



The Michael G. Lutz Lodge No. 5, Philadelphia, Fraternal Order of Police's Legal Services Handbook

I. GENERAL INFORMATION

The Michael G. Lutz Lodge No. 5, Philadelphia, Fraternal Order of Police's Legal Services Trust Fund ("Fund") exists for the exclusive purpose of providing legal representation and services for eligible Members of Lodge 5 and their Dependents. The Fund is financed by contributions paid by the City of Philadelphia pursuant to its collective bargaining agreement with Lodge 5.

The Fund is administered by a Board of Trustees appointed by the President of the Lodge. The Trustees exercise their power in accordance with the Fund's Declaration of Trust and other governing documents. The President also appoints the Administrator(s) of the Fund. This Plan Booklet sets forth the benefits provided by the Fund and the rules for eligibility. The Trustees have the power to alter, amend, or modify the terms of this Plan Booklet and to make rules for the Fund at any time and without notice to Members or Dependents.

The Trustees meet every 1st, 2nd and 4th Wednesday evenings September through May, and on the 2nd and 4th Wednesdays in June, July and August. Meetings are held at the Michael G. Lutz Lodge 5. Members of Lodge 5 and other persons who believe that they are eligible for benefits from the Fund are invited to appear at these

meetings to discuss any questions or concerns with the Trustees. These meetings are open to Members and Dependents at 5:30 p.m.

Most of the legal services authorized by this Plan Booklet are provided by one or more law firms or lawyers selected by the Trustees to represent police officers and their families on a regular basis. These law firms and lawyers are collectively designated in this Plan Booklet as the "Provider." In certain, very limited, circumstances the Fund may provide total or partial payment for representation by Outside Counsel. The rules concerning Outside Counsel are set forth in Article X of this Plan Booklet.

You should read this Plan Booklet very carefully and familiarize yourself with its terms. If you have any questions about the Fund, or wish to make sure that this copy of the Plan Booklet is up to date, you should either meet with the Trustees at one of their regularly scheduled meetings or contact the Fund's Administrator (Telephone No. 215-629-3600).

II. HOW TO USE THE SERVICES OF THE FUND

A. Questions Concerning the Collective Bargaining Agreement. If you have any problem or questions concerning your rights or responsibilities under your collective bargaining agreement with the City of Philadelphia, you should call the Lodge (Telephone No. 215-629-3600) and you will be referred to the appropriate representative. If your call is an emergency and the office is closed, please contact Police Radio at 215-686-3128.

B. Obtaining Legal Representation. If you need legal representation or advice for matters not related to the collective bargaining agreement, you should contact the FOP Legal Services at 215-629-3600 for proper referral to legal counsel. If your call is an emergency and the office is closed, please contact Police Radio at 215-686-3128.

C. Other Questions. If you have any other questions about the Fund, you should either meet with the

Trustees at Lodge 5 on a Wednesday night or contact the Administrator at the Lodge.

III. ELIGIBILITY

A. Persons Eligible For Benefits

1. Members. A "Member" is a member of the bargaining unit covered by a collective bargaining agreement between Lodge 5 and the City of Philadelphia. A Member is eligible for benefits as set forth in this Plan Booklet as long as the City pays contributions to the Fund on his or her behalf. A Member's eligibility for benefits terminates as soon as contributions on his or her behalf cease, except as provided in subparagraphs (a) and (b) of this paragraph.

(a) If a Member retires, and remains current in his or her obligation to pay dues to Lodge 5, the Fund will continue to provide benefits, according to the rules and limitations set forth in this Plan Booklet, with respect to: (i) all matters in which the Fund commenced coverage prior to the Member's retirement and which are actively pending at the time of the member's retirement, and (ii) criminal matters which allegedly arose from events that occurred within the scope of the retired Member's employment as a member of the Lodge 5 bargaining unit. Domestic coverage, if legal proceedings started before the Member retires, should continue under the 100 hour lifetime cap, provided the Member stays current in his/her dues. Once active

dues are stopped, the Member is then covered under the retiree benefit package.

