

ADAMS COUNTY BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SELF INSURANCE POOL

Amended and Restated
Pool Agreement

Effective July 1, 2011

ADAMS COUNTY BOCES
SELF INSURANCE POOL AGREEMENT
As Amended and Restated
Effective July 1, 2011

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ADAMS COUNTY BOCES
SELF INSURANCE POOL AGREEMENT
Effective July 1, 2011

THIS AGREEMENT is effective as of the 1st day of July, 2011, between and among MAPLETON PUBLIC SCHOOLS, Adams County, Colorado; SCHOOL DISTRICT NO. 14, Adams County, Colorado; SCHOOL DISTRICT NO. 27J, Adams County, Colorado; ADAMS 12 FIVE STAR SCHOOLS, Adams County, Colorado, and SCHOOL DISTRICT NO. 50, Adams County, Colorado (collectively hereinafter "School Districts").

WITNESSETH:

WHEREAS, the Adams County Board of Cooperative Educational Services (hereinafter the "BOCES") is a Board of Cooperative Services duly formed and existing under and pursuant to the Boards of Cooperative Services Act of 1965, 22-5-101, et seq., C.R.S., and is a body corporate that may enter into contracts; and

WHEREAS, each of the above-named School Districts is a public school district duly formed and existing under and pursuant to the School District Organization Act of 1965, 22-30-101, et seq., C.R.S., and is a body corporate that may enter into contracts, and;

WHEREAS, the parties hereto entered into that certain Adams County BOCES Self-Insurance Liability Pool Agreement effective as of the first day of May, 1979 (hereinafter the "original liability pool agreement"), which created a liability pool to provide liability insurance coverage for the above named School Districts in accordance with Colorado Statutes; the Commissioner of Insurance of the State of Colorado issued a Certificate of Authority to said Pool effective January 27, 1981; the original liability pool agreement was amended and restated effective as of January 1, 1983; and the amended and restated pool agreement was amended effective September 1, 1986; and

WHEREAS, the parties hereto entered into that certain Adams County BOCES Self-Insurance Property Pool Agreement effective June 2, 1982 (hereinafter the "original property pool agreement"), which created a property pool to provide property insurance for the above named School Districts in accordance with Colorado Statutes; the Commissioner of Insurance of the State of Colorado issued a Certificate of Authority to said Pool effective May 13, 1983; and said pool agreement was amended effective June 2, 1982, effective October 2, 1985, and effective September 1, 1986; and

WHEREAS, the parties hereto entered into that certain Adams County BOCES Workers' Compensation Self-Insurance Pool Agreement effective October 5, 1983 (hereinafter the "Original workers' compensation pool agreement"), which created a workers' compensation pool to provide workers' compensation insurance for the above named School Districts in accordance with Colorado Statutes; the Commissioner of Insurance of the State of Colorado issued a Certificate of

Authority to said Pool effective August 18, 1986; and said pool agreement was amended effective September 1, 1986, effective December 3, 1986, effective December 16, 1987, and effective May 17, 1989; and

WHEREAS, the parties merged the liability and property pools as permitted by Colorado Statutes effective January 1, 1987, and set forth in one pool agreement the provisions regulating the merged pools; and

WHEREAS, the parties, merged the liability and property pool, and workers' compensation pool as permitted by Colorado Statutes effective July 1, 1993, and to set forth in one pool agreement the provisions regulating the merged pools; and

WHEREAS, the parties desire to amend the July 1, 1993 Pool Agreement to conform to current legal requirements, as well as BOCES policies, procedures and practices.

NOW, THEREFORE, the parties hereby amend the July 1, 1993 Pool Agreement as follows:

:

ARTICLE I

GENERAL

1.1 Name. The self-insurance pool shall be known as the "Adams County BOCES Self-Insurance Pool" (hereinafter the "Pool").

