

**MEMBER AGREEMENT FOR
THE MISSISSIPPI ASSOCIATION OF SUPERVISORS
INSURANCE TRUST**

This Member Agreement (hereinafter "Agreement") is entered into as of July 1, 2014, by and between the Mississippi Association of Supervisors Insurance Trust (hereinafter "MASIT"), and Madison County, Mississippi, a political subdivision (hereinafter "Member") who hereby desire to enter into a risk management program in accordance with Miss. Code Ann. Sections 11-46-17 and 19-7-7 (1972) for the purpose of the Member pooling its financial and administrative resources with other members so as to provide a plan and method for obtaining property and liability insurance, reinsurance, self-insurance, loss prevention or any combination thereof and for administering a property and casualty insurance program (hereinafter "The Plan.")

WITNESSETH:

WHEREAS, the Member and MASIT are authorized to enter into this Agreement;

WHEREAS, the Member has evidenced its agreement to be bound by the terms and conditions of the Agreement; and

WHEREAS, The Member hereby agrees to pool its financial and administrative resources with other members so as to provide a method for obtaining property and liability insurance, reinsurance, self-insurance, loss prevention, claims administration and other risk management services;

WHEREAS, the Member acknowledges that this Plan exists in accordance with the provisions of Miss. Code Ann. Sections 11-46-17, 11-46-20, and 19-7-7 (1972) and that its continued existence is predicated upon at least two (2) political subdivisions' active participation in maintaining the Plan; and

WHEREAS, the Member desires to participate in the Plan in accordance with the Quote Proposal provided by MASIT to the Member and in accordance with all other terms and conditions of the Agreement.

THEREFORE, BE IT RESOLVED that the undersigned Member and MASIT hereby enter into this Agreement and agree and covenant as follows:

1. ESTABLISHMENT OF AGENCY. MASIT is hereby established as a risk management agency to provide property and/or liability insurance coverage desired by participating local government members as approved by the Mississippi Tort Claims Board and the Mississippi Department of Insurance. By executing this Agreement, Member hereby becomes a party to this Agreement and agrees to abide by all the terms and conditions set forth herein.

2. COVERAGE. In consideration of a payment of contribution as set forth in a MASIT Quote Proposal and a properly executed Notice to Bind, the Member shall be provided insurance coverage in accordance with the Plan provided by MASIT.

3. TERM. This Agreement shall become effective upon execution of this Agreement by no less than two (2) Members acting in accordance with law and shall be for a term beginning on July 1, 2014, and ending on April 1, 2015. The initial participation period shall commence at 12:01 a.m. on July 1, 2014 and shall renew upon the Member's acceptance of a renewal Quote Proposal from MASIT for the following policy term, unless sooner terminated in accordance with the provisions set forth hereinafter. Each subsequent renewal of the participation period shall be subject to the provisions of this Agreement.

4. MEMBERSHIP. Any Mississippi county may become a Member of MASIT upon action of the Board of Supervisors accepting the quote proposal and execution and becoming subject to all the provisions of this Member Agreement. Any other political subdivision may become a Member of MASIT upon action of its governing authorities accepting the MASIT quote proposal, subject to the approval of the Board of Trustees of MASIT and, if approved, execution and becoming subject to all the provisions of this Member Agreement.

5. CONTRIBUTIONS. The Member agrees to pay contributions based upon a Quote Proposal made in accordance with a plan and budget developed and approved by the Board of Trustees of MASIT. MASIT reserves the right to audit any and all records of the Member that are not subject to legal privilege from disclosure to the extent that such records pertain to participation in MASIT.

6. TERMINATION.

a. This Agreement may be terminated by the Member at the end of the initial participation period or at the end of any successive renewal participation period by giving written notice to MASIT no later than thirty (30) days prior to the annual renewal date. The Member may not terminate this Agreement during any participation period.

b. This Agreement may be terminated by a majority vote of the MASIT Board of Trustees, not including any Trustee disqualified from voting on the matter due to a conflict of interest, at any time and shall be effective sixty (60) days after written notice

of such termination has been provided to the Member terminating its membership for one or more of the following reasons:

1. Failure to allow MASIT or the MASIT Administrator reasonable access to all facilities and records of the Member necessary for proper administration of MASIT;
2. Failure to fully cooperate with the MASIT Administrator or other agent, contractor, or any officer of MASIT;
3. Failure to carry out obligations of a Member which impairs the ability of MASIT to carry out its purpose or exercise its powers;
4. Failure to comply with the obligations of Members as set forth in the Membership Agreement or these Rules and Regulations;
5. Failure to control losses over an extended period of time that has resulted in a financial loss to MASIT in any three (3) of the past five (5) years and when the Board determines that this loss is the result of the action or inaction of the Member.

c. Except for nonpayment of an obligation to MASIT, no membership in MASIT may be terminated except after written notice from the Board of Directors to the Member of the alleged failure along with a reasonable opportunity of not less than thirty (30) days to cure the alleged failure. The Member may request a hearing before the Board before any final decision, which shall be held within thirty (30) days after the expiration of the time to cure has passed. A decision by the Board to terminate a membership after notice of hearing and failure to cure the alleged defect shall be final and take effect sixty (60) days after the decision to terminate is rendered by the Board.

