

0080000000001

Carr Allison
(Requestor's Name)

305 S. Gadsden St
(Address)

Tallahassee, Fl. 32301
(Address)

222-2107

(City/State/Zip/Phone #)

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☐ MAIL

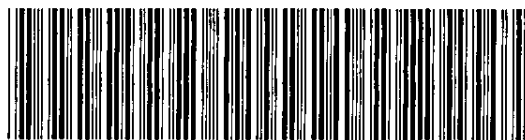
(Business Entity Name)

(Document Number)

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08 JAN - 2 PM 2:13

DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

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08 JAN - 3 AM 11:06

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

D WATE JAN - 4 2008

TRANSMITTAL LETTER

Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

SUBJECT: Palm Beach Windstorm Self Insurance Trust

Enclosed is an original and one (1) copy of the Declaration of Trust and a check for:

FEES:

Declaration of Trust	\$350.00
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OPTIONAL:

Certified Copy	\$ 8.75
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FROM: Palm Beach Windstorm Self Insurance Trust - Richard Duer
Name (Printed or typed)

525 SE Central Parkway
Address

Stuart, Florida 34994
City, State & Zip

(772) 631-4455
Daytime Telephone number



FLORIDA DEPARTMENT OF STATE
Division of Corporations

January 3, 2008

CARR ALLISON
305 S GADSDEN ST
TALLAHASSEE, FL 32301

SUBJECT: PALM BEACH WINDSTORM SELF-INSURANCE TRUST
Ref. Number: W08000000288

We have received your document for PALM BEACH WINDSTORM SELF-INSURANCE TRUST and your check(s) totaling \$350.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

A Declaration of Trust must comply with 609.02.

I have enclosed an application for your convenience.

Please return the corrected original and one copy of your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 245-6933.

Dale White
Regulatory Specialist II
New Filing Section

Letter Number: 008A00000295

**AFFIDAVIT TO THE FLORIDA SECRETARY OF STATE
TO FILE OR QUALIFY**

FILED

08 JAN -3 AM 11:06

Palm Beach Windstorm Self Insurance Trust

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

A Declaration of _____ **TRUST**

In accordance with Section 609.02 of the Florida Statutes, pertaining to
Common Law Declarations of Trust, the undersigned, the Chairman of the
Board of Trustees of Palm Beach Windstorm Self Insurance Trust, a
(Name of Trust)

Florida Trust hereby affirms in order to file or qualify
(State)

Palm Beach Windstorm Self Insurance Trust, in the State of Florida.
(Name of Trust)

1. Two or more persons are named in the Trust.
2. The principal address is 525 SE Central Parkway, Stuart, Florida 34994

3. The registered agent and street address in the State of Florida is:
Richard Duer, 525 SE Central Parkway, Stuart, Florida 34994

4. Acceptance by the registered agent: Having been named as registered
agent to accept service of process for the above named Declaration of Trust
at the place designated in this affidavit, I hereby accept the appointment as
registered agent and agree to act in this capacity.

Richard Duer

, Richard Duer

(Signature of Registered Agent)

5. I certify that the attached is a true and correct copy of the Declaration of
Trust under which the association proposes to conduct its business in
Florida.

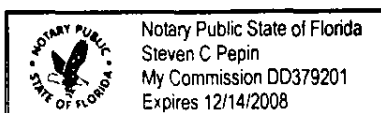
John Vivenzio
Name: John Vivenzio

Chairman of the Board of Trustees

NOTARY

Steven C. Pepin
CR2E063(3/00)

Filing Fee: \$350.00
Certified Copy: \$ 8.75 (optional)



FILED

PALM BEACH WINDSTORM SELF-INSURANCE TRUST

DECLARATION OF TRUST

Effective January 1, 2008

08 JAN -3 AM 11:06

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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**Palm Beach Windstorm Self-Insurance Trust
A Commercial Self-Insurance Fund**

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

AGREEMENT AND DECLARATION OF TRUST

DECLARATION OF TRUST made this 1st day of January 2008, by and between the Trustees who have signed this document as Trustees of the Trust herein created (hereinafter with their successors referred to as the "Trustees"); and the parties listed on APPENDIX B annexed hereto (hereinafter called the "Members"), who with their successors are the grantors; for the purpose of the continuation of the Commercial Self-Insurance Fund created on January 1, 2008 under the name of **The Palm Beach Windstorm Self Insurance Trust**, hereinafter the **Trust**, to satisfy the Members' obligations for the payment of Windstorm and Hail related property claims.

