MPPOA LEGAL DEFENSE FUND

To All Participants in the Legal Defense Fund:

This is being distributed to give you complete information about the structure, operation, and benefits concerning the Minnesota Police and Peace Officers Association Legal Defense Fund.

For your convenience in using this information, it is divided into two parts:

Part I contains the complete text of the LDF Plan Document, setting forth all provisions concerning coverage and benefits.

Part II contains the Summary Plan Description (as required by federal law), with general information about the administration of the Fund and structure of the Benefit Plan.

We recommend that you read this carefully so that you will be fully informed as to the eligibility requirements and available benefits. If you have questions which are not answered, or if any clarifications are needed, please contact the LDF Legal Administrator. ***Only the LDF Legal Administrator represents the Board of Trustees in administering the Plan and giving information relating to the amount of benefits, eligibility, and other provisions of the Plan. Statements by other persons including local association personnel or MPPOA headquarters personnel are not authorized and will not be binding on the Board of Trustees of the Legal Defense Fund.***

We, the Trustees, as fellow peace officers are pleased and honored to work on the design and administration of the Legal Defense Fund.

Sincerely,

Board of Trustees of the MPPOA Legal Defense Fund

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PART II.

SUMMARY PLAN DESCRIPTION

I. PLAN DOCUMENT OF THE MINNESOTA POLICE AND PEACE OFFICERS ASSOCIATION LEGAL DEFENSE FUND

ARTICLE I DEFINITIONS

1. Administrative Office" - the administrative office of the Legal Defense Fund:
525 Park Street, Suite 250
St. Paul, MN 55103-2145
2. "Benefit Plan" - the plan described below in Article III under which Participants are entitled to certain benefits.
3. "Board of Trustees" or "Trustees" - the Board of Trustees of the Legal Defense Fund.
4. "Calendar Quarter" - the three-month period beginning on the first day of January, April, July or October of each calendar year.
5. "Critical Incident" - an action which arises from any act or omission within the scope of employment in which:
(a) serious injury or death occurs; or
(b) the discharge of a weapon is involved.
6. "Employment" - employment as a Peace Officer, as defined herein.
7. "Event" - act or omission of a Participant which gives rise to civil or criminal litigation in which the Participant is a defendant; "event" does not refer to civil or criminal litigation.
8. "Legal Administrator" - a person or legal entity appointed from time to time by the Trustees to supervise the provision of services under the Plan.
9. "Legal Defense Fund" - the entity created by the Trust Agreement, and property and money held by such entity, including all contract rights and records.
10. "Member Association" or "Association" - any association of Peace Officers which is an active member of MPPOA.
11. "MPPOA" - Minnesota Police and Peace Officers Association.
12. "Monitor" - action by the Legal Administrator or his or her designee to observe the progress of a civil case against a Participant in which defense has been tendered to the Participant's employer under Article IV, Section 2(a)(2), to determine whether the appointment of a Panel Attorney as individual counsel for the Participant is necessary, or in cases where a Panel Attorney is not appointed, to ensure that the case is being handled adequately. Monitoring may include but shall not be limited to receipt and review of pleadings, discovery documents and status reports from the employer's legal counsel, and discussion with the employer's legal counsel when necessary.
13. "Panel Attorney" - an attorney selected from time to time by the Trustees to provide legal services under the Plan.
14. "Participant" - a Peace Officer who qualifies for benefits under this Plan pursuant to Article II hereof.
15. "Peace Officer" - any active and licensed Minnesota peace officer, provided that each such peace officer is a member of MPPOA, including honorary members, or is someone in whose name a Member Association makes contributions to the Legal Defense Fund.
16. "Plan" or "Legal Defense Fund Plan" - the group prepaid legal services plan as set forth herein and any amendment thereto.
17. "Primary Beneficiary" - the Participant's closest heir at law, as of the date of death, in the following order of priority: (1) Participant's surviving spouse; (2) Participant's descendants; (3) Participant's parents; and (4) descendants of the Participant's parents.
18. "Scope of Employment" - actions or omissions by a Participant covered by the Fund which are typical of or associated with the duties which a Participant is hired, trained and paid to perform, as determined by the Board of Trustees. The actions or omissions may occur while the Participant is on duty or off duty or employed by a law enforcement agency or private employer.
19. "Trust Agreement" - the trust agreement establishing the Legal Defense Fund, and any amendments, extensions, or renewals thereof.

