

SCHOOL LIABILITY COVERAGE AGREEMENT

PART A GENERAL

- I. The TASB Risk Management Fund (Fund) will pay on behalf of a **Covered Person** amounts as outlined in this School Liability Coverage Agreement (Coverage Agreement). This coverage is contingent on full compliance with the provisions contained in this Coverage Agreement, the Contribution and Coverage Summary (CCS) and any other participation documents or agreements between the Fund and the Fund Member.
- II. This document is not a contract of insurance. The Fund is not an insurance company. Rather, this Coverage Agreement is an agreement between the Fund and the Fund Member to pay all covered losses subject to all provisions, including the definitions, terms, conditions, exclusions, deductibles and limits of liability of this Coverage Agreement and any other participation documents. You should read the entire Coverage Agreement to determine what is and what is not covered. Certain provisions contained in this Coverage Agreement will exclude, limit or restrict coverage. The terms and definitions of this Coverage Agreement only apply to this Coverage Agreement and do not apply to other Fund coverage agreements.
- III. The Fund, in its sole discretion, shall determine which coverage applies, if any, when a claim is reported to the Fund.
- IV. The following bolded terms are defined and applicable throughout this entire Coverage Agreement:
 - A. **Covered Person** means the Fund Member; any trustee, school board member, student teacher, or volunteer, while such **Covered Persons** are acting within the course and scope of their duties; any employee of the Fund Member, including students, while such **Covered Persons** are acting within the course and scope of the duties of their employment; under General Liability coverage only, any K-12 school district student while participating in an external career or technology program approved by the Fund Member; or, under General Liability coverage only, any student while operating Fund Member-owned self-propelled motor-driven equipment at the direction of a Fund Member employee acting within the course and scope of the employee's employment.
 - B. **Damages** means any amount, within the coverage limits, **Covered Persons** are legally obligated to pay. This includes settlements, judgments, related court costs, and interest on any judgment, unless otherwise excluded in this Coverage Agreement.
 - C. **Claim Expense** means reasonable and necessary fees charged by any attorney selected by the Fund and all other reasonable expenses arising from the investigation or defense of any claim. This does not include salaries of trustees, board members or employees of the Fund Member or any other governmental body, or any other expenses otherwise excluded by this Coverage Agreement.
 - D. **Automobile** means: any self-propelled motor-driven equipment that is registered for use on public roads; or any automobiles and motor vehicles, trailers, and semi-trailers, whether registered or not. **Automobile** does not include self-propelled motor-driven equipment that is not registered for use on public roads, such as lawnmowers, golf carts, all-terrain vehicles, forklifts, or tractors.
 - E. **Participation Period** means the effective dates of coverage under this Coverage Agreement as stated in the CCS.

- F. **Occurrence** means any incident or event including continuous or repeated acts, omissions or exposures to conditions during the **Participation Period** that results in **Bodily Injury, Property Damage** or **Personal Injury**, neither expected nor intended by the **Covered Persons**. Any Claims, suits, or **Damages** arising from substantially the same harmful conditions shall be subject to the limits and deductible for a single **Occurrence**. This includes continuous or repeated acts, omissions or Claims without consideration of the frequency, the number or type of media, material or acts involved or, the number of **Covered Persons** or claimants involved.
- G. **Bodily Injury** means sickness, disease, other bodily injury or death sustained by any person. **Bodily Injury** shall include injury arising out of rendering or failure to render medical, surgical, dental or nursing treatment.
- H. **Property Damage** means physical injury to or destruction of tangible property belonging to others, including loss of use of the property whether or not it has been physically injured or destroyed.
- I. **Personal Injury** means injury, other than **Bodily Injury**, including humiliation, or mental anguish which results directly from the following:
 1. Oral or written publication of material that slanders or libels a person or organization, disparages a person's or organization's goods, products or services, or violates a person's right of privacy;
 2. Infringement of intellectual property;
 3. Wrongful eviction from, wrongful entry into, or invasion of the right to private occupancy of a dwelling or premises;
 4. False arrest, detention, or imprisonment; or
 5. Malicious prosecution.
- J. **Mold** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by fungi.

