

Summary of Coverage Changes and Clarifications

Effective September 1, 2019

As a part of the annual coverage review, the TASB Risk Management Fund (Fund) implemented the following coverage changes, enhancements, and clarifications for all renewals taking effect on or after September 1, 2019. This is a summary of changes only; please carefully review the full text of all Fund Coverage Agreements and the member's Contribution and Coverage Summary.

All Coverage Agreements

- All agreements include a revised preamble that clarifies the risk sharing purpose of the Fund and the coverages and the active risk participation obligations of the Fund Members to lessen risk and cost to all members.

Property Coverage Changes

- A requirement was added (under Part B I.A.) that the member must elect one of two settlement options within 180 days of the Loss: to repair or replace the damage, or to accept an Actual Cash Value payment.
- A clarification was added (under Part B I.A.) that any discovered excess payment resulting from a covered Loss is due to the Fund.
- A duty was added (under Part E 2.J.) that the member must pursue any potential warranty claims after a Loss. If the member elects to repair or replace the damage, the Fund will be excess to any warranty recovery. If a member elects to receive an Actual Cash Value Payment and later recovers under warranty, the ACV payment is due to the Fund.

School Liability Coverage Changes

- A clarification was added to the definition of Covered Person (under Part F III.A.) that past and future Covered Persons as defined are afforded coverage.
- A condition was added (under Part F V.F.) that the Fund may request, as part of any settlement effort, monetary or non-pecuniary contributions from Covered Persons for demands by the plaintiff where no coverage exists. If a Covered Person refuses to contribute, at its sole discretion, the Fund shall not be responsible for future defense costs or further settlement amounts.

Auto Liability & Physical Damage Coverage Changes

- A clarification was added (under Part C II.B.) that the Fund Member is required to repair the Covered Automobile within 365 days of the Loss.

