

RESOLUTION NO.: 67-2014

Member Tomko introduced and moved the adoption of the following resolution and Member Hackaday seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT
AUTHORITY APPROVING THE MINUTES OF THE REGULAR
MEETING AND THE MINUTES OF THE EXECUTIVE SESSION OF
JULY 2, 2014.**

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders of the County of Union, New Jersey), as a public body and corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44, *et seq.*; and

WHEREAS, the Authority, pursuant to its By-Laws, makes and retains minutes of its meetings, including its Regular Meetings, and also makes and retains minutes of any Executive Sessions that occur during a meeting; and

WHEREAS, the Authority has prepared minutes of its Regular Meeting of July 2, 2014, and minutes of its Executive Session of July 2, 2014 (the "Minutes"), and has presented the Minutes to the Commissioners for review;

NOW, THEREFORE, BE IT RESOLVED by the Union County Improvement Authority that the Minutes are hereby approved and released for publication in accordance with law.

The foregoing resolution was adopted by the following roll call vote:

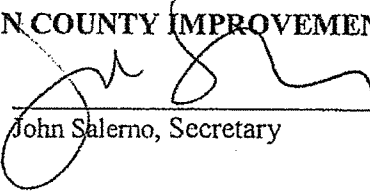
RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner					✓	
Steve Hockaday Commissioner	✓					✓
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓					
Bryan Tomko Treasurer			✓	✓		
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓					
Tony Scutari Chairman	✓					
TOTAL:	4		1		4	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPROVING THE MINUTES OF THE REGULAR MEETING AND THE MINUTES OF THE EXECUTIVE SESSION OF JULY 2, 2014** is a true copy of a resolution adopted by the governing body of the Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By:


John Salerno, Secretary

Dated: August, 20, 2014
(SEAL)

RESOLUTION NO.: 68-2014

Member Tomko introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT
AUTHORITY APPROVING A BILL LIST AND THE RELEASE OF
VOUCHERS FOR PROCESSING AND PAYMENT, SUBJECT TO
CERTIFICATION THAT SUFFICIENT FUNDS ARE AVAILABLE**

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders of the County of Union, New Jersey), as a public body and corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44, *et seq.*; and

WHEREAS, the Authority may incur expenses on behalf of specific projects as well as for its general and administrative needs; and

WHEREAS, the Authority has reviewed the invoices which are summarized on the Bill List attached hereto and made part hereof, and has determined that all invoices are correct, genuine and eligible for payment;

NOW, THEREFORE, BE IT RESOLVED by the Union County Improvement Authority that the Interim Executive Director be authorized to release vouchers for the processing and payment of the invoices on the attached Bill List, subject to certification that sufficient funds are available.

The foregoing resolution was adopted by the following roll call vote:

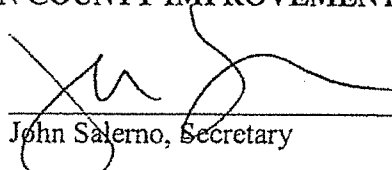
RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner					✓	
Steve Hockaday Commissioner	✓					
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓					✓
Bryan Tomko Treasurer	✓			✓		
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓					
Tony Scutari Chariman	✓					
TOTAL:	5				4	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPROVING A BILL LIST AND THE RELEASE OF VOUCHERS FOR PROCESSING AND PAYMENT, SUBJECT TO CERTIFICATION THAT SUFFICIENT FUNDS ARE AVAILABLE** is a true copy of a resolution adopted by the governing body of the Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By:


John Salerno, Secretary

Dated: August 20, 2014

(SEAL)

1679797

RESOLUTION NO. 69-2014

Member Kountree introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION AUTHORIZING A REVIEW OF COMPLIANCE WITH
PRIOR ANNUAL CONTINUING DISCLOSURE OBLIGATIONS AND
PARTICIPATION IN THE SECURITIES AND EXCHANGE
COMMISSION'S MUNICIPALITIES CONTINUING DISCLOSURE
COOPERATION INITIATIVE**

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Union, New Jersey (the "County"), as public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

WHEREAS, the Authority has previously issued one or more series of bonds, including in the past five (5) years pursuant to one or more preliminary and final official statements (collectively, the "Bonds"); and

WHEREAS, in connection with the issuance of such Bonds, the Authority covenanted with Bondholders to provide certain secondary market information on an annual basis to the Nationally Recognized Municipal Securities Information Repositories (pre-2009) and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access Data Port (2009 to present) ("EMMA"), including, but not limited to, audited financial statements, municipal budgets, other financial and operating data and ratings changes; and

WHEREAS, the Securities and Exchange Commission (the "SEC") has recently focused attention on what it alleges is widespread failure of local government issuers across the nation to meet their continuing disclosure obligations and misrepresentation through material misstatements in an official statement (innocently, inadvertently or otherwise) of past compliance with continuing disclosure obligations; and

WHEREAS, in an effort to remedy these perceived issues, the SEC has implemented the Municipalities Continuing Disclosure Cooperation Initiative (the "SEC Initiative"), a limited-time program ending at 12:00 a.m. on December 1, 2014, that encourages issuers of municipal bonds, including the Authority, to self-report possible material misstatements or omissions, made in the past five (5) years in an official statement regarding compliance with prior continuing disclosure obligations; and

WHEREAS, by participating in the SEC Initiative, issuers agree to accept certain non-monetary penalties, in lieu of unknown, and, by all accounts, hefty monetary and non-monetary

penalties the SEC has threatened on issuers that do not participate in the SEC Initiative, should the SEC determine that an issuer has made material misstatements in an official statement regarding compliance with prior continuing disclosure obligations; and

WHEREAS, by participating in the SEC Initiative, issuers agree to accept the following penalties, if imposed by the SEC (i) compliance with a cease and desist order in which the Authority neither admits nor denies the findings of the SEC, (ii) implementation of policies, procedures and training regarding continuing disclosure obligations, (iii) compliance with all existing continuing disclosure undertakings, (iv) cooperation with any further SEC investigation, (v) disclosure of settlement terms in any final official statement issued within five years of the date of institution of the proceedings, and (vi) production to the SEC of a compliance certificate regarding the applicable undertakings on the one year anniversary of the proceedings; and

WHEREAS, on July 24, 2014, the Division of Local Government Services issued Public Finance Notice (i) alerting New Jersey local governments to the SEC Initiative, (ii) strongly recommending that local governments examine their continuing disclosure contractual obligations and past official statements in order to determine if it is advisable for an Authority to participate in the SEC Initiative and (iii) cautioned that local governments that fail to complete a disclosure assessment in connection with the SEC Initiative will likely have difficulty accessing capital markets, and difficulty in receiving timely approvals of the Local Finance Board or Director of the Division of Local Government Services, as applicable; and

WHEREAS, the Authority desires to conduct a disclosure audit which will (i) summarize the results of the Authority's prior compliance with its secondary market disclosure obligations and (ii) compare those results to the statements made by the Authority in its official statements regarding past compliance (the "Disclosure Audit"); and

WHEREAS, the Authority further desires to retain the services of disclosure specialist to conduct the Disclosure Audit; and

WHEREAS, based on the results of the Disclosure Audit, and weighing heavily the known, non-monetary penalties that may come through the Authority's participation in the SEC Initiative versus the unknown, and, by all accounts, hefty monetary and non-monetary penalties the SEC has threatened on issuers that do not self-report, the Authority further desires to delegate to the Executive Director, in consultation with the Authority's general counsel, bond counsel, auditor and other finance professionals, the power to prepare and submit all documentation required to enter the Authority's Bond issues into the SEC Initiative, as necessary;

NOW, THEREFORE, BE IT RESOLVED by the Union County Improvement Authority as follows:

Section 1. The Authority hereby authorizes completion of the Disclosure Audit.