(b) If a Member is discharged from employment, and remains current in his or her obligation to pay dues to Lodge 5, the Fund will provide the Member with the following benefits in accordance with the rules and limitations set forth in this Plan Booklet: (i) representation with respect to criminal charges that arose from the events that gave rise to the discharge and/or from events that occurred within the scope of his or her employment as a member of the Lodge 5 bargaining unit, (ii) representation with respect to civil matters that arose from events that gave rise to the discharge if these events occurred within the scope of his or her employment as a member of the Lodge 5 bargaining unit; and (iii) representation in any grievance or arbitration proceedings that are necessary and appropriate for attempting to reinstate the Member as a member of the Lodge 5 bargaining unit. If a terminated Member is reinstated to employment, then full eligibility is restored as of the effective date that contributions from the City resume. Domestic coverage, if legal proceedings started before the Member was discharged and the Lodge is pursuing the Member's reinstatement through the grievance and arbitration process, should continue under the 100 hour lifetime cap, provided the Member stays current in his/her dues.

2. Spouses. A "Spouse" is the husband or wife of a Member determined in accordance with Pennsylvania law. A Spouse is eligible for benefits according to the rules and limitations set forth in this Plan Booklet until such time as: (1) the Member to whom the Spouse is married ceases to be eligible for benefits under this Plan Booklet, or (2) the Spouse begins to live "separate and apart" from the Member for purposes of Pennsylvania law. **If a Member dies,** then the Fund will provide his or her Spouse with representation, according to the rules and limitations set forth in this Plan Booklet, for all matters arising from the death of the Member. For all other matters, the Fund will provide the Spouse of a deceased Member with eligibility, in accordance with the rules and limitations set forth in this Plan

Booklet, commencing with the death of the Member and terminating at the earlier of: (1) the passage of one year, or (2) the spouse's remarriage. Furthermore, notwithstanding anything else stated in this Plan Booklet, a Spouse is not eligible for benefits with respect to any matter related to events that occurred, in whole or in part, prior to the Spouse's marriage to the Member to whom the Spouse is currently married. Spouses (non-Members) are not eligible for any benefits if the action is against his/her Member spouse, or any Member of the bargaining unit.

3. Children. "Child" or "Children" refers to the natural and legally adopted children of an eligible Member. A Child is covered according to the rules and limitations set forth in this Plan Booklet if the Child: (a) is unmarried, (b) is less than nineteen years of age (or less than twenty-four years of age and a full-time student at an accredited college or university), and (c) resides with the Member and/or is dependent on the Member for maintenance and support.

Furthermore, a Child who suffers from a physical or mental disability which prevents the Child from supporting himself or herself will be covered by the Fund if the Child: (a) resides with the Member, and (b) is dependent on the Member for maintenance and support. A step-child will be covered as a Child only if the step-child satisfies all the requirements for eligibility as a Child *and* is dependent on the Member for maintenance and support. For the purpose of this paragraph (3), a Child or step-child will be considered dependent upon a Member for maintenance and support *only* if the Member validly claims the Child as a dependent on the Member's federal income tax return.

B. Other Rules Concerning Eligibility

1. Conflict of Interests Between or Among

Members. If a conflict of interests exists between or among two or more Members of the Fund, then the Provider will represent the first Member who seeks representation from the Fund, unless the Provider already has a conflict with that Member. Any Member who is not represented by the Provider in a conflict situation will be eligible to apply to the Trustees for Outside Counsel under the procedures set forth in Article X of this Plan Booklet. As Outside Counsel constitutes a substantial expense to the Fund, all reasonable steps will be taken to minimize the use and number of Outside Counsel in actual or potential conflict situations.

2. Conflict of Interests Between a Member and a Member's Dependent. As used in this Plan Booklet, the term "Dependent" means the Spouse or Child of a Member eligible for benefits. When a conflict of interests exists between a Member and a Dependent of that Member, the Dependent will not be covered by the Fund.

3. Coordination of Benefits. In all cases in which a Member has coverage from another legal services plan based on his or her own employment, the coverage provided by this Fund will be secondary. In all cases in which a Spouse is covered by another plan which provides legal services, benefits will be coordinated to avoid duplication of coverage. If the other plan does not have a coordination of benefits provision that applies to the situation in question, then the coverage provided by this Plan Booklet will be secondary. If the other plan does contain a coordination of benefits provision that applies to the situation in question, the following rules shall apply:

(a) This Fund will provide primary coverage to the Member, and the other plan will provide secondary coverage to the Member.