1.2 Authority. The Pool was initially formed, and is authorized to operate by one or more of the following Colorado Statutes: the Boards of Cooperative Services Act, of 1965, 22-5-101, et seq., C.R.S.; the School District Organization Act of 1965, 22-30-101, et seq., C.R.S.; 24-10-115.5, C.R.S., providing for cooperation between Colorado School Districts in the formation of liability self-insurance pools; 29-13-101, et seq., C.R.S., providing for cooperation between Colorado School Districts in the formation of property self-insurance pools; C.R.S. 8-44-110, providing for cooperation between Colorado School Districts in the formation of workers' compensation self-insurance pools; 24-10-115.5(7), C.R.S., providing for the combining and commingling of funds appropriated by the members and received by liability and property pools for liability or property insurance or self-insurance or for other purposes of the pool; 29-1-201, et seq., and 22-32-122, C.R.S., providing for cooperation and contracts between Colorado school districts; and such other Colorado statutes as may now or hereafter and from time to time apply to the Pool and membership herein.

1.3 Purpose. The purpose of the Pool is to maintain a self-insurance pool for the participating School Districts in the pooling of their liability, property and workers' compensation risk and loss exposure.

1.4 Coverage. The insurance coverage provided by the Pool shall be set forth in a separate Coverage Agreement to be adopted by the BOCES Board of Directors. The Board may amend or

modify the Coverage Agreement at any time, but no amendment or modification shall have the effect of decreasing any rights of a member accrued as of the date of the amendment or modification.

1.5 Assets. All assets contributed or paid to the Pool, and all other assets of the Pool, and any earnings thereon, shall be held in the name "Adams County BOCES Self-Insurance Pool," unless otherwise provided herein. All assets of the Pool shall be received, held, managed, invested, expended and disbursed as is provided herein and only in furtherance of the purposes of the Pool and on behalf of the members of the Pool.

1.6 Board Authority. The Board is empowered to act in all matters on behalf of the Pool as in the judgment of, and upon a vote of the Board may be necessary or desirable in the furtherance of the purposes of the Pool and to the extent allowed by law.

1.7 Incurring of Liabilities. Except as provided herein neither the Board of Directors nor any other persons or entities are authorized to incur liabilities or obligations or enter into contracts on behalf of the members of the Pool.

1.8 Fiscal Year. The fiscal year of the Pool shall be July 1, through June 30.

ARTICLE II

MEMBERSHIP

2.1 Members. The current members of the Pool are the School Districts named above.

2.2 Additional Members. Additional eligible public entities, school districts, and postsecondary institutions located within the State of Colorado may become members of the Pool upon application for membership in form and manner as shall be prescribed by the Board, and upon the affirmative vote of two thirds (2/3) of the BOCES Board. Each additional member shall upon admission to membership in the Pool become and be bound by all agreements theretofore entered into by the Pool on behalf of the members, subject to the obligations imposed by and entitled to the rights granted by such agreements as of the date of admission.

2.3 Action by Members. To the extent permitted by law, all actions of the members in connection with the business and affairs of the Pool and their membership therein shall be taken by and through their respective representatives on the Board of Directors.

ARTICLE III

BOARD OF DIRECTORS

3.1 Board of Directors. The business and affairs of the Pool shall be managed by the BOCES Board, which shall exercise all the authority and powers and discharge all the duties of the Pool, except as is otherwise herein provided.

3.2 Members. The Board is made up of one representative appointed by the Board of

Education of each member School District, which representative shall serve at the pleasure of the appointing Board of Education. The Board of Education of each member School District shall also appoint an alternative representative who shall serve at the pleasure of the appointing Board of Education, and who shall exercise all the rights of, and discharge all the obligations of, the primary representative in the event of the absence, death or disability of the primary representative.

3.3 Meetings/Procedures. The Board shall meet as required by law and the policies adopted by the Board pursuant to such legal requirements. The conduct of such meetings, including discussion of and action upon Pool issues, shall be governed by procedures adopted by the Board.