WITNESSETH

WHEREAS the Members are Florida Condominium and Cooperative Associations located in Palm Beach County, Florida and

WHEREAS each Member shall make Premium payments to the Trust as required by the Trust Administrator to secure their liability to pay claims for damage from windstorm and hail. These Premium payments will become Trust Assets and will constitute the self insurance trust fund held for the purposes set forth herein; and

WHEREAS each Member desires the Trustees and Trust Administrator to hold, invest, reinvest, and otherwise administer the funds as provided by the Florida Office of Insurance Regulation and regulations adopted pursuant thereto by the Florida Office of Insurance Regulation, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, and the Trustees have indicated their willingness to do so, pursuant to the terms hereof; and

WHEREAS each Member has been duly authorized by its President or other Officer to enter into a Commercial Self Insurance Fund by signing this Declaration of Trust and other related agreements providing for Membership in this Trust; and

WHEREAS each Member executes this agreement evidencing its intent to satisfy its obligations pursuant to Florida Law through a Commercial Self Insurance Fund and is bound by all terms, conditions, and obligations contained herein

NOW THEREFORE, in consideration of the foregoing premises and of the mutual covenants contained herein, the Trustees and the Members hereby covenant and agree as follows:

ARTICLE I – DEFINITIONS

For purposes of this Trust, the following terms shall have the following meanings:

1.1 Bylaws shall mean those Bylaws for the operation of the Trust adopted by the Trustees in accordance with the provisions of the Bylaws for their adoption and amendment.

1.2 Claims Administrator shall mean the agent of the Trustees retained to provide services to the Trust, including but not limited to the administration and defense of the claims of the Members, who shall be licensed by the Florida Office of Insurance Regulation as a claims Administrator.

1.3 Declaration of Trust or Agreement and Declaration of Trust shall mean this Agreement and Declaration of Trust dated January 1, 2008, by which the Trustees and the Members agree to the provisions creating the Trust created by this document.

1.4 Trust Administrator shall mean the agent of the Trustees retained to provide operational and administrative services to the Trust, who shall have the qualifications required of a Trust Administrator by the Rules and Regulations of Florida.

1.5 Insurer shall mean any insurance company authorized to do business in the State of Florida that furnishes any insurance contract to the Trust to provide any benefit to the Trust, to the Trustees or to any Member, including without limitation any excess insurance required.

1.6 Law shall mean the Florida State Statutes, as most recently amended.

1.7 Member shall mean a Florida Condominium or Cooperative within the meaning of the Law, who satisfies the requirements for eligibility contained in this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, and who has been accepted by the Trust for Membership in the Trust pursuant to the provisions of said documents.

1.8 Membership and Indemnity Agreement shall mean that agreement between the Trust and the Members pursuant to which a Member agrees to be Individually, Severally and Proportionately (but not Jointly) liable for any lawful claims against the Trust or any Member in the Trust, and to comply with other requirements of Membership in the Trust stated therein.

1.9 Trust shall mean the Commercial Self Insurance Fund established, operated and maintained in accordance with this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws to provide benefits to the Members as required by the Law, a component of which shall include the assessment and collection of Premium payments and the investment and distribution of Trust Assets.

1.10 Trust Assets shall mean the assets held hereunder by the Trust Administrator, including without limitation the annual Premium payments, assessments and other payments made by Members pursuant to this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws, all property and property rights acquired in connection with the investment thereof and any and all income therefrom, and increments and other assets received from time to time by the Trustees hereunder.

1.11 Trustees shall mean the Trustees of The Palm Beach Windstorm Self Insurance Trust designated in this Declaration of Trust, together with their successor Trustees designated and appointed in accordance with the provisions of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

ARTICLE II -- PURPOSES OF THE TRUST

2.1 Purpose. This Trust has been established for the following purposes:

(a) To establish and implement the Palm Beach Windstorm Self Insurance Trust, hereinafter, the Trust, in accordance with the Florida Commercial Self Insurance Fund, Statute 624. for eligible Members, which Commercial Self Insurance Fund has been approved by the Florida Office of Insurance Regulation;

(b) Through the establishment of the Trust, the related trust arrangements established hereunder, and the operative documents relating thereto, acting by and through any independent fiduciaries or other agents as they may retain, to collect, administer, manage and disburse the Trust Assets for the purpose of operating a Commercial Self Insurance Fund, and pursuant thereto to provide an insurance mechanism for satisfying the liabilities and obligations of the Members; and

(c) To cause the Trustees and the Members to perform their respective duties and responsibilities as set forth under the law, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, for the purpose of establishing, operating and maintaining the Trust, and thereby to provide said method of satisfying the obligations of Members.

ARTICLE III -- BENEFICIARIES

3.1 Description of Beneficiaries. The Grantors of this Declaration of Trust are, collectively, the Members in the Trust, have at any time been Members in the Trust, or become Members in the Trust henceforth. Said Members are beneficiaries hereunder for the express and limited purpose of the payment of their valid claims.

