

**THIS IS A CLAIMS MADE COVERAGE DOCUMENT, PLEASE READ CAREFULLY**

In consideration of the payment of the membership contribution and subject to the Limit of Liability set forth in the Declarations, and subject to all of the terms, conditions and exclusions of this Coverage Document, the Trust agrees with the Educational Entity as follows:

**COVERAGE AGREEMENTS****1. Coverage**

The Trust will pay on behalf of the Members all Loss which the Members shall be legally obligated to pay for any civil Claims made against them because of a Wrongful Act, provided that the Claim is first made during the coverage period and the Member had no prior notice of the claimant's intent to assert a Claim prior to the effective date as set forth in the Declarations and written notice of the Claim is received by the Trust during the coverage period.

**2. Defense, Investigation and Settlement of Claims**

As respects such coverage as is afforded by this Coverage Document, the Trust shall:

- a. Have the right and duty to select counsel and to defend any Claims against the Members seeking damages for Loss, even if any of the allegations are groundless, false or fraudulent. The Trust shall not settle any Claim without the written consent of the Member. If, however, the Member refuses to consent to a settlement recommended by the Trust and elects to contest the Claim or continue legal proceedings in connection with such Claim, the Trust's liability for the Claim shall not exceed the amount for which the Claim could have been settled, including Claims Expenses incurred with its consent up to the date of such refusal, or the applicable limit of liability, whichever is less.
- b. In addition to the applicable limit of liability, and excess of the retention stated in the declarations, pay all Claims Expenses incurred in any action brought against the Member alleging a Wrongful Act.
- c. In any event, the Trust shall not be obligated to pay any Claim or judgment, or to defend any suit or pay any fees; costs or Claims Expenses after the Trust's liability has been exhausted by payment of judgments or settlements.
- d. As a condition precedent to their rights under this Coverage Document with respect to any Claim, the Educational Entity and all other Members shall fully cooperate with the Trust and with defense counsel we appoint. The Educational Entity and all other Members shall exercise their best efforts and act in good faith in defending Claims.

**3. Extensions**

This Coverage Document shall cover Loss arising from any Claims made against the estates, heirs, legal representatives or assigns of deceased persons who were Members at the time of the Wrongful Act upon which such Claims are based, and the legal representatives or assigns of the Members in the event of their incompetence, insolvency or bankruptcy.

4. Territory

This Coverage Document applies to Wrongful Acts committed anywhere in the world provided the Claim is made and suit or arbitration proceedings are brought against the Member in the United States of America, its territories or possessions or Canada.

## DEFINITIONS

1. The term “Member” shall mean:
  - a. The Educational Entity named in the Declarations and all elected and appointed board members, superintendents, employees including student teachers, and authorized volunteers performing duties for the Educational Entity. The term “Member” shall not include any employee of the Department of Education assigned to the district in a management or consulting capacity. An authorized volunteer is an individual performing non-paid services on behalf of the educational entity with the educational entity’s knowledge and consent;
  - b. The Educational Entity's foundation;
  - c. The Educational Entity's financial corporation established pursuant to Kentucky Revised Statutes 162.120 through 162.305 as amended;
  - d. The Educational Entity's site-based councils established pursuant to Kentucky Revised Statute 160.345.
  - e. KSBA-certified hearing officers for Section 504 hearings, but only when acting under contract with the Educational Entity, and in good faith, and within the scope of his/her duties as a hearing officer. This coverage is excess over any other collectible insurance available to the Member.
2. “Educational Entity” shall mean only that Entity which is named in the Declarations and is legally constituted at the inception date of this Coverage Document.
3. “Wrongful Act” shall mean any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by a Member in the performance of duties for the Educational Entity.
4. “Claims Expenses” shall mean fees charged by any lawyer designated by the Trust and, if authorized by the Trust, all other fees, costs and expenses resulting from investigation, adjustment, defense and appeal of any Claim.

“Claims Expenses” shall also include all interest on that part of any judgment which occurs after entry of the judgment and before the Trust has paid, tendered or deposited in court that part of the judgment which does not exceed the limit of liability. “Claims Expenses” includes premiums on appeal bonds required in any action or suit brought against the Member alleging a Wrongful Act, and/or premiums on bonds to release attachments.

