

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-263

**ORDINANCE APPROVING COLLECTION PROCEDURES AND
ADOPTING INTEREST AND SCHEDULE OF ATTORNEY FEES
AND CHARGES TO BE ADDED TO THE AMOUNT COLLECTED
AS PART OF UNPAID MUNICIPAL CLAIMS AND REAL ESTATE
TAXES FOR DELINQUENT ACCOUNTS**

WHEREAS, to be fair to all property owners in Worcester Township (the "Township"), it is necessary for the Township to recover promptly unpaid, delinquent sewer fees, real estate taxes and Township Code violations, if necessary, by legal proceedings; and,

WHEREAS, the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.* (the "Act"), authorizes the addition of attorney fees, charges, costs, expenses, commissions and fees to the total payable with respect to the unpaid, delinquent sewer fees, real estate taxes and Township Code violations, but only if the municipality involved has approved by ordinance a schedule of such fees; and,

WHEREAS, the Township has determined that it is in the best interest of all property owners and other residents to have vigorous enforcement of all delinquent and other unpaid charges, utilizing the procedures set forth in the Act, except in cases of serious hardship, which the Township will address on a case-by-case basis pursuant to uniform policies; and,

WHEREAS, the Township has reviewed the subject of interest and attorney fees for collection matters, and has determined that the fees set forth in the schedule hereby adopted are reasonable in amount for the services herein described.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED BY THE TOWNSHIP AS FOLLOWS:

1. Township Code Chapter 135, Article VI, is hereby repealed and replaced in its entirety with the following:

ARTICLE VI

Collection of Unpaid Municipal Claims and Real Estate for Delinquent Accounts

§ 135-31. Fees to be Added to the Unpaid Claims. The Township hereby approves the following fee schedule for the collection of unpaid, delinquent sewer fees, real estate taxes and Township Code violations (the "Unpaid Claims"), which fees shall be added to the Unpaid Claims.

- (a) Notice Expense. A charge of \$40.00 plus applicable postage shall be added to the Unpaid Claims for providing notice of fee shifting pursuant to § 7106 of the Act. The Township may hire a private company to perform this service and add the amount of this charge to the Unpaid Claims.

(b) Legal Fees.

Initial review and sending first demand letter	\$160.00
File lien and prepare satisfaction	\$250.00
Prepare Writ of Scire Facias	\$250.00
Obtain re-issued writ	\$ 30.00
Prepare and mail letter under Pa. R.C.P. 237.1	\$ 30.00
Prepare Motion for Alternate Service	\$250.00
Obtain vehicle identification number (VIN) for mobile home	\$ 35.00
Prepare discovery in preparation for trial	\$100.00
Prepare Pre-Trial Memorandum	\$150.00
Prepare Motion for Judgment for Want of Sufficient Affidavit of Defense pursuant to 53 P.S. § 7271	\$150.00
Prepare Default Judgment	\$175.00
Prepare Writ of Execution	\$800.00
Attendance at sale; review schedule of distribution and resolve distribution issues	\$400.00
Continue sheriff sale	\$ 50.00
Prepare Petition to Assess Damages	\$ 50.00
Prepare Petition for Free and Clear Sale	\$400.00
Services not covered above	At an hourly rate between \$60.00-\$275.00 per hr.

(c) Collection Fees.

Bookkeeping fee for payment plan of 3 months or less	\$ 25.00
Bookkeeping fee for payment plan of more than 3 months	\$ 50.00
Guaranteed payoff fee	\$ 25.00
Handling fee for returned check	Bank charge, if any

§ 135-32. Costs to be Added to the Unpaid Claims. In addition to the fees set forth in paragraph 1 above, the reasonable and necessary out-of-pocket charges, costs, expenses, commissions and fees incurred in collection, including, but not limited to, postage, title searches, VIN searches, prothonotary fees and charges, and sheriff fees, shall be added to the Unpaid Claims.

§ 135-33. Credit Card and Debit Card Charges. The Township authorizes any attorney or private collector collecting the Unpaid Claims on behalf of the Township to accept payment of the Unpaid Claims by credit card or debit card. Where payment is made by credit card or debit card, any fees charged by the credit card or debit card company and/or the credit card or debit card servicing agent shall be charged immediately to the credit card or debit card used to make payment. This applies to credit card or debit card payments made by mail, telephone, over the internet, or in person.

§ 135-34. Interest. Interest will be assessed upon the Unpaid Claims at a rate of 10% per annum and added to the Unpaid Claims.

§ 135-35. Collection Procedures. The following collection procedures are hereby established in accordance with the Act:

- (a) At least thirty (30) days prior to assessing or imposing attorney fees in connection with the collection of an Unpaid Claim account, the Township or its designee shall mail or cause to be mailed, by certified mail, return receipt requested, a notice of such intention to the property owner or other entity liable for the account (the "Property Owner").
- (b) If the certified mail notice is undelivered, then, at least ten (10) days prior to assessing or imposing such attorney fees, the Township or its designee shall mail or cause to be mailed, by first class mail, a second notice to the Property Owner.
- (c) All notices required by this Ordinance shall be mailed to the Property Owner's last known post office address as recorded in the records or other information of the Township or such other address obtained by the Township from the county tax assessment office.
- (d) Each notice as described above shall include the following:
 - (i) The type of municipal claim or other charge, the year that it became due and the amount owed, including penalty and interest;
 - (ii) A statement of the Township's intent to impose or assess attorney fees no earlier than thirty (30) days after receipt of the first notice, or no earlier than ten (10) days after receipt of the second notice;
 - (iii) The manner in which the assessment or imposition of attorney fees may be avoided by payment of the account; and
 - (iv) The place of payment for accounts and the name and telephone number of the Township's representative designated as responsible for collection matters.

§ 135-36. Related Action. The proper officials of the Township are hereby authorized and empowered to take such additional action as they may deem necessary or appropriate to implement this Ordinance.

§ 135-37. Appointment of Solicitor. The Township appoints Michelle R. Portnoff, Esquire, as Solicitor for the limited purpose of collecting the Unpaid Claims and hereby authorizes her, and attorneys under her supervision, to sign any and all documents, including municipal claims and liens, on behalf of the Township.


2. Miscellaneous provisions.

- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 15th day of March, 2017.

FOR WORCESTER TOWNSHIP

By:



Susan G. Caughlan, Chair
Board of Supervisors

Attest:



Tommy Ryan, Secretary

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-264

**AN ORDINANCE AUTHORIZING THE PARTICIPATION OF WORCESTER
TOWNSHIP IN THE DELAWARE VALLEY WORKERS' COMPENSATION TRUST
IN ACCORDANCE WITH THE PENNSYLVANIA WORKERS' COMPENSATION
ACT AND THE PENNSYLVANIA INTERGOVERNMENTAL COOPERATION LAW.**

The Board of Supervisors of Worcester Township, Montgomery County, Pennsylvania do hereby **ENACT and ORDAIN:**

Section 1. That the Township Manager of Worcester Township is hereby authorized to execute the Delaware Valley Workers' Compensation Trust Agreement for the participation of the Worcester Township ("Township") in the Delaware Valley Workers' Compensation Trust, which Agreement is attached hereto as Exhibit "A" and is on file for inspection and review at the Township offices, 1721 Valley Forge Road, Worcester. This Agreement may be amended after the enactment of this Ordinance to conform to any requirements imposed by the Commonwealth of Pennsylvania and any of its agencies, including the Department of Labor and Industry, Bureau of Workers' Compensation.

Section 2. That the participation of the Township in the Delaware Valley Workers' Compensation Trust is authorized for the purposes of enabling the Township to reduce the cost or workers' compensation claims through its participation in a group self-insurance fund.

Section 3. That the Township delegates to the Delaware Valley Workers' Compensation Trust the authority to pay workers' compensation benefits on its behalf in accordance with the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act.

Section 4. That Commonwealth of Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation has approved the issuance of a permit to the Delaware Valley Workers' Compensation Trust to operate as a group self-insurance fund subject to certain conditions.

Section 5. As an approved self-insurance fund, the Delaware Valley Workers' Compensation Trust will be responsible for the payment of workers' compensation claims on behalf of all Trust participants.

Section 6. As set forth in the Delaware Valley Workers' Compensation Trust Agreement, the following conditions, among others, apply to the participation of the Township in the Delaware Valley Workers' Compensation Trust:

- a) That the Trust shall consist of at least five homogeneous municipal participants organized as local government agencies under Pennsylvania law;
- b) That each participant satisfies all eligibility and admission requirements for membership in the Trust.
- c) That each participant pledges and agrees to appropriate funds to pay all its annual contributions and assessments which are required for the creation of a Fund maintained at a

level sufficient to pay all workers' compensation claims and related expense incurred by the Trust participants;

- d) That each participant agrees to jointly and severally assume and discharge the workers' compensation liabilities of each and every other participant in accordance with the Delaware Valley Workers' Compensation Trust Agreement when required to do so by the Department of Labor and Industry Bureau of Workers' Compensation;
- e) That each participant will institute any and all safety regulations, loss prevention measures or risk management procedures as may be required for the purpose of minimizing or eliminating work place risks to its employees;
- f) That each participant cooperate fully with the Trust's service and fiscal agents, attorneys, claims adjusters and any agents or employees of the Trust with respect to the investigation, defense and settlement of claims;
- g) That each participant designate a person to be responsible for all contacts with the Trust;
- h) That each participant provide any information to the Administrator or Board of Trustees as may be required to effect the purposes and objectives of the Trust; and
- i) That each participant comply with all applicable statutes and regulations governing the payment of workers' compensation claims, including, but not limited to, the Pennsylvania Workers' Compensation Act and any regulations promulgated thereunder.

Section 7. That the Township agrees to participate in the Delaware Valley Workers' Compensation Trust for a minimum period of two (2) years, subject to the terms and conditions of the Delaware Valley Workers' Compensation Trust Agreement. After the expiration of that minimum two-year period, each participant may withdraw under the following conditions as provided in the Delaware Valley Workers' Compensation Trust Agreement:

- a) An opinion is rendered by the Trust certified actuary that withdrawal will not result in the number of participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;
- b) That the withdrawing participant is not then in default of its obligation to pay premiums, contributions or assessments;
- c) That the withdrawing participant shall pay any additional assessments as determined by the Board of Trustees in accordance with the Trust Agreement and By-Laws;
- d) That the Board of Trustees shall have received a certification from the Trust actuary that the withdrawal of the participant will not impair the actuarial soundness of the Trust and, if any municipal debt has been incurred by the participants to finance any portion of the Trust reserves, an opinion is obtained from bond counsel that such withdrawal will not adversely affect the tax-exempt status of any interest paid and any debt incurred by the participants, or any legal entity created for the purpose of incurring such debt.
As used herein, the term "debt" includes any municipal bonds, certificate, letters of credit or other instruments of municipal indebtedness.

Section 8. The organizational structure of the Trust shall consist of a Board of Trustees, an

Administrator, a claims administrator/loss control consultant and various service agents appointed by the Board of Trustees in accordance with the Delaware Valley Workers' Compensation Trust Agreement and any By-Laws adopted pursuant thereto.

Section 9. As set forth in the Delaware Valley Workers' Compensation Trust Agreement, the funds required for the creation and operation of the Trust shall be provided by the participating municipalities through annual appropriations.

Section 10. The Delaware Valley Workers' Compensation Trust is empowered to enter into contracts for policies of group insurance and employee benefits, including social security, for any of its employees.

Section 11. That the participation of the Township in the Delaware Valley Workers' Compensation Trust will be effective by February 17, 2017 or thereafter, as approved by the Board of Trustees.

Section 12. All contributions and assessments paid by the Township shall be made with funds appropriated by the Township for that purpose.

Section 13. As a condition of participating in the Delaware Valley Workers' Compensation Trust, the Township agrees to:


- a) Pay all annual contributions and assessments as may be required by the Board of Trustees;
- b) Appoint a representative to sit on the Board of Trustees and designate a contact person for the purpose of communicating with the Trust or its representatives;
- c) Not withdraw from the Trust for a period of two (2) years following its admission to the Trust, subject to the terms and conditions of the Delaware Valley Workers' Compensation Trust Agreement;
- d) Withdraw from the Trust only upon satisfaction of the conditions set forth in the Delaware Valley Workers' Compensation Trust Agreement;
- e) Perform all covenants contained in the Delaware Valley Workers' Compensation Trust Agreement and delegate to the Board of Trustees the powers and authorities enumerated in that Agreement;
- f) Comply with all the conditions set forth in the Delaware Valley Workers' Compensation Trust Agreement governing the handling and payment of claims, including the defense and settlement thereof;
- g) Appropriate the funds needed to pay all contributions and assessments as may be required by the Board of Trustees in accordance with the Delaware Valley Workers' Compensation Trust Agreement;
- h) Cooperate with the Trust, its agents or employees and provide the Trust with all information it needs for the operation of the Trust, including any underwriting or claims data which it may be requested by the Board of Trustees or their designee.

Section 14. This Ordinance is being enacted pursuant to The Pennsylvania Intergovernmental Cooperation Law (53 PA C.S.A. Section 2301, et seq.), the Pennsylvania Workers' Compensation Act (77 P.S. Section 1 et seq.), and the Second Class Township Code (53 P.S. Sections 66507 and 66512).

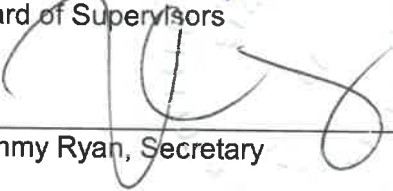
Section 15. All ordinances or resolutions or any part thereof, insofar as they are inconsistent with this Ordinance, are hereby repealed.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 15th day of March, 2017.

FOR WORCESTER TOWNSHIP

By: 

Susan G. Caughlan, Chair
Board of Supervisors

Attest: 

Tommy Ryan, Secretary

EXHIBIT A

DELAWARE VALLEY WORKERS' COMPENSATION TRUST INTERGOVERNMENTAL AGREEMENT

This is the Delaware Valley Workers' Compensation Intergovernmental Agreement (the "Trust Agreement"), effective as of November 1, 1993, by and among various political subdivisions (as hereinafter defined) of the Commonwealth of Pennsylvania which are now and hereafter parties signatory to this Agreement and listed in Appendix "A" hereof, as may be amended from time to time. This Agreement is intended to amend and supersede the previous Trust Agreement which was effective as of January 1, 2008.

PREAMBLE

WHEREAS, certain political subdivisions (hereinafter referred to as "Participants") in the Commonwealth of Pennsylvania desire to create a group self-insurance trust fund for the payment of workers' compensation claims under the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and the Pennsylvania Occupational Disease Act, 77 P.S. §1201 et seq.;

WHEREAS, the Trust created under this Agreement shall be known as the Delaware Valley Workers' Compensation Trust;

WHEREAS, the Delaware Valley Workers' Compensation Trust hereby agrees to fully comply with the Pennsylvania Workers' Compensation Act, 77 P.S. §1 et seq., as amended, and any regulations promulgated thereunder;

WHEREAS, this Agreement is being executed by the parties hereunder pursuant to the Pennsylvania Intergovernmental Cooperation Law, 53 Pa. C.S.A. §2301 et seq. and the Workers' Compensation Act, 77 P.S. §1, et seq., as amended;

WHEREAS, this Agreement is also authorized by the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa. C.S.A. §8541 et seq., and the Municipality Authorities Act of 1945, 53 Pa. C.S.A. 5301 et seq.;

WHEREAS, the Participants hereby delegate to the Delaware Valley Workers' Compensation Trust the authority and obligation to pay workers' compensation benefits on their behalf and discharge all of their liabilities under the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and the Pennsylvania Occupational Disease Act, 77 P.S. §1201, et seq.,

WHEREAS, the group self insurance fund and Trust created by this Agreement shall not be deemed an insurer or insurance company and shall not be subject to the provisions of any insurance laws and regulations, except as specifically otherwise provided in the Pennsylvania Workers' Compensation Act, 77 P.S. §1 et seq., as amended and regulations promulgated thereunder;

WHEREAS, a Trust fund will be created through contributions by the Participants which fund shall be used for the payment of workers' compensation claims and related expenses incurred on behalf of each Participant. These funds shall be administered by a Board of Trustees in accordance with the terms and conditions of this Agreement;

WHEREAS, the Participants direct that the Trustees, pursuant to an independent fiduciary duty, collect, receive, hold, invest, reinvest, manage, dispose of, distribute, and otherwise to administer the Trust funds; and the Trustees have indicated their willingness to do so, all pursuant to terms of this Agreement;

WHEREAS, the Delaware Valley Workers' Compensation Trust is hereby designated as a "business trust" pursuant to 15 Pa. C.S.A. §9501, with the express understanding that such designation will not have any effect upon the tax exempt status of the Trust under federal or state law; and

WHEREAS, the Trustees and the Participants desire to establish the terms and conditions under which the Trust will be operated.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged by each party, one to the other, the Participants do hereby give and assign in trust the contributions made by them and all income and profits therefrom, and such other sums, income and profits as hereinafter may be made part of the Trust, to the Trustees, and the Trustees hereby accept the trusts herein contained and declare that they will hereby assume an independent fiduciary duty to administer, manage, collect, receive, dispose of, and distribute such trust property for the exclusive benefit of the Participants and their employees as hereinafter provided, all parties agreeing to abide by the terms and covenants contained in this Agreement, as follows:

ARTICLE I - DEFINITIONS

1.01 Definitions.

The terms defined in this Section 1.01 and in the preambles hereto (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement and of any amendment or supplement hereto shall have the respective meanings specified in this Section 1.01 and said Preamble.

Actuary — The actuarial firm selected by the Trustees, whose duties shall include, but not be limited to, the evaluation of loss data submitted by eligible municipalities and the rendering of opinions and certifications of loss reserves and IBNR as required by the Board of Trustees in accordance with this Agreement and By-Laws.

Adjustments – A decrease or increase of a participating municipality's annual contribution as determined by the Board of Trustees in accordance with this Agreement and By-Laws.

Administrator – The individual responsible for the day to day operations of the Trust.

Application – The document(s) which must be submitted by all eligible municipalities for admission to the Trust, including, but not limited to, any underwriting or loss data, or any other information which an eligible municipality may be required to provide for admission to the Trust.

Assessments – Any additional payment(s) to the Trust which a participating municipality may be required to make as determined by the Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation or the Board of Trustees in accordance with this Agreement and By-Laws if the Surplus is exhausted by the payment of claims, the accumulation of reserves and IBNR, or the payment of other expenses.

Board of Trustees – The independent governing body of the Delaware Valley Workers' Compensation Trust whose members or Trustees are selected in accordance with this Agreement and By-Laws. The Board of Trustees shall also serve the function of a "plan committee" as defined in the Pennsylvania Workers' Compensation Act, 77 P.S. §1 et seq., as amended.

By-Laws – The By-Laws governing the operation of the Trust as adopted and amended by the Board of Trustees in accordance with this Agreement.

Claims – All claims for workers compensation benefits made by the Participants' employees under the Pennsylvania Workers' Compensation Act, 77 P.S. §1 et seq., as amended and the Pennsylvania Occupational Disease Act, 77 P.S. §1201 et seq.

Contact Person – An individual designated by each participating municipality as a liaison between that municipality and the Board of Trustees, and the Trust's officers, employees or agents.

Contributions or Premiums – The annual payments made thereafter by each Participant upon admission to the Trust, which shall include premiums for commercial excess or reinsurance.

Deficit – When expenses, claims payments, claims reserves and claims incurred but not reported (IBNR) for any year, exceed the premiums collected for that year.

Dividends – As determined by an independent actuary, any distributable amounts in excess of that necessary for the payment of all workers' compensation claims during any Trust Year.

Effective Date – The date determined by the Trustees on which a municipality shall be deemed a participant in the Trust.

Executive Committee – The Executive Committee appointed by the Board of Trustees in accordance with Section 2.07 hereof.

Expulsion – The involuntary removal or termination of a participant from the Trust by action of the Trustees as provided in Section 3.05 hereof and any applicable By-Laws.

Fiscal Agent – A financial institution selected by the Board of Trustees to handle and invest the monies held in the various accounts administered by the Trust.

Fund – As used in this Agreement, the "Fund" is the group self insurance fund used to pool the Participants' workers compensation liabilities as approved by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

Insurance – Various forms of commercial insurance coverage provided to participating municipalities or the Trust itself, including any excess, reinsurance or aggregate excess insurance coverage for the payment of workers compensation claims.

Participant – Any political subdivision of the Commonwealth of Pennsylvania eligible to participate in this Trust which becomes a party to this Agreement and the participation of which has not been terminated or cancelled in accordance with this Agreement and By-Laws.

Political Subdivision – Any county, city, borough, incorporated town, township, school district, vocational school district and county institution district, municipal authority or any other entity created by a political subdivision pursuant to law, as defined in Section 801 of the Pennsylvania Workers' Compensation Act, 77 P.S. §1036.1.

Permit – The document issued by the Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation which authorizes the Trust to operate as self insurer or a group self-insurance fund under the Pennsylvania Workers' Compensation Act, 77 P.S. §1 et seq., as amended.

Rate Stabilization Fund – A fund established by the Trust which can be used by Participants to defray the cost of their annual contributions or premiums.

Service Agents – One or more service companies or consultants employed by the Trustees to be responsible for underwriting matters, claims administration, loss control, accounting and such other duties as determined by the Board of Trustees and specified by contract.

Service Contract – Any contract for service between the Trustees and a Service Agent.

Surplus – Net worth of the Trust since its inception.

Termination – The voluntary withdrawal of a Participant from the Trust in accordance with Section 3.03(b) hereof.

Termination Contribution – Payment required of all Participants who are expelled from the Trust, as determined by the Board of Trustees.

Trust – The Delaware Valley Workers' Compensation Trust.

Trust Coverage Document or Coverage Document – The document which describes the type of claims to be paid from the Trust funds, which claims shall include workers compensation benefits payable pursuant to the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act.

Trust Year – The first fiscal year of the Trust shall be from January 1 to December 31 of each year or any other period determined by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

Trustee – Each person serving as a member of the Board of Trustees referred to from time to time, collectively as the "Trustees" or "Board of Trustees" or "Board".

Underwriting Consultant – Advisor or firm selected to assist the Trust with underwriting and rating requirements for current Participants and new applicants. The underwriting consultant shall consult with the Trust Actuary as needed and as required.

1.02 Interpretation.

The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. Headings or titles to Articles, Sections, and other subdivisions of this Agreement are for convenience only and shall be given no effect, meaning, or construction whatsoever and shall not define or limit any provision of this Agreement.

ARTICLE II - TRUSTEES

2.01 Qualifications of a Trustee.

A Trustee shall be either (1) an elected or appointed official of a Participant, including any Township or Borough Managers, or (2) an employee of a Participant with expertise in finance or risk management. A Trustee shall not be employed by or have any direct or indirect financial interest in any Service Agent or other organization providing services to the Trust. A Trustee shall act in an independent fiduciary capacity in fulfilling his or her obligations under this Agreement.

2.02 Composition of Board of Trustees.

The Trust shall be governed by a Board of Trustees, which shall consist of a representative from each Participant. No Participant shall be represented by more than one Trustee on the Board of Trustees. However, a Participant may authorize its Trustee to appoint an Alternate for a scheduled meeting or event of the Board. An Alternate shall have the full voting rights and powers granted to the Trustee.

2.03 Election of Trustees.

The initial Board of Trustees shall provide in the By-Laws for the form and method of election of subsequent Trustees.

2.04 Resignation of a Trustee.

A Trustee may resign by giving at least thirty (30) days prior notice in writing sent by registered mail to the Chairperson of the Trustees. Such notice shall state the date said resignation shall take effect, and such resignation shall take effect on such date.

2.05 Removal of Trustees.

A Trustee may be removed from office in accordance with the By-laws if he fails, or subsequently ceases, to meet the qualifications of Section 2.01 hereof; and may be removed if he fails to attend three (3) consecutive meetings of the Board or is terminated for cause by a 2/3 vote of the Trustees. Upon removal of a Trustee, the position shall be filled pursuant to Section 2.06 hereof.

2.06 New Trustees.

(a) In the event a Trustee resigns, is removed or is otherwise unable to serve, the municipality represented by that Trustee shall appoint a replacement to complete the original Trustee's term of office.

(b) Any Trustee, upon leaving office, shall forthwith turn over and deliver to the principal office of the Trust, any and all records, books, documents or other property in his possession or under his control which belong to the Trust.

2.07 Board Chairperson and Executive Committee.

The Trustees shall elect a Chairperson of the Board by simple majority vote whose duties shall be set forth in the By-Laws. The Trustees shall also appoint an Executive Committee by majority vote consisting of not less than five (5) Trustees, two of whom will be the Chairperson and Vice Chairperson of the Board of Trustees. The Trustees may delegate in writing to the Executive Committee such powers and duties as the Trustees deem appropriate and desirable except the exercise of those powers for which a two thirds majority vote of the Trustees is required. The Executive Committee shall meet as determined by the Chairperson of the Board of Trustees.

ARTICLE III - PARTICIPANTS

3.01 Eligibility Requirements.

(a) Participation in the Trust shall be limited to "political subdivisions" of the Commonwealth of Pennsylvania as that term is defined in Section 1.01 and under Section 801 of the Pennsylvania Workers' Compensation Act, 77 P.S. §1036.1.

(b) Each Participant shall meet the underwriting standards established by the Board of Trustees, and any requirements established by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

(c) Each Participant shall have a loss or claims history which does not present an undue risk to the actuarial soundness of the Trust.

(d) Each Participant must receive a positive recommendation from the Underwriting Consultant or loss control manager prior to acceptance. This recommendation will be based upon a loss projection and a loss control survey which will include an evaluation of the applicant's risk management procedures.

(e) Each applicant must be professionally managed, utilizing International City Management Association ("ICMA") Recognition Criteria or satisfy equivalent management criteria adopted by the Executive Committee.

(f) Each successful applicant must comply with the guidelines established by the underwriting consultant employed by the Trust.

Each applicant must agree to make a commitment to participate in the Trust for a minimum period of at least two (2) years, which period is necessary to assure the fiscal and actuarial soundness of the Trust.

(g) The Board of Trustees may establish additional requirements for participation in the Trust by majority vote.

3.02 Approval of Participants.

(a) All applicants must be approved by two thirds (2/3) majority vote of the Board of Trustees. The Administrator must certify in writing that the successful applicant has met all the criteria for admission to the Trust.

(b) All applicants, including initial Participants, must pay an application fee which shall be based upon the actual cost of processing the application and completing the loss control survey for each applicant.