Section 2. The Authority hereby confirms the Executive Director engagement of NW Financial to provide disclosure specialist services to complete the Disclosure Audit, in accordance with the existing agreements with NW Financial.

Section 3. In the event the Disclosure Audit reveals that the Authority may have made a material misstatement regarding the Authority's compliance with prior continuing disclosure undertakings, the Authority hereby authorizes and directs the Executive Director to prepare and submit all documentation necessary to enter the Authority's applicable Bond issues into the SEC Initiative, after consultation with the Authority's Bond Counsel, and General Counsel.

Section 4. Any action taken by the Executive Director or any other officer of the Authority, with respect to the Disclosure Audit, the engagement of a disclosure specialist and participation in the SEC Initiative is hereby ratified and confirmed.

Section 5. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner						
Steve Hockaday Commissioner	✓				✓	
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓					✓
Bryan Tomko Treasurer	✓					
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓			✓		
Tony Scutari Chairman	✓					
TOTAL:	5				4	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION AUTHORIZING A REVIEW OF COMPLIANCE WITH PRIOR ANNUAL CONTINUING DISLCOSURE OBLIGATIONS AND PARTICIPATION IN THE SECURITIES AND EXCHANGE COMMISSION'S MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE** is a true copy of a resolution adopted by the governing body of the Improvement Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By: _____

John Salerno, Secretary

Dated: August 20, 2014

(SEAL)

Member Salerno introduced and moved the adoption of the following resolution and Member Hockaday seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY
APPROVING THE PAYMENT OF FUNDS TO MICHAEL TZEZAIRLIDIS
FROM FUNDS PREVIOUSLY RELEASED TO THE AUTHORITY FROM
THE ENVIRONMENTAL ESCROW AGREEMENT ASSOCIATED WITH
THE ENVIRONMENTAL INVESTIGATION AND REMEDIATION OF
BLOCK 449, LOTS 1, 2, 9, 10, 11, 12, 13, 14, 15 IN LINDEN, NEW JERSEY IN
CONNECTION WITH THE SOUTH WOOD AVENUE REDEVELOPMENT
PROJECT**

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

WHEREAS, the Union County Improvement Authority (the "Authority") and the City of Linden ("City") entered into an Interlocal Services Agreement in January 2002, whereby the Authority is acting as the Redevelopment Agency, on behalf of the City, for the South Wood Avenue Redevelopment Area, which Interlocal Services Agreement has been amended from time to time; and

WHEREAS, the Authority acquired the property known Block 449, Lots 1, 2, 9, 10, 11, 12, 13, 14 and 15 in the South Wood Avenue Redevelopment Area (the "Property") through condemnation, which was settled pursuant to Resolution 98-07, adopted on November 7, 2007; and

WHEREAS, the settlement included the retention of an environmental escrow of \$450,000.00 that shall remain on deposit with the Superior Court and is intended to be used to fund the future environmental remediation of the Property; and

WHEREAS, on July 7, 2008, the Authority and the former owners of the Property ("Tzezairlidis") entered into an Environmental Escrow Agreement; and

WHEREAS, on or about October 14, 2013, funds in the amount of \$6,196.17 were released to the Authority from the Environmental Escrow Agreement; and

WHEREAS, on or about June 17, 2014, the Authority, Tzezairlidis, City of Linden (the "City"), Meridia, Lifestyle Urban Renewal, Linden, LLC ("Meridia") and Ronald A. Cohen, Esq. ("Escrow Agent") entered into a Remediation and Indemnification Agreement to address a variety of issues, including the disbursement of funds in an escrow fund established pursuant to the Environmental Escrow Agreement, including the payment of \$6,196.17 by the Authority to Tzezairlidis.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Authority that it hereby approves and authorizes the payment of \$6,196.17 to Michael Tzezairlidis; and

BE IT FURTHER RESOLVED, that the Board of Commissioners of the Authority hereby authorize the Authority staff to execute all documents and take all actions necessary to effectuate the payment of funds to Michael Tzezairlidis; and

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

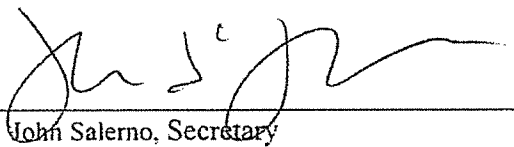
RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner					✓	
Steve Hockaday Commissioner	✓					✓
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓			✓		
Bryan Tomko Treasurer	✓					
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓					
Tony Scutari Chairman	✓					
TOTAL:	5				4	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPROVING THE PAYMENT OF FUNDS TO MICHAEL TZEZAIRLIDIS FROM FUNDS PREVIOUSLY RELEASED TO THE AUTHORITY FROM THE ENVIRONMENTAL ESCROW AGREEMENT ASSOCIATED WITH THE ENVIRONMENTAL INVESTIGATION AND REMEDIATION OF BLOCK 449, LOTS 1, 2, 9, 10, 11, 12, 13, 14, 15 IN LINDEN, NEW JERSEY IN CONNECTION WITH THE SOUTH WOOD AVENUE REDEVELOPMENT PROJECT** is a true copy of a resolution adopted by the governing body of the Improvement Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By: _____


John Salerno, Secretary

Dated: August 20, 2014

(SEAL)

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July 10, 2014

VIA E-MAIL AND REGULAR MAIL

Daniele Cervino, Esq.
GOLUB ISABEL & CERVINO, P.C.
160 Littleton Road, Suite 300
Parsippany, NJ 07054

**RE: Union County Improvement Authority and Artaki/Tzezairlidis
South Wood Avenue, Linden, N.J.**

Dear Ms. Cervino:

As you know, this firm represents the Union County Improvement Authority (the "UCIA").

The UCIA is a party to a Remediation and Indemnification Agreement, dated on or about June 17, 2014 by and among, Artaki, LLC, Michael Tzezairlidis, Alexandros Tzezairlidis and Katina Tzezairlidis (collectively referred to herein as "Artaki"), the City of Linden ("Linden"), Meridia, Lifestyle Urban Renewal, Linden, LLC ("Meridia") and Ronald A. Cohen, Esq. (the "Indemnification Agreement") with regards to properties located on Block 449, South Wood Avenue, Linden, N.J (the "Properties").

