

VIOLENT ACT COVERAGE AGREEMENT

1. **Recitals and Acknowledgments.** The TASB Risk Management Fund (the Fund) provides coverage for violent act and response risk to educational entities in Texas. This coverage relies on information provided by the Fund Member. It is contingent on the member's full compliance with the Agreements: collectively, this Violent Act Coverage Agreement (Coverage Agreement), the Contribution and Coverage Summary (CCS), and all other agreements between the Fund and the Fund Member with provisions relating to coverage under this Coverage Agreement. This Coverage Agreement is a risk sharing and risk participation agreement and is not a contract of insurance. The Fund is not an insurance company nor is any member an insured. The Fund is a self-insured risk pool through which its members agree to share risk and actively participate in their contractual obligations to lessen risk and cost for all members. The Fund Member and the Fund agree that, as sophisticated entities, any interpretation of the Agreements' coverage provisions will reflect the risk sharing nature of the Fund's purpose and the Fund Member's risk participation obligations contained in the Agreements, and will be decided in favor of the Fund Member sharing risk with the Fund rather than transferring risk to the Fund. This § 1 is incorporated into the terms of this Coverage Agreement.
2. **Grant of Coverage.** For an agreed contribution and subject to the limits of Fund liability in the CCS and this coverage, the Fund agrees, after an **Investigation Period**, to provide reimbursement payment to the Fund Member over any deductible for an **Event Expense** that directly arises from a **Violent Act Event** that occurred during the **Participation Period**. The provisions of the Agreements may further limit or exclude coverage. All sublimits and supplemental coverages in the Coverage Agreement are within the CCS's overall limits unless otherwise indicated. As stated in the CCS, the limit per occurrence is the maximum amount the Fund will pay to the Fund Member for any **Event Expense** covered under this Coverage Agreement regardless of the number of perpetrators, assailants, accomplices, locations, **Victims**, other circumstances or conditions, or related or coordinated **Violent Act Events**. As restated in § 7.2, the Fund, in its sole discretion, will determine to what extent, if any, coverage applies, and the Fund Member will retain all rights afforded by law.
3. **Defined Terms.** The following bolded terms in this section are defined and applicable throughout this Coverage Agreement unless otherwise limited or excluded:
 - 3.1 **Violent Act Event.** This means an occurrence during which an individual utilizes a weapon with the intent to harm others and inflicts **Bodily Injury** on two or more **Victims** during a Fund Member-sponsored activity or event regardless of its location. As restated in § 7.3, related, coordinated, or substantially similar **Violent Act Events** arising from the original act will be considered a single **Violent Act Event** for coverage, including any limits and deductibles, regardless of the number of perpetrators, assailants, accomplices, locations, events, **Victims**, or any other circumstances or conditions. There will be no cumulation of coverages or coverage limits arising from a single or related **Violent Act Event**.
 - 3.2 **Event Expense.** This means only the following reasonable costs that the Fund Member has incurred, paid to a third-party, or otherwise reimbursed a **Victim** or **Eligible Person**, unless otherwise limited or excluded in this Coverage Agreement. These expenses are reimbursable to the Fund Member only:
 - A. **Post Event Emergency Costs.** These are defined as and limited to reasonable costs incurred by the Fund Member within 7 days of the **Violent Act Event** for **Temporary Security Costs** as well as costs for overtime pay and temporary staff.
 - B. **Mental Health Service Costs.** These are defined as and limited to reasonable expenses within 18 months of the **Violent Act Event** for counseling by licensed or certified mental health professionals (that are not Fund Member employees) for any **Eligible Person** or **Victim**.

- C. **Crisis Communication Costs.** These are defined as and limited to reasonable costs incurred by the Fund Member for communications activities and public relations assistance following a **Violent Act Event**. Reimbursement to the Fund Member for **Crisis Communication Costs** incurred is sublimited to \$50,000.
 - D. **Essential Support Costs.** These are defined as and limited to reasonable travel expenses for any two persons for each **Victim** who is hospitalized near the location of a **Violent Act Event** that occurs more than 100 miles from the Fund Member's boundary. Reimbursement to the Fund Member for all **Essential Support Costs** incurred is sublimited to \$50,000 regardless of the number of **Victims** beyond the minimum for a **Violent Act Event**, persons traveling in support, or distance beyond 100 miles of the **Violent Act Event**.
 - E. **Property Reimbursement Costs.** These are defined as and limited to reasonable expenses for the demolition, rebuilding, remediation, and repurposing of Fund Member's buildings and structures up to \$1,000,000. This amount is payable in addition to the limits in the Violent Act Coverage CCS.
- 3.3 Victim.** This means and is limited to the following Fund Member-related persons who suffer a **Bodily Injury** because of a **Violent Act Event**: any board trustee or member, student-teacher, volunteer, employee, or student.
- 3.4 Eligible Person.** This means and is limited to the following Fund Member-related persons whose **Mental Health Services** are eligible for reimbursement: any **Victim**; and any of the following physically present during the **Violent Act Event**—any board trustee or member, student-teacher, employee, or student.
- 3.5 Bodily Injury.** This means serious physical impairment or harm to the human body or death.
- 3.6 Temporary Security Costs.** This means security personnel and physical security arrangements, such as barricades or barriers.
- 3.7 Participation Period.** This means the effective dates of coverage under this Coverage Agreement, as stated in the CCS.
- 3.8 Investigation Period.** This means the reasonable period necessary for the Fund to complete its investigation regarding the **Violent Act Event**, including a determination of all participants and their motives. The Fund may withhold any or all reimbursement during any **Investigation Period**.
- 4. Exclusions.** The Fund will not provide coverage, directly or indirectly, for any of the following arising from or related to a **Violent Act Event** or an **Event Expense**:
- 4.1 Insurance or other funding availability.** If other financial reimbursement or coverage is available from any source (including insurance, coverage, donations, crowdsourcing, or grants) to the Fund Member, **Eligible Person**, or **Victim** for **Event Expenses** that are otherwise covered under this Coverage Agreement, this coverage is not available for those expenses.
 - 4.2 Gift of public funds.** If any **Event Expense** can be reasonably considered a gift of public funds or otherwise impermissible use of public funds, coverage is not available.
 - 4.3 Employee benefits.** There is no coverage for salaries, wages, or other employment-related benefits that the Fund Member is liable to pay any employee. But if the Fund Member incurs overtime or other temporary labor expense directly arising from the **Violent Act Event**, this labor expense will be considered a covered **Event Expense** except for any alleged or actual violations of the Fair Labor Standards Act or any similar laws.