3.4 Officers. The officers of the BOCES Board shall also be deemed officers for purposes of the Pool.

3.5 Indemnification. Each Director of the Board shall be indemnified by the Pool against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may become involved, by reason of his or her being or having been a Director, or any settlement thereof made with Court approval, whether or not he or she is a Director at the time such expenses are incurred, except in such cases wherein the acts or omissions of the Director have been adjudged to be willful and wanton provided, that in the event of a settlement, the indemnification herein shall apply only when the Board, as well as the Court, approves such settlement and reimbursement as being in the best interests of the Pool. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director may be entitled.

ARTICLE IV ADMINISTRATOR

4.1 Administrator. The Executive Director of the BOCES shall act as Administrator of the Pool.

4.2 Duties and Authority of the Administrator. The Administrator shall be responsible for the administration of the Pool and shall have all such powers and authority as shall be necessary or desirable in the administration of the Pool subject to such reasonable restrictions or requirements as the Board in its discretion may impose.

(a) Books and Records. The Administrator shall be responsible for the maintenance of accounts and records for the Pool, including the periodic preparation of detailed financial statements for the members which include control accounts for assets transferred to the custodian for investment purposes, and for claims. The Administrator shall render periodic reports to the Board.

(b) Claims Coordinator. The Administrator shall coordinate the adjustment of claims by the Claims Administrator which shall include: (i) coordination of the claim adjustment function

as performed by the designated claims adjusting firm: (ii) review the status of any claim as requested by the Board of Directors; and (iii) recommend appropriate action to finalize settlement of pending claims. Nothing herein is intended to make the Administrator liable for the errors or omissions of the Claim Administrator, its agents or employees, and the Administrator shall not be liable for any such errors or omissions.

(c) Risk Management and Loss Control. The Administrator shall develop a risk management program for the Pool, to be implemented by the Pool members, which on a systematic member-wide basis is expected, if followed, to reduce preventable losses and minimize the financial severity of the claims. The risk management program shall include the following: loss identification; loss evaluation; loss control and prevention; claims coordination; and evaluation of the effectiveness of the risk management program.

(d) Management of Contributions. The Administrator shall compute all contributions required of Pool members as the same are established and assessed by the Board from time to time.

(e) Payments. The Administrator shall approve for payment all items of expense specifically allowed or contemplated by the Board, and such other items as may be directed by the Board, and shall give a periodic accounting of all monies so expended.

(f) Other. The Administrator shall do and perform such other, further and additional things, acts and duties as are generally done and performed by persons or entities administering and implementing insurance pools of this nature.

4.3 Indemnification. Adams County BOCES, its Executive Director and staff performing Pool administrative functions as "Administrator" of the Pool shall be indemnified by the Pool and its members against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may become involved, by reason of his or her being or having been Administrator of the Pool, or any settlement thereof made with Court approval, whether or not he or she is Administrator at the time such expenses are incurred, except in such cases wherein the acts or omission of the Administrator have been adjudged to be willful and wanton. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such administrator may be entitled.

4.4 Cooperation of Members. The Pool members shall cooperate with and render all reasonable assistance to the Administrator in the discharge of his/her/its duties and exercise of authority in accordance with the terms of this Pool Agreement and BOCES' policies.

ARTICLE V

POOL FUNDS - INVESTMENTS

5.1 Investment Policy/Procedures. Funds of the Pool, including member School District's contributions, will be administered pursuant to the BOCES Investment Policy, Guidelines and Procedures, copies of which are attached hereto marked Exhibits A and B, and incorporated herein.

5.2 Custodian. Pursuant to Exhibits A and B, the Board shall also retain a custodian for the safekeeping of the funds of the Pool. The custodian shall be an "eligible public depository" authorized by law to act as a fiduciary and under the supervision of the State Bank Board, Colorado Division of Banking or a national banking association authorized to act as a fiduciary. The custodian shall provide safekeeping services, and act as a fiduciary with respect to the assets and funds of entrusted to it. Further, the custodian shall assume total responsibility for the loss, disappearance, theft or unaccountability of all assets of the Pool held by it or otherwise in its possession, custody or control as nominee or otherwise. The custodian shall indemnify and hold harmless the Pool and its members from and against any and all claims, demands, judgments, loss, damage, costs, expenses and attorney's fees the Pool or its members may incur as a result of its errors or omissions. The foregoing provisions will be set forth in accordance with a written agreement between the Board and the custodian, and such other terms and conditions as the Board and the custodian may agree.

