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Property
Workers' Compensation
Liability
Auto
Unemployment Compensation



**TASB RISK
MANAGEMENT FUND**



June 25, 2012

Ms. Donna Ziriach
Ector County ISD
PO Box 3912
Odessa, TX 79760-3912

Dear Ms. Ziriach:

The TASB Risk Management Fund (Fund) is pleased to present a renewal proposal for your continued participation in the Fund's Workers' Compensation program for 2012-13. The attached renewal reflects the Fund's Board of Trustees commitment to **continued** outstanding service delivery, cost savings and budget stability to Fund members. Consistent with those goals, **your renewal reflects no increase in fees charged by the Fund for 2012-13**. Premiums charged by stop loss providers and fees charged by other outside vendors may change depending on your loss experience or other factors, such as claims volume. The full annual stop loss premium will be due within 30 days of binding coverage.

The Fund remains committed to using its financial **strength** to provide **savings, stability** and **service** to its members. We call this "The Four S" difference between the Fund and other risk management providers. This year, recognizing that many Fund members are experiencing reductions in staffing, the Fund is adding another "S"—**simplicity**. We are focusing on finding ways to make your interactions with the Fund easier. Toward that end, in addition to holding rates at 2010-11 levels, the Fund is implementing the following service and coverage enhancements with your 2012-13 renewal:

- A simplified, universal Interlocal Participation Agreement (IPA) which will allow members to execute only one IPA, instead of separate IPAs for each line of coverage. The new IPA and CCS are enclosed, along with a summary of differences between the new and old documents.
- Fewer and simplified forms and expanded online self-service capabilities to allow you to handle many Fund transactions at your convenience.
- The "First Fill" prescription card from Progressive Medical, Inc., the Fund's prescription cost management partner, will now be individualized with each Fund member's name. The card allows injured employees to fill their initial related workers' compensation prescriptions at the local pharmacy at no out-of-pocket cost. The new cards showing each Fund member's name will clearly identify the claimant as your employee. The cards will be mailed upon receipt of your signed renewal documents.

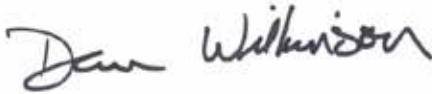
To accept the attached renewal proposal for continued participation in the Fund's Workers' Compensation program, please take the following steps:

- Execute the attached Interlocal Participation Agreement and Coverage and Contribution Summary. **Please note that because the Fund is transitioning to the new IPA effective September 1, 2012, coverage under the old IPA will not automatically renew as in years past. Any coverage provided under the existing IPA will end on the renewal date, and new participation documents will need to be executed for coverage to continue.**

- Send the executed documents by email to **tasbrmf@tasbrmf.org** or by regular mail to: **P.O. Box 301, Austin, Texas 78767-0301** at least 30 days prior to the renewal date to ensure there is no interruption in coverage.

We are pleased that the Fund is in a position to continue to provide budgetary relief and stability to Fund members for the second year of the biennium. I will be contacting you in the coming days to schedule a time to go over your renewal proposal and answer any questions you might have. Thank you for your membership in the TASB Risk Management Fund. We look forward to another successful year!

Sincerely,



Dan Wilkinson
Risk Management Consultant
Risk Management Services
Texas Association of School Boards, Inc.

TASB RISK MANAGEMENT FUND
Workers' Compensation Administrative Services Only Program
Contribution & Coverage Summary (CCS)

Ector County ISD

Participation Period: September 1, 2012 12:01 a.m. through September 1, 2013 12:01 a.m.

