

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

A RESOLUTION authorizing the Director of Finance and Purchasing to execute an agreement with UMB Bank of Kansas City, MO, for the purpose of self-insuring the County's workers' compensation liabilities under the laws of the State of Missouri, at no cost to the County.

RESOLUTION NO. 20432, May 18, 2020

INTRODUCED BY Charlie Franklin, County Legislator

WHEREAS, the County has traditionally maintained a plan of self-insurance to comply with the workers' compensation laws of the State of Missouri; and,

WHEREAS, such a plan requires the County to place in escrow with a bank or trust company in the State of Missouri, acceptable to the Missouri Division of Workers Compensation, direct obligations of the United States in the amount of \$675,000.00 value; and,

WHEREAS, the County previously maintained the required escrow account with Commerce Bank of Kansas City, MO, whose corporate trust department has now been acquired by UMB Bank of Kansas City, MO; and,

WHEREAS, UMB Bank has agreed to continue to provide required escrow funds via the attached Agreements; now therefore,

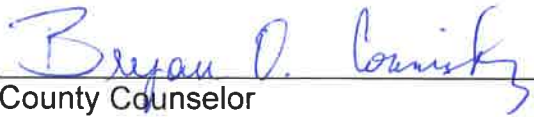
BE IT RESOLVED by the County Legislature of Jackson County, Missouri, that the Director of Finance and Purchasing be and hereby is authorized to execute, on behalf of the County, the attached Escrow Agreement and Side Letter Agreement with UMB Bank.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:



Chief Deputy County Counselor



County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution No. 20432 of May 18, 2020, was duly passed on May 26, 2020 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 6

Nays 0

Abstaining 0

Absent 3

5.26.2020
Date



Mary Jo Spino, Clerk of Legislature



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
ESCROW AGREEMENT

3315 West Truman Blvd.
P.O. Box 58
Jefferson City, MO 65102-0058
www.labor.mo.gov/DWC

NOTE REQUIRED OF SELF-INSURERS UNDER THE MISSOURI WORKERS' COMPENSATION LAW,
TO BE EXECUTED IN TRIPPLICATE, ONE COPY OF SAME TO BE FILED WITH THE DIVISION.

WHEREAS, Jackson County, Missouri, 415 E. 12th Street, Room 105
(NAME) (STREET NUMBER)
Kansas City, Missouri, 64106, has made
(CITY) (STATE) (ZIP CODE)

application to the Division of Workers' Compensation for the privilege of self-insuring his, her, their, or its own workers'
compensation liability, as prescribed by Section 287.280 RSMo, and

WHEREAS, the Division of Workers' Compensation, in order to ensure the payment of all existing, future, or potential
liabilities and obligations which may arise under the Missouri Workers' Compensation Law, requires as a condition
precedent to the granting of such privilege that the employer place in escrow with a bank or trust company in the State of
Missouri, acceptable to the Division, direct obligations (either bonds or notes or bills) of the United States in the amount
of \$675,000.00 value, or cash in said sum, in lawful United States Dollars.

In order to comply with said requirements, the employer agreed to place into escrow with Commerce Bank, N.A. the
("Original Escrowee"), the following securities and/or cash (escrow funds), as here designated:

Table with 2 columns: TYPE OF INVESTMENT, DENOMINATION OR VALUE. Row 1: U.S. Treasury Bill, U.S. Treasury Note, or U.S. Treasury Bond, \$675,000.00

and which upon maturity shall be reinvested in the same form of security; and

That Original Escrowee and employer entered into that certain prior escrow agreement dated June 12, 1997 (the
"Original Escrow Agreement") in connection with the deposit of such escrow funds; and

That as a result of UMB Bank, N.A., acquiring the corporate trust department of the Original Escrowee, UMB Bank,
N.A. has become the successor-in-interest to the Original Escrowee and shall hereinafter be referred to as "escrowee;"

That the parties hereto agree desire hereto to amend and restate the Original Escrow Agreement to reflect UMB Bank,
N.A., as the escrowee; and