(b) The Spouse's plan will provide primary coverage to the Spouse, and this Fund will provide secondary coverage to the Spouse.

(c) If the Member's birthday precedes the Spouse's birthday in the calendar year, the Fund will provide

primary coverage for the Member's Children and the Spouse's plan will provide them with secondary coverage.

(d) If the Spouse's birthday precedes the Member's birthday in the calendar year, then the Spouse's plan will provide primary coverage for the Member's Dependents and this Fund will provide them with secondary coverage.

IV. BENEFITS PROVIDED UNDER THE AGREEMENT

A. Amount of Benefits

1. Hours by the Provider. Each Member or Dependent represented by the Provider is entitled to receive up to 100 hours of attorney time in any single matter, unless the number of hours is reduced by the Trustees or by operation of any part of this Plan Booklet. As used in this Plan Booklet, a "matter" is any particular legal interest with respect to which a Member or Dependent is entitled to representation under this Plan Booklet.

If a matter reaches an apparent conclusion and subsequently resumes activity, the resumed activities will be deemed a new matter.

2. Annual Cap on Hours Provided by the Provider. Notwithstanding anything stated in the preceding paragraph, a Member or Dependent may not receive more than 100 hours of attorney time from the Fund in any Plan Year, regardless of the number of matters in which he or she is represented.

3. Special Rate for Extra Hours from the

Provider. If a Member or Dependent exhausts the allotted number of attorney hours or loses eligibility under the Fund after representation commences and is denied additional benefits, the Member or Dependent may purchase additional hours of attorney time from the Trust providers at a reduced rate of \$90 per hour.

4. Costs. The Fund generally does **NOT** cover expenses entailed in litigation, including without limitation court fees, filing fees, court reporter fees, investigation fees, copying costs, or other costs. The Member or Dependent must pay such expenses. The Trustees may pay for some fees or costs in criminal and labor arbitration matters. Payment of such fees, however, requires prior approval by the Trustees. If the Member or Dependent is represented by the Provider, the Provider may require the Member or Dependent to pay reasonable up-front or periodic deposits to cover costs or fees anticipated during the course of the representation.

5. Discretion to Provide Additional Benefits.

The Trustees, on application and for good cause shown, may in their sole discretion grant benefits in addition to those provided by this Plan Booklet.

6. Plan Year. The Fund's Plan Year shall commence January 1st, and end December 31st.

B. Services Provided

This portion of the Booklet outlines those legal problems for which the Fund provides benefits. The Trustees have an obligation to preserve the Fund's assets. Thus, in some cases they may grant approval for a preliminary level of benefits up to five (5) hours attorney time at \$90 per hour, and decide later whether additional coverage is appropriate. The following example illustrates (but does not exhaust) this principle. If you came to the Trustees seeking coverage for a particular claim and it were unclear to the Trustees whether your claim was meritorious, the Trustees might provide you with a legal consultation with a qualified attorney in order to obtain an opinion as to whether your claim should receive full coverage. After the initial consultation, the member must appear before the Trust with all relevant material to the matter to afford the Trust any and all information needed to decide whether further representation is warranted. That coverage may or may not be covered by the Fund.

The Fund covers the following legal problems and interests:

1. WILL PREPARATION

The Fund will cover the preparation of one simple Will for each Member and Spouse during each Plan year and any trust or other documents incidental to the simple Will. The Trustees shall have the power to determine what constitutes a simple Will, giving due weight to all appropriate facts and

circumstances. A Will that makes one or more special bequests shall not be deemed to be a simple Will. The preceding sentence shall not create an inference that a Will without special bequests is a simple Will. The Fund will also cover the one-time preparation of a Living Will and a Power of Attorney for each Member and Spouse.

