

# MASIT

## Mississippi Association of Supervisors Insurance Trust

ENDORSEMENT attaching to and forming part of:

MAD2018

MEMBER NAME: Madison County Board of Supervisors

ENDORSEMENT Effective Date: March 1, 2018

ENDORSEMENT No. 1

---

### General Liability

---

THIS ENDORSEMENT MODIFIES THE INSURANCE PROVIDED UNDER  
THE GENERAL LIABILITY COVER SECTION III

**It is agreed that the following has been added:**

Law Enforcement Liability \$1,000,000

Law Enforcement Annual Aggregate \$2,000,000

Deductible: \$25,000

Claims Made Retrodate: 11/10/1986

**Total Pro-Rated Premium \$10,638**

Subject to the Terms and Conditions of the Memorandum of Coverage (MOC), it is hereby agreed that Mississippi Association of Supervisors Insurance Trust (Trust) agrees to allow Madison County Board of Supervisors (Member) to utilize the services of Currie, Johnson & Myers, P.A and specifically Rebecca B. Cowan for legal defense associated with Law Enforcement Liability matters only.

This endorsement applies only to the extent said legal counsel operates within the Legal Defense Guidelines established by the Trust and has executed an agreement acknowledging those Guidelines.

**All other terms, conditions and limitations of this Coverage Document remain unchanged.**

# MASIT LEGAL DEFENSE MANAGEMENT GUIDELINES

## OBJECTIVE

The objective of these guidelines is to ensure professionalism and establish sound business practices which protect the interest of MASIT and its Members by utilizing reporting, documentation and consultation in the management of MASIT's legal services. MASIT's litigation philosophy is to thoroughly investigate all claims and vigorously defend claims where liability is questionable or absent as a matter of policy; to identify as soon as possible all claims for which there is potential liability in order to undertake reasonable settlement measures; to develop all legal defense issues which will identify the strengths and weaknesses of each case; and to determine trial strategy and/or settlement value, which is reflective of the facts and controlling law.

## APPLICATION

These guidelines are effective as to all cases assigned to MASIT defense counsel. See Addendum A for defense counsel Billing Requirements.

## REPORTING

All reports submitted by defense counsel will be submitted to MASIT, Attn: Administrator, copied to CCMSI, third party claims administrator, to the adjuster assigned to the claim. The following separate reports are to be submitted by the dates specified on each case assigned to defense counsel:

### **1. Acknowledgement Letter**

Within seven (7) days of receipt of a newly assigned case, counsel shall forward an Acknowledgment Letter regarding receipt of the file and designating the legal team assigned to the case. Any matters of immediate concern or information should be addressed in the Acknowledgment Letter.

### **2. Initial Litigation Report (ILR)**

Counsel is to forward an Initial Litigation Report within thirty-five (35) days after the Acknowledgment Letter. The ILR should contain:

- A. Investigation plans and procedures;
- B. Preliminary evaluation of liability and damages;
- C. A litigation plan;
- D. A general budget of future costs; and
- E. A date for submission of the Liability Analysis Report.

### **3. Liability Analysis Report (LAR)**

The Liability Analysis Report is due one hundred and eighty (180) days after submission of the ILR. The LAR will follow the same procedures and content as outlined in Addendum B attached hereto. Subsequent LAR's are required as outlined below.

Subsequent LAR's will also contain the following information:

- A. Updated analysis based on investigation/discovery to date, i.e., liability, damages, exposure, etc.;
- B. Summaries of depositions/interrogatory responses and copies of pertinent pleadings and correspondence since the last report;

- C. Status of any negotiations;
- D. Success in obtaining any partial relief sought;
- E. Outline of further activity needed and request for authority to perform the activity, if needed;
- F. Any proposed change in litigation strategy based on investigation/discovery to date to bring the case to conclusion; and
- G. Request for settlement authority, when applicable.

Except as provided herein, subsequent written reports will only be due on the case as required by the Case Reserve Report outlined below or in the case of significant developments occurring in the case. "Significant developments" is defined as filing of or rulings on dispositive motions, communicating settlement demands and offers or other issues with a material impact on the litigation budget or plan. The MASIT Administrator may require a subsequent LAR. Such subsequent LAR's will only outline activities since the last LAR or other written reports.

#### **4. Case Reserve Report (CRR)**

The Case Reserve Report (CRR) is intended to provide a vehicle to monitor legal costs and reserves throughout the litigation process.