(c) Each application must contain the following information: underwriting and claims data for a three (3) to five (5) year period prior to submission of the application; detailed information regarding the organization, personnel and administration of the applicant as requested by the underwriting consultant; names of all previous insurers and premium data for the three (3) year period prior to submission of the application; operating budgets and other financial information as may be required by the underwriting consultant for a period of one to five (5) years prior to submission of the application; and any other information required by the Board of Trustees or any of the Trust's officers, attorneys, service agents, consultants or employees.

- (d) Each Participant shall submit evidence satisfactory to the Trustees of approval for participation by its governing body, including any ordinances which may be required under state law.
- (e) Upon approval of all subsequent Participants by the Board of Trustees, the Board shall establish the effective date for that Participant's participation in the Trust.

3.03 Contributions.

Annual contributions shall be established by the Trustees in consultation with the underwriting consultant in compliance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder. Annual contribution estimates shall be established at least thirty (30) days before commencement of the Trust Year for which that contribution applies, or as determined by the Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation. Contributions shall be due and payable as determined by the Trustees, in accordance with this Agreement, the Trust By-Laws, and the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

3.04 Obligations, Duties and Liabilities of Participants.

- (a) Each Participant agrees to fulfill all obligations and duties set forth in this Agreement. The withdrawal or expulsion of any Participant shall not affect this Agreement nor the Trust created herein, except where otherwise expressly provided. Each Participant agrees to jointly and severally assume and discharge liabilities arising under the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and the Pennsylvania Occupational Disease Act, 77 P.S. § 1201, et seq., of each and every other party to this Agreement.
- Each Participant is liable under this Agreement for the payment of contributions and assessments when due, and agrees to make an initial contribution upon admission to the Trust.
- Each Participant will appropriate funds for the payment of any contributions and assessments required by the Trust.
- Each Participant agrees to institute any and all reasonable safety regulations and loss prevention procedures that may be required by the Executive Committee or the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation for the purpose of minimizing or eliminating hazards or risks that could contribute to losses.
- Each Participant agrees that it will cooperate fully with the Trust's service agent(s), attorneys, claims adjusters and any other agent or employee of the Trust in relation to the purpose and powers of the Trust, including, but not limited to, the investigation, defense and settlement of claims.
- Each Participant agrees to designate a Contact Person to be responsible for all contacts with the Trust. The Trustees, the Administrator and the service agent(s) shall not be required to contact any other individual except the Contact Person in dealing with the Participant. Any notice to or any agreements with the Contact Person shall be binding upon the Participant. Each Participant reserves the right to change the Contact Person from time to time by giving written notice to the Administrator.
- The Participants agree that any claim or suit brought against them shall be defended in the name of the Participant by counsel selected by the Trustees. Full cooperation shall be extended by such Participant to supply any information needed or helpful in such defense.
- The Participants will furnish to the Trustees such underwriting information as may be required by the Trust prior to the end of the Trust Year, and any other information which may be requested by the Board.
- Participants hereby acknowledge and agree that this Agreement may be amended, altered or modified pursuant to Article VIII hereof. Any amendment adopted pursuant to the provisions of Article VIII hereof shall be considered by each Participant to be a reasonable and proper amendment to the Agreement.
- (k) The Participants also agree to submit all coverage disputes to the appropriate subcommittee of the Board of Trustees, whose decisions shall be appealable to the entire Board.
- (1) The Participants further agree that once an adverse decision is rendered by the Board in any coverage dispute, and the dispute cannot be resolved by the parties, then the decision of the Board of Trustees shall be final, with no further right to challenge that decision before any arbitration panel or court of competent jurisdiction. That notwithstanding, the Participants and the Trust reserve the right to file an action in such a court solely to enforce the decision by the Board. The same is true for all decisions by the Board of Trustees involving the expulsion or withdrawal of a Participant.

3.05 Expulsion and Withdrawal of Participants.

- (a) Expulsion. The Trustees shall have the authority by an affirmative vote of two thirds (2/3) of all Trustees to expel any Participant from the Trust for cause, based upon any of the following:
- Failure to pay any premiums, contributions or assessments when due;
 - Failure to implement a reasonable safety or loss prevention program or other failure to implement guidelines required by the loss control consultant or manager hired by the Trust;
 - Failure to cooperate with any loss control service and fiscal agents of the Trust or with any attorney representing that Participant in the defense of any covered claim;
 - Failure to provide any information requested by the Administrator, Board of Trustees or any agent or representative of the Trust as required for the handling, settlement or defense of any covered claims;
 - Knowing and willful failure to observe and perform any covenants, conditions in this Agreement and any other agreement between the Participant and the Trust;
 - The filing of a case in bankruptcy, or the subjection of any right or interest of a Participant under this Agreement to any execution, garnishment, attachment, adjudication of such Participant as a bankrupt, assignment by such Participant for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to that Participant in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar state or federal statute which may thereafter be enacted;
 - The assignment by a Participant of any right or interest in this Trust Agreement without first obtaining the approval of two-thirds of the Board of Trustees;
 - Knowingly taking any action detrimental to the fiscal and/or actuarial soundness of the Trust; or
 - Failure to comply with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, or any regulations promulgated thereunder.

Expulsion shall become effective after sixty (60) days written notice to the Participant, or ten (10) days written notice for non payment of contributions or assessments and no liability shall accrue to the Trust after the effective date of expulsion except as provided in Section 3.05(c) hereof. A terminated Participant shall remain fully obligated for claims incurred during the period of its participation in the Trust, including the payment of any assessments and a Termination Contribution, in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

The Participant whose expulsion is sought shall have a full and fair opportunity to appear before the Board of Trustees and present any evidence on its behalf before the Board renders its decision. All decisions by the Board of Trustees regarding expulsion of a Participant shall be final, with no right for a further appeal or arbitration of that decision.

The Participant, upon notification of expulsion of coverage by the Trustees, understands that its participation in this Trust will terminate and the Participant will retain responsibility for the payment of all workers' compensation claims in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

Upon expulsion, a Participant shall forfeit any and all rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and all times thereafter.

Upon expulsion, a Participant will be required to pay a Termination Contribution and may be required to pay additional assessments after expulsion as determined by the Board of Trustees upon recommendation of the Executive Committee. A Participant may be required to make additional payments, including assessments, after the effective date of its expulsion caused by deficits which occurred because of claims which were incurred while that Participant was a member of the Trust. A claim is "incurred" when the employee injury occurs and not when a claim is made for that injury.

The Trust shall immediately notify the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation in the event that the expulsion of a Participant causes the Trust to fail to meet any requirements imposed upon it by the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

Withdrawal by a Participant. As provided herein, each participating municipality hereby agrees that it shall not withdraw from the Trust for a period of two (2) years from the date upon which it was first admitted as a Participant. In addition, it is also agreed that each Participant may withdraw from the Trust after giving at least one hundred twenty (120) days prior written notice to the Trust Administrator at any time after the expiration of the two year period, which withdrawal will be effective on the first day of the following year unless:

An opinion is rendered by the Trust's actuary that such withdrawal will result in the number of Participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;

That the withdrawing municipality is then in default of its obligation to pay any contributions or assessments; and

The Board of Trustees shall have received a certification, from the Trust actuary that the withdrawal will reduce the actuarial soundness of the Trust, and if any municipal debt has been incurred by the Participants to finance any portion of the Trust reserves, an opinion is obtained from bond counsel that such withdrawal will adversely affect the tax exempt status of any interest paid on any debt incurred by the participating municipalities, or any legal entity created for the purpose of incurring such debt. As used herein, the term "debt" includes any municipal bonds, certificates, letters of credit or other instruments of municipal indebtedness.

Any Participant who withdraws from the Trust shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and all times thereafter.

Upon the effective date of withdrawal, or at any time thereafter, a Participant may be required to pay additional assessments as required by the Board of Trustees in accordance with this Agreement and the By-Laws based upon any deficits which were caused by any claims paid while that Participant was provided coverage by the Trust. A claim is "incurred" when an employee injury occurs and not when a claim is made for that injury.

If there is a dispute over the withdrawal of a Participant, that Participant will have a full and fair opportunity to present any relevant evidence or information to the Board of Trustees who shall decide the dispute by majority vote. All decisions by the Board of Trustees regarding the withdrawal of a Participant shall be final, with no right for a further appeal or arbitration of that decision. A withdrawn Participant shall remain fully obligated for claims incurred during the period of its participation in the Trust, including the payment of any assessments and a Termination Contribution, in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

The Trust shall immediately notify the Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation in the event that the withdrawal of a Participant causes the Trust to fail to meet any requirements imposed upon it by the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

(c) Liability of Trust after Withdrawal or Expulsion of a Participant.

(1) The Trust shall continue to service, defend and otherwise be responsible for any claim which occurred prior to expulsion or withdrawal of a Participant which is covered under Section 13.08 hereof.

The Trust will not pay, defend, or otherwise be responsible for, a claim which arises out of an injury which occurs after the effective date of the Participant's withdrawal or expulsion.

In addition to forfeiture as provided in subsections 3.05(a) and (b) above, no dividends or Rate Stabilization Fund monies shall be paid to a Participant who has been expelled from the Trust or to any Participant who has voluntarily withdrawn after the effective date of withdrawal or expulsion.

ARTICLE IV - TRUSTEES' OBLIGATIONS

4.01 Acceptance.

Trustees hereby accept the trusts imposed upon them by this Agreement and agree to perform said trusts in accordance with the terms and conditions of this Agreement. Trustees shall hold legal title to all property of the Trust and shall have absolute and exclusive power and control over the management and conduct of the business of the Trust subject to their independent fiduciary obligations under this Agreement.

4.02 Future Trustees.

Whenever any change shall occur in the Board of Trustees, the legal title to the property hereby created by this Trust shall pass to those duly appointed Trustees. Each future Trustee appointed in accordance with this Agreement shall accept the Office of Trustee and the terms and conditions of this Agreement in writing.

4.03 Trustees' Duties and Obligations.

The Trustees shall discharge their independent fiduciary duties and obligations under this Agreement solely in the interests of the Participants with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The Trustees shall adopt By-Laws for the management and control of the Trust, so long as such By-Laws are not inconsistent or in conflict with the terms and provisions of this Agreement. Said By-Laws may be amended by the Trustees as they shall provide.

4.04 Liability of Trustees.

The Trustees shall not be liable for errors of judgment either in holding property originally conveyed to them, in acquiring and afterwards holding additional property, in the performance of their duties hereunder, nor for any act or omission to act, performed or omitted by them, in the execution of the trusts created hereunder.

Every act done, power exercised or obligation assumed by the Trustees, pursuant to the provisions of this Agreement, or in carrying out the trusts herein contained, shall be held to be done, exercised or assumed by them as Trustees and not as individuals, and any person or corporation contracting with the Trustees, shall look only to the Trust and property of the Trust available for payment under such contract, or for the payment of any debt, mortgage, judgment or decree or the payment of any money that may otherwise become due or payable on account of the trusts herein provided for, and any other obligation arising out of this Agreement in whole or in part, and neither the Trustees nor the Participants, present or future, shall be personally liable therefore.

Notwithstanding the provisions of (a) and (b) above, a Trustee shall be personally liable in connection with the performance of his duties hereunder for his own willful misconduct or gross negligence.

The Board of Trustees shall use their best efforts to purchase so called directors and officers liability insurance.

ARTICLE V - OPERATION OF THE TRUSTEES

5.01 Office.

The Trustees shall designate a principal office of the Trust. Such principal office shall be in the County of Montgomery in the Commonwealth of Pennsylvania. At such principal office there shall be maintained the books, reports and records pertaining to the Trust and its administration.

5.02 Meetings.

There shall be an annual meeting of the Trustees on a day and at a place designated by the Trustees. At the annual meeting the Trustees shall elect a Chairperson and such other officers as provided in the By-Laws and transact such other business as may come before them. The Trustees shall hold such other meetings and shall establish such procedures for the conduct of those meetings as they shall provide in the By-Laws.

5.03 Extraordinary Votes.

An affirmative vote of two thirds (2/3) of all Trustees shall be required to expel or admit a Participant, amend this Agreement (except as otherwise provided in Art. XI), or determine a prudent or necessary purpose for which money from the Surplus may be used.

5.04 Indemnification.

The Trust shall indemnify and defend : (i) each member of the Board of Trustees and the estate, executor, administrator, personal representatives, heirs, legatees and devisees of any such person; and (ii) every officer and employee of the Trust and the estate, executor, administrator, personal representatives, heirs, legatees or devisees of such person; against all claims, suits or judgments including interest, fines, amounts paid or agreed upon in settlement, reasonable costs and expenses, including attorneys' fees and any other liability that may be incurred as a result of any claim, action, suit or proceeding, whether civil administrative, or other, prosecuted or threatened to be prosecuted, for or on account of any act performed or omitted or obligation entered into, if done or omitted in good faith without intent to defraud and within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interest of and in connection with the administration, management, conduct or affairs of the Trust. Provided, however, that if any such claim, action, suit, or proceeding is compromised or settled, it must be done with the prior and express approval of the Board of Trustees or such other persons as may be authorized to make determinations with respect to indemnification pursuant to subparagraph (d) of this Section.

Such indemnification and defense shall not depend upon whether or not such person is a member of the Board of Trustees at the time such claim, action, suit or proceeding is begun, prosecuted or threatened.

The right of indemnification and defense here under shall not be exclusive of other rights such person or Board may have as a matter of law or otherwise.

In each instance in which a question of defense and/or indemnification hereunder arises, determination to indemnification hereunder, and the time, manner and amount of payment thereof, shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification hereunder as a result of the same occurrence or the number of Board of Trustees members eligible to vote does not constitute a quorum, such determination in the first instance shall be made by independent legal counsel retained by the Trust for the purpose of making the determination. Nothing in this paragraph is intended to make an adverse determination finally binding upon the person seeking indemnity under this Section, or to preclude any such person from appealing an adverse determination against him or it, or from instituting legal proceedings to enforce a right of indemnification under this Section.

The indemnification and defense provided for in this Section shall be deemed to be an expense of the Trust which may be paid from the operating funds.

The indemnification and defense provided by this Section shall be secondary to any benefits which the person may be entitled to receive from any applicable insurance policy providing Directors and Officers, Errors and Omissions or other applicable insurance coverages which have been procured by the Trust or for which the Trust paid the required premium. The indemnification provided by this Section shall be primary over any indemnification provided by a trustee at his or her own expense.

(1) Notwithstanding any other provision of this Section to the contrary, a person may seek, and the Trust may pay, advance indemnification prior to the rendering of a final determination of entitlement to indemnification pursuant to the provisions of subparagraph (d) of this Section. Any award of such advance indemnification by the Trust shall be discretionary and subject to the provisions of this Section.

In each instance where a question of advance indemnification hereunder arises, determination of the right to indemnification and of any conditions or restrictions attached thereto shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification as a result of the same occurrence or the number of members of the Board of Trustees eligible to vote does not constitute a quorum, such determination shall be made by independent legal counsel retained by the Trust for the purpose of making the determination.

Any determination of advance indemnification shall be discretionary and may provide for the time, manner and amounts advanced hereunder and shall include such limitations as may be deemed appropriate in the particular circumstances on rate of payment, the total amount to be advanced and the security, if required, for repayment of such advances.

Any advance authorized hereunder shall be repaid to the Trust if the person on whose behalf the advance was made is not entitled to indemnification of his costs and expenses under the provisions and in accordance with the standards for indemnification provided in this Section.

ARTICLE VI - PURPOSE OF THE TRUST; POWERS OF TRUSTEES

6.01 Purposes of Trust.

The purposes and objectives of the Trust are as follows:

To assure the payment of workers' compensation benefits by each Participant through the creation of a common fund established for that purpose in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder;

To minimize costs incurred by participating municipalities in the handling and payment of workers compensation claims;

To protect each participating municipality from the volatility and high premiums of the commercial insurance markets; and

To take whatever other action which may be necessary to preserve and protect the fiscal and actuarial integrity of the Trust, as required in the Trust Agreement and By-Laws.

It is the express intent of the Participants entering into this Agreement that they do not intend to waive, and are not waiving, any of the immunities which they or their commissioners, supervisors, council persons, officers or employees have now, and may have in the future, under the Pennsylvania Political Subdivision Tort Claims Act, any other applicable statutes or under the common law.

6.02 Powers of Trustees.

The Trustees shall have the power to control and manage the Trust and to; perform such acts, enter into such contracts, engage in such proceedings, and generally to exercise any and all rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or advisable to administer the Trust or to carry out the purposes of this Agreement. Any determination made by the Trustees in the exercise of these powers shall be binding upon all Participants. In addition to the powers set forth elsewhere in this Agreement, the powers and duties of the Trustees in connection with their managing and controlling the Trust shall include, but shall not be limited to, the following:

- a) To see that the Trust is safely and prudently administered to insure its financial stability in accordance with all applicable statutes and regulations and to be responsible for the investment of Trust monies at the best return possible in accordance with all applicable state and federal law.
- b) To receive, hold, manage, invest, reinvest, and control all monies at any time forming part of the Trust.
- c) To purchase contracts of insurance or reinsurance through such broker or brokers as the Trustees may choose and to pay premiums on such policies.
- d) To borrow or raise money for the purpose of financing any self insurance reserves of the Trust to the extent authorized under state and federal law. However, no municipal debt shall be incurred by the Trust, its participating municipalities or any entity created for that purpose without the consent of all participating municipalities and compliance with all state and federal law.
- e) To hold cash, uninvested, for such length of time as the Trustees may determine without liability for interest thereon.
- f) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance, including, but not limited to, deeds, leases, mortgages, conveyances, contracts, waivers and releases, and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.
- g) To employ suitable agents, advisors and other persons as the Trustees may deem necessary and advisable for the efficient operation and administration of the Trust, to delegate duties and powers hereunder to such agents, advisors and employees and to charge the expense thereof to the Trust. Trustees are entitled to rely upon and may act upon the opinion or advice of any attorney or Service Agent approved by the Trustees in the exercise of reasonable care. Trustees shall not be responsible for any loss or damage resulting from any action or non action made in good faith reliance upon such opinion or advice. All delegated authority shall be specifically defined in the By-Laws or the written minutes of the Trustees' meetings.
- h) To continue to have and to exercise, after the termination of the Trust and until final distribution, all of the title, powers, discretion, rights and duties conferred or imposed upon the Trustees hereunder, or by law.
- i) To construe and interpret this Agreement and any related documents.
- j) To receive from Participants and other relevant sources, such information as shall be necessary for the proper administration of the Trust.
- k) To maintain bank accounts for the administration of the Trust and to authorize certain Trustees, the Trust Administrator, Service Agent or other appropriate persons to make payments from any such account for purposes of the Trust.
- l) To receive and review reports of the financial condition and of the receipts and disbursements of the Trust.

- m) To adopt By-Laws, rules, regulations, formulas, rates, forms, and procedures by resolution from time to time as they deem advisable and appropriate for the proper administration of the Trust, including membership criteria, provided the same are consistent with the terms of this Agreement.
- n) To have a judicial settlement of their accounts and judicial determination of any questions in connection with their duties and obligations hereunder, or in connection with the administration or distribution thereof. The costs and expenses, including accounting and legal fees, for such judicial settlement of accounts or other judicial determination shall be paid by the Trust as a general administrative expense to the extent permitted by applicable law.
- o) To purchase as a general administrative expense of the Trust so called directors' and officers liability insurance and any other types of insurance for the benefit of the Trust, the Trustees, Trust employees, or agents, including group insurance, employee benefits and social security.
- p) To enter into any and all contracts and agreements for carrying out the terms of this Agreement and for the administration and operation of the Trust and to do all acts as they, in their discretion, may deem necessary or advisable, and such contracts and agreements and acts shall be binding and conclusive on Participants and Participants' employees. All such contracts and agreements, or other legal documents herein authorized, shall be approved by the Trustees and shall be executed by individuals authorized by the Trustees. This paragraph does not apply to the issuance of municipal debt for the funding of any self insurance reserves.
- q) To write off as uncollectible any Participant's contribution or any other indebtedness or other obligation as the Trustees may deem appropriate. A decision to write off as uncollectible shall be deemed appropriate if the Trustees determine that the unlikelihood of collection or the anticipated expense of collecting justifies such action. This paragraph does not apply to the issuance of municipal debt for the funding of any self insurance reserves.
- r) To receive premiums, contributions or assessments from any source whatsoever but such premiums, contribution or payments may not be utilized for any purpose unrelated to the purposes herein provided.
- s) To pay or contest any claim or to settle a claim by or against the Trust or any of its Participants by negotiation, compromise, arbitration, or otherwise.
- t) To pay taxes, assessments, and other expenses incurred in the collection, care, administration, and protection of the Trust.
- u) To review Applications for memberships in the Trust submitted to them and to approve or disapprove such Applications.
- v) To expel or cancel the coverage of any Participant in accordance with the terms of this Agreement.
- w) To amend the Agreement and By-Laws as provided herein.
- x) To make provision for proper accounting and reporting procedures for each of the Participants so that the Participants shall be informed at all times of the nature of the claims arising within their jurisdiction, the manner in which these claims are being handled, and the impact of those claims upon the Trust.
- y) To purchase an employee fidelity bond covering the Trustees, the Administrator and such others as the Trustees may determine.
- (z) To require assessments from each Participant in an amount equal to the ratio of that Participant's annual contribution to the total annual contributions paid by all Participants in the year in which a deficit occurred. Such amounts shall be certified by the Board as necessary for that purpose to the Participants.
- (aa) To hold all property received by the Trustees, which together with the income and gains therefrom and additions thereto, shall constitute the corpus of the Trust.
- (bb) To appoint for a fee or otherwise, a Trust Administrator who shall act at the direction of the Trustees to implement the decisions of the Trustees and to have direct responsibility for the operation and supervision of the Trust. The Trust Administrator shall not be an owner, officer or employee of the Service Agent or broker of the Trust.
- (cc) To employ and oversee one or more independent service companies and/or consultants to act as Service Agent(s). The services of a Service Agent shall be performed pursuant to a written agreement between the Service Agent and the Trust, and the Service Agent (s) shall be compensated from the Trust for such services. The Trustees may delegate to a Service Agent responsibility for underwriting matters, claims administration and disbursement, collection of Premiums, and other duties as are specified in the Service contract. The Trustees shall require any Service Agent who handles monies of the Trust to furnish an employee fidelity bond indemnifying the Trust. The proper limit of liability to be set for such bond shall be as determined by the Trustees, but not less than a fifty thousand (\$50, 000) dollar limit per loss should be established.
- (dd) To employ counsel to advise and represent the Trustees on legal matters relating to the operation and administration of the Trust, and represent Participants in the defense of claims or suits.
- (ee) To employ an independent certified public accountant to conduct an annual audit of the financial statements of the Trust at the close of the Trust Year, such audit report to be submitted to the Participants no more than six (6) months after the close of the Trust Year.
- (ff) To employ a Fiscal Agent and delegate to it the duties to hold the monies of the Trust and to invest and reinvest all or part of the principal and interest of the General Operating Fund and the Surplus Fund in accordance with the requirements of this Agreement. Those monies shall be invested in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.
- (gg) To appoint any subcommittees of the Board as may be necessary for the operation of the Trust.
- (hh) To employ an actuarial firm to review, at least annually, the expected losses, IBNR calculations and recommend surplus requirements for the Trust.
- (ii) To resolve all coverage disputes between Participants and the Trust and any disputes regarding the withdrawal or expulsion of any Participants; and
- (jj) To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary in the best interests of the Trust.

6.03 Payment of Claims and Coverage Disputes.

The Executive Committee shall be responsible for adopting guidelines for the handling and payment of claims. The decision of whether to settle or pay a claim shall be made in the first instance by the manager responsible for claims handling, acting under the general supervision of the Trust Administrator. The decision to settle or defend a claim may then be reviewed by the Executive Committee, whose decision may be reviewed by the Board of Trustees at the request of the Participant. A decision by the entire Board to settle a particular claim made against a Participant shall be final. A refusal by a Participant to consent to such a settlement or execute the documentation required to effect a

settlement, shall, upon payment by the Trust of the settlement amount, relieve the Trust from any further obligation to pay that claim or otherwise represent the interests of that Participant.

Any disputes between a Participant and the Trust as to whether a particular claim is covered shall be decided in the first instance by the Board of Trustees or designated subcommittee. Decisions may be reviewed by the entire Board at the request of the Participant. A decision by a majority of the Board disclaiming or denying coverage for a claim made against a Participant shall be final and legally binding on the Trust and Participant, with no right to challenge the Board's decision before any arbitration panel or court of competent jurisdiction. That notwithstanding, the Trust and Participants reserve the right to file an action in such a court to enforce the Board's decision.

ARTICLE VII - OPERATION OF THE TRUST FUNDS

7.01 Payment of Contributions and Assessments.

Each Participant hereby agrees to make payments into various funds established under the Trust as set forth below:

(a) Initial Contribution – The initial payment made by all Participants upon their admission to the Trust.

(b) Annual Contributions – Annual contributions must be paid by each Participant. These contributions shall be established, and may be adjusted upward or downward on an annual basis, by the Executive Committee in accordance with this Agreement and the Trust By-Laws. Contributions shall be determined by the Executive Committee in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder and also comply with the guidelines adopted by the Executive Committee based upon the actual claims or loss histories of each Participant. Contributions shall include:

An amount to provide for losses and general operating expenses of the Trust; and

A contribution to Surplus, as required by the Executive Committee.

In accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, each Participant may pay its annual contribution in installments, except that the initial installment shall be not less than twenty five percent (25%) of the total annual contribution. The balance of the annual contribution may be paid to the Trust on monthly, quarterly or semi-annual basis as required by the Trust's By-Laws and as approved by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

In accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, all annual contributions shall be based upon the annual payroll of the Trust Participants multiplied by the rates as utilized by the State Workmen's Insurance Fund minus any premium discounts.

The Trust may, however, establish its own rates with the approval of an independent actuary and the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

Assessments – Any additional payments to the Trust which a Participant may be required to make to the Surplus upon a finding by the Board and the underwriting consultant that the funds available for the payment of claims have been exhausted by, among other things, the payment of claims, claims reserves, IBNR reserves and expenses; and that such assessments are required to preserve the fiscal and actuarial soundness of the Trust and its ability to pay claims and otherwise satisfy any outstanding indebtedness. All assessments shall be made in an amount equal to the ratio of the Participant's annual contribution to the total annual contribution paid by all Participants in the Trust year or years in which a deficit occurred. Any such assessments shall not be greater than that needed to eliminate the deficit or deficiency in the General Operating and Surplus Funds. Until the recently enacted amendments to the Pennsylvania Workers' Compensation Act (referred to as "Act 44") apply to the Trust on August 1, 1994 any assessments for each Participant shall be capped in any single Trust Year at no greater than the annual contribution paid by that Participant for the Trust Year for which the assessment is being made. After the withdrawal or expulsion of a Participant, that Participant shall remain liable for any assessments for any periods during which that Participant was provided coverage by the Trust.