2. CIVIL LITIGATION

The Fund provides coverage for a Member or Dependent who is named as a defendant in a lawsuit (except that the Fund will not provide coverage if one or more of the plaintiffs is a member of Lodge #5). Notwithstanding anything to the contrary in this Plan Booklet, the Fund does not provide coverage for Members or Dependents for litigation in which they are plaintiffs, unless the Trustees (in their sole discretion) determine that counsel cannot be reasonably retained on a contingency-fee basis. In all plaintiffs' cases arising from automobile accidents, the Provider will charge a reduced contingent fee of 33 1/3%. In all cases involving other types of personal injury, including without limitation medical malpractice, the Provider will charge a fee below the normal and customary charge. Professional services thus rendered will not be charged to the annual level of benefits allotted to the Member or Dependent in question.

3. APPEALS

The Trustees, in their sole discretion, shall, upon application of any Member or Dependent, determine whether the Fund will cover any appeal to the Superior Court of Pennsylvania, Commonwealth Court of Pennsylvania, Supreme Court of Pennsylvania, or any appellate court of the United States or of any other geographic jurisdiction covered by the Fund. Coverage will not be provided unless the Trustees are convinced that there is a substantial likelihood of success on appeal. Additionally, the Trustees, in their sole discretion, shall weigh all relevant fiduciary considerations, including whether the cost of the appeal to the Fund is justified by the potential benefit that success would produce for the Members and Dependents party to the appeal and for all Members and Dependents of the Fund.

4. DOMESTIC RELATIONS

The Fund provides representation for Members in matters that involve separation, divorce, annulment, paternity, uncontested adoption, child support, visitation, guardianship, name changes pursuant to adoptions, protection from abuse orders, birth certificate amendments, medical powers of attorney for children. The coverage for Domestic Relations matters that shall be extended to any Member shall be subject to a lifetime cap of 100 hours for all Domestic Relations matters.

The Member must give the Provider as much notice as possible of any hearing dates. Barring an emergency that renders such notice impossible, the Member must give the Provider at least seven (7) days of advance notice prior to any hearing date or the Member shall have no right to representation at the hearing.

5. BANKRUPTCY

The Fund provides representation in the initiation and prosecution of a personal bankruptcy for Members and for Spouses filing jointly with Members. Coverage of business-related bankruptcies is excluded. Coverage is only authorized with the Trust's contracted attorney(s). The hours allowed for bankruptcy are for the processing of the bankruptcy petition solely, and are not to be construed as being available to negotiate repayment of debts.

6. REAL ESTATE AND TENANCY

Real Estate coverage will be provided for the buying and selling of a member's primary residence in Philadelphia only. The Member shall give the Provider at least fifteen (15) working days of advance notice prior to any scheduled settlement or the Member shall have no right to representation at the settlement.

The Fund also provides representation to Members in their capacity as tenants, provided that they reside or intend to reside at the premises in question. Members are entitled to 50 hours maximum lifetime coverage for real estate matters. Representation in proceedings relating to the non-payment of utilities, rent, mortgage payments, real estate taxes, and/or any costs that may be covered by homeowner's insurance are expressly excluded.

7. TRAFFIC VIOLATIONS

The Fund provides representation for traffic violations which could result in the loss of a license.

8. PROBATE AND ADMINISTRATION OF ESTATES

The Fund provides representation in probate and estate administration matters only for the uncontested estates of deceased Members. The Fund provides up to (5) hours for matters in which the Member is named Executor.

9. WORKER'S COMPENSATION

The Provider will handle all workers' compensation cases for a reduced contingent fee of 15%, a fee lower than the normal and customary charge. Professional services thus rendered will not be charged to the annual level of benefits allotted to the Member or Dependent in question.

10. SOCIAL SECURITY

Social Security income claims will be handled by the Provider for a reduced contingent fee of 20%, a fee lower than the normal and customary charge. Professional services rendered under this contingent fee arrangement will not be charged to the

annual level of benefits allotted to the Member or Dependent in question.

11. EMPLOYMENT RELATED MATTERS

The Fund provides representation for employment-related matters only for Members in their capacity as Lodge 5 bargaining unit members. This coverage may extend to administrative hearings with respect to Regulation 17, Regulation 32, grievance arbitration, Police Advisory Commission matters, Civil Service Hearings, disciplinary hearings, or civil trials.

12. CRIMINAL AND CRIMINAL-RELATED MATTERS

The Fund will provide representation for Members accused of committing crimes. Representation of Dependents is limited in the manner set forth in this subsection. Each Member has a lifetime cap of three prosecutions, total, for his or her Dependents. After the third prosecution, all coverage for Dependents of the Member in criminal or criminal-related matters ends.

