

Magistrates Professional Liability Claims – Made and Reported Policy

(Not for Lawyers in Private Practice)

NOTICE

Ohio Bar Liability Insurance Company, a stock insurance company, is herein referenced to as Company or OBLIC. Except to such extent as may otherwise be provided herein, the coverage of this policy is limited to and is applicable to liability for only those “**Claims**” that are first made against the Insured and reported to the Company during the “**Policy Period.**”

PLEASE READ PARAGRAPH (i) OF THE POLICY UNDER THE EXCLUSIONS.

THIS POLICY DOES NOT PROVIDE PRIOR ACTS COVERAGE FOR PERIODS WHEN UNINSURED!

THIS POLICY DOES NOT APPLY TO ANY PROFESSIONAL SERVICES RENDERED TO OTHERS BEYOND THE DUTIES IMPOSED AS A MAGISTRATE.

It is understood that the statements made in the application for insurance are incorporated into, and form a part of this policy, and are warranted by the Insured to be true and correct. Any material misrepresentations thereof will render the policy null and without effect. In reliance on such statements, the Company agrees with the Insured, named in the Declarations made a part of this policy or defined as an Insured herein, in consideration of the payment of the premium and subject to the Limits of Liability, Exclusions, Conditions and other terms of this policy:

Insuring Agreement

I. Coverage

(a) Company agrees to pay on behalf of an “**Insured**” all damages and “**Claim Expense,**” up to the Limits of Liability stated in the Declarations, which the “**Insured**” shall be legally obligated to pay because of any “**Claim**” first made against the “**Insured**” and reported in writing to the Company during the “**Policy Period**” that arises from “**Professional Services**” the “**Insured**” rendered as a “**Magistrate,**” except as excluded or limited by the terms, conditions and exclusions of this Policy.

(b) Company agrees to reimburse the “**Insured**” up to \$50,000 per “**Policy Period**” for reasonable fees, costs and expenses for legal services charged by the “**Insured’s**” chosen lawyer, other than any lawyer insured under this policy, to defend a disciplinary complaint or proceeding by a bar association, disciplinary board or other similar entity, first learned of during the “**Policy Period**” and reported in writing to the Company during the “**Policy Period,**” that arises from “**Professional Services**” the “**Insured**” rendered as a “**Magistrate.**” This coverage does not apply to monetary awards of any kind, judgments or settlements relating to, or resulting from, the institution of disciplinary complaints or proceedings. Any payments made under this provision will not reduce the Limits of Liability stated in the Declarations.

II. Definitions

1. “**Claim**” means a demand received by an “**Insured**” for money damages, including the service or institution of arbitration or other alternative dispute resolution proceedings. “**Claim**” does not include any grievance or disciplinary charges or proceedings, any criminal charges or proceedings, nor does it include a demand or action naming an “**Insured**” solely as a government official in an action against a government body, entity or office.
2. “**Claim Expense**” means the fees, costs and expenses resulting from:
 - a. the investigation, adjustment, defense and fees charged by an attorney designated by the Company to defend any “**Claim;**” and,

b. the appeal of a “**Claim,**” suit or proceeding arising in connection therewith made at the discretion of the Company; however, “**Claim Expense**” does not include salaries or expenses of regular employees or officials of the Company, (other than attorneys engaged in the defense of any “**Claim,**” suit or proceeding) or of any “**Insured**” under this policy.

The Company may, at its option, pay expense as it deems necessary to provide legal services to or for the benefit of the “**Insured**” to rectify an act, error or omission alleged against the “**Insured**” and such expenses shall be considered as “**Claim Expense**” hereunder.

3. “**Insured**” means any person listed in the Policy but only while performing services or activities as a “**Magistrate.**”
4. “**Magistrate**” means a person who is a magistrate of a court of record in the state of Ohio, subject to the Code of Judicial Conduct and required to register with the Supreme Court as a magistrate, whose employment functions do not include providing “**Professional Services**” to others, except as employed as an Ohio magistrate.
5. “**Policy Period**” means the period of time between the inception time and date shown in the Declarations and the date of termination, expiration or cancellation of coverage for the “**Insured,**” or if earlier, the date any “**Insured**” is deleted from this policy.
6. “**Professional Services**” means the services or activities performed by the “**Insured**” in his or her capacity as a “**Magistrate**” on behalf of a court of record in the state of Ohio, including as a mediator. “**Professional Services**” do not include services or activities performed in any other professional capacity.