Termination Contribution – Upon recommendation of the Executive Committee, the Board of Trustees shall determine the amount of the Termination Contribution due and owing on or after the effective date of a Participant's expulsion, as the Board of Trustees may determine. The Termination Contribution shall be sufficient to pay any outstanding contributions and any other expense and assessments due and owing on the effective date of the Participant's expulsion. An initial estimate of the Termination Contribution shall be determined by the Board of Trustees at least forty-five (45) days before the effective date of a Participant's expulsion, and a final Termination Contribution shall be determined no later than sixty (60) days after that effective date of the Participant's expulsion.

After the withdrawal or expulsion of a Participant, that Participant shall remain liable for any additional contributions, including any assessments, for any period during which that Participant was a member of the Trust.

All contribution estimates and assessments shall be determined by the Board of Trustees at least forty five (45) days before the commencement of the Trust year during which those payments must be made by the Participants. This will permit the Participants to adequately budget and appropriate the sums needed for those payments.

7.02 Establishment of Bank Accounts under the General Operating Fund.

The Trust Administrator shall establish one or more checking accounts, which may be interest or non interest bearing accounts, with the Fiscal Agent in the name of the Trust.

7.03 Dividends and Rate Stabilization Fund.

(a) Dividends - Subject to Section 3.05 of this Agreement, any funds in Surplus as the Trustees may deem necessary or prudent, may be returned to the Participants by the Board of Trustees in accordance with a formula to be adopted by the Trustees and in compliance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder. Dividends paid to each Participant will be based upon the loss experience of the Trust as a whole, the size of each Participant's contributions, and the loss experience of the individual Participant. No dividends shall be paid to any Participant unless the Underwriting Consultant certifies to the Executive Committee that said dividends shall not adversely affect the fiscal or actuarial soundness of the Trust and its ability to satisfy any indebtedness incurred by the Trust, any Participant or any other entity on behalf of the Trust in furtherance of its purposes and objectives. When municipal debt has been incurred by the Trust, its Participants, or any other entity created for that purpose, an additional certification will be required from Bond Counsel that such dividends will not adversely affect the tax exempt status of any outstanding municipal debt.

(b) Rate Stabilization Fund ("RSF") - A fund established by the Board of Trustees as a way of returning surplus funds to Participants to be used as credits toward the payment of their annual contributions or premiums upon renewal. The total amount appropriated for the RSF is determined by the Executive

Committee. Each Participant receives a share of that appropriation based on their proportion of the total annual contributions or premiums paid to the Trust and the losses incurred by the Trust.

7.04 Deficits.

In the event of a deficit for any Trust Year, the deficit shall be made up from any of the following:

- (1) Any contributions paid by the Trust Participants;
- (2) Unencumbered funds, including monies from the Surplus; and
- (3) Any assessments paid by Participants as required by the Board of Trustees in the event the Surplus is also exhausted by, among other things, the payment of claims.

7.05 Bonds.

The Trustees shall require that a fidelity bond be furnished as to all persons handling money for or on behalf of the Trustees, including but not limited to individual Trustees, the Administrator and the Service Agent.

ARTICLE VIII - HEALTH AND SAFETY

8.01 Accident and Illness Prevention Program.

In accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder, the Trust shall establish an accident and illness prevention program. Such program shall include surveys, recommendations, training programs, consultants, analyses of accident causes and other related services for the prevention of workers' compensation claims and enhance the welfare of the Participants' employees.

ARTICLE IX - EXCESS INSURANCE REQUIREMENTS

9.01 Specific and Aggregate Excess Insurance.

In accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder, the Trust will purchase single accident (single occurrence) excess insurance and aggregate excess insurance unless this requirement is waived by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

ARTICLE X - GUARANTY AGREEMENT AND ANNUAL REPORTS

10.01 Guaranty Agreement.

As required by the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder, the Trust shall execute a Guaranty Agreement with the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation which Guaranty Agreement is hereby adopted and incorporated by reference as though fully set forth herein.

10.02 Annual Reports.

The Trust shall submit an annual report to the Pennsylvania Department of Labor and Industry Bureau of Workers' Compensation in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder.

ARTICLE XI - AMENDMENTS

11.01 Amendments Not Requiring Consent of Trustees. The terms and provisions of this Agreement may be amended at any time by a majority of the Executive Committee for one (1) or more of the following purposes:

To cure any ambiguity, defect or omission in this Agreement;

To change or modify any provision of this Agreement so as to comply with any applicable law, regulation or administrative ruling which may be in effect; or

11.02 Amendments Requiring Consent of the Trustees.

The Board of Trustees by a two thirds (2/3) vote may consent to and approve any other amendments to this Agreement as shall be deemed necessary and desirable by the Board for the purpose of modifying, altering or amending, adding to or rescinding any of the terms or provisions contained in this Agreement, including, but not limited to, the inclusion of additional types of insurance coverages, subject to the limitations contained in Section 11.03 hereof. The Board shall prescribe rules and procedures for submission of proposed amendments to the Participants.

11.03 Limitation on Amendments.

No amendment shall be adopted which alters the basic purpose of the Trust or alters the rights of Participants to receive dividends as provided in Section 7.03 hereof or alters the obligation of Participants to pay any assessments or contributions which may be established under Section 7.05 hereof, which amendments would jeopardize the actuarial and fiscal soundness of the Trust.

ARTICLE XII - TERMINATION

12.01 Term of Trust.

The Trust shall continue unless and until terminated pursuant to law or by an instrument in writing signed by two thirds (2/3) of the Participants, and duly approved by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation.

12.02 Termination of the Trust.

In the event of termination of the Trust, the Participants covenant and agree to make any provision for the payment of any outstanding municipal indebtedness and for the payment of claims against the Trust or its Participants as may be required by the Trustees,

including the deposit with the Trustees of funds, surety bonds, or such other guarantees of payment as deemed required and sufficient by the Trustees. Upon termination, the Trustees shall continue to serve as Trustees to wind up the affairs of the Trust, including providing for all outstanding obligations, and each Participant shall be entitled to receive distribution of its pro rata share of any remaining funds, the calculation of such distribution to be determined by the Trustees.

ARTICLE XIII - MISCELLANEOUS

13.01 Title to the Trust.

Title to the Trust shall be vested in and remain exclusively in the Trustees to carry out the purposes hereunder and no Participant or any official, employee or agent of any Participant nor any individual shall have any right, title or interest in the Trust nor any right to Premiums made or to be made thereto, nor any claim against any Participant on account thereof, except to the extent of the right of Participants to receive their pro rata share of any excess funds as provided hereunder. No Participant may assign any right, claim or interest it may have under this Agreement.

13.02 Execution of Documents.

The Trustees may authorize any Trustee or the Administrator to execute any notice, certificate or other written instrument relating to the Trust (except an instrument of amendment or termination) and all persons, partnerships, corporations, or associations may rely upon such notice or instrument so executed as having been duly authorized and as binding on the Trust and the Trustees.

13.03 Notice.

All notices, requests, demands and other communications related to this Agreement, unless otherwise so provided herein, shall be in writing and shall be deemed to be duly given when sent by first class, registered or certified mail postage paid, return receipt requested, when personally delivered by hand, or when transmitted by cable, telex or telegraph, at such addresses as have been last provided to the Trust. The initial address for such notices, requests, demands or other communications to the Trustees and each Participant shall be provided to the Administrator. The parties shall notify the Administrator as to any change in address.

13.04 Construction.

This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

13.05 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, by the Trustees and the Chief Executive Officer of the local agency or municipality, of a counterpart signature page in the forms attached hereto, which together with this Agreement and all other duly executed signature pages shall constitute the complete Agreement among all the parties hereto.

13.06 Subrogation.

Each Participant agrees that in the event of the payment of any loss by the Trust under this Agreement, the Trust shall be subrogated to the extent of such payment to all the rights of the Participant against any person or other entity legally responsible for damages for said loss, and in such event the Participant hereby agrees to render all reasonable assistance, other than pecuniary, to effect recovery.

13.07 Defense by Trust.

The Trust shall have a duty to represent all Participants with respect to the payment of workers' compensation claims, as required by law.

13.08 Limitation of Liability.

Liability of the Trust to any Participant is specifically limited to the payment of workers' compensation claims in accordance with the Pennsylvania Workers' Compensation Act, 77 P.S. §1, et seq., as amended, and any regulations promulgated thereunder. Participants' liability shall be limited to the extent of the financial contributions to the Trust set forth herein, and any additional obligations as may come about through amendment hereto, including an obligation to repay any municipal debt as may be incurred by the Trust, its Participants or any entity created for that purpose. No Participant agrees or contracts herein to be held responsible for any claims in tort, contract or otherwise made against any other Participant. Nothing contained in this Agreement or in the By-laws thereto or the Coverage Document shall be deemed to create any relationship of surety, indemnification or responsibility between Participants for the debts of or claims against any other Participant.

13.09 Arbitration.

With the exception of any decisions by the Board disclaiming or denying coverage for any claim (s) made against any Participant, and decisions by the Board of Trustees regarding the expulsion or withdrawal of a Participant, all other disputes between a Participant and the Trust must be resolved by an arbitration panel or some other alternative dispute resolution entity selected by the parties in accordance with guidelines and procedures adopted by the Board of Trustees upon the recommendation of the Executive Committee. As to all disputes arising under this Agreement, neither the Trust nor the Participant may file suit in any court of law except to enforce a decision by the Board of Trustees, arbitration panel or other alternative dispute resolution entity.

13.10 General Representations of Participants.

The Participant is a body corporate and politic, a political subdivision of the Commonwealth of Pennsylvania, as defined under Pennsylvania law. The Participant has the power to enter into this Agreement and any other documents in connection herewith and the transactions contemplated hereunder and thereunder. The party executing this Agreement on behalf of the Participant has full power and authority to execute same and any documents executed in connection herewith.

This Agreement has been duly and validly executed and is a valid and binding agreement on the Participant under the laws of the Commonwealth of Pennsylvania, enforceable in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting creditors' rights generally and such principles of equity as the court, in its discretion, may impose with respect to remedies which may require enforcement by a court of equity.

13.11 Severability of Invalid Provisions.

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and the remaining parts of this Agreement shall be construed so as to give practical realization to the purposes intended to be achieved by the parties as if such invalid or illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Trustees, have executed this Trust Agreement, all as of the date above first mentioned.

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-265

AN ORDINANCE AUTHORIZING THE PARTICIPATION OF WORCESTER TOWNSHIP IN THE DELAWARE VALLEY INSURANCE TRUST FOR THE PURPOSE OF POOLING LIABILITY RISKS WITH OTHER TRUST PARTICIPANTS IN ACCORDANCE WITH THE PENNSYLVANIA POLITICAL SUBDIVISION TORT CLAIMS ACT AND THE PENNSYLVANIA INTERGOVERNMENTAL COOPERATION LAW.

The Board of Supervisors of Worcester Township, Montgomery County, Pennsylvania do hereby **ENACT and ORDAIN:**

Section 1. That the Township Manager of Worcester Township ("Township") is hereby authorized to execute the Trust Agreement and any other agreements necessary for its participation in the Delaware Valley Insurance Trust. The Delaware Valley Insurance Trust Agreement is attached hereto as Exhibit "A" and incorporated herein by reference. The Trust Agreement attached hereto is on file for inspection and review at the Township offices, 1721 Valley Forge Road, Worcester.

Section 2. That the participation of the Township in the Delaware Valley Insurance Trust is authorized for the following purposes:

- a) To provide adequate and affordable insurance coverage to each Trust Participant at the lowest possible cost by pooling or sharing of certain liability risks;
- b) To reduce the amount and frequency of losses incurred by each Trust Participant which are covered under the Trust Coverage Document;
- c) To minimize costs incurred by Trust Participants in the handling and litigation of claims; and
- d) To protect each Trust Participant from the volatility and high premiums of the commercial insurance market.

Section 3. As set forth in the Trust Agreement and as otherwise stated herein, the following conditions apply to the participation of the Township in the Delaware Valley Insurance Trust:

- a) That each Trust Participant must meet the admission and eligibility requirements set forth therein.
- b) That each Trust Participant agrees to pay all annual premiums, contributions and assessments when due as provided in the Trust Agreement and By Laws;
- c) That each Trust Participant uses its best efforts to provide appropriations for the payment of any contributions, premiums and assessments required by the Trust;
- d) That each Trust Participant institute any and all safety regulations, loss prevention measures or risk management procedures as may be required for the purpose of minimizing or

eliminating hazards or risk that could contribute to losses;

- e) That each Trust Participant cooperate fully with the Trust's service and fiscal agents, attorneys, claims adjusters and any agents or employees of the Trust with respect to the investigation, defense and settlement of claims;
- f) That each Trust Participant designate a contact person to be responsible for all contacts with the Trust;
- g) That each Trust Participant provides any information to the Administrator or Board of Trustees as may be required to effect the purposes and objectives of the Trust.

Section 4. That the Township agrees to participate in the Delaware Valley Insurance Trust for a minimum period of two (2) years and thereafter may withdraw under the following conditions, among others, under the Trust Agreement:

- a. An opinion is rendered by the Trust certified actuary that withdrawal will not result in the number of Participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;
- b. That the withdrawing Participant is not then in default of its obligation to pay premiums, contributions or assessments;
- c. That the withdrawing Participant shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and at all times thereafter;
- d. Upon effective date of withdrawal, or at any time thereafter, a Participant may be required to pay assessments as required by the Board of Trustees in accordance with the Trust Agreement and the By-Laws based on any deficits which were caused by any claims paid while that Participant was provided coverage under the Trust Coverage Document; and
- e. That the Board of Trustees shall have received a certification from the Trust actuary that the withdrawal of the Participant will not reduce the actuarial soundness of the Trust and, if any municipal debt has been incurred by the Participants to finance any portion of the Trust reserves, an opinion is obtained from bond counsel that such withdrawal will not adversely affect the tax exempt status of any interest paid and any debt incurred by the Participants, or any legal entity created for the purpose of incurring such debt.

Section 5. The effective date of the participation of the Township in the Delaware Valley Insurance Trust will be February 17, 2017 or thereafter.

Section 6. Each Trust Participant delegates to the Board of Trustees of the Delaware Valley Insurance Trust the powers enumerated in the Trust Agreement, including the right to expel Participants under certain conditions.

Section 7. As set forth in the Trust Coverage Document, the Township shall be provided coverage for the following risks:

- a. Commercial General Liability;

- b. Business Automobile Liability;
- c. Police Professional/Law Enforcement;
- d. Public Officials Liability; and
- e. Any other risks specified in the Trust Coverage Document.

Section 8. All contributions, premiums and assessments paid by the Township shall be made with funds appropriated by the Township for that purpose. If permitted under state and federal law, the Township may incur debt for the purpose of financing any excess insurance coverage, as set forth in the Trust Agreement.

Section 9. The organizational structure of the Trust shall consist of a Board of Trustees, an administrator, a claims administrator/loss control consultant and various service agents appointed by the Board of Trustees in accordance with the Trust Agreement.

Section 10. As set forth in the Trust Agreement, the funds required for the operation of the Trust shall be provided by the Trust Participants through annual appropriations.

Section 11. The Delaware Valley Insurance Trust commenced operations on January 1, 1989 and will continue until terminated by two-thirds (2/3) vote of all Trust Participants.

Section 12. Coverage under the Trust shall be provided from January 1 through December 31 of each Trust year to all Trust Participants in accordance with the Trust Agreement.

Section 13. As a condition of participating in the Delaware Valley Insurance Trust, the Township agrees to comply with the following conditions:

- a. That it will make its initial contribution upon admission to the Trust for creation of the restricted surplus fund needed to protect Trust Participants against potentially catastrophic losses;
- b. That it will timely pay all annual premiums and assessments as may be required by the Board of Trustees;
- c. That it will appoint a representative to sit on the Board of Trustees and designate a contact person for the purpose of communicating with the Trust or its representatives;
- d. That it will not withdraw from the Trust for a period of two (2) years following its admission to the Trust;
- e. That it may withdraw from the Trust only upon satisfaction of the conditions set forth in the Trust Agreement;
- f. That it agrees to perform all covenants contained in the Trust Agreement and delegate to the Board of Trustees the powers and authorities enumerated in the Trust Agreement;
- g. That it will comply with all the conditions set forth in the Trust Coverage Document governing the handling of claims, including the defense and settlement thereof;

- h. That it will appropriate the funds needed to pay all contributions, premiums and assessments as may be required by the Board of Trustees in accordance with the Trust Agreement;
- i. That it will cooperate with the Trust, its agents or employees and provide the Trust with all information it needs for the operation of the Trust, including any underwriting or claims data which it may be requested by the Board of Trustees or their designee.

Section 14. The Delaware Valley Insurance Trust is empowered to enter into contracts for policies of group insurance and employee benefits, including Social Security, for its employees.

Section 15. This Ordinance is being enacted pursuant to The Pennsylvania Intergovernmental Cooperation Law (53 PA C.S.A. Section 2301, et seq.), the Pennsylvania Political Subdivisions Tort Claims Act (42 PA C.S.A. Section 8564) and the Second Class Township Code (53 P.S. Sections 66507 and 66512).

Section 16. All ordinances or parts of ordinances inconsistent herewith or in conflict with any of the specific terms enacted hereby, to the extent of said inconsistencies or conflicts, are hereby specifically repealed. This Ordinance shall in no other way alter or modify the Township Code except as specifically stated herein. Any other terms and provisions of the Code that are unaffected by this Ordinance are hereby reaffirmed and ratified.


Section 17. The provisions of this Ordinance are severable, and if any section, sentence, clause, part or provision herein shall be held illegal, invalid or unconstitutional by any Court of competent jurisdiction, such decision of the Court shall not effect or impair the remaining sections, sentences, clauses, parts or provisions of the Ordinance. It is hereby declared to be the intent of the Township that this Ordinance would have been adopted as if such illegal, invalid or unconstitutional section, sentence, clause, part or provision had not been included herein.

Section 18. Nothing in this Ordinance shall be construed to effect any suit or proceeding pending in any court, or any rights acquired or liability incurred, or any permit issued, or any cause or causes of action existing under the ordinances of the Township prior to enactment of this Ordinance.

Section 19. This Ordinance shall become effective upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 15th day of March, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

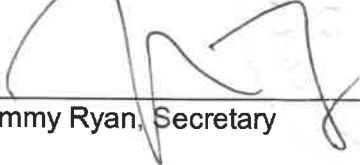
Attest: 
Tommy Ryan, Secretary

EXHIBIT A

DELAWARE VALLEY INSURANCE TRUST AGREEMENT

This is the Delaware Valley Insurance Trust Agreement (the "Trust Agreement"), dated as of January 1, 1989, by and among local agencies as hereinafter defined) of the Commonwealth of Pennsylvania which are now and hereafter parties signatory to this Agreement and listed in Appendix "A" hereof, as may be amended from time to time, and those Trustees (as hereinafter defined) listed in Appendix "B" hereof, as may be amended from time to time.

WITNESSETH:

WHEREAS, certain municipalities, authorities and intergovernmental organizations in the Commonwealth of Pennsylvania desire to pool together to provide insurance protection and benefits to themselves and their employees through the purchase of insurance and/or by self-insuring for insurable risks; and

WHEREAS, the Parties to this Agreement are also "local agencies" within the meaning of the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa. C.S.A. §8541 et seq.; and

WHEREAS, the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa. C.S.A. §8541 et seq., authorizes local agencies of the Commonwealth of Pennsylvania, including those who are parties to this Agreement, to pool or share their insurance risks (as hereinafter defined) by creating self-insurance risk pools or plans, and/or entering into joint agreements for the purpose of purchasing commercial insurance; and

WHEREAS, the local agencies of the Commonwealth of Pennsylvania who are parties to this Agreement are also authorized to create self-insurance risk pools and to enter into joint agreements for the purchase of commercial insurance by the Pennsylvania Intergovernmental Cooperation Law, 53 Pa.C.S.A. §2301 et seq.; and

WHEREAS, the local agencies of the Commonwealth of Pennsylvania who are parties to this Agreement wish to pool together to provide insurance protection against certain insurance risks by creating the Delaware Valley Insurance Trust and hereby execute this Trust Agreement and the Delaware Valley Insurance Trust Participation Agreement, which is incorporated herein by reference; and

WHEREAS, the local agencies who are parties to this Agreement (hereinafter referred to as the "Participants" or "participating municipalities") have hereby created the Delaware Valley Insurance Trust for the purpose of providing all Participants with comprehensive general liability, business automobile liability, police professional/law enforcement liability, public officials liability, property damage insurance protection and all other coverages set forth in the Trust Coverage Document which is hereby incorporated by reference; and

WHEREAS, the Participants have hereby created the Delaware Valley Insurance Trust for the purpose of providing both primary and excess coverage, if possible, and to provide claims administration and loss control services for all Participants, all for the purpose of minimizing claims losses and reducing premiums and costs associated with claims handling and administration; and

WHEREAS, funds will be paid initially by all Participants and continue to be paid from time to time by Participants to a Board of Trustees (the "Trustees"), which funds will constitute trust funds to be held for the exclusive benefit of the Participants, including payment of certain expenses on behalf of the Participants; and

WHEREAS, all Participants wish to enter into this Trust Agreement with a promise to make an initial contribution and a first annual Premium payment by no later than January 1, 1989, or at some other date to be determined by the Board of Trustees; and

WHEREAS, the Participants desire the Trustees to collect, receive, hold, invest, reinvest, manage, dispose of, distribute, and otherwise to administer the Trust funds, and the Trustees have indicated their willingness to do so, all pursuant to terms of this Agreement; and

WHEREAS, the Delaware Valley Insurance Trust is hereby designated as a "business trust" pursuant to 15 Pa. C.S.A. §9501 with the express understanding that such designation will not have any effect upon the tax exempt status of the Trust under federal or state law;

WHEREAS, the Trustees and the Participants desire to establish the terms and conditions under which the Trust will be operated.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged by each party, one to the other, the Participants do hereby give and assign in trust the initial sums described in the attached Schedule 1 and all income and profits therefrom, and such other sums, income and profits as hereinafter may be made part of the Trust, to the Trustees, and the Trustees hereby accept the trusts herein contained and the funds described in the attached Schedule 1 and declare that they will administer, manage, collect, receive, dispose of, and distribute such trust property for the benefit of the Participants as hereinafter provided, all parties agreeing to abide by the terms and covenants contained in this Agreement, as follows:

ARTICLE I - DEFINITIONS

1.01 Definitions. The terms defined in this Section 1.01 and in the preambles hereto (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement and of any amendment or supplement hereto shall have the respective meanings specified in this Section 1.01 and said Preamble.

Actuary - The actuarial firm selected by the Trustees, whose duties shall include, but not be limited to, the evaluation of underwriting or loss data submitted by eligible municipalities and the rendering of opinions and certifications as required by the Board of Trustees in accordance with the Trust

Agreement and By-Laws.

Adjustments - A decrease or increase of a participating municipality's annual premium as determined by the Board of Trustees in accordance with the Trust Agreement and By-Laws.

Administrator or Trust Administrator - The individual or entity responsible for the day to day operations of the Trust.

Agreement or Trust Agreement - The Delaware Valley Insurance Trust Agreement, as set forth herein and as amended from time to time.

Application - The documents which must be submitted by all eligible municipalities for admission to the Trust, including, but not limited to, any underwriting or loss data, or any other information which an eligible municipality may be required to provide for admission to the Trust.

Assessments - Any additional payment(s) to the Trust which a Participant may be required to make as determined by the Board of Trustees in accordance with the Trust Agreement and By-Laws if the Surplus is exhausted by, among other things, the payment of catastrophic claim(s)

Board of Trustees - The governing body of the Delaware Valley Insurance Trust whose members or Trustees are selected in accordance with the Trust Agreement and By-Laws.

By-Laws - The By-Laws governing the operation of the Trust as adopted and amended by the Board of Trustees in accordance with this Agreement.

Contact Person - An individual designated by each Participant as a liaison between that Participant and the Board of Trustees, and the Trust's officers, employees or agents.

Covered Occurrences - Those occurrences or events for which the Trust shall assume liability as set forth in the Trust Coverage Document.

Covered Party - Any person or entity defined as such in the Trust Coverage Document.

Coverage Period - The one year period in which each Participant will be provided coverage under the Trust Coverage Document in exchange for the payment of an annual premium for that coverage period.

DVLISC - Delaware Valley Liability Insurance Study Committee.

Declarations of Coverage - Specific types of coverages, including applicable limits and deductibles, provided by the Trust to each Participant. This information is set forth in the Declarations issued to each participant.

Deficit - When expenses, claims payments, claims reserves and claims incurred but not reported (IBNR) for any coverage period exceed the total premiums collected for that period.

Effective Date - A date determined by the Trustees on which a Participant will be provided insurance coverage as set forth in the Declarations.

Executive Committee - The executive committee appointed by the Board of Trustees in accordance with Section 2.07 hereof.

Expulsion - The involuntary removal or termination of a Participant from the Trust by action of the Trustees as provided in Section 3.05 hereof and any applicable By-Laws.

Fiscal Agent - A financial institution selected by the Board of Trustees to handle and invest the monies held in the various accounts administered by the Trust.

Initial Contribution - The initial payment made by each Participant upon admission to the Trust.

Initial Participants - Participants who are initial signatories to this Agreement and become Participants in the Trust on or before January 1, 1989.

Insurance - Various forms of coverage provided to Participants by the Trust, including coverage for general liability, business automobile liability, law enforcement liability, public officials legal liability and property damage coverage, as more fully described in the Trust Coverage Document. "Insurance" includes excess insurance and reinsurance.

Local Agency - Any municipality, authority or intergovernmental organization which is a "local agency" within the meaning of the Pennsylvania Political Subdivision Tort Claims Act.

Municipality - Any political subdivision of the Commonwealth of Pennsylvania as defined in the Pennsylvania Political Subdivision Tort Claims Act. This definition includes any townships or boroughs eligible for participation in the Delaware Valley Insurance Trust.

Operating Fund - Funds dedicated for the general purpose of paying claims and all administrative expenses of the Trust.

Participant - Any local agency of the Commonwealth of Pennsylvania eligible to participate in this Trust which becomes a party to this Agreement and the participation of which has not been terminated or cancelled in accordance with the Trust Agreement and By-Laws.

Premium - The amount of money determined by the Board of Trustees and charged to each participant during the Trust Year, on an annual basis in exchange for the coverage provided to each participant under the Trust Coverage Document.

Rate Stabilization Fund - A Fund established by the Trust which can be used by Participants to defray the cost of their annual premiums.

Service Agents - One or more service companies or consultants employed by the Trustees to be responsible for underwriting matters, claims administration, loss control, accounting and such other duties as determined by the Board of Trustees and specified by contract.