Notwithstanding the foregoing, in no event shall any Member have any right, interest or claim on the Trust Assets under this Declaration of Trust or pursuant to the operation of the Trust except for payments of windstorm and hail related claims.

ARTICLE IV – ELIGIBILITY, ADMISSION AND OBLIGATIONS OF MEMBERS

4.1 Eligibility for Membership. Any Condominium or Cooperative established under Florida Statutes 718 and 719, located east of Interstate Highway 95 and with in the County of Palm Beach, Florida.

4.2 Application for Membership. Each Member shall be admitted to the Trust only upon application to the Trust, acceptance of such applicant by the Trust in accordance with this Declaration of Trust and the Bylaws; due and proper execution and delivery of this Declaration of Trust and the Membership and Indemnity Agreement, and assent to the Bylaws; filing of the information required by the Law to be filed with the State for all those requesting approval of Membership in a Commercial Self Insurance Fund and completion of the application for Membership; and payment of any advance deposit, premium payments and assessments as required by this Declaration of Trust, the Law, the Membership and Indemnity Agreement or the Bylaws.

4.3 Payment of Premium Payments and Assessments. Each Member shall pay such Premium payments, assessments or other charges as may be determined by the Trust pursuant to the terms of this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws, in the manner prescribed by the Trustees, to the Trust for inclusion as part of the Trust Assets. Premium payments shall be paid on the schedule adopted by the Trust. Payment of Premium payments as required herein shall include the payment of any additional amounts found to be due after an audit performed or caused to be performed by the Trust Administrator.

4.4 Return of Premium payments. If any amount of money is received as a premium payment from any Condominium or Cooperative to the Trust as a Member, and said entity fails to qualify as a Member or is not approved for admittance, the full amount of such money received shall be returned to the non-Member pro-rated for any period of Membership during which coverage was provided, and the Trust shall have no further obligation to such entity.

4.5 Information Required From Members. Each Member shall, when so requested, furnish to the Trustees, the Trust Administrator, Claims Administrator or an Insurer, such information as may be reasonable and necessary for the proper administration and management of the Trust and the Trust Assets. Each member shall be required to produce at the request of the Trust Administrator on behalf of the trust, any financial information necessary for the administration of the Trust.

4.6 Voluntary Withdrawal; Termination of Membership. To the extent permitted by the Law, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, Members may withdraw from the Member at any time by notifying the Trust in writing.

A Member's Membership in the Trust may be terminated in accordance with the provisions of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, whenever such Member fails to meet the minimum standards for Membership in the Trust as defined further herein, upon **one hundred (100)** days prior written notice to such Member. However, the Trust shall give at least **one hundred**

(100) days written notice, or written notice by June 1, whichever is earlier, for any non renewal, cancellation, or termination that would be effective between June 1 and November 30.

Termination shall occur upon, but not be limited to, the occurrence of the following events:

- (a) A Member ceases to be eligible for Membership in the Trust under the terms of the Law, this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws; or
- (b) A Member no longer meets the underwriting standards adopted for all Members in the Trust, including those established by the excess insurance carrier, or
- (c) A Member fails to provide accurate information requested or required for Membership in the Trust; or
- (d) A Member fails to participate in the claims and loss control, programs required for all Members in the Trust; or
- (e) Failure of Member to cooperate in any claims investigation.

If a Member fails to pay the amounts due, pursuant to Section 4.3 of this Article, including any and all Premium payments and Assessments, the Member may be terminated upon ten (10) days prior written notice.

4.7 Financial Obligations of Members Upon Withdrawal or Termination. Upon withdrawal of a Member or termination of the Membership of any Member pursuant to this Article IV, all of the Member's interest in the Trust Assets shall cease, except to the extent necessary to pay claims for that Member arising from damage incurred prior to the effective date of the Member's withdrawal or termination and, except that such Member shall be entitled to its share of any distribution of excess funds that may have been declared due and owed to it by the Trust but which has not been paid as of the date of termination, or any distribution of excess funds that otherwise may be related to a period of time in which such withdrawing or terminated Member was a Member in the Trust, all in accordance with this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws. Provided, however, that any distribution of excess funds otherwise due to a Member who has withdrawn or been terminated from the Trust shall be adjusted if the former Member has any outstanding obligations to the Trust for the time period during which it was a Member in the Trust, up to the full amount of those obligations, plus any penalty authorized for a failure to pay amounts due in a timely fashion as required by this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws. The determination by the Trustees of the amount of any distribution of excess funds so due Upon termination of a Members membership, nothing herein shall be deemed to prohibit the Trust from seeking civil remedies to collect any amounts due and owing the trust by the member.