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Exclusions & Conditions

III. Exclusions

This policy shall not apply:

- a. To any criminal, dishonest, fraudulent, willful, intentional or malicious act, or failure to act;
- b. To any **"Claim"** made against an **"Insured"** that arose or is alleged to have arisen outside the scope of the **"Insured's"** duties as a **"Magistrate;"**
- c. To any **"Claim"** made by an employer against an **"Insured"** who is or was an employee of such employer;
- d. To any **"Claim"** arising out of bodily injury to any person, including sickness, disease or resulting death, or to any **"Claim"** arising out of damage to, destruction or theft of any property, including the loss of use thereof;
- e. To any action against a governmental body, entity or office in which an **"Insured"** is named as a government official of the governmental body, entity or office;
- f. To any **"Claim"** arising out of the **"Insured's"** act, error or omission as an officer, director, partner, member, owner, trustee of a corporation, business enterprise, non-profit or charitable organization or of any employee or group pension, welfare, profit sharing or mutual fund or trust or any employee or group investment fund or trust;
- g. To any punitive or exemplary damages, restitution, fines, penalties, or sanctions, or any suit or writ seeking equitable or extraordinary relief;
- h. To any **"Claim"** arising out of a conflict of interest caused by a **"Magistrate's"** ownership interest in, or arising out of, any business enterprise or entity, or any interest in a trust or estate, directly or indirectly held by any **"Insured"** and/or his or her spouse;
- i. To any **"Claim"** where an **"Insured"** knew or should have known that an act, error or omission might result in a **"Claim"** prior to the date on which coverage became effective under the first policy issued by the Company, provided the same or substantially similar coverage has been in force continuously, without interruption, under this or any prior policies issued by the Company;
- j. To any costs of any legal or investigative services directly contracted or hired by an **"Insured"** without consent of the Company;
- k. To any **"Claim"** made by an **"Insured"** or former **"Insured;"**
- l. To any **"Claim"** asserted for acts, errors or omissions committed during a period of suspension pursuant to the Supreme Court Rules for the Government of the Judiciary;
- m. To any **"Claim"** based upon or arising out of any actual or alleged discrimination or actual or alleged sexual harassment by an **"Insured"** or related to any wrongful employment practices;
- n. To any **"Claim"** arising out of an allegation of misconduct under Canon 4 of the Ohio Code of Judicial Conduct;
- o. To any **"Claim"** made outside the United States of America, its territories, possessions, or Canada; or,
- p. To any monetary awards of any kind, judgments or settlements relating to or resulting from the institution of disciplinary complaints or proceedings.

IV. Conditions

- a. The Limit of Liability stated in the Declarations as applicable to all **"Claims"** arising out of the same, related or continuing **"Professional Services"** is the limit of the Company's liability for all money damages including interest and all **"Claim Expense"** arising out of the same or related **"Professional Services"** without regard to the number of **"Claim,"** demands, suits, proceedings or claimants.
- b. If any additional **"Claim"** is subsequently made which arises out of the same or related **"Professional Services"** as a **"Claim"** already made, any such **"Claim,"** whenever made, shall be considered first made within the **"Policy Period"** in which the earliest **"Claim"** arising out of such **"Professional Services"** was first made, and any such **"Claim"** shall be subject to the same limit of liability.
- c. Subject to the above provisions respecting 'all **"Claims"** arising out of the same related or continuing **"Professional Services,"** the limit of liability stated in the Declarations as aggregate is the total limit of the Company's liability for all money damages and **"Claim Expense"** arising out of all **"Claims"** to which each **"Policy Period"** applies.
- d. No deductible shall apply.
- e. The Company shall not be required to defend any such **"Claim,"** suit or any other matter that is excluded by the terms, conditions or exclusions of this Policy; and, the Company may make such investigation and settle any **"Claim"** or suit or any other matter as it deems expedient.
- f. For defense provided under Coverage (a), the Company shall have the sole right to name defense counsel to represent the **"Insured"** in any **"Claim,"**
- g. The Company has no further obligation to pay any **"Claim,"** judgment or award or continue any defense of any suit or proceeding after the limit of the Company's liability has been exhausted by payments of judgments, awards, settlements, **"Claim Expense,"** or by deposit of the applicable Limit of Liability to a court of competent jurisdiction. If the Company's Limits of Liability are exhausted prior to the conclusion of any pending **"Claims,"** suit or proceeding, by settlement, final judgment or final award, the Company shall have the right to withdraw from the further defense by tendering control of the defense to the **"Insured."**
- h. Reimbursement to the Company. All **"Insureds"** jointly and severally will be liable:
 - i. For amounts the Company has paid in settlement of any **"Claim"** or in satisfaction of judgments, including interest, and **"Claim Expense,"** the total of which exceeds the applicable policy limit of liability.