That the employer and his, her, their, or its agents, heirs, successors, personal representatives, and assigns, and the
escrowee, its successors and assigns, expressly agree that in the event said employer or his, her, their or its agents, heirs,
successors, personal representatives, or assigns shall become insolvent and/or bankrupt within the meaning of the
Bankruptcy Act, 11 U.S.C. § 101 et seq., or shall fail to pay any award(s), approved settlement(s) or any other existing,
future and potential liabilities or obligations of the employer or his, her their, or its agents, heirs, successors, personal
representatives and assigns, under the Workers' Compensation Law within thirty (30) days after same become(s) final
(after the employer has exhausted his rights of review and appeal under the Workers' Compensation Law then upon order
or demand of the Division of Workers' Compensation, to the escrowee its successor and assigns the said escrowee its
successors and assigns shall within ten (10) days (selling at the current market price if necessary any and all securities
deposited) pay to the Division of Workers' Compensation, its agents, successors, assigns and/or designees, out of the
escrow funds deposited, and out of the funds obtained from the sale of the securities, if sold, the full amount of the escrow
funds as specified by said Division, in said order or demand, so that the Division, its agents, successors, assigns and/or
designees, may apply the escrow funds to such existing, future and potential obligations of the employer under the
Workers' Compensation Law and the rules and regulations that now or may hereafter be adopted by said Division with
respect to the same. Provided, that the obligation of the escrowee, its successors and assigns, to make payment hereunder
shall be in the amount determined by the Division, but in no event shall exceed the amount of the escrow funds and the
actual proceeds received from the sale of the escrow funds; and provided further, that if said escrowee, its successors and
assigns, on account of acts or facts beyond said party's control (as for example, bank moratoriums or holidays), shall be
prevented from making sale of said escrow funds, then, and in that event only, said escrowee, its successors and assigns,
shall have additional time to make said sale or sales and shall sell said escrow funds as above provided as soon after said

ten (10) day period as may be reasonably possible.

In the event of failure by the escrowee its successors and assigns to pay said escrow funds within ten days or as soon after ten days as may be reasonably possible after a delay on account of acts or facts beyond said party's control, the Division of Workers' Compensation shall be entitled to costs of enforcement of this agreement including, but not limited to, attorneys fees and costs, separate from and additional to the amount of the escrow funds as specified by the Division in its order or demand payable from the escrowee, its successors and assigns.

Moneys collected by or on behalf of the Division of Workers' Compensation its agents, successors, assigns and/or designees and dispersed to the Missouri Private Sector Individual Self-Insurers Guaranty Corporation shall be vested in the Missouri Private Sector Individual Self-Insurers Guaranty Corporation and shall not be deemed state property and shall not be subject to appropriation by the legislature, the treasurer or any other state agency.

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that in the event the amount of the escrow funds shall subsequently be increased by order of the Division of Workers' Compensation, such additional escrow funds deposited with the escrowee, its successors and assigns, shall be subject to the same agreements as heretofore and hereafter set out for the initial deposit; and

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that as interest becomes due upon the escrow funds, said interest shall be collected by the escrowee, its successors and assigns, and paid over to the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns; and

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that the escrow funds placed in escrow by the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, cannot be expended, removed, withdrawn, or replaced, except for reinvestment as herein provided or on order or demand of the Division of Workers' Compensation; and

It is further expressly understood and agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that the escrowee, its successors and assigns, shall act upon the order or demand of the Division of Workers' Compensation as herein provided without being held responsible for, or under any requirement to make investigation as to the existence or non-existence of, any preliminary requirements to justify the order or demand of the Division.

This agreement shall be governed by the laws of the State of Missouri and the rules and regulations that now or may hereafter be adopted by the Division.

Executed in triplicate at Kansas City,

State of Missouri,

This _____

day of _____,

A.D. 2020.