“Claims Expenses” also include all reasonable expenses, other than Loss of earnings, incurred by the Member at the Trust's request. “Claims Expenses” **shall not** include salaries and expenses of employees or officials of the Educational Entity associated with the investigation, adjustment, defense or appeal of any Claim.

5. “Claim” means written notice to a Member of the intent to hold the Member liable for a loss resulting from a Wrongful Act. *For example: written notices may come in the form of letters from attorneys, demands for arbitration, lawsuits, or complaints filed with the Equal Employment Opportunity Commission (“EEOC”) or equivalent state civil rights enforcement agency.* Claim does not mean investigations, audits or requests for information from government entities or others. A Claim is made at the time a Member receives the first written notice of the Claim.

6. “Loss” shall mean any amount which the Members are legally obligated to pay or which the Educational Entity shall be required or permitted by law to pay as indemnity to the Members for any Claim or Claims made against them for Wrongful Acts and shall include but not be limited to Claims Expenses, damages, judgments, settlements, Claims or proceedings and appeals therefrom. Loss shall not include any such amounts for Non-Monetary Claims/Special Education Claims, taxes, fines or penalties imposed by law, the salaries of officials or employees of the Educational Entity associated with the defense and investigation of a Claim, or matters which may be deemed uninsurable under the law pursuant to which this Coverage Document shall be construed.
7. “Coverage Period” shall mean the period of one year following the effective date and hour of this Coverage Document or any anniversary thereof, or if the time between the effective date or any anniversary and the termination of the Coverage Document is less than one year, such lesser period.
8. “Non-Monetary Claims”/ “Special Education Claims” shall mean a Claim based upon a wrongful act which seeks non-monetary relief such as injunctive or declaratory relief or compliance with the same; or a Claim under any federal or state statute or regulation which does not award money damages, including, but not limited to Title IX, or a Claim seeking relief associated with the failure to provide a free appropriate education, or relief under the Individuals with Disabilities Education Act, 20 USC sec. 1400, et. seq., Sec. 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, et. seq., or any similar federal or state statute or regulation; or a Claim which seeks only attorneys’ fees against the Member or Educational Entity.

## EXCLUSIONS

This Coverage does not apply to, and the Trust will not be liable for Loss related to or arising out of:

1. Any Claim based upon or arising out of the gaining in fact of any personal profit or advantage to which the Member is not legally entitled. This exclusion includes, but is not limited to, costs incurred by any Member for goods, services or equipment necessary to provide any student with a free appropriate public education, or for the cost of tutoring, counseling or tuition;
2. Any Wrongful Act committed by a Member with knowledge that it is unlawful or wrongful or with the intent to harm or injure; however, the unlawful or intentional act of one Member shall not be imputed to any other Member. The Trust will defend a Member alleged to have committed unlawful or intentional harm, unless and until there is a final adjudication or admission that the conduct was unlawful or intentional;
3. Any Claim based upon or arising out of bodily injury, sickness, disease or death, mental or emotional injury or distress, including without limitation any workers' compensation claim;
4. Any Claim based upon or arising out of damage to or destruction of any tangible or intangible property or the loss of use of such property;
5. Any Claim based upon or arising out of false arrest, assault and battery, detention or imprisonment;
6. Any Claim based upon or arising out of defamation, including, but not limited to libel or slander;
7. Any Claim based upon or arising out of wrongful entry or eviction or other invasion of the right of private occupancy;
8. Any Claim based upon or arising out of the Member's activities in a fiduciary capacity as respects any employee benefit plan;
9. Any Claim based upon or arising out of the dispersal, discharge, escape, release or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases or any other material irritant, contaminant or pollutant in or into the atmosphere, or on, onto, in or into surface or sub-surface soil, water or watercourses, objects of any tangible or intangible matter, whether sudden or not;
10. Any Claim seeking relief or redress for either a willful, intentional, knowing, tortious or negligent breach or, failure to perform in whole or part, any oral, written or implied contract between the Members and any other person, except any oral, written or implied contract relating to that person's employment by the Educational Entity.
11. It is understood and agreed that the Trust shall not be responsible for making any payment for loss in connection with any Claim made against any Member based upon, arising out of, in consequence of, or in any way involving:
  - a. Any prior and/or pending Claim or litigation as of 7/1/04 including but not limited to matters before local, state, or federal boards, commissions, or administrative agencies; or
  - b. Any fact, circumstance, or situation underlying or alleged in such litigation or matter;
  - c. Any Claim already made at the date of first coverage or any matter, fact or circumstance that, prior to the date of first coverage was the subject of prior litigation, court order, settlement agreement or notice to a Member under any other policy.