5.3 Accounting. As a further provision contained in the agreement between the Board and the custodian, the custodian shall keep complete and accurate accounts, books and records of all receipts, disbursements, investments and other transactions under its control or to which it is a party. All accounts, books and records relating to the assets, investments, business or affairs of the Pool shall be open to inspection or audit to any member of the Pool at all reasonable times. The custodian shall fully cooperate with the conduct of any audit authorized or directed by the Board.

ARTICLE VI

CONTRIBUTIONS AND OTHER REQUIREMENTS OF MEMBERS

6.1 Allocation of Contributions. The allocation of Pool member contributions shall be in proportion to their respective insured values for Property, in proportion to their respective Pupil Enrollment for Liability, and in proportion to their respective payrolls for Workers' Compensation. The Board may modify contributions based on claims experience of individual Pool members School Districts.

6.2 Paid-In Surplus. The total amount of paid-in surplus by Pool members at the effective date of this Agreement is \$1,902,824.00. The paid-in surplus contribution of any new member of the Pool shall be calculated by the Board on a basis consistent with the current paid-in surplus

contributions of the existing members, calculated risk and loss history and any other reasonable criteria as may be determined by the Board. The paid-in surplus contribution of each Pool member shall be represented by a Certificate.

6.3 Operating Expenses and Claims. Each Pool member shall contribute to the initial operating expenses and claims of the Pool as may be adjusted from time to time. The operating expense and claims contribution of any new member of the Pool shall be calculated by the Board on a basis consistent with the current operating expense and claims contributions of the existing members. "Operating expenses" includes the costs and expenses of the administration and operation of the Pool, and "claims" means claims incurred and actuarially reserved and settlements made and expenses allocated thereto. A member's share of operating expenses and claims contributions, whether initial or pursuant annual or periodic contribution shall be determined and assessed by the Board based upon the relative risks, losses and expenses attributable to such member's properties and activities.

6.4 Earnings. Net earnings of the Pool shall, in the discretion of the Board, be either (a) placed in a surplus account, or (b) applied to the members' next required Annual or Periodic Contribution.

6.5 Annual and Periodic Contributions. Each Pool member shall make an Annual Contribution to the Pool on July 1 of each year in an amount equal to that recommended by the Pool's qualified actuary including administrative expenses; provided however, that paid-in surplus may not be decreased below the minimum amount required by the Commissioner of Insurance without his/her prior approval.

The Board may require Periodic Contributions from time to time during the Pool's fiscal year equal to each member's share (based upon the member's percentage participation in the Pool for the fiscal year) of the operating expenses and claims described in Section 6.3 already incurred or reasonably expected to be incurred within thirty (30) days of the due date of the Periodic Contribution. In addition, a Periodic Contribution will be required upon a determination by the Board that the financial condition of the Pool, including cash flow availability, is such that additional contributions are necessary.

6.6 Adjustments. The paid-in surplus and the operating expense and claims amount shall be annually determined. The paid-in surplus amount shall be increased by the amount of the initial paid-in surplus contribution by a new member of the Pool, and the operating expense and claims amounts shall be increased by the amount of the initial operating expense and claims contribution of a new member. These amounts may be otherwise increased or decreased from year to year in the discretion of the Board, provided that paid-in surplus may not be decreased below the minimum amount required by the Commissioner of Insurance without his/her prior approval. The Board may from time to time in its discretion adjust each member's obligation to contribute to paid-in surplus

and operating expenses and claims to reflect changes made in accordance with Section 6.1, and any Annual or Periodic Contributions required of a member shall be adjusted to reflect any such increase or decrease.