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ii. For any **“Claim Expense”** paid by the Company, if the Company is ultimately found in any court or arbitration proceeding not to have provided coverage for a **“Claim”** or suit.

i. Other Insurance:

i. The insurance hereunder shall apply only as excess insurance over any other valid and collectible insurance and shall then apply only in the amount by which the applicable limits of liability of this policy exceed the sum of the applicable limits of liability of all such other insurance.

ii. If two or more policies of insurance by the Company apply to the same **“Claim”** for which the Company’s insureds are jointly and severally liable, regardless of the number of insureds, or the total liability of all such insureds, the Company’s liability shall not exceed an amount equal to highest limit of liability of any one policy applicable to such **“Claim”** and shall be apportioned by the applicable policies’ Limits of Liability to the sum of the limits of all policies issued by the Company.

j. Notice of Claim or Suit, or Potential Claims

i. Upon an **“Insured”** becoming aware of any act, error or omission which would reasonably be expected to be the basis of a **“Claim”** or suit covered hereby, regardless of merit, including any request for tolling of the statute of limitations period, written notice shall be given by or on behalf of the **“Insured”** to the Company or any of its authorized agents as soon as practicable, together with the fullest information obtainable.

ii. If a **“Claim”** is made or suit is brought against an **“Insured,”** the **“Insured”** shall immediately forward to the Company every demand, notice, summons or other process received by the **“Insured”** or the **“Insured’s”** representative.

iii. If during the **“Policy Period”** the Company shall be given written notice of any act, error or omission which could reasonably be expected to give rise to a **“Claim”** against the **“Insured”** under this policy, any **“Claim”** which subsequently arises out of such act, error or omission shall be considered to be a **“Claim”** reported during the **“Policy Period”** in which the written notice was received.

iv. In the event of cancellation or nonrenewal, an automatic extension to report a **“Claim”** caused by an act, error or omission occurring prior to the end of the **“Policy Period”** is provided without additional charge, if a **“Claim”** is first made against an **“Insured”** during the **“Policy Period,”** or first made subsequent to termination of the policy, and reported to the Company within 365 days after the expiration or cancellation of this policy, and the **“Claim”** is otherwise covered by this policy.

V. Action or Suit Against Company

a. No suit or action shall lie against the Company unless, as a condition precedent thereto, the **“Insured”** shall have fully complied with all the terms of this policy. Any suit or other action must be brought within one year of the event giving rise to such **“Claim”** or action. The law of Ohio will apply to any such suit or action,

including but not limited to, any interpretation of coverage under the terms of the policy.

b. No person or organization shall have any right under this policy to join the Company as a party to any suit or action against the **“Insured”** to determine the **“Insured’s”** liability, nor shall the Company 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 the Company of any of its obligations hereunder.

VI. Subrogation

In the event of any payment under this policy, the Company shall be subrogated to all of the **“Insured’s”** rights of recovery therefore 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 loss to prejudice such rights.

VII. Notice of Changes

None of the terms or provisions of the Policy shall be modified, waived or changed, except by endorsement issued to form a part of this policy, signed by an officer or duly authorized representative of the Company.

VIII. Assistance And Cooperation Of The Insured

a. The **“Insured”** shall cooperate with the Company and, upon the Company’s request, assist in making settlements, in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization other than an employee of any **“Insured,”** who may be liable to the **“Insured”** because of any act, error or omission with respect to which the insurance is afforded under this policy; and the **“Insured”** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **“Insured”** shall not, except at his or her own cost, voluntarily make any payment, assume any obligation or incur any expense.

b. The **“Insured’s”** time, personal expenses and copies of any documents necessary for the investigation or defense of a **“Claim”** shall not be charged to the Company and shall not be payable as **“Claim Expense.”**

IX. Assignment

The interest hereunder of any **“Insured”** is not assignable, including but not limited to breach of contract or bad faith actions or suits that may be brought against the Company. If the **“Insured”** shall die or be adjudged incompetent, this policy shall cover the **“Insured’s”** legal representative as the **“Insured”** with respect to liability previously incurred and covered by this policy.