CLAIMS & ADMINISTRATIVE FEES

General Administrative Services—including annual actuarial review	\$9,600 annually
New Indemnity Claim	\$725 per claim
New Medical Claim	\$125 per claim
New Record Only Claim	\$20 per claim

OPTIONAL SERVICES & FEES

Loss Prevention Services Package

As a member of the TASB Risk Management Fund's (Fund) Auto and Liability programs, Ector County ISD receives the basic Loss Prevention Services Package for the Workers' Compensation Administrative Services Only (ASO) program at no additional charge: The basic package includes district safety consultation, surveys, training, online access to the Loss Prevention Manual, and Loss Prevention Safety Kit, use of the Loss Prevention video and resource library, and basic Loss Prevention Reports Online.

Seasonal Benefit Adjustments

Adjustments are made during the summer break; self-insured Fund Members can decide to adjust weekly workers' compensation Temporary Income Benefits to zero during specific holidays. The Fund Member elects to stop/reduce weekly benefits during the selected breaks:

Spring Break Yes No Thanksgiving Break Yes No Winter Break Yes No

FEES ALLOCATED TO THE CLAIM FILE

Claim Fees

Representation for BRCs, CCHs and SOAHs hearings and other regulatory representation	Prevailing judicial rates
Subrogation	Attorney assigned - 33%+expense
External Investigations	At cost
Legal Fees (regulated by DWC)	Per attorney rates

Cost Containment Fees

Pre-authorizations (RN)	\$80 per pre-authorization
Pre-Authorizations (Physician)	\$80 per pre-authorization + time/expense
External Case Management (ECM)	\$80/hour
ECM Travel & Waiting Time	First two hours at fee, \$40/hour thereafter
Bill Review	\$6.50 per bill
Peer Review by Physician Advisor	Time & expense

This is not an invoice. An invoice will be mailed to the program coordinator and is payable within 30 days of receipt.



DEFINITIONS, TERMS & CONDITIONS

Claim and Cost Containment Fees: The majority of claims administrative costs are included in the claims administrative fees. Fees not included are allocated to the claim file and are passed through at prevailing rates.

Indemnity Claim: An injury where the employee has experienced more than seven days of compensable lost time, reduced wages for more than one week, incurred substantial medical treatment, compensability is questionable, involves subrogation or has reported an occupational illness, even if the employee has not missed any time from work.

Medical Claim: An injury requiring minor medical treatment and no more than seven days of compensable lost time.

Record Only Claim: An injury or incident without lost time requiring no medical treatment.

Run-In Claims Administrative Services: Run-In Claims are existing claims carried over from the previous administrator and transferred to the Fund for administration. A Detail Claim list itemizing all run-in claims, including the open/close status, is incorporated into this agreement. A Run-In Claim File Transfer Schedule will be developed upon program implementation. There is a one-time fee for initial data load for run-in claims. The initial transportation of open claim hard copy files is at cost.

Loss Prevention Services: Loss Prevention Services include service plans designed specifically for the Fund Member, safety consultant visits, safety training, facilities surveys, loss prevention reports and presentations, and standard employee safety handbooks. Customized employee safety handbooks are available at cost. Safety consultations are available upon request.

Stop Loss Coverage: Fund Member will obtain its own stop loss coverage. The Fund may assist the Fund Member with stop loss placement. The Fund Member will reimburse the Fund for any stop loss premium payments made on behalf of the Fund Member within 30 days of receipt of an invoice. Stop loss premiums will be determined by the stop loss carrier and are not guaranteed by the Fund.

Claims Reporting: Fund Member will timely provide to the Fund all reports and filings required of an employer by the laws and regulations dealing with workers' compensation coverage in Texas (the Act). Any fines levied against the Fund for Fund Member's failure to comply with rules and regulations in the Act will be the sole responsibility of the Fund Member. If the Fund advances payment of any fine or penalty, Fund Member agrees to reimburse the Fund for all such costs.

Benefit Limits: Workers' Compensation benefits paid to Fund Member's employees under this Agreement will be as defined in the Act. The Fund is responsible for claims payments as reflected in this CCS. This Agreement does not cover the defense of any suit or claim against a Fund Member except a workers' compensation claim by an eligible employee or former employee of Fund Member for the payment of statutory workers' compensation benefits.