6.7 Dividends. The Board may from time to time in its discretion provide for a dividend to members if the Board of Directors determines that the aggregate surplus is sufficient to permit such dividend in accordance with sound industry practice and such dividend is consistent with the aims and purposes of the Pool. Dividends will not be provided so as to impair the Pool.

6.8 Computation and Notice of Required Contributions. The Administrator shall compute the contributions required of the members as established and assessed by the Board of Directors. The Administrator shall give notice of the amounts of required Annual Contributions to the members prior to July 1, of each year, and of required Periodic Contributions at least thirty (30) days before they are due.

Notwithstanding anything to the contrary herein contained, sums due from a withdrawing or terminated Pool member shall be due and payable upon receipt of a statement or statements therefore from the Administrator or the Board.

6.9 Cooperation of Members. The Pool members agree to follow the loss prevention and risk management programs of the Board, and to abide by all policies, procedures, conditions, requirements, rules and regulations regarding loss control and risk management which may be approved by the Board.

6.10 Report of Incidents, Claims and Losses. The Pool members agree to promptly give notice of any incidents, claims or losses to the Administrator in accordance with the provisions of this Pool Agreement, the forms and other documents relating to the Pool, and the requirements of any insurance or reinsurance carriers.

6.11 Subrogation. Each Pool member agrees that in the event of the payment of any loss the Pool shall be subrogated to all of the member's rights of recovery therefore as may be provided in any insuring documents related thereto.

6.12 Right of Inspection. Each Pool member agrees that the Board, the Administrator or any of their duly authorized agents, servants, employees or attorneys shall be permitted at any reasonable time or times to inspect the member's property and operations and to examine the member's books, documents and records of any and every kind or nature which are pertinent to the administration of the Pool.

6.13 Provision of Information. Each Pool member shall provide all information required by the Board or the Administrator which is pertinent to the administration of the Pool.

6.14 Contingency Reserve. The Pool shall maintain a contingency reserve for incurred but not reported losses. The reserve shall be calculated as follows: ultimate loss per actuarial projections less total claim payments and known reserves. In addition, a contingency reserve for

loss adjustment expenses shall be maintained at least 3.5% of total outstanding reserves plus incurred but not reported claims.

ARTICLE VII
CHANGES IN MEMBERSHIP

7.1 Withdrawal from Membership. A member may withdraw from the Pool effective as of July 1 of any year by giving written notice of its intention to withdraw on or before January 1 of the same year to the Board and the Administrator, which notice shall be accompanied by a certified copy of a resolution adopted by the member's governing body directing that such notice be given.

7.2 Termination of Membership. The Board shall have the power to terminate a membership in the Pool for:

- (a) A member's failure to comply with the provisions of the Pool Agreement and all other documents relating to the Pool;
- (b) The member's refusal or failure to follow the loss control or risk management programs approved by the Board;
- (c) The member's refusal or failure to give prompt notification to the Administrator of losses; or
- (d) The member's ceasing to be a duly authorized and existing public school district or eligible public entity in the State of Colorado.

In case of termination for non-payment of Annual or Periodic Contributions, termination shall be as of the renewal date for which such contribution was required to be paid. In the event there exists any other cause for termination, the Board shall give thirty (30) days prior notice to the member of the date, place and time when the Board will consider terminating the member's membership in the Pool, and the member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be terminated. The decision of the Board shall be final, and any termination shall be effective as of the date and upon the terms and condition specified by the Board.

7.3 Treatment of Contributions Upon Withdrawal or Termination. Upon withdrawal or termination, the former Pool member's share of any unearned operating expenses and claims contributions plus all or a portion of its share of paid-in surplus represented by Certificates shall be returned to such member, as follows:

7.3.1 Operating Expenses and Claims. The unearned operating expense and claims contribution for a withdrawing or, terminated member shall be computed in accordance with the customary pro-rata table and procedure.