4.8 Notice Obligations of Member. Any knowledge or notice that a Member has Windstorm or Hail damage to insured property shall be deemed knowledge or notice on the part of the Trust. Any Member shall notify the Trust Administrator as soon as practical.

4.9 Confidentiality. It is understood that the members will be provided certain information in relation to the Trust and Trust Administrator which is either confidential, proprietary, or otherwise not generally available to the public. This information shall be held in strict confidence, will not be used other than in the operation and administration of the Palm Beach Windstorm Self-Insurance Trust, and will be protected from unauthorized disclosure by the member.

ARTICLE V-INDIVIDUAL, SEVERAL AND PROPORTIONATE LIABILITY OF MEMBERS

5.1 Individual, Several and Proportionate Liability for Payment of Awards. The Members in this Trust Individually, Severally and Proportionately (but not Jointly) covenant and agree to assume and discharge, by payment, any lawful award against the Trust or obligation of the Trust which it may become legally obligated to pay, for any Trust fiscal year or part thereof that such Member was a part of the Trust, whether or not still participating in the Trust.

5.2 Limitation on Individual Several and Proportionate Liability of Members. Nothing in this Declaration of Trust shall be construed as making one Member liable for the Premium payments required to be made by any other Member which is a party to this Declaration of Trust.

5.3 Duration of the Individual, Several and Proportionate Liability Obligations of Members. The Individual, Several and Proportionate (but not Joint) liability of the Members of the Trust established by this Declaration of Trust and the Membership and Indemnity Agreement shall survive a Member's withdrawal or termination from the Trust with respect to any obligations imposed upon the Trust by the Law, which arose out of and relate to any period of time during which the Member was a part of the Trust.

ARTICLE VI -- DESIGNATION OF TRUSTEES POWERS AND DUTIES OF THE TRUSTEES

6.1 Number and Qualifications of Trustees. The Trustees shall consist of no less than three (3) and no more than ten (10) natural persons designated as Trustees by this Declaration of Trust or elected thereafter as further provided herein and in the Bylaws. Each Trustee shall be a representative of a Member of the Palm Beach Windstorm Self Insurance Trust; no Member may have more than one representative serve concurrently as Trustees of the Trust. Each trustee shall serve a term of three years. The Trustees shall be representative of the Trust regarding geographic location, number of employees, premium size, etc. One additional Trustee may be appointed for each of the three consecutive years after commencement of the trust in accordance with Section 6.6 of this Agreement. Their term shall be three years.

6.2 Designation of Trustees. The Trustees listed in Appendix A hereto have been designated as Trustees of the Palm Beach Windstorm Self Insurance Trust pursuant to this Declaration of Trust, and have hereby accepted the responsibility along with the Trust Administrator of managing the Trust Assets and otherwise directing the affairs of the Trust for the benefit of the Members in the Trust; subject to the terms of the Law, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, for the period of time during which they remain a Trustee. By participating in this trust, each member ratifies and confirms the designation and appointment of the Trustees as the Trustees. Notwithstanding the provisions of Article XI, any change in the current Trustees of the Trust shall be deemed to effect an amendment to Appendix A, the listing of Current Trustees of the Palm Beach Windstorm Self Insurance Trust.

6.3 Responsibilities of the Trustees. The Trustees and Trust Administrator shall be responsible for performing such duties as may be necessary to operate and maintain this Trust to continue to provide coverage to the Members, and for the maintenance and preservation of Trust Assets sufficient to meet all the financial obligations of the Trust, consistent with this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws. The Trust Administrator shall be designated by the Trustees to facilitate the obligation of the trustees.

6.4 Term of Office of Trustees. Each Trustee shall hold office for three years or until he or she resign or be removed as Trustee, or until his or her death, incapacity or refusal to perform the duties delegated to Trustees.

6.5 Resignation or Removal of Trustees. Any of the Trustees may be removed as a Trustee of this Trust by the vote of a majority of the remaining Trustees, recorded in the written minutes of the meeting at which such vote occurs. Such vote may be taken at any meeting of the Trustees called in accordance with the provisions of the Bylaws, and shall become effective upon written notice to such Trustee. Any Trustee may resign his or her office at any time, upon **ten (10)** days prior written notice to the other Trustees and the Trust Administrator. A Trustee shall be considered to have ceased to serve hereunder upon his or her death, resignation, incapacity or refusal to perform the duties delegated to Trustees, and a successor Trustee shall be elected to fill his or her position. Notice of any resignation or removal shall promptly be furnished to the State.

