

On May 7, 2014, the Committee on Lawyer Discipline (COLD) voted unanimously to approve the proposed Paragraph 13.4 to be included in Part Six, Section IV of the Rules of the Supreme Court of Virginia. This Paragraph is in response to changes to Virginia Code Section 54.1-3935(D) which charge the bar with setting standards for minimum malpractice coverage when disciplinary charges heard by a three-judge panel result in a finding of criminal conduct involving loss of client property.

#### PART SIX, SECTION IV, RULES OF THE SUPREME COURT OF VIRGINIA

##### 13.4 Insurance coverage requirement for respondents under Va. Code § 54.1-3935(D)

Pursuant to Va. Code § 54.1-3935(D), when an attorney who has been found guilty of engaging in criminal activity that violates the Rules of Professional Conduct and results in the loss of property of one or more of the attorney's clients and has been required by a three-judge court to maintain professional malpractice insurance during the time he or she is licensed to practice law in the Commonwealth of Virginia, that attorney shall carry such coverage in the minimum amount of \$500,000 per claim and \$1 million in the aggregate with a maximum \$10,000 deductible, with a Virginia licensed insurer, eligible surplus line insurer or registered risk retention group. The coverage provider must have an A.M. Best minimum rating of A-.

The attorney shall require the insurer to include language in the policy specifying that the VSB be given notice of cancellation or nonrenewal. The attorney shall certify such coverage and the notice requirement to the VSB on a yearly basis with a certificate of insurance provided to the VSB by an agent or broker licensed in Virginia. This certificate must be received initially within 10 days after inception or reinstatement of the policy.

*Comments or questions should be submitted in writing to Executive Director, Virginia State Bar, 1111 East Main Street, Suite 700, Richmond, Virginia 23219-3575, no later than August 15, 2014. The Virginia State Bar Council will consider the proposed amendments when it meets on October 24, 2014.*