PART B
PROFESSIONAL LEGAL LIABILITY COVERAGE

- I. The Fund will pay those sums a **Covered Person** becomes legally obligated to pay as **Damages** arising out of a Wrongful Act provided the Claim is made and reported to the Fund during the **Participation Period**. The Fund will pay **Damages** in excess of the deductible amount and within the limits of coverage shown in the CCS. The limit of coverage stated in the CCS will not be reduced by **Claim Expenses**. The Fund Member will pay the deductible amount shown in the CCS for each Wrongful Act. The deductible shall apply to judgments, settlements, and **Claim Expenses** whether or not a settlement is made. The limits of coverage as stated in the CCS or in this Coverage Agreement is the maximum amount the Fund will pay for a Claim arising out of a Wrongful Act.
 - A. Wrongful Act means any actual or alleged act or omission by a **Covered Person**, including **Bodily Injury** arising out of student discipline or punishment administered by a **Covered Person**, in the performance of duties for the Fund Member that results in a Claim being made. Any Claims, suits or **Damages** because of a series of related Wrongful Acts arising from substantially the same harmful conditions shall be subject to the limits and deductible for a single Wrongful Act. This includes continuous or repeated acts, omissions

- or Claims without consideration of the frequency, repetition or the number of acts, **Covered Persons** or claimants involved.
- B. Claim means any demand for monetary or non-pecuniary relief presented to the Fund Member that results in litigation or in which the Fund Member reasonably anticipates litigation. Claim does not include demands presented for administrative proceedings or alternative dispute resolutions before any federal, state, or local administrative agency, commission, or board nor any related **Damages** or expenses.
- II. For coverage to apply the Wrongful Act must happen during the **Participation Period** and the Claim must be reported to the Fund during the **Participation Period**. However, if the Wrongful Act happened prior to the **Participation Period** the Fund will provide coverage only if:
 - A. The **Covered Persons** did not give notice to any prior insurer of the Wrongful Act; and the **Covered Persons** had no knowledge of the Wrongful Act likely to give rise to a Claim under this coverage; and
 - B. The Claim is first made against the **Covered Persons** and reported to the Fund during the **Participation Period**.
 - III. If, during the **Participation Period** or a purchased extended reporting period, the Fund Member becomes aware of a Wrongful Act that would otherwise be covered under Part B and provides written notice to the Fund, then any Claim that is subsequently made arising out of that Wrongful Act shall be deemed to be made during the **Participation Period** or the extended reporting period. Any investigation conducted by the Fund or its representative shall be subject to the terms and conditions set forth in this Coverage Agreement.
 - IV. The Fund may, in its sole discretion, extend the reporting period for coverage under Part B for Wrongful Acts occurring during the **Participation Period**. If offered, the Fund Member must exercise the option to purchase the extended reporting period coverage in writing and pay any additional contribution within thirty (30) days of the termination date of this coverage. Claims reported during the extended reporting period will be subject to the same terms and conditions as any other Claims reported under this section.
 - V. The Maximum Annual Aggregate as stated in the CCS is the maximum dollar amount that the Fund will ever be obligated to pay for **Damages** arising from Claims reported in the **Participation Period**, regardless of the number of Claims, Wrongful Acts, **Covered Persons**, lawsuits filed or types of **Damages**.
 - A. Where payment for **Damages** reaches the Maximum Annual Aggregate, the Fund shall have no further liability or obligation of any kind to the Fund Member or any **Covered Person** to pay any **Damages** or defend any suit.
 - B. The Maximum Annual Aggregate in the previous **Participation Period** shall not be increased by reason of any extended reporting period which may apply.
 - VI. The Fund's limit of liability for a Wrongful Act shall not increase nor shall more than one deductible be applied if:
 - A. There is more than one **Covered Person**, or
 - B. More than one person or organization makes a Claim or brings suit.
 - VII. The Fund shall have no duty to furnish an attorney and/or defend Claims made against any **Covered Person** that alleges a violation of criminal law. However, the Fund shall reimburse such **Covered Person** in an amount not to exceed the rates that would be paid by the Fund to attorneys retained by it in the ordinary course of business in the defense of similar actions in the community where the Claim arose or is being defended. Such reimbursement will only be made if no finding, verdict, judgment, sentence, decision, outcome, or decree,

including deferred adjudication, has been entered by any civil or criminal trial court that is adverse or unfavorable to any **Covered Person** with respect to allegations of violation of criminal law.