ARTICLE II ELIGIBILITY FOR BENEFITS

1. Initial Eligibility For Benefits

A Peace Officer shall be eligible for benefits for events which occur after all of the following has occurred:

(a) Proper Application to LDF - the individual Peace Officer or Member Association has made proper application to the Legal Defense Fund pursuant to Section 2 of this Article; and
(b) Contributions Made to LDF - (i) the individual makes the required contribution or (ii) the Member Association makes required contributions on behalf of all of its members; and
(c) Review by Board of Trustees - The Board or the Legal Administrator, if the Board so provides, has reviewed and approved each application to insure that the individual Peace Officer or Member Association satisfies the eligibility requirements of Article I, Section 15 of this Plan Document.

2. Method of Application

(a) Application - Application for participation in the Plan shall be submitted by an individual Peace Officer or a Member Association to the Legal Defense Fund on forms provided by the Trustees.
(b) List of Participants - There shall be attached to each application from a Member Association a list of each and every Peace Officer upon whose behalf application is being made and, in addition, a statement from the Member Association that contributions are being made on behalf of all of its members.

3. Required Contributions

(a) Amount - The contributions required in order to be entitled to benefits under the Plan are as follows: Each individual Peace Officer or Member Association shall make contributions based on a per participant monthly rate as set from time to time by the Board of Trustees. Contact the Legal Administrator for details on the contribution schedule for the Benefit Plan.
(b) Time of Payment of Contributions
(i) Member Associations - Payment of the contributions set forth in Section 3(a) of this Article shall be made in full on a quarterly basis by each Member Association to the Legal Defense Fund on or before the day preceding the first day of the Calendar Quarter for which each payment applies and shall be deemed delinquent on the first day of such Calendar Quarter. A Member Association may join in mid-quarter by payment of a prorated contribution.
(ii) Individuals - Payments of the contributions set forth in Section 3(a) of this Article shall be made in full on an annual basis by each individual Peace Officer to the Legal Defense Fund on or before the day preceding the first day of the calendar year and shall be deemed delinquent if unpaid on January 1. An individual Peace Officer may join in mid-year by payment of a prorated contribution.

Termination of participation in the Legal Defense Fund in mid-quarter shall not result in any refund of the contribution for that quarter. No refunds of contributions will be made by the Fund to individual Participants.

(c) Method of Payment - Payment shall be deemed to have been made as of the date of postmark on the envelope containing the payment, provided it has been properly addressed to the Legal Defense Fund at its Administrative Office. The foregoing shall not apply, however, where payment is made by a check which is not honored at the bank upon which it was drawn.

(d) Effect of Delinquency - If payments are not made as required in this Section, benefits under the Plan for the delinquent individual Participant or for the Participants of the delinquent Member Association shall cease on the first day of the Calendar Quarter following the payment due date described in Section 3(b) of this Article. An individual Participant, the delinquent Member Association, and any of its Participants shall not be entitled to the benefits of the Plan for any period during which the delinquent individual Participant or delinquent Association is in default of payment.

Late Payment - Notwithstanding the provisions of the immediately preceding paragraph, if the delinquent

payment is made within two (2) months of the payment due date in the case of a Member Association and one (1) month of the payment due date in the case of individual Participants, entitlement to benefits shall be reinstated, effective retroactively to the payment due date, on the date of actual payment of all contributions and interest, if any, billed. Any such late payments shall automatically be applied first to the periods of delinquency and then, if sufficient, to the current period.

New Application - If the delinquency continues for more than two (2) months in the case of a Member Association and one (1) month in the case of an individual Participant, the individual Participant or the Association shall be deemed to have terminated participation and must reapply for membership. Upon reapplication within the current or subsequent quarter, and, subject to a determination of good cause by the Trustees or by the Legal Administrator if the Board so provides, entitlement to benefits may be reinstated, effective retroactively to the original payment due date. In such cases, all delinquent contributions together with interest shall be paid.

Loss of Membership - When, in the case of participation through a Member Association, not all of the active membership participates in the Plan, then the participants shall be deemed to participate as individuals and shall be assessed at the rate for individuals for the remainder of the calendar year and thereafter.

4. Termination of Benefits

The benefits for a Participant shall automatically terminate with respect to any event occurring after the earliest of any of the following:

(a) When his or her participation (e.g., through nonpayment of contributions) in the Legal Defense Fund terminates; or
(b) When his or her membership in MPPOA terminates; or
(c) When the employment of the Participant terminates; or
(d) When the Participant voluntarily resigns as a Peace Officer; or
(e) When the participation of the Member Association in MPPOA or the Plan terminates, whether voluntarily, by failure to pay MPPOA dues or Plan contributions, or otherwise.

