

19325
APR - 7 2015
DH

Right to Know Request Document Production – Joshua Prince

- A. Legal Defense Fund Account Screen Print (Produced)
- B. Online Contributions to 3/27/15 (Produced w/ Redactions)
- C. Cash and Check Contributions to 3/27/15 (Produced w/ Redactions)
- D. City of Lancaster Cash Account Fulton Bank (Produced)
- E. January 2015 Solicitor's Invoice (Produced)
- F. February 2015 Solicitor's Invoice (Produced)
- G. Insurance Claim Documentation (Produced)
- H. City emails regarding NRA lawsuit (Produced)
- I. Emails with Travelers regarding coverage of defense of lawsuit (Produced)
- J. Emails regarding Media Communication NRA lawsuit, establishment of legal defense fund, and process to set up communications website, use of funds (Produced w/ Redactions)
- K. Emails regarding Prince Right to Know Request (Produced w/ Redactions)
- L. Emails from Mayor (Withheld and Produced w/ Redactions)

	Document	Date	# of Pages	Description of Redaction	Privilege Type
B.	Common Sense Lancaster Defense Fund Online Contributions	3/25/15	3	Name, address and email of contributors	Exempt Under Act
C.	Common Sense Lancaster Cash/Check Contributions	3/25/15	2	Name, address and email of contributors	Exempt Under Act
J.	Email string	1/19/15	2	Name	Exempt Under Act
J.	Email	1/15/15	1	Telephone number	Exempt Under Act
J.	Email String	1/15/15		Contains Account Usernames and/or Passwords	Privacy
J.	Email	1/15/15	1	Telephone number	Exempt Under Act
K.	Email	2/26/15	1	Communications Between Mayor's Office and City Solicitor	Attorney Client
K.	Email	2/26/15	2	Communications Between Mayor's Office and City Solicitor	Attorney Client
K.	Email	2/26/15	3	Communications Between Mayor's Office and City Solicitor	Attorney Client
K.	Email	3/25/15	1	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email	3/27/15	1	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email	3/30/15	2	Communications Between Mayor's Office and City Solicitor	Attorney Client; Exempt Under Act
L.	Email String	3/24/15-3/30/15	5	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email	3/30/15	2	Communications Between Mayor and City Solicitor	Attorney Client
L.	Email String	3/24/15-3/27/15	1	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email String	3/24/15-3/26/15	3	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email Attachment	3/24/15	7	Ordinance	Pre-decisional
L.	Email and Attachment	3/20/15	5	Communication between Mayor's Office, Solicitor's office and Assistant Counsel	Work Product and Attorney Client
L.	Email string	2/26/15	2	Communications Between Mayor's Office and City Solicitor	Attorney Client
L.	Email	2/25/15	1	Communications Between Mayor and City Solicitor	Attorney Client

The Travelers Indemnity Company
 P O Box 13426
 Reading, PA 19612-3426

01/17/2015

/City Of Lancaster
 P.O. Box 1599
 Lancaster PA 17604

Claim Acknowledgment

CLAIM # EYB9999	LOSS DESIG. LR	ADJ. OFFICE 145	FIELD OFFICE NAME	REPORTING STATE
CLAIM HANDLER Helen Lee		PHONE NUMBER (610)371-3793		SUPERVISOR MJS

ACCOUNT INFORMATION

PARENT COMPANY NAME /City Of Lancaster	ACCOUNT NAME City Of Lancaster
RISK LOCATION ADDRESS Unknown Unknown PA 17604 LOCATION CODE: 21N14627ZLP001	MAILING ADDRESS P.O. Box 1599 Lancaster PA 17604

POLICY PROFILE

POLICY FORM ZLP	POLICY NUMBER 21N14627	EFFECTIVE DATE 03/15/2014
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LOSS ACCIDENT INFORMATION

DATE OF ACCIDENT 01/14/2015	ACCIDENT LOCATION 120 North Duke St. Lancaster PA 17602
TIME OF ACCIDENT	
DATE REPORTED 01/15/2015	

DESCRIPTION OF ACCIDENT
 Nra has filed suit against the insured regarding their gun ordinance.