PROFESSIONAL LEGAL LIABILITY
WHAT COVERAGE THE FUND WILL NOT PROVIDE

VIII. EXCLUSIONS—The Fund will not provide coverage under Part B for the following:

- A. **Damages or Claim Expense** for Claims for any **Bodily Injury, Property Damage or Personal Injury** for which coverage exists under any general liability, automobile liability or personal injury liability coverage, or any acts or omissions for which coverage exists under any employee benefits Liability coverage.
- B. **Damages or Claim Expense** for Claims against a **Covered Person** gaining any profit or advantage to which the **Covered Person** is not legally entitled.
- C. **Damages or Claim Expense** arising out of or in connection with salaries, wages, or other employment related benefits which the **Covered Person** is liable to pay any employee by operation of the Fair Labor Standards Act (except the Equal Pay Act) or similar state laws. However, coverage would extend to retaliation claims that arise under the Fair Labor Standards Act or similar state laws.
- D. **Damages** that are considered compensation, wages, benefits, and/or related damages or obligations sought by, awarded to or as a result of settlement with an employee, officer, director, trustee or board member of a Fund Member, including but not limited to workers' compensation and disability benefits, social security benefits, employee benefits, and unemployment insurance, whether already accrued or not.
- E. **Damages** arising out of the actual, alleged or threatened infliction of student discipline or punishment with intent to cause injury, or the actual or alleged student discipline or punishment administered in violation of law or the Fund Member's policy or regulations. However, this exclusion does not apply to Claims or allegations arising from vicarious liability or the Fund Member's or other **Covered Persons'** failure to exercise due care in employing or supervising the individual administering the student discipline or punishment.
- F. **Damages**, including compensatory services, awards, plaintiff's attorney's fees, **Claim Expense**, or other payment incurred or rendered at the administrative level against any **Covered Persons** under the Individuals with Disabilities Education Act (IDEA), 20 U.S.C. 1400 *et seq.* However, coverage under this Coverage Agreement does apply to post-administrative hearing **Claim Expense**, or any award for plaintiff's attorney's fees, court costs, and investigative costs attributed to post-administrative hearing activity rendered against a **Covered Person** under the IDEA by a United States district or appellate court.
- G. **Damages or Claim Expense** incurred by, or on behalf of, a component Fund Member against a Shared Services Arrangement, nor does coverage apply to any **Damages or Claim Expense** incurred by, or on behalf of, a Shared Services Arrangement against a component Fund Member. However, this coverage does apply to third party Claims against a component Fund Member of a Shared Service Arrangement for its obligations for which this coverage would otherwise extend.
- H. **Damages or Claim Expense** arising out of any allegation of Wrongful Act or omission, or violation of any state or federal statute, constitution, administrative rule, or court order, occurring in the course and scope of the **Covered Person's** duties or participation in a Joint Venture. Joint Venture means a relationship by which any **Covered Persons** and one or more other persons, organizations, or legal entities combine with their labor, property or resources in an undertaking for either a definite period or on a continuing basis. The term Joint Venture shall include but not be limited to any form of partnership or collaborative activity

with private or charitable entities or natural persons. This exclusion does not apply to any **Covered Person** participating in a Joint Venture composed of exclusively the Fund Member and other governmental entities or political subdivisions.

PART C
GENERAL LIABILITY COVERAGE

- I. The Fund will pay those sums a **Covered Person** becomes legally obligated to pay as **Damages** arising out of an **Occurrence** that takes place during the **Participation Period** because of **Bodily Injury, Property Damage, or Personal Injury**. The Fund will pay for **Damages** in excess of the deductible amount and within the limits of coverage shown in the CCS and covered in this Coverage Agreement. The limit of coverage stated in the CCS will not be reduced by **Claim Expense**. The Fund Member will pay the deductible amount shown in the CCS for each **Occurrence**. The deductible shall apply to judgments, settlements and **Claim Expenses** whether or not a settlement is made. The limits of coverage as stated in the CCS or in this Coverage Agreement is the maximum amount the Fund will pay for **Bodily Injury, Property Damage, or Personal Injury**.
- II. The per **Occurrence** limit as stated in the CCS is the maximum dollar amount that the Fund will ever be obligated to pay for **Damages** for a single **Occurrence**, regardless of the number of claims, **Covered Persons**, types of **Damages** or lawsuits filed. When payment for **Damages** reaches the per **Occurrence** limit, the Fund shall have no further liability or obligation of any kind to the Fund Member or any **Covered Person** to pay any **Damages** or defend any suit.
- III. The Fund's limit of liability for an **Occurrence** under Part C shall not increase nor shall more than one deductible be applied if:
 - A. More than one **Covered Person** is included; or
 - B. More than one person or organization makes a claim or brings suit.

GENERAL LIABILITY
WHAT COVERAGE THE FUND WILL NOT PROVIDE

- IV. EXCLUSIONS—The Fund will not provide coverage under Part C for the following:
 - A. **Damages** or **Claim Expense** arising out of the ownership, maintenance, operation, use, loading or unloading of any **Automobile** or aircraft owned or operated by or rented or loaned to any **Covered Persons**. "Aircraft" shall not include drones or Unmanned Aerial Vehicles.
 - B. **Damages** arising out of the ownership, maintenance, operation, use, loading, or unloading of any watercraft in excess of twenty-six feet in length, and owned or operated by or rented or loaned to any **Covered Persons**. This exclusion does not apply to watercraft while ashore on premises owned by, rented to, or controlled by the Fund Member.
 - C. **Property Damage** to property or **Automobiles** that are owned, leased to or in the care, custody, or control of a **Covered Person**.
 - D. **Property Damage** to premises owned, rented, occupied, abandoned or left vacant by the Fund Member.
 - E. **Damages** for loss of use of tangible property which has not been physically injured or destroyed resulting from:

1. A delay in or lack of performance by or on behalf of the Fund Member of any contract or agreement; or
 2. The failure of the Fund Member's products or work performed by or on behalf of the Fund Member to meet the level of performance, quality, fitness or durability warranted or represented by the Fund Member.
- F. **Damages** arising out of the Fund Member's products or any part of such products, or **Damages** arising out of work performed by or on behalf of the Fund Member from any portion of the work or out of materials, parts or equipment furnished in connection with the work.
- G. **Damages** arising out of the withdrawal, inspection, repair, replacement, or loss of use of the Fund Member's products or work completed by or for the Fund Member or any property of which such products for a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency.
- H. **Damages** or **Claim Expense** arising out of oral or written publication of material once it is established such publication was done by or at the direction of a **Covered Person** with knowledge of its falsity or once it is established such material's first publication took place before the beginning of the **Participation Period**.
- I. **Damages** or **Claim Expense** arising out of the administration of discipline or corporal punishment to a student.
- J. **Damages** arising out of the failure of a **Covered Person's** goods, products or services to conform with advertised description, quality, price or performance.
- K. **Damages** or **Claim Expense** for an offense committed by a **Covered Person** whose business is advertising, broadcasting, publication or telecasting. However, the offense must arise out of the **Covered Person's** business of advertising, broadcasting, publication or telecasting.
- L. **Damages** or **Claim Expense** for any alleged violation of a constitutional and/or civil right.
- M. **Damages** arising out of the actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presences of, any **Mold**, on or within a building or structure, including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage.
- N. **Damages** arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to, or assessing the effects of, **Mold** by any Fund Member or by any other person or entity.

PART D
EMPLOYEE BENEFITS LIABILITY COVERAGE

- I. The Fund will pay those sums a **Covered Person** becomes legally obligated to pay as **Damages** arising out of any negligent act or omission committed in the Administration of the Fund Member's Employee Benefits Program during the **Participation Period**. The Fund will pay for **Damages** in excess of the deductible amount and within the limits of coverage shown in the CCS. The limit of coverage stated in the CCS will not be reduced by **Claim Expenses**. The Fund Member will pay the deductible amount shown in the CCS for each **Occurrence**. The deductible will apply to judgments, settlements, and **Claim Expenses** whether or not a settlement is made.



The limits of coverage as stated in the CCS or in this Coverage Agreement is the maximum amount the Fund will pay for **Damages** arising out of the Administration of the Fund Member's Employee Benefits Program.

- A. Employee Benefits Program means benefit programs of the following types:
 - 1. Group life, accident, or health insurance or self-insurance plans administered by the Fund Member or others, deferred compensation plans, individual retirement accounts, and tax sheltered annuities, provided no one other than the Fund Member's Employees may subscribe to the plans; and
 - 2. Unemployment insurance, social security benefits, workers' compensation and disability benefits, or any other similar plan.
 - B. Administration means counseling Employees, including their dependents and beneficiaries, with respect to the Employee Benefits Program, handling records in connection with the Employee Benefits Program, or effecting or terminating any Employee's participation in a plan included in the Employee Benefits Program.
 - C. Under Part D only, Employee means officers and employees of the Fund Member, whether actively employed, disabled, or retired.
- II. The per **Occurrence** limit for Employee Benefits Liability as stated in the CCS is the maximum dollar amount that the Fund will ever be obligated to pay for **Damages** arising out of a claim alleging negligence or omission committed in the Administration of the Fund Member's Employee Benefit Program regardless of the number of claims, **Covered Persons**, types of **Damages** or lawsuits filed. When payment for **Damages** reaches the per **Occurrence** limit, the Fund shall have no further liability or obligation of any kind to the Fund Member or any **Covered Person** to pay any **Damages** or defend any suit.
- III. The Fund Member, upon notice, shall reimburse the Fund for the deductible amount paid by the Fund for any claim.
- IV. The Fund's limit of liability for a single claim under Part D shall not increase nor shall more than one deductible be applied if:
- A. More than one **Covered Person** is included; or
 - B. More than one person or organization makes a claim or brings suit.

EMPLOYEE BENEFITS LIABILITY
WHAT COVERAGE THE FUND WILL NOT PROVIDE

- V. EXCLUSIONS—The Fund will not provide coverage under Part D for the following:
- A. **Damages** or **Claim Expense** for any loss of benefits arising out of, or based upon, failure of performance of contract by any broker, insurer, individual or group self-insurance, or third party administrator of the Employee Benefits Program.
 - B. **Damages** or **Claim Expense** for any loss of benefits arising out of, or based upon, an insufficiency of funds, insolvency, bankruptcy, receivership, or lack of funds to meet any obligation under any plan included in the Employee Benefits Program.
 - C. **Damages** or **Claim Expense** arising out of, or based upon:



1. Failure of any investment to perform as represented by any **Covered Persons**; or
 2. Advice given to any person to participate or not participate in any plan included in the Employee Benefits Program.
- D. **Damages** or **Claim Expense** arising out of, or based upon, the failure to comply with any law concerning workers' compensation, unemployment insurance, health care coverage (including, but not limited to, HIPAA and the Affordable Care Act), social security or disability benefits.
- E. **Damages** or **Claim Expense** for any alleged violation of a constitutional and/or civil right.

