

ADDENDUM 2



Municipal Excess Liability Joint Insurance Fund

**Public Official Bond Surety Application
and Indemnity Agreement**

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
PUBLIC OFFICIAL BOND SURETY APPLICATION and INDEMNITY AGREEMENT**

CERTIFICATE OF DESIGNATION OF DEPOSITORIES

Name of Applicant _____

Name of Member Entity (Obligee) _____

This is to certify that the following financial institutions are duly designated as depositories for the funds of: _____

Name of Financial Institution _____

Business Address: _____
Street City State Zip

Name of Financial Institution _____

Business Address: _____
Street City State Zip

Name of Financial Institution _____

Business Address: _____
Street City State Zip

Member Entity _____ Signature of Secretary _____ Date _____

INDEMNITY AGREEMENT

The undersigned Applicant and Indemnitor (s) all hereinafter called the Indemnitor (s) hereby certify that the foregoing declarations made and answers given, are the truth without reservation and are made for the purpose of inducing Municipal Excess Liability Joint Insurance Fund (MEL) c/o PERMA Risk Management Services, 9 Campus Drive, Parsippany, NJ 07054 for itself and its affiliates, parents and subsidiaries, hereinafter called Surety, to issue the bond (s) or undertaking (s) applied for and any renewal and increase of the same or of any bond (s) or undertaking (s) of similar nature given in substitution or renewal thereof (all comprehended in the word "bond (s)" or "undertaking (s)" as herein used). The Indemnitor (s) agree that the Surety may decline the bond (s) applied for or may cancel or terminate the same without incurring liability whatsoever to the Indemnitor (s). In consideration of the Surety executing said bond (s) or undertaking (s) or the forbearance of cancellation of any bond (s), the Indemnitor (s) do undertake and agree as follows:

Indemnitor (s) hereby expressly authorize the MEL to access its credit records and to make such pertinent inquiries as may be necessary from third party sources for the following purposes: (a) to verify information supplied to MEL (b) for underwriting purposes; and (c) upon establishment of a reserve, for debt collection. The Indemnitor (s) will at all times indemnify and keep indemnified, the Surety and hold and save it harmless from and against any and all damages, loss, costs, charges and expenses of whatsoever kind or nature, including counsel and attorney's fees, whether incurred under retainer or salary or otherwise, which it shall or may, at any time, sustain or incur by reason or in connection with furnishing any bond or undertaking. To deposit with the Surety on demand an amount sufficient to discharge any claim made against the Surety on the bond (s) or undertaking (s). This sum may be used by

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Surety to pay such claim or be held by Surety as collateral security against loss or cost on the bond (s) or undertaking (s).

I do also expressly relieve said MEL and all others from liability for disclosing or furnishing any information it may have obtained concerning me or my affairs and so also relieve said MEL from any compliance with any provisions of any laws concerning the disclosure of any knowledge or information which may have been obtained concerning me or my affairs and do release and discharge said MEL and every person, association, firm or corporation furnishing it with any information concerning me or my affairs from any and all liability or responsibility under or by reason of any of the provisions of any of said laws and from any and all claims, demands, causes of action and damages that may have, or purport to have, arisen by reason of any such laws, or any amendments thereof, or supplements thereto.

Regardless of the date of signature (s), this indemnity agreement is effective as of the date of execution of aforementioned bond (s) or undertaking (s) and is continuous until Surety is satisfactorily discharged from liability pursuant to the terms and conditions contained herein.

Signed this _____ day of _____, _____.

The MEL shall have the right, at its option, to fill in any blanks left herein, to correct any errors in the description of said bond or bonds or any of them, or in said premium or premiums, it being hereby agreed that such insertions, or corrections, when so made shall be **prima facie** correct.

Applicant _____

Notary

Signature

Seal

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GENERAL INFORMATION

(Please Print)

Name of Applicant _____ Social Security No. _____

Home Address _____
Street City State Zip

Position to be Bonded: _____

Name of Member Entity (Obligee): _____

Member Entity Address:

Street City State Zip

Amount of Bond \$5,000,000 Effective Date _____

Have there been any Bond losses in the last 5 years? ☐ Yes ☐ No

If yes, please provide details:

Has applicant ever been insolvent, bankrupt, or has pending lawsuits for non payment,
liens or judgments ☐ Yes ☐ No

If yes, provide full details: _____

Official Title of Applicant _____ ☐ Elected ☐ Appointed

Term of Office _____ years Begins (date) _____ Ends (date) _____

Have you previously occupied this position? ☐ Yes ☐ No

If yes, during what period _____

Present/Prior Surety Company _____

Bond Limit _____ Position Held _____

Has any Surety Company ever canceled, refused, renewed or declined an applicant for you?