CLAIM # EYB9999

LIABILITY ACCIDENT INFORMATION

TYPE OF GL NOTICE

SUBSTANCE OR OBJECT CLAIMANT FELL ON

HOW OBJECT GOT THERE

HOW PRODUCT WAS BEING USED AT THE TIME OF THE ACCIDENT

MANUFACTURER NAME

MAKE / MODEL / SIZE / STYLE

SERIAL NUMBER

DAMAGE

WHERE & WHEN PURCHASED

WHERE CAN PRODUCT BE SEEN

CLAIMANT INFORMATION

NAME	CLAIMANT NO.	TYPE
/National Rifle Association 11250 Waples Mill Road Fairfax VA 22030	001	INJURED

DESCRIPTION

ATTORNEY	ATTORNEY'S PHONE NUMBER	SUIT	DATE OF SERVICE
Jonathan Goldstein 11 Church Road Hatfield, PA 19440	(610)727-4191		12/12/9999

TOTAL CLAIMANTS: 001

The Travelers Indemnity Company
One Tower Square - 7MSA
Hartford, CT 06183

02/17/2015

/City Of Lancaster
P.O. Box 1599
Lancaster PA 17604

Insured: City Of Lancaster
Claimant: /National Rifle Association
Claim/File #: EYB9999
Date of Loss: 01/14/2015
Reference #: Reassignment notification

Dear /City Of Lancaster,

I am writing to inform you that your claim has been reassigned to me. My goal is to ensure that this transition is as smooth as possible for you. I am reviewing your claim, and I will follow up with you shortly.

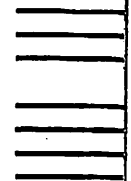
Please direct all future correspondence related to the claim to me at the following address:

The Travelers Indemnity Company
One Tower Square - 7MSA
Hartford, CT 06183

If you have any questions or concerns, please do not hesitate to contact me at (860)277-2942.

Sincerely,

Dennis Williams
Claim Professional
Direct: (860)277-2942
Office: (860)277-2942 Ext.
Fax: (860)521-1805
Email: DSWILLI2@travelers.com





Helen C. Lee
Claim Professional
(610) 371-3793
(877) 231-2506 (fax)
PO Box 13426
Reading PA 19612
hlee2@travelers.com

VIA CERTIFIED MAIL #7014 0510 0000 4320 9303

January 30, 2015

Patrick Hopkins
City of Lancaster
P.O. Box 1599
Lancaster, PA 17604

RE: Claimant: National Rifle Association
Insured: City of Lancaster
Claim No.: EYB9999
Date of Loss: 1/14/2015

Dear Patrick:

The Travelers Indemnity Company (hereinafter referred to as "Travelers") received a copy of the Summons and Complaint filed on January 14, 2015 entitled National Rifle Association v. City of Lancaster, et al, in the Court of Common Pleas of Lancaster County, Pennsylvania, CI-15-00246 ("Complaint"). The City of Lancaster (hereinafter referred to as "the City") referred this matter to Travelers requesting coverage for the claim under the City's policy of insurance, policy number ZLP-21N14627, with effective dates 3/15/2014 – 3/15/2015.

We appreciate and value the City as a customer and are committed to working closely with you in the defense of this matter. While the policy issued to the City by Travelers provides insurance protection to the City and its employees, all or part of this claim may not be covered by the policy. The purpose of this letter, which is known as a "Reservation of Rights" letter, is to inform you of our respective obligations and rights under the policy. For the reasons set forth below, Travelers is willing to provide you with a defense in this matter, subject to the terms and conditions of the Policy and our reservation of rights.

Travelers has agreed to provide your defense and we have referred this matter to David MacMain, Esquire of the MacMain Law Group, LLC, 101 Lindenwood Dr., Suite 160, Malvern, PA 19355. If you have any questions, you may reach the law firm at 484-318-7106.

We have carefully reviewed the allegations raised in the Complaint. Our coverage evaluation is based on the allegations made by the National Rifle Association ("NRA"). We realize you will dispute those allegations. Please note that in referring to those allegations, Travelers does not imply that any of them are true, nor do we wish to diminish our strongly held, mutual interest in handling this claim. However, Travelers must refer to those allegations in determining whether it has any coverage obligations to you for this matter under the Travelers policy.

In the Complaint, Plaintiff NRA seeks to have the Court issue a declaration that the City's Ordinance No. 9-2009 ("Ordinance"), referred to as the Lost or Stolen Gun Ordinance, is preempted by the Uniform Firearm's Act ("UFA"), 18 Pa.C.S. Section 6120, a state statute. Plaintiff alleges that due to a recent amendment to the UFA, it now has standing to pursue this relief.

Plaintiff alleges that the UFA sets forth, in pertinent part, that "[n]o county, municipality or township may in any manner regulate the lawful ownership, possession, transfer or transportation of firearms, ammunition or ammunition components when carried or transported for purposes not prohibited by the laws of this Commonwealth." The Plaintiff further alleges that the City's Ordinance, which requires gun owners to report their lost or stolen firearms to law enforcement officials within seventy-two hours after discovery of the loss or theft or face penalties, violates the UFA in that it seeks to regulate the "lawful ownership, possession, transfer or transportation of firearms[.]" Plaintiff contends that only the Pennsylvania General Assembly can regulate firearms.