7.3.2 Paid-In Surplus. Prior to returning any paid-in surplus represented by Certificates, the Board shall make a determination as to what amount of aggregate surplus it should

maintain in accordance with sound industry practice. The withdrawing or terminated member shall only be entitled to the return of its share of paid-in surplus to the extent the aggregate surplus exceeds the amount so determined to be maintained, and only after the Pool has received the prior written approval of the Commissioner of Insurance. Any sums remaining unpaid shall be paid in one or more installments at such time or times as the Board determines following the above procedure. If at any time more than one Certificate is eligible for payment under this Section 7.3.2, then payments shall be made in proportion to the amount outstanding on each such Certificate in relation to the total outstanding on all such Certificates. Payments hereunder shall have priority over payment of Certificates held by members and paid under Section 6.7.

Notwithstanding the provisions of this Section 7.3, any withdrawing or terminated member shall continue to be subject to Section 7.4 of this Agreement.

7.4 Termination of Benefits and Additional Contributions by a Withdrawn or Terminated Member. Nothing herein contained shall be construed to require the Pool to pay any claims, make any settlements or incur any expenses for claims incurred after withdrawal or termination from the Pool, or to relieve the member from the requirement of making additional Periodic Contributions to the Pool in amounts calculated in accordance with Section 6.5. Sums due hereunder from a withdrawn or terminated member shall be due and payable upon receipt of a statement or statements therefore from the Administrator or the Board.

7.5 Continuing Obligations. Should any withdrawn or terminated member have made any written contractual obligations for or on behalf of the Pool to any third parties, including commercial lenders, such contractual obligations shall not be released by such withdrawal or termination.

ARTICLE VIII

ASSETS

8.1 Contributions. All contributions of members and other sums payable to the Pool shall be made payable to the "Adams County BOCES Self-Insurance Pool" and shall be delivered to the Administrator for deposit to the account of the Pool.

8.2 Bank Accounts. The Pool shall establish and maintain an Investment Account, Operating Account, Claims Account and such other bank accounts as are necessary for the transaction of its business.

(a) Operating Account. The Operating Account shall be utilized for the payment of all costs and expenses incurred in the operation, administration and management of the Pool. All contributions of members for the payment of operating costs and expenses and earnings thereon shall be deposited to the Investment Account. The Administrator shall be authorized to withdraw funds from the Investment Account to transfer to the Operating Account for the purpose of paying

operating expenses. The Administrator shall be authorized to withdraw funds from the Investment Account upon such conditions as the Board may authorize.

(b) Claims Account. The Claims Account shall be utilized for the payment of claims and settlements. All contribution of members intended for claims and settlements, and earnings thereon, shall be deposited to the Investment Account and shall be invested as provided in Article V. The Administrator shall be authorized to withdraw funds from the Investment Account to transfer to the Claims Account for the purpose of paying claims. The Administrator and the Board of Directors shall be authorized to withdraw funds from the Claims Account upon such conditions as the Board may direct.

8.3 Single Fund. The assets of the Pool shall be deemed a single commingled fund held for the benefit of the members. There shall not be any member accounts.

8.4 Annual Audit. The members, the Administrator and the custodian shall cooperate with any audit of the affairs, business and accounts of the Pool conducted pursuant to law or at the direction of the Board.

ARTICLE IX

CLAIMS ADMINISTRATION AND PAYMENT OF CLAIMS

9.1 Coverage of Claims. The assets of the Pool shall be used to pay only such claims and losses for which coverage is provided by the Coverage Agreements adopted by the Board from time to time. In addition to any requirements of the Coverage Agreements, it is a condition precedent to coverage that the member promptly notifies the Administrator of the loss, incident or claim as otherwise herein provided. Claims and losses of any member of for which coverage is provided shall be paid, provided the pool is not prejudiced by any delay in notifying the Administrator of the loss, incident or claim and other requirements of the Coverage Agreements are met.

