage or benefits provided

by self-insurance, trusts, pools, risk retention groups, captive insurance companies, or any other insurance plan or agreement of risk assumption.

#### E. Subrogation

The LPP is funded by fees paid by its participating members. In order to keep costs as low as possible, the LPP shall be subrogated to all the member's right of recovery against any person, agency, organization, political subdivision, or any other entity for costs incurred herein and the member and his attorney shall cooperate with the LPP to do whatever else is necessary to secure such rights.

#### F. Reservation

The LPP reserves the right to amend or modify any provision of the foregoing if it believes it is in the best interests of the Plan and participating members.

### VII. APPEALS

Any member contesting a denial of coverage under this Plan or the member benefits contained herein may submit a request for review by the LPP Committee. The member shall provide a written explanation of the reason why denial of benefits under the LPP was improper.

Admission to and exhaustion of this procedure is a prerequisite to any suit contesting member benefits provided herein.

## VII. CANCELLATION/TERMINATION OF LPP

1. Participation in this program may be canceled by the member for any reason by surrender thereof to the LPP or by mailing to the LPP written notice, by certified mail, return receipt requested, stating when thereafter the cancellation shall be effective. The LPP reserves the right to terminate, amend or modify the Plan at any time, upon 60 days' notice to the affected members.

If a member cancels participation, the LPP shall provide a pro rata credit to the Local Association in the following circumstances:

a) Retirees: When a member retires that local will be able to receive an \$11 credit per month, providing that at least three (3) months remain until the end of the Policy Period. No credits will be issued if there is less than 3 months remaining in the Policy Period. Furthermore, these credits will expire 12 months from the next Policy Period.

b) All Other Active Members: A Local Association is permitted to exchange membership for a member during the Policy Period provided that they pay an administrative charge of \$1 per month per member. If that member has already incurred LPP costs in the same Policy Period, they will not be eligible to participate in the exchange.

2. The LPP provides a Basic Extended Reporting Period without additional charge.

a) This period starts with the end of the policy period and lasts for One hundred twenty (120) days.

b) The Basic Extended Report Period does not apply to claims that are covered under any subsequent insurance purchased by the member, or that would be covered but for exhaustion of the amount of the fund applicable to such claims, or for any member found to be a member of any other organization or union that serves as a bargaining representative for law enforcement officers.

3. The LPP shall offer a Supplemental Coverage Program that starts with the end of the Policy Period and lasts for five years for any claim made following a covered member's retirement, disability, or death, for any occurrence arising during a covered member's active employment, provided that the Supplemental Coverage Program is purchased by a covered member, at the then current cost of basic LPP coverage, within 120 days of the conditions referenced herein.