Subrogation: The Fund will provide subrogation recovery services to Fund Member. Fund Member will be entitled to recovered amounts and retains the right of final litigation-related settlement decisions, including subrogation.

Cooperation: Fund Member agrees to use the Fund's contractors for services related to the administration of claims and to follow the Fund's election under Section 504.053 of the Labor Code to direct care through the Political Subdivision Workers' Compensation Alliance.

Termination: This CCS may be terminated by either party with termination to be effective on any successive renewal date by giving written notice to the other party no later than 30 days prior to automatic renewal in accordance with Section 4(a) of the Interlocal Participation Agreement.

Payment: Fund Member agrees to pay the Fund each week an amount equal to the actual paid workers' compensation claim amounts from the previous week. The Fund Member also agrees to pay the Fund each month a claims fee and a prorated amount of the annual administrative charges as shown in the CCS. The claims fee is applicable to each claim reported that is subsequently assigned a claim



number to include indemnity, medical only, and report only claims. The Fund Member agrees to pay these amounts upon receipt of an invoice. Claims will only be handled while the Fund Member participates in the Fund's WC ASO program. Fund Member agrees to reimburse the Fund for all workers' compensation claims paid on Fund Member's behalf up to the time all workers' compensation files are transferred to Fund Member with a transfer release. All payments by Fund Member will be made through an ACH transfer.

Coordinator:

The Fund Member is required to designate a Program Coordinator (Coordinator) with express authority to represent and bind the Fund Member in all Workers' Compensation program matters. If a Coordinator's name and contact information is not provided below, the currently designated Coordinator and contact information will remain in effect.

_____ Name of Coordinator	_____ Coordinator title
_____ Coordinator address	_____ City, state, and zip
_____ Coordinator phone	_____ Coordinator fax
	_____ E-mail address

Fund Member:

I certify that this information is correct. I affirm that I am duly authorized to sign this Contribution & Coverage Summary. Furthermore, I certify that I have read and agree to this Contribution & Coverage Summary and the Interlocal Participation Agreement.

_____ Authorized signature	_____ Date
_____ Printed name	_____ Title

TASB Risk Management Fund:

_____ James B. Crow, Secretary	_____ Date
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**SUMMARY OF CHANGES TO THE
TASB RISK MANAGEMENT FUND INTERLOCAL PARTICIPATION AGREEMENT**

Effective September 1, 2012

The TASB Risk Management Fund is pleased to present a revised Interlocal Participation Agreement (IPA). The new IPA has been simplified and streamlined to make it easier to read and understand.

- The new document is a single, “universal” IPA applicable to all lines of coverage. Currently, Fund Members sign a separate IPA for each line of coverage. This is a cumbersome and largely unnecessary process, as the content of all IPAs were nearly the same. The new single IPA covers all programs, and members will no longer have to execute separate IPAs each time they add a line of coverage. Once a Fund Member signs the IPA when renewing one line of coverage, the member may join any other line of coverage simply by executing a Coverage and Contribution Summary (CCS) for that coverage. And like the current IPA, the new IPA will automatically renew from year to year unless either party acts to end the agreement.
- Language specific to a particular program is included in the Contribution and Coverage Summary. The CCSs are specific to each line of coverage and show the actual program pricing, limits, terms, and other program specific information.
- The termination provision has been relaxed to provide members an option to terminate after the 30-day notice deadline has passed (but before coverage has renewed) by paying a late notice fee. The amount of liquidated damages for breaching the Agreement by improper termination has been reduced.
- The revised IPA includes a provision allowing the IPA, CCS and Coverage Documents to be amended by notice from the Fund. Fund Members may opt out of these amendments, however, if a Fund Member does not opt out within the given time, the amendment becomes part of the Agreement.
- A new provision allows the Fund to apply amounts held by the Fund for the Fund Member to any amounts owed to the Fund by that Fund Member.
- The new IPA gives Fund Members up to 60 days after each participation period to request a contribution adjustment if their exposures for the previous period changed enough to warrant an adjustment.
- Notice to a Fund Member’s Chief Executive Officer will now meet the notice requirement by the Fund.
- Electronic mail has been added as an available option for notices between Fund Members and the Fund.