Service Contract - Any contract for service between the Trustees and a Service Agent.

Surplus - Net worth of the Trust since the Trust's inception.

Termination Premium - Payment required of all Participants who are expelled from the Trust, as determined by the Board of Trustees.

Trust - The Delaware Valley Insurance Trust.

Trust Coverage Document - The document which sets forth the actual coverages provided by the Trust, as amended from time to time.

Trust Year - The first fiscal year of the Trust shall commence on January 1, 1989 and end on December 31, 1989. Thereafter the Trust fiscal year shall run from January 1 to December 31 of all subsequent years.

Trustee - Each person serving as a member of the Board of Trustees referred to from time to time, collectively as the "Trustees" or "Board of Trustees" or "Board".

Underwriting Consultant - Advisor or firm selected to assist Trust with underwriting and rating requirements for current Participants and new applicants.

Underwriting consultant shall consult with Trust Actuary as needed and as required.

1.02 Interpretation. The words "hereof", "herein", "here-under", and other words of similar import refer to this Agreement as a whole. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. Headings or titles to Articles, Sections, and other subdivisions of this Agreement are for convenience only and shall be given no effect, meaning, or construction whatsoever and shall not define or limit any provision of this Agreement.

ARTICLE II - TRUSTEES

2.01 Qualifications of a Trustee.

(a) A Trustee shall be either (1) an elected or appointed official of a Participant, including (1) a Township or Borough Managers, or (2) an employee of a

Participant with expertise in finance or risk management.

(b) A Trustee shall not be employed by or have any direct or indirect financial interest in any Service Agent or other organization providing service to the Trust.

2.02 Composition of Board of Trustees.

The Trust shall be governed by a Board of Trustees. No municipality shall be represented by more than one Trustee on the Board of Trustees. However, a Participant may authorize its Trustee to appoint an Alternate for a scheduled meeting or event of the Board. An Alternate shall have the full voting rights and powers granted to the Trustee.

All members of the initial Board of Trustees shall be appointed to serve a term commencing upon September 1, 1988 and expiring on December 31, 1989.

2.03 Election of Trustees.

The initial Board of Trustees shall provide in the By-Laws for the form and method of election of subsequent Trustees.

2.04 Resignation of a Trustee. A Trustee may resign by giving at least thirty (30) days prior notice in writing sent by registered mail to the Chairman of the Trustees. Such notice shall state the date said resignation shall take effect, and such resignation shall take effect on such date.

2.05 Removal of Trustees.

A Trustee may be removed from office in accordance with the By-Laws if he fails, or subsequently ceases, to meet the qualifications of Section 2.01 hereof; and may be removed if he fails to attend three (3) consecutive meetings of the Board or is terminated for cause by a 2/3 vote of the Trustees. Upon removal of a Trustee, the position shall be filled pursuant to Section 2.06 hereof.

2.06 New Trustees.

(a) In the event a Trustee resigns, is removed or is otherwise unable to serve, the Participant represented by that Trustee shall appoint a replacement to complete the original Trustee's term of office.

(b) Any Trustee, upon leaving office, shall forthwith turn over and deliver to the principal office of the Trust, any and all records, books, documents or other property in his possession or under his control which belong to the Trust.

2.07 Board Chairman and Executive Committee.

The Trustees shall elect a Chairman of the Board by simple majority vote whose duties shall be set forth in the By-Laws. The Trustees shall also appoint an Executive Committee by majority vote consisting of not less than five (5) Trustees, two of whom will be the Chairman and Vice Chairman of the Board of Trustees. The Trustees may delegate in writing to the Executive Committee such powers and duties as the Trustees deem appropriate and desirable except the exercise of those powers for which a two-thirds majority vote of the Trustees is required. The Executive Committee shall meet as determined by the Chairman of the Board of Trustees.

ARTICLE III - PARTICIPANTS

3.01 Eligibility Requirements.

(a) Participation in the Trust shall be limited to authorities, intergovernmental organizations and municipalities of the Commonwealth of Pennsylvania with any such municipalities limited to those populations of under 100,000 persons.

(b) Each Participant shall meet the underwriting standards established by the Board of Trustees.

(c) Each Participant shall have a loss or claims history which does not present an undue risk to the actuarial soundness of the Trust.

(d) Each Participant must receive a positive recommendation from the Underwriting Consultant or loss control manager prior to acceptance. This recommendation will be based upon a loss control survey conducted by the underwriting consultant or loss control manager which will include an evaluation of the applicant's loss or claims history and risk management procedures.

(e) Each applicant must be professionally managed, utilizing International City management Association ("ICMA") Recognition Criteria, or satisfy equivalent management criteria adopted by the Executive Committee.

(f) Each successful applicant must comply with the guidelines established by the loss control consultant or manager employed by the Trust.

(g) Each applicant must agree to make a commitment to participate in the Trust for a minimum period of at least two (2) years, which period is necessary to assure the fiscal and actuarial soundness of the self-insurance risk pool.

The Board of Trustees may establish additional requirements for participation in the Trust by majority vote.

3.02 Approval of Participants.

(a) Initial Participants who are signatories to this Agreement as of January 1, 1989 must have submitted an application to the Delaware Valley Liability Insurance Study Committee ("DVLISC"); such application must have been approved by majority vote of that Committee. Upon approval of an applicant, the DVLISC must have certified in writing that the successful applicant has satisfied all the admission criteria. The effective date for admission of all initial Participants shall be January 1, 1989. The coverage period for all Initial Participants under the Trust Coverage Document shall commence on January 1, 1989 upon payment of an initial contribution and annual premium.

(b) All subsequent applicants must be approved by two-thirds (2/3) majority vote of the Board of Trustees. The Administrator must certify in writing that the successful applicant has met all the criteria for admission to the Trust.

(c) All applicants, including initial Participants, must pay an application fee which shall be based upon the actual cost of processing the application and completing the loss control survey for each applicant.

(d) Each application must contain the following information:

(1) Underwriting and claims data for a three (3) to five (5) year period prior to submission of the application;

(2) Detailed information regarding the organization, personnel and administration of the applicant, as requested by the Underwriting Consultant;

(3) Names of all previous insurers and premium data for the three (3) to five (5) year period prior to submission of the application;

(4) Operating budgets and other financial information as may be required by the Underwriting Consultant for a period of one to five (5) years prior to submission of the application;

- (5) Any other information required by the Board of Trustees or any of the Trust's officers, attorneys, service agents, consultants or employees.
- (e) Each Participant shall submit evidence satisfactory to the Trustees of approval for participation by its governing body, including any ordinances which may be required under state law.
- (f) If municipal debt has been incurred for the financing of any self-insurance reserves, whether primary or excess, then no municipality shall be admitted to the Trust unless an opinion is obtained from Bond Counsel that admission of that municipality will not impair the tax exempt status of any outstanding indebtedness.
- (g) Upon approval of all subsequent Participants by the Board of Trustees, the Board shall establish the effective date for the insurance coverage provided to that Participant under the Trust Coverage Document.
- (h) Upon execution of this Agreement by a Participant, such applicant shall become a Participant in the Trust and shall be bound by all terms and conditions hereof, including the payment of Premiums when due.

3.03 Premiums.

- (a) Premiums shall be established by the Trustees in consultation with the Underwriting Consultant. Annual premium estimates shall be established at least thirty (30) days before commencement of the Trust Year for which that premium applies.
- (b) Premiums shall be due and payable as determined by the Trustees, in accordance with this Agreement and the Trust By-Laws.

3.04 Obligations, Duties and Liabilities of Participants.

- (a) Each Participant agrees to fulfill all obligations and duties set forth in this Agreement. The withdrawal or expulsion of any Participant pursuant to this Article III shall not affect this Agreement nor the Trusts created herein, except where otherwise expressly provided.
- (b) Each Participant is liable under this Agreement for the payment of premiums, contributions and assessments when due, and agrees to make an Initial Contribution upon admission to the Trust.
- (c) Each Participant will use its best efforts to provide appropriations for the payment of any contributions, premiums and assessments required by the Trust.
- (d) Each Participant agrees to institute any and all reasonable safety regulations and loss prevention procedures that may be required by the Executive Committee for the purpose of minimizing or eliminating hazards or risks that could contribute to losses. Participants have right to appeal such requirements to the Trustees, and the decision of the Trustees shall then be final.
- (e) Each Participant agrees that it will cooperate fully with the Trust's Administrator, service agent(s), attorneys, claims adjusters and any other agent or employee of the Trust in relation to the purpose and powers of the Trust, including, but not limited to, the investigation, defense and settlement of claims.
- (f) Each Participant agrees to designate a Contact Person to be responsible for all contacts with the Trust. The Trustees, the Administrator and the service agent(s) shall not be required to contact any other individual except the Contact Person in dealing with the Participant. Any notice to or any agreements with the Contact Person shall be binding upon the Participant. Each Participant reserves the right to change the Contact Person from time to time by giving written notice to the Administrator.
- (g) The Participants agree that any suit brought against them shall be defended in the name of the Participant by counsel selected by the Trustees in accordance with the Trust Coverage Document. Full cooperation shall be extended by such Participant to supply any information needed or helpful in such defense.
- (h) The Participants will furnish to the Trustees such underwriting information as may be required by the Trust prior to the end of the Trust Year, and any other information which may be requested by the Board.
- (i) Participants hereby acknowledge and agree that this Agreement may be amended, altered or modified pursuant to Article VIII hereof. Any amendment adopted pursuant to the provisions of Article VIII hereof shall be considered by each Participant to be a reasonable and proper amendment to the Agreement.
- (j) The Participants also agree to submit all coverage disputes to the appropriate subcommittee of the Board of Trustees, whose decisions shall be appealable to the entire Board. Once a decision is rendered by the Board in a coverage dispute, the Board's decision shall be final and legally binding on the Participants and the Trust. Neither the Trust nor the Participants shall have any right to challenge the Board's decision in any arbitration proceeding or in any action before any court of competent jurisdiction. That notwithstanding, the Participants and the Trust only reserve the right to file an action in such a court solely to enforce the decision by the Board.
- (k) The Participants further agree that once a decision is rendered by the Board in a dispute regarding the expulsion or withdrawal of a Participant, the Board's decision shall be final and legally binding on the Participants and the Trust. Neither the Trust nor the Participants shall have any right to challenge the Board's decision in any arbitration proceeding or in any action before any court of competent jurisdiction. That notwithstanding, the Participants and the Trust only reserve the right to file an action in such a court solely to enforce the decision by the Board.

3.05 Expulsion and Withdrawal of Participants.

- (a) Expulsion. The Trustees shall have the authority by an affirmative vote of two-thirds (2/3) of all Trustees to expel any Participant from the Trust for cause, including but not limited to, the following:
- (1) Failure to pay any premiums, contributions or assessments when due;
 - (2) Failure to implement a reasonable safety or loss prevention program or other failure to implement guidelines required by the consultant or manager hired by the Trust;
 - (3) Failure to cooperate with any loss control service and fiscal agents of the Trust or with any attorney representing that Participant in the defense of any claim covered under the Trust Coverage Document;
 - (4) Failure to provide any information requested by the Administrator, Board of Trustees or any agent or representative of the Trust as required for the handling, settlement or defense of any claims covered under the Trust Coverage Document;
 - (5) Knowing and willful failure to observe and perform any covenants, conditions or agreements on its part to be observed or performed in the Trust Agreement and any related document, including the Participation Agreement and the Trust Coverage Document;
 - (6) The filing of a case in bankruptcy, or the subjection of any right or interest of a Participant under the Trust Coverage Document to any execution, garnishment, attachment, adjudication of such Participant as a bankrupt, assignment by such Participant for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to that Participant in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar state or federal statute which may thereafter be enacted;
 - (7) The assignment by a Participant of any right or interest in the Trust Coverage Document without first obtaining the approval of the Board of Trustees as required by the Trust Coverage Document; and

(8) Knowingly taking any action detrimental to the fiscal and/or actuarial soundness of the Trust.

Expulsion shall become effective after sixty (60) days written notice to the Participant, or ten (10) days written notice for non-payment of Premium, and no liability shall accrue to the Trust after the effective date of expulsion except as provided in Section 3.05(c) hereof.

The Participant whose expulsion is sought shall have a full and fair opportunity to appear before the Board and present any evidence on its behalf before the Board renders its decision in accordance with procedures adopted by the Executive Committee. All decisions by the Board of Trustees regarding the expulsion of a Participant shall be final, with no right for a further appeal or arbitration of that decision.

The Participant, upon notification of expulsion by the Trustees, understands coverage will terminate and the Participant will be responsible to secure adequate provision for any and all coverages either by insurance or self-insurance so that such coverage is in effect on the effective date of the Participant's expulsion.

Upon expulsion, a Participant shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and all times thereafter.

Upon expulsion, a Participant will be required to pay a Termination Premium and may be required to pay additional assessments as determined by the Board of Trustees. A Participant may be required to pay assessments, after the effective date of its expulsion caused by deficits which occurred because of claims which were paid while that Participant was afforded coverage under the Trust Coverage Document.

(b) Withdrawal by a Participant. As provided herein, each Participant hereby agrees that it shall not withdraw from the Trust for a period of two (2) years from the date upon which it was first admitted as a Participant. In addition, it is also agreed that each Participant may withdraw from the Trust after giving one hundred fifty (150) days prior written notice to the Trust Administrator at any time after the expiration of the two year period unless:

(1) An opinion is rendered by the Trust's certified Actuary that such withdrawal will result in the number of Participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;

(2) That the withdrawing Participant is then in default of its obligation to pay premiums, contributions or assessments; and

(3) The Board of Trustees shall have received a certification from the Trust actuary that the withdrawal will reduce the actuarial soundness of the Trust, and if any debt has been incurred by the Participants to finance any portion of the Trust reserves, an opinion is obtained from bond counsel that such withdrawal will adversely affect the tax exempt status of any interest paid on any debt incurred by the Participants, or any legal entity created for the purpose of incurring such debt. As used herein, the term "debt" includes any bonds, certificates, letters of credit or other instruments of municipal indebtedness.

Any Participant who withdraws from the Trust shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and all times thereafter.

Upon the effective date of withdrawal, or any time thereafter, a Participant may be required to pay assessments as required by the Board of Trustees in accordance with this Agreement and the By-Laws based upon any deficits which were caused by any claims paid while that Participant was provided coverage under the Trust Coverage Document.

If there is a dispute over the withdrawal of a Participant, that Participant will have a full and fair opportunity to present any relevant evidence or information to the Board of Trustees who shall decide the dispute by majority vote. All decisions by the board of Trustees regarding the withdrawal of a Participant shall be final, with no right for a further appeal or arbitration of that decision.

(c) Liability of Trust after Withdrawal or Expulsion of a Participant.

(i) For those liabilities covered on an occurrence basis by the Trust Coverage Document, the Trust shall continue to service, defend and otherwise be responsible for any claim which arose prior to expulsion or withdrawal of a Participant which is covered under Section 10.08 hereof, including incurred but not reported claims.

(ii) For those liabilities covered on a claims made basis the Trust shall continue to service, defend and otherwise be responsible only for claims reported during a Trust Year, or a portion of a Trust Year, in which the municipality participated in the Trust, subject to any extended reporting periods agreed upon by the Trust and the Participant.

(iii) The Trust will not cover, defend, or otherwise be responsible for, a claim which arises out of an act, error, or omission occurring after the effective date of the Participant's withdrawal or expulsion.

(iv) In addition to forfeiture as provided in subsections 3.05 (a) and (b) above, no dividends or Rate Stabilization Fund monies shall be paid to a Participant who has been expelled from the Trust or to any Participant who has voluntarily withdrawn after the effective date of withdrawal or expulsion.

ARTICLE IV -ACCEPTANCE OF TRUST

4.01 Acceptance. Trustees hereby accept the trusts imposed upon them by this Agreement and agree to perform said trusts in accordance with the terms and conditions of this Agreement. Trustees shall hold legal title to all property of the Trust and shall have absolute and exclusive power and control over the management and conduct of the business of the Trust.

4.02 Future Trustees. Whenever any change shall occur in the Board of Trustees, the legal title to the property hereby created by this Trust shall pass to those duly appointed Trustees. Each future Trustee appointed in accordance with this Agreement shall accept the Office of Trustee and the terms and conditions of this Agreement in writing.

4.03 Trustees' Duties and Obligations. The Trustees shall discharge their duties and obligations under this Agreement solely in the interests of the Participants with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The Trustees shall adopt By-Laws for the management and control of the Trust, so long as such By-Laws are not inconsistent or in conflict with the terms and provisions of this Agreement. Said By-Laws may be amended by the Trustees as they shall provide

4.04 Liability of Trustees.

(a) The Trustees shall not be liable for errors of judgment either in holding property originally conveyed to them, in acquiring and afterwards holding additional property, in the performance of their duties hereunder, nor for any act or omission to act, performed or omitted by them, in the execution of the trusts created hereunder.

(b) Every act done, power exercised or obligation assumed by the Trustees, pursuant to the provisions of this Agreement, or in carrying out the trusts herein contained, shall be held to be done, exercised or assumed by them as Trustees and not as individuals, and any person or corporation contracting with the Trustees, shall look only to the Trust and property of the Trust available for payment under such contract, or for the payment of any debt,

mortgage, judgment or decree or the payment of any money that may otherwise become due or payable on account of the trusts herein provided for, and any other obligation arising out of this Agreement in whole or in part, and neither the Trustees nor the Participants, present or future, shall be personally liable therefore.

(c) Notwithstanding the provisions of (a) and (b) above, a Trustee shall be personally liable in connection with the performance of his duties hereunder for his own willful misconduct or gross negligence.

(d) The Board of Trustees shall use their best efforts to purchase so-called directors and officers liability insurance.

ARTICLE V - OPERATION OF THE TRUSTEES

5.01 Office. The Trustees shall designate a principal office of the Trust. Such principal office shall be in the County of Montgomery in the Commonwealth of Pennsylvania. At such principal office there shall be maintained the books, reports and records pertaining to the Trust and its administration.

5.02 Meetings. There shall be an annual meeting of the Trustees on a day and at a place designated by the Trustees. At the annual meeting the Trustees shall elect a Chairman and such other officers as provided in the By-Laws and transact such other business as may come before them. The Trustees shall hold such other meetings and shall establish such procedures for the conduct of those meetings as they shall provide in the By-Laws.

5.03 Extraordinary Votes. Unless otherwise specifically stated in this Agreement, an affirmative vote of two-thirds (2/3) of all Trustees shall be required to expel or admit a Participant, amend this Agreement, or determine a prudent or necessary purpose for which money from Surplus may be used.

5.04 Indemnification.

(a) The Trust shall indemnify and defend: (i) each member of the Board of Trustees and the estate, executor, administrator, personal representatives, heirs, legatees and devisees of any such person; and (ii) every officer and employee of the Trust and the estate, executor, administrator, personal representatives, heirs, legatees or devisees of such person; against all claims, suits or judgments including interest, fines, amounts paid or agreed upon in settlement, reasonable costs and expenses including attorneys, fees and any other liability that may be incurred as a result of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other, prosecuted or threatened to be prosecuted, for or on account of any act performed or omitted or obligation entered into, if done or omitted in good faith without intent to defraud and within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interest of and in connection with the administration, management, conduct or affairs of the Trust, and with respect to any criminal actions or proceedings, in addition, had no reasonable cause to believe that his or its conduct was unlawful. Provided, however, that if any such claim, action, suit, or proceeding is compromised or settled, it must be done with the prior and express approval of the Board of Trustees or such other persons as may be authorized to make determinations with respect to indemnification pursuant to subparagraph (d) of this Section.

(b) Such indemnification and defense shall not depend upon whether or not such person is a member of the Board of Trustees at the time such claim, action, suitor proceeding is begun, prosecuted or threatened.

(c) The right of indemnification and defense hereunder shall not be exclusive of other rights such person or Board may have as a matter of law or otherwise.

(d) In each instance in which a question of defense and/or indemnification hereunder arises, determination to indemnification hereunder, and the time, manner and amount of payment thereof, shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification hereunder as a result of the same occurrence or the number of Board of Trustees members eligible to vote does not constitute a quorum, such determination in the first instance shall be made by independent legal counsel retained by the Trust for the purpose of making the determination. Nothing in this paragraph is intended to make an adverse determination finally binding upon the person seeking indemnity under this Section, or to preclude any such person from appealing an adverse determination against him or it, or from instituting legal proceedings to enforce a right of indemnification under this Section.

(e) The indemnification and defense provided for in this Section shall be deemed to be an expense of the Trust which may be paid from operating funds.

(f) The indemnification and defense provided by this Section shall be secondary to any benefits which the person may be entitled to receive from any applicable insurance policy providing Directors and officers, Errors and Omissions or other applicable insurance coverages which have been procured by the Trust or for which the Trust paid the required premium. The indemnification provided by this Section shall be primary over any indemnification provided by a trustee at his or her own expense.

(i) Notwithstanding any other provision of this Section to the contrary, a person may seek, and the Trust may pay, advance indemnification prior to the rendering of a final determination of entitlement to indemnification pursuant to the provisions of subparagraph (d) of this Section. Any award of such advance indemnification by the Trust shall be discretionary and subject to the provisions of this Section.

(ii) In each instance where a question of advance indemnification hereunder arises, determination of the right to indemnification and of any conditions or restrictions attached thereto shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification as a result of the same occurrence or the number of members of the Board of Trustees eligible to vote does not constitute a quorum, such determination shall be made by independent legal counsel retained by the Trust for the purpose of making the determination.

(iii) Any determination of advance indemnification shall be discretionary and may provide for the time, manner and amounts advanced hereunder and shall include such limitations as may be deemed appropriate in the particular circumstances on rate of payment, the total amount to be advanced and the security, if required, for repayment of such advances.

(iv) Any advance authorized hereunder shall be repaid to the Trust if the person on whose behalf the advance was made is not entitled to indemnification of his costs and expenses under the provisions and in accordance with the standards for indemnification provided in this Section.

ARTICLE VI - PURPOSE OF THE TRUST; POWERS OF TRUSTEES

6.01 Purposes of Trust. The purposes and objectives of the Trust are as follows:

(a) To provide adequate and affordable insurance coverage for each Participant at the lowest possible cost by the pooling or sharing of certain insurance

risks;

- (b) To reduce the amount and frequency of losses incurred by each Participant which are covered under the Trust Coverage Document;
- (c) To minimize costs incurred by Participants in the handling and litigation of claims;
- (d) To protect each Participant from the volatility and high premiums of the commercial insurance markets; and
- (e) To take whatever other action which may be necessary to preserve and protect the fiscal and actuarial integrity of the Trust, as required in the Trust Agreement and By-Laws.

The association being formed hereunder is intended to be a trust under the laws of the Commonwealth of Pennsylvania.

It is the express intent of the Participants entering into this Trust Agreement that they do not intend to waive, and are not waiving, any of the immunities which they or their commissioners, supervisors, council persons, officers or employees have now, and may have in the future, under the Pennsylvania Political Subdivision Tort Claims Act, any other applicable statutes or under the common law.

6.02 Powers of Trustees. The Trustees shall have the power to control and manage the Trust and to perform such acts, enter into such contracts, engage in such proceedings, and generally to exercise any and all rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or advisable to administer the Trust or to carry out the purposes of this Agreement. Any determination made by the Trustees in the exercise of these powers shall be binding upon all Participants. In addition to the powers set forth elsewhere in this Agreement, the powers and duties of the Trustees in connection with their managing and controlling the Trust shall include, but shall not be limited to, the following:

- (a) To see that the Trust is safely and prudently administered to insure its financial stability and to be responsible for the investment of Trust monies at the best return possible in accordance with all applicable state and federal law.
- (b) To receive, hold, manage, invest, reinvest, and control all monies at any time forming part of the Trust.
- (c) To purchase contracts of insurance or reinsurance through such broker or brokers as the Trustees may choose and to pay premiums on such policies.
- (d) To borrow or raise money for the purpose of financing any self-insurance reserves of the Trust to the extent authorized under state and federal law. However, no municipal debt shall be incurred by the Trust, its participating municipalities or any entity created for that purpose without the consent of all participating municipalities and compliance with all state and federal law.
- (e) To hold cash, uninvested, for such length of time as the Trustees may determine without liability for interest thereon.
- (f) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance, including, but not limited to, deeds, leases, mortgages, conveyances, contracts, waivers and releases, and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.
- (g) To employ suitable agents, advisors and other persons as the Trustees may deem necessary and advisable for the efficient operation and administration of the Trust, to delegate duties and powers hereunder to such agents, advisors and employees and to charge the expense thereof to the Trust. Trustees are entitled to rely upon and may act upon the opinion or advice of any attorney or Service Agent approved by the Trustees in the exercise of reasonable care. Trustees shall not be responsible for any loss or damage resulting from any action or non-action made in good faith reliance upon such opinion or advice. All delegated authority shall be specifically defined in the By-Laws or the written minutes of the Trustees' meetings.
- (h) To continue to have and to exercise, after the termination of the Trust and until final distribution, all of the title, powers, discretion, rights and duties conferred or imposed upon the Trustees hereunder, or by law.
- (i) To construe and interpret this Trust Agreement and any related documents, including the Participation Agreement, By-Laws, and the Trust Coverage Document.
- (j) To receive from Participants and other relevant sources, such information as shall be necessary for the proper administration of the Trust.
- (k) To maintain bank accounts for the administration of the Trust and to authorize certain Trustees, the Trust Administrator, Service Agents or other appropriate persons to make payments from any such account for purposes of the Trust.
- (l) To receive and review reports of the financial condition and of the receipts and disbursements of the Trust.
- (m) To adopt By-Laws, rules, regulations, formulas, actuarial tables, forms, and procedures by resolution from time to time as they deem advisable and appropriate for the proper administration of the Trust, including membership criteria, provided the same are consistent with the terms of this Agreement.
- (n) To have a judicial settlement of their accounts and judicial determination of any questions in connection with their duties and obligations hereunder, or in connection with the administration or distribution thereof. The costs and expenses, including accounting and legal fees, for such judicial settlement of accounts or other judicial determination shall be paid by the Trust as a general administrative expense to the extent permitted by applicable law.
- (o) To purchase as a general administrative expense of the Trust so-called directors and officers liability insurance and any other types insurance for the benefit of the Trust, the Trustees, Trust employees, or agents, including group insurance, employee benefits and social security.
- (p) To enter into any and all contracts and agreements for carrying out the terms of this Agreement and for the administration and operation of the Trust and to do all acts as they, in their discretion, may deem necessary or advisable, and such contracts and agreements and acts shall be binding and conclusive on Participants and Participants, employees. All such contracts and agreements, or other legal documents herein authorized, shall be approved by the Trustees and shall be executed by individuals authorized by the Trustees. This paragraph does not apply to the issuance of municipal debt for the funding of any self-insurance reserves.
- (q) To write off as uncollectible any Participant's Premium or any other indebtedness or other obligation as the Trustee may deem appropriate. A decision to write off as uncollectible shall be deemed appropriate if the Trustees determine that the unlikelihood of collection or the anticipated expense of collecting justifies such action. This paragraph does not apply to the issuance of municipal debt for the funding of any self-insurance reserves.
- (r) To receive premiums, contributions or assessments from any source whatsoever but such premiums, contribution or payments may not be utilized for any purpose unrelated to the purposes herein provided.
- (s) To pay or contest any claim or to settle a claim by or against the Trust or any of its Participants by negotiation, compromise, arbitration, or otherwise.
- (t) To pay taxes, assessments, and other expenses incurred in the collection, care, administration, and protection of the Trust.
- (u) To review Applications for memberships in the Trust submitted to them and to approve or disapprove such Applications.
- (v) To expel or cancel the coverage of any Participant in accordance with the terms of this Agreement.
- (w) To amend the Trust Coverage Document by two thirds (2/3) majority vote as provided in that Document.
- (x) To make provision for proper accounting and reporting procedures for each of the Participants so that the Participants shall be informed at all times of the nature of the claims arising within their jurisdiction, the manner in which these claims are being handled, and the impact of those claims upon the Trust.
- (y) To purchase an employee fidelity bond covering the Trustees, the Administrator and such others as the Trustees may determine.
- (z) To require assessments from each Participant in an amount equal to the ratio of that Participant's annual premium to the total annual premium contributed by all Participants in the year in which a deficit occurred. Such payment shall not exceed two (2) times the Participant's annual premium for

the year in which the assessment must be paid. Such amounts shall be certified by the Board as necessary for that purpose to the Participants.

