

NJ SOLUTIONS JOINT HEALTH INSURANCE FUND

INDEMNITY AND TRUST AGREEMENT

THIS INDEMNITY AND TRUST AGREEMENT (the “Agreement”) made this 12 day of November 2025, by and between the NJ Solutions Joint Health Insurance Fund, referred to herein as the “Fund”, and the governing body of the Union County Educational Services Commission, a duly constituted Local Unit of Government, hereinafter referred to as “Local Unit”.

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 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;

NOW THEREFORE, it is agreed as follows:

1. The Local Unit 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 Local Unit 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 the Local Unit’s resolution to join.
3. The Local Unit agrees to become a member of the Fund and to participate in the health insurance coverages and or prescription coverages and/or dental coverages offered by the Fund (subject to early release or termination pursuant to the Bylaws), such membership to commence on January 1, 2026 and ending on December 31, 2028 at 11:59 PM.
4. The Local Unit 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 Local Unit agrees that it shall jointly and severally assume and discharge the liability of each and every member of the Fund, for the periods during which the member is receiving coverage, all of whom as a condition of membership 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 Local Unit 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 and/or regulation. However, nothing herein shall be construed as an obligation of the Local Unit for claims and expenses that are not covered by the Fund, or for that portion of any claim or liability within the Local Unit 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 attorneys' 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 all moneys in excess of the Local Unit's retained loss fund paid by the Local Unit 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 et. seq., and such other statutes and/or 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; and
- e) Other trust accounts as required by the Commissioner of Insurance.

9. Notwithstanding Section 8 above, 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.

11. This Indemnity and Trust Agreement satisfies the requirements set forth in Section 2.01 of the Fund's Bylaw.

ATTEST

[LOCAL UNIT No. 1]

BY: _____

ATTEST

NJ SOLUTIONS JOINT HEALTH INSURANCE
FUND

BY: _____