The following rules apply notwithstanding anything else stated in this Plan Booklet:

(a) If a Member pleads guilty to a second degree misdemeanor under Pennsylvania law, or to a more serious offense under Pennsylvania law, or to an equivalent or more serious offense under the law of another jurisdiction, then all coverage under the Fund for the Member, or any Dependent of the Member, will cease immediately, except that the Member will be allowed up to five (5) hours of additional attorney time to wrap up the matter in which the guilty plea is entered.

(b) In any criminal prosecution in which a Member or Dependent is accused of corruption or of using his or her office in law enforcement for personal gain, coverage by the Fund will be

contingent upon the outcome of the proceedings. Coverage will be excluded if the Member or Dependent is convicted or enters a plea of guilty or no lo contendere. At the end of the proceedings, coverage will be provided if the criminal charges are dismissed or end in acquittal. This rule shall also apply to coverage in any civil or employment-related matter arising from or connected with a criminal prosecution for corruption or misuse of a position in law enforcement for personal gain. In such cases, coverage will be provided only if the criminal charges end in acquittal or dismissal.

(i) This rule shall not apply to civil or employment-related matters that do not arise from or have any connection with a criminal prosecution of the Member or Dependent in question.

(ii) Any Member or Dependent who wishes to reserve the right to seek compensation from the Trust Fund in the event that a criminal, civil, or employment-related matter ends in a manner that qualifies for coverage, as described in this paragraph (b) must make an application to the Trustees at their first meeting after the Member or Dependent learns that he or she has been indicted or otherwise named a defendant or target in a criminal prosecution alleging that he or she is guilty of corruption or otherwise misusing an office in law enforcement for personal gain. The Trustees shall have the power to make rules governing such applications.

13. MATTERS RELATING TO EDUCATION

The Fund provides representation for Members in administrative proceedings aimed at improving the curriculum or facilities available to the Dependent Child of a Member who is attending school. Coverage will not extend to matters involving the discipline of a Dependent Child. The amount of coverage provided will be determined by the Trustees acting in their sole discretion.

V. EXCLUSIONS FROM COVERAGE

A. This Article excludes from coverage certain specific forms of representation. Nothing in this Article places any limitation upon any other provision of this Plan Booklet which either: (1) fails to cover a type of representation, or (2) excludes a type of representation from coverage.

B. In accordance with Article V, Section A of this Plan Booklet, the following matters are excluded from coverage:

1. Criminal defense of Dependents in summary criminal prosecutions or their equivalent.

2. Matters arising from or connected with commercial or business transactions or interests which contemplate income or profit for a Member or Dependent, including without limitation the formation, maintenance, or representation of partnerships, corporations, or business enterprises.

3. Civil matters arising from motor vehicle accidents if the Member or Dependent has failed to secure motor vehicle insurance coverage required by law.

4. Representation in a “municipal court,” “small claims court,” or “district justice court,” or any of their equivalents, except in connection with real estate or tenant matters otherwise covered under this Plan Booklet.

5. Any matter in which the Trustees, acting in their sole discretion, find that the Member: (a) seeks to pursue a position that is frivolous or without merit, or (b) acts for purposes of harassment.

6. Intellectual property matters, including without limitation patent, trademark, and copyright matters.

7. Any matter in which the Trustees, acting in their sole discretion, find that coverage would involve an unreasonable expenditure of Fund assets or of attorney time.

8. Any matter based on facts that occurred before the Member or Dependent who seeks the coverage became eligible for coverage in connection with the matter.

9. Any matter in which the Member or Dependent unreasonably fails to cooperate with the Provider or with Outside Counsel provided by the Fund, or takes any action which prejudices the representation offered by the Provider or Outside Counsel, at which point all coverage for the matter will terminate.

10. Fines, penalties, judgments, attorneys' fees awarded in favor of an opponent, or any monetary awards of any nature imposed by operation of law.

11. Filing fees, court fees, witness fees, investigative expenses, printing costs, title insurance costs, long-distance telephone costs, photocopying and any other expenses that do not constitute compensation for legal representation.

