

8 Provisions for Fund coverage of third party claims:

1. The UST Division must be notified in writing within twenty-one (21) days of the owner/operator receiving written notice of a third party lawsuit. The owner/operator must also submit quarterly updates. If a settlement conference or a settlement agreement is planned, the UST Division must be notified 14 days in advance.
2. The owner/operator has to be in substantial compliance at the time of the release.
3. Records must be maintained by the owner/operator.
4. The owner/operator must file a motion with the court requesting that the final judgment specify the type and amount of all damages awarded to the third party(ies). Also, the third party has to obtain a final judgment enforceable in Tennessee or a settlement that has been reviewed and approved in advance by the division.
5. The final judgment has to be for an amount greater than the fund entry level in effect on the date of release.
6. A tank owner/operator and CAC must cooperate with any audits by the Commissioner, supplying records and documents to verify work and costs claimed for reimbursement.
7. An owner/operator who settles a third party claim without prior approval by the division **may not be reimbursed** by the fund.
8. The fund shall not be obligated to reimburse a tank owner/operator who pays for any final and enforceable third party judgment in any amount exceeding a settlement offer rejected by the owner/operator which was submitted to the division, reviewed and approved by the division for payment.

[NOTE: The regulations may be viewed at
<http://tennessee.gov/sos/rules/1200/1200-01/1200-01-15.pdf> .]