(aa) To hold all property received by the Trustees, which together with the income and gains therefrom and additions thereto, shall constitute the corpus of the Trust.

(bb) To appoint for a fee or otherwise, a Trust Administrator who shall act at the direction of the Trustees to implement the decisions of the Trustees and to have direct responsibility for the operation and supervision of the Trust. The Trust Administrator shall not be an owner, officer or employee of the Service Agent or broker of the Trust.

(cc) To employ and oversee one or more independent service companies and/or consultants to act as Service Agent(s). The services of a Service Agent shall be performed pursuant to a written agreement between the Service Agent and the Trust, and the Service Agent(s) shall be compensated from the Trust for such services. The Trustees may delegate to a Service Agent responsibility for underwriting matters, claims administration and disbursement, collection of Premiums, and other duties as are specified in the Service contract. The Trustees shall require any Service Agent who handles monies of the Trust to furnish an employee fidelity bond indemnifying the Trust. The proper limit of liability to be set for such bond shall be as determined by the Trustees, but not less than a fifty thousand (\$50,000) dollar limit per loss should be established.

(dd) To employ counsel to advise and represent the Trustees on legal matters relating to the operation and administration of the Trust, and represent Participants in the defense of claims or suits.

(ee) To employ an independent certified public accountant to conduct an annual audit of the financial statements of the Trust at the close of the Trust Year, such audit report to be submitted to the Participants no more than six (6) months after the close of the Trust Year.

(ff) To employ a Fiscal Agent and delegate to it the duties to hold the moneys of the Trust and to invest and reinvest funds in accordance with the requirements of the Agreement.

(gg) To appoint any subcommittees of the Board as may be necessary for the operation of the Trust.

(hh) To employ an actuarial firm to review, at least annually, the expected losses, IBNR calculations and recommend surplus requirements for the Trust.

(ii) At least annually, to review, study, and consider the claims payments of each of the Participants, the pro-rata savings to the Trust resulting from overall loss experience attributed to each of the Participants, the pro rata portion of any investment earnings of the Trust attributed to each Participant and the pro rata portion of the cost of all excess insurance allocated to each Participant, as well as the pro rata allocation as determined by the Trustees of the other and necessary administrative expenses of the Trust, in order reasonably to determine the actual pro rata costs, expense and loss experience of each Participant in order to maintain as nearly as possible an equitable and reasonable administration of the Trust as applied to each Participant.

(jj) To fully and finally resolve all coverage disputes between Participants and the Trust and any disputes regarding the withdrawal or expulsion of any Participants; and

(kk) To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary in the best interests of the Trust.

6.03 Payment of Claims and Coverage Disputes. The Executive Committee shall be responsible for adopting guidelines for the handling and payment of claims. The decision of whether to settle or pay a claim shall be made in the first instance by the manager responsible for claims handling, acting under the general supervision of the Trust Administrator. The decision to settle or defend a claim may then be reviewed by the Executive Committee, whose decision may be reviewed by the Board of Trustees at the request of the Participant. A decision by the entire Board to settle a particular claim made against a Participant shall be final. A refusal by a Participant to consent to such a settlement or execute the documentation required to effect a settlement, shall relieve the Trust from any further obligation to defend that Participant under the provisions of the Trust Coverage Document.

Any disputes between a Participant and the Trust as to whether a particular claim is covered under the provisions of the Trust Coverage Document shall be decided in accordance with the coverage dispute resolution procedures adopted by the Board of Trustees. Coverage disputes shall include the refusal to defend or indemnify a Participant or Covered Party, or discontinue or withdraw a defense of a Participant or Covered Party. The findings and recommendations of the five member subcommittee of the Board ("Appeals Committee") may be submitted to the entire Board at the request of the Participant or Covered Party. A decision by a majority of the Board adopting, amending or rejecting the findings and recommendations of the Appeals Committee shall be final and legally binding on the Trust and the Participant involved in the coverage dispute, with no right to challenge the Board's decision before any arbitration panel or court of competent jurisdiction. The Trust and the Participant do, however, reserve the right to enforce the Board's decision by filing an appropriate action in any court of competent jurisdiction.

ARTICLE VII - OPERATION OF THE TRUST FUNDS; REVENUES

7.01 Payment of Premiums, Contributions and Assessments. Each Participant hereby agrees to make payments into various funds established under the Trust as set forth below:

(a) Initial Contribution - The initial payment made by all Participants upon their admission to the Trust which shall include:

(1) An amount to provide for losses and general operating expenses of the Trust;

(2) A contribution to Surplus; and

(3) Any amounts which must be dedicated to debt service as required by the Board of Trustees in the event that municipal indebtedness is incurred for risk financing purposes.

(b) Annual Premiums - Annual premiums must be paid by each Participant as a condition for obtaining coverage for a single coverage period. These premiums shall be established, and may be adjusted upward or downward on an annual basis, by the Executive Committee in accordance with this Agreement and the Trust By-Laws. Premiums shall be determined by the Executive Committee in accordance with the guidelines adopted by the Executive Committee based upon the actual claims or loss histories of each Participant. Premiums shall include:

(1) An amount to provide for losses and general operating expenses of the Trust;

(2) A contribution to Surplus, as required by the Executive Committee; and

(3) Any amounts which must be dedicated to debt service as required by the Board of Trustees in the event that municipal indebtedness is incurred for risk financing purposes.

(c) Assessments - Any additional payments to the Trust which a Participant may be required to make upon a finding by the Board of Trustees, Underwriting Consultant, and the Trust Actuary that funds available for the payment of claims have been exhausted by, among other things, the payment of catastrophic claims and such assessments are required to preserve the fiscal and actuarial soundness of the Trust and its ability to pay claims and otherwise satisfy any outstanding indebtedness.

All assessments shall be made in an amount equal to the ratio of the Participant's annual premium to the total annual premium contributed by all Participants in the Trust year in which a deficit occurred. No Participant shall be required to pay any assessments in a single Trust year greater than two times the annual premium paid by that Participant for the Trust year in which the assessment is to be made.

After the withdrawal or expulsion of a Participant, that Participant shall remain liable for any assessments for any periods during which that Participant was provided coverage under the Trust Coverage Document.

(d) Termination Premium – Upon recommendation of the Executive Committee, the Board of Trustees shall determine the amount of the Termination Premium due and owing on or after the effective date of a Participant's expulsion, as the Board of Trustees may determine. The Termination Premium shall be sufficient to pay any outstanding premiums and assessments due and owing on the effective date of the Participant's expulsion. An initial estimate of the Termination Premium shall be determined by the Board of Trustees at least forty-five (45) days before the effective date of a Participant's expulsion, and a final Termination Premium shall be determined no later than sixty (60) days after that effective date of the Participant's expulsion.

(e) After the withdrawal or expulsion of a Participant, that Participant shall remain liable for any assessments for any periods during which that Participant was provided coverage under the Trust Coverage Document.

(f) All premium estimates and assessments shall be determined by the Executive Committee at least thirty (30) days before the commencement of the Trust year during which those payments must be made by the Participants. This will permit the Participants to adequately budget and appropriate the sums needed for those payments.

7.02 Establishment of Bank Accounts . The Trust Administrator shall establish one or more bank accounts, which may be interest or non-interest bearing accounts, with the Fiscal Agent in the name of the Trust.

7.03 Dividends and Rate Stabilization Fund.

(a) Dividends - Subject to Section 3.05 of this Agreement, any funds in Surplus as the Trustees may deem necessary or prudent may be returned to the Participants by the Board of Trustees. Dividends paid to each Participant will be based upon the loss experience of the Trust as a whole, the size of each Participant's Premiums, and the loss experience of the individual Participant. No dividends shall be paid to any Participant unless the Underwriting Consultant certifies to the Executive Committee that said dividends shall not adversely affect the fiscal or actuarial soundness of the Trust and its ability to satisfy any indebtedness incurred by the Trust, its Participants, or any other entity created for that purpose, an additional certification will be required from Bond Counsel that such dividends will not adversely affect the tax exempt status of any outstanding municipal debt.

(b) Rate Stabilization Fund ("RSF"). A fund established by the Board of Trustees as a way of returning surplus funds to Participants to be used as credits toward the payment of their annual premiums upon renewal. The total amount appropriated for the RSF is determined by the Executive Committee. Each Participant receives a share of that appropriation based on their proportion of the total annual premiums paid to the Trust and the losses incurred by the Trust.

7.04 Deficits. In the event of a deficit for any Trust Year, the deficit shall be made up from any of the following:

- (1) Any premiums paid by the Trust Participants;
- (2) Unencumbered funds, including monies from the Surplus; and
- (3) Any assessments paid by Participants as required by the Board of Trustees in and in the event the Surplus is exhausted by, among other things, the payment of catastrophic claim(s).

7.05 Bonds. The Trustees shall require that a fidelity bond be furnished as to all persons handling money for or on behalf of the Trustees.

ARTICLE VIII - AMENDMENTS

8.01 Amendments Not Requiring Consent of Trustees.

The terms and provisions of this Agreement may be amended at any time by a two-thirds (2/3) vote of the Executive Committee for one (1) or more of the following purposes:

- (a) To cure any ambiguity, defect or omission in this Agreement;
- (b) To change or modify any provision of this Agreement so as to comply with any applicable law, regulation or administrative ruling which may be in effect

8.02 Amendments Requiring Consent of Trustees. The Board of Trustees by a two-thirds (2/3) vote may consent to and approve any other amendments approved by a two-thirds (2/3) vote of the Executive Committee and presented to the Board, as shall be deemed necessary and desirable by the Board for the purpose of modifying, altering or amending, adding to or rescinding any of the terms or provisions contained in this Agreement, including, but not limited to, the inclusion of additional types of insurance coverages, subject to the limitations contained in Section 8.03 hereof. The Executive Committee shall prescribe rules and procedures for submission of proposed amendments to the Board.

8.03 Limitation on Amendments. No amendment shall be adopted which alters the basic purpose of the Trust or alters the rights of Participants to receive dividends as provided in Section 7.03 hereof or alters the obligation of Participants to pay any assessments or contributions which may be established under Section 7.01 hereof, which amendments would jeopardize the actuarial and fiscal soundness of the Trust.

ARTICLE IX - TERMINATION

9.01 Term of Trust. The Trust shall continue unless and until terminated pursuant to law or by an instrument in writing signed by two-thirds (2/3) of the entire Board of Trustees, acting on behalf of the Participants.

9.02 Termination of the Trust. In the event of termination of the Trust, the Participants covenant and agree to make any provision for the payment of any outstanding municipal indebtedness and for the payment of claims against the Trust or its Participants as may be required by the Board of Trustees, including the deposit with the Trust of funds, surety bonds, or such other guarantees of payment as deemed required and sufficient by the Trustees. Upon termination, the Trustees shall continue to serve as Trustees to wind up the affairs of the Trust, including providing for all outstanding obligations, and each Participant shall be entitled to receive distribution of its pro rata share of any remaining funds, the calculation of such distribution to be determined by the Trustees.

ARTICLE X - MISCELLANEOUS

10.01 Title to the Trust. Title to the Trust shall be vested in and remain exclusively in the Trustees to carry out the purposes hereunder and no Participant or any official, employee or agent of any Participant nor any individual shall have any right, title or interest in the Trust nor any right to Premiums made or to be made thereto, nor any claim against any Participant on account thereof, except to the extent of the right of Participants to receive their pro rata share of any excess funds as provided hereunder.

No Participant may assign any right, claim or interest it may have under this Agreement.

10.02 Execution of Documents. The Trustees may authorize any Trustee or the Administrator to execute any notice, certificate or other written instrument relating to the Trust (except an instrument of amendment or termination) and all persons, partnerships, corporations, or associations may rely upon such notice or instrument so executed as having been duly authorized and as binding on the Trust and the Trustees.

10.03 Notice. All notices, requests, demands and other communications related to this Agreement, unless otherwise so provided herein, shall be in writing and shall be deemed to be duly given when sent by first-class, registered, or certified mail postage paid, return receipt requested, when personally delivered by hand, or when transmitted by electronic means, at such addresses as have been last provided to the Trust. The initial address for such notices, requests, demands or other communications to the Trustees and each Participant shall be provided to the Administrator. The parties shall notify the Administrator as to any change in address.

10.04 Construction. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

10.05 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, by the Trustees and the Chief Executive officer or Manager of the local agency or municipality, of a counterpart signature page in the forms attached hereto, which together with this Agreement and all other duly executed signature pages shall constitute the complete Agreement among all the parties hereto.

10.06 Subrogation. Each Participant agrees that in the event of the payment of any loss by the Trust under this Agreement, the Trust shall be subrogated to the extent of such payment to all the rights of the Participant against any person or other entity legally responsible for damages for said loss, and in such event the Participant hereby agrees to render all reasonable assistance, other than pecuniary, to effect recovery.

10.07 Defense by Trust. The Trust shall have a duty to defend all Participants and Covered Parties against claims as set forth in the Trust Coverage Document, which is incorporated herein by reference.

10.08 Limitation of Liability. Liability of the Trust to any Participant is specifically limited to those coverages provided in the Coverage Document subject to any deductible amounts. Participants' liability shall be limited to the extent of the financial contributions to the Trust set forth herein, and any additional obligations as may come about through amendment hereto, including an obligation to repay any municipal debt as may be incurred by the Trust, its Participants or any entity created for that purpose. No Participant agrees or contracts herein to be held responsible for any claims in tort, contract or otherwise made against any other Participant. Nothing contained in this Agreement or in the By-laws thereto or the Coverage Document shall be deemed to create any relationship of surety, indemnification or responsibility between Participants for the debts of or claims against any other Participant.

10.09 Arbitration. With the exception of coverage disputes and disputes regarding the expulsion or withdrawal of Participants, all other disputes between a Participant and the Trust arising under this Agreement must be resolved by an arbitration panel or some other alternative dispute resolution entity selected by the parties in accordance with guidelines and procedures adopted by the Board of Trustees upon recommendation of the Executive Committee. As to any and all disputes arising under this Agreement, neither the Trust nor the Participant may file suit in any court of law except to enforce a decision by the Board of Trustees, arbitration panel or other alternative dispute resolution entity.

10.10 General Representations of Participants.

(a) The Participant is a body corporate and politic, a political subdivision of the Commonwealth of Pennsylvania, authority or intergovernmental entity under Pennsylvania law. The Participant has the power to enter into this Agreement and any other documents in connection herewith and the transactions contemplated hereunder and thereunder. The party executing this Agreement on behalf of the Participant has full power and authority to execute same and any documents executed in connection herewith.

(b) This Agreement has been duly and validly executed and is a valid and binding agreement on the Participant under the laws of the Commonwealth of Pennsylvania, enforceable in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting creditors' rights generally and such principles of equity as the court, in its discretion, may impose with respect to remedies which may require enforcement by a court of equity.

10.11 Severability of Invalid Provisions. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and the remaining parts of this Agreement shall be construed so as to give practical realization to the purposes intended to be achieved by the parties as if such invalid or illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Trustees, have executed this Trust Agreement, all as of the date above first mentioned.

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-266

**AN ORDINANCE TO ESTABLISH AN EARNED INCOME TAX CREDIT FOR
VOLUNTEERS OF THE WORCESTER VOLUNTEER FIRE DEPARTMENT**

WHEREAS, volunteer firefighters are the primary providers of fire protection service throughout the Commonwealth of Pennsylvania; and,

WHEREAS, the responsibilities of volunteer firefighters have expanded over the years to include rescue, hazardous materials response, and terrorism prevention, which has significantly increased the training needed by these volunteers; and,

WHEREAS, due to increased training obligations and other factors, the number of volunteer firefighters in Pennsylvania has dramatically decreased in recent years, from an estimated 300,000 in 1976 to about 72,000 at present day; and,

WHEREAS, the annual cost to Pennsylvania taxpayers to replace volunteer firefighters with paid fire service statewide has been estimated at \$6 billion; and,

WHEREAS, Act 172 of 2016 allows municipalities to adopt a tax credit for the volunteer firefighters who serve our community; and,

WHEREAS, by supporting volunteer firefighters, municipalities can help to sustain and strengthen volunteer fire departments throughout the Commonwealth, at a great savings to all taxpayers.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED THAT:

1. Township Code Chapter 135 is hereby amended to include Article VII, as follows:

**ARTICLE VII
Earned Income Tax Credit to Qualifying Volunteers
serving the Worcester Volunteer Fire Department**

§ 135-38. Earned Income Tax Credit. Each Qualifying Volunteer of the Worcester Volunteer Fire Department ("Department"), who is certified as such in accordance with the provisions of this Article, shall be entitled to receive an earned income tax credit in an amount of up to one thousand dollars (\$1,000.00) per year. The credit shall be applied to that portion of the earned income tax that is payable to Worcester Township and cannot exceed the volunteers liability to the township, for the Earned Income Tax due on wages/net profits earned in that tax year. By resolution the Board of Supervisors may adjust the amount of the earned income tax credit at any time, in its sole discretion.

§ 135-39. Qualifying Volunteer. A Qualifying Volunteer shall be defined as:

- a) A volunteer who has attained an annual participation score of 23% or greater in the Department's Length of Service Award Program, as described in Exhibit A. The

volunteer must have served as an active volunteer in good standing for the entire calendar year. By resolution the Board of Supervisors reserves the right to revise the minimum participation score and/or any of the criteria utilized in the Length of Service Award Program, or to create other qualifying criteria to be utilized in lieu of the Length of Service Award Program criteria, in whole or in part, at its sole discretion.

- b) A volunteer who has been injured during a response to an emergency call and who can no longer serve as an active volunteer because of the injury. A volunteer so injured and unable to serve shall be deemed a Qualifying Volunteer until December 31 of the year of the fifth anniversary of the date of injury.
- c) A volunteer who holds one of the following Department positions in good standing, for a minimum of nine (9) months in the calendar year: Fire Chief, President, Vice President, Secretary, Treasurer, Chairman of Trustees and Chairman of Relief Trustees. For the purpose of determining a Qualifying Volunteer, one person only may serve in each position at any time.

§ 135-40. Certification of Qualifying Volunteers. On or before January 15 of each year volunteers shall sign and submit an application for a Qualifying Volunteer to the Fire Chief. The Fire Chief shall review all applications submitted, sign each application, and indicate on each application if he recommends the volunteer to be certified as Qualifying Volunteer or not. On or before January 30 of each year the Fire Chief shall forward all applications received, with all supporting documentation, to the Board of Supervisors. The Board of Supervisors shall review the applications and supporting documentation and shall, by a motion of the Board, certify all Qualifying Volunteers, on or before March 1 of each year. Only those volunteers certified by the Board of Supervisors shall receive the earned income tax credit, and this credit may be utilized for any earned incomes taxes paid or payable to the Township during or for the previous calendar year only.

§ 135-41. Appeal. A volunteer may appeal the decision of the Board of Supervisors to not certify him or her as a Qualifying Volunteer by submitting a written request for binding arbitration to the Township Secretary within ten (10) days of the date of the Board's decision. The binding arbitration shall be conducted in accordance with the rules of the American Arbitration Association, and any costs for the arbiter and the proceeding only shall be shared equally by the parties.

§ 135-42. Exemption Certificate. Within ten (10) days of the date the Board of Supervisors certifies Qualifying Volunteers, the Township Secretary shall issue an Exemption Certificate to each Qualified Volunteer, which shall be in a form acceptable to the Tax Collector appointed by the Montgomery County Tax Collection Committee to collect the earned income tax.

2. Miscellaneous provisions.

- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.

- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 19th day of April, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

Attest: 
Tommy Ryan, Secretary

EXHIBIT A

**Worcester Volunteer Fire Department
Length of Service Award Program**

1. Volunteers shall earn:
 - a. one (1) point for each emergency call attended;
 - b. one (1) point for each non-emergency activity attended, including but not limited to special event traffic control;
 - c. one (1) point for each Worcester Volunteer Fire Department drill event attended; and,
 - d. points for each Worcester Volunteer Fire Department special event attended, including but not limited to fire prevention programs, Santa Run and Chicken BBQ, with the number of points for each type of event to be established by the Department.
2. The Worcester Volunteer Fire Department Treasurer, or his or her designee, shall maintain an accurate activity log of all above-noted Department events, and the volunteers who attend each event, by month, and shall report this information to the Fire Chief.
3. The Fire Chief shall review and certify the activity log for each month.
4. A volunteer's annual participation score shall be calculated as follows:

$$\text{annual participation score} = \frac{\text{number of points earned in the calendar year}}{[\text{number of emergency calls}] + [\text{number of drill events}] \text{ in the calendar year}}$$

TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA

ORDINANCE 2017 - 267

AN ORDINANCE AMENDING THE TOWNSHIP CODE OF WORCESTER TOWNSHIP,
CHAPTER 150, ZONING, ARTICLE XXI, SIGNS

WHEREAS, the Board of Supervisors of Worcester Township desires to amend the Township Code to permit and regulate certain signage specific to educational uses and to otherwise amend the sign ordinance in such a manner as to protect and promote the health, safety and general welfare of the community.

NOW, THEREFORE, the Board of Supervisors hereby ordains and enacts as follows:

SECTION I - The Code of the Township of Worcester, Chapter 150, Zoning, Article XXI, Signs, is hereby amended to include the following:

§150-148.1. Athletic Field Area Signs.

The following signs are permitted at athletic field areas at a public or private school, subject to the noted conditions.

- A. Athletic Field Fence Signs are permitted on the fences that immediately surround the playing area of a baseball or softball field, football field, lacrosse field, soccer field, field hockey or similar playing facility.
- (1) Signs shall be directed toward the playing field or spectator stands only. Any side of a sign side that is not directed toward the playing field or spectator stands shall be a uniform dark color and shall contain no words, graphics or other content.
 - (2) No portion of the sign shall be higher than the top of the fence, or ten (10) feet from grade, whichever is less.
- B. Athletic Field Spectator Stand Signs are permitted on the railings in front of, or behind the spectator stands that immediately surround the playing area of a baseball or softball field, football field, lacrosse

field, soccer field, field hockey or similar playing facility.

- (1) Signs on the railing in front of spectator stands shall be directed toward the spectator stands. The reverse side of the sign shall be a uniform dark color and shall contain no words, graphics or other content.
- (2) Signs on the railing behind spectator stands shall be directed away from the spectator stands. The reverse side of the sign shall be a uniform dark color and shall contain no words, graphics or other content. No portion of the sign may be visible from neighboring properties.
- (3) No portion of the sign shall be higher than the top of the railing, or five (5) feet from grade, whichever is less.

C. Scoreboard Signs are permitted on one (1) scoreboard that serves a baseball or softball field, football field, lacrosse field, soccer field, field hockey or similar playing facility.

- (1) One (1) sign is permitted on each scoreboard or scoreboard support structure.
- (2) The sign shall be directed toward the playing field. The reverse side of the sign shall be a uniform dark color and shall contain no words, graphics or other content.
- (3) Signs shall not exceed three (3) feet in height, and shall not exceed the width of the scoreboard.
- (4) Signs shall be posted below the scoreboard, and no portion of the sign shall be higher than twenty (20) feet from grade.

D. Dugout Signs are permitted on up to two (2) dugouts that serve a baseball or softball field or similar playing facility.

- (1) Two (2) signs are permitted on each dugout.

- (2) Signs shall not exceed thirty (30) square feet.
 - (3) Signs shall be posted below the lowest point of the dugout roof, and no portion of the sign shall be higher than ten (10) feet from grade.
- E. A permit shall be required prior to the installation of any Athletic Field Area Sign. With the permit application the Applicant shall submit a signage plan that shows all signage to be installed, and all signage that may be installed, at each playing facility, which shall include the field and any spectator stands, scoreboards and dugouts associated with the field. The permit issued shall encompass all proposed signage at the playing facility. No change in the approved signage plan shall be allowed unless a revised signage plan is submitted to the Township and the Township issues a new permit.
- F. Athletic Field Area signs shall not be illuminated in any manner, nor shall they contain moving parts, electronically changeable messages, lighting, video, or sound.

SECTION II - General Provisions.

1. All other terms and provisions of Chapter 150, Zoning, Article III, Definitions, and Article XXI, Signs, of the Worcester Township Code shall remain in full force and effect.
2. The proper officers of the Township are hereby authorized and directed to do all matters and things required to be done by the Acts of Assembly and by this Ordinance for the purpose of carrying out the purposes hereof.
3. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted

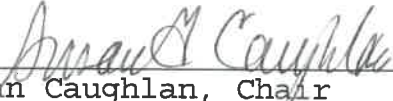
had such invalid section, clause, sentence, or provision not been included therein.

4. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
5. The failure of the Township to enforce any provision of this Ordinance shall not constitute a waiver by the Township of its rights of future enforcement hereunder.
6. This Ordinance shall immediately take effect and be in force from and after its approval.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 21st day of June, 2017.


