

**RESOLUTION NO. 14-16**

**ATLANTIC COUNTY INSURANCE COMMISSION  
MEMBER ENTITY DEDUCTIBLES AND LITIGATION DEFENSE COSTS**

**WHEREAS**, the ATLANTIC COUNTY INSURANCE COMMISSION (hereinafter "ACIC") is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6, et seq.; and

**WHEREAS**, the various member entities of the Commission have by resolution entered into an agreement to participate in the Commission to self-fund and/or share the costs of insurance; and

**WHEREAS**, certain insurance coverages contain member entity deductibles such as the POL/EPL ancillary coverage which is commercially insured such that there is no self-funding at the Commission or CEL levels; and

**WHEREAS**, the ACIC has deemed it necessary and appropriate to outline an accepted procedure to handle such costs, including but not limited to, litigation defense costs; and

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of said Atlantic County Insurance Commission as follows:

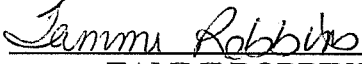
1. The ACIC will advance litigation defense costs inclusive of attorney's fees, mediation/arbitration fees, and any settlement amounts falling within the given self-insured retention.
2. Member entities will be billed as the Commission incurs the expense.
3. The ACIC and/or the Fund's TPA will provide an ongoing report to the member entity so it will know the reimbursement costs which are due in advance.
4. The ACIC shall charge a reasonable rate of interest if it is not reimbursed in a timely manner.
5. The costs referenced in paragraph 1 billed to date on pending claims will be reimbursed by the member entity when billed by the ACIC.

**ADOPTED** by THE ATLANTIC COUNTY INSURANCE COMMISSION at a properly noticed meeting held on April 8, 2016.

**ADOPTED:**

BY:   
JACQUELINE WOODS, CHAIRPERSON

**ATTEST:**

  
TAMMI ROBBINS, VICE CHAIRPERSON