6.6 Appointment of Successor Trustees. Upon the resignation or removal of any Trustee, or upon a vacancy in a Trustee position for any other reason, including section 6.1 of this agreement a successor Trustee shall be elected by a vote of the members then participating in the trust as provided in the Bylaws. Any successor Trustee elected by the Trustees shall, upon his or her acceptance in writing of the terms of this Declaration of Trust, be vested with all the rights, powers and duties of a Trustee hereunder. If as a result of any resignation or removal of Trustees which are not filled within **thirty (30)** days of the resignation or removal, the Trust Administrator shall take or direct such action as may be necessary to install successor Trustees. The last remaining Trustee shall continue to serve until at least one such successor Trustee is appointed or elected. If as a result of resignations or removal of Trustees, there would be no Trustee in office, successor Trustees shall be appointed in accordance with the Bylaws of the Palm Beach Windstorm Self-Insurance Trust. Each designation of a Trustee shall be by written

instrument signed by the person or persons entitled to make the designation, accepted by written instrument signed by a designated Trustee, and shall be kept on file with the official documents of the Trust. Notice of each such designation of successor Trustees shall promptly be furnished to the State.

6.7 Powers of Trustees. The Trustees may exercise all powers as may be reasonable or necessary for the management, operation and administration of the Trust and the Trust Assets, including without limitation the following powers, all of which shall be executed by the Trust Administrator in a fiduciary capacity and primarily in the interest of the beneficiaries of the Trust:

(a) To make and enter into contracts and to incur debts, liabilities and obligations.

(b) To sue and be sued, or to prosecute and defend any and all actions affecting the Trust or the Trust Assets, and to take all measures necessary or desirable in the prosecution or defense of any such claims in the name of the Palm Beach Windstorm Self-Insurance Trust. The Trustees may adjust, compromise or settle any suit, claim or demand, or waive or release any rights relating to the Trust or the Trust Assets.

(c) To collect all Premium payments, assessments and all other debts or payments due to or in connection with the Trust, whereupon the foregoing shall become part of the Trust Assets, and to pay from the Trust Assets all expenses incurred in connection with the operation of the Trust, , any fees or taxes, and all valid losses or claims attributable to any Member that in the judgment of the Trustees are due hereunder; to make all payments related to the obligations of the Trust under the Law, and to hold certain of the Trust Assets as reserves for anticipated liabilities.

(d) To provide or procure administrative and management services for the Trust (including management of the Trust Assets) or otherwise related to the interests of Members, including the retainer of a Trust Administrator and Claims Administrator and other suitable agents for actuarial services, accounting services, legal services, investment and fund management services, loss prevention services, or any other service or function as the Trustees may deem reasonable or necessary.

(e) To enter into contracts with and determine the duties and responsibilities of the Trust Administrator, the Claims Administrator and other agents retained by the Trust, and to direct the performance of their obligations under the terms of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

(f) To designate a bank or banks authorized to do business in Florida, , as a depository of the Trust Assets, and to designate one or more persons (which may include the Trust Administrator or the Claims Administrator) who may order payment from the Trust for authorized purposes or establish procedures to assure that Trust Assets are properly deposited and applied.

(g) To purchase reinsurance, excess insurance, or other insurance deemed necessary to protect the interests and integrity of the Trust and the Members or as required by the Rules and Regulations of the State, and thereby to permit the Trust to fulfill the Members' obligations under the Law; and to hold all insurance

policies issued to it by Insurers meeting qualifications established by the Rules and Regulations of the State and the Superintendent of Insurance under the terms of this Declaration of Trust and the Membership and Indemnity Agreement.

(h) To enforce the provisions of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, by which the Members have agreed to be bound, which shall define the operation and management of the Trust not inconsistent with the provisions of the Law and the Rules and Regulations of the State.

(i) To require such reports from the Members as shall be required by the Law or the Rules and Regulations of the State, or as the Trustees may deem reasonable or necessary for the proper administration of the Trust; to keep separate, true and accurate books of account and records of all transactions, and to file all reports and disclosures as required by the Law, the Rules and Regulations of the State, this Declaration of Trust, the Membership and Indemnity Agreement or the Bylaws.

(j) To inspect at any reasonable time such records of any Member or applicant as may be in any respect pertinent to the operation, management or administration of the Trust Assets, or as may be required to be disclosed by an Insurer or the Rules and Regulations of the State.

(k) To acquire, hold or dispose of any and all types or items of tangible or intangible property in which the Trust is permitted to invest by the Law and the Rules and Regulations of the State. No person dealing with the Trustees shall be bound to inquire into the validity or propriety of any such sale or other disposition of any such property.

(l) To exercise any conversion privilege, subscription rights or other options pertaining to or in connection with the securities or other properties held by the Trustees; to consent to or otherwise participate in any reorganization, consolidation, merger or adjustment related to any corporate reorganization or any other change affecting corporate securities held as Trust Assets; provided, however, that nothing in this paragraph shall be deemed to permit the Trustees to invest Trust Assets in any securities unless such investment is permitted by the Law and the Rules and Regulations of the State.

