

Resolution 94

DELEA FOUNDERS INSURANCE TRUST INDEMNITY AND TRUST AGREEMENT

THIS AGREEMENT made this 8 day of December 2007, in the County of Suss, State of Delaware, by and between DeLea Founders Insurance Trust (hereinafter "TRUST"), and Town of Dewey Beach, a duly constituted local unit of government (hereinafter "LOCAL UNIT");

WHEREAS, five or more local units have collectively formed a joint insurance fund as such an entity is authorized and described in Title 18 of the Delaware Code; and

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

NOW, THEREFORE, it is agreed as follows:

1. The LOCAL UNIT, upon entering the TRUST, agrees to be bound by and to accept and comply with each and every provision of the TRUST'S Bylaws, Assessments, and Risk Management Program, as applicable 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 TRUST with respect to those coverage listed in the LOCAL UNIT'S resolution to join the Trust in accordance with the TRUST'S Bylaws and Risk Management Program.
3. The LOCAL UNIT agrees to become a member of the TRUST until July 1, 2009 at 12:01 A.M. Eastern Standard Time. The commencement date shall be the effective date as established by the TRUST'S Bylaws.
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 TRUST, the LOCAL UNIT agrees that it shall jointly and severally assume and discharge the liability of each and every member of the TRUST 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 TRUST in accordance with the Bylaws thereof, this Agreement or any applicable statute or regulation.

6. If the TRUST, 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 TRUST for all such reasonable expenses, fees and costs on demand.

7. The LOCAL UNIT and the TRUST agree that the TRUST shall hold in trust all monies paid by the LOCAL UNIT to the TRUST and those monies will be used in accordance with all applicable statutes, the TRUST's Bylaws and the Risk Management Program.

8. If required by the Commissioner of Insurance or applicable statutes or regulations that may be applicable, said trust accounts shall be used solely for the payment of claims made against members of the TRUST, excess insurance premiums and/or the administration of the TRUST, 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 TRUST shall be obligated to execute an agreement similar in form to this Agreement.

Morton E Elliott

ATTEST:

By: _____

Title: Town manager

Barbara Kywyski
Clerk 2/10/07

DELEA FOUNDERS INSURANCE TRUST

ATTEST:

By: _____

Secretary

Dated: _____