9.2 Investigation and Defense. Pursuant to its contractual arrangement with the Board, the Claim Administrator, as identified in Article X, below, shall investigate all claims and shall attempt to adjust or settle such claims. The Pool members shall fully cooperate with and provide and make available to the Claim Administrator and assigned legal counsel all information, assistance and personnel as may be reasonably required in the opinion of the Pool Administrator, the Insuring Company, the Claims Administrator or such legal counsel to fully and properly investigate and defend any claim or loss.

9.3 Insurance and Reinsurance. The Board may obtain or procure policies of insurance or reinsurance from duly authorized insurers or reinsurance carriers, as it may determine. In the event it is determined that such insurance or reinsurance be obtained, it shall be obtained from a duly authorized licensed company in the State of Colorado or an approved or non-admitted reinsurer.

ARTICLE X

CLAIM ADMINISTRATOR

10.1 Claim Administrator. The Board shall employ or contract with a qualified individual or entity to act as Claim Administrator of the Pool.

10.2 Duties and Authority of the Claim Administrator.

(a) Authority. The Claim Administrator shall be responsible for the adjustment of all claims on behalf of the Pool subject to such reasonable restrictions or requirements as the Board in its discretion may impose. The Board shall enter into a written agreement with the Claim Administrator covering its relationship to the Board and the BOCES Pool, which agreement shall be upon the terms and conditions herein contained and upon such additional terms and conditions as the Board and the Claim Administrator may agree.

(b) Claims Administration. The Claim Administrator shall adjust all claims on behalf of the Pool. This shall include but not be limited to: (i) initial evaluation of claims; (ii) notification to excess insurers of all qualified claims or losses with values that may exceed the Pool's retention; (iii) investigation of each claim; and (iv) coordination of the assignment of legal counsel for those claims which go to hearing, subject to the approval of the Board of Directors.

10.3 Fee. Pursuant to the written agreement contemplated in Section 10.2(a), the Claim Administrator shall be paid a fee as shall be agreed upon by the Board and the Claim Administrator. The fee shall be an expense of the Pool.

10.4 Cooperation of Members. The members shall cooperate with and render all reasonable assistance to the Claim Administrator in its discharge of its duties and exercise of its authority within the terms of the Claims Administrator's agreement.

ARTICLE XI

AMENDMENT AND TERMINATION

11.1 Amendment. The Board may amend this Agreement at any time and from time to time by a vote of two-thirds of the members of the Board, provided that no amendment shall reduce or terminate the rights and benefits of any Pool member for any year in which the member is a fully qualified member of the Pool, or have the effect of abridging any other contract duly entered into by the Pool; and provided, further, however, that this Agreement may not be amended until advance written notice has been given to the Insurance Commissioner of the State of Colorado at least 30 days prior to the effective date of any amendment.

11.2 Termination. The Board may terminate this Agreement and the Pool without a successor entity on 60 days advance written notice to each Pool member and the Insurance Commissioner for the State of Colorado and subject to the approval of the Insurance Commissioner

for the State of Colorado, provided that no such termination shall reduce or terminate the rights and benefits of any member as to any claim incurred.

11.3 Termination of Benefits. Upon and after termination of the Pool each member which was a member at the time of termination shall by force of this provision assume and be responsible for any and all claims thereafter incurred by it whether known or unknown. This provision shall control over any provision to the contrary in any Coverage Agreements in effect from time to time. Nothing herein contained is intended to alter, modify or decrease any insurance coverage provided by any insurance carrier, reinsurance carrier, or other entity other than the Pool.

ARTICLE XII MISCELLANEOUS

12.1 Entire Agreement. Binding Nature. This Pool Agreement and the other documents referred to herein contain the entire agreement of the parties and shall be binding upon and inure to the benefit of the members who are bound in accordance with the provisions hereof, and their successors and assigns.

