

CENTRAL JERSEY HEALTH INSURANCE FUND
INDEMNITY AND TRUST AGREEMENT

THIS AGREEMENT made this 26th day of August 2025, in the County of Mercer, State of New Jersey, By and Between the **Central Jersey Health Insurance Fund** (hereinafter referred to as “FUND”) and the governing body of the **Delaware River Basin Commission**, a duly constituted LOCAL UNIT OF GOVERNMENT (hereinafter referred to as “DRBC” or “the Commission”)

WITNESSETH:

WHEREAS, the governing bodies of various local units of government, as defined in N.J.A.C. 11:15-3.2, 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 the administrative regulations promulgated pursuant thereto; and

WHEREAS, the DRBC 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;

NOW THEREFORE, it is agreed as follows:

1. The DRBC accepts the FUND’s Bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of said Bylaws and the pertinent statutes and administrative regulations pertaining to same.
2. The DRBC agrees to participate in the FUND with respect to health insurance, as defined in N.J.S.A. 17B:17-4, and as authorized in DRBC’s resolution to join.
3. The DRBC agrees to become a member of the FUND and to participate in the health insurance coverages offered for an initial period, (subject to early release or termination pursuant to the Bylaws), such membership to commence on **November 1, 2025**, and ending on **January 1, 2026**, at 12:01 AM, provided, however, that the DRBC may withdraw at any time upon written notice to the FUND.
4. The DRBC certifies that it has never defaulted on payment of any claims if self-insured and has not been cancelled for non-payment of insurance premiums for a period of at least two (2) years prior to the date of this Agreement.
5. In consideration of membership in the FUND, the DRBC agrees that it shall jointly and severally assume and discharge the liability of each and every member of the FUND, for membership in the FUND, for the periods during which the member is receiving coverage, all of whom as a condition of member in the FUND shall execute an Indemnity and Trust Agreement similar to this Agreement and by execution hereto, the full faith and credit of the DRBC is pledged to the punctual payments of any sums which shall become due to the FUND in accordance with

the Bylaws thereof, this Agreement or any applicable Statute. However, nothing herein shall be construed as an obligation of the DRBC for claims and expenses that are not covered by the FUND, or for that portion of any claim or liability within the DRBC retained limit or in an amount which exceeds the FUND's limit of coverage.

6. If the FUND in the enforcement of any part of this Agreement shall incur necessary expenses or become obligated to pay attorney's fees and/or court costs, the DRBC agrees to reimburse the FUND for all such reasonable expenses, fees, and costs on demand.

7. The DRBC and the FUND agree that the FUND shall hold all moneys in excess of the DRBC's retained loss fund paid by the DRBC to the FUND as fiduciaries for the benefit of FUND claimants all in accordance with N.J.A.C. 11:15-3 et. seq.

8. The FUND shall establish and maintain Claims Trust Accounts for the payment of health insurance claims in accordance with N.J.S.A. 40A:10-36 et. seq., N.J.S.A. 40A:5-1 and such other statutes and regulations as may be applicable. More specifically, the aforementioned Trust Accounts shall be utilized solely for the payment of claims, allocated claim expense and stop loss insurance or reinsurance premiums for each risk or liability as follows:

- a) Employer contributions to group health insurance
- b) Employee contributions to contributory group health insurance
- c) Employer contributions to contingency account
- d) Employee contributions to contingency account
- e) Other trust accounts as required by the Commissioner of Insurance

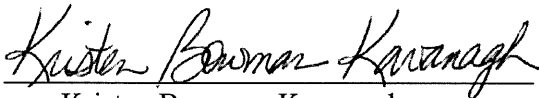
9. Notwithstanding 8 above, to the contrary, the FUND shall not be required to establish separate trust accounts for employee contributions provided the FUND provides a plan in its Bylaws for the recording and accounting of employee contributions of each member.

10. Each LOCAL UNIT of government who shall become a member of the FUND shall be obligated to execute an Indemnity and Trust Agreement similar to this Agreement.

CENTRAL JERSEY HEALTH INSURANCE FUND

For the

DELAWARE RIVER BASIN COMMISSION




By Kristen Bowman Kavanagh

Its Executive Director

August 26, 2025

Date




August 26, 2025