- A. Once legal and total reserves have been established by CCMSI based on reports from defense counsel, CCMSI will provide monthly CRR's to the MASIT Administrator on new cases assigned to defense counsel indicating total approved case reserves and legal reserves.
- B. The amounts reserved for legal expenses shall serve as the budget for litigation expenses in the case and CCMSI is not authorized to expend MASIT funds in excess of that budgeted amount, unless modified as provided herein.
- C. In order to facilitate the modification of the budget when necessary, the following guidelines for all cases, except for inmate pro se cases, shall be followed:
  - 1. When legal reserves reach fifty percent (50%) of the legal budget, CCMSI is to alert MASIT's Administrator and defense counsel via email.
  - 2. If legal expense reach seventy-five percent (75%) of the reserve amount or circumstances warrant, CCMSI shall alert via email defense counsel and the MASIT Administrator and provide a Litigation Cost Outline (LCO) to both parties with a detailed summary of all expenditures to date for review.
    - a. Within three (3) business days of the email from CCMSI, CCMSI, MASIT's Administrator and defense counsel shall discuss the reserve amount, the merits of the case and future anticipated costs associated with resolving the case in an expeditious and timely manner. After reviewing all pertinent information, CCMSI shall have the right and duty to properly reserve the case in a timely manner.
    - b. CCMSI will then provide a revised LCO to the MASIT Administrator and defense counsel within three (3) business days of the above discussion for review and discussion. The revised LCO is to summarize future estimated legal expenses, legal fees and a reason for the revisions to the legal reserves. Final approval of the revised reserve will be made by the MASIT Administrator.
  - 3. If further legal expenses reach seventy-five percent (75%) of the new reserve amount, another LCO will be required from CCMSI and the above process will be followed

#### **4. Pre-Trial Report (PTR)**

The Pre-Trial Report is due thirty (30) days before the date set for a case's trial. Please note that an updated trial budget is also required to be submitted by defense counsel and approved by the MASIT Administrator with this report.

The PTR should include the following:

- A. Key elements of the plaintiff's case;
- B. Key elements of the defendant's legal and factual arguments in defense;
- C. Key elements of the co-defendant's arguments, if any;
- D. Any questions of jurisdiction which will influence the case;
- E. Any special circumstances related to the judge and the plaintiff's attorney;
- F. Assessment of fault against the insured;
- G. Prospects of defense verdict;
- H. Projection of possible adverse verdict amount;
- I. Cost to defend through trial;
- J. Beneficial settlement amount;
- K. Maximum settlement amount before proceeding to trial; and
- L. Status of any current settlement negotiations.

#### **FILE HANDLING**

Each file must be assigned to defense counsel law firms that have prior approval to defend MASIT insureds. Assigned firms are to handle all elements of the case. There may be times when assistance is needed from an attorney outside of the assigned defense firm. Such involvement may be approved by the MASIT Administrator for specific tasks or duties. If the assigned defense firm believes it is necessary for an attorney outside of the assigned firm to be involved in a case, approved defense counsel must provide a written explanation of the circumstances and receive prior approval or such expenditure will not be approved for payment by MASIT. The defense counsel assigned to each case is authorized to request the approval of the involvement of the county board attorney to assist with case details and/or to establish a presence at trial. Such involvement must be pre-approved by MASIT in writing prior to any billing for the time of the county board attorney.

#### **BILLING**

Defense counsel should submit itemized bills to MASIT's Administrator no later than the 25<sup>th</sup> day of each month for services provided in the previous months and should include notations for exceptions to the deadline, i.e., holding onto a bill due to extenuating circumstances. Billings for amounts totaling less than \$250 may be held until the next billing cycle.

#### **APPEAL OF CASES**

An appeal of any case to be paid by MASIT shall require the written approval of MASIT's Administrator.

#### **COUNTER CLAIMS AND CROSS CLAIMS**

All counter claims and cross claims to be filed by defense counsel and paid for by MASIT shall require the written approval of MASIT's Administrator.

It is hereby agreed that Mississippi Association of Supervisors Insurance Trust (Insurer) agrees to allow Madison County Board of Supervisors (Insured) to utilize the services of Currie, Johnson & Myers, P.A and specifically Rebecca B. Cowan for legal defense associated with Law Enforcement Liability matters only.

Approved hourly rates are set forth in Addendum A. No rate adjustment shall be made unless approved in writing by MASIT's administrator. Any rate in excess of the foregoing shall not be the responsibility or obligation of MASIT. The undersigned agrees to comply with these guidelines and to perform all necessary and reasonable legal work in connection with any MASIT case assigned to her by MASIT for the rates described in Addendum A.