5. Extended Coverage

Coverage shall continue with respect to events occurring prior to the benefit termination date as described in Article II, Section 4, above.

ARTICLE III BENEFITS

Subject to the exclusions and limitations set forth in the Plan, a Participant is entitled to the benefits provided under the following Benefit Plan for which application has been made and for which the required contributions have been made.

1. Benefit Plan – Civil, Criminal, POST Board, and MBFTE Board Actions

A Participant shall be entitled to the following services:

(a) Legal representation in any civil or criminal action brought against him or her arising from any act or omission of the Participant within the scope of his or her employment.
(b) Legal representation in any Minnesota Board of Peace Officer Standards and Training, or Minnesota Board of Firefighter Training and Education, licensing action brought against him or her arising from any act or omission of the Participant whether within the scope of his or her employment or not.
(c) Legal representation immediately following a critical incident until it is reasonably certain that no criminal exposure to the participant exists. No representation shall be provided for a pre-disciplinary hearing or for arbitration.

(d) Legal representation only in criminal proceedings arising from allegations of unauthorized or unlawful viewing or access or acquisition of non-public data, regardless of format, including the personal data of third parties, maintained by a governmental entity, provided that the Participant is authorized to access such data in the normal course of his or her duties.
(e) All customary, necessary, and reasonable services related to an action described in subsections (a), (b), (c), or (d) hereof, including where it appears reasonably probable that such an action will be commenced.

2. Benefits for Participants Who Are Department Heads

A Participant who is a Chief of Police, Sheriff, or other Chief Law Enforcement Officer shall be entitled to representation in relation to an action described in section 1 (a) or (c) above taken against him or her because of his or her personal performance of active law enforcement duties, i.e., when he or she is acting in his or her capacity as a Peace Officer rather than as an administrator or department head. He or she will not be entitled to the benefits of the Plan in relation to an action described in section 1(a) above arising from any act, omission or performance of activities in his or her capacity as an administrator or department head. He or she shall at all times be entitled to coverage under section 1(b) above.

3. Cases of General Importance

The Board of Trustees may, in its sole discretion, authorize that legal service benefits be provided for matters of general importance and significance to Participants in any court or tribunal, including employment-related matters involving non-Participants or dependents of Participants. In determining whether to authorize benefits under this Section, the Trustees shall consider whether there exists a reasonable likelihood of one of the following:

(a) A favorable impact on Participants due to the legal issues presented, or

(b) In the absence of a favorable impact, a recovery sufficient to reimburse the Legal Defense Fund for all of its expenditures associated with the action, including but not limited to attorney's fees and expenses and costs.

All applications for coverage under this section must be submitted to the MPPOA Executive Director in a manner provided by the Board of Trustees.

The Board of Trustees shall in its sole discretion impose the conditions upon which benefits under this Section are granted.

4. Death Benefits Administrative Recovery Assistance

A Participant's primary beneficiary shall be entitled to legal representation to provide administrative assistance in the recovery of death benefits where the Participant died as the result of active law enforcement or active correctional duties in the sole discretion of the Board of Trustees.

The purposes of this benefit are (1) to centralize initial administrative applications, assistance, and information, for the Participant's primary beneficiary and the employing agency or department and (2) to apply for death benefits to which the primary beneficiary is entitled as the result of the death of the Participant under this section.

This benefit specifically excludes legal representation for the purpose of litigation, administrative appeals, appellate court appeals, or death benefit claims which are denied.

5. Retiree Coverage (HR 218)

(a) Notwithstanding anything to the contrary elsewhere in this Plan Document, an individual who is a "Qualified Retired Law Enforcement Officer" and a member of MPPOA, upon completion of an application

and acceptance of that application by the Board of Trustees or its designee and upon timely payment of the annual contribution in the amount and upon the terms set by the Board of trustees shall be entitled to:

(1) Legal representation in any civil or criminal action brought against the individual arising from the use of a firearm in defense of self or others where an imminent threat of serious bodily harm to self or others is present.

(2) Legal representation in any criminal action brought against the individual arising from the possession of a concealed firearm that is not precluded under Minnesota law.

(3) All customary, necessary, and reasonable services related to an action described in subsections (a)(1) or (2) above, including where it appears reasonably probable that such an action will be commenced.