12. Any Claim, directly or indirectly, based upon, arising out of or related to:
  - a. Asbestos or any asbestos related injury or damage; or
  - b. Any alleged act, error, omission or duty involving asbestos, its use, exposure, presence, existence, detection, removal, elimination or avoidance; or
  - c. The use, exposure, presence, existence, detection, removal, elimination or avoidance of asbestos in any environment, building or structure.

13. Any Claim brought by and on behalf of The Educational Entity against another Member.

14. Collective Bargaining:

Any Claim arising out of the collective bargaining process, but not for Claims by individuals simply because they are covered by a collective bargaining agreement.

15. Nuclear Energy Liability Exclusion (Broad Form)

It is agreed that this Coverage Document does not apply:

1. Under any Liability Coverage, to injury, sickness, disease, death or destruction;
  - (a) with respect to which a Member under the Coverage Document is also a Member under a nuclear energy liability Coverage Document issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be a Member under any such policy but for its termination upon exhaustion of its limit of liability, or
  - (b) resulting from the hazardous properties of nuclear material and with respect to which
    - (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
    - (2) the Member is, or had this Coverage Document not been issued would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any Medical Payments Coverage, or under any supplementary payments provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
3. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
  - (a) the nuclear material
    - (1) is at any nuclear facility owned by or operated by or on behalf of a Member; or
    - (2) has been discharged or dispersed therefrom;

- (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a Member; or
- (c) the injury, sickness, disease, death or destruction arises out of the furnishing by a Member of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

4. As used in this section:

“Hazardous Properties” includes radioactive, toxic or explosive properties;

“Nuclear Material,” “special nuclear material” and “by-product material” have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

“Spent Fuel” means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

“Waste” means any waste material:

- (a) containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, and
- (b) resulting from the operation by any person or organization of any nuclear facility included under the first two paragraphs of the definition of nuclear facility.

“Nuclear Facility” means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for
  - (1) separating the isotopes of uranium or plutonium;
  - (2) processing or utilizing spent fuel; or
  - (3) handling, processing or packaging waste;
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the Member at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235.
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

“Nuclear Reactor” means:

Any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

With respect to injury or to destruction of property the word “Injury” or “Destruction” includes all forms of radioactive contamination of property.

16. Any Claim for liability or costs incurred by any Member to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person.
17. Any Claim arising directly or indirectly from:
  - A. Any actual or alleged failure, malfunction or inadequacy of:
    1. Any of the following, whether owned by any Member or by others:
      - a) Computer hardware, including microprocessors;
      - b) Computer application software;
      - c) Computer operating systems and related software;
      - d) Computer networks;
      - e) Microprocessors (computer chips) not part of any computer system; or
      - f) Any other computerized or electronic equipment or components; or
    2. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1. of this exclusion due to inability to correctly recognize, process, distinguish, interpret or accept the year 2000 or beyond.
  - B. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by any Member or for any Member to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this exclusion.
18. Any Claim brought against any Member under KRS 161.011, KRS 161.765, KRS 161.790 or any administrative or judicial proceeding relating to or arising from any such Claim or charge; provided, however, that if an appeal is taken pursuant to aforesaid statutes, by the employee, the Trust will have the right and duty to select counsel for the superintendent and the Board of Education and will pay the "Claims Expenses" of the superintendent and the Board of Education relating to any such appeal.
19. Any Claim brought against any Member under KRS 161.120 or any administrative or judicial proceeding relating to or arising from such a Claim.
20. Any Claim for unemployment compensation, disability benefits, social security or similar laws.



## **LIMIT OF LIABILITY**

Regardless of the number of (i) Members under this Coverage Document, (ii) persons or organizations who sustain Loss from Wrongful Acts, (iii) Claims made due to Wrongful Acts, or otherwise, the Trust's liability is limited as follows:

1. The Limit of Liability specified in the Declarations shall be the maximum liability for any one Claim and shall be the aggregate limit for each Coverage Period;
2. The Trust shall only be liable to pay, subject to the Limit of Liability, for Loss in excess of the Retention stated in the Declarations for each and every Loss hereunder. The Member agrees that such Retention shall not be covered;
3. The Retention may only be satisfied by an actual cash payment by the Educational Entity or the Members. The Retention may not be satisfied by the release or waiver of a Claim or counterclaim;
4. In the event this Coverage Document is extended in accordance with the provisions of the discovery period, the Trust's total liability shall not exceed the aggregate Limit of Liability stated on the Declarations.