(m) To exercise by themselves, or by general or limited power of attorney, any right, including the right to vote any shares held pursuant hereto, in connection with any securities or other property held as Trust Assets; provided, however, that nothing in this paragraph shall be deemed to permit the Trustees to invest Trust Assets in any securities unless such investment is permitted by the Law and the Rules and Regulations of the State.

(n) To the extent permitted by applicable law and by the Rules and Regulations of the State, to invest all or any part of the Trust Assets in interest bearing deposits with a bank or similar financial institution, including but not limited to investments and time deposits, savings deposits, certificates of deposit or time accounts which bear reasonable rates of interest.

(o) To register any investment held as part of the Trust Assets in the name of the Trust, or in the name of a nominee, or to hold any investment in bearer form, as permitted by the Law and the Rules and Regulations of the State.

(p) To hold any part or all of the Trust Assets uninvested for a reasonable period of time, as may be required for the administration of the Trust.

(q) To make, execute and deliver as Trustees of the Trust Assets any and all advances, contracts, waivers, releases, or other instruments in writing that may be necessary or proper in connection with the exercises and implementation of the foregoing powers.

(r) To distribute to the Members any excess funds held as Trust Assets to the extent permitted by the Law and the Rules and Regulations of the State, consistent with the liabilities of the Trust and the terms and provisions of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

(s) To pay out of the Trust Assets all taxes of any and all kinds levied or assessed under existing or future laws upon or in respect to the Trust or any money, property or securities forming a part thereof, or any security transaction pertaining thereto, or, in the Trustees discretion to contest the validity of taxes, if the Trustees deem that such action is warranted.

(t) To cause any reports or returns required of the Trust to be filed with the appropriate governmental agency, as required by law.

(u) To perform such other duties and functions and exercise such rights as may be reasonably implied hereunder or under the terms of this Declaration of Trust, the Membership and Indemnity Agreement, the Bylaws or the Rules and Regulations of the State, or as directed by the State and as may be necessary or incidental to the powers and authority otherwise set forth in this Article VI. Such functions will be administered by the trust administrator

6.8 Interpretation of Trust Documents. The Trustees shall have the authority to construe and interpret the provisions of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, and any terms used therein, and any construction adopted by the Trustees in good faith shall be binding upon all Trust Members.

6.9 Responsibility over the Trust Assets. The Trustees and the Trust Administrator shall annually determine the amount of Premium payments the Trust shall collect to ensure the Trust Assets will be sufficient to meet the obligations of the Trust to the Members and to comply with the Rules and Regulations of the State. The Trustees and Trust Administrator are expressly authorized to annually establish such actuarially supported reserves as may be necessary or advisable to carry out the purposes of the Trust, consistent with the Law and the Rules and Regulations of the State.

The Trustees are also expressly authorized to make distributions of excess funds from the Trust Assets in an equitable manner, as they deem advisable, subject to the **prior approval of the Florida Office of Insurance Regulation**, consistent with the Law, the Rules and Regulations of the State, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

6.10 Assessments. The Trustees shall impose such assessments as may be required to enable the Trust to discharge its legal liabilities and other obligations and to maintain actuarially sound reserves, or as required by the State in accordance with the Law and the Rules and Regulations of the State. If the Trustees determine that the unreserved assets of the Trust are insufficient to meet the obligations of the Trust, the Trustees shall forthwith prepare and implement a plan to require an additional payment

by the Members in the form of an assessment which shall be sufficient to make up any deficiency determined by the Trustees to exist. The formula and method of assessment shall be determined by the Trustees, and shall be approved by the State, if such approval is required. Each Member who joins the Trust and is a Member in the Trust in a year which is determined to have a deficiency hereby agrees pay such assessments within the time period prescribed by the Trustees for payment, whether or not they are a Member in the Trust at the time the assessment is levied on Members.

6.11 Implicit Authority of Trustees in Financial Matters. No person dealing with the Trustees or their agents in connection with the Trust shall be obliged to review the application of any money or property held by the Trust or the Trustees, or to see that the terms of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws have been complied with, or inquire into the necessity or expediency of any act of the Trustees or their agents. With respect to every instrument executed by the Trustees, every person shall be entitled to assume conclusively that at the time of the delivery of said instrument, the Trust hereby created and established was in full force and effect, that said instrument was issued in accordance with the terms and conditions contained in this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, and that the Trustees were duly authorized and empowered to execute such instrument.

6.12 Trustee Compensation and Expenses. No Trustee shall receive compensation from the Trust for time spent in the performance of their duties. However, should any legal action or proceeding be commenced against a Trustee in his or her capacity as Trustee, for actions undertaken in connection with the performance of his or her duties as a Trustee, all costs and expenses of defending or settling any such legal action, including all attorney's fees, shall be an expense of the Trust and shall be paid from the Trust Assets.

