

KSBIT-PL

IN REHABILITATION

Kentucky School Boards Insurance Trust
Property & Liability Fund
10400 Linn Station Road, Suite 211
Louisville, KY 40223
(502) 499-6290
WWW.KSBIT-PL.COM

NORTHERN KENTUCKY COOPERATIVE FOR EDUCATIONAL SERVICES

Curtis A. Hall, Executive Director

5516 East Alexandria Pike

Cold Spring, KY 41076

IMPORTANT NOTICE:

The attached Assessment Package is the Court Ordered
Assessment for the

**Kentucky School Boards Insurance Trust
Property & Liability Fund ONLY (KSBIT-PL)**

Those members that also received Workers Compensation
Coverage from the **Kentucky School Boards Insurance
Trust Workers Compensation Fund (KSBIT-WC)** will receive
a separate Assessment package.

Separate payments should be made for each fund in which
the member participated.

Please note as explained in the cover letter, an additional assessment
totaling approximately \$2,500,000 (KSBIT-PL) is being determined by the
Court. A future additional assessment may be Ordered by the Court

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NORTHERN KENTUCKY COOPERATIVE FOR EDUCATIONAL SERVICES
Curtis A. Hall, Executive Director
5516 East Alexandria Pike
Cold Spring, KY 41076

July 24, 2014

Dear KSBIT Property & Liability Fund Member:

On July 17, 2014 the Franklin Circuit Court issued an order instructing the Rehabilitator to assess the former members of the Kentucky School Boards Insurance Trust Property & Liability Fund. The attached invoice reflects the court-ordered assessment plan. Court orders and other information are available at www.ksbit-pl.com.

The attached invoice includes a breakdown for each year covered under the court-approved assessment, as well as premium and loss summaries. The Court has ordered that each members' assessment be calculated pro-rata 60% based on members earned premium and 40% based on members excess losses. The Court has further ordered that the amount assessed for each year be limited to fifty percent (50%) of a member's earned premium for that year. The invoice consists of three pages. The first page (Remittance) and the second page show the breakdown of the assessment for each year based on the premiums, the losses, and the 50% premium limitation. It also shows the total assessment due. The third page shows a breakdown of the premium and excess loss portion for each year of the assessment. PLEASE RETURN THE REMITTANCE COPY WITH YOUR PAYMENT.

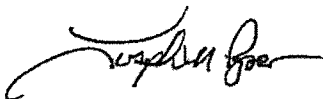
In addition, it is important to note that the assessment amount does not include the \$2.5 million in surplus notes currently in litigation. Once that case is resolved, an additional assessment is possible.

The following payment options are being offered:

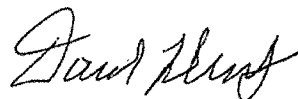
- Pay the full amount of the invoice by September 15, 2014;
- Pay 40 percent of the full amount by September 15, 2014 and the remaining balance in equal payments over 2 years. With each yearly payment due on September 15th; or
- Finance your assessment through the Kentucky Interlocal School Transportation Association (KISTA) or other source. If you finance your premium, the full amount is due by October 15, 2014. This option is only available for School Boards. For more information please contact Joe Nance or Bob Tarvin with Ross Sinclair & Associates, fiscal agent for KISTA, at 800-255-0795.

If you have questions, please contact Joseph N. Pope, or David Hurt, the Deputy Rehabilitators, at 502-499-6290 x114 or x106. Also email JoeP@KSBIT-PL.com or DavidH@KSBIT-PL.com.

Sincerely,



Joseph N. Pope, Jr. CPA, CFE
Deputy Rehabilitator



David Hurt, CPA, CFE
Deputy Rehabilitator

**KSBIT-Property & Liability Fund
Assessment Invoice
MEMBER COPY**

NORTHERN KENTUCKY COOPERATIVE FOR EDUCATIONAL
SERVICES
5516 East Alexandria Pike
Cold Spring, KY 41076

Mbr #1146

Year	Premium Assessment per Summary (A)	Loss Assessment per Summary (B)	Premium Limit Adjustment* (C)	Total Assessment (A + B +C)
2008	416	-	51	467
2009	628	5,665	(3,383)	2,910
2010	852	-	222	1,073
2011	899	-	287	1,186
2012	934	-	143	1,077
2013	-	-	-	-
Total	3,729	5,665	(2,681)	
Total Amount Due				\$ 6,713

* Total Assessment is limited to 50% of member's premium for each year.
Negative amounts are the reduction from this 50% limit. Positive amounts are
the pro rata share from other members limit that year.

Please make checks payable to:

KSBIT-Property & Liability Fund
10400 Linn Station Rd, Suite 211
Louisville, KY 40223-3839

KSBIT-Property & Liability Fund

Assessment Summary

NORTHERN KENTUCKY COOPERATIVE FOR EDUCATIONAL
SERVICES
5516 East Alexandria Pike
Cold Spring, KY 41076

Mbr #1146

Premium Assessment

Year	60% Total Assessment All Members (A)	Total Earned Premium All Members (B)	Member Earned Premium (C)	Premium Factor (C/B=Fx)	Premium Assessment Amount (A x Fx)
2008	1,025,749	11,789,448	4,777	0.000405	416
2009	1,245,316	11,546,332	5,819	0.000504	628
2010	1,397,571	11,999,603	7,312	0.000609	852
2011	1,929,125	12,486,683	5,821	0.000466	899
2012	2,000,025	12,963,868	6,057	0.000467	934
2013	1,152,059	12,875,555	-	-	-
Total	8,749,845	73,661,490	29,786		3,729

Loss Assessment

Year	40% Total Assessment All Members (A)	Total Excess Loss All Members (B)	Member Excess Loss (C)	Loss Factor (C/B=Fx)	Loss Assessment Due (A x Fx)
2008	683,832	2,274,014	-	-	-
2009	830,211	2,198,004	14,998	0.006823	5,665
2010	931,714	1,200,411	-	-	-
2011	1,286,083	791,780	-	-	-
2012	1,333,350	2,535,211	-	-	-
2013	768,039	1,372,719	-	-	-
Total	5,833,230	10,372,139			5,665