WORCESTER TOWNSHIP

By:



Susan Caughlan, Chair
Board of Supervisors

Attest:



Tommy Ryan, Secretary

Ordinance 2017-268 was not adopted

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-269

**AN ORDINANCE TO PROHIBIT BAMBOO ALONG A PUBLIC
THOROUGHFARE**

WHEREAS, the Board of Supervisors has determined that the encroachment of Bamboo into, on and across public thoroughfares in Worcester Township constitutes a hazard to both motorists and pedestrians;

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED THAT:

1. Township Code Chapter 126, *Streets and Sidewalks*, is hereby amended to include Article III, as follows:

**ARTICLE III
Bamboo Near Public Thoroughfares**

§126-11 Title. This article shall be known as an "Ordinance to Prohibit Bamboo along a Public Thoroughfare."

§126-12 Intent and Purpose. The Township has determined that the planting, cultivating and growing of certain noxious plants and grasses, particularly those plants and/or grasses commonly referred to as "Bamboo," has a negative impact on the health, safety and welfare of the citizens of Worcester Township and the public at large. The Township has therefore determined that is in the best interests of the citizens of the Township and the public at large to prohibit the planting, cultivating and/or growing of said Bamboo plants and grasses within the public right-of-way.

§126-13 Definitions. For the purposes of this ordinance, the following definitions shall apply:

BAMBOO – Any monopodial tropical or semi-tropical grasses from the genera *Bambusa*, *Phyllostachys*, or *Pseudosasa*, including, but not limited to, *Phyllostachys aurea* (Golden Bamboo), *Bambusa vulgaris* (common Bamboo), and *Pseudosasa japonica* (Arrow Bamboo).

PUBLIC THOROUGHFARE – Public highways, streets, roadways, trails, paths, and sidewalks.

§126-14 Planting restricted. Bamboo shall not be planted, maintained or otherwise be permitted to exist within 40 feet of the edge of the pavement or traveled portion of any public thoroughfare in Worcester Township. This shall apply to all parts of the Bamboo plant, including stalks, leaves, roots, and branches.

§126-15 Removal and abatement. Property owner(s) whose property contains Bamboo shall remove and abate the growth of the Bamboo within 40 feet of the edge of the pavement or traveled portion of a public thoroughfare in Worcester Township. After removal of the Bamboo, all rhizomes shall be disposed of by incineration.

§126-16 Enforcement and administration. The Township may enforce this article by any or all of the following measures;

- A. Provide written notice to a property owner to remove the Bamboo within a certain period of time.
- B. Move or cause the removal of any Bamboo that is interfering with the public thoroughfare and is growing within the right-of-way of a public thoroughfare within 40 feet of edge of the pavement or traveled portion of a public thoroughfare and charge the property owner with the cost of that work.
- C. Issue a non-traffic citation to the property owner(s) for violation of this article.

§126-17 Notice of violation; violations and penalties. A notice of violation may be issued followed by a citation, or a citation may be issued without being preceded by a notice of violation.


- A. Any action by any person, firm, corporation or other entity which violates or does not comply with any provision of this article or any regulation thereof shall be punishable by fine(s) as established in Section 126-17.B of this ordinance. Each day that a violation occurs shall be considered a separate violation.
- B. Any person, firm, corporation or other entity who violates or permits a violation of this article shall, upon being found liable therefor in a civil enforcement proceeding commenced by the Township before a Magisterial District Judge, pay a fine of not more than \$600, plus all court costs, including reasonable attorney's fees, incurred by the Township in the enforcement of this chapter. No judgment shall be imposed until the date of the determination of the violation by the Magisterial District Judge. If the defendant neither pays nor timely appeals the judgment, the Township may enforce the judgment pursuant to the applicable Rules of Civil Procedure. Each day a violation exists shall constitute a separate offense. Further, the appropriate officers or agents of the Township are hereby authorized to seek equitable relief, including injunction, to enforce compliance herewith.

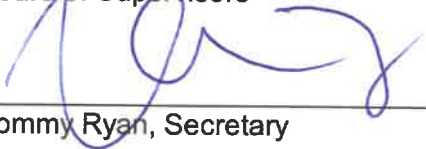
2. Miscellaneous provisions.

- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 21st day of June, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

Attest: 
Tommy Ryan, Secretary

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-270

**AN ORDINANCE AMENDING TO ESTABLISH REGULATIONS PERTAINING
TO THE LOCATION, PLACEMENT, CONSTRUCTION AND MAINTENANCE OF
TOWER-BASED WIRELESS COMMUNICATIONS FACILITIES AND
NON-TOWER WIRELESS COMMUNICATION FACILITIES, AND PROVIDING
FURTHER FOR THE REGULATION OF SUCH FACILITIES WITHIN THE
PUBLIC RIGHTS-OF-WAY AND OUTSIDE THE PUBLIC RIGHTS-OF-WAY**

NOW THEREFORE, IT IS HEREBY ORDAINED AND ENACTED, by the Board of Supervisors of Worcester Township, the Code shall be amended as follows:

SECTION 1 – Township Code is hereby amended to include a new chapter – Chapter 53, Wireless Communication Facilities – as follows:

SECTION 53-1. Purposes

- A. The purpose of this Article is to establish uniform standards for the siting, design, permitting, maintenance, and use of Wireless Communications Facilities in Worcester Township. While the Township recognizes the importance of Wireless Communications Facilities in providing high-quality communication services to its residents and businesses, the Township also recognizes that it has an obligation to protect public safety and to minimize the adverse visual effects of such facilities through the standards set forth in the following provisions.
- B. By enacting these provisions, the Township intends to:
1. provide for the managed development of Wireless Communications Facilities in a manner that enhances the benefits of wireless communication and accommodates the needs of both Township residents and wireless carriers in accordance with federal and state laws and regulations;
 2. establish procedures for the design, siting, construction, installation, maintenance and removal of both Tower-Based and Non-Tower Wireless Communications Facilities in the Township, including facilities both in and outside Rights-of-way;
 3. address new wireless technologies, including but not limited to, distributed antenna systems, data collection units, cable wi-fi and other wireless communications facilities;
 4. minimize the adverse visual effects and the number of such facilities through proper design, siting, screening, material, color and finish and by requiring that competing providers of wireless communications services co-locate commercial communications antennas and related facilities on existing towers; and,
 5. promote the health, safety and welfare of the Township residents.

SECTION 53-2. Definitions

Antenna — Any system of wires, rods, discs, panels, flat panels, dishes, whips, or other similar devices used for the transmission or reception of wireless signals. An Antenna may include an omnidirectional Antenna (rod), directional Antenna (panel), parabolic Antenna (disc) or any other wireless Antenna. An Antenna does not include Tower-Based Wireless Communications Facilities as defined below.

Co-location or Co-located — The mounting of one or more Wireless Communication Facilities, including Antennae, on an existing Tower-Based Wireless Communication Facility, or on any structure that already supports at least one Non-Tower Wireless Communication Facility.

Distributed Antenna Systems (DAS) — A network of spatially separated Antenna sites connected to a common source that provides wireless service within a geographic area or structure.

FCC — Federal Communications Commission.

Height of a Tower-Based WCF — The vertical distance measured from the ground level, including any base pad, to the highest point on a Tower-Based Wireless Communication Facility, including Antennae mounted on the tower and any other appurtenances.

Monopole — A Wireless Communication Facility that consists of a single pole structure, designed and erected on the ground or on top of a structure, to support communications Antennae and connecting appurtenances.

Non-Tower Wireless Communications Facility (Non-Tower WCF) — All Non-Tower Wireless Communications Facilities, including but not limited to, antennae and Related Equipment. Non-Tower Wireless Communication Facilities shall not include support structures for Antennae or any Related Equipment that is mounted to the ground or at ground-level.

Related Equipment — Any piece of equipment related to, incidental to, or necessary for, the operation of a Tower-Based Wireless Communication Facilities or Non-Tower Wireless Communication Facilities, including, but not limited to, generators and base stations.

Right-of-Way (ROW) — The surface of and space above and below any real property in which the Federal, State or Township government has a regulatory interest, or interest as a trustee for the public, as such interests now or hereafter exist, including, but not limited to, all streets, highways, avenues, roads, alleys, sidewalks, tunnels, viaducts, bridges, skyways, and any unrestricted public or utility easements established, dedicated, platted, improved or devoted for utility purposes, but excluding lands other than streets. The phrase "in the Rights-of-Way" and means in, on, over, along, above and/or under the Rights-of-Way.

Stealth Technology — Camouflaging methods applied to Wireless Communication Facilities, Antennae and other facilities which render them more visually appealing or blend the proposed facility into the existing structure or visual backdrop in such a manner as to render it minimally visible to the casual observer. Such methods include, but are not limited to, architecturally screened roof-mounted Antennae, building-mounted Antennae painted to match the existing structure and facilities constructed to resemble trees, shrubs, and light poles.

Substantially Change or Substantial Change — (1) Any increase in the height of a Wireless Support Structure by more than 10%, or by the height of one additional Antenna array with separation from the nearest existing Antenna not to exceed twenty (20) feet, whichever is greater, except that the mounting of the proposed Wireless Communications Facility may exceed the size limits set forth in the Township Code or in the Pennsylvania Wireless Broadband Collocation Act if necessary to avoid interference with existing Antennae; or (2) any further increase in the height of a Wireless Support Structure which has already been extended by more than 10% of its originally approved height or by the height of one additional Antenna array. Substantial Change may also include a certain size increase as defined by the Federal Communications Commission with regard to Related Equipment.

Tower-Based Wireless Communications Facility (Tower-Based WCF) — Any structure that is used for the purpose of supporting one or more Antennae, including, but not limited to, self-supporting lattice towers, guy towers, monopoles, utility poles and ground-based Distributed Antenna Systems facility structures. Distributed Antenna Systems' hub facilities are also considered to be Tower-Based Wireless Communications Facilities.

WBCA – Pennsylvania Wireless Broadband Collocation Act (53 P.S. §11702.1 *et. seq.*)

Wireless — Transmissions through the airwaves including, but not limited to, infrared line of sight, cellular, PCS, microwave, satellite, or radio signals.

Wireless Communications Facility (WCF) — The Antennae, nodes, control boxes, towers, poles, conduits, ducts, pedestals, electronics and other equipment used for the purpose of transmitting, receiving, distributing, providing, or accommodating wireless communications services.

Wireless Support Structure — A freestanding structure, such as a Tower-Based Wireless Communications Facility, utility pole, or any other structure that could support the placement or installation of a Wireless Communications Facility, if approved by the Township.

SECTION 53-3. Non-Tower Wireless Communications Facilities

- A. The following regulations shall apply to all Non-Tower Wireless Communications Facilities (Non-Tower WCFs):
1. Permitted in All Zoning Districts Subject to Regulations. Non-Tower WCFs are permitted in all Zoning Districts subject to the restrictions and conditions prescribed below and subject to applicable permitting by the Township.
 2. Prohibited on Certain Structures. Non-Tower WCFs shall not be located on single-family detached residences, single-family attached residences, or any residential accessory structure.
 3. Historic Resources. Non-Tower WCFs shall not be located on a property, building or structure that is (a) listed on the National or Pennsylvania Registers of Historic Places, or is eligible to be so listed, (b) listed on any official inventory of historic structures maintained by the Township, or (c) in the historic villages of Cedars, Center Point or Fairview Village, with the boundaries of each historic village as

shown on Exhibit A attached hereto, unless the owner is entitled to such installation by federal rules and regulations.

4. **Standard of Care.** Non-Tower WCFs shall be designed, constructed, operated, maintained, repaired, modified and removed in strict compliance with all current applicable technical, safety and safety-related codes, including but not limited to the most recent editions of the American National Standards Institute (ANSI) Code, National Electrical Safety Code, and National Electrical Code. Any Non-Tower WCF shall at all times be kept and maintained in good condition, order and repair by qualified maintenance and construction personnel, so that the same shall not endanger the life of any person or any property in the Township.
5. **Wind.** All Non-Tower WCF structures shall be designed to withstand the effects of wind according to the standard designed by the American National Standards Institute as prepared by the engineering departments of the Electronics Industry Association, and Telecommunications Industry Association (ANSI/EIA/TIA-222-E, as amended).
6. **Aviation Safety.** Non-Tower WCFs shall comply with all federal and state laws and regulations concerning aviation safety.
7. **Public Safety Communications.** Non-Tower WCF shall not interfere with public safety communications or the reception of broadband, television, radio or other communication services enjoyed by occupants of nearby properties.
8. **Radio Frequency Emissions.** Non-Tower WCF shall not, by itself or in conjunction with other Non-Tower WCFs, generate radio frequency emissions in excess of the standards and regulations of the FCC, including but not limited to, the FCC Office of Engineering Technology Bulletin 65 entitled "Evaluating Compliance with FCC Guidelines for Human Exposure to Radio Frequency Electromagnetic Fields," as amended.
9. **Removal.** In the event that use of a Non-Tower WCF is discontinued, the owner shall provide written notice to the Township of its intent to discontinue use and the date when the use shall be discontinued. Unused or abandoned Non-Tower WCFs or portions of Non-Tower WCFs shall be removed as follows:
 - a. Abandoned or unused Non-Tower WCFs and Related Equipment shall be removed within two (2) months of the cessation of operations at the site unless a time extension is approved by the Township.
 - b. If the Non-Tower WCF or Related Equipment are not removed within two (2) months of the cessation of operations at a site, or within any longer period approved by the Township, the Non-Tower WCF or Related Equipment may be removed by the Township and the cost of removal assessed against the owner of the Non-Tower WCF and/or against the owner of the property upon which the Non-Tower WCF or Related Equipment is located.
10. **Timing of Approval.** Within thirty (30) calendar days of the date that an application for a Non-Tower WCF is filed with the Township, the Zoning Officer shall notify the

applicant in writing of any information that may be required to complete such application. Within ninety (90) calendar days of receipt of a complete application, the Zoning Officer shall make a final decision on whether to approve the application and shall advise the applicant in writing of such decision. If additional information was requested by the Township to complete an application, the time required by the applicant to provide the information shall not be counted toward the Township's ninety (90) day review period.

11. Insurance. The owner and operator of a Non-Tower WCF shall provide the Township with a certificate of insurance that includes the Township as an additional insured, and that evidences general liability coverage in the minimum amount of \$1,000,000 per occurrence and property damage coverage in the minimum amount of \$1,000,000 per occurrence covering the Non-Tower WCFs.
 12. Indemnification. The owner and operator of a Non-Tower WCF shall, at his or her sole cost and expense, indemnify, defend and hold harmless the Township, its elected and appointed officials, employees and agents, at all times against any and all claims for personal injury, including death, and property damage arising in whole or in part from, caused by or connected with any act or omission of the owner, its officers, agents, employees or contractors arising out of, but not limited to, the construction, installation, operation, maintenance or removal of the Non-Tower WCF. The owner and operator shall defend any actions or proceedings against the Township in which it is claimed that personal injury, including death, or property damage was caused by the construction, installation, operation, maintenance or removal of a Non-Tower WCF. The obligation to indemnify, hold harmless and defend shall include, but not be limited to, the obligation to pay judgments, injuries, liabilities, damages, reasonable attorneys' fees, expert fees, court costs and all other costs of indemnification.
 13. Maintenance. To the extent permitted by law, the following maintenance requirements shall apply:
 - a. Non-Tower WCFs shall be fully automated and unattended on a daily basis, and shall be visited only for maintenance or emergency repair.
 - b. Maintenance shall be performed to ensure the upkeep of the facility in order to promote the safety and security.
 - c. Maintenance activities shall utilize the best available technology for preventing failures and accidents.
 14. Reservation of Rights. In accordance with applicable law, the Township reserves the right to deny an application for the construction or placement of any Non-Tower WCF for numerous factors, which include but are not limited to, visual impact, design, and safety standards.
- B. The following additional regulations shall apply to Non-Tower WCFs that do not Substantially Change the physical dimensions of the Wireless Support Structure to which they are attached:

1. Permit Required. Non-Tower WCF applicants that propose the modification of an existing Wireless Support Structure shall obtain a Zoning Permit from the Township. In order to be considered for such permit, the applicant must submit a permit application to the Township, on the form as prescribed by the Township.
 2. Non-Tower WCFs that do not Substantially Change the physical dimension of the Wireless Support Structure may be eligible for a sixty (60) day timeframe for review. Applicants shall assert such eligibility in writing to the Township and provide documentation reasonably related to determining whether the application is eligible for the shortened review and, if warranted, such application shall be reviewed within the sixty (60) day timeframe.
 3. Related Equipment. Ground-mounted Related Equipment greater than three (3) cubic feet shall not be located within twenty-five (25) feet of a lot in residential use or zoned residential.
 4. Permit Fees. The Township may assess appropriate and reasonable permit fees directly related to the Township's actual costs in reviewing and processing the application for approval of a Non-Tower WCF or \$1,000, whichever is less.
- C. The following additional regulations shall apply to Non-Tower WCFs that Substantially Change the Wireless Support Structure to which they are attached:
1. Permit Fees. The Township may assess appropriate and reasonable permit fees directly related to the Township's actual costs in reviewing and processing the application for approval of a Non-Tower WCF that that Substantially Change the Wireless Support Structure to which they are attached.
- D. The following additional regulations shall apply to Non-Tower WCFs located outside of Rights-of-Way:
1. Development Regulations. Non-Tower WCFs shall be co-located on existing Wireless Support Structures, and shall be subject to the following conditions:
 - a. The total height of any Wireless Support Structure and mounted Non-Tower WCFs shall not exceed the height limitation of the Wireless Support Structure permitted in the underlying zoning district by more than twenty (20) feet.
 - b. The owner and operator of Non-Tower WCFs must submit documentation that justifies the total height of the proposed Non-Tower WCF.
 - c. If Related Equipment is proposed to be located in a separate building or structure, the building or structure shall comply with all applicable requirements set forth in the zoning district.
 - d. A security fence not less than eight (8) feet in height shall surround any Related Equipment housed in separate building or structure, and landscaping shall be installed around the fencing, to provide four-season screening from all abutting properties. Vehicular access to the Non-Tower WCFs and Related

Equipment shall not interfere with the parking or vehicular circulation for the site's principal use.

2. Design Regulations. Non-Tower WCFs shall meet the following design conditions:
 - a. Non-Tower WCFs shall employ stealth technology and shall be treated to match the Wireless Support Structure to which they are attached, in order to minimize aesthetic impact. The stealth technology utilized shall be approved of the Township.
 - b. Satellite dishes and Antennae used for the purpose of providing television, phone, and/or internet connections at a private residence or business only shall be exempt from the design regulations enumerated herein.
3. Removal, Replacement and Modification. The removal, replacement and modification of Non-Tower WCFs and/or Related Equipment, for the purpose of upgrading or repairing the Non-Tower WCF and/or Related Equipment, shall be permitted, provided that such repair or upgrade increases neither the overall dimensions of the Non-Tower WCF nor the numbers of Antennae, and provide any required permit is obtained from the Township.
4. Inspection. The Township reserves the right to inspect Non-Tower WCFs to ensure compliance with the provisions noted herein, and with any other provision in Township Code or Federal or State Law. The Township and/or its agents shall have the authority to enter the property upon which a Non-Tower WCF is located at any time, upon reasonable notice to the operator, to ensure such compliance.

E. The following additional regulations apply to Non-Tower WCFs in Rights-of-Way:

1. Co-location. Non-Tower WCFs shall be co-located on existing Wireless Support Structures.
2. Design Requirements. Non-Tower WCFs shall meet the following design conditions:
 - a. All Non-Tower WCF components located above the surface grade shall be no greater than six (6') feet in height.
 - b. All equipment employed shall be the smallest and least visibly intrusive equipment feasible.
 - c. Antennae and all Related Equipment shall be treated to match the supporting structure, and Non-Tower WCFs and Related Equipment shall be painted, or otherwise coated, to be visually compatible with the Wireless Support Structure on which they are mounted.
3. Time, Place and Manner. The Township shall determine the time, place and manner of construction, maintenance, repair and/or removal of all Non-Tower WCFs in Rights-of-Way, based on public safety, traffic management, physical burden on the Right-of-Way, and related considerations, in the sole discretion of the Township.

4. **Equipment Location.** Non-Tower WCFs and Related Equipment shall be located so as not to cause any physical or visual obstruction to pedestrian or vehicular traffic, or to otherwise create safety hazards to pedestrians and/or motorists or to otherwise inconvenience public use of the Rights-of-Way, as determined by the Township, in its sole discretion. In addition:
 - a. Ground-mounted equipment, walls, or landscaping shall not be located within eighteen (18) inches of the face of the curb, or within an easement extending onto a privately-owned lot.
 - b. Ground-mounted equipment that cannot be undergrounded shall be screened, to the fullest extent possible, through the use of landscaping or other decorative features, to the satisfaction of the Township.
 - c. Graffiti on a Wireless Support Structure, Non-Tower WCF or Related Equipment shall be removed at the sole expense of the owner within ten (10) business days of the date of notice from the Township of the existence of the graffiti.
 - d. All underground vaults shall be reviewed and approved by the Township.
 5. **Relocation or Removal of Facilities.** Within sixty (60) days following written notice from the Township, or such longer period as the Township determines is reasonably necessary or such shorter period in the case of an emergency, an owner of a Non-Tower WCF in the Right-of-Way shall, at his or her own expense, temporarily or permanently remove, relocate, change or alter the position of any Non-Tower WCF when the Township determines that such removal, relocation, change or alteration is reasonably necessary to construct, repair, maintain or install a Township or other public improvement in the Right-of-Way; conduct operations of the Township, or to conduct the operations of another government entity in the Right-of-Way; vacate a roadway, or to establish or to release a utility or other easement; or, address an emergency as determined by the Township.
- F. Any Non-Tower Based WCF located on property owned by Worcester Township shall be exempt from any requirement noted in this section.

SECTION 53-4. Tower-Based Wireless Communication Facilities

- A. The following regulations shall apply to all Tower-Based Wireless Communications Facilities (Tower-Based WCFs):
 1. **Standard of Care.** Tower-Based WCFs shall be designed, constructed, operated, maintained, repaired, modified and removed in strict compliance with all current applicable technical, safety and safety-related codes, including but not limited to, the most recent editions of the American National Standards Institute (ANSI) Code, National Electrical Safety Code, National Electrical Code, as well as the accepted and responsible workmanlike industry practices of the National Association of Tower Erectors. Tower-Based WCFs shall at all times be kept and maintained in good condition, order and repair by qualified personnel, so that the same shall not endanger the life of any person or any property in the Township.

2. Permit Application. At the time a permit application is submitted to the Township the applicant shall provide documentation that:
 - a. Demonstrates the proposed height of the Tower-Based WCF is the minimum height required to operate the Tower-Based WCF. No applicant shall have the right under these regulations to erect a tower to the maximum height specified in this Article unless it proves the necessity for such height. The applicant shall demonstrate the Tower-Based WCF is proposed at the minimum height necessary for the service area.
 - b. Demonstrates that the communications system cannot adequately extend or infill its communications system by the use of antennae and/or Non-Tower WCFs.
 - c. Provides a propagation study evidencing the need for the Tower-Based WCF, as well as a description of the type and manufacturer of the proposed transmission/radio equipment.
 - d. Demonstrates the proposed Tower-Based WCF complies with all state and federal laws and regulations concerning aviation safety.
 - e. Provides a written commitment that it will allow other service providers to co-locate Non-Tower WCFs on the Tower-Based WCF where this is technically and economically feasible.
 - f. For a Tower-Based WCF that is located on a property with another principal use, provides documentation that the property owner has granted an easement for the proposed Tower-Based WCF, and that vehicular access will be provided to the facility.
 - g. Employ stealth technologies. All wireless communications equipment buildings and other accessory facilities shall be aesthetically and architecturally compatible with the surrounding environment and shall maximize the use of a like facade to blend with the existing surroundings and neighboring buildings to the greatest extent possible.
 - i. The Township may require that Related Equipment that houses electrical transmitters and like components be placed underground, unless determined to be detrimental to the functioning and physical integrity of such equipment.
 - ii. In making these determinations, the Township may consider whether that proposed promotes the harmonious and orderly development of the zoning district involved; encourages compatibility with the character and type of development existing in the area; benefits neighboring properties by preventing a negative impact on the aesthetic character of the community; preserves woodlands and trees existing at the site to the greatest possible extent; and encourages sound engineering and land

alterations. Should the owner of the Tower-Based WCF demonstrate that another provider of wireless communications services has agreed to co-locate facilities on the Tower-Based WCF, and this requires a greater tower height to provide satisfactory service for wireless communications, the total height of the Tower-Based WCF may exceed one hundred twenty (120) feet only if a waiver is granted by the Board of Supervisors.

7. **Related Equipment Building.** Any building or other structure housing Related Equipment shall comply with the required yard and height requirement of the applicable zoning district for an accessory structure.
8. **Public Safety Communications.** Tower-Based WCF shall not interfere with public safety communications or the reception of broadband, television, radio or other communication services enjoyed by occupants of nearby properties.
9. **Maintenance.** The following maintenance requirements shall apply:
 - a. Tower-Based WCFs shall be fully automated and unattended on a daily basis, and shall be visited only for maintenance or emergency repair.
 - b. Maintenance shall be performed to ensure the upkeep of the facility in order to promote the safety and security of the Township's residents.
 - c. Maintenance activities shall utilize the best available technology for preventing failures and accidents.
10. **Radio Frequency Emissions.** Tower-Based WCF shall not, by itself or in conjunction with other WCFs, generate radio frequency emissions in excess of the standards and regulations of the FCC, including but not limited to, the FCC Office of Engineering Technology Bulletin 65 entitled "Evaluating Compliance with FCC Guidelines for Human Exposure to Radio Frequency Electromagnetic Fields," as amended.
11. **Historic Properties and Conservancy Lands.** Tower-Based WCFs shall not be located on a property that is (a) listed on the National or Pennsylvania Registers of Historic Places, or is eligible to be so listed, (b) listed on any official inventory of historic properties maintained by the Township, (c) located in the historic villages of Cedars, Center Point or Fairview Village, with the boundaries of each historic village as shown on Exhibit A attached hereto, or (d) under conservation easement, unless the owner is entitled to such installation by federal rules and regulations.
12. **Signs.** Tower-Based WCFs shall post a sign in a readily visible location identifying the name and phone number of a party to contact in the event of an emergency. The only other signage permitted on the Tower-Based WCF shall be those required by the FCC, or any other federal or state agency.
13. **Lighting.** Tower-Based WCFs shall not be artificially lighted, except as required by law. If lighting is required, the owner shall provide a detailed plan for sufficient lighting, demonstrating as unobtrusive and inoffensive an effect as is permissible under state and federal regulations.