This Agreement was entered into by the parties to address a variety of issues, including the disbursement of funds in an escrow fund established pursuant to the Environmental Escrow Agreement between the UCIA and Tzezairlidis, et al. and Artaki, LLC, dated July 7, 2008. The Indemnification Agreement contemplated that funds in the amount of \$81,196.17 would be paid to Artaki at the closing between Linden and Meridia for the conveyance of the Properties. Of the \$81,196.17 to be paid to Artaki, \$6,196.17 was to come from the UCIA and was to be paid to Artaki at the closing from proceeds of the sale of the Properties by the Linden to Meridia, and Linden and/or Meridia were to receive credits against funds to be paid to the UCIA from the proceeds of the sale. The UCIA now understands that \$75,000 was paid to Artaki at the closing held on or about June 17, 2014, but the balance of \$6,196.17 was not paid to Artaki. The UCIA understands that it is obligated to pay \$6,196.17 to Artaki. The UCIA Board of Commissioners will be required to approve the payment of the funds at its next meeting to be held on August 6, 2014 after which the payment will be made to Artaki.

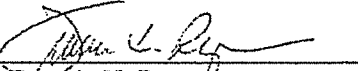


For your information, the \$6,196.17 is the amount remaining from an agreed upon release from the escrow fund in the fall of 2009 of \$120,000, consisting of \$100,000 to the UCIA used towards the payment of remediation work at the Properties, which work was undertaken by the UCIA and \$20,000 was released directly to Artaki for legal fees and other costs.

The UCIA appreciates your patience while the payment is processed.

Very truly yours,
DeCotiis, FitzPatrick & Cole, LLP

By:


Francis X. Regan

Cc: Jonathan L. Williams, Esq.

RESOLUTION NO. 71-2014

Member Rountree introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY
IMPROVEMENT AUTHORITY APPROVING SHARED
SERVICES AGREEMENT WITH THE UNION COUNTY
UTILITIES AUTHORITY**

WHEREAS, the Union County Improvement Authority (the "UCIA") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey, as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Union County Utilities Authority (the "UCUA") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with County Utilities Authorities Law, N.J.S.A. 40:14B-1 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, *et seq.* authorizes the UCIA and the UCUA to do all acts and things necessary, convenient or desirable to carry out and perform such agreements and to provide for the discharge of their respective obligations; and

WHEREAS, the UCIA and the UCUA have each determined that it will be economical, efficient and otherwise advantageous to them and the residents and taxpayers of Union County to enter into a Shared Services Agreement (the "Agreement"); and;

WHEREAS, the UCIA continues to require the services of an Interim Executive Director because of the several significant projects and activities which require administrative and managerial direction; and

WHEREAS, the UCIA hereby approves and authorizes Daniel P. Sullivan to continue to serve as the Interim Executive Director for a period not to exceed thirty (30) days; and

NOW, THEREFORE, BE IT RESOLVED by the Union County Improvement Authority that the Interim Executive Director is authorized to execute the Shared Services Agreement with the UCUA in substantially the form attached hereto,

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner	✓					
Steve Hockaday Commissioner	✓					
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓					
Bryan Tomko Treasurer	✓					
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓					
Tony Scutari Chairman	✓					
TOTAL:	6				3	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPROVING SHARED SERVICES AGREEMENT WITH THE UNION COUNTY UTILITIES AUTHORITY** is a true copy of a resolution adopted by the governing body of the Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By: _____

John Salerno, Secretary

Dated: August 20, 2014

[SEAL]

**SHARED SERVICES AGREEMENT BETWEEN THE
UNION COUNTY UTILITIES AUTHORITY AND THE
UNION COUNTY IMPROVEMENT AUTHORITY**

THIS SHARED SERVICES AGREEMENT, made this 20th day of August, 2014 (the "Agreement") by and between the Union County Improvement Authority, a public body corporate and politic of the State of New Jersey, and the Union County Utilities Authority of Union, a public body corporate and politic of the State of New Jersey. The Effective Date of this Agreement shall be August 1, 2014.

WITNESSETH:

WHEREAS, the Union County Improvement Authority (the "UCIA") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey, as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Union County Utilities Authority (the "UCUA") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey (the "County"), as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Uniformed Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, *et seq.* authorizes the UCIA and the UCUA to do all acts and things necessary, convenient or desirable to carry out and perform such agreements and to provide for the discharge of their respective obligations; and

WHEREAS, the UCIA and the UCUA have each determined that it will be economical, efficient and otherwise advantageous to them and the residents and taxpayers of Union County to enter into a Shared Services Agreement (the "Agreement"); and; and

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

**ARTICLE I
SCOPE**

Section 1.01 Office Space. The UCUA shall provide space in its premises at the Union County Resource Recovery Facility in Rahway, New Jersey (the "Premises") to the UCIA. The UCIA shall be permitted to move all staff, files, records, electronic equipment, and other related office items to the space provided in the Premises.

Section 1.02 Telephone System. The UCUA shall provide telephone reception services and telecommunication systems in its Premises to the UCIA.

Section 1.013 Signage. The UCIA shall provide signage as appropriate to reflect that the Premises are occupied by both the UCIA and UCUA.

Section 1.03 Compensation. In payment for the Premises, the UCIA shall pay \$6,340.34 per month to the UCUA, inclusive of all costs for the Premises, utilities, signage, telephone system and use of office equipment.

Section 1.04 Term. This Agreement shall commence on August 1, 2014 and shall continue for a term of five (5) years. The Term may be extended by mutual consent of the parties for no more than two additional terms of six (6) months each. Either party to this Agreement may terminate this Agreement on thirty (30) days written notice to the other party.

Section 1.05. Duties of the UCIA. During the Term of this Agreement, the UCIA shall be and remain an independent public body corporate and politic of the State of New Jersey, created and existing pursuant to and in accordance with County Improvement Authorities Law, N.J.S.A. 40:37A-44 *et seq.* The UCIA shall continue to manage and direct its outstanding projects, operations, and undertakings and shall be responsible for complying with all federal and state laws and regulations, including, but not limited to, completing and filing an annual audit in accordance with N.J.S.A. 40A:5A-15. The UCIA shall provide insurance for its operations and its employees, maintain its own bank accounts, and pay its bills and invoices. UCIA staff shall remain employees of the UCIA, and shall receive their salaries from the UCIA.

ARTICLE II LIABILITIES

Section 2.01. Limitation of Liabilities.

In addition to the other rights and remedies of the parties herein and to the fullest extent permitted by law, each party hereto agrees to be responsible and to assume liability for its own wrongful or negligent acts or omissions, or those of its officers, officials, employees or agents arising from the execution, performance and existence of this agreement. Such obligation of both parties as set forth in this section shall survive the expiration or termination of this Agreement.

Each of the UCIA and the UCUA shall be liable to the other for its own actions to the extent and pursuant to the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, *et seq.* and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, *et seq.*

ARTICLE III MISCELLANEOUS

Section 3.01. Modifications. The provisions of this Agreement shall (a) constitute the entire agreement between the parties for or with respect to the matters described herein, and (b) be modified, unless provided herein to the contrary, only by written agreement duly executed by both parties.