## **CONDITIONS**

### **1. Reporting Requirements**

- a. As a condition precedent of a Member's rights under this Coverage Document, the Educational Entity must give the Trust written notice of any Claim as soon as reasonably practicable during the Coverage Period, or within 60 days after the end of the Coverage Period, and promptly and fully give the Trust such information with regard to that Claim as the Trust may reasonably require.
- b. Upon the Trust's receipt of the Member's written notice, any Claim subsequently made against the Educational Entity or the Members arising out of the Wrongful Act shall be treated as a Claim made during the Coverage Period in which the notice was given, or if given during the discovery period, then as a Claim made during the discovery period.
- c. No written notice, as required above, shall be deemed received unless sent by prepaid mail properly addressed to KSBIT, Liability Claims Department, 260 Democrat Drive, Frankfort, Kentucky 40601.

### **2. Discovery Period**

If the Trust shall cancel or refuse to renew this Coverage Document, or the Educational Entity or the Member cancels or does not renew this Coverage Document, the Educational Entity or the Member shall have the right, upon payment of an additional membership contribution of 100% of the membership contribution hereunder, to an extension of the coverage granted by this Coverage Document in respect of any Claim or Claims made against the Members during the period of twelve (12) months following the date of such cancellation or non-renewal, but only with respect to any wrongful act committed before the date of such cancellation or non-renewal, provided, however, that the application for this extension must be made to the Trust in writing and payment of the membership contribution must be made within sixty (60) days of the effective date of the cancellation or the expiration date of the Coverage Document.

### **3. Entire Agreement**

By acceptance of this Coverage Document, the Member reaffirms as of the effective date of this Coverage Document that this Coverage Document embodies all agreements between the Member and the Trust or any of its agents relating to this coverage.

4. Action Against the Trust

No action shall lie against the Trust unless as a condition precedent thereto, there shall have been full compliance with all of the terms of this Coverage Document, and until the amount of the Members' obligation to pay shall have been, finally determined either by judgment against the Members, after actual trial or by written agreement of the Members, the claimant and the Trust.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Coverage Document to the extent of the coverage afforded by this Coverage Document. No person or organization shall have any right under this Coverage Document to join the Trust as a party to any action against the Members to determine the Member's liability, nor shall the Trust be impleaded by the Members or their legal representative. Bankruptcy or insolvency of the Members or of the Member's estate shall not relieve the Trust of any of its obligations hereunder.

5. Subrogation

In the event of any payment under this Coverage Document, the Trust shall be subrogated to all the Members' rights of recovery therefore against any person or organization and the Members shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights for the Trust. The Members shall do nothing after the Loss to prejudice such rights.

6. Changes

This contract contains all the agreements between the Member and the Trust concerning the coverage afforded. No change can be made in the terms of this coverage except with our written consent. The terms of this coverage can be amended or waived only by endorsement issued by us and made a part of this coverage.

7. Assignment

Assignment of interest under this Coverage Document shall not bind the Trust until its consent is endorsed hereon.

8. Authorization Clause and Notices

By acceptance of this Coverage Document, all Members agree that the Educational Entity shall act on behalf of all Members with respect to the giving and receiving of notice of Claim or cancellation, the payment of membership contributions and the receiving of any return membership contributions that may become due under this Coverage Document. Notice to that individual named in the application at the address of the Educational Entity shall also constitute notice to all Members.

## 9. Cancellation

This Coverage Document may be canceled by the Educational Entity for itself and the Members by surrender hereof to the Trust or any of its authorized agents, or by mailing to the Trust written notice stating when the cancellation shall be effective. If the Educational Entity cancels, earned membership contribution shall be computed in accordance with the customary short rate table and procedure.

If this Coverage Document has been in effect for sixty (60) days or less, then this Coverage Document may be canceled by the Trust for any reason by mailing or delivering to the Educational Entity or the Members, at the address stated in the Declarations, written notice of cancellation, stating the reason for cancellation, at least fourteen (14) days before the effective date and hour of cancellation.