☐ Yes ☐ No

Are you an employee of the Member Entity (Obligee)? Yes No

The "Effective Date"
should either be the
position start date or the
effective date you require
coverage.

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FINANCIAL INFORMATION

1. Amount of money handled during an annual term \$ _____
2. Largest amount at any one time under your control \$ _____
3. Are funds deposited as received? ☐ Yes ☐ No
4. Have you agreed to use only depositories designated by your superiors?
☐ Yes ☐ No
If yes, is countersignature required? ☐ Yes ☐ No
By whom? _____
6. Who reconciles Bank Statements? _____
7. Is applicant a custodian of securities? ☐ Yes ☐ No
If yes, what amount \$ _____
Where are securities kept? _____
Is there joint control? ☐ Yes ☐ No
If yes, by whom _____
8. Did the CPA make any recommendations during the last audit?
☐ Yes ☐ No
9. Are your accounts audited on an annual basis? ☐ Yes ☐ No
If yes, by whom? _____
10. Does the applicant collect taxes? ☐ Yes ☐ No
If yes, what amount is to be collected? _____
11. To whom and when does the applicant make a report of insolvencies and delinquencies? _____
12. Is the applicant responsible for investment of funds? ☐ Yes ☐ No
If yes, is there a published investment policy which has been approved by the Obligee? ☐ Yes ☐ No
13. Is there someone other than the applicant checking at least annually to be sure the investment policy is being followed? ☐ Yes ☐ No

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New Jersey

**A SUMMARY OF YOUR RIGHTS UNDER THE
NEW JERSEY FAIR CREDIT REPORTING ACT**

The State of New Jersey Fair Credit Reporting Act (NJFCRA) is designed to promote accuracy, fairness, consumer confidentiality, and the proper use of credit data by each consumer reporting agency ("CRA") in accordance with the requirements of the NJFCRA.

The NJFCRA is modeled after the Federal Fair Credit Reporting Act. You have received a Summary of Your Rights under the Federal Fair Credit Reporting Act. The two Acts are almost identical, as are your rights under them. You can find the complete text of the NJFCRA at the Department of Consumer Affairs. You may seek damages for violations of the NJFCRA. If a CRA, a user, or (in some cases) a provider of CRA data violates the NJFCRA, you may have a legal cause of action.

For questions or concerns regarding the NJFCRA, please contact:

DIVISION OF CONSUMER AFFAIRS

Department of Law and Public Safety

124 Halsey Street

Newark, NJ 07102

Phone: 800-242-5846 / 973-504-6200

ADDENDUM 3



Municipal Excess Liability Joint Insurance Fund

**Fair Credit Reporting Act Consumer
Disclosure and Authorization**

FAIR CREDIT REPORTING ACT CONSUMER DISCLOSURE AND AUTHORIZATION

In connection with your employment with _____ (the "Employer"), the Employer may obtain one or more consumer reports or investigative consumer reports (or both) about you, as defined in the Federal Fair Credit Reporting Act, 15 U.S.C. 1681 *et seq.*, for employment purposes. These purposes may include hiring, bonding, contract, assignment, volunteering, promotion, re-assignment, and termination. The reports will include information about your credit, character, general reputation, personal characteristics, and mode of living.

We will obtain these reports through a consumer reporting agency. It may be a "consumer report" bearing on your credit worthiness, credit standing, and credit capacity which is used or expected to be used as a factor in making an employment-related decision about you. It may be an "investigative consumer report" that includes information as to your character, general reputation, personal characteristics, and mode of living obtained through personal interviews with your prior employers or with others who may have knowledge concerning any such items of information. If the Employer obtains an investigative consumer report, you have the right to request disclosure of the nature and scope of the report, which involves personal interviews with sources such as your neighbors, friends, or associates.

The Employer may not obtain any consumer report on you for employment purposes without your written authorization. Also, the Employer may not obtain medical information about you without your express consent to the release of medical information. Consent to the release of medical information is *not* covered by the authorization contained in this document.

Consent and General Authorization to Obtain Consumer Report as Described Above

I hereby authorize the Employer, now or at any time while I am in a relationship with the Employer, to obtain a consumer report, or an investigative consumer report, on me. This authorization does not authorize the release of medical information. I also acknowledge receipt from the Employer on this date of "A Summary of Your Rights Under the Fair Credit Reporting Act" and "A Summary of Your Rights Under the New Jersey Fair Credit Reporting Act."

Employee's/Applicant's Signature

Today's Date

Employee's/Applicant's Name Printed