



KEENAN & ASSOCIATES, INC.

ADMINISTRATORS for the FRATERNAL ORDER OF POLICE-LEGAL PLAN, INC.

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Cara Webb
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November 21, 2006

TO: ALL PLAN ATTORNEYS
FROM: Cara Webb
RE: LEOSA (Law Enforcement Officers Safety Act) --- HR218

Dear Attorneys:

Effective September 1, 2006, the Fraternal Order of Police has added a new Plan for the members of the FOP. The LEOSA (H.R. 218) Plan is established and operated by Legal Plan, Inc. as sponsor for the purpose of paying Legal Defense Costs for covered LEOSA claims, on the terms and conditions specified (LEOSA Coverage Only). ***This is separate from the Legal Defense Plan already in place.***

All active and retired FOP members in good standing are eligible to participate in the LEOSA Plan and receive benefits; provided that, only persons who fully satisfy all LEOSA requirements for "qualified law enforcement officers" or "qualified retired law enforcement officers" are eligible to participate and receive benefits. Eligibility must exist on the date of any occurrence giving rise to a claim in order to qualify for benefits. The Administrators shall make reasonable efforts to ensure that all Participants are active or retired FOP members and otherwise eligible before enrolling them or paying benefits. **(For ACTIVE members HR218 is automatically covered. LEOSA is for RETIRED members.)**

Subject to the exclusions, applicable limits of liability and coverage limitations stated in the Plan Description, the Plan shall reimburse and pay on behalf of a Participant reasonable and necessary Legal Defense Costs which the Participant is obligated to pay for the legally authorized use of a weapon pursuant to and in accordance with LEOSA in the protection of persons and/or property, under the following coverages:

1. Coverage A: Legal defense of a civil action or proceeding brought against a Participant; provided, coverage does not extend to counterclaims or crossclaims in actions brought by a Participant, unless the Board approves otherwise; and
2. Coverage B: Legal defense of a criminal action or proceeding brought against a Participant, including grand jury proceedings.

Reasonable and necessary Legal Defense Costs are covered up to an annual aggregate limit of \$15,000 for all claims arising out of all occurrences commencing in any one-year period. No more than \$15,000 total will be paid for all occurrences in any one-year period regardless of when claims are reported.

The coverage and benefits provided under the LEOSA Plan do not apply to:

1. the cost of bail bonds, appeal bonds or other bonds;

2. the payment or indemnification for any loss incurred by or damages awarded to any person, nor to the satisfaction of any judgment, settlement, fine or penalty of any kind;
3. any claim arising out of events commencing prior to the effective date or after the termination of the Participant's coverage under the Plan;
4. any claim arising out of events to which LEOSA does not apply for any reason;
5. any claim arising out of events occurring during any period of time during which the claimant is not eligible for coverage under the terms of this Plan Description;
6. any claim for which benefits and/or legal defense are available from or provided by others, including but not limited to insurance, self-insurance or other sources;
7. use or carrying of a weapon for sport;
8. use or carrying of a weapon as an owner, employee, independent contractor, volunteer, servant or agent in connection with private security services;
9. any claim of which Notice to the Benefit Administrator is reported more than one hundred twenty (120) days after coverage has terminated; or
10. any claim arising out of occurrences, actions or proceedings taking place outside the territorial boundaries of the United States of America, or in connection with military service in the United States or abroad.

The LEOSA Plan Description booklets are being printed and will be distributed as soon as they are received.

The Legal Defense Plan Description has also had many changes and new booklets will be sent as soon as they are received.

If you have any questions, please feel free to contact me at (505) 291-4981.

Sincerely,
KEENAN & ASSOCIATES, INC.

Cara Webb
Benefit Administrator
Fraternal Order of Police Legal Plan, Inc.