12. Any matter in which representation by the Fund conflicts, or could reasonably be expected to conflict with, any local, state, or federal law or professional rule of ethics.

13. Matters arising from or connected with promotional exams or challenges to the results of promotional exams, including without limitation those administered by the Philadelphia Police Department.

14. Matters in which the interests of the Member or Dependent are adverse to those of:

(a) the Fund,

- (b) any employee, agent, representative, or fiduciary of the Fund, acting in his or her capacity as such,
- (c) Lodge 5,
- (d) Law Enforcement Health Benefits (LEHB) or
- (d) any employee, agent, or representative of Lodge 5 acting in his or her capacity as such.

15. Matters in which the Member or Dependent failed to secure prior approval of the Trustees required by any provision of this Plan Booklet.

16. Matters in which the Member or Dependent failed to provide the Provider with adequate notice of the need to comply with hearing dates, closing dates, appointments, deadlines, or other such time constraints.

17. Matters in which a Dependent is accused (civilly or criminally) of committing a violent act against a police officer or other person engaged in law enforcement.

18. Matters which the Fund is precluded from covering under the collective bargaining agreement between Lodge 5 and the City of Philadelphia.

19. Matters in which a Member or Dependent seeks to have his or her credit rating restored. Coverage will not be provided for a Member in litigation that stems from non-payment of bills lawfully incurred including, but not be limited to, all credit card debts, auto loans, time shares and any other debt entered into by a Member in exchange for goods and/or services received for a promise to pay at a later date. Credit counseling is not covered, nor is attorney time that would be used to negotiate with any creditors, banks or mortgage companies (or others not listed specifically herein) for a payment schedule or lump sum payments of debts.

20. Contested matters in which a Member seeks to terminate the parental rights of either the Member or another person.

21. Any matter, other than a Domestic Relations matter, in which a Member or Dependent initiates or brings civil or criminal action or administrative proceedings that could lead to civil liability, criminal liability, or discipline for a member of Lodge 5.

22. Any matter for which counsel would normally be provided by a homeowner's insurance carrier, provided that before the matter arose the Member or Dependent was eligible for homeowner's insurance coverage and failed to obtain it.

23. Any matter in which a Member seeks a protection from abuse order, or similar relief, against a non-member of Lodge 5, unless the non-Member brings a comparable action or seeks comparable relief against the Member.

C. The Fund will not provide coverage for any civil matter in which a Member or Dependent can receive comparable representation financed by a third-party, such as the City of Philadelphia, any other government agency or unit, an insurance company, or any other person or entity. The Trustees, acting in their sole discretion, will determine on a case-by-case basis whether representation should be extended in criminal matters to a Member or Dependent who is eligible for free legal representation on the basis of his or her financial circumstances.

VI. REDUCED FEE MATTERS

Although the following matters are excluded from coverage under the Fund, the Provider can provide representation for Members and Dependents for substantially reduced fees:

A. Personal injury actions, workers' compensation matters, and other contingency fee matters discussed in Part IV of this Plan Booklet.

B. Commercial or business transactions including incorporation, partnerships, and review of or drafting of business documents.

C. Class actions, interventions, *amicus curiae* filings or other suits or controversies.

D. Real estate matters not related to a personal principal residence.

E. Matters outside the geographic area encompassed by the Fund.

VII. GEOGRAPHIC RESTRICTION

The Plan will only provide benefits to members and their dependents for matters in the Commonwealth of Pennsylvania within a 100-mile radius of Philadelphia; the following counties in the State of Delaware: New Castle; Kent and Sussex; and the following counties in the state of New Jersey: Gloucester, Camden, Burlington, Salem, Cumberland, Cape May, Atlantic, and Ocean.

VIII. REQUIREMENT TO CONSULT WITH AN ATTORNEY OR A DULY DESIGNATED F.O.P. REPRESENTATIVE

Every Member who is the subject of or interviewed regarding any Philadelphia Police Department internal or criminal investigation, any Federal Government investigation, criminal or otherwise, or any other governmental agency investigation must consult with the Provider or an attorney approved by the Fund's Trustees or a representative duly designated by Lodge 5 before giving any polygraph, or said Member may be denied legal benefits under this Fund.