As such, Plaintiff NRA seeks: (1) a declaration and final judgment that the Ordinance is preempted by the UFA; (2) a permanent injunction restraining and enjoining the City defendants from enforcing the Ordinance (and any other such ordinances not included herein); and (3) such nominal, compensatory, and punitive damages as may be available and for the mandatory awarding of reasonable expenses, including, but not limited to, attorney fees, expert witness fees, court costs and compensation for loss of income as provided for in the UFA.

A review of the claim in light of your insurance policy in effect reveals certain potential coverage issues that we have highlighted in this letter.

The City is insured under policy no. ZLP-21N14627 in effect from 03/15/2014 to 03/15/2015. This policy provides Public Entity Management Liability Coverage ("PEML") to the City on a claims-made basis. The PEML coverage provides limits of \$1,000,000 each wrongful act and an aggregate limit of \$1,000,000. There is a \$25,000 deductible for each wrongful act and the retroactive date is 3/15/1993. Defense expenses are included within the deductible. The key terms and conditions of the PEML are set forth on form, PR T1 06 02 09, which reads, in part:

**SECTION I - PUBLIC ENTITY MANAGEMENT
LIABILITY COVERAGE**

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of loss to which this insurance applies. We will have the right and duty to defend the insured against any claim or "suit" seeking those damages. However, we will have no duty to defend the insured against any claim or "suit" seeking damages because of loss to which this insurance does not apply. We

may, at our discretion, investigate any "wrongful act" or claim and settle any claim or "suit". But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

We will have no other obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments.

b. This insurance applies to loss only if:

- (1) The loss is caused by a "wrongful act" committed while conducting duties by or on behalf of you or "your boards";
- (2) The "wrongful act" is committed in the "coverage territory";
- (3) The "wrongful act" was not committed before the Retroactive Date shown in the Declarations of this Coverage Part or after the end of the policy period; and
- (4) A claim or "suit" by a person or organization that seeks damages because of the loss is first made or brought against any insured, in accordance with Paragraph c. below, during the policy period or any Extended Reporting Period we provide under Section VI – Extended Reporting Periods.

The Policy defines "wrongful act" as follows:

34. "Wrongful act" means any act, error, or omission.

To the extent that Plaintiff seeks damages in connection with a "wrongful act" committed by or on behalf of the City in the conduct of the City's duties, the following exclusions may apply:

j. Injunctive Relief

Any loss, cost or expense arising out of complying with any injunctive or other non-monetary relief or any agreement to provide such relief.

Plaintiff requests a declaration that the Ordinance is pre-empted by state statute. Plaintiff also seeks to enjoin the City from enforcing the Ordinance. To the extent that any loss, cost or expense for complying with any injunctive or other non-monetary relief is assessed against the City, there would be no coverage for those damages. In addition, the claims for injunctive and declaratory relief do not qualify as damages under the Policy. Therefore, the injunctive, declaratory and non-monetary relief claims are disclaimed.

The policy addresses Who is an Insured as follows:

SECTION II - WHO IS AN INSURED

1. If you are designated in the Common Policy Declarations as a public entity, you are an insured. "Your boards" are also insureds. Your lawfully elected or appointed officials, "executive officers" or directors are also insureds, but only with respect to their duties as your elected or appointed officials, "executive officers" or directors.
2. Each of the following is also an insured:
 - a. Your "volunteer workers", but only while performing duties related to the conduct of your business, and your "employees", but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
 - b. Members of "your boards", but only for the conduct of their duties for you or for "your boards". "Employees" of "your boards" are also insureds, but only for work done within the scope of their employment by "your boards", or their performance of duties related to the conduct of the operations of "your boards".
 - c. Any legal representative of an insured that has died, or become mentally incompetent, insolvent or bankrupt, but only with respect to duties as such. That representative will have all the rights and duties of such insured under this Coverage Part.
3. Any of your lawfully elected or appointed officials, "executive officers", directors or "employees", or any members of "your boards", appointed at your request to serve with an outside tax exempt entity will be deemed to be acting within the scope of their duties for you.

Plaintiff has named J. Richard Gray and the Lancaster City Council as defendants in this suit. To the extent that Mr. Gray and the Lancaster City Council were operating within the scope of their employment or were performing duties related to the conduct of the City's business, there may be coverage for this matter under the City's policy. If the claims against Mr. Gray and the Lancaster City Council are found to be outside the scope of their employment or that they were not performing duties related to the conduct of the City's business, those claims may be uncovered.

