

STATEWIDE INSURANCE FUND
INDEMNITY AND TRUST AGREEMENT

THIS AGREEMENT made this 1st day of January 2021, in the County of Morris, State of New Jersey, by and between the Statewide Insurance Fund (hereinafter "FUND"), and MANSFIELD TOWNSHIP in the County of Warren a duly constituted local unit of government (hereinafter "LOCAL UNIT");

WHEREAS, two or more local units have collectively formed a joint insurance fund as such an entity is authorized and described in N.J.S.A. 40A:10-36 et seq.; and

WHEREAS, the LOCAL UNIT has agreed to become a member of the FUND in accordance with and to the extent provided for in the Bylaws of the FUND and in consideration of such obligations and benefits to be shared by the membership of the FUND; and

WHEREAS, the LOCAL UNIT has complied with relevant law with regard to the acquisition of insurance;

NOW, THEREFORE, it is agreed as follows:

1. The LOCAL UNIT, upon entering the FUND, agrees to be bound by and to accept and comply with each and every provision of the FUND's Bylaws, Risk Management Program, as it applies to the LOCAL UNIT and the applicable statutes and administrative regulations pertaining to joint insurance funds.
2. The LOCAL UNIT agrees to participate in the FUND with respect to the coverage listed in the LOCAL UNIT's "Resolution to Join" in accordance with the FUND's Bylaws and Risk Management Program.
3. The LOCAL UNIT agrees to become a member of the FUND until January 1, 2024, at 12:01 a. m. eastern standard time. The commencement date shall be the effective date as established by the FUND's Bylaws and policies.
4. The LOCAL UNIT certifies that it has not been canceled for non-payment of insurance premiums for a period of at least two (2) years prior to the date hereof, or, if self-insured, that it has never defaulted on any claims.
5. In consideration of membership in the FUND, the LOCAL UNIT agrees that it shall jointly and severally assume and discharge the liability of each and every member of the FUND in accordance with statute and regulation, and by execution hereof the full faith and credit of the LOCAL UNIT is pledged to the punctual payment of any sums which shall become due to the FUND in accordance with the Bylaws thereof, this Agreement or any applicable statute or regulation.

6. If the FUND, in the enforcement of any part of this Agreement, shall incur necessary expense or become obligated to pay attorney's fees and/or court costs, the LOCAL UNIT agrees to reimburse the FUND for all such reasonable expenses, fees and costs on demand.
7. The LOCAL UNIT and the FUND agree that the FUND shall hold in trust all monies paid by the LOCAL UNIT to the FUND and those monies will be used in accordance with all applicable statutes, the FUND's Bylaws and the Risk Management Program.
8. If required by the Commissioner of Insurance or applicable statutes or regulations, the FUND shall establish separate trust fund accounts in accordance with N.J.S.A. 40A:10-36, et seq. and any other statutes or regulations that may be applicable. Said trust accounts shall be used solely for the payment of claims made against members of the FUND, excess insurance premiums and/or the administration of the FUND, or for such other purposes as now or hereunder permitted by statute or regulation.
9. Each LOCAL UNIT which shall become a member of the FUND shall be obligated to execute an agreement similar in form to this Agreement.
10. To the extent required by law, the LOCAL UNIT shall provide notice of this Agreement to the Office of the State Comptroller.