Section 3.02. Headlines. Captions and headings in this Agreement are for ease of reference only and do not constitute a part of this Agreement.

Section 3.03. Governing Law. This Agreement and any questions concerning its validity, construction or performance shall be governed by the laws of the State of New Jersey, irrespective of the place of execution of the Agreement or of the place or places of performance.

Section 3.04. Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or to such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this Agreement shall, as so amended, modified, supplemented, or otherwise affected by such action, remain in full force and effect.

Section 3.05. Execution of Counterparts. This Agreement may be executed in any number of counterparts, all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

Section 3.06. Authority to Enter into Agreement. The Parties represent and warrant that:

- a. They are fully authorized to enter into this Agreement;
- b. They have taken all necessary and internal legal actions to duly approve the making and performance of this Agreement, including the adoption of any and all necessary resolutions, and that no further or other internal approval is necessary;
- c. The making and performance of this Agreement will not violate any provisions of law or of their respective articles of incorporation, charter, code or bylaws.

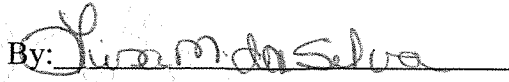
Section 3.07. Filing Required. A copy of this Agreement shall be filed with the Division of Local Government Services in the New Jersey Department of Community Affairs pursuant to N.J.S.A. 40A:65-4(b).

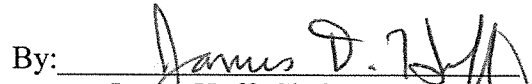
Section 3.08. No Authority to Bind. Neither party shall have the right or authority to create any obligation or responsibility, either express or implied, on behalf of or in the name of the other, other than as specifically set forth herein, or to bind the other party contractually in any manner whatsoever.

IN WITNESS WHEREOF, the UCIA and the UCUA have caused their respective seals to be hereunto affixed hereto and attested and this Agreement to be signed by their respective officers duly authorized and this Agreement to be dated as of the day and year first above written.

ATTEST:


UNION COUNTY UTILITIES AUTHORITY

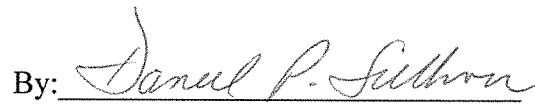
By: 
[SEAL]

By: 
James Huff, Chairman

ATTEST:

UNION COUNTY IMPROVEMENT AUTHORITY

By: 
[SEAL]

By: 
Daniel P. Sullivan
Interim Executive Director

RESOLUTION NO.: 73-2014

Member Rountree introduced and moved the adoption of the following resolution and Member Blackaday seconded the motion:

RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING ITS INSURANCE BROKER BROWN AND BROWN METRO, INC. TO RENEW THE AUTHORITY'S GENERAL LIABILITY, COMMERCIAL PROPERTY AND COMMERCIAL UMBRELLA/EXCESS COVERAGES FOR THE YEAR AUGUST 1, 2014 THROUGH JULY 31, 2015

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as a public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time; and

WHEREAS, in order to carry out the stated purposes and goals for which the Authority was created, the Authority is required to carry certain levels of insurance coverage to protect its officers and directors and employees, and its property and assets which it has acquired or has control over; and

WHEREAS, the Authority's insurance broker, Brown & Brown Metro, Inc. ("Brown & Brown") has presented the Authority with a proposal (the "Proposal") to renew the Authority's General Liability, Commercial Property and Commercial Umbrella/Excess Liability coverages for the year August 1, 2014 through July 31, 2015; and

NOW, THEREFORE, BE IT RESOLVED THAT THE UNION COUNTY IMPROVEMENT AUTHORITY that Brown & Brown Metro, Inc. is authorized to renew the Authority's General Liability, Commercial Property and Commercial Umbrella/Excess Liability coverages on behalf of the Authority in accordance with the Proposal which is attached hereto and made a part hereof, at a cost not to exceed \$74,176.00; and

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

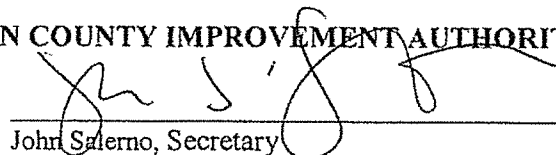
RECORD OF VOTE	YEA	NAY	ABSTAIN	MOTION	ABSENT	SECOND
Seb D'Elia Commissioner					✓	
Linda Hines Commissioner					✓	
Steve Hockaday Commissioner	✓					✓
Sam McGhee Commissioner					✓	
John Salerno Secretary	✓					
Bryan Tomko Treasurer	✓					
Carolyn Vollero Commissioner					✓	
Cherron Rountree Vice Chairman	✓			✓		
Tony Scutari Chariman	✓					
TOTAL:					4	

CERTIFICATION

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING ITS INSURANCE BROKER BROWN AND BROWN METRO, INC. TO RENEW THE AUTHORITY'S GENERAL LIABILITY, COMMERCIAL PROPERTY AND COMMERCIAL UMBRELLA/EXCESS COVERAGES FOR THE YEAR AUGUST 1, 2014 THROUGH JULY 31, 2015** is a true copy of a resolution adopted by the governing body of the Authority on August 20, 2014.

UNION COUNTY IMPROVEMENT AUTHORITY

By:


John Salerno, Secretary

Dated: August, 20, 2014
(SEAL)

Insurance Proposal
For
Union County Improvement Authority



Policy Period:
August 1, 2014-2015

Presented By:
Marie L. Viscione
Brown & Brown Metro, Inc.
30A Vreeland Rd.
Florham Park, NJ 07932

About Brown & Brown Metro, Inc. – Overview of Consulting/Brokerage Services

Brown & Brown was formed in 1939 and incorporated in the State of Florida in 1959. Since then, the company has grown to be the 7th largest insurance intermediary in the nation, with over \$967 Million in revenue (2009). The Brown & Brown business model is highly decentralized, making each of the more than 160 offices across the country able to maintain the agility to react locally to client specific and industry specific needs. Augmenting this local service level are national resources and clout with national carriers to provide unique services and leverage in the Benefit and Property and Casualty markets.

Brown & Brown is a publicly traded corporation on the New York Stock Exchange (symbol: BRO).

Brown & Brown Metro, Inc. is a full-service insurance and employee benefits firm since 1939. This office was acquired by Brown & Brown in April 2004 and has been integrated into the Brown & Brown system over the subsequent four years. Locally, with over 20 years of experience, our company provides brokerage and consulting services to both private and public sector entities in the areas of risk management, health benefits, and general insurance. We currently serve clients of all sizes, funding arrangements and sectors with over 140 public entities and over 250 private entities. Services provided to these firms include, but are not limited to:

- Workers Compensation
- Property & Casualty
- Safety & Loss Control
- PEOSHA Compliance
- Medical & Prescription
- Healthcare Saving Accounts
- Stop Loss/Reinsurance
- Administrative Services Only
- Dental Insurance
- Life and AD&D Insurance
- Disability Insurance
- Voluntary Benefits Suites
- Flexible Spending Accounts
- Employee Assistance Programs

Our primary goal is to improve, or maintain our high level of offerings in concert with keeping costs manageable to our clients. In today's market place this is an exigent undertaking, as insurance costs continue to rise. Through detailed analysis, we are able to determine the appropriate needs and offer viable solutions for all insurance products.