- 4.4 Other types of claims.** There is no coverage under this Coverage Agreement, other than coverage specifically granted, for any other form or type of claim by or against the Fund Member, regardless of the source or cause.
- 4.5 Perpetrators and assailants.** There is no coverage for **Event Expense** directly from accomplices to, perpetrators of, or assailants committing the **Violent Act Event**, including any persons directly or indirectly assisting or involved in any manner (including acts of omission), regardless of their degree of participation or knowledge.
- 4.6 Student altercations or suicide.** There is no coverage for **Event Expense** arising from any student altercation that only results in **Bodily Injury** to the participants, or arising from any attempted or actual suicide that only results in **Bodily Injury** to that person.
- 4.7 Terrorism.** There is no coverage for **Event Expense** arising out of any acts of terrorism or actions taken by any government branch or agency in response. This exclusion applies whether any acts of terrorism are committed in concert with or on behalf of any organization or government.
- 4.8 Governmental seizure, nuclear event, war, or insurrection.** There is no coverage for **Event Expense** arising out of:
- A. Seizure or destruction of property by order of governmental authority;
 - B. Nuclear reaction or radiation, or radioactive contamination, regardless of cause;
 - C. 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
 - D. Insurrection, rebellion, revolution, usurped power, or action taken by a governmental authority in hindering or defending against any of these.
- 5. Other Coverage.** 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. If non-Fund coverage is available covering the same **Event Expense**, the Fund will reimburse only the amount of covered **Event Expense** in excess of the non-Fund coverage, whether the Fund Member can collect or not. In no event will the Fund pay more than any applicable limit of coverage. Non-Fund coverage may not be used to satisfy a Fund deductible.
- 6. Fund Member Duties.** If a **Violent Act Event** occurs, the Fund Member must:
- 6.1 Give event notice.** This includes giving notice to the Fund of the event as soon as practicable and providing the date and circumstances of the event;
 - 6.2 Cooperate.** This includes cooperating with the Fund and assisting where and when reasonably necessary under this Coverage Agreement; and
 - 6.3 Maintain rights of recovery.** This includes not waiving any rights of recovery of any party, including any Fund subrogation rights.

- 7. General Terms and Conditions.** The following general terms and conditions apply to this Coverage Agreement:
- 7.1 Loss of coverage.** The failure to comply with any duty or condition of this Coverage Agreement, or the misrepresentation of any material fact, engagement in any fraudulent act, making of a false statement, or the failure to comply with a reasonable Fund request may result in the denial of a claim or loss of coverage.
 - 7.2 Claim administration.** The Fund has sole authority in claim administration and subrogation, including to what extent, if any, coverage or limits apply, and the Fund Member retains all rights afforded by law.
 - 7.3 Related acts and limits.** Related, coordinated, or substantially similar **Violent Act Events** arising from the original act will be considered a single **Violent Act Event** for coverage, including any limits and deductibles, regardless of the number of perpetrators, assailants, accomplices, locations, events, **Victims**, or any other circumstances or conditions. There will be no accumulation of coverages or coverage limits arising from a single or related **Violent Act Event**.
 - 7.4 Sublimits.** Any sublimits are within, and not in addition to, any limits of Fund liability indicated on the CCS.
 - 7.5 Assignments.** Any assignment by the Fund Member without the written agreement of the Fund under this Coverage Agreement will not bind the Fund.
 - 7.6 Insolvency.** In the event of the Fund Member's insolvency, the Fund will not be relieved of the payment for any claim under this Coverage Agreement.
 - 7.7 Action against the Fund.** The Fund Member may not act against the Fund unless the Fund Member has fully complied with all provisions of the Agreements. 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.
 - 7.8 "Including."** Unless the context requires otherwise, the term "including" means "including but not limited to."
 - 7.9 Singular usage.** Unless the context requires otherwise, any use of the singular form of a word will include its plural.
 - 7.10 "Coverage Agreement."** Unless the context requires otherwise, any use of the term "Coverage Agreement" will include its endorsements and the Fund Member's CCS.
 - 7.11 Fund designee.** Unless the context requires otherwise, any use of the term "Fund" includes its designees.
 - 7.12 Severability.** If a court for any reason holds a provision of this Coverage Agreement unenforceable, the rest remains fully enforceable.
 - 7.13 Headings.** Unless the context requires otherwise, such as with the defined terms, headings are only for convenience and do not affect the interpretation of this Coverage Agreement.