(b) For purposes of this section 5, a "Qualified Retired Law Enforcement Officer" is defined to mean an individual who:

(1) retired from a Minnesota public agency (i) for service, provided the individual served as a law enforcement officer with one or more Minnesota public agencies for a total of 10 complete years or more, or (ii) for a service-connected disability retirement, provided that the disability was not mental instability and further provided that any applicable probationary period was satisfactorily completed prior to the service-connected disability retirement; and

(2) is receiving retirement benefit payments from a Minnesota public agency; and

(3) immediately before retirement; possessed peace officer powers and was authorized by Minnesota law to engage in the prevention, detection, and investigation of any person for any violation of law and had statutory powers of arrest or apprehension; and

(4) during the twelve-month period prior to the incident giving rise to a claim for coverage has met the standards for qualification in firearms training for active law enforcement officers as determined by:

(A) the agency from which the individual retired; or

(B) the State in which the individual resides or, if the State has not established such standards, either a law enforcement agency within the State in which the individual resides or the standards used by a certified firearms instructor that is qualified to conduct a firearms qualification test for active duty officers within that State.

(5) at the time of the incident was not under the influence of alcohol or another intoxicating or hallucinatory drug or substance; and

(6) is not prohibited by state or federal law from carrying a firearm; and

(7) has not been found by a qualified medical professional to be unqualified to carry a firearm due to mental instability; and

(8) has not entered into an agreement with the agency from which the individual retired in which the individual acknowledged that he or she is not qualified to carry a firearm for reasons related to mental health, and

(9) possessed the identification described in subsection (c) of this section 5.

(c) The identification required under this section is a photographic identification card issued by the agency from which the individual retired which indicates that the individual has been employed as a police officer or law enforcement officer by that agency.

(d) Excluded from coverage under this section 5 are:

(1) Incidents arising from domestic violence in which the individual was a participant; or

(2) Incidents arising from military service, including reserve military service; or

(3) Incidents occurring outside of the states of Minnesota, Wisconsin, South Dakota, North Dakota, Iowa, Arizona, and Florida; or

(4) Incidents arising from employment or self-employment as private investigator or private security personnel; or

(5) Incidents with respect to the individual's family members or neighbors;

(6) Incidents occurring before the date of coverage; or

(7) Incidents occurring after the date of termination of coverage.

ARTICLE IV EXCLUSIONS AND LIMITATIONS

In addition to the exclusions and limitations set forth elsewhere in this Plan, the following exclusions and limitations shall apply:

1. Exclusions

The provision of benefits under the Plan shall be subject to the following exclusions:

(a) Employment Practices - No benefits shall be provided under the Plan for any action brought by a Participant arising out of any violation of, or covered by provisions of, the Equal Employment Opportunity Act, 42 U.S.C. Section 2000(3) et seq.; the Age Discrimination in Employment Act, 29 U.S.C. Section 623 et seq.; the Americans With Disabilities Act, 42 U.S.C. Section 12101 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1001 et seq.; the Fair Labor Standards Act, 29 U.S.C. Section 201 et seq.; the Labor-Management Relations Act, 29 U.S.C. Section 141 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. Sections 4301 - 4333; the federal civil rights statutes, i.e., 42 U.S.C. Section 1983 et seq., insofar as the subject matter of the action is similar to that of any of the above-described statutes; the federal or any state constitution, insofar as the subject matter of the action is similar to that of any of the above-described statutes; or any law, statute, ordinance, regulation, or rule of similar type or description enacted by the federal government or any state or political subdivision thereof, including but not limited to counties, districts, and cities, and which is similar either on its face or as applied to any of the above-described statutes.

(b) Administrative - No benefits shall be provided under the Plan to represent a Participant with respect to discipline imposed by the Participant's department or agency.

(c) Retirement - No benefits shall be provided under the Plan to obtain, protect, preserve, or set aside pension or retirement benefits, including disability retirement benefits, under any federal, state, county, or city pension retirement system.

(d) Workers' Compensation - No benefits shall be provided under the Plan for any action within the jurisdiction of the Minnesota Workers' Compensation System; for any action to obtain, protect, preserve, or set aside workers' compensation benefits, industrial or non-industrial disability benefits, social security benefits, disability, health or other insurance benefits of a like or similar nature; or for any action for benefits payable under or because of an industrial injury, illness, disease, or death, whether by contract or otherwise, arising out of any of the provisions of a state Workers' Compensation Act or any similar federal, state, county, or city ordinance, law, resolution, regulation, or any contract of insurance.