Transition to the new IPA will take place as follows:

All coverage renewing on or after September 1, 2012, will be renewed using the new Interlocal Participation Agreement. The first coverage each member renews will require execution of a new IPA and the CCS for that line of coverage. Any subsequent coverage which renews during the year will only require executing a CCS for that coverage.

TASB RISK MANAGEMENT FUND INTERLOCAL PARTICIPATION AGREEMENT

Pursuant to the Texas Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Participation Agreement (Agreement) is entered into by and between the Texas Association of School Boards Risk Management Fund (Fund) and the undersigned local government of the State of Texas (Fund Member). The Fund is an administrative agency of local governments (Fund Members) that cooperate in performing administrative services and governmental functions relative to risk management.

TERMS AND CONDITIONS

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, including, without limitation, the agreement of the Fund and Fund Members to provide risk management programs as detailed in this Agreement, the receipt and sufficiency of which are hereby acknowledged, Fund Member and the Fund, intending to be legally bound, and subject to the terms, conditions, and provisions of this Agreement, agree as follows:

1. **Authority.** Fund Member hereby approves and adopts the Restatement of Interlocal Agreement, dated May 20, 1997, which restated the Interlocal Agreement dated July 2, 1974, establishing the predecessor of the Fund. The Restatement of Interlocal Agreement is incorporated into this Agreement by reference and is available from the Fund upon request. This Agreement serves to outline the relationship between the Fund and Fund Member. While the Texas Interlocal Cooperation Act provides the overarching basis for the Fund, certain Fund programs are further authorized pursuant to various statutes, such as Chapter 205 of the Texas Labor Code, pertaining to unemployment compensation; Chapter 504 of the Texas Labor Code, pertaining to workers' compensation; and Chapter 2259, Subchapter B, of the Texas Government Code, pertaining to other risks or hazards.
2. **Program Participation.** This Agreement enables Fund Member to participate in one or more of the Fund's available programs, including but not limited to, property, liability, auto, workers' compensation, and unemployment compensation coverage. Because this is an enabling Agreement, Fund Member must also execute a separate Contribution and Coverage Summary (CCS) for each Fund program from which it seeks coverage and/or administrative services. Only a valid CCS will confer the right to participate in a specific program and each CCS shall be incorporated into this Agreement. Through participation in any Fund program, Fund Member waives none of its immunities and authorizes the Fund, or its designee, to assert such immunities on its behalf and on behalf of the Fund or its designee.
3. **Term of Agreement.** This Agreement shall be effective from the date of the last signature below and shall remain in effect unless terminated as provided in this Agreement. This Agreement will automatically terminate if Fund Member ceases to participate in at least one of the Fund's programs (due to the expiration of a CCS participation term or the valid termination of same) or fails to meet the membership qualifications of the Fund as provided in this Agreement and as determined by the Fund in writing.
4. **Termination.** Unless this Agreement is automatically terminated as described above, this Agreement, and/or any component CCS applicable to Fund Member, can be terminated as set forth below. However, the termination of any single Fund program under a CCS shall not also result in the automatic termination of another pending CCS, or this enabling Agreement if any other CCS is still in force for Fund Member. Rather, each Fund program can only be terminated as provided in this Agreement.
 - a. **By Either Party with 30 Days Notice before Renewal.** Any CCS may be terminated by either party with termination to be effective on any successive renewal date by giving written notice to the other party no later than 30 days prior to automatic renewal.
 - b. **By Fund Member upon Payment of Late Notice Fee.** If Fund Member fails to terminate a CCS as provided above, it may still terminate participation in any Fund program prior to the renewal date by paying a late notice fee as herein provided. If Fund Member terminates the CCS before the renewal date, but with fewer than 30 days' advance written notice, Fund Member agrees to pay the Fund a late notice fee in the amount of 25% of the annual contribution for the expiring participation term. Fund Member expressly acknowledges that the late notice fee is not a penalty, but a reasonable approximation of the Fund's damages for the Fund Member's untimely withdrawal from the program identified in the CCS. However,