If the Trust elects to cancel this Coverage Document for nonpayment of membership contributions as stated above, the Trust shall deliver to the Educational Entity a written notice of cancellation, stating the reason for cancellation, at least fourteen (14) days before the effective date of the cancellation. The mailing of notice as aforementioned shall be sufficient notice and the effective date and hour of cancellation stated in the notice shall become the end of the Coverage Period. If the Trust cancels, earned membership contribution shall be computed pro rata.

If this Coverage Document has been in effect for more than sixty (60) days or is a renewal of a Coverage Document issued by the Trust, then this Coverage Document may be canceled by the Trust by mailing or delivering to the Educational Entity at the address stated in the Declarations, written notice of cancellation, stating the reason for cancellation, when, not less than seventy-five (75) days thereafter such cancellation shall be effective, only for one or more of the following reasons:

- a) Nonpayment of membership contributions;
- b) Discovery of fraud or material misrepresentation made by or with the knowledge of the Member in obtaining the Coverage Document, continuing the Coverage Document, or in presenting a Claim under the Coverage Document;
- c) Discovery of willful or reckless acts or omissions on the part of the Member which increase any hazard covered;
- d) The occurrence of a change in the risk which substantially increases any hazard covered after coverage has been issued or renewed;
- e) The Trust is unable to reinsure the risks covered by the Coverage Document; or
- f) A determination by the Commissioner that the continuation of the Coverage Document would place the Trust in violation of the Kentucky Insurance Code or regulations of the Commissioner.

## 10. Nonrenewal

If the Trust elects not to renew this Coverage Document, the Trust shall mail or deliver to the Educational Entity at the last mailing address known to the Trust, written notice of nonrenewal at least seventy-five (75) days before the expiration date of the policy period.

For the purpose of this Condition:

- a) Any Coverage Period or term of less than (6) months shall be considered to be a Coverage Period or term of six (6) months; and

- b) Any Coverage Period or term of more than one year or any Coverage Document with no fixed expiration date shall be considered a Coverage Period or term of one year.

If notice of nonrenewal is not provided pursuant to this Condition, coverage under the same terms and conditions shall be deemed to be renewed for the ensuing Coverage Period upon payment of the appropriate membership contribution until the Member has accepted replacement coverage with another Insurer, or until the Member has agreed to the nonrenewal.

If notice is mailed, proof of mailing shall be considered sufficient proof of notice.

Delivery of such written notice by the Member or the Trust shall be equivalent to mailing. Membership contribution adjustment may be made at the time the cancellation is effected or as soon as practicable thereafter. The check of the Trust or any of its representatives, mailed or delivered, shall be sufficient tender of any refund due the Member.

#### 11. Other Insurance

If there is any other collectible insurance available to the Member (whether such coverage is stated to be primary, contributing, excess or contingent) that covers a Loss that is also covered by this Coverage Document, the coverage provided by this Coverage Document will apply in excess of, and shall not contribute with, such insurance. This Condition 11 does not apply to any insurance policy purchased specifically (and which is so specified in such insurance policy to apply in excess of this Coverage Document).

#### 12. Service of Suit

It is agreed that in the event that the Member and the Trust dispute the meaning, interpretation, or operation of any term, condition, definition, or provision of the Coverage Document resulting in litigation, the Trust will submit to the jurisdiction of the Franklin County Circuit Court or the Franklin County District Court, as appropriate, and will comply with all the requirements necessary to give such courts jurisdiction, and all matters arising hereunder shall be determined in accordance with the law and practice of such courts. It is further agreed that service of process in such suit against the Trust may be made upon the Trust and that in any suit instituted against it upon this Coverage Document, the Trust will abide by the final decision of such courts, or of any appellate court in the event of an appeal.

#### 13. Venue

In the event that the Member and the Trust dispute the meaning, interpretation, or operation of any term, condition, definition, or provision of this Coverage Document resulting in litigation, the Member and the Trust agree that the law of the Commonwealth of Kentucky shall apply and that all litigation shall take place in either the Franklin County Circuit Court or Franklin County District Court, as appropriate.

## **Public School Officer Extension**

Coverage provided by this endorsement applies to administrative hearings for Claims made within the coverage period, and for the purposes of coverage provided under this endorsement only, the Coverage Document is amended as follows:

COVERAGE AGREEMENTS, Section 1. **Coverage** is amended to include the following:

### **1. Coverage**

The Trust will reimburse the Public School Officer for Claims Expenses attributed to any hearing brought pursuant to KRS 156.132.