(e) Civil Service Disputes - No benefits shall be provided under the Plan for any action to obtain, protect, preserve, or set aside any benefits or position with respect to any civil service, merit system, or personnel eligibility list for appointment or promotion to a position.

(f) Punitive or Other Damages - No benefits shall be provided under the Plan to cover any monetary award for damages, including but not limited to punitive or compensatory damages, whether by judgment, settlement or otherwise against a Participant in any action.

(g) Attorney's Fees - No benefits shall be provided under the Plan to cover the attorney's fees or costs of an opposing party awarded against a Participant in any action.

(h) Breach of Employment Contract - No benefits shall be provided under the Plan related to proceedings brought against a Participant for breach of an agreement with his or her employer to remain employed.

2. Limitations

The provision of benefits under the Plan shall be subject to the following limitations:

(**a) Civil Action Against Public Employee and Employer**

(1) Employer Accepts Defense, Provides Separate Counsel, and Agrees to Indemnify

No benefits shall be provided under the Plan in any civil proceedings in which the Participant's employer or its insurer, whether by agreement, policy or operation of law agrees to or undertakes to provide a defense, provides separate counsel to the Participant, agrees to or undertakes to indemnify the Participant for all general and punitive damages arising out of the proceedings, and is entitled to so agree or undertake under the laws of the applicable jurisdiction.

(2) Reservation of Rights by Employer

In the event the Participant's employer agrees to defend the Participant but asserts a reservation of rights, i.e., does not agree to fully indemnify the Participant, the Legal Defense Fund shall monitor the case. Monitoring shall cease, and the Participant shall be entitled to benefits under Article III if any of the following occur:

(A) The Legal Administrator determines that there is a considerable likelihood that punitive damages will be awarded against the Participant; or
(B) The Legal Administrator determines that a conflict of interest exists between the employer and the Participant; or
(C) The Legal Administrator determines that the Participant is being accorded inadequate representation.

If benefits under Article III are provided to a Participant, the Legal Defense Fund shall be subrogated to the Participant's rights against the employer or its insurer.

(3) Employer Refuses Defense

In the event the employer or its insurer refuses to defend the civil proceedings, then the Participant shall be entitled to the benefits under Article III, and the Legal Defense Fund shall be subrogated to the Participant's rights against the employer or its insurer.

(b) Third-Party Recovery - In the event that a Participant recovers from any third party any amounts as damages (other than lost compensation), attorney's fees, or costs in a case in which the Legal Defense Fund provided benefits, the Legal Defense Fund shall be entitled to reimbursement from such Participant to the full extent of the expenditures made by the Legal Defense Fund on behalf of said Participant hereunder. Participants agree to cooperate with the Legal Defense Fund in obtaining reimbursement and, upon request, to execute any and all necessary documents. If a Participant has a cause of action against any third party for damages, attorney's fees, or costs and does not wish to pursue the action, he or she will, upon request, assign those rights to the Legal Defense Fund to the extent lawfully permissible and assist the Legal Defense Fund in its prosecution of such action.

(c) Non-Cooperation or Misrepresentation by Participant with Legal Administrator or Panel Attorney - No benefits shall be provided to a Participant who is untruthful to the Legal Administrator concerning coverage determinations or who is untruthful to his or her Panel Attorney. No benefits shall be

provided to a Participant who does not cooperate with the Legal Administrator concerning coverage determinations or who does not cooperate with his or her Panel Attorney with respect to his or her case. In such a case, the right of the Participant to benefits hereunder may be terminated or suspended. Furthermore, if benefits are provided to a Participant based upon misrepresentations by the Participant to the Legal Administrator or the Board of Trustees, the Legal Defense Fund shall be entitled to terminate or suspend benefits hereunder and to obtain reimbursement from the Participant for the full amount expended by the Fund for services and costs on behalf of the Participant.

(d) Non-Interference - No provision of the Plan shall require the Legal Administrator or its employees or agents, or Panel Attorneys or any attorneys associated with them, to perform any act in violation of the applicable rules of professional conduct, including but not limited to any rule which prohibits any organization or group from interfering with or controlling the performance of an attorney's duty to his or her client.

(e) Settlement Opportunity or Jeopardy - Benefits may be terminated in the event the Legal Administrator determines that it is in the best interest of a Participant to cease his or her participation in any particular case where continued proceedings may subject the Participant to more severe civil or criminal sanctions, damages, or attorney's fees, or where the Participant has rejected a reasonable settlement proposal to resolve his or her case.