The undersigned specifically acknowledges and affirms that:

1. Counsel has authority to enter into this agreement.
2. Counsel agrees to the terms contained in the MASIT Legal Defense Management Guidelines.
3. All work performed on behalf of a MASIT member must be pre-approved by the Administrator.
4. Counsel agrees that all work performed will be exclusively for Law Enforcement Liability related claims.
5. Counsel agrees to bill at the rates set out in Addendum A for partners, associates and paralegal personnel. MASIT will not pay any rates higher than those set out in Addendum A.

MASIT

By: \_\_\_\_\_

Derrick Surette  
Administrator

Counsel

By: \_\_\_\_\_

Rebecca B. Cowan

Title: \_\_\_\_\_

Currie, Johnson & Myers, P.A.

## **ADDENDUM A**

### **DEFENSE COUNSEL BILLING REQUIREMENTS**

1. All legal bills should be captioned with the claim number, insured's name, claimant's name and Taxpayer Identification/Federal Identification Number for the firm or entity to be paid.
2. Billing of legal fees must reflect each activity performed, by whom, the date the activity was performed, and the amount of time involved in performing the activity and the hourly rate charged.
  - a. Partner hourly rate: \$155.00
  - b. Associate hourly rate: \$130.00
  - c. Paralegal hourly rate: \$75.00
3. Billing for services should be in increments of one-tenth (.10) of an hour.
4. Billing of legal expenses must reflect the activity that gave rise to the expense, details of the cost, and if applicable, the name of the vendor involved.
5. The following shall not qualify for reimbursement:
  - a. Time spent by defense counsel on administrative, secretarial or other non-legal duties;
  - b. Administrative expenses (e.g., word processing, secretarial charges or overtime, new file set up and maintenance fees, internal mail receipt and distribution, maintaining order in file, date stamping documents, assembling materials, delivery charges, etc.);
  - c. Postage;
  - d. Cellular telephone charges;
  - e. Westlaw/Lexis or Internet charges;
  - f. Photocopying charges in excess of \$0.20 per page;
  - g. Facsimile charges;
  - h. Local telephone charges; and
  - i. Correspondence enclosing transmittal materials.
6. Billing of defense counsel's time spent in transit shall be separately billed from all other activities so that the time spent in travel is itemized separately from time spent once arriving at the destination. Transit time associated with more than one claim file shall be proportionally allocated to each claim file with reference made to the other file(s).
7. Requests for reimbursement for travel expenses, food and lodging shall be in accordance with the guidelines established herein and on the MASIT Trip Expense Report provided by MASIT. All requests for reimbursement for travel expense, food and lodging shall be made no later than one month following the date the expense was incurred.
8. Time utilized to complete the reimbursement forms required herein and time spent for breakfast, lunch and dinner and those hours following the conclusion of work for MASIT when staying overnight away from defense counsel's base of operation shall not be billed to the case file.
9. Although the reimbursement billing procedures set out herein for Travel, Food and Lodging utilize the term "defense counsel," the procedures also apply to all employees of the assigned firm.

## **TRAVEL EXPENSE**

Defense counsel will provide a completed copy of the MASIT Trip Expense Report for all travel and meal expenses to MASIT. Electronic copies of receipts shall be included with the report submitted to MASIT. If the travel and/or food and lodging expenses are split between more than one file, the expense report shall be attached to each file.

1. Every effort should be made to minimize travel and travel expenses without harming the successful defense of the case in the discretion of defense counsel since travel expenses result in increased premium contributions for members and lessen the competitive advantage enjoyed by MASIT.
2. Defense counsel shall generally utilize telephones, conference calls, web conferencing and other means of communication when determined in the discretion of defense counsel to be sufficient for the case's defense instead of reliance on out of town travel.
3. When defense counsel believes travel is justified and necessary to the proper defense of the case, the reason for the travel should be included on the travel reimbursement documentation. In addition, counsel shall review closely any other cases which may be ongoing and should utilize the travel opportunity to address other pending issues and cases.
4. Auto expenses will be compensated for trips which are more than thirty (30) miles roundtrip and billed at the per mile rate approved by the IRS for standard deduction purposes. Under no circumstances will MASIT reimburse for commuting expense. MASIT will not reimburse automobile expense for two (2) attorneys assigned to the same case who travel in separate vehicles without prior approval. Such approval will be granted only if such separate travel is required because of another case involving MASIT or when conflicts counsel is involved and is travelling from another location than separate defense counsel also assigned to the case.
5. Mileage expenses will be calculated from the firm's base of operation except on those occasions when travel originated from or concludes at defense counsel's home. For such trips which originate from or conclude at home, mileage will be calculated utilizing either defense counsel's home or the firm's base of operation, whichever distance is less.