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X. Cancellation

a. Policies that are not renewals of coverage, in effect for ninety (90) days or less, may be cancelled or declared null and void by the Company immediately, for any reason, by mailing written notice to the **“Insured”** and the **“Insured’s”** agent, if any, at the last primary mailing address known to the Company. Proof of mailing will be sufficient proof of notice.

b. The **“Insured”** shown in the Declarations may cancel this policy by mailing or delivering to the Company advance written notice of the cancellation

c. With respect to a policy which has been in effect for more than ninety (90) days, or is a renewal of a policy the Company issued:

i. The Company may cancel this policy only for one or more of the following reasons, except as provided in paragraph (6) below:

1. The **“Insured”** has failed to pay a premium when due;
2. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any **“Claims”** submitted thereunder;
3. Discovery of a moral hazard or willful or reckless acts or omissions on the part of the **“Insured”** which increases any hazard insured against (as an example, an **“Insured”** who has been suspended or disbarred from the practice of law in any jurisdiction);
4. The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
5. Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent of Insurance has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in the applicable reinsurance, or to obtain replacement coverage;
6. Failure of an **“Insured”** to correct material violations of safety codes; or
7. A determination by the Superintendent of Insurance that the continuation of the policy by the Company would create a condition that would be hazardous to the policyholders or the public.

ii. The Company will mail written notice of cancellation to the **“Insured,”** and agent if any, at the last primary mailing address known to the Company. Proof of mailing will be sufficient proof of notice.

d. The Company will mail written notice of cancellation at least:

i. Ten (10) days before the effective date of cancellation, if the Company cancels for nonpayment of premium and the policy has been in effect for more than ninety (90) days or the policy is a renewal of coverage; or

ii. Thirty (30) days before the effective date of cancellation, if the Company cancels for a reason other than nonpayment of premium and the policy has been in effect for more than ninety (90) days or the policy is a renewal of coverage.

e. The notice of cancellation will state the effective date of cancellation, policy number, date of the notice and an explanation of the reason for cancellation. The **“Policy Period”** will end on the effective date of cancellation.

f. Policies written for a term of more than one year or on a continuous basis may be cancelled by the Company for any reason at an anniversary date, upon thirty (30) days’ written notice of cancellation.

g. If this policy is cancelled, the Company will send the **“Insured”** any premium refund due. If the Company cancels, the refund will be pro-rata. If the **“Insured”** cancels, the refund may be less than pro-rata. The cancellation will be effective even if the Company has not made or offered a refund.

XI. Nonrenewal

a. The Company may nonrenew the policy by mailing written notice of the Company’s intention not to renew the Policy to the **“Insured,”** at the **“Insured’s”** and agent’s if any, last primary mailing address known to the Company, at least thirty (30) days prior to the expiration date of the Policy. The notice will contain the policy number, date of the notice and the expiration date of the policy.

b. Proof of mailing will be sufficient proof of notice.

XII. Entire Contract

By acceptance of this policy, the **“Insured”** agrees that the statements in the Declarations and in the **“Insured’s”** application for this policy are true and correct and that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between the **“Insured”** and the Company relating to this insurance.

XIII. Special Statutes

Any and all provisions of this policy which are in conflict with the statutes of the state wherein this policy is issued are understood, declared and acknowledged by this Company to be amended to conform to such statutes.

In witness whereof, the Company designated on the Declarations page has caused this policy to be signed by two duly authorized officers of the Company and countersigned on the Declaration page by a duly authorized representative of the Company.

What to do in case of a claim:

In the event any “Insured” directly or indirectly becomes involved in any situation which any “Insured” believes may result in a “Claim” against any “Insured,” that “Insured” should immediately report it to an OBLIC Claims representative.

All “Claims” must be reported in writing by mail, hand delivered to the Company, or by facsimile transmission the receipt of which is confirmed by the Company in writing. Telephone notice and/or electronic message (e-mail) is NOT sufficient to constitute notice under the Policy.



Ohio Bar Liability Insurance Co.

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WARNING

Any person who, with intent to defraud or knowingly facilitating a fraud against an insurer, submits an application or files a “Claim” containing a false or deceptive statement, is guilty of insurance fraud.



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