12.2 Duration. The term of the Pool and this Agreement shall be indefinite.

12.3 No Third Party Benefit. The provisions of this Agreement and of the other documents referred to herein, and the assets of the Pool, are for the benefit of the Pool members only, and no other persons or entities shall have any rights or interest in this Agreement, in any of the other documents referred to herein, or in any assets of the Pool, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.

12.4 Prohibition Against Assignment. No Pool member may assign or transfer any of its rights, interest, duties or obligations herein, or any rights it may have to any assets of the Pool as specifically granted in this Agreement, to any other person or entity except upon a unanimous vote of the Board and upon such terms and conditions as the Board of Directors may in its sole discretion impose upon any such assignment. Any attempted assignment or transfer not in accordance with this Section 12.4 shall be null and void and of no force or effect whatsoever.

Notwithstanding the foregoing, any public school district or eligible public entity which is a successor to a member hereof, or any board of cooperative services which is a successor to the BOCES, shall succeed to all the rights and responsibilities hereunder of such member or of the BOCES, as the case may be.

12.5 No Rights in Specific Assets/No Partition. No Pool member shall have any right to any specific assets of the Pool except as may be specifically granted in this Agreement. Each member hereby waives and releases any rights it otherwise may have to seek partition of any assets of the Pool.

12.6 Insurance Laws. The parties acknowledge that the Pool and this Agreement are

subject to the supervision and control of the Insurance Commissioner of the State of Colorado in accordance with 29-13-102 and 103, C.R.S., 24-10-115.5, C.R.S., 8-44-110 C.R.S., and such other insurance laws, rules and regulations of the State of Colorado as may from time to time be in effect with respect to the Pool and this Agreement.

12.7 Tax Laws. It is the intention of the parties that the Pool and any income of the Pool not be subject to taxation, and the parties shall cooperate in such respects, including amending this Agreement, as is reasonably necessary to establish and maintain the non-taxable status of the Pool.

12.8 Comparable Quality. The services, activities and undertakings provided for herein shall be of comparable quality and meet the same requirements and standards as would be necessary if separately performed by each Pool member hereof, as required by 22-32-122, C.R.S.

12.9 Governing Law. This Pool Agreement is made under and pursuant to, and shall be construed and enforced in accordance with, the laws of the State of Colorado. It is intended to comply with all the requirements of the laws of the State of Colorado.

12.10 Adams County BOCES. All coverage certificates and insurance coverage heretofore provided to or for the benefit of Adams County Board of Cooperative Educational Services are hereby ratified and approved, and the Pool may continue to provide insurance coverage to the BOCES as an instrumentality of the member school districts.

Nothing herein contained shall affect the rights of any members accrued as of the effective date of this agreement. Without limiting the generality of the foregoing, all claims or losses incurred by a member prior to the effective date hereof shall be governed by the provisions of the original pool agreement.

12.11 Insolvency and Impairment. For the purpose of this Agreement, the Pool shall be deemed (i) "insolvent" when its admitted assets are less than all of its liabilities or it is unable to pay its obligations, and (ii) "impaired" when its surplus is less than that required by applicable rules and regulations promulgated by the Colorado Division of Insurance.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below indicated, effective as of the ____ day of _____, 2011.

MAPLETON PUBLIC SCHOOLS

By: _____

(Title)

Attest: _____

(Title)

(Date)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below indicated, effective as of the ____ day of _____, 2011.

ADAMS 12 FIVE STAR SCHOOLS

By: _____

(Title)

Attest: _____

(Title)

(Date)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below indicated, effective as of the ____ day of _____, 2011.

ADAMS COUNTY SCHOOL DISTRICT 14

By: _____

(Title)

Attest: _____

(Title)

(Date)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below indicated, effective as of the ____ day of _____, 2011.

ADAMS COUNTY SCHOOL DISTRICT 27J

By: _____

(Title)

Attest: _____

(Title)

(Date)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below indicated, effective as of the ____ day of _____, 2011.

ADAMS COUNTY SCHOOL DISTRICT 50

By: _____

(Title)

Attest: _____

(Title)

(Date)