(f) Appeal - No benefits shall be provided to appeal a decision by a court, unless the Legal Administrator determines upon written request from the Participant that there exists a reasonable likelihood of success on the appeal.

3. Coordination of Benefits

Benefits under the Plan shall not be provided to the extent they are furnished to a Participant by any other plan, program or policy which provides group legal services to Peace Officers, unless otherwise determined by the Legal Administrator.

4. Exclusion of Dual Counsel

Benefits shall not be provided under the Benefit Plan whenever a Participant privately retains his or her counsel to represent the Participant in a matter for which the Participant would otherwise be entitled to benefits.

5. Non-Assignment of Benefits

A Participant shall not have the right to assign, alienate, transfer, sell, hypothecate, mortgage, encumber, pledge, commute, or anticipate any payment benefit hereunder. Benefits hereunder shall not be subject to levy or execution or attachment or garnishment.

6. Extent of Liability

The benefits provided by this Plan are not insured by any contract of insurance, and there is no obligation on the LDF Board of Trustees or other individual or entity to provide payment over and beyond the amount in trust collected and available for such purpose.

ARTICLE V CLAIMS PROCEDURES

1. Participant's Duty to Notify Legal Administrator of Claim

A Participant shall be obligated to notify the Legal Administrator of his or her claim for benefits before he or she is entitled to any benefits under the Plan. Notification to any Trustee, Panel Attorney, MPPOA personnel or any party other than the Legal Administrator is ineffective to obtain entitlement to benefits.

Failure to notify the Legal Administrator shall relieve the Legal Defense Fund of any obligation to provide benefits.

2. Telephone Hot Line (Emergency)

The Legal Administrator shall maintain a 24-hour-a-day telephone service to respond to Participants' needs for services. The number is **855-533-6466.**

3. Acceptance or Denial of Claim by Legal Administrator

The Legal Administrator shall consider each claim for Plan benefits and determine whether to grant or deny coverage under the Plan. If the claim is denied, the Participant has the right to appeal a denied claim pursuant to the procedures described in Section 6 of this Article V.

4. Referral by Legal Administrator to Panel Attorney

The Legal Administrator shall refer representation of a Participant who is entitled to benefits to a Panel Attorney. Any dispute concerning the referral of a case to a Panel Attorney may be appealed by the Participant to the Board of Trustees pursuant to Section 6 of this Article V.

5. Dissatisfaction or Non-Cooperation with Panel Attorney

Subject to the appeal rights described in Section 4 above, if a Participant unreasonably refuses representation by the Panel Attorney selected to represent him or her or fails or refuses to accept the advice of the Legal Administrator or a Panel Attorney, or fails to cooperate with the Legal Administrator concerning coverage determinations, the Plan shall be free from further obligation to such Participant to provide benefits or otherwise. Such Participant shall be free to employ counsel at his or her own expense to represent him or her.

6. Appeal Procedures

a. Denial - If a claim for Plan benefits made by a Participant is wholly or partially denied, the Legal Administrator shall give written notification of such denial to the Participant within ninety (90) days of receipt of the Participant's claim for benefits. In the event the Legal Administrator does not provide written notice of its decision within ninety (90) days of the Participant's claim, the claim shall be deemed denied. The notification shall include the following information:

(1) The specific reason(s) for such denial;
(2) Specific reference to the Plan provisions upon which the denial is based;
(3) A description of any additional material or information which may be needed to clarify or complete the claim and an explanation of why such information is required; and
(4) An explanation of the Plan's review procedure with respect to the denial of benefits.

b. Request for Hearing

(1) Any Participant whose claim has been denied may appeal to the Trustees to conduct a hearing in the matter, provided that he or she requests the hearing in writing within sixty (60) calendar days after being notified of the denial; and provided further that the request for a hearing explains to the degree possible why the reasons for the denial are inapplicable. The Participant may request and examine documents pertinent to the denial and may submit written issues and comments to the Trustees.

(2) The Trustees shall conduct a hearing no later than ninety (90) calendar days after receipt of the Participant's written request for a hearing. Except in unusual circumstances as determined by the Trustees in their sole discretion, a Participant shall not be permitted to appear personally or present oral arguments at the hearing. Within five (5) business days of the hearing, the Trustees shall issue and deposit in the United

States mail to the Participant's last known address a written decision affirming, modifying, or setting aside the Legal Administrator's decision.