d. After termination, the former Member shall continue to be liable for any unpaid annual contributions and to make any payments for which an obligation arose prior to termination or in accordance with any contractual obligation to MASIT. The Member whose MASIT membership has been terminated shall not be entitled to any reimbursement of contributions that have been paid or which are owed to MASIT by the Member, provided, however, the Member whose membership has been terminated by MASIT shall be entitled to receive all dividends which are given in accordance with the Board determinations, subject to a setoff for any outstanding obligation to MASIT.

e. Notwithstanding any other provision of this Member Agreement, the Board may terminate the membership of a Member of MASIT without further notice if any payment owed by the Member to MASIT remains outstanding beyond sixty (60) days of its due date.

f. Termination of membership shall be in addition to all other remedies which exist under law. All of a Member's coverages shall terminate on the effective date of the termination of the MASIT Member's membership.

7. **LOSS PREVENTION.** The Member shall adopt a loss prevention plan, which shall be coordinated with MASIT, and make all reasonable efforts to eliminate and minimize hazards which would contribute to property and/or liability losses.

8. **CLAIMS ADMINISTRATION.** MASIT shall handle any and all claims administration after notice of loss has been given by the Member to MASIT. Member agrees to appoint MASIT, or its designee, to act in all matters pertaining to the proceeding and handling of any and all property and liability claims arising from coverage with MASIT and shall cooperate fully in supplying all information needed to adjust, settle and defend such claims. MASIT, or its designee, shall administer the Plan.

9. **RULES AND REGULATIONS.** MASIT's Board of Trustees shall adopt a set of Rules and Regulations and Member hereby agrees to abide by the provision of said Rules and Regulations.

10. **GOVERNANCE.** MASIT shall be governed by its Board of Trustees in accordance with the provisions of the Rules and Regulations.

11. **CONTRIBUTION ADJUSTMENT.** In the event that MASIT's financial resources from operations in any given Trust year are inadequate to pay the ultimate cost of claims incurred during that Trust year, MASIT may collect an adjusted contribution from the Member, regardless of whether the Member presently participates in the program, if the Member's contribution attributable to a particular Trust year was inadequate to pay claims incurred during that Trust year.

12. **DEFENSE AND PROSECUTION OF CLAIMS.** The Member authorizes MASIT to engage counsel and any and all necessary experts in MASIT's sole discretion to handle the adjustment, settlement and defense of any claim or dispute involving the Member for which coverage is provided in accordance with the Plan.

13. **SUBROGATION: OTHER INSURANCE.** Each Member agrees that in the event of payment of any loss by MASIT under the Member's MASIT coverage, MASIT shall be subrogated to the extent of such payment to all the rights of the Member against any person or other entity legally responsible for damages for such loss, and in such event, the Member hereby agrees to execute and deliver such instruments and render all reasonable assistance, other than pecuniary, to effect recovery. If a Member has other insurance against a loss covered by MASIT, then the other insurance shall serve as primary insurance and the MASIT coverage shall be secondary coverage. But in no event shall the claimant's recovery from both the MASIT and other insurance coverages exceed the amount that he would have recovered if MASIT's coverage

had been the only coverage in place and in effect at the time of the incident giving rise to the claim.

14. INDEPENDENT ACTUARIAL STUDY. MASIT shall provide for an annual, independent actuarial study of the contributions, exposures and claims of the Plan.

15. INDEPENDENT FINANCIAL AUDIT. MASIT shall provide for an annual, independent financial audit of the operation of the Plan.

16. INVESTMENTS. MASIT may invest Member contributions, or any portion thereof, in accordance with guidelines approved by the Board of Trustees.

17. LITIGATION. The Member hereby agrees that any suit brought against the Member for actions covered by the MASIT Plan may be defended in the name of the Member by counsel selected by and in the sole discretion of MASIT, or its designee, on behalf of and at the expense of MASIT as necessary for the defense and/or prosecution of any legal action. Member shall provide any and all information reasonably necessary or required to prosecute or defend any such legal action.

18. NOTICE. Any written notice required by this Agreement shall be made by first class mail, postage prepaid, and delivered as follows:

TO MAS INSURANCE TRUST:

Derrick Surette
Mississippi Association of Supervisors Insurance Trust
793 North President Street
Jackson, MS 39202

TO MADISON COUNTY, MISSISSIPPI:

County Administrator
Post Office Box 608
Canton, Mississippi 39046

19. SEVERABILITY. If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions hereof shall continue in full force and effect.

20. VENUE. This Agreement shall be governed and construed in accordance with the laws of the State of Mississippi and venue for any legal action shall be in Jackson, Hinds County, Mississippi.

21. WARRANTY. By executing this Agreement, the undersigned individuals warrant that they have been duly authorized to enter into and perform the terms of this Agreement on behalf of the respective parties.

IN WITNESS WHEREOF, the undersigned hereby enter into this Agreement and Member hereby becomes a Member of MASIT and a participant in the MASIT Plan.

**MADISON COUNTY, MISSISSIPPI
Madison County Board of Supervisors**

By: _____
Karl Banks, President of Board

Date: _____

MISSISSIPPI ASSOCIATION OF SUPERVISORS INSURANCE TRUST

By: _____
Derrick Surrette, Treasurer, Board of Trustees

Date: _____