PART E
HIRED AND NON-OWNED VEHICLES COVERAGE

- I. The Fund will pay those sums a **Covered Person** becomes legally obligated to pay as **Damages** arising out of the use of any Hired Automobile or Non-owned Automobile operated by a **Covered Person** during the **Participation Period** and in the course and scope of their duties for the Fund Member. The Fund will pay for **Damages** in excess of the deductible amount and within the limits of coverage stated in this Coverage Agreement. The limit of coverage stated in this Coverage Agreement will not be reduced by **Claim Expense**. The Fund Member will pay the deductible amount for each **Occurrence**. The limit of coverage as stated in this Coverage Agreement is the maximum amount the Fund will pay for an **Occurrence** under Part E. For coverage under Part E, the following applies:
- A. The Fund Member may not own, or, under a written agreement longer than 14 days, lease or rent any **Automobiles** of any kind.
 - B. Hired Automobile means an **Automobile** not owned by the Fund Member which is rented under contract or loaned to the Fund Member for a period of 14 days or less. A Hired Automobile may not include **Automobiles** owned by or registered in the name of any **Covered Person**.
 - C. Non-owned Automobile means an **Automobile** that is operated by a **Covered Person** in the course and scope of their duties of the Fund Member that is neither owned by the Fund Member nor is a Hired Automobile.
 - D. This coverage shall be excess over any other valid coverage or insurance available to the **Covered Person**.
 - E. The Fund's limit of liability for **Damages** under Part E will be \$100,000 per person, not to exceed \$300,000 per **Occurrence**, for **Bodily Injury**, and \$100,000 per **Occurrence** for **Property Damage**. The deductible amount shall be \$2,500 per **Occurrence**. The Fund Member, upon notice, shall reimburse the Fund for the deductible amount paid by the Fund for any settlement, judgment, or any **Claim Expense**.
 - F. The Fund's limit of liability under Part E shall not increase nor shall more than one deductible be applied if:
 1. More than one **Covered Person** is included; or
 2. More than one person or organization makes a claim or brings suit.

HIRED AND NON-OWNED VEHICLES
WHAT COVERAGE THE FUND WILL NOT PROVIDE

- II. EXCLUSIONS—The Fund will not provide coverage under Part E for the following:
- A. **Damages or Claim Expense** arising out of the maintenance, operation, use, loading or unloading of self-propelled motor-driven equipment, aircraft, or any conveyance used in violation of any state or federal law or regulation specifically addressing the transportation of students, all whether borrowed, rented, or leased by the Fund Member.
 - B. **Damages or Claim Expense** arising out of the use of any Hired or Non-owned Automobile for purposes or functions not authorized or sponsored by the Fund Member.
 - C. **Damages or Claim Expense** arising out of the operations, use, loading or unloading of any **Automobile** leased or rented by the Fund Member for more than 14 days.
 - D. **Damages or Claim Expense** arising out of the maintenance, operation, use, loading or unloading of any **Automobile** covered by any other automobile liability coverage or insurance.

PART F
SCHOOL LIABILITY COVERAGE
General Terms, Conditions, Exclusions & Requirements

- I. Part F of this Coverage Agreement describes terms, conditions, exclusions, and requirements that apply to all coverage provided in this Coverage Agreement and are in addition to the terms, conditions, exclusions, and requirements described in Parts A, B, C, D and E of this Coverage Agreement.
- II. The Fund will not provide coverage for the following:
- A. **Damages or Claim Expense** for any **Covered Person** once it has been established that the **Covered Person** intentionally engaged in or committed unlawful, dishonest, fraudulent, criminal, or malicious acts; or intentional acts, errors or omissions; or acts involving deliberate indifference; or acts involving violations of constitutional or civil rights.
 - B. **Damages or Claim Expense** for any **Covered Person** once it has been established that the **Covered Person** violated, or intentionally disregarded, any law, regulation, common law, school policy or directive, if such act was committed by, or with the consent of, a **Covered Person**.
 - C. **Damages or Claim Expense** for any **Covered Person** once a filing or obtaining of a criminal charge, information or indictment against the **Covered Person** has occurred. The Fund shall be entitled to rely on extrinsic evidence to determine whether coverage applies.
 - D. **Damages or Claim Expense** arising out of:
 - 1. Seizure or destruction of property by order of governmental authority;
 - 2. Nuclear reaction or radiation, or radioactive contamination, regardless of cause;
 - 3. War, undeclared or civil war, warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

4. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- E. **Damages or Claim Expense** arising out of an Act of Terrorism or actions taken by any government branch or agency in response. This exclusion applies whether or not the Act of Terrorism was committed in concert with or on behalf of any organization or government. Act of Terrorism means any incident determined to be such by an official, department or agency that has been specifically authorized by federal statute to make such a determination.
- F. **Damages**, costs or interest attributable to punitive or exemplary damages, or to consequential damages for loss of profits or income or otherwise, or to multiple or additional damages intended as a penalty.
- G. Fines, monetary sanctions or penalties, assessed as court costs or otherwise, imposed against any **Covered Person** if attributable to the Wrongful Act of that **Covered Person**, or to civil penalties authorized by statute.
- H. **Damages or Claim Expense** for which the **Covered Person** or their indemnitee may be held liable for the following:
1. As a person or organization specifically engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages; or
 2. If not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - a. By, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage; or
 - b. By reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol, or which causes or contributes to the intoxication of any person.
- I. **Damages or Claim expense** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to petroleum products, asbestos, smoke, vapor, lead, soot, fumes, acids, alkalis, electromagnetic radiation, **Mold**, chemicals and Waste. Waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed. This includes, but is not limited to:
1. At or from any premises, site or location which is or was at any time owned, occupied, rented, or loaned by or to the Fund Member; or
 2. At or from any premises, site or location which is or was at any time used by or for the Fund Member or others for the handling, storage, disposal, processing or treatment of Waste; or
 3. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as Waste by or for the Fund Member or any person or organization for whom the Fund Member may be legally responsible; or
 4. At or from any premises, site, or location on which the **Covered Persons** or any contractors or subcontractor working directly or indirectly on behalf of the **Covered Persons** are performing operations if the Pollutants are brought on or to the premises, site, or location in connection with such operations, or if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of Pollutants.

- J. **Damages, Claim Expense** or cost arising out of any request, demand, order, suit or Claim by any party that the Fund Member or others test for, monitor, clean up, remove, contain, treat, detoxify, abate, mitigate, or neutralize, or in any way respond to or assess the effects of Pollutants.
- K. **Damages, Claim Expense** or any other obligation for which any **Covered Persons** or their insurer may be held liable under any workers' compensation, unemployment compensation or disability benefits law, or under any health care coverage (including, but not limited to, HIPAA or the Affordable Healthcare Act), or under any similar law.
- L. **Damages for Bodily Injury** to any employee of the Fund Member arising out of and in the course and scope of his employment by the Fund Member, or to any obligation of the Fund Member to indemnify another because of **Damages** arising out of such injury.
- M. **Damages or Claim Expense** arising out of inverse condemnation, adverse possession, dedication by adverse use or property easement rights.
- N. **Damages or Claim Expense** arising out of any failure or omission on the part of any **Covered Persons** to effect and maintain any form of insurance or agreement of coverage, or any negligent act, error, omission, or breach of duty in judgment or discretion in procuring and maintaining insurance or with respect to amount, form, conditions or provisions of insurance or agreement of coverage. The term insurance includes, but is not limited to, workers' compensation coverage under Chapter 504, Texas Labor Code, and health care coverage under Chapter 172 of the Texas Local Government Code.
- O. **Damages or Claim Expense** arising out of any assumption of liability in a contract or agreement, or arising out of breach of contract or agreement (including any unwritten or implied agreement, or quantum meruit claim,) or any claim sounding in tort which is based directly or indirectly on a contractual obligation. This exclusion does not apply to liability that the **Covered Persons** would have in the absence of a contract or agreement, nor does it apply to a misappropriation of advertising ideas under an implied but not written contract. Additionally, this exclusion does not apply to **Claim Expenses** incurred by a Fund Member in defending a claim by an employee against the Fund Member for breach of that employee's employment contract. However, this exclusion does apply to any **Damages** which may be awarded for such a claim.
- P. **Damages or Claim Expense** on behalf of any student of the Fund Member, unless the student is otherwise a **Covered Person**.
- Q. **Damages or Claim Expense** arising out of the Fund Member's participation in any form in an agreement established or maintained under the Employee Retirement Income Security Act of 1974, as now or hereafter amended.
- R. **Damages or Claim Expense** arising out of any debt security financing or the investment of public funds, including the failure of investments to perform as represented.
- S. **Damages or Claim Expense** arising out of or in any manner related to any specific property owner tax assessment, appraisal, dispute or adjustment; or the collection, seizure, refund, disbursement, or application of any taxes; or the failure to anticipate tax revenue shortfalls.