7. Standard of Review

No action of the LDF Board of Trustees may be revised, changed, or modified by any arbitrator, court, or other entity unless the party seeking such action has exhausted all of its administrative remedies under this Plan Document and is able to show by clear and convincing evidence that the Board of Trustees' decision was arbitrary and capricious in light of the information actually made available to the Board at the time of its decision.

8. Contractual Limitations Period

Absent any provision in the Employee Retirement Income Security Act of 1974 (ERISA) to the contrary, the following limitations period shall apply to litigation initiated by a Participant:

(a) Any action by a Participant from a notice of adverse benefit determination by the Board of Trustees denying an appeal by the Participant from the Legal Administrator's denial of coverage or from a deemed denial of a claim or appeal shall be filed in court within six calendar months after the date the notice of the adverse determination is mailed to the Participant, and

(b) Any action by a Participant against a plan fiduciary or against the Legal Administrator for an act or omission alleged to be a violation of ERISA or the terms of the Plan shall be filed in court within six calendar months after the date of the alleged act or omission.

9. Restriction on Venue

Any action filed by a Participant in connection with the Plan shall be brought only in the United States District Court for the District of Minnesota sitting in St. Paul.

ARTICLE VI MISCELLANEOUS

1. Limitation of Rights

Neither the establishment of the Plan or the Legal Defense Fund, nor any modifications thereof, nor the creation of any fund or account, nor the payment of any benefits, shall be construed as giving any Participant or other person any legal or equitable right of action or recourse against MPPOA or its officers or employees, the Legal Defense Fund or its trustees, agents or employees, or the Trustees, except as provided in the Plan and in the Trust Agreement.

2. Applicable Laws and Regulations

References in the Plan to any particular sections of any local, state or federal statute shall include any regulation pertinent to such sections and any subsequent amendments to such sections or regulations. Except where the Plan specifically refers to state law, the Plan and the Legal Defense Fund shall be governed by ERISA.

3. Confidentiality

A provider of services to a Participant pursuant to the Benefit Plan shall not divulge to third parties matters which a Participant revealed to the provider in confidence. A provider shall, however, be entitled to provide information to the Fund, including to its Trustees or its Legal Administrator, concerning a Participant's case. The Fund, including its Trustees or its Legal Administrator, shall not reveal to third parties matters

revealed to it in confidence by such Participant, or the Participant's provider, in the course of his or her application for benefits or receipt of benefits from the Fund.

4. Independent Contractors

All Panel Attorneys and other providers of service are independent contractors and not agents of the Legal Defense Fund.

5. Interpretation of the Trust Agreement and Plan Document

The Board of Trustees possesses full authority and power to interpret the terms of the Trust Agreement and this Plan Document. The Board of Trustees also possesses full authority to determine whether any claim for benefits is to be granted or denied.

ARTICLE VII AMENDMENT AND TERMINATION

In order that the Board of Trustees may carry out its obligation to maintain, within the limits of its resources, a program dedicated to providing the maximum possible benefits for all Participants, the Trustees expressly reserve the right, in their sole discretion, at any time and from time to time, but upon a non-discriminatory basis:

(1) To amend or terminate any benefit, even though such amendment or termination affects cases already accepted by the Legal Administrator, provided that the responsibility of the Legal Defense Fund to pay for approved services previously rendered shall not be affected;
(2) To increase the rate of contributions or alter the method of payment thereof; and
(3) To amend or rescind any other provision of this Plan or to assess special assessments or termination assessments and determine the method of payment thereof.

II. SUMMARY PLAN DESCRIPTION OF THE MPPOA LEGAL DEFENSE FUND

(a) Name of Plan: This plan is known as the Legal Defense Fund of the Minnesota Police and Peace Officers Association (MPPOA).

(b) Name, Address and Telephone Number of Sponsoring Organization: This plan is sponsored by MPPOA, the name, address and telephone number of which is:

Minnesota Police and Peace Officers Association
525 Park Street, Suite 250
St. Paul, MN 55103-2145
(651) 291-1119

(c) Identification Number: The employer identification number assigned to the Legal Defense Fund by the Internal Revenue Service is EIN 41-1823959. The plan number is 501.

(d) Type of Plan: Group prepaid legal services plan.

(e) Type of Administration: This plan is administered by a Board of Trustees, with the assistance of Stephen Foertsch, Esq., a contract administrator.