FIRST PART	OFFICIAL CAPACITY		
Employer Signature	Official Capacity		
Escrowee Signature	Official Capacity Vice President		
Address 928 Grand Ave., 12 th Floor	City Kansas City	State MO	ZIP Code 64106

**SIDE LETTER AGREEMENT TO MISSOURI DEPARTMENT OF LABOR AND
INDUSTRIAL RELATIONS (THE "DIVISION") ESCROW AGREEMENT**

THIS Side Letter Agreement dated April ____, 2020 between Jackson County, Missouri (the "**Employer**"), and UMB Bank, n.a., a national banking association organized and existing under the laws of the United States of America, as escrow agent (the "**Escrowee**") supplements that certain Escrow Agreement dated April ____, 2020 (the "**Escrow Agreement**") by and between Employer and the Escrow Agent. Unless otherwise defined herein all capitalized terms used in this Side Letter have the meanings ascribed to such terms in the Escrow Agreement. This Side Letter and the Escrow Agreement are collectively referred to herein as the "**Agreement.**"

In addition to the terms and conditions set forth in the Escrow Agreement, the Employer and the Escrow Agent hereby further agree as follows:

1. Investment of Funds. All funds deposited with the Escrowee will be invested in accordance with the written direction of the Employer. In the absence of written investment direction, the Escrowee is hereby directed to hold cash received un-invested. The Escrowee shall be entitled to sell or redeem any such investment as necessary to make any distributions required under the Agreement and shall not be liable or responsible for any loss resulting from any such sale or redemption. Income, if any, resulting from the investment of the such funds shall be retained by the Escrowee and shall be considered, for all purposes of this Agreement, to be part of the funds held under this Agreement.

2. Duties of the Escrowee. The Escrowee shall have no duties or responsibilities other than those expressly set forth in the Agreement, and no implied duties or obligations shall be read into the Agreement against the Escrowee.

The Escrowee is not a party to, or bound by any other agreement among the Employer and the Division, and the Escrowee's duties shall be determined solely by reference to the Agreement. The Escrowee shall have no duty to enforce any obligation of any person, other than as provided herein. The Escrowee shall be under no liability to anyone by reason of any failure on the part of any party hereto or any maker, endorser or other signatory of any document or any other person to perform such person's obligations under any such document.

3. Liability of the Escrowee; Indemnification.

The Escrowee acts hereunder as a depository only. The Escrowee is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of the Agreement or with respect to the form of execution of the same. The Escrowee shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted, in good faith, and in the exercise of its own best judgment, and may rely conclusively and shall be protected in acting upon any order, notice, demand, certificate, opinion or advice of counsel (including counsel chosen by the Escrowee), statement, instrument, report or other paper or document (not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained) which is believed by Escrowee to be genuine and to be signed or presented by the proper person(s). The Escrowee shall not be held liable for any error in judgment made in good faith by an officer or employee of the Escrowee unless it shall

be proved that the Escrowee was grossly negligent in ascertaining the pertinent facts or acted intentionally in bad faith. The Escrowee shall not be bound by any notice of demand, or any waiver, modification, termination or rescission of this Agreement or any of the terms hereof, unless evidenced by a writing delivered to the Escrowee signed by the proper party or parties and, if the duties or rights of the Escrowee are affected, unless it shall give its prior written consent thereto.

The Escrowee shall not be responsible, may conclusively rely upon and shall be protected, indemnified and held harmless by Employer for the sufficiency or accuracy of the form of, or the execution, validity, value or genuineness of any document or property received, held or delivered by it hereunder, or of the signature or endorsement thereon, or for any description therein; nor shall the Escrowee be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any document, property or this Agreement.

In the event that the Escrowee shall become involved in any arbitration or litigation relating to this Agreement, the Escrowee is authorized to comply with any decision reached through such arbitration or litigation.

To the extent permitted by law, the Employer hereby agrees to indemnify, protect, save and hold harmless the Escrowee and its respective successors, assigns, agents, and services for any loss, liability, damages, penalty, claims, or expense (collectively "Losses") incurred at any time in connection herewith without gross negligence or willful misconduct on the part of the Escrowee, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, the establishment of the escrow account, the acceptance of moneys and other property deposited therein, the investment of said moneys, the retention of securities or the proceeds thereof and any payment by the Escrowee in accordance with the