14. Noise. Tower-Based WCFs shall be operated and maintained so as not to produce noise in excess of applicable noise standards under state law and the Township Code, except in emergency situations requiring the use of a backup generator, where such noise standards may be exceeded on a temporary basis only.
15. Aviation Safety. Tower-Based WCFs shall comply with all federal and state laws and regulations concerning aviation safety.
16. Timing of Approval. Within thirty (30) calendar days of the date that a permit application for a Tower-Based WCF is filed with the Township, the Township shall notify the applicant in writing of any information that may be required to complete such application. All applications for Tower-Based WCFs shall be acted upon within one hundred fifty (150) days of the receipt of a fully completed application. If additional information was requested by the Township to complete an application, the time required by the applicant to provide the information shall not be counted toward the one hundred fifty (150) day review period.
17. Non-Conforming Uses. Non-conforming Tower-Based WCFs which are hereafter damaged or destroyed due to any reason or cause may be repaired and restored at their former location, but must comply with all applicable terms and conditions of these regulations that are necessary to protect public health and safety. Co-location on existing non-conforming Tower-Based WCFs is permitted.
18. Removal. In the event use of a Tower-Based WCF is planned to be discontinued, the owner shall provide written notice to the Township of its intent to discontinue use and the date when the use shall be discontinued. Unused or abandoned Tower-Based WCFs or portions of Tower-Based WCFs shall be removed as follows:
 - a. All unused or abandoned Tower-Based WCFs and accessory facilities shall be removed within six (6) months of the cessation of operations at the site unless a time extension is approved by the Township.
 - b. If the Tower-Based WCF and/or accessory facility is not removed within six (6) months of the cessation of operations at a site, or within any longer period approved by the Township, the Tower-Based WCF and accessory facilities and equipment may be removed by the Township and the cost of removal assessed against the owner of the Tower-Based WCF or against the owner of the property upon which the Tower-Based WCF is located.
 - c. Any unused portions of Tower-Based WCFs, including Antennae, shall be removed within six (6) months of the time of cessation of operations, and the Township must approve all replacements of portions of a Tower-Based WCF previously removed.
19. Permit Fees. The Township may assess appropriate and reasonable permit fees directly related to the Township's actual costs in reviewing and processing the application for approval of a Tower-Based WCF.

20. FCC License. The owner or operator of a Tower-Based WCF shall submit a copy of his or her current FCC license, including the name, address, and emergency telephone number for the operator of the facility.
 21. Reservation of Rights. In accordance with applicable law, the Township reserves the right to deny an application for the construction or placement of any Tower-Based WCF for numerous factors, including but are not limited to, visual impact, design, and safety standards.
 22. Insurance. The owner and operator of a Tower-Based WCF greater than forty (40) feet in height shall provide the Township with a certificate of insurance evidencing general liability coverage in the minimum amount of \$5,000,000 per occurrence and property damage coverage in the minimum amount of \$5,000,000 per occurrence covering the Tower-Based WCF. The owner and operator of a Tower-Based WCF forty (40) feet or less in height shall provide the Township with a certificate of insurance evidencing general liability coverage in the minimum amount of \$1,000,000 per occurrence and property damage coverage in the minimum amount of \$1,000,000 per occurrence covering each Tower-Based WCF.
 23. Indemnification. The owner and operator of a Tower-Based WCF shall, at his or her sole cost and expense, indemnify, defend and hold harmless the Township, its elected and appointed officials, employees and agents, at all times against any and all claims for personal injury, including death, and property damage arising in whole or in part from, caused by or connected with any act or omission of the Person, its officers, agents, employees or contractors arising out of, but not limited to, the construction, installation, operation, maintenance or removal of the Tower-Based WCF. The owner and operator of a Tower-Based WCF shall defend any actions or proceedings against the Township in which it is claimed that personal injury, including death, or property damage was caused by the construction, installation, operation, maintenance or removal of Tower-Based WCF. The obligation to indemnify, hold harmless and defend shall include, but not be limited to, the obligation to pay judgments, injuries, liabilities, damages, reasonable attorneys' fees, expert fees, court costs and all other costs of indemnification.
 24. Financial Security. Prior to permit issuance for a Tower-Based WCF, the owner and operator of a Tower-Based WCF shall provide to the Township financial security deemed by the Township to be sufficient to guarantee the removal of the Tower-Based WCF. Said financial security shall remain in place until the Tower-Based WCF is removed.
- B. The following additional regulations shall apply to Tower-Based WCFs located outside Rights-of-Way:
1. Development Regulations.
 - a. Tower-Based WCFs located outside Rights-of-Way shall be permitted in the following zoning districts only:
 - i. C – Commercial District;
 - ii. SC – Shopping Center; and,

- iii. LI – Limited Industrial District.
 - b. Tower-Based WCFs shall not be located within fifty (50) feet of any underground utility, with the exception of water and sanitary sewer lines.
 - c. Sole Use on a Lot. A Tower-Based WCF may be permitted as the sole use on a lot, provided that the underlying lot is at least two acres. The minimum distance between the base of a Tower-Based WCF and any adjoining property line or street right-of-way line shall equal not less than 40% of the proposed Tower-Based WCF structure height.
- 2. Design Regulations.
 - a. Tower-Based WCFs shall employ stealth technology in order to minimize aesthetic impact. The stealth technology utilized shall be approved of the Township.
 - b. To the extent permissible by law, height extensions to an existing Tower-Based WCF shall require, at a minimum, a Zoning Permit issued by the Township.
 - c. Tower-Based WCFs shall be designed structurally, electrically, and in all respects to accommodate co-locators.
 - d. Tower-Based WCFs forty (40) or more feet in height shall be equipped with an anti-climbing device, as approved by the manufacturer.
- 3. Surrounding Environs.
 - a. Existing vegetation, trees and shrubs located within three hundred (300) feet of Tower-Based WCFs shall be preserved to the maximum extent possible.
 - b. A security fence constructed of wood or wood-like composite material, and having a minimum height of eight (8) feet, shall completely surround any Tower-Based WCF, guy wires, and Related Equipment for a Tower-Based WCF forty (40) feet or greater in height. The fence shall not be topped with barbed wire.
 - c. Landscaping. Landscaping shall be required to screen as much of a newly constructed Tower-Based WCF and Related Equipment as possible. The Township may permit any combination of existing vegetation, topography, walls, decorative fences or other features instead of landscaping, if, in the discretion of the Township, this approach achieves the same degree of screening.
- 4. Access Road. An access road of at least twenty (20) feet in width, turnaround space and parking shall be provided to ensure adequate emergency and service access to Tower-Based WCF. Maximum use of existing roads, whether public or private, shall be made to the extent practicable. Road construction shall at all

times minimize ground disturbance and the cutting of vegetation. Road grades shall closely follow natural contours to assure minimal visual disturbance and minimize soil erosion. Where applicable, the owner and operator of the Tower-Based WCF shall present documentation to the Township that the property owner has granted an easement for the proposed facility.

5. Parking. For each Tower-Based WCF forty (40) feet or greater in height, there shall be two (2) off-street parking spaces.
6. Inspection. The Township reserves the right to inspect Tower-Based WCFs to ensure compliance with the provisions herein and any other provisions found within the Township Code or state or federal law. The Township and/or its agents shall have the authority to enter the property upon which a Tower-Based WCF is located at any time, upon reasonable notice to the operator, to ensure such compliance.

C. The following regulations shall apply to Tower-Based WCFs in Rights-of-Way:

1. Development Regulations.
 - a. Tower-Based WCFs forty (40) feet or greater in height are prohibited in Rights-of-Way.
 - b. Tower-Based WCFs less than forty (40) feet in height may be located along the following corridors and roadways, regardless of the underlying zoning district:
 - i. Berks Road;
 - ii. Bethel Road;
 - iii. Germantown Pike;
 - iv. Morris Road;
 - v. North Wales Road;
 - vi. Skippack Pike;
 - vii. Township Line Road;
 - viii. Valley Forge Road; and,
 - ix. Water Street Road.
 - c. Tower-Based WCFs shall not be situated in any Right-of-Way such that the Tower-Based WCF is directly between a residential dwelling unit and the roadway. However, Tower-Based WCFs may replace poles or other structures existing at the time of the adoption of these regulations, provided the Tower-Based WCF is of the same height, dimensions and location of the pole or other structure placed.
 - d. Tower-Based WCFs shall not be located within fifty (50) feet of any underground utility, with the exception of water and sewer lines.
2. Time, Place and Manner. The Township shall determine the time, place and manner of construction, maintenance, repair and/or removal of all Tower-Based WCFs in Rights-of-Way, based on public safety, traffic management, physical

burden on the Right-of-Way, and related considerations, in the sole discretion of the Township.

3. **Equipment Location.** Tower-Based WCFs and Related Equipment shall be located so as not to cause any physical or visual obstruction to pedestrian or vehicular traffic, or to otherwise create safety hazards to pedestrians and/or motorists or to otherwise inconvenience public use of Rights-of-Way as determined by the Township. In addition:
 - a. In no case shall ground-mounted equipment, walls, or landscaping be located within eighteen (18) inches of the face of the curb.
 - b. Ground-mounted equipment that cannot be installed below ground shall be screened, to the fullest extent possible, through the use of landscaping or other decorative features to the satisfaction of the Township.
 - c. Required electrical meter cabinets shall be screened to blend in with the surrounding area to the satisfaction of the Township.
 - d. Any graffiti on Tower-Based WCFs and Related Equipment shall be removed at the sole expense of the owner within ten (10) business days of the date of notice from the Township of the existence of the graffiti.
 - e. All underground vaults shall be reviewed and approved by the Township.
4. **Design Regulations.**
 - a. Tower-Based WCFs shall employ the stealth technology in an effort to blend into the surrounding environment. The Stealth Technology utilized shall be subject to the approval of the Township.
 - b. To the extent permissible under state and federal law, any height extensions to an existing Tower-Based WCF shall require prior approval of the Township.
 - c. Any proposed Tower-Based WCF shall be designed structurally, electrically, and in all respects to accommodate co-locators.
5. **Relocation or Removal of Facilities.** Within sixty (60) days following written notice from the Township, or such longer period as the Township determines is reasonably necessary or such shorter period in the case of an emergency, an owner of a Tower-Based WCF in the Right-of-Way shall, at his or her own expense, temporarily or permanently remove, relocate, change or alter the position of any Tower-Based WCF when the Township determines that such removal, relocation, change or alteration is reasonably necessary to: construct, repair, maintain or install a Township or other public improvement in the Right-of-Way; conduct operations of the Township, or to conduct the operations of another government entity, in the Right-of-Way; vacate a roadway, or to establish or to release a utility or other easement; or, address an emergency as determined by the Township.


6. Reimbursement for Use of Rights-of-Way. In addition to fees as described herein, every Tower-Based WCF in a Right-of-Way may be assessed an annual fee, payable to the Township, which fee shall constitute fair and reasonable compensation paid to the Township for the use of the Right-of-Way, as established by the Township and included on the Township Fee Schedule. Such fee shall reflect expenses incurred by the Township including, but not limited to, the costs to monitor, inspect and report on the Tower-Based WCFs and Related Equipment located in the Right-of-Way, and the enforcement of applicable regulations.
- D. Any Tower-Based WCF located on property owned by Worcester Township shall be exempt from any requirement noted in this section.

SECTION II - Miscellaneous provisions.

- A. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- B. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- C. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 16th day of August, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

Attest: 
Tommy Ryan, Secretary

Worcester Twp

- Abc Site Names
- Abc Addresses
- Dev Par
- ParcelsHighlight
- Parcels
- Twp Bndry



Exhibit A
Fairview
Village

SCALE 1 : 4,086



Worcester Twp



Exhibit A
Center
Point

- Abc Site Names
- Streets
- Parcels Overall
- Parcel
- Twp Bindry

SCALE 1 : 9,483

500 0 500 1,000 1,500
FEET

<http://www.cgoosi.com/P2/HS/cmisis8649/maps/aerialmap.mwf>

Friday, July 21, 2017 2:51 PM

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-271

ORDINANCE APPROVING THE INSTALLATION OF A STOP SIGN

IT IS HEREBY ORDAINED AND ENACTED BY THE TOWNSHIP AS FOLLOWS:

1. Township Code Chapter 145, Article III, §145-4, Stop Intersections, is hereby amended to add the following location for a stop intersection:

Stop Sign on	Direction of Travel	At Intersection of
North Wales Road	South	Yost Road

2. Miscellaneous provisions.
- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 20th day of September, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

Attest: 
Tommy Ryan, Secretary

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-272

**AN ORDINANCE TO AMEND THE DEFINED-BENEFIT PENSION PLAN,
AND TO CREATE A DEFINED-CONTRIBUTION PENSION PLAN**

WHEREAS, Worcester Township ("Township") created the Township of Worcester Non-Uniformed and Defined-Benefit Pension Plan ("Defined-Benefit Plan") on February 19, 2003, by Ordinance 2003-187; and,

WHEREAS, the Township now desires to amend the Defined-Benefit Plan, and further to close the Defined-Benefit Plan effective January 1, 2017; and,

WHEREAS, the Township further desires to create the Township of Worcester Non-Uniformed and Defined-Contribution Pension Plan ("Defined-Contribution Plan"), and to make the Defined-Contribution Plan available to qualifying employees with a start of employment date on or after January 1, 2017; and,

WHEREAS, by closing the Defined-Benefit Plan and creating a Defined-Contribution Plan, the Township will both better manage and significantly reduce its short and long-term benefit obligations, which is of great value to all Township taxpayers;

NOW THEREFORE, IT IS HEREBY ORDAINED AND ENACTED:

1. The Township adopts the restated Master Plan and Trust currently administered by the Pennsylvania State Association of Boroughs Municipal Retirement Trust, as last revised.
2. The Defined-Benefit Plan is hereby amended and closed, and is adopted as presented and included in Exhibit A attached hereto.
3. The Defined-Contribution Plan is hereby created, and is adopted as presented and included in Exhibit B attached hereto.
4. Township Code Chapter 18, Pension Plan, Non-Uniformed, is hereby amended to include the following:

§18-1 – The Township of Worcester Non-Uniformed and Defined-Benefit Pension Plan.

The Township of Worcester Non-Uniformed and Defined-Benefit Pension Plan was created on February 19, 2003, by Ordinance 2003-187, is closed to employees with a start of employment date on or after January 1, 2017. The full text of this plan is on file in the Township offices.

§18-2 – The Township of Worcester Non-Uniformed and Defined-Contribution Pension Plan.

The Township of Worcester Non-Uniformed and Defined-Contribution Pension Plan was created on September 20, 2017, by Ordinance 2017-272, and is available to qualifying employees with a start of employment date on or after January 1, 2017. The full text of this plan is on file in the Township offices.

5. Miscellaneous provisions.

- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 20th day of September, 2017.

FOR WORCESTER TOWNSHIP

By: 

Susan G. Caughlan, Chair
Board of Supervisors

Attest: 

Tommy Ryan, Secretary

EXHIBIT A



**Municipal
Retirement
TRUST**

**Pennsylvania State Association of Boroughs
Municipal Retirement Trust**

2941 North Front Street, Harrisburg, PA 17110

(717) 236-9526 | (800) 232-7722 | Fax (717) 972-0690 | www.mrtpensions.org

CHAPTER III

DEFINED BENEFIT PENSION PLAN JOINDER AGREEMENT (Other than Act 600)

FOR THE

**TOWNSHIP OF WORCESTER
DEFINED BENEFIT NON-UNIFORMED PENSION PLAN**

DATE: September 13, 2017

(EFFECTIVE DATE: JANUARY 1, 2017)

CHAPTER III
DEFINED BENEFIT PENSION PLAN JOINDER AGREEMENT
(Other than Act 600)

FOR THE
TOWNSHIP OF WORCESTER
DEFINED BENEFIT NON-UNIFORMED PENSION PLAN

PART I

DEFINITIONS

Part I-1

(1.01)
ACCRUED BENEFIT

- (A) "Accrued Benefit" shall mean, as of any given date, the Participant's projected monthly normal retirement benefit, determined in accordance with the formula provided under section 4.01 of Chapter III of the Master Plan and Trust, multiplied by a fraction, the numerator of which is the Participant's Years of Credited Service as of the date of determination and the denominator of which is the total Years of Credited Service which would be credited to the Participant as of his Normal Retirement Date if the Participant's regular employment with the Employer were to continue until such date. Notwithstanding anything contained herein to the contrary, in no event shall the fraction exceed one (1.0).
- (B) "Accrued Benefit" shall mean, as of any given date, the Participant's monthly benefit determined in accordance with the formula provided under section 4.01 of Chapter III of the Master Plan and Trust, which amount shall be based upon the Participant's Years of Credited Service and Average Monthly Compensation determined as of such date and which shall represent, as of a given date, the monthly benefit that would be payable at the Participant's Normal Retirement Date (or the Actuarial Equivalent thereof), provided the Participant satisfies any requirements set forth hereafter for entitlement to receive such benefit.

(Check one of the above)

Part I-2

(1.02)
ACCUMULATED CONTRIBUTIONS N/A

The interest rate to be credited on a Participant's contributions to the Plan in accordance with section 1.02 of Chapter III of the Master Plan and Trust shall be:

- (A) _____ percent per annum. Such interest shall be credited annually in the form of a
- simple interest rate

compound interest rate

(B) Actual interest rate under the Trust.

(Check one of the above)

Part I-3

(1.03)

ACTUARIAL EQUIVALENTS

The factors to be used in determining Actuarial Equivalents shall be:

7 percent interest, and UP-1984 Mortality Table rates

Part I-4

(1.07)

COMPENSATION

(A) Compensation shall include the following:

- | | |
|--|--|
| <input type="checkbox"/> W-2 pay | <input checked="" type="checkbox"/> Base pay |
| <input type="checkbox"/> Overtime pay | <input type="checkbox"/> Holiday pay |
| <input type="checkbox"/> Vacation pay | <input type="checkbox"/> Court time pay |
| <input type="checkbox"/> Sick pay | <input type="checkbox"/> Unused sick pay |
| <input type="checkbox"/> Longevity pay | <input type="checkbox"/> Unused vacation pay |
| <input type="checkbox"/> Bonuses | <input type="checkbox"/> Pay for unused personal leave |
| | <input type="checkbox"/> Other: _____ |

(Check as many of the above as are applicable)

Compensation shall specifically exclude:

- Lump sum payment of any kind
- Lump sum payments outside of the averaging period
- Other: _____

(Check one of the above)

(B) The period over which compensation shall be averaged in order to determine Average Monthly Compensation shall be the following:

- | | |
|---|---------------------------------------|
| <input type="checkbox"/> 36 months | <input type="checkbox"/> 48 months |
| <input checked="" type="checkbox"/> 60 months | <input type="checkbox"/> Other: _____ |

Average Monthly Compensation shall be averaged over the averaging period specified above which:

- is the averaging period immediately preceding the Participant's retirement or other termination of active employment.
- is the averaging period which produces the highest average.
- consecutive months only.
- limited to the last _____ months of service.

(Check one of the above)

Part I-5

(1.08)
CONTINUOUS EMPLOYMENT N/A

"Continuous Employment" shall also include employment with the following related entities:

Part I-6

(1.10)
EFFECTIVE DATE shall mean January 1, 2017

- If this Agreement provides for the adoption of a new plan, the "Effective Date" shall be the date upon which the Plan originally becomes effective.
- If this Agreement provides for the amendment and restatement of any existing plan, the "Effective Date" shall be the effective date of the amended and restated plan.

Part I-7

(1.11)
EMPLOYEE

The term "Employee" shall exclude the following classes of employees of the Employer:

- Any uniformed employee.
- Any employee who is not employed on a regular full-time basis; for this purpose, a full-time employee shall mean an employee who is regularly scheduled to work for at least thirty-five (35) hours per week.
- Any employee covered by another plan sponsored by the Employer
- Other: Any employee hired on or after January 1, 2017 for purposes of the Defined Benefit Pension Plan. Instead, those employees shall be covered by the provisions of the new Money Purchase Plan, the terms of which are contained in a separate Joinder Agreement under Chapter IV of the Trust, effective January 1, 2017.

(Check as many of the above categories as are applicable)

Part I-8

(1.12)

EMPLOYER:

Township of Worcester

Located in Montgomery County

Part I-9

(1.17)

NORMAL RETIREMENT AGE shall mean:

Attainment of age 65.

The later of (a) or (b):

(a) the date when the Participant attains _____;

(b) the date when he completes _____ Years of Service.

Other: _____

(Check one of the above)

Part I-10

(1.20)

PLAN NAME:

Township of Worcester Non-Uniformed Defined Benefit Pension Plan

Part I-11

(1.21)

PLAN YEAR

If the Plan Year is not the calendar year, designate the period, which will serve as the Plan Year:

the twelve-month period beginning on _____ and ending on _____

Part I-12

(1.22)

SERVICE CREDITED FOR BENEFITS

- “Year of Credited Service” shall refer to a twelve month period of Continuous Employment during which a Participant is employed by the Employer and making any mandatory contributions which may be required as a condition of participation hereunder. Years of Credited Service shall be calculated in whole years and completed months of Continuous Employment.
- “Year of Credited Service” shall refer to a twelve month period of Continuous Employment beginning on the Participant’s Employment Commencement Date during which the Participant completes one thousand (1000) Hours of Service and making any mandatory contributions which may be required as a condition of participation hereunder.
- “Year of Credited Service” shall exclude Continuous Employment prior to the original effective date of plan inception.
- Other: _____

(Check one of the above)

PART II
ELIGIBILITY

Part II-1 (2.01)
ENTRY DATES

The date(s) upon which Employees who have satisfied the Plan's eligibility requirements may enter the Plan are the following:

- the first day of the Plan Year;
- the first day of any calendar month;
- any day during the Plan Year;
- Other: _____

(Check one of the above)

Part II-2 (2.01)
ELIGIBILITY REQUIREMENTS

Each Employee shall become a Participant in the Plan when he satisfies the following eligibility requirements:

- attainment of age _____;
- completion of the following period of service: _____

- the date when the Employee authorizes payment of mandatory contributions to the Plan, in accordance with section 3.02 of Chapter III of the Master Plan and Trust;
- Other: Date of hire.

(Check as many of the above categories as are applicable)

- (A) New Plans
(Eligibility rules uniform for all employees.)

Any Employee shall become eligible to become a Participant in accordance with the "Eligibility Requirements" set forth in the first paragraph of this Part II-2.

- (B) New Plans
(Different eligibility requirements for employees hired subsequent to the Effective Date.)

Each Employee who is employed on the Effective Date shall become a Participant in the Plan as of the Effective Date.

Each Employee hired subsequent to the Effective Date shall become a Participant in the Plan in accordance with the "Eligibility Requirements" set forth in the first paragraph of this Part II-2.

- (C) Restated Plans or Plans of municipalities at Distress Levels II or III (as defined under the Act).

Each Employee who was a Participant in the Plan on the day preceding the Effective Date of the restatement shall continue as a Participant on and after such Effective Date, subject to the terms of the Plan.

Each other Employee shall become a Participant in the Plan in accordance with the "Eligibility Requirements" set forth in the first paragraph of this Part II-2.

(Check the category which applies)

Participants in the Plan

- shall
- shall not

be required to make mandatory contributions to the Plan as a condition of employment with the Employer.

(Check the applicable block)

Exceptions:

Part II-3

(2.02)

RE-EMPLOYMENT

If an Employee is re-employed by the Employer subsequent to incurring a Break in Service, the Employee's prior Continuous Employment:

- shall be disregarded for all purposes under the Plan;
- shall be re-credited for purposes of determining eligibility to participate and vesting but not for benefits;
- shall be re-credited for all purposes under the Plan;
- shall be re-credited only if the Employee returns to active employment within twelve (12) months of the date when he incurred the Break in Service;
- shall be re-credited with the Employee's prior service only if the Employee repays any refund of contributions, plus interest, which the Employee received prior to the Employee's termination with the Employer;
- Other: _____

(Check one of the above)

PART III

EMPLOYEE CONTRIBUTIONS

Part III-1

PARTICIPATION CONTRIBUTIONS:

(A) (3.02)

MANDATORY CONTRIBUTIONS:

- (i) Each Participant shall, as a condition of participation hereunder, make contributions to the Plan at a rate of:

- Participants are not required to make contributions to the Plan.

(Check one of the above)

- (ii) Effective _____ the Participant Contributions required under section 3.02 of Chapter III of the Master Plan and Trust shall be "picked up" by the Employer and shall be treated as Employer contributions pursuant to Code section 414(h)(2).

(B) (3.03)

VOLUNTARY CONTRIBUTIONS:

- Participants are permitted to make voluntary contributions to the Plan in accordance with the provisions of section 3.03 of Chapter III of the Master Plan and Trust.
- Participants are not permitted to make voluntary contributions to the Plan.

(Check one of the above)

PART IV

RETIREMENT BENEFITS

Part IV-1

(4.01)

NORMAL FORM OF RETIREMENT BENEFITS

(A) The Normal Form of retirement benefit hereunder shall be:

- a single life annuity;
- an annuity, with 120 months certain;
- Other: _____

(Check one of the above)

(B) The benefit formula for determining the amount of a Participant's Normal Retirement Benefit referenced under section 4.01 of Chapter III of the Master Plan and Trust shall be:

- (i) _____ % of the Participant's Average Monthly Compensation; or
- (ii) _____ % of the Participant's Average Monthly Compensation multiplied by the Participant's Years of Credited Service; or
- (iii) \$ _____ per month;
- (iv) \$ _____ per Year of Credited Service per month.
- (v) _____ % of the Participant's Average Monthly Compensation, plus _____ % of the Participant's Average Monthly Compensation in excess of \$ _____ multiplied by the Participant's Years of Credited Service;
- (vi) _____ % of the Participant's Average Monthly Compensation, plus _____ % of the Participant's Average Monthly Compensation in excess of \$ _____
- (vii) Other: 1.3 percent of the Participant's Average Monthly Compensation multiplied by his years of credited service from January 1, 1993.

(Check one of the above)

(C) MINIMUM AND MAXIMUM BENEFITS N/A

- Notwithstanding the above, the minimum normal retirement benefit payable under section 4.01 of Chapter III of the Master Plan and Trust shall be \$ _____ per month.
- Notwithstanding the above, the maximum normal retirement benefit payable under section 4.01 of Chapter III of the Master Plan and Trust shall be \$ _____ per month.
- Notwithstanding the above, a Participant's Years of Credited Service shall be limited to a maximum of _____ years.
- Other: _____

(Check any of the above which are applicable)

Part IV-2

(4.02)

EARLY RETIREMENT BENEFITS (Check one of the following)

- (A) This Plan will not provide for early retirement benefits.
- This Plan will provide for early retirement benefits in accordance with section 4.02 of Chapter III of the Master Plan and Trust.
- (B) A Participant's Early Retirement Date shall be: (Check one of the following, if applicable)
 - The first of the month coincident with or next following the Participant's attainment of age 62.
 - The first of the month coincident with or next follow the later of:
 - (a) the date when the Participant attains age _____; and
 - (b) the date when the Participant completes _____ Years of Service.

