

LAW ENFORCEMENT OFFICERS SAFETY ACT (LEOSA) PERSONAL LIABILITY INSURANCE FOR RETIRED LAW ENFORCEMENT OFFICERS FOR DEFENSE EXPENSES ONLY

*This insurance is written by certain Underwriters at Lloyd's, London ("Underwriters" or the "Insurer") and applies only to claims that are made and reported to Underwriters during the Policy Period, as outlined herein. Various provisions in this policy restrict coverage. Please read the entire policy carefully to understand your rights, duties, and what is and is not covered. Certain words and phrases that appear in bold have special meanings (refer to **Section II – Definitions**).*

I COVERAGE

1. INSURING AGREEMENT

- a. The Insurer will pay on behalf of the **Insured** all sums in excess of the Deductible that the **Insured** becomes legally obligated to pay as **Defense Expenses** because of a **Civil Claim** first made and reported during the Policy Period for **Bodily Injury** or **Property Damage** that the **Insured** actually or allegedly causes in the **Coverage Territory** while engaged in a **Self Defense Act** which first occurs on or subsequent to the Retroactive Date. The Insurer will have the right and duty to defend the **Insured** against any such **Civil Claim**, including the right to appoint counsel and effectuate settlement. The **Insurer** has no obligation to pay or reimburse the **Insured** for any **Damages** resulting from a **Civil Claim**.
- b. The Insurer shall have no duty to defend the **Insured** or obligation to pay or reimburse the **Insured** for any **Damages** resulting from a **Criminal Claim**. However, if such **Criminal Claim** is first made and reported during the Policy Period and is for **Bodily Injury** or **Property Damage** that the **Insured** actually or allegedly causes in the **Coverage Territory** while engaged in a **Self Defense Act** which first occurs on or subsequent to the Retroactive Date, and if the **Insured** pleads "not guilty" to such **Criminal Claim** and is ultimately acquitted of all charges, the Insurer will be obligated to reimburse the **Insured** for reasonable and approved **Defense Expenses** that are in excess of the Deductible in an amount not to exceed \$50,000.
- c. In the event of a **Criminal Arrest** of the **Insured**, and upon confirmation that the **Insured** has tendered its Deductible, the Insurer will provide a monetary advance not to exceed \$5,000 for the **Insured's** criminal defense if such **Criminal Arrest** first occurs and is reported during the **Policy Period** and is for **Bodily Injury** or **Property Damage** that the **Insured** actually or allegedly causes in the **Coverage Territory** while engaged in a **Self Defense Act** which first occurs on or subsequent to the Retroactive Date.

2. EXCLUSIONS

This insurance does not apply to:

- a. **Bodily Injury** or **Property Damage** intentionally caused

by or at the **Insured's** direction. However, this exclusion does not apply to **Bodily Injury** or **Property Damage** resulting from a **Self Defense Act**.

- b. **Bodily Injury** or **Property Damage** for which the **Insured** is obligated to pay by reason of the assumption of liability in a contract or agreement. However, this exclusion does not apply to **Bodily Injury** or **Property Damage** attributable to the **Insured** in the absence of such agreement.
- c. **Bodily Injury** or **Property Damage** based on, related to, or arising out of war (whether declared or undeclared), domestic or foreign terrorism, warlike action by a military force, insurrection, rebellion, revolution, usurped power, or related action;
- d. **Property Damage** to any property that is owned, rented, loaned, occupied, sold, given away, or abandoned by the **Insured**, including, but not limited to any amounts incurred by the **Insured** or other person or entity for repair, replacement, enhancement, restoration, or maintenance of such real or personal property for any reason, including, but not limited to the prevention of injury a person or damage to another's property;
- e. **Bodily Injury** or **Property Damage** caused by any person, including residents and occupants of the **Insured's** household, other than the **Insured**, including, but not limited to negligent actions of any person, including residents and occupants of the **Insured's** residence for whom the **Insured** may be legally liable, other than the **Insured**;
- f. **Bodily Injury** or **Property Damage** claimed by the **Insured's** spouse, child, or other permanent or temporary resident or occupant of the **Insured's** residence;
- g. an **Administrative Claim**;
- h. **Bodily Injury** or **Property Damage** based on, related to, or arising out of the **Insured's** employment, occupation, profession, trade or work. This exclusion applies to the **Insured's** actual or alleged rendering of or failure to render any professional services, whether performed for or without compensation, including, but not limited any services rendered as a private security guard or neighborhood watch agent;
- i. **Bodily Injury** or **Property Damage** actually or allegedly