## **FOOD AND LODGING**

1. Reimbursement for food and lodging for out of town trips will be for actual reasonable expenses incurred for defense counsel in accordance with these guidelines and when accompanied by a copy of a paid receipt.
2. Breakfast reimbursements will be made if it was necessary to leave home before 11:30 a.m. on any given day. Breakfast will also be reimbursed for an occasion when staying overnight is necessary. Breakfast reimbursement will be limited to no more than \$10 per day.
3. Dinner reimbursement will be made for meals in transit or at the travel destination if out of town work extends to a time after 4:00 p.m. on a given day of travel. Dinner will also be reimbursed for an occasion when staying overnight is necessary. Dinner reimbursement will be limited to no more than \$30 per day.
4. Lunch reimbursement will be made for meals in transit or at the travel destination out of town work extends up to 11:30 a.m. on a given travel day. Lunch reimbursement will be limited to no more than \$20 per day.
5. In no case will MASIT reimburse for the purchase of alcohol nor shall MASIT reimburse for food or lodging for anyone not travelling with defense counsel.
6. Lodging, when necessary, will be sought at rates which recognize the financial challenges facing elected officials and employees of MASIT member counties. Unless approved in advance,

lodging will be in the city where the meeting has occurred or where the meeting will occur the following morning. Only the charge for lodging and associated lodging taxes will be eligible for reimbursement.

### **BILL AND FILE AUDIT**

1. MASIT reserves the right to review all charges for services and disbursements pertaining to litigation for which it is billed by defense counsel. This includes, but is not limited to, all charges paid by MASIT with respect to such litigation, whether pursuant to SIR or deductibles under MASIT's policies or otherwise.
2. MASIT reserves the right to conduct on site audits and reviews of defense files and/or defense bills, consistent with the defense counsel's attorney-client ethical obligations. This will be done in a manner that will not compromise the attorney-client or work product material in the files or communications by or between the firm, the client or MASIT. The firm agrees to comply with all reasonable requests for information and documents, provided that such documents or information are not privileged or intended by the insured to be confidential.
3. MASIT fully reserves all rights to decline to pay or to seek reductions and/or refunds with respect to charges that fail to comply with the requirements set forth herein. Those charges which are not fully explained or documented by the firm after reasonable inquiry will be declined. MASIT will allow the firm to appeal any declined payment via appeal to the MAS Executive Director with justification for charges. MASIT's policy is to pay the undisputed portion of bills received from the firm within thirty (30) days.



## **ADDENDUM B**

### **LIABILITY ASSESSMENT REPORT (LAR)**

The Liability Assessment Report (LAR) should be sufficient in length to provide a thorough analysis of the matters listed below. The LAR is defense counsel's current analysis of the case and its potential exposures. The LAR should contain the following:

1. Statement of Facts (including any experts' opinions);
2. Theory of liability;
3. Applicable law;
4. Defenses;
5. Damages;
6. Plaintiff's current settlement demand;
7. Assessment of plaintiff's counsel;
8. Expected Verdict range;
9. Settlement range;
10. Possibility for dispositive motion;
11. Other relevant issues;
12. Review of following documents, if any:
  - a. Indemnity agreement;
  - b. Hold harmless agreements
  - b. Contractual obligations;
  - c. Additional insureds;
  - d. Certificate of insurance.
13. Settlement Prospects.

**ADDENDUM C**  
**REQUEST FOR EXPENSE REIMBURSEMENT**

TIMEKEEPER: \_\_\_\_\_

APPROVED: \_\_\_\_\_

**Mileage**

Date	Case	From	To	Miles	Amount
<b>PURPOSE:</b>					
<b>PURPOSE:</b>					

**Meals:**

Date	Case	Restaurant	CC	Cash	Amount

**Miscellaneous:**

Date	Case			Amount

Mileage @ .545/mile: \_\_\_\_\_

Meals: \_\_\_\_\_

Miscellaneous: \_\_\_\_\_

Amount: \_\_\_\_\_

Date Paid: \_\_\_\_\_

Check No.: \_\_\_\_\_