ARTICLE VII -- ACCOUNTS AND RECORDS

7.1 Inspection and Audit of Accounts; Preservation of Records. The Trustees and Trust Administrator shall keep or cause to be kept accurate and detailed accounts of all investments, receipts, disbursements and other transactions entered into in connection with the operation of the Trust, and all such accounts and other records relating thereto shall be open to inspection and audit at reasonable times by the State and any Member. Such accounts and records relating to the Trust shall be audited annually or at such other time as may be necessary or as may be required by the Law or the Rules and Regulations of the State to determine the financial stability of the Trust, which audit shall be made by certified public accountants retained for this purpose by the Trustees, and shall include a review of the adequacy of the Trust's reserves by a qualified actuary. The Trustees shall maintain such records for such periods as required by the Law or the Rules and Regulations of the State, or such longer periods, as they deem appropriate, and make such provisions, as they deem appropriate for microfilming or other reproduction or preservation or destruction of records.

7.2 Reports to Members. The Trustees shall furnish each Member such financial reports from time to time as may be necessary to accurately reflect the status and performance of the Trust and the Trust Assets.

7.3 Annual Reports. In addition to the foregoing, the Trust shall file by April 1st of each year a written account setting forth the financial condition of the Trust and such other information as required and in a form required by the Law and the Rules and Regulations of the State.

ARTICLE VIII -- DUTY OF CARE; INDEMNIFICATION

8.1 Duty of Care. Each Trustee shall discharge his or her duties pursuant to this Declaration of Trust solely in the interest of the Members and for the purposes set forth herein with such ordinary care, skill, prudence and diligence which under the circumstances then prevailing a prudent person acting in a like capacity would use in the conduct of an enterprise of a like character and with like aims, all in accordance with the provisions of this Declaration of Trust; provided, however, that no Trustee shall be liable for any mistake of judgment or other action taken or omitted by such Trustee in good faith, nor for any action taken or omitted by any other Trustee, or by an agent or employee selected with reasonable care, providing that such person's performance was periodically reviewed by the Trustees and found to be satisfactory. The duties and obligations of the Trustees hereunder shall be expressly limited to those imposed upon them by this Declaration of Trust, notwithstanding any references herein to other agreements relating to a trust. No successor Trustee shall be held responsible for any property other than that which is delivered to him or her by the continuing co-Trustees or by prior Trustees.

8.2 Confidentiality. It is understood that the trustees will be provided certain information in relation to the Trust and Trust Administrator which is either confidential, proprietary, or otherwise not generally available to the public. This information shall be held in strict confidence, will not be used other than in the operation and administration of the Palm Beach Windstorm Self-Insurance Trust, and will be protected from unauthorized disclosure by the trustee.

8.3 Indemnification of Trustees. The Trust shall indemnify each of the Trustees whether or not then in office (and his or her personal representatives, administrators, heirs and assigns) and any other person who is or was a party or is threatened to be made a party to any threatened, pending or completed action or proceeding against the Trust, whether civil, criminal, administrative or investigative, other than any action by or in the right of the Trustees, by reason of the fact that he or she is or was an officer, employee or agent of the Trust, against expense, including attorneys' fees, judgments and fines actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner believed to be in or not opposed to the best interest of the Trust and the Members, and, with respect to any criminal action or proceeding, in the reasonable belief that his or her conduct was not unlawful. The right to indemnify for expenses shall also apply to the expenses of suits which are compromised or settled. The foregoing rights of indemnification shall be in addition to, and not exclusive of, all other rights to which such Trustee may be entitled under applicable law.

8.4 Trustee Liability Insurance. The Trust is hereby authorized and empowered to obtain liability coverage fully protecting the Trustees and the Trust from any loss or expense incurred, including reasonable attorney's fees, for all Trustee acts except those taken by the Trustees in bad faith or with the exercise of gross negligence in the performance of their duties described herein. The amount and form of such coverage shall meet any minimum requirements established by the Law and the Rules and Regulations of the State, and shall otherwise be in such amount and from as the Trustees deem appropriate. The cost of such coverage shall be an expense payable from the Trust Assets.

8.5 Bonding. The Trustees and Trust Administrator shall be bonded individually or under a blanket fidelity bond, in amounts determined appropriate by the Trustees and as required by the Rules and Regulations of the State. The cost of such bond shall be an expense payable from the Trust Assets.