No Member or Dependent is required or obligated to consult with or be represented by any particular attorney and such Member or Dependent shall remain free to consult with or be represented by any other attorney concerning any matter at his or her own expense.

IX. DENIAL OF BENEFITS

No denial of a request for benefits will be deemed final until a Member or Dependent has received a determination from the Board of Trustees. A Member or Dependent who has received a denial may request that the reasons for the denial be set forth in writing. The Trustees will comply with such a request within a reasonable time.

Members may appeal the denial of benefits for job-related matters to the Legal Aid Committee. A Member who wishes to file such an appeal should contact the Lodge's Recording Secretary.

X. OUTSIDE COUNSEL

A. Application. Because Outside Counsel constitutes a significant expense to the Fund, the Trustees will only permit a Member or Dependent to retain Outside Counsel when the Provider is unable to provide representation, *e.g.*, due to a conflict of interests. To obtain coverage for Outside Counsel from the Fund, Members and Dependents must first appear before the Board of Trustees, explain the reasons for the request, and obtain approval. The Trustees have the sole discretion to determine whether the request will be granted. If the request is granted, the Trustees will require the Member or Dependent to sign an authorization form and will provide documentation to be supplied to the Outside Counsel. No request for Outside Counsel will be granted unless and until a Member or Dependent has complied with the necessary application process prescribed by the Trustees and has received approval from the Trustees.

B. Compensation. If coverage for Outside Counsel is approved, compensation shall be paid at an hourly rate of \$90.00. The Outside Counsel shall not be compensated unless and until: (1) representation in the matter is completed, and (2) the Outside Counsel has submitted to the Trustees an itemized bill satisfactory to the Trustees detailing the services rendered.

C. Hours of Attorney Time. In any matter in which coverage for Outside Counsel is approved, the Trustees will approve a minimum amount of attorney hours at the outset of the representation. The Member or Dependent will be required to obtain prior approval of the Trustees for any increase in this amount of attorney hours. Notwithstanding any other provision of this Plan Booklet, in any matter in which a Member or Dependent represented by the Provider has interests adverse to a Member or Dependent represented by Outside Counsel, the Member represented by the Provider will be allowed the same number of hours of attorney time as the Member or Dependent represented by Outside Counsel.

XI. ADMINISTRATIVE MATTERS

A. Trustee Discretion. The Trustees may exercise the broadest extent of discretion allowed by law in: (1) interpreting this Plan Booklet and other documents related to the Fund, and (2) resolving benefit claims submitted by Members, Dependents, or persons purporting to be Members or Dependents.

B. Complaints Concerning the Provider. If a Member or Dependent has any complaints concerning the quality of representation rendered by the Provider, then to obtain relief from the Fund, he or she must appear before the Trustees and substantiate the basis for the dissatisfaction. If the Trustees find merit in the complaint, then the Provider will be given one opportunity to rectify the situation. If the Provider fails to rectify the situation, the Member or Dependent will be permitted to retain Outside Counsel in accordance with Article X of this Plan Booklet.

C. Professional Standards. The services rendered by counsel under this Fund shall be provided with the professional and ethical standards that apply to lawyers. In providing such legal services, the attorneys shall adhere to the rules of the Fund as established herein and hereafter but shall receive no further instructions, directions, or interference from the Trustees or any other individuals connected directly or indirectly with the Fund. Their obligations and relations as attorneys shall be exclusively to and with their clients. They shall maintain the strict confidentiality of the lawyer-client relationship in accordance with applicable Canons of Ethics.

D. Subrogation. In the event that any legal matter handled pursuant to the terms of this Plan Booklet should result in the award of attorneys' fees and costs by a court or any other tribunal having jurisdiction over the matter, or by a settlement, the interests of the Fund shall be subrogated to the interests of the Member or Dependent to the extent that the Fund has expended monies in the form of professional fees and expenses in the representation. In such a situation, the Fund will receive 100% reimbursement for any benefits due or payable under the plan booklet.

E. Choice of Law. The Fund exists under Pennsylvania law and all issues pertaining to the interpretation of this Plan Booklet shall be governed by Pennsylvania law.

F. Construction. As used in this Plan Booklet, the singular shall be deemed to include the plural and the plural the singular, unless the context clearly requires otherwise.