once the renewal term of a CCS commences, Fund Member can no longer terminate the CCS by paying a late notice fee; the CCS shall renew and Fund Member shall be bound thereby.

c. **By the Fund upon Breach by Fund Member.**

- 1) The Fund may terminate this Agreement or any CCS based on breach of any of the following obligations, by giving 10 days' written notice to Fund Member of the breach; and Fund Member's failure to cure the breach within said 10 days (or other time period allowed by the Fund):
- 2) Fund Member fails or refuses to make the payments or contributions required by this Agreement;
- 3) Fund Member fails to cooperate and comply with any reasonable requests for information and/or records made by the Fund;
- 4) Fund Member fails or refuses to follow loss prevention or statutory compliance requirements of the Fund, as provided in this Agreement; or
- 5) Fund Member otherwise breaches this Agreement.

If the Fund terminates this Agreement, or any CCS, based on breach as described above, Fund Member agrees that the Fund will have no responsibility of any kind or nature to provide coverage on the terminated Fund program post-termination. Further, Fund Member shall bear the full financial responsibility for any unpaid open claim and expense related to any claim, asserted or unasserted and reported or unreported, against the Fund or Fund Member, or incurred by the agents or representatives of Fund Member.

In addition to the foregoing, if termination is due to Fund Member's failure to make required payments or contributions, Fund Member agrees that it shall pay the Fund liquidated damages in the amount of 50% of the annual contribution for the participation term identified in the terminated CCS.

5. **Contributions.**

- a. **Agreement to Pay.** Fund Member agrees to pay its contribution for each Fund program in which it participates based on a plan developed by the Fund. The amount of contribution will be stated in the relevant CCS and will be payable upon receipt of an invoice from the Fund. Late fees amounting to the maximum interest allowed by law, but not less than the rate of interest authorized under Chapter 2251, Texas Government Code, shall begin to accrue daily on the first day following the due date and continue until the contribution and late fees are paid in full. If Fund Member owes the Fund payments under this Agreement, including any CCS, the Fund may offset such amounts from any Fund Member funds held by the Fund, regardless of program.
- b. **Estimated Contribution.** In specified situations, the amount of contribution shown in the CCS will be identified as an estimate. The Fund reserves the right to request an audit of updated exposure information at the end of the CCS participation term and adjust contributions if Fund Member's exposure changes during the CCS participation term. As a result of the exposure review, any additional contribution payable to the Fund shall be paid by Fund Member, and any overpayment of contribution by Fund Member shall be returned by the Fund. The Fund reserves the right to audit the relevant records of Fund Member in order to conduct this exposure review.

Upon expiration of each participation period, Fund Member may request a contribution adjustment due to exposure changes. Such request must be made in writing within 60 days after the end of the participation period. Fund Member must provide documentation as requested by the Fund to demonstrate that the exposure change warrants a contribution adjustment.

- c. **Contribution Adjustment.** Should the Fund's underwriting income for any program within a given program year be inadequate to pay the ultimate cost of claims incurred for that year, the Fund may collect an adjusted contribution from any current or former Fund Member if that Fund Member's contribution is inadequate to pay the Fund Member's claims incurred during that year.

