

CHANGES TO THE SDA POOL POLICY FOR 2008

No-Fault Water or Sewer line backup coverage:

The Pool has increased its benefit to \$7,500 per Occurrence and \$22,500 annual aggregate. The coverage is not only for cleanup expenses, but also covers damage to your constituent's property, regardless of fault. This coverage applies over and above any coverage the affected constituent may have under their own policy. It also carries a deductible (which the District will pay, probably by paying back the Pool) of \$500 per occurrence (not per claimant). It is possible the District's constituent may not want to turn this into their insurance company, but they will have to do so in order to determine if there is coverage. If there is none, this benefit kicks in. If there is coverage under the constituent's policy, their insurance company will pay it, minus any deductible and that deductible will not be covered by this benefit. As an example, the homeowner may have \$10,000 coverage for sewer backup and a \$1,000 deductible, and damages are \$15,000. In this scenario, the constituent pays the \$1,000 deductible; the insurance company pays the next \$10,000 (their limit) and then the Pool's benefit kicks in the last \$4,000.