ARTICLE IX -- TERMINATION OF THE TRUST

9.1 Termination. Upon prior approval of the Florida Office of Insurance Regulation and upon **thirty (30)** days written notice and in accordance with the requirements of the Law, the Rules and Regulations of the State, this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, this Declaration of Trust may be terminated at any time by unanimous written consent of all Members

9.2 Distribution of Trust Assets. The Trust Assets shall not be distributed to Trust Members upon termination of this Declaration of Trust unless:

- (a) The Trust actuary has determined that the Trust has fully and indefeasibly discharged all of its obligations under the Law and the Rules and Regulations of the State and otherwise to all third parties;
- (b) The Trustees certify in writing that they are satisfied that the termination provisions and restrictions imposed hereunder have been satisfied; and
- (c) Such distribution is approved by the Florida Office of Insurance Regulation in accordance with the Rules and Regulations of the State.

9.3 Payment of Obligations. Upon termination of the trust arrangement established hereunder, the Trustees, with **the prior approval of the Florida Office of Insurance Regulation**, shall conclude the affairs of the Trust promptly, and after payment of all debts and charges and all expenses of such termination, and provisions for all liabilities including reservation of funds adequate to assure that all outstanding claims and expenses payable pursuant to the Law will be discharged in accordance with terms of settlement applicable to such claims, the Trust Assets will be distributed only to the Members in accordance with the Law and the Rules and Regulations of the State and in accordance with the terms of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

9.4 Members' Obligations at Termination. If on cessation of activities as provided above, the remaining Trust Assets and any amounts available under the excess insurance carried by the Trust are insufficient to satisfy the obligations of the Trust, such deficiencies shall be made up by assessments against Members and former Members who

were participating in the Trust in any fiscal year in which such deficiency occurs, by a fair and reasonable method established by the Trustees and in accordance with the terms of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws. The Members acknowledge that under the individual, several and proportionate (but not joint) liability imposed on Members by the Law, by this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws, all Members participating in the Trust in a year in which there is any deficiency are responsible for any assessment levied upon the Members to make up that deficiency.

ARTICLE X -- AMENDMENTS

10.1 Amendments. The Trustees shall have the authority to amend this Declaration of Trust to comply with the laws of Florida, to comply with the Rules and Regulations of the State as adopted or amended hereafter, or to change the operational rules of the Trust in a manner deemed appropriate by the Trustees, for the benefit of the Members. Any such amendments must be adopted by vote of a majority of the Trustees then in office.

10.2 Effective Date of Amendments. Amendments approved by the Trustees as prescribed in Section 10.1 shall become effective after being filed with and approved by the State.

10.3 Notification to Members. A copy of any amendment approved by the Trustees and subsequently approved by the State shall be sent to each Member within ten (10) days of its final approval. The amendment shall be deemed ratified by a Member unless the Member, within **thirty (30)** days of the notice of amendment, shall give notice to the Trust of the Member's intent to withdraw from the Trust, whereupon such Member may withdraw from Membership in accordance with the terms of this Declaration of Trust, the Membership and Indemnity Agreement and the Bylaws.

ARTICLE XI -- GENERAL PROVISIONS

11.1 Notices. Whenever notice in writing is to be given hereunder, such notice if otherwise sufficient shall be considered duly given on the date on which it is mailed, postage paid to the latest address of a Member or other person on file with the Trustees and, if notice is to be given to the Trustees, on the date on which it is received by the Trust Administrator at the latest address for notice to Trustees. The Trust Administrator receiving any such notice shall forthwith deliver any such written notice to the Trustees.

11.2 Jurisdiction. This trust is created in the State of Florida, and all questions about its validity and construction, and of administration of the Trust Assets, shall be determined in accordance with the laws of the State of Florida.

11.3 Trustee Votes. All actions of the Trustees shall be authorized by at least a majority of the persons serving as Trustees and entitled to vote thereon. No Trustee shall vote on any matter which relates to him or her or to the Member he or she represents by name, or from which he or she alone or the Member he or she represents would profit financially; such limitation shall not be deemed to prohibit a Trustee from voting on a matter which provides a financial benefit to a class of Members that may include the Trustee or the Member he or she represents.

11.4 Severability. If any provision of this Declaration of Trust shall be declared to be void or unenforceable by any judicial or administrative authority, the validity of any other provisions of the Trust shall not be affected thereby.

11.5 Titles and Subtitles. Any titles or subtitles used in this Declaration of Trust are for the convenience of the parties and are not to be considered in construing or interpreting any term or provision hereof.

11.6 Multi-Part Execution Allowed. This Declaration of Trust may be executed in one or more parts, each of which shall be deemed to be an original document which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have set their hands on this date above written; by their signatures hereto they accept the terms of this Declaration of Trust and agree to serve as Trustees.

TRUSTEES:

John A. Binyo CHAIR
Wendy Haint

Date: 12-19-07

Date: 12/19/07

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TALLAHASSEE, FLORIDA