6. **Contribution and Coverage Summary.** Fund Member agrees to abide by each CCS that governs its participation. A CCS will incorporate the program specific coverage document, if any, which sets forth the scope of coverage and/or services from the Fund. A CCS for a Fund program will state the participation term. After Fund Member's initial execution of a CCS, the CCS will automatically renew annually, unless terminated in accordance with this Agreement. Any renewal containing a change in the amount of contribution or other terms will be subject to the Amendment by Notice process described in this Agreement.
7. **Loss Prevention.** The Fund may provide loss prevention services to Fund Member. Fund Member agrees to adopt the Fund's reasonable and customary standards for loss prevention and to cooperate in implementing any and all reasonable loss prevention and statutory compliance recommendations or requirements.
8. **Other Duties of Fund Member.**
 - a. **Standards of Performance.** Time shall be of the essence in Fund Member's reporting of any and all claims to the Fund, payment of any contributions or monies due to the Fund, and delivery of any written notices under this Agreement.
 - b. **Claims Reporting.** Notice of any claim must be provided to the Fund no more than 30 days after Fund Member knows or should have known of the claim or circumstances leading to the claim, unless a different reporting requirement is required by law or provided for in the CCS. Failure by Fund Member to timely report a claim may result in denial of coverage or payment of fines or penalties imposed by law or regulatory agencies. If the Fund advances payment of any fine or penalty arising from Fund Member's late claim reporting, Fund Member will reimburse the Fund for all such costs.
9. **Administration of Claims.** The Fund or its designee agrees to administer all claims for which Fund Member has coverage after Fund Member provides timely written notice to the Fund. Fund Member hereby authorizes the Fund or its designee to act in all matters pertaining to handling of claims for which Fund Member has coverage pursuant to this Agreement. Fund Member expressly agrees that the Fund has sole authority in all matters pertaining to the administration of claims and grants the Fund or its designee full decision-making authority in all matters, including without limitation, discussions with claimants and their attorneys or other duly authorized representatives. Fund Member further agrees to be fully cooperative in supplying any information reasonably requested by the Fund in the handling 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.
10. **Excess Coverage/Reinsurance.** The Fund, in its sole discretion, may purchase excess coverage or reinsurance for any or all Fund programs. In the event of a substantial change in terms or cost of such coverage, the Fund reserves the right to make adjustments to the terms and conditions of a CCS as allowed by the Amendment by Notice process under this Agreement. If any reinsurer, stop loss carrier, and/or excess coverage provider fails to meet its obligations to the Fund or any Fund Member, the Fund is not responsible for any payment or any obligations to Fund Member from any reinsurer, stop loss carrier, or excess coverage provider.
11. **Subrogation and Assignment of Rights.** Fund Member, on its own behalf and on behalf of any person entitled to benefits under this Agreement, assigns all subrogation rights to the Fund. The Fund has the right, in its sole discretion, without notice to Fund Member, to bring all claims and lawsuits in the name of Fund Member or the Fund. Fund Member agrees that all subrogation rights and recoveries belong first to the Fund, up to the amount of benefits, expenses, and attorneys' fees incurred by the Fund, with the balance, if any, being paid to Fund Member, unless otherwise specifically stated in the Agreement. Award of funds to any person entitled to coverage, whether by judgment or settlement, shall be conclusive proof that the injured party has been made whole. Fund Member's right to be made whole is expressly superseded by the Fund's subrogation rights. If Fund Member procures alternate coverage for a risk covered by the Fund, the latter acquired coverage shall be deemed primary coverage concerning that risk.
12. **No Waiver of Subrogation Rights.** Fund Member shall do nothing to prejudice or waive the Fund's existing or prospective subrogation rights under this Agreement. If Fund Member has waived any subrogation right without first obtaining the Fund's written approval, the Fund shall be entitled to recover from Fund Member any sums that it would have been able to recover absent such waiver. Recoverable amounts include attorneys' fees, costs, and expenses.