Our team of experienced veterans in the insurance field work daily to ensure that all needs are dealt with effectively and efficiently. Our increasing base of experience and our growing record of accomplishments have helped to establish our organization as a leader in our field.

In a rapidly changing and increasingly complex environment, seeking cost-effective insurance solutions while understanding the implications of government action is critical to the success of all business organizations. As each employer organization is unique, Brown & Brown Metro, Inc. provides innovative solutions based upon client demographics, objectives, and organizational structure. Of equal importance, we provide the administrative and technical support necessary for program viability.

It is essential to identify quality providers that will supply comprehensive administrative, organizational and financial services. We can help make these determinations in addition to the critical task of assessing existing insurance and benefit programs offered.

Most importantly, we maintain the ability to interact with existing professional agreements and organizations, at the client's direction, to ensure further program enhancement. Our focus is clearly to serve our client in a most professional and competent manner through the delivery of value-added services.

As broker, agent or consultant, our firm works to ensure the cost-effectiveness and success of your program, annually reviewing appropriate alternatives and decisions.

Specific to risk management services, we can provide the following:

- Loss Review Analysis and Risk Evaluation
- Claims Management Procedures
- Risk Controls / Insurance Policies
- Risk Financing
- Internal Administrative Procedures and Process
- Preparation / Selection for Competitive Bid Process

Specific to employee benefits and general insurance, we can provide services including:

- Plan Design Analysis
- On-Going Consulting Services
- Voluntary Employee Benefits
- Program Alternatives
- Health Care Delivery System Innovations
- Retirement and Savings Plans
- Cost-Effective Recommendations
- Internal Administrative Procedures
- Preparation / Selection for Competitive Bid Process

Employer liability and workers compensation programs represent a significant financial component of any organization's budget. In an increasingly litigious environment, risk management costs and coverage have risen in importance in recent years. Therefore, risks and potential exposures must be identified early to avoid, reduce or determine appropriate levels of exposure desired by the client.

Brown and Brown Insurance can provide a broad range of risk management services designed to improve program administration and effectiveness, while also reducing overall costs. We can provide the client with options that produce improved decisions based upon determinations of previous loss experience, desired levels of risk, market conditions and administrative decision procedures.

In broad terms, potential services for comprehensive risk management services may include the following:

- Review plan design and insurance coverage
- Analyze retention levels and claims liability
- Program administration
- Claims and program funding
- Review and inventory current insurance policies
- Analyze budget expenditures and program costs
- Inspect major facilities and review utilization
- Review loss history
- Prepare and conduct market request for proposal
- Forward recommendations to client
- Implement program changes at direction of client
- Provide discounts for workers' compensation claims
- Liaison services between client and insurer
- Communications with employees
- Assist to implement safety programs

These services may be provided on a fee-for-service basis or may be negotiated to meet the specific needs of the client, including a brokerage arrangement, wherein we would be compensated through standard insurance commissions payable under the insured portions of the program. Liability related claims can be managed to a significant degree. Workers compensation claims can be reduced when managed aggressively. Brown and Brown Metro, Inc. may be retained to provide a specific task or conduct a specific project, most notably an inventory or the marketing of an RFP; Brown and Brown Metro, Inc. can also provide these or other services on an ongoing basis.



Brown & Brown Metro
30A Vreeland Road, Florham Park, NJ 07932
Phone: 973-549-1900 Fax: 973-549-1000

Named Insureds

The following are named insureds on your policies:

Union County Improvement Authority

Please verify the accuracy of each name on this list and update if needed.



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Phone: 973-549-1900 Fax: 973-549-1000

General Liability

Coverage will pay sums which the insured becomes legally liable to pay as damages because of bodily injury or property damage to which this insurance applies.

Limits:

- \$1,000,000 Personal Injury and Advertising Liability
- \$2,000,000 Products/Completed Operations Aggregate
- \$2,000,000 General Aggregate
- \$1,000,000 Each Occurrence Limit
- \$100,000 Fire Damage Limit
- \$5,000 Medical Expense Limit

Retention: \$25,000



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General Liability Coverages Included

Definition of Coverages	
Premises/Operations:	Coverage is provided for damages arising out of ownership or occupancy of the insured premises when maintained in a reasonable manner. This also covers damages arising out of operations performed by the insured business.
Products/Completed Operations:	Products coverage is provided for damages arising out of products manufactured, sold, handled or distributed by the insured. Completed Operations covers damages occurring after operations have been completed or abandoned, or after an item is installed or built and released for its intended purpose.
Personal Injury:	Personal Injury means injury other than bodily injury. Coverage is provided for injury resulting from offenses such as false arrest, malicious prosecution, detention or imprisonment, the wrongful entry into, wrongful eviction from and other acts of invasion, or rights of private occupancy of a room. Coverage for libel and slander is also provided in the policy.
Advertising Injury:	This coverage pays for damages done in the course of oral or written advertisement that disparages, libels or slanders a person's or organization's goods, products or services. Coverage for these offenses is provided under advertising injury coverage only if they occur during the course of advertising the named insured's own goods, products or services.
Medical Payments:	Medical Payments coverage pays medical expenses resulting from bodily injury caused by an accident on premises owned or rented by the insured, or locations next to such property, or when caused by the insured's operations. These payments are made without regard to the liability of the insured.
Fire Damage:	The fire damage limit provides coverage for fire damage caused by negligence on the part of the insured to premises rented to the named insured. If a fire occurs because of negligence of the insured and causes damage to property not rented to the insured, coverage would be provided under the occurrence limit.



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General Liability Terminology

Contractual Liability	Extends your coverage to liability assumed under contract, applies to both oral and written agreements relating to named insured's business.
Host Liquor Liability	Covers your exposure for serving liquor to clients or employees at company parties. Applies only to firms not engaged in business of <u>selling or serving</u> alcoholic beverages.
Broad Form Property Damage Coverage	Intended for firms which perform work or services rather than sell or produce products. Usually intended for construction contractors, repairers of automobiles, installers of property.
Incidental Medical Malpractice	Extends term "bodily injury" to mean injury arising out of rendering of or failure to render, during the policy period; medical, surgical, dental, x-ray, or nursing services, or furnishing of food or beverages in connection therewith or the dispensing or furnishing drugs or medical, dental or surgical supplies
Non-Owned Watercraft Liability Coverage	(Under 26 feet in length) Provides coverage for liability which arises from any watercraft as long as watercraft is not owned by insured nor being used to carry persons or property for a fee.
Limited Worldwide Coverage	Intended to extend the scope of "policy territories" to anywhere in the world. Limited to the activities of any insured who is domiciled in the United States and the original suit for damage is brought within the United States, its territories, possessions, or in Canada.
Extended Bodily Injury Coverage	Amends definition of occurrence to; includes any intentional act by or at the direction of the insured, which results in bodily injury, but only if such bodily injury results from the use of "reasonable" force for purposes of protecting persons or property.
Newly Acquired Organizations	Automatic protection for newly acquired organizations until the new organizations is specifically added to the policy or 90 days, whichever occurs first.
Additional Persons Insured	Includes as insureds; (1) Any spouse of a partner concerning business activities of the partnership and (2) any employee of the named insured while acting within the scope of his or her duties. Does not apply to bodily injury or personal injury sustained by a fellow employee which occurs during the course of employment.
Claims Made Form Only	This coverage is provided automatically without an additional premium charge if coverage is canceled, not renewed, or the insurer renewal with a later retroactive date. The basic extended reporting period starts at the end of the policy period and last for five years for claims made against the insured within the five year period and reported to the insurer within 60 days after the end of the policy period.

