

LESSONS LEARNED FROM LOSSES MONTHLY NEWSLETTER – APRIL 2020

INDEMNITY AGREEMENTS



TO PROTECT AGAINST FUTURE LIABILITIES, PLEASE KEEP THE FOLLOWING IN MIND;

- Consult with your town's Solicitor.
- Consult with your RMC as they have an excellent understanding of identifying exposures and the transferring of risk.
- Check current indemnification agreements and contracts to ensure that they clearly indicate where responsibilities lie.
- If your town was to be named as an additional insured in a Certificate of Insurance or Contract, confirm that the Insurer has your town named as an additional insured. Do not assume the other party carried through with the promise.

Example: A member Town's ambulance was being test driven by repair facility employees when they rear ended another vehicle. The driver of that vehicle was injured and filed suit against the Town and the repair facility. The Town was not named as an additional insured on the repair facility's auto policy but they were listed as a Certificate Holder on the Certificate of Insurance. The repair facility's auto insurance carrier began to defend the Town, then chose to stop defending the Town, presumably because they were not listed as an additional insured. Involvement from Solicitor David DeWeese prompted the carrier's continued defense of the Town. The case was ultimately settled with no loss or legal costs or payments from the JIF/Member.