The policy addresses Deductible as follows:

SECTION IV - DEDUCTIBLE

1. The Each Wrongful Act Deductible shown in the Declarations of this Coverage Part and the rules below fix the amount of damages and "defense expenses" incurred by, or on behalf of, you or any insured that you will be responsible for paying, regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".

The Each Wrongful Act Deductible does not apply to payments we make under Supplementary Payments, other than "defense expenses".

2. The Each Wrongful Act Deductible applies to all damages and "defense expenses" for all claims or "suits" for loss caused by the same "wrongful act" or "related wrongful acts".
3. The applicable limits of insurance will not be reduced by the amount of any damages or "defense expenses" within the deductible amount.
4. The terms of this policy, including those with respect to:
 - a. Our right and duty with respect to the defense of claims or "suits"; and
 - b. Your duties in the event of a "wrongful act", claim or "suit";

apply, irrespective of the application of the deductible amount.

5. If we settle a claim or "suit" for damages, or pay a judgment for damages awarded in a "suit", that are subject to a deductible, we may pay any part or all of the deductible amount. You will promptly reimburse us for such part of the deductible amount as we have paid.
6. If we pay "defense expenses" that are subject to a deductible, you will promptly reimburse us for such part of the deductible amount as we have paid.
7. If you do not reimburse us for a deductible amount that applies to damages or "defense expenses", and we are awarded the deductible amount we sought, or any part of that amount, in any legal proceeding against you, you agree to pay us the amount of the award and the following:
 - a. "Our deductible recovery expenses"; and
 - b. Interest, from the date of our notice of payment to you, on the deductible amount awarded to us.

The policy defines "defense expenses" as follows:

4. "Defense expenses":
 - a. Means any of the following fees, costs or expenses which can be directly allocated to a particular claim or "suit":
 - (1) Fees of attorneys, or other authorized representatives where permitted, for legal services, whether by outside or staff representatives; or
 - (2) Court, alternative dispute resolution and other specific items of expense, whether incurred by an outside vendor or by one of our employees, including:
 - (a) Expert testimony;
 - (b) Autopsy;
 - (c) Witnesses and summonses;

(d) Copies of documents such as birth and death certificates and medical treatment records;

(e) Arbitration fees;

(f) Fees or costs for surveillance or other professional investigations which are conducted as part of handling of a claim or "suit"; and

(g) Fees or costs for loss prevention and engineering personnel for services which are conducted as part of handling of a claim or "suit".

b. Does not include:

(1) Our expenses, including salaries, overhead and traveling expenses of our employees, except for those fees, costs or expenses described in Paragraphs a.(1) and a.(2) above incurred while handling a claim or "suit"; or

(2) Fees paid to independent claims professionals or attorneys (hired to perform the function of claim investigation normally performed by claim adjusters), for developing and investigating a claim so that a determination can be made of the cause or extent of, or responsibility for, the loss, including evaluation and settlement of covered claims.

This matter will be subject to a single deductible of \$25,000.00 which will include any "defense expenses" incurred.

The Complaint seeks punitive damages if available. Directly assessed punitive damages are uninsurable in Pennsylvania and any award for such punitive damages would not be covered by the City's policy with Travelers.

In summary, Travelers has agreed to pay those sums that any "insured" may become legally required to pay as "damages" for covered "wrongful acts" while conducting duties on behalf of the City. To the extent that any "damages" are awarded for uncovered wrongful acts, Travelers hereby reserves the right to disclaim coverage. Travelers will provide a defense to the City subject to this reservation of rights.

Nothing in this letter should be construed as a waiver of Travelers' rights under any of the provisions of the Travelers policy or any other defense that the Company may have. Travelers

expressly reserves all of its rights to limit or deny coverage for this claim on the basis of these or any additional grounds.

The analysis of coverage outlined herein is not meant to be exhaustive. The policy of insurance includes additional provisions that may have a bearing on the question of coverage. By limiting policy references to those cited herein, Travelers does not waive any other policy provisions. The insurance policy is incorporated herein by reference in its entirety, as if set forth in full.

We invite you to submit any documents or information that you feel may have a bearing on the coverage issues or our decision concerning this claim. If you now or in the future receive any information that you believe will affect our coverage position, please send that information to us immediately for consideration. In the event that an Amended Complaint is served, please forward it to us immediately for our consideration as such amendments can affect our obligations to you under the Policy.

If you have any questions, please feel free to call me.

Sincerely,



Helen C. Lee
The Travelers Indemnity Company

cc: Barry Handwerger, City Solicitor (via email)
David MacMain, Esquire (via email)
Katie Stonehouse, Murray Securus (via email)