Commercial Property Coverage

Limits

Blanket Limit: \$22,018,449

Total including Equipment Breakdown and Cause of Loss Special Form.

Retention: \$10,000

Property Terms

Co-Insurance- Most building and business personal property policies have a co-insurance clause which requires the insured to carry insurance equal to at least a specified percentage of the actual cash value of the property. If a loss occurs, and it is determined that the amount of insurance carried is less than the amount required, a penalty could be placed on the insured. (Example Attached)

Agreed Value- When the agreed value option is used the co-insurance requirement is removed and the insurer agrees to cover losses for its agreed value. As an example, the insured has property insured for \$100,000 and the agreed value is also \$100,000, if a loss occurs, any loss up to \$100,000 is covered 100%. When this option is used the insured and the insurance company agrees on the value of the property before the policy is issued. This option is usually assigned to one-of-a-kind property.

Replacement Cost & Actual Cash Value- Property can be valued in several different ways. Insurance companies commonly use two approaches to determine value, which also determines how a loss will be paid: the replacement cost method and the actual cash value method. Insurers consider replacement cost of a property item to be the cost to replace it with new property of like kind. Actual cash value is replacement cost, minus the accumulated depreciation for age and condition.

Inflation Guard- An insured can insure a building for its full value at the beginning of the policy year, but at the end of the year, it might not be covered for its full value. This problem can be corrected by adding inflation guard coverage. With inflation guard, the policy limit increases gradually during the policy term so that the total increase amounts to the desired percentage increase at the end of the policy term.

Coverage Extension & Additional Coverages- In addition to the limits stated in the Building and Personal Property coverage form, the policy has a coverage extensions section and an additional coverages section. The coverage extensions section provides limited coverage for newly acquired or constructed property, property of others, certain out door property, and the cost of research and reconstructs information on destroyed records. When coverage is placed on the all risk form, two additional extensions are added for property in transit and coverage for certain repair costs related to damage caused by water. The two additional extensions are covered by certain perils only. The additional coverage section provides coverage for indirect losses that result from a direct loss. The coverage applies to removal of debris, preservation of property, fire department service charges and pollutant cleanup and removal. The coverage extensions and the additional coverages have limitations and are subject to certain conditions.



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Premium Comparison

Premiums as proposed:

Coverage Type	13-14 Expiring	14-15 Renewal
Package w/Terrorism Coverage	\$55,244	\$59,702
NJ Pliga	\$497	\$537
Total:	\$55,741	\$60,239

Coverage Type	13-14 Expiring	14-15 Renewal
Umbrella w/Terrorism Coverage	\$13,386	\$13,813
NJ Pliga	\$120	\$124
Total:	\$13,506	\$13,937



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DATE		QUOTATION		MIF NUMBER	
C7/30/14		VALID FOR 30 DAYS OR EXPIRATION OF POLICY		OD2172-1	
NAME & MAILING ADDRESS OF APPLICANT		NIF GOVERNMENTAL, INC.			
UNION COUNTY IMPROVEMENT AUTHORITY		103 Spring Valley Road			
1499 ROUTES 1 & 9 NORTH		Montvale, NJ 07645			
RAHWAY, NJ 07065		(201) 391-5900 Fax (201) 391-5959			
BROKER		UNDERWRITER: TONY MANCINI			
BROWN & BROWN METRO-FLORHAM NJ		EXPIRING INSURANCE COMPANY			
30A VREELAND ROAD		HDI GERLING AMERICA INS CO [*]			
FLORHAM PARK, NJ 07932		EXPIRING POLICY NUMBER			
mviscione@bbmetro.com		GK14V000007-00			
		EXPIRATION DATE			
		08/01/14			
		RENEWAL INSURANCE COMPANY			
		HDI GERLING AMERICA INS CO [*]			
		CODE			
		GA			
COMMERCIAL PROPERTY COVERAGE					
BLANKET BUILDING & PERSONAL PROPERTY LIMIT: \$22,034,840					
BUSINESS INCOME & EXTRA EXPENSE LIMIT: \$500,000					
SPECIAL FORM, REPLACEMENT COST, AGREED VALUE					
LOCATIONS & VALUES PER SCHEDULE ON FILE WITH COMPANY					
PROPERTY DEDUCTIBLE \$10,000 EACH OCCURRENCE					
PUBLIC ENTITY PROPERTY BROADENING FORM (SAMPLE ATTACHED NICPSU 1001)					
NICPEX 1005 ORGANIC PATHOGENS EXCLUSION, IL0415 PROTECTIVE SAFEGUARDS					
..					
EQUIPMENT BREAKDOWN COVERAGE: LIMIT \$22,834,840 B/EES\$500,000					
DEDUCTIBLE: \$10,000 EACH OCCURRENCE DIRECT 24 HOURS INDIRECT					
SUBLIMITS: EXPEDITING EXPENSES \$25,000 HAZARDOUS SUBSTANCES \$25,000					
SPOILAGE \$25,000 DATA RESTORATION \$25,000					
COMMERCIAL GENERAL LIABILITY					
SIMPLIFIED OCCURRENCE FORM					
GENERAL AGGREGATE		\$2,000,000	EACH OCCURRENCE LIMIT		\$1,000,000
PRODUCTS/COMPLETED OPS AGG.		\$2,000,000	FIRE DAMAGE LIMIT		\$100,000
PERSONAL & ADV INJURY		\$1,000,000	MEDICAL EXPENSE LIMIT		\$5,000
DEDUCTIBLE \$25,000 PER OCCURRENCE					
COMMERCIAL GENERAL LIABILITY COVERAGE CG 0001 04/13					
HDI-GERLING GL PUBLIC ENTITY AMENDATORY ENDORSEMENT FORM NIGLAM 1009					
(SEE ATTACHED)					
EMPLOYEE BENEFITS LIABILITY \$1,000,000 EACH CLAIM/ANNUAL AGGREGATE					
CG 0435 12/07					
HIRED AUTO AND NON-OWNED AUTO LIABILITY COVERAGE -- LIMIT \$1,000,000					
FORM CGAM 1013 12/07					
EXCLUSIONS					
POLLUTION		NUCLEAR ENERGY		ASBESTOS	
AIRCRAFT PROD & AIRCRAFT GRNDNG		ORGANIC PATHOGENS EXCLUSION		ABSOLUTE LEAD EXCLUSION	
ECONOMIC OR TRADE SANCTIONS		CG2171 LIMITED TERRORISM		CG2176 TERRORISM PUNITIVE DAM	



