

PCAT

Property / Casualty

2 Year Addendum to the Interlocal Agreement

For

Keller ISD

Thanks to the loyal Members, PCAT continues to experience phenomenal success. The commitment to stability and fiscal responsibility have helped all PCAT Members experience the primary objective of pooling, **STABILITY**. Stability leads to **significant control over future costs**.

PCAT is pleased to offer the following renewal terms:

1. The Property Casualty Alliance of Texas (PCAT) hereby agrees to extend current funding levels, **with no rate increase, through 9/1/2007** for Keller Independent School District (KISD).
2. Furthermore, PCAT hereby agrees to offer a **rate renewal of no more than 10% for the 2007 - 2008 Participation Period**.
3. PCAT hereby agrees to offer a **10% wind/hail Deductible Credit** for each year KISD has been claim-free from wind/hail claims as of 9/1/2006, up to a **maximum credit of 30%**. This Deductible Credit will apply for the 2006-2007 Participation Period only.
4. If KISD provides notice of cancellation as provided by Article 3 of the PCAT Interlocal Agreement, prior to 9/1/2007, a short-term cancellation penalty of ten percent (10%) of Annual Contributions for the 2005-2006 and 2006-2007 Participation Period will be due from KISD and payable to PCAT within 30 days after notice is received.
5. This Interlocal Agreement Addendum along with the original Interlocal Agreement, signed on 4/14/2003, and any other Addendums, shall represent the entire agreement and may not be amended or altered without the written consent of both parties.
6. The rates for the 2006-2007 and 2007-2008 Participation Period will be applied to the exposures in effect during that time, such as building and contents values, number of autos and number of students.

This Addendum must be executed prior to May 1, 2006 to be effective.

IN WITNESS WHEREOF, the undersigned agrees to this Addendum to the Interlocal, subject to funding.

Executed this Day: _____, 2006.

Signature: _____

Member Representative

Signature: _____

Chairperson, PCAT

North American Solutions

Program Administrators

8687 Louetta Road, Suite 275 ♦ Spring, TX 77379

Toll Free: (866) 379-1397 ♦ Fax: (281) 379-2171

E-mail: jmelton@nas-publicrisk.com