III. OTHER INSURANCE OR COVERAGE

- A. If a claim is made that could be covered under more than one line of coverage offered by the Fund, the Fund will determine which line of coverage, limits and deductibles apply. It is the intention of this provision that there be no accumulation or stacking of coverage.

- B. Coverage as provided by this Coverage Agreement shall always apply as excess over any other insurance or coverage that applies to a loss regardless of whether the other insurance or coverage applies on a primary, excess, or contingent coverage basis. If a loss covered by both this Coverage Agreement and other insurance or coverage applies on an excess basis, the Fund will not pay for a greater proportion of the loss than that stated in the applicable contribution provision below:
1. Contribution by Equal Shares – If all of the other insurance or coverage provides for contribution by equal shares, the Fund will not pay for a greater proportion of the loss than its equal share until the share of the other insurance or coverage or the Fund Member’s limits equals the lowest applicable limit of liability under any of the coverage, or the full amount of the loss is paid. Any remaining amount of loss will be paid by any remaining Fund Member’s limit of liability, until exhaustion, by continuing to contribute equal shares to the remaining amount of loss.
 2. Contributions by Limits – If all of the other insurance or coverage does not provide for contribution by equal shares to the loss, the Fund will pay the applicable Fund Members limit of liability in proportion to the total limit of liability of all other insurance or coverage.

IV. FUND MEMBER AND COVERED PERSONS DUTIES

- A. In the event of a loss, **Occurrence**, claim, or Wrongful Act the Fund Member or **Covered Persons** must:
1. Give notice to the Fund of the loss, **Occurrence**, claim, or Wrongful Act as soon as practicable from the **Covered Person’s** knowledge of the loss;
 2. Provide in the notice to the Fund the date and circumstances of the loss, **Occurrence**, claim, or Wrongful Act;
 3. Provide to the Fund copies of any demands, notices, summonses or legal papers received and authorize the Fund to obtain records and other related information. There is no coverage if the failure to provide notice prejudices the Fund’s defense;
 4. Cooperate with the Fund and assist where reasonably necessary under this Coverage Agreement;
 5. Not voluntarily make any payment, assume any obligation or incur any expenses, except at their own cost; and
 6. Not waive any rights of recovery of any party.

V. SCHOOL LIABILITY COVERAGE CONDITIONS

- A. Failure to comply with any or all of the conditions of this Coverage Agreement, misrepresentation of any material fact, engagement in fraudulent acts, making false statements or failure to comply with reasonable Fund requests may result in the denial of a claim or loss of coverage.
- B. The Fund has sole authority in all matters pertaining to the administration of claims. All decisions on individual claims shall be made by the Fund or its designee, including, without limitation, decisions concerning claim values, payment due on the claim, settlement, subrogation, litigation, or appeals. **Covered Persons** shall not, except at their own cost, incur any costs, charges or expenses, or admit liability, assume any obligation or settle any claim without the written consent of the Fund.

- C. If a claim is within the School Liability coverage provided by the Fund, the Fund, subject to its limit of liability, has the right and duty to defend any suit brought against a **Covered Person** and pay reasonable **Claim Expense** even if such action or suit is groundless, false, or fraudulent. The Fund has no duty to defend a **Covered Person** against any claim or suit seeking **Damages** to which this School Liability coverage does not apply. The Fund's duty to defend or settle claims ends when the Fund's limit of liability has been exhausted.
- D. The Fund will pay premiums on appeal bonds required in any suit and premiums on bonds to release attachments for claims covered under the Coverage Agreement, not to exceed the applicable limit of liability as stated in the CCS.
- E. The Fund will pay all reasonable expenses incurred at the Fund's request by a **Covered Person** other than salaries, loss of income or earnings, or consequential damages.
- F. If **Covered Persons** refuse to consent to any settlement recommended by the Fund, the **Covered Persons** will be responsible for any further negotiations or defense of the claim or suit independently of the Fund. The Fund's liability will not exceed the amount for which the claim could have been settled plus the costs and expenses incurred with the Fund's consent up to the date of the **Covered Persons'** refusal to consent to the settlement recommended by the Fund.
- G. Upon notice, the Fund Member shall reimburse the Fund for the deductible amount paid by the Fund for **Damages** or **Claim Expense**.
- H. In the event of a loss, **Occurrence**, claim, or Wrongful Act arising from the same **Occurrence** or related **Occurrences** is made against more than one Fund Member, the total deductible amount applied to the claim will be equal to the largest deductible of any single Fund Member. Each Fund Member will pay a proportionate percentage of the applied deductible based on the relative size of their deductible.
- I. In the event a claim or claims arising from the same **Occurrence**, Wrongful Act or related **Occurrences** or Wrongful Acts, are made against more than one Fund Member or **Covered Person**, the single highest limit per **Occurrence** stated in any applicable CCS shall be the maximum total amount the Fund will pay to all claimants regardless of the number of claimants or Fund Members or **Covered Persons** sued or otherwise made subject to such a claim. Should a limit per **Occurrence** apply to more than one Fund Member, such coverage limit for each Fund Member shall be the proportionate limit that each Fund Member's maximum limit per **Occurrence** bears to the total of such limits for all Fund Members against whose coverage such claim or claims are made. The intent of this paragraph is to prevent the cumulation of such maximum limits among Fund Members for the same **Occurrence** or Wrongful Act.
- J. The limit per **Occurrence** as stated as in the CCS is the maximum amount the Fund will pay to all claimants arising out of one **Occurrence** or Wrongful Act for any loss covered under this Coverage Agreement regardless of the number of:
 - 1. **Covered Persons** who are sued or otherwise made subject to claims arising out of **Occurrence** or Wrongful Act;
 - 2. Persons or organizations who sustain injury or **Damages** out of **Occurrence** or Wrongful Act; or
 - 3. Claims or suits brought on account of the **Occurrence** or Wrongful Act.
- K. Any assignment by a Fund Member without written agreement of the Fund under this Coverage Agreement shall not bind the Fund.