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PAGE 2	QUOTATION		REF NUMBER GD2172-1													
UNION COUNTY IMPROVEMENT																
ADDITIONAL ENDORSEMENTS & CONDITIONS EMPLOYEE BENEFITS LIABILITY CGAM1003 CONFORMITY W/STATUTE CG0300 DEDUCTIBLE LIABILITY IL0141 NJ CHANGES CIVIL UNION IL0208 NJ CHANGES CANC.																
ITEMS REQUESTED 1) SIGNED & DATED APPLICATION 2) SIGNED TERRORISM DISCLOSURE 3) COPY OF FINANCIALS																
ADDITIONAL COMMENTS PREMIUM BELOW INCLUDES (OPTIONAL) CERTIFIED TERRORISM UNDER TRIA. PREMIUM BREAKDOWN: PREMIUM \$58,036 TRIA CHARGE \$1,666 TOTAL \$59,702 TERRORISM DISCLOSURE FORM MUST BE SIGNED AT BINDING.																
<table border="1"><tr><td>PREMIUM</td><td>\$59,702.00</td><td>SURCHARGE</td><td>\$537.00</td><td>DEPOSIT REQ</td><td>\$20,080.00</td></tr><tr><td colspan="4"></td><td>BROKER COMM</td><td>10.000</td></tr></table>					PREMIUM	\$59,702.00	SURCHARGE	\$537.00	DEPOSIT REQ	\$20,080.00					BROKER COMM	10.000
PREMIUM	\$59,702.00	SURCHARGE	\$537.00	DEPOSIT REQ	\$20,080.00											
				BROKER COMM	10.000											
ORDER CONFIRMATION Please bind/renew the captioned contract for our office as indicated above. We guarantee to pay any earned premium should this risk be cancelled. Deposit premium of \$_____ is enclosed. Date: _____ Broker: _____																



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DATE		QUOTATION		NIF NUMBER													
07/30/14		VALID FOR 30 DAYS OR EXPIRATION OF POLICY		OD2173-1													
NAME & MAILING ADDRESS OF APPLICANT		NIF GOVERNMENTAL, INC.															
UNION COUNTY IMPROVEMENT AUTHORITY 1499 RCUTES 1 & 9 NORTH RAHWAY, NJ 07065		103 Spring Valley Road Montvale, NJ 07645 (201) 391-5900 Fax (201) 391-5959															
BROKER		UNDERWRITER: TONY MANCINI															
BROWN & BROWN METRO-FLORHAM NJ 30A VREELAND ROAD FLORHAM PARK, NJ 07932 mviscione@bbmetro.com		EXPIRING INSURANCE COMPANY HDI GERLING AMERICA INS CO [*] EXPIRING POLICY NUMBER GU14V000004-00 EXPIRATION DATE 08/01/14 RENEWAL INSURANCE COMPANY HDI GERLING AMERICA INS CO [*] CODE GA															
COMMERCIAL UMBRELLA LIMIT EACH OCCURRENCE: \$5,000,000 RETENTION: \$10,000 LIMIT IN AGG WHERE APPLICABLE: \$5,000,000																	
EXCLUDING CU0003 VIOLATION OF STATUTES CU2150 SILICA DUST EXCLUSION CU2123 NUCLEAR EXCLUSION CU2127 FUNGI OR BACTERIA CU2125 TOTAL POLLUTION CU2146, CU2131 TERRORISM EXCLS CU2136 TERRORISM PUNITIVE DAM.																	
<div>ISO COMMERCIAL UMBRELLA FORM CU0001 04/13 IL0141 NJ CHANGES CIVIL UNION; CU 2131 TERRORISM LIMITED EXCL. IL 0985 0108 DISCLOSURE PURSUANT TO TRIA NIUM AM 1025 UMBRELLA AMENDATORY ENDORSEMENT (COPY ATTACHED) UNDERLYING LIMITS. \$1,000,000 EACH OCCURRENCE GENERAL LIABILITY \$2,000,000 GENERAL AGGREGATE CGL \$1,000,000 AUTO LIABILITY (APPLIES ONLY TO HIRED & NON-OWNED) NOT COVERED - EMPLOYERS LIABILITY UMBRELLA AMENDATORY EXCLUSIONS: UNINSURED/UNDERINSURED MOTORISTS; LEAD PAINT; ASBESTOS; FAILURE TO SUPPLY UTILITIES; EMPLOYEE BENEFITS EXCLUSIONS; WATERCRAFT LIMITED EXCLUSION.</div>																	
ITEMS REQUESTED 1) SIGNED TERRORISM DISCLOSURE																	
ADDITIONAL COMMENTS PREMIUM BELOW INCLUDES OPTIONAL CERTIFIED TERRORISM COVERAGE UNDER TRIA. PREMIUM BREAKDOWN: PREMIUM \$13,411 TRIA CHARGE \$402 TOTAL \$13,813 TERRORISM DISCLOSURE FORM MUST BE SIGNED AT BINDING																	
<table><tr><td>PREMIUM</td><td>\$13,813.00</td><td>SURCHARGE</td><td>\$124.00</td><td>DEPOSIT REQ</td><td>\$4,646.00</td></tr><tr><td></td><td></td><td></td><td></td><td>BROKER COMM</td><td>10.000</td></tr></table>						PREMIUM	\$13,813.00	SURCHARGE	\$124.00	DEPOSIT REQ	\$4,646.00					BROKER COMM	10.000
PREMIUM	\$13,813.00	SURCHARGE	\$124.00	DEPOSIT REQ	\$4,646.00												
				BROKER COMM	10.000												
ORDER CONFIRMATION Please bind/renew the captioned contract for our office as indicated above. We guarantee to pay any earned premium should this risk be canceled. Deposit premium of \$_____ is enclosed. Date _____ Broker: _____																	



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A.M. Best Rating of Proposed Carriers

COMPANY	COVERAGE	A.M. BEST RATING	ADMITTED
HDI-Gerling America Insurance Co.	Package/Umbrella	A	Yes

General Rating:

These rating classifications reflect BEST's opinion of the relative position of each company in comparison with others, based upon averages within the Property-Casualty insurance industry. They are reflective of overall company services and standing within the industry.

A++, A+	Superior	B++	Very Good	C++, C+	Fair
A, A-	Excellent	B, B-	Good	C, C-	Marginal

Financial Size Category:

The financial Size Category is an indication of the size of an Insurer and is based on reported Policyholders' surplus plus conditional or Technical Reserve Funds, such as mandatory securities valuation reserve, other investment and operating contingency funds and/or miscellaneous voluntary reserves in liabilities.

