

SUMMARY OF COVERAGE AGREEMENT CHANGES, ENHANCEMENTS, AND CLARIFICATIONS

Effective September 1, 2013

To add overall value and simplify documents and processes for members, the TASB Risk Management Fund (Fund) will implement the following coverage changes, enhancements, and clarifications effective September 1, 2013. This is only a summary please review all coverage documents carefully.

GENERAL COVERAGE CHANGES

Stand-alone **Crime** coverage will no longer be offered. This coverage is provided in the Property Coverage Agreement.

Stand-alone **General Liability and School Professional Legal Liability** will no longer be offered. A new School Liability coverage program has been created that combines General Liability and School Professional Legal Liability.

The definition of **Mobile Equipment** has changed and will affect coverage. Review the following coverage summary for highlights and coverage agreements for specific details.

PROPERTY COVERAGE CHANGES

- **Mobile Equipment** - Coverage for damage to Mobile Equipment will move from Auto Physical Damage to Property. Mobile Equipment that is registered for road-use will remain under Auto coverage.
- **Articles of Art, Statues, Antiques** limits of up to \$100,000.
- **Crime and Employee Dishonesty** coverage with a limit of \$100,000 will be provided to all Property members for no additional contribution. Higher limits may be available for additional contribution.
- **Electronic Records & Data** coverage up to \$50,000 (for restoration of lost electronic records and data) will be provided to all Property members for no additional contribution. Higher limits may be available for additional contribution.
- **Newly Acquired Property** will be covered with no sublimit, as long as the member has accepted the property and reported it to the Fund.
- **Trees, Shrubs, Landscaping Plants** limit will increase to \$25,000 per occurrence, up to \$1,000 for any single tree, shrub, or plant.
- **Valuable Papers** limit will increase to \$50,000.
- **Pollutant Clean-Up** limit will increase to \$100,000.



- **Animals** owned by the Fund member will be covered up to \$25,000. Damage caused by disease, neglect, pests, etc. is excluded. This is new coverage.
- **Flood** coverage of \$2,000,000 per occurrence/annual aggregate will be provided to all Property members. (All property located in Zones A and V are excluded.) Higher limits, up to \$10,000,000 per occurrence/annual aggregate, may be available for additional contribution. Coverage is always excess of maximum available National Flood Insurance Program (NFIP) limits.
- **Earthquake** coverage of \$2,000,000 per occurrence/annual aggregate will be provided to all Property members. Higher limits, up to \$10,000,000 per occurrence/annual aggregate, may be available for additional contribution.
- **Cosmetic Damage** is clarified to include a sublimit of up to \$100,000 per occurrence for aesthetic or superficial damage.
- **Property under Construction/Renovation** by *Fund member's employees* will be covered up to \$1,000,000.
- **Debris Removal** limit will be the reimbursement of actual cost up to 25% of the covered loss.
- **Code Enforcement & Compliance** limit for increased repair costs due to code enforcement or compliance will be the reimbursement of actual cost up to 10% of the amount of the covered loss per structure, not to exceed \$1,000,000 per occurrence.
- **Property of Others** that is under the control and care of the member, through a long-term agreement of at least 90 days, will be covered.
- **Vacant Buildings** that are vacant for more than 90 days are excluded unless the Fund has extended coverage in writing. New language clarifies when a building is deemed vacant.
- **Named/Numbered Windstorm** clarifies the exclusion for losses in Tier 1, Tier 2, and Harris counties.

LIABILITY COVERAGE CHANGES

- **General Liability and Professional Legal Liability** coverage will be combined in a single comprehensive coverage agreement.
- **Sexual Misconduct** coverage will no longer be sublimited and will be included as part of the professional legal liability coverage for all members. Defense costs for such claims will no longer erode limits.
- **Extension of Coverage to Volunteers** has been clarified.
- **Employee Benefits Liability** limits will no longer be eroded by defense costs.

- **Mobile Equipment** - Liability claims arising out of use of Mobile Equipment registered for road-use will move from General Liability to Auto Liability coverage.

AUTO COVERAGE CHANGES

- **Specified Perils** will no longer be offered. The Fund will provide Comprehensive coverage to all Fund Members. Comprehensive coverage pays for damage that is not a result of a collision, as long as the cause of the damage is not excluded.
- **Auto Liability and Auto Physical Damage** will be combined into a single agreement. The new Auto Coverage Agreement will include language for both areas of coverage.
- **Mobile Equipment** - Coverage for damage to Mobile Equipment will move from Auto Physical Damage to Property. Mobile Equipment that is registered for road-use will remain under Auto Physical Damage.
- **Mobile Equipment** - Liability claims arising out of use of Mobile Equipment registered for road-use will be covered under the Auto Liability coverage.
- **Auto Liability** deductible will apply to settlements, judgments, and attorneys' fees.

This summary document provides only general information and is not part of any coverage agreement with the Fund.