- L. By acceptance of this Coverage Agreement, the Fund Member agrees to act on behalf of all **Covered Persons** with respect to the giving and receiving of notice of claim. There shall be no cumulation of coverages and/or coverage limits arising out of a single Wrongful Act or **Occurrence**. If a claim asserts allegations that could be covered under more than one section of this Coverage Agreement, only one line of coverage shall be applied to the claim. In such case, the maximum amount paid by the Fund relating to the claim will be the maximum limits applicable to the line of coverage applied to the claim regardless of the allegations.

- M. No action shall be taken against the Fund, unless as a condition precedent, the Fund Member must have fully complied with all terms of this Coverage Agreement. No person has a right under this Coverage Agreement to join the Fund as a party or otherwise bring it into a suit filed against the Fund Member.

PRIVACY & INFORMATION SECURITY COVERAGE AGREEMENT

- I. The TASB Risk Management Fund (Fund) provides privacy and information security coverage for members of the Fund's Property or School Liability programs as outlined in this Privacy & Information Security Coverage Agreement (Information Security Coverage Agreement). This coverage is contingent on full compliance with the provisions of this Information Security Coverage Agreement, the Contribution and Coverage Summary (CCS), and any other participation agreements between the Fund and the Fund Member.
- II. This coverage is provided to Fund Members in accordance with the terms and conditions of this Information Security Coverage Agreement and the Beazley Information Security & Privacy Coverage Form and Endorsements (collectively, the Coverage Agreements) as agreed upon by the Fund with the Fund's reinsurer, the Beazley Insurance Group. The Beazley Breach Response Services Team and Beazley Nominated Service Providers will provide claim services under the Coverage Agreements. The Fund will pay on behalf of Covered Persons, as defined in this Information Security Coverage Agreement, all losses, costs, and associated expenses covered under the Coverage Agreements, subject to applicable limits, deductible amounts, and exclusions.
- III. The Fund is not an insurance company and this document is not a contract of insurance. Rather, this Coverage Agreement is an agreement between the Fund and the Fund Member to pay covered damages and expenses subject to all provisions of the Coverage Agreements and all other participation agreements. You should read the Coverage Agreements to determine what is and what is not covered. Certain provisions contained in these Coverage Agreements will exclude or limit coverage. The terms and definitions of these Coverage Agreements only apply to these Coverage Agreements and do not apply to other Fund coverage agreements.
- IV. Covered Person means the Fund Member, any trustee, school board member, student teacher, volunteer, or employee of the Fund Member, while such Covered Person is acting within the course and scope of their duties or employment.
- V. The Fund will pay on behalf of the Fund Member for each covered privacy and information security claim, damages and expenses up to:
 - a. \$100,000 for claim expenses, damages or penalties related to information security, privacy liability and website media content liability, and regulatory and defense penalties or Payment Card Industry (PCI) fines; and
 - b. \$100,000 for costs for computer expert services, legal services, call center services, public relations consultancy services, credit or identity monitoring services, cyber extortion loss, fraudulent instruction loss, telecommunications fraud, data protection loss and business interruption loss; and
 - c. The cost to provide notification for up to 10,000 individuals affected by a data and information breach; or
 - d. The limits, in excess of the deductible, as stated in the CCS.
- VI. If a claim is made that could be covered under more than one coverage program offered by the Fund, the Fund, in its sole discretion, will determine which coverage program, limits and deductible apply.
- VII. All terms and conditions outlined in the Fund's School Liability Coverage Agreement or Property Coverage Agreement under Other Insurance or Coverage, Fund Member and Covered Person Duties, or Conditions sections apply to coverage provided under the Coverage Agreements.