- caused by the **Insured** on the real property of a private person who or private entity which prohibits or restricts the possession of concealed firearms on that property;
- j. **Bodily Injury or Property Damage** actually or allegedly caused by the **Insured** on any state or local government property, installation, building, base, or park;
 - k. **Bodily Injury or Property Damage** actually or allegedly caused by the **Insured** if the **Insured** is prohibited by federal law from owning, possessing, or receiving a **Firearm**;
 - l. **Bodily Injury or Property Damage** caused by the **Insured** if, at the time of the **Bodily Injury or Property Damage**, the **Insured** is on mandatory or voluntary permanent or temporary disability by the **Insured's** employer due to mental or psychological illness;
 - m. **Bodily Injury or Property Damage** based on, related to, or arising out of any actual or alleged criminal act or attempted criminal act by the **Insured**, regardless of whether such **Bodily Injury or Property Damage** was an intended or foreseen result of such alleged criminal act or attempted criminal act;
 - n. **Bodily Injury or Property Damage** based on, related to, or arising out of the use or attempted use of any toy gun or paint gun by the **Insured**;
 - o. **Bodily Injury or Property Damage** actually or alleged caused by the **Insured** while under the influence of any alcohol or intoxicating or hallucinatory drug or substance.

8. **Defense Expenses** means fees and costs resulting from the investigation, defense, or appeal of a **Civil Claim** or **Criminal Claim** against or **Criminal Arrest** of the **Insured**, or proceeding in connection therewith, including, but not limited to premium for any appeal bond, but without obligation of Underwriters to apply for or furnish such bond.

Defense Expenses does include any bail or bond payment to secure the **Insured's** release from incarceration, and Underwriters shall have no duty to pay any such amounts, but may do so at their election;

9. **Firearm** means a rifle, pistol, or other portable gun or weapon, other than a fully automatic weapon, that is possessed by the **Insured** in accordance with any applicable local, state, or federal laws of the state or jurisdiction where the **Bodily Injury or Property Damage** occurs;

Firearm does not include the use of any machinegun, firearm silencer, or destructive device, silencer, antique firearm, or destructive device, as those terms are defined by federal law.

10. **Insured** means the individual defined in **Item 1.** of the Declarations, and includes the estate, heirs, executors, administrators, and legal representatives of the **Insured** in the event of the **Insured's** death, disability, incapacity, insolvency, or bankruptcy, but only to the extent that the **Insured** would have otherwise been entitled to coverage under the policy.

As a precondition to coverage, the **Insured** must qualify as a "qualified retired law enforcement officer," as those terms are defined by the Law Enforcement Officers Safety Act of 2004, as amended by the Law Enforcement Officers Safety Act Improvements Act of 2010, at the time of any **Self Defense Act**;

Insured does not include any company or entity of which the **Insured** is, was, or hereafter becomes a partner, principal, officer, director, member, or employee, regardless of whether the **Insured** was acting on that entity's behalf. Underwriters will have no duty to defend such entity, but have the right to do so at their election;

11. **Limit of Liability** means the amount defined in **Item 3.** of the Declarations, and constitutes the maximum aggregate amount that Underwriters are obligated to pay under the policy, regardless of the number of claims that occur during the Policy Period. Underwriters' payment of the full applicable **Limit of Liability** ends Underwriters' duty to defend or settle any Insured, regardless of whether the payment of the full applicable **Limit of Liability** resolves any pending claims;
12. **Property Damage** means damage to or destruction of any real or personal property, including, but not limited to all resulting loss of use of that property;
13. **Self Defense Act** means defending the **Insured's** own person, other persons who are threatened, or the **Insured's** own property via the actual or threatened use of a **Firearm** against another.

II DEFINITIONS

1. **Administrative Claim** means any investigation or proceeding that is conducted by any non-judicial governmental office, legislature, entity, board, commission, or agency and is based on, related to, arising out of the **Insured's** employment.
2. **Bodily Injury** means injury to the body, sickness, or disease sustained by any person, including, but not limited to death, mental injury, or emotional distress;
3. **Civil Claim** means a demand received by the **Insured** for money or services, including, but not limited to the service of civil suit or institution of arbitration proceedings against the **Insured**;
4. **Coverage Territory** means the United States of America and its territories and Canada;
5. **Criminal Arrest** means the custodial deprivation of liberty of the **Insured** by law enforcement;
6. **Criminal Claim** means a formal accusation by a federal or state governmental authority asserting that the **Insured** has committed a crime, including, but not limited to the issuance of a complaint or indictment, as well as grand jury proceedings;
7. **Damages** means a monetary judgment, award, or settlement, including, but not limited to punitive or exemplary damages, fines, sanctions, or statutory penalties based upon legal fees;

III CONDITIONS

1. OTHER INSURANCE

This insurance shall apply in excess of any other valid and collectible insurance available to the **Insured**, unless such other insurance is written only as specific excess insurance over the Limits of Liability of this policy.