(C) AMOUNT OF EARLY RETIREMENT BENEFIT
(Check any of the following, which are applicable)

The early retirement benefit payable to a participant shall be equal to the following:

- (i) a deferred benefit payable at Normal Retirement Date equal to:
 - the Participant's Accrued Benefit determined as of the Participant's Early Retirement Date;

Other: _____

(ii) an immediate benefit commencing on or after the Participant's Early Retirement Date but prior to the Participant's Normal Retirement Date equal to:

- the amount described in paragraph (i) above reduced by 1/180 for each of the first 60 months by which payment precedes Normal Retirement Date and by 1/360 for the 61st through 120th months by which payment precedes Normal Retirement Date.
- the amount described in paragraph (i) above reduced by 0.5% per month for each month by which payment precedes Normal Retirement Date.
- Other: The amount described in paragraph (i) actuarially reduced for payment preceding Normal Retirement Date.

Part IV-3

(4.04)

LATE RETIREMENT BENEFIT (Check one of the following)

A Participant who retires on a Late Retirement Date shall be permitted to receive a pension based on the normal retirement benefit formula contained in section 4.01 of Chapter III of the Master Plan and Trust, and such late retirement benefit shall be equal to:

- the Participant's Accrued Benefit determined as of the Participant's Late Retirement Date and reflecting compensation and service credited subsequent to the Participant's Normal Retirement Date;
- Other: _____

Part IV-4

(4.05)

COST-OF-LIVING INCREASE (Optional)

(A) This Plan:

- shall
- shall not

provide for an annual cost-of-living increase as set forth in section 4.05 of Chapter III of the Master Plan and Trust.

(B) The annual cost of living adjustment shall be determined as of the :

Anniversary date of such Participant's retirement

January 1st of each Plan Year

Other: _____

(C) Such cost-of-living increase shall be equal to

CPI index to be used in calculating increases is _____

(D) The following special restrictions shall apply to the cost-of-living increase:

It shall apply only to Participants hired on or after
_____ (date).

It shall apply only to Participants who retired on or after
_____ (date).

It shall apply only to Participants in pay status as of
_____ (date).

It shall apply to all current and future retirees.

It shall apply to all disability retirees who have attained Normal Retirement Age.

Other: _____

PART V

FORMS OF BENEFIT PAYMENT

Part V-1

(5.01)

FORMS OF BENEFIT PAYMENT

The Normal Form of benefit payment is set forth in **Part IV-1(A)** of the Joinder.

If a Participant elects not to receive the Participant's benefits in the Normal Form, the Participant may elect to receive payment of the Participant's benefits in one of the following optional forms as described in section 5.01 of Chapter III of the Master Plan and Trust:

- a 50 percent contingent annuitant benefit;
- a 66-2/3 percent contingent annuitant benefit;
- a 75 percent contingent annuitant benefit;
- a 100 percent contingent annuitant benefit;
- a life annuity, with 60 months certain;
- a life annuity, with 120 months certain;
- a life annuity, with 180 months certain;
- a single life annuity;
- Other: _____

(Check any of the above categories which are applicable)

Special restrictions applicable to any of the above forms:

Part V-2

(5.02)

COMMENCEMENT OF BENEFITS

Benefit payments shall commence as of the:

- beginning of the month; and
 - shall be prorated from the attainment of Normal Retirement Age to the date the first payment commences.
 - shall not be prorated.
- end of the month; and
 - shall be prorated from the attainment of Normal Retirement Age to the date the first payment commences.
 - shall not be prorated.

(Check one of the above, if applicable)

PART VI

DISABILITY RETIREMENT BENEFITS

Part VI-1

(6.02)

(A) DISABILITY BENEFITS (Check one of the following)

- This Plan shall not provide for disability benefits.

- This Plan shall provide for disability benefits in accordance with the following:
 - A Participant shall be eligible to receive disability benefits if the Participant has become Totally and Permanently Disabled (as defined below) and:
 - the Participant has completed ____ Years of Service;
 - the Participant has attained age ____;
 - when the sum of age and service equal _____;
 - no age or service requirements.
 - Other: _____

(B) “TOTALLY AND PERMANENTLY DISABLED” or “TOTAL AND PERMANENT DISABILITY” shall mean: (Check one of the following, if applicable)

- a condition of physical or mental impairment due to which a Participant is unable to perform any and every duty of a gainful occupation for which the Participant is reasonably fitted through training, education and experience, which continues for a period of at least six (6) months and will be permanent and continuous for the remainder of the Participant's lifetime and due to which a Participant is certified by the Social Security Administration as being eligible for Social Security disability benefits;

- a condition of physical or mental impairment due to which a Participant is unable to perform any customary duties of his employment with the Employer;

- a condition of physical or mental impairment due to which a Participant is prevented from engaging in any substantial occupation, except other than solely for purposes of rehabilitation;

Other: _____

No Participant shall be deemed to be "Totally and Permanently Disabled" for the purpose of this Plan if the Participant's incapacity results from: (a) chronic alcoholism or addiction to narcotics; (b) engagement in a felonious criminal enterprise, or resulted from an intentionally self-inflicted injury, or; (c) if such disability was incurred while in the armed services of any country.

(C) TYPE OF DISABILITY BENEFIT

The disability benefit payable hereunder shall be: (check either (i), (ii), (iii) or (iv), if applicable)

(i) a temporary disability benefit payable from the first of the month coincident with or immediately following the date when the Participant's employment terminates due to Total and Permanent Disability and continuing until the date of the Participant's Normal Retirement Date, at which time such disability payments shall cease and the Participant's retirement benefit, if any, shall thereupon become payable in accordance with the following rules:

the normal retirement benefit shall be calculated in accordance with section 4.01 of Chapter III of the Master Plan and Trust on the basis of the Participant's Years of Credited Service as of the date when the Participant's employment terminated due to Total and Permanent Disability; or

the normal retirement benefit shall be calculated by crediting the Participant with additional Years of Credited Service for the entire period during which the Participant was subject to Total and Permanent Disability as if the Participant had continued in full-time employment with the Employer throughout such period;

Other: _____

(ii) a disability retirement benefit commencing as of the first of the month that coincides with or immediately follows the date when the Participant's employment terminates due to Total and Permanent Disability and continuing throughout the Participant's life until the first day of the month in which the Participant's death occurs;

- (iii) a disability retirement benefit commencing as of the date, which would have been the Participant's Normal Retirement Date had the Participant continued in active employment with the Employer, and based upon:
 - (a) the Participant's Years of Credited Service as of the date when the Participant's employment terminated due to Total and Permanent Disability; or
 - (b) the Participant's Years of Credited Service, determined as if the Participant had continued in the full-time employment of the Employer throughout the entire period during which the Participant is subject to Total and Permanent Disability up to the date which would otherwise have been the Participant's Normal Retirement Date.
- (iv) a disability retirement benefit commencing after six (6) months of Total and Permanent Disability and continuing throughout the Participant's life until the first day of the month in which the Participant's death occurs.

(D) AMOUNT OF DISABILITY BENEFIT

The amount of a Participant's disability benefit provided hereunder shall be equal to: **(Check one of the following, if applicable)**

- (i) the Participant's Accrued Benefit determined as of the date when the Participant's employment terminates due to Total and Permanent Disability;
- the Actuarial Equivalent of the Participant's Accrued Benefit determined as of the date when the Participant's employment terminates due to Total and Permanent Disability;
- \$ _____ per month;
- the Participant's Accrued Benefit determined as of the date which would have been the Participant's Normal Retirement Date, based upon continuation of the Participant's credited service throughout the period of the Participant's Total and Permanent Disability and upon the Participant's rate of compensation at the time the Participant's employment terminates due to such disability;
- Other: _____

(ii) The amount in subsection (i) above shall be offset by:
(Check all that apply)

- the amount of Social Security disability payments received by the Participant;
- the amount of any disability payments received from any other disability plan to which the Employer has contributed;
- Other: _____

(E) DETERMINATION OF SERVICE UPON RE-EMPLOYMENT
(Check one of the following, if applicable)

If any person is re-employed subsequent to receiving disability benefits such Participant's service shall be determined as follows:

- the Participant's service shall be determined as of the date when the Participant's employment terminated due to Total and Permanent Disability;
- the Participant shall receive credit for years of service for vesting during the period for which any disability payments were received, but the Participant's Years of Credited Service shall be determined as of the date when the Participant's employment originally terminated due to Total and Permanent Disability;
- the Participant shall be credited with Years of Service and Years of Credited Service throughout the period of the Participant's Total and Permanent Disability;
- Other: _____

PART VII
DEATH BENEFITS

Part VII-1

(7.02)

(A)

PRE-RETIREMENT DEATH BENEFITS

(Check the categories below, which are applicable)

- This Plan shall not provide for any pre-retirement death benefits (excepting only a refund of Accumulated Contributions, if applicable).
- A pre-retirement death benefit shall be provided to the surviving spouse or beneficiary, as applicable, of an eligible Participant who dies prior to retirement in accordance with the following criteria:

(i) A Participant shall not be eligible for coverage by the pre-retirement death benefit unless or until the Participant:

- has completed _____ Years of Service;
- dies while in the active employ of the Employer before becoming eligible to receive any other benefit under the Plan;
- dies after becoming vested but prior to commencement of payment of the vested benefit;
- Other: _____

(ii) The death benefit provided hereunder shall be:

- the pre-retirement surviving spouse benefit described in section 7.02(a) of Chapter III of the Master Plan and Trust;
- a lump sum benefit equal to _____

- Other: A monthly survivor benefit is payable to the spouse of a married participant or designated beneficiary of an unmarried participant. Such spouse or beneficiary may select one of two forms of payment (indicated as a) or b) below). The amount of the survivor benefit is the amount that would have been payable if the participant

had terminated the day before the date of death, elected to commence benefits at the earliest possible date (apply early retirement reduction factors if under normal retirement age), selected either a) the actuarially reduced joint and 50% survivor annuity option or b) the actuarially reduced 10 years certain and continuous annuity where the spouse/beneficiary was designated for survivor benefits, and died the next day. The spouse or beneficiary shall be presented with amounts and payment periods for option a) and b) and shall make their selection for a payment form in writing. If the Actuarial Equivalent present value of the survivor benefit under either option is less than \$5,000, the spouse or beneficiary may elect payment of their survivor benefit in a single lump-sum equal to such present value in lieu of monthly payments.

(B) POST-RETIREMENT DEATH BENEFITS
(Check the categories below, which are applicable)

The post-retirement death benefit, if any, provided by the Plan shall be limited to the form of benefit payment in force for such Participant at the time the Participant's death occurs.

In addition to any other benefits payable from the Plan, a post-retirement death benefit shall be payable to Participants who have retired and begun receiving benefits in the following amount:

a lump sum amount equal to \$ _____;

Other: _____

PART VIII

TERMINATION OF EMPLOYMENT

Part VIII-1 VESTING SCHEDULE

(Check one of the following)

<input type="checkbox"/>	<u>Completed Years of Service</u>	<u>Vested Percentage</u>
	4	40%
	5	45%
	6	50%
	7	60%
	8	70%
	9	80%
	10	90%
	11	100%

<input type="checkbox"/>	<u>Completed Years of Service</u>	<u>Vested Percentage</u>
	Fewer than ____	0%
	____ or more	100%

<input type="checkbox"/>	<u>Completed Years of Service</u>	<u>Vested Percentage</u>
	5	25%
	6	30%
	7	35%
	8	40%
	9	45%
	10	50%
	11	60%
	12	70%
	13	80%
	14	90%
	15	100%

<input checked="" type="checkbox"/>	<u>Completed Years of Service</u>	<u>Vested Percentage</u>
	3	20%
	4	40%
	5	60%
	6	80%
	7 or more	100%

<input type="checkbox"/>	Other <u>Completed Years</u>	<u>Vested Percentage</u>
	<u>of Service</u>	

IN WITNESS WHEREOF, the Employer has caused this Plan and Trust to be executed this
_____ day of _____ 20_____.

All funds transferred to the Pennsylvania State Association of Boroughs Municipal Retirement Trust shall remain in the Trust for a minimum period of one (1) year, unless withdrawn for the specific purpose of making benefit distributions to participants or payment of administrative expenses.

ATTEST:

MUNICIPALITY:

**AUTHORIZED SIGNATURES FOR
THE PSAB BOARD OF TRUSTEES:**

EXHIBIT B



**Municipal
Retirement
TRUST**

**Pennsylvania State Association of Boroughs
Municipal Retirement Trust**

2941 North Front Street, Harrisburg, PA 17110

(717) 236-9526 | (800) 232-7722 | Fax (717) 972-0690 | www.mrtpensions.org

CHAPTER IV

MONEY PURCHASE PLAN JOINDER AGREEMENT

FOR THE

TOWNSHIP OF WORCESTER DEFINED CONTRIBUTION NON-UNIFORMED PENSION PLAN

DATE: September 13, 2017

(EFFECTIVE DATE: JANUARY 1, 2017)

CHAPTER IV
MONEY PURCHASE PLAN JOINDER AGREEMENT
FOR THE
TOWNSHIP OF WORCESTER
DEFINED CONTRIBUTION NON-UNIFORMED PENSION PLAN

PART I

DEFINITIONS

Part I-1

(1.03)

BOARD shall mean the:

- Borough Council
- Board of Supervisors
- Board of Commissioners
- Other: _____

Part I-2

(1.05)

(A) COMPENSATION shall include: **(Check all that apply.)**

- All compensation earned by the Employee and paid by the Employer reportable on Form W-2
- Base pay only
- Base pay and _____
- Other: _____

Compensation shall specifically exclude:

- Lump sum payments of any kind
- Compensation earned, paid, or attributable to any part of the Plan Year before a new Employee's Entry Date or during which an Employee did not meet the participation requirements set forth in section 2.01.
- Other: _____

(B) Compensation, as defined in (A) above, shall be the Participant's compensation determined as of:

- the first day of each calendar month.

- the first day of each Plan Year.
- the last day of each Plan Year.
- Other: the last day of each pay period.

(Check one of the above.)

Part I-3

(1.06)

CONTINUOUS SERVICE

- Continuous Service shall also include periods of employment with the following related entities: _____
- Continuous service shall exclude periods of service prior to the original Effective Date of the Plan's inception.

Part I-4

(1.07)

EFFECTIVE DATE: January 1, 2017

(If this Agreement provides for the adoption of a new plan, the "effective date" shall be the date upon which the plan originally becomes effective. If this Agreement provides for the amendment and restatement of any existing plan, the "effective date" shall be the effective date of the amended and restated Plan.)

Part I-5

(1.08)

EMPLOYEES NOT ELIGIBLE TO PARTICIPATE

The class of Employees eligible to participate under the Plan shall **exclude** the following:

- any person whose customary employment by the Employer, exclusive of overtime, is for thirty five (35) hours or less per week;
- any person covered by any other retirement plans to which the Employer makes contributions;
- Other: _____

(Check as many of the above categories as are applicable.)

Part I-6 (1.09)
"EMPLOYER"

In accordance with Section 1.09 of Chapter IV of the Master Plan and Trust, the "Employer" shall be specified as follows:

Township of Worcester

Located in Montgomery County

Part I-7 (1.10)
ENTRY DATES

The date(s) upon which Employees who have satisfied the Plan's eligibility requirements may enter the Plan are the following:

upon commencement of employment.

the first day of any calendar month

January 1st or July 1st

Other: _____

(Check one of the above.)

Part I-8 (1.13)
"NORMAL RETIREMENT AGE" shall mean:

attainment of age 65, or

the later of the date when an employee:

(i) attains of age __, or

(ii) completes __ Years of Continuous Service, or

completion of ____ Years of Continuous Service.

(Check one of the above.)

Part I-9

(1.15)

PLAN or PLAN NAME

For purposes of Section 1.15 of Chapter IV of the Master Plan and Trust, the name of the "Plan" shall be:

The Township of Worcester Non-Uniformed Defined Contribution Pension Plan

Part I-10

(1.16)

PLAN YEAR

If the Plan Year is not a calendar year, it shall be the twelve-month (12) period commencing each _____ and ending on the subsequent _____.

PART II

ELIGIBILITY AND PARTICIPATION

Part II-1

(2.01)

ELIGIBILITY REQUIREMENTS

Each Employee shall become a Participant on the Entry Date coincident with or next following the date when the Employee satisfies the following eligibility requirements:

- No age or service requirements
- attainment of age _____;
- Completion of the following period of service: _____

Other: Date of hire

(Check as many of the above categories as are applicable.)

- (A) New Plans
(Eligibility rules uniform for all employees.)

Each Employee shall become eligible to become a Participant in accordance with the Eligibility Requirements set forth in the first paragraph of this Part II-1.

- (B) New Plans
(Different eligibility requirements for Employees hired subsequent to the Effective Date)

Each Employee who is employed on the Effective Date shall become a Participant in the Plan as of the Effective Date.

Each Employee hired subsequent to the Effective Date shall become a Participant in the Plan in accordance with the Eligibility Requirements set forth in the first paragraph of this Part II-1.

- (C) Restated Plans
Each Employee who was a Participant in the Defined Benefit Plan on the day preceding the Effective Date shall continue as a Participant on and after the Effective Date, subject to the terms of the Defined Benefit Plan.

Each other Employee shall become a Participant in the Benefit Plan in accordance with the Eligibility Requirements set forth in the first paragraph of this Part II-1.

(Check the category which applies.)

MANDATORY PARTICIPATION

Employees

- shall
- shall not

be required to make mandatory contributions to the Plan as a condition of employment with the Employer.

(Check the applicable block.)

Exceptions: _____

Part II-2

(2.03)

RE-EMPLOYMENT

If an Employee is re-employed by the Employer subsequent to incurring a Break in Service, the Employee's prior Continuous Service:

- shall be disregarded for all purposes under the Plan;
- shall be re-credited for all purposes under the Plan;
- shall be re-credited only if the Employee returns to active employment within twelve (12) months of the date when the Employee incurred the Break in Service;
- Other: _____

(Check one of the above.)

PART III

CONTRIBUTIONS AND ALLOCATIONS

Part III-1

(3.01)

EMPLOYER CONTRIBUTIONS

The Employer shall make contributions to the Plan which, together with forfeitures, shall be in an amount equal to:

- _____% of the amount of each Eligible Participant's Mandatory Employee Contributions to the Plan.
- Five percent (5%) of each Eligible Participant's Compensation.
- \$ _____ per month;
- _____% of each Eligible Participant's Voluntary Employee Contributions up to _____.
- \$ _____ per year per Eligible Participant
- \$ _____ per year; prorated, however, if the Employee was not a Participant the entire Plan Year due to the Entry Date, termination of employment or any other period of non-participation
- Other: _____

Part III-2

(3.02)

PARTICIPANT CONTRIBUTIONS:

(A) **MANDATORY EMPLOYEE CONTRIBUTIONS:**

- Each Participant shall, as a condition of participation hereunder, make contributions to the Plan at a rate of: _____
- Participants are not required to make contributions to the Plan.

(Check one of the above.)

(3.03)
(B) VOLUNTARY EMPLOYEE CONTRIBUTIONS:

- Participants are permitted to make voluntary contributions to the Plan in accordance with the provisions of Section 3.03 of Chapter IV of the Master Plan and Trust.
- Participants are not permitted to make voluntary contributions to the Plan.

(Check one of the above.)

PART IV
ALLOCATION AND INVESTMENT
OF CONTRIBUTIONS

Part IV-1

(4.02)

DEFINITION OF ELIGIBLE PARTICIPANTS

“Eligible Participants” shall include the following:

- Participants who are employed on the last day of the Plan Year;
- Participants who have completed a Year of Continuous Service during the Plan Year;
- Participants who retire, die or become disabled during the Year;
- Participants who are making mandatory contributions as required under Part III-2(A) of the Joinder;
- Participants who are employed any time during the Plan Year.
- Other: _____

(Check as many of the above categories as are applicable.)

PART V

VALUATION OF ASSETS

Part V-I

(5.01)

MAINTENANCE OF INDIVIDUAL ACCOUNTS

The individual Account, maintained on behalf of each Participant, shall be credited or debited (as the case may be) with the allocable share of such Participant in the Investment Fund:

- resulting from Employer contributions (including forfeitures as a part thereof), Employee contributions (if any) and appreciation or depreciation in the value of the Investment Fund, as set forth herein.
- resulting from Employer contributions, Employee contributions (if any) plus, any forfeitures which are available and appreciation or depreciation in the value of the Investment Fund, as set forth herein.

(Check one of the above.)

PART VI
BENEFITS

Part VI-1

(6.03)

EARLY RETIREMENT BENEFITS

(A) This Plan:

- shall not provide for early retirement benefits.
- shall provide for early retirement benefits in accordance with the provisions of Section 6.03 of Chapter IV of the Master Plan and Trust.

(Check one of the above.)

(B) A Participant's Early Retirement Date shall be:

- the first of the month coincident with the Participant's attainment of age 62.
- the first of the month coincident with or next following the later of (a) or (b);
 - (a) the Participant's attainment of age 62;
 - (b) the date when the Participant completes 7 Years of Continuous Service.
- Other: _____

(Check one of the above if applicable.)

Part VI-2

(6.04)

DISABILITY BENEFITS

(A) This Plan:

- shall not provide a disability benefit.
- shall provide a disability benefit in accordance with Section 6.04 of Chapter IV of the Master Plan and Trust.

(Check one of the above.)

(B) "TOTAL AND PERMANENT DISABILITY" shall mean that due to mental or physical injury or illness:

- a Participant is unable to perform any customary duties of employment with the Employer;
- a Participant is prevented from engaging in any substantially gainful occupation, except other than solely for purposes of rehabilitation;
- a Participant is unable to perform any and every duty of any gainful occupation for which the Participant is reasonably fitted through training, education and experience, that such condition shall continue for a period of at least six (6) months, shall be permanent and continuous for the remainder of the Participant's lifetime and due to which a Participant shall be certified by the Social Security Administration as being eligible for Social Security disability benefits;
- Other: _____

(Check one of the above if applicable)

Part VI-3

(6.05)
DEATH BENEFITS

(A) This Plan:

- shall not provide a death benefit to any Participant who dies prior to entitlement to receive any retirement or vested benefit from the Plan.
- shall provide a death benefit in accordance with the terms of Section 6.05 of Chapter IV of the Master Plan and Trust;

(Check one of the above.)

(B) The amount of such benefit shall be equal to:

- the fair market value of the Participant's Account;
- an amount equal to the face value of any life insurance policies maintained on behalf of such Participant by the Trustee;
- Other: _____

(Check the categories above which apply, if any.)

PART VII
PAYMENT OF BENEFITS

Part VII-1

(7.01)

FORMS OF BENEFIT PAYMENT

The following methods of benefit distribution shall be permitted in accordance with the terms of Section 7.01 of Chapter IV of the Master Plan and Trust:

- in a lump sum.
- by the purchase of a single premium non-transferable annuity Contract from a legal reserve life insurance company, which Contract shall conform with the distribution requirements set forth in the Plan and which, except as otherwise provided in the Plan, shall be for such term and in such form as the Employer in its discretion shall determine;
- by transfer to the Participant of any life insurance Contract(s) held as a part of the Participant's Account; or
- by surrendering any Contract(s) on the Participant's life for its cash value and distributing same in accordance with one of the above-designated permissible forms of distribution.

(Check as many of the above categories as are applicable.)

PART VIII

**TERMINATION OF EMPLOYMENT
AND VESTING**

Part VIII-1 (8.01)
VESTING SCHEDULE

The following vesting schedule shall be applied under Section 8.01(a) of Chapter IV of the Master Plan and Trust:

- Completed Years of
Continuous Service

	<u>Vested Percentage</u>
Less than 4	0%
4	40%
5	45%
6	50%
7	60%
8	70%
9	80%
10	90%
11	100%

- Completed Years of
Continuous Service

	<u>Vested Percentage</u>
Less than one	0%
one or more	100%

- Completed Years of
Continuous Service

	<u>Vested Percentage</u>
Less than 3	0%
3	20%
4	40%
5	60%
6	80%
7 or more	100%

- Other:
Completed Years of
Continuous Service

	<u>Vested Percentage</u>
--	--------------------------

(Check one of the above.)

Part VIII-2

(8.06)

FORFEITURES

Any values attributable to Employer Contributions in excess of the terminated Participant's vested interest shall be forfeited, and the aggregate of such forfeitures occurring in any Plan Year shall be:

- used to reduce the Employer's contribution to the Plan attributable to the Plan Year in which such forfeitures occurred (or in the year immediately subsequent thereto) including any administrative expenses incurred by the plan; any excess of said forfeitures over the said contribution shall be held in a suspense account and applied as soon as possible to reduce Employer contributions attributable to subsequent Plan Years.
- reallocated to other Participants under the Plan in a nondiscriminatory manner.

IN WITNESS WHEREOF, the Employer has caused this Plan and Trust to be executed this
day of _____, 20 _____.

All funds transferred to the Pennsylvania State Association of Boroughs Municipal Retirement Trust shall remain in the Trust for a minimum period of one (1) year, unless withdrawn for the specific purpose of making benefit distributions to participants or payment of administrative expenses.

ATTEST:

**AUTHORIZED SIGNATURE FOR
MUNICIPALITY:**

**AUTHORIZED SIGNATURE FOR
THE PSAB BOARD OF TRUSTEES:**

**TOWNSHIP OF WORCESTER
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE 2017-273

ORDINANCE APPROVING THE INSTALLATION OF A STOP SIGN

IT IS HEREBY ORDAINED AND ENACTED BY THE TOWNSHIP AS FOLLOWS:

1. Township Code Chapter 145, Article III, §145-4, Stop Intersections, is hereby amended to add the following location for a stop intersection:

Stop Sign on	Direction of Travel	At Intersection of
Kriebel Mill Road	West	Wood Bridge Lane <i>(left turn stop only)</i>

Stop Sign on	Direction of Travel	At Intersection of
Kriebel Mill Road	East	Wood Bridge Lane

2. Miscellaneous provisions.

- a. In the event that any section, subsection or portion of this Ordinance shall be declared by any competent court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this Ordinance. The invalidity of section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts. It is hereby declared to be the intention of the Township that this Ordinance would have been adopted had such invalid section, clause, sentence, or provision not been included therein.
- b. To the extent this Ordinance is inconsistent with the Code of Worcester Township, the provisions of this Ordinance shall take precedence. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.
- c. This Ordinance shall become effective immediately upon enactment.

ENACTED AND ORDAINED by the Supervisors of the Township of Worcester, Montgomery County, Pennsylvania on this 20th day of December, 2017.

FOR WORCESTER TOWNSHIP

By: 
Susan G. Caughlan, Chair
Board of Supervisors

Attest: 
Tommy Ryan, Secretary