

Liability Coverage Fund Replenishment Policy:

In the event that accumulated expenses (legal fees, claims administration, settlements, etc.) or catastrophic losses were to result in a significant shortfall or depletion of a given fund's equity, in the Liability Coverage Fund, reimbursement to the fund would be made on the following basis:

1. Assuming a shortfall of less than \$50,000, the reimbursement be immediate.
2. Assuming a shortfall between \$50,000 and \$250,000, then the reimbursement will be at a minimum rate of \$50,000 per year over no more than five years.
3. If the shortfall exceeds \$250,000, the reimbursement should be 9financed to reimburse the Liability Coverage Fund immediately. The repayment term on the financing will not exceed fifteen years.