2. NOTICE OF CLAIM OR CIRCUMSTANCE THAT MAY LEAD TO CLAIM

a. If any **Civil Claim, Criminal Claim, or Criminal Arrest** is made against the **Insured** during the **Policy Period** or any applicable Extended Reporting Period, the Insured shall immediately forward to Underwriters, through persons named in **Item 7.** of the Declarations, every demand, notice, summons, or other process received by him or his representative.

b. If, during the **Policy Period**, the **Insured** first becomes aware of a **Self Defense Act** that could reasonably form the basis of a **Civil Claim, Criminal Claim, or Criminal Arrest**, and the **Insured** gives immediate written notice to Underwriters through persons named in **Item 7.** of the Declarations during the **Policy Period** of:

- 1) the specific **Self Defense Act**; and
- 2) the **Bodily Injury or Property Damage** that may result or has resulted from the **Self Defense Act**,

then any such **Civil Claim, Criminal Claim, or Criminal Arrest** that arises out of such **Self Defense Act** and that is subsequently made against the **Insured** and reported to Underwriters pursuant to **Item 7.** of the Declarations shall be deemed to have been made against the **Insured** at the time such notice was given to Underwriters.

c. Any and all submissions for coverage under the policy by the **Insured** based on, related to, or arising out of the same **Self Defense Act** shall be deemed to be a single claim. Any such submission shall be deemed to have been made at such time as the **Insured** first becomes aware of the first such **Civil Claim, Criminal Claim, or Criminal Arrest** occurs, and shall be deemed to have been reported at such time as the first **Civil Claim, Criminal Claim, or Criminal Arrest** is first reported to Underwriters in accordance with **Item 7.** of the Declarations.

d. If the **Insured** reports any claim under this policy knowing such claim to be false or fraudulent, this policy shall become null and void and all coverage hereunder shall be forfeited.

3. ASSISTANCE AND COOPERATION OF THE INSURED

The **Insured** shall cooperate with Underwriters in all investigations, including investigations regarding the application for and coverage under this policy. Upon Underwriters' request, the **Insured** shall submit to examination and interrogation by a representative of Underwriters, under oath if required.

The **Insured** shall attend all hearings, depositions, and trials, if requested by Underwriters, and shall assist in securing and giving evidence and obtaining the attendance of witnesses, all without charge to Underwriters. The **Insured** shall further assist in effecting settlements, in the conduct of suits, and in enforcing any right of contribution, apportionment, or indemnity against any person who or organization that may be liable to the **Insured** because of acts, errors, or omissions with respect to which insurance is afforded under this Policy.

If the **Insured** refuses to consent to a settlement or compromise recommended by Underwriters and elects to contest or continue to contest the claim, Underwriters' defense obligation from that point forward shall be limited to the amount of the settlement demand refused by the **Insured**.

The **Insured** shall not, except at his own cost, admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award, or otherwise dispose of any claim without the written consent of Underwriters.

4. ACTION AGAINST UNDERWRITERS

No action shall lie against Underwriters unless, as a condition precedent thereto, there shall have been full compliance with all terms of this policy, nor until the amount of the **Insured's Defense Expenses** have been fully and finally determined, either by judicial determination or by written agreement of the **Insured** and Underwriters.

No person or organization shall have any right under this policy to join Underwriters as a party to an action or other proceeding against the **Insured** to determine the **Insured's** liability, nor shall Underwriters be impleaded by the **Insured** or the **Insured's** legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve Underwriters of any of their obligations hereunder.

5. SUBROGATION

In the event of any payment under this Policy, Underwriters shall be subrogated to all the **Insured's** rights of recovery against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after the payment of **Damages or Defense Expenses** by Underwriters to prejudice such rights.

Underwriters shall also have the right to file a declaratory judgment action or claim for subrogation or contribution against any **Insured** to have Underwriters' rights and duties under the policy determined or to recoup any monies paid on the **Insured's** behalf, to the extent that such monies are ultimately advanced, and to the extent the **Insured** is not entitled to said sums pursuant to the terms and conditions of the Policy.

6. CANCELLATION

This policy may be cancelled by the **Insured** by surrender thereof to Underwriters or by mailing to Underwriters written notice stating when thereafter the cancellation shall be effective.

This insurance may be cancelled by Underwriters by mailing to the **Insured** at the address shown in **Item 1.** of the Declarations written notice stating when not less than 60 days thereafter such cancellation shall be effective. However, if Underwriters cancel this insurance because the **Insured** has failed to pay a premium when due, this insurance may be cancelled by Underwriters by mailing a written notice of cancellation to the **Insured** at the address shown in the Declarations stating when not less than 10 days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period.** Delivery (where permitted by law) of such written notice either by the **Insured** or by Underwriters shall be equivalent to mailing.

7. SERVICE OF SUIT

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due under this policy, Underwriters hereon, at the request of the **Insured,** will submit to the jurisdiction of a Court of competent jurisdiction within the United States. This Condition does not constitute and should not be understood to constitute an agreement by Underwriters that an action is properly maintained in a specific forum, nor may it be construed as a waiver of Underwriters' right to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the Underwriters' representative designated in **Item 7.** of the Declarations.

SPECIMEN