Financial Size Category (in Thousands)		
Class I	Up to	\$1,000
Class II	\$1,000	to \$2,000
Class III	\$2,000	to \$5,000
Class IV	\$5,000	to \$10,000
Class V	\$10,000	to \$25,000
Class VI	\$25,000	to \$50,000
Class VII	\$50,000	to \$100,000
Class VIII	\$100,000	to \$250,000
Class IX	\$250,000	to \$500,000
Class X	\$500,000	to \$750,000
Class XI	\$750,000	to \$1,000,000
Class XII	\$1,000,000	to \$1,250,000
Class XIII	\$1,250,000	to \$1,500,000
Class XIV	\$1,500,000	to \$1,750,000
Class XV	\$1,750,000	to \$2,000,000

This information has been provided to you so that consideration is given to the financial condition of our proposed carriers. The financial information disclosed is the most recent available to Brown & Brown Metro. Brown & Brown does not guarantee financial condition of the insurers listed above.



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Compensation Disclosure

Compensation. In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or "pooled") with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date the premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

Wholesale Broker/Managing General Agent: NIF Governmental Services

This intermediary is not owned in whole or part by Brown & Brown, Inc., the parent company of Brown and Brown Metro, Inc. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so. In addition to providing access to the insurance company, the Wholesale Insurance Broker/Managing General Agent may provide additional services including, but not limited to: underwriting; loss control; risk placement; coverage review; claims coordination with insurance company; and policy issuance. Compensation paid for those services may be up to 15% of the premium you pay for coverage, and any compensation paid for those services is derived from your premium payment. The fee, if any for the Wholesale Insurance Broker's/Managing General Agent's services above is \$0.

Questions and Information Requests: Should you have any questions, or require additional information, please contact this office at 973-549-1900, or if you prefer, submit your question or request online at [<http://www.bbinsurance.com/customerinquiry.shtml>].



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30A Vreeland Rd., Florham Park, NJ 07932
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HDI
GERLING

HDI-GERLING AMERICA INSURANCE COMPANY

161 N Clark St. 48th Floor • Chicago, IL 60601 • Phone: (312) 580-1900 • Fax: (312) 580-0700

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Program Reauthorization Act of 2007, you have the right to purchase insurance coverage for losses arising out of "Certified Acts of Terrorism", as defined in Section 102(1) of the Act. The term "Certified Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States--to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Coverage under your policy, referenced below, may be affected as follows:

If you choose to purchase this coverage for your new or renewing policy, any terrorism exclusion(s) for "Certified Acts of Terrorism", as defined in the Act, contained in any of your prior policies or included in an endorsement thereto, expire as of the expiration date of those policies or the effective date of this new or renewing policy, whichever is earlier.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

Cap on Insurer Participation in Payment of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Disclosure of Premium

Under federal law, you have thirty (30) days to consider this offer of coverage for loss resulting from "Certified Acts of Terrorism" and submit the premium required. If we do not receive the quoted premium or if you send us a signed rejection of coverage, any terrorism exclusion nullified by the Act will be reinstated or added to your policy, as of the effective date of this new or renewing policy, and, you will not be covered for losses arising from terrorist acts, as defined in the Act that was previously excluded.

If you accept this offer, the premium for terrorism coverage for the period 8/1/2014 to 8/1/2015 is **\$1,666. Package**
\$402. Umbrella

This premium is due upon receipt. This premium will be shown separately in the policy declarations.

Attention Policyholder: Select and sign below. Then, mail a signed original of this form to the Company at the address found below, and mail a copy to your broker. If you choose to purchase coverage, include payment with the copy of this notice that you send to your broker.

☐ I hereby elect to purchase coverage for terrorism loss, to the extent covered under the Act.

☐ I hereby elect to have terrorism coverage excluded. I understand that I will have no coverage for losses arising from Certified Acts of Terrorism that may have been previously covered.

Named Insured	Policy Number:
Print Name:	Signature: _____ Date: _____

**** If you elect to purchase coverage for terrorism loss under the Act, please refer to page 2 concerning potential restriction of Terrorism Coverage and a Conditional Exclusion of Terrorism Coverage.**

"HDI- Gerling is an affiliated company and/or Agent of several insurance companies, which undertakes certain administrative, claims resolution and underwriting activities on behalf of those companies. If you have questions about those agency relationships, please contact us at 161 N Clark, 48th Floor, Chicago Illinois 60601, Attention: Office of the General Counsel, Agency."



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POTENTIAL RESTRICTIONS OF TERRORISM COVERAGE
Conditional Exclusion Of Terrorism
(Relating To Disposition Of Federal Terrorism Risk Insurance Act)

The federal Terrorism Risk Insurance Program Act established a program commonly referred to as the Terrorism Risk Insurance Program ("TRIP") within the Department of the Treasury under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. TRIP is subject to a termination date of December 31, 2014 unless extended by the federal government. If TRIP terminates, or is extended with certain changes, prior to or during the term of your policy, then the treatment of terrorism under your policy will change.

Your current policy will continue to treat coverage for terrorism in accordance with its respective terms, conditions, limitations and exclusions while TRIP remains in effect. However, if the federal government allows TRIP to terminate, or if it extends TRIP with certain changes, prior to or during the term of your policy, then the treatment of terrorism under your policy will change. As a result of the foregoing, we are attaching a Conditional Exclusion of Terrorism endorsement to your policy, which would become effective in the event of termination or certain changes to TRIP as further set forth and explained below.

The provisions of the Conditional Exclusion of Terrorism endorsement will apply to your policy only if certain events (one or more of them) occur. Those events include the following:

- If TRIP terminates with respect to the type of insurance provided under this policy. (TRIP is scheduled to terminate at the end of December 31, 2014 unless extended by the federal government); or
- If TRIP is extended with changes that redefine terrorism, and we are not required to make such revised coverage available to you; or
- If TRIP is extended with changes that make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other events or occurrences under this policy, and we are not required to make such revised coverage available to you; or
- If TRIP is extended with changes that increase insurers' statutory percentage deductible under TRIP for terrorism losses, or decrease the federal government's statutory percentage share in potential terrorism losses, and we are not required to make terrorism coverage available to you. Our deductible is 20% of the total of our previous year's direct earned premiums. The government's share is 80% of the terrorism losses paid by us above the deductible.

The Conditional Exclusion of Terrorism endorsement treats terrorism as follows:

Coverage for injury or damage arising out of a terrorism incident is excluded only if:

- The total of all insured damage to all types of property (including business interruption losses sustained by owners or occupants of damaged property), from the incident, exceeds \$25 million. The \$25 million property damage threshold is based on losses sustained by all persons and entities who are affected by an incident of terrorism, and who are insured for the damage, or who would be insured but for a terrorism exclusion; or
- Fifty or more persons sustain death or serious physical injury;

To determine whether the threshold for property damage (\$25 million) and persons injured (fifty) is exceeded, multiple incidents of terrorism, which occur within a seventy-two hour period and appear to be linked together or have a related purpose or common leadership behind them, shall be considered to be one incident of terrorism.

- The terrorism event is carried out by means of the dispersal or application of radioactive material or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- The terrorism event involves the release of radioactive material, and it appears that one purpose of the terrorism was to release such material; or
- The terrorism event is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- The terrorism event involves the release of pathogenic or poisonous biological or chemical materials, and it appears that one purpose of the terrorism was to release such materials.