(f) Name, Address and Telephone Number of Plan Administrator:

Board of Trustees
MPPOA Legal Defense Fund

525 Park Street, Suite 250
St. Paul, MN 55103-2145

(855) 533-6466
24-hour emergency number

(g) Name and Address for Service of Process: The Board of Trustees has designated the executive director of the MPPOA as agent for purposes of accepting service of legal process on behalf of the Legal Defense Fund. The address for the Executive Director is set forth in item (f) above. Each member of the Board of Trustees is also an agent for purposes of accepting service of legal process on behalf of the Legal Defense Fund. The names and addresses of Trustees are set forth in item (h) below.

(h) Names, Titles and Addresses of Trustees:

Adam Block
MN DNR
500 Lafayette Rd
St. Paul, MN 55103

Jon Jacobson
Olmsted CO SO
101 4th St SE
Rochester, MN 55904

Shane Myre
Hennepin CO SO
350 South 5th Street
Minneapolis, MN 55415

Sherral Schmidt
Minneapolis Police Department
PO Box 18187
Minneapolis, MN 55418

(i) Applicable Collective Bargaining Agreement:

None.

(j) Participation, Eligibility and Benefits:

1. Any active and licensed Minnesota peace officer (as that term is defined in Section 15 of Article I of the Plan) shall be entitled to participation and benefits under the Plan upon the payment of the contributions as set forth in Article II of the Plan Document, provided that each such peace officer is a member of MPPOA or is someone in whose name a Member Association makes contributions to the Legal Defense Fund.

2. Benefits are set forth in Article III of the Plan Document.

(k) Circumstances Which May Result in Ineligibility or Denial of Benefits: A Participant who is eligible for benefits under the Plan may become ineligible and be denied coverage for events occurring, claims made, or services performed after any of the following happens:

1. Termination of the Participant in the Plan or in MPPOA.

2. Termination of employment of the Participant, including termination due to voluntary resignation.

3. Nonpayment of contributions by the individual Participant or by the Participant through the Member Association.

4. Failure by the Participant to file a claim for benefits or to appeal within the time periods set forth in the Plan Document.

5. Amendment or termination of the Plan.

(l) Source of Contributions: The Plan is financed by contributions paid by individual Participants, or by Member Associations, as set forth in the Plan Document and the earnings on said contributions.

(m) Entities Used for Accumulation of Assets and Payment of Benefits: The contributions are received and held by the Board of Trustees in the MPPOA Legal Defense Fund pending the payment of benefits and administrative expenses. The Board of Trustees pays benefits directly from the Legal Defense Fund.

(n) End of Plan Year: The Plan Year runs from January through December of each year.

(o) Use of Assets upon Termination: The Board of Trustees has the authority to terminate the Plan. In the event of the termination of the Plan, any and all monies and assets remaining in the Fund, after payment of expenses, shall be used for the continuance of the benefits provided by the then existing Benefit Plan, until such monies and assets have been exhausted.

(p) Procedures to Be Followed in Presenting Claims for Benefits: To present a claim for benefits under the Plan, it is necessary to notify the LDF Legal Administrator at the office:

Stephen Foertsch, Esq.
Legal Administrator
525 Park Street, Suite 250
St. Paul, MN 55103-2145

(855) 533-6466
24-hour Telephone Number

For more details, see Article V of the Plan Document.

(q) Remedies Available for Redress of Claims Which Are Denied: In the event a claim for benefits is denied, the Legal Administrator will furnish written notification to the Participant within ninety (90) calendar days of receipt of the Participant's claim. In the event the Legal Administrator does not respond within ninety (90) calendar days, the claim shall be deemed to have been denied. The Participant may appeal to the Board of Trustees for a hearing in the matter, provided that he or she makes the request in writing within sixty (60) calendar days after receiving written notice of the denial. The Participant may upon request examine documents pertinent to the denial and may submit to the Trustees written issues and comments. For more details, see Article V, Section 6 of the Plan Document.

The Trustees shall conduct a hearing no later than ninety (90) calendar days after receipt of the Participant's written request for a hearing. Except in unusual circumstances as determined by the Trustees in their sole discretion, a Participant shall not be permitted to appear personally or present oral arguments at the hearing. Within five (5) business days of the hearing, the Trustees shall issue and deposit in the United States mail to the Participant's last known address a written decision affirming, modifying, or setting aside the Legal Administrator's decision. For more details, see Article V, Section 6 of the Plan Document.

(r) Statement of ERISA Rights: As a Participant in the Legal Defense Fund, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

ERISA provides that all plan participants shall be entitled to:

1. Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and association offices, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

2. Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called the "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

3. Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan Documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in State or Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, if, for example, it finds your claim is frivolous.

4. Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA or if you need assistance in obtaining

documents form the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.