**Definitions** is amended to include the following:

8. **“Public School Officer”** shall mean any elected or appointed board members, serving as members of a Board of Education pursuant to KRS 160.160 or any superintendent responsible for the administration of a Board of Education pursuant to KRS 160.350. The definition of Public School Officer shall not include any other employees, student teachers, or volunteers of the educational entity, or other persons listed in KRS 156.132, other than school board members and Superintendents as defined by the foregoing statutes.

Condition 3. **Limits of Liability** is amended to include the following:

The Limit of Liability for each Public School Officer shall be \$10,000. The aggregate Limit of Liability for each district shall be \$50,000.

All other terms and conditions of this Coverage Document remain unchanged.

This endorsement is a part of your Coverage Document and takes effect on the effective date of your Coverage Document, unless another effective date is shown below.

**THIS ENDORSEMENT CHANGES THE COVERAGE DOCUMENT, PLEASE READ IT CAREFULLY**

## **NON-MONETARY CLAIMS/SPECIAL EDUCATION CLAIMS ENDORSEMENT**

COVERAGE AGREEMENTS, section 1. **Coverage** is amended to include the following:

As to any Non-Monetary Claim/Special Education Claim, (including requests for due process hearings or formal complaints), against the Member due to a Wrongful Act, which is otherwise covered by this Coverage Document, KSBIT shall defend and indemnify the Member only for Claims Expenses incurred in the defense of such Claim, or for reasonable costs and attorney fees awarded to a claimant by a court or administrative order, (or which Member is obligated to pay as a result of a settlement of a non-monetary Claim/Special education Claim), subject to the following conditions:

1. The Claim is first filed against the Member during the Coverage Period, and written report of the Claim is received by KSBIT during the Coverage Period or within sixty (60) days thereof.
2. The limit of KSBIT's liability for such Claims Expenses, costs and fees shall not exceed \$10,000 per Claim and \$50,000 in the aggregate for the Coverage Period.

All other terms and conditions of this Coverage Document remain unchanged.

This endorsement is a part of your coverage document and takes effect on the effective date of your coverage document, unless another effective date is shown.

**THIS ENDORSEMENT CHANGES THE COVERAGE DOCUMENT, PLEASE READ IT CAREFULLY**

**This endorsement modifies insurance provided under the following:**

Educators Legal Liability Coverage

**FUNGUS EXCLUSION**

The reinsurance hereunder does not apply to Bodily Injury, Personal Injury, Advertising Injury, Property Damage, or any other loss, injury, damage, cost or expense, including, but not limited to, losses, costs or expenses related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:

- a. Any fungus(i), mold(s), mildew or yeast, or
- b. Any spore(s) or toxins created or produced by or emanating from such fungus(i), mold(s), mildew or yeast, or
- c. Any substance, vapor, gas, or other emission or organic or inorganic body or substance produced by or arising out of any fungus(i), mold(s), mildew or yeast, or
- d. Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbors, nurtures or acts as a medium for any fungus(i), mold(s), mildew, yeast, or spore(s) or toxins emanating therefrom,

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to that loss, injury, damage, cost or expense.

As used in this Exclusion, fungus(i), mold(s), and spore(s) have the following definitions:

Fungus(i) includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including molds, rusts, mildews, smuts and mushrooms.

Mold(s) includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce molds.

Spore(s) means any dormant or reproductive body produced by or arising or emanating out of any fungus(i), mold(s), mildew, plants, organisms or microorganisms.

All other terms and conditions remain unchanged.

Effective date of this endorsement is:

Attached to and forming part of No.

Issued to:

Dated:

By: \_\_\_\_\_

All other terms and conditions of this Coverage Document remain unchanged.

This endorsement is a part of your coverage document and takes effect on the effective date of your coverage document, unless another effective date is shown.

IN WITNESS WHEREOF, the Trust has caused this Coverage Document to be signed by its Chairman of the Board and Secretary but this Coverage Document shall not be binding upon the Trust unless completed by the attachment hereto of a Declarations page and countersigned on the aforesaid Declarations page by a duly authorized representative of the Trust.



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Bill Scott, Secretary



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Brenda Jackson, Chairman of the Board