13. **Appeals.** Fund Member shall have the right to appeal any written decision or recommendation to the Fund's Board of Trustees, and the Board's determination will be final. Any appeal shall be made in writing to the Board Chair within 30 days of the decision or recommendation.
14. **Bylaws, Policies, and Procedures.** Fund Member agrees to abide by the Bylaws of the Fund, as they may be amended from time to time, and any and all written policies and procedures established by the Fund (which are available from the Fund upon written request). If a change is made to the Fund's Bylaws, written policies or procedures which conflicts with or impairs a CCS, such change will not apply to Fund Member until the renewal of such CCS, unless Fund Member specifically agrees otherwise.
15. **Payments.** Fund Member represents and warrants that all payments required under this Agreement of Fund Member shall be made from its available current revenues.
16. **Cooperation and Access.** Fund Member agrees to cooperate and to comply in a timely manner with all reasonable requests for information and/or records made by the Fund. Fund Member further agrees to provide complete and accurate statements of material facts, to not misrepresent or omit such facts, engage in fraudulent conductor make false statements to the Fund. The Fund reserves the right to audit the relevant records of Fund Member to determine compliance with this Agreement.
17. **Fund Member's Designation of Coordinator.** Fund Member agrees to designate a coordinator ("Program Coordinator") for Fund Member on this Agreement or any CCS executed by Fund Member. Fund Member's Program Coordinator shall have express authority to represent and to bind Fund Member, and the Fund will not be required to contact any other individual regarding matters arising from or related to this Agreement. Fund Member reserves the right to change its Program Coordinator as needed, by giving written notice to the Fund; such notice is not effective until actually received by the Fund. Notice provided to the Chief Executive Officer of Fund Member shall also serve as notice to the Program Coordinator.
18. **Security of Documents.** Under this agreement the Fund may grant Fund Member access to sensitive or protected information. Fund Member agrees to assume the responsibility for maintaining the security of this information and to take all reasonable steps to avoid unauthorized disclosure of this information.
19. **Insurance Terminology.** The Fund is not "insurance", but is instead a mechanism through which eligible governmental entities join together to collectively self-insure and administer certain risk exposures. Any reference in this Agreement to an insurance term or concept is coincidental, is not intended to characterize the Fund as "insurance" as defined by law, shall be deemed to apply to self-insurance, and is not to be construed as being contrary to the self-insurance concept.
20. **Representation.** Fund Member authorizes the Fund to represent Fund Member in any lawsuit, dispute, or proceeding arising under or relating to any Fund program and/or coverage in which Fund Member participates. The Fund may exercise this right in its sole discretion and to the fullest extent permitted or authorized by law. Fund Member shall fully cooperate with the Fund, its designee, and the Fund's chosen counsel, including, without limitation, supplying any information necessary or relevant to the lawsuit, dispute, or proceeding in a timely fashion. Subject to specific revocation, Fund Member designates the Fund to act as a class representative on its behalf in matters arising out of this Agreement.
21. **Members' Equity.** The Fund Board, in its sole discretion, may declare a distribution of the Fund's members' equity to Fund Members. Members' equity belongs to the Fund. No individual Fund Member is entitled to an individual allocation or portion of members' equity.
22. **Entire Agreement.** This Agreement, together with the Restated Interlocal Agreement, Bylaws and CCS's that are in effect as to Fund Member from time to time, represent and contain the complete understanding and agreement of the Fund and Fund Member, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Fund and Fund Member other than those set forth in this Agreement duly executed in writing. In the event of conflict between the terms of this Agreement and the Restated Interlocal Agreement, Bylaws or any CCS, the specific terms of the later adopted agreement shall prevail to the extent necessary to resolve the conflict. This Agreement replaces all previous Interlocal Participation Agreements between the Fund and Fund Member. Notwithstanding the foregoing, this Agreement does not supersede any unexpired participation term or pending claim under an existing agreement between Fund Member and Fund.

23. **Amendment by Notice.** This Agreement, including any of its component CCSs or coverage documents, may be amended by the Fund, in writing, by providing Fund Member with written notice before the earlier of (i) the effective date of the amendment or (ii) the date by which Fund Member can terminate without payment of late notice fees or liquidated damages. Unless this Agreement expressly provides otherwise, an amendment shall only apply prospectively and Fund Member shall have the right to terminate this Agreement, or a component CCS to which the amendment applies, before the amendment becomes effective, as provided in this Agreement. If Fund Member fails to give the Fund timely written notice of termination, Fund Member shall be deemed to have consented to the Fund's amendment and agrees to abide by and be bound by the amendment, without necessity of obtaining Fund Member's signature.

The Fund may amend this Agreement or any CCS effective upon renewal. Amendments may be for any reason including changes to the terms or contribution amount.

The Fund may also amend this Agreement or any CCS, effective during the term of a CCS, for any reason including but not limited to the following:

- a. State or federal governments, including any court, regulatory body or agency thereof, adopt a statute, rule, decision, or take any action that would substantially impact the rights or financial obligations of the Fund as it pertains to this Agreement, or any Fund program or CCS.
- b. The terms of the Fund's stop-loss or excess coverage or reinsurance change substantially.

If the Fund exercises the option to amend the Agreement or any CCS during the term of a CCS and prior to renewal, the Fund shall give Fund Member 30 days advance written notice. Fund Member will then have the right during the 30-day period to give the Fund written notice of termination of the applicable Fund program, effective upon the expiration of the 30-day notice period (or longer period if so provided by the Fund in writing).

24. **Severability; Interpretation.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect. Any questions of particular interpretation shall not be interpreted against the drafter of this Agreement, but rather in accordance with the fair meaning thereof.
25. **Governing Law; Venue; Attorneys' Fees.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law principles of such state. Venue for the adjudication or resolution of any dispute arising out of or relating to this Agreement shall lie in Travis County, Texas, unless otherwise mandated by law. In the event of a lawsuit or formal adjudication between Fund Member and the Fund, the prevailing party is entitled to recover reasonable and necessary attorneys' fees that are equitable and just.
26. **Waiver.** No provision of this Agreement will be deemed waived by either party unless expressly waived in writing by the waiving party. No waiver shall be implied by delay or any other act or omission. No waiver by either party of any provision of this Agreement shall be deemed a waiver of such provision with respect to any subsequent matter relating to such provision.
27. **Assignment.** This Agreement or any duties or obligations imposed by this Agreement shall not be assignable by Fund Member without the prior written consent of the Fund.
28. **Authorization.** By the execution of this Agreement, the undersigned individuals warrant that they have been authorized by all requisite governance action to enter into and to perform the terms and conditions of this Agreement.
29. **Notice.** Unless expressly stated otherwise in this Agreement, any notice required or provided under this Agreement by either party to the other party shall be in writing and shall be sent by first class mail, postage prepaid or by a carrier for overnight service or by electronic means typically used in commerce. Notice to the Fund shall be sufficient if made or addressed as follows: TASB Risk Management Fund, P.O. Box 301, Austin, Texas 78767-0301, or tasbrmf@tasbrmf.org. Notice to a Fund Member shall be sufficient if addressed to the Program Coordinator or Fund Member's Chief Executive Officer and mailed to Fund Member's physical or electronic address of record on file with the Fund.

30. **Signatures/Counterparts.** The failure of a party to provide an original, manually executed signature to the other party shall not affect the validity or enforceability of this Agreement. Either party may rely upon a facsimile or imaged signature as if it were an original. This Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

WHEREFORE, the parties agree to be bound by this Agreement by signing below.

TASB RISK MANAGEMENT FUND

By: _____
Chair, Board of Trustees

Date: _____

FUND MEMBER

Fund Member Name: _____

By: _____
Signature of Fund Member's Authorized Representative

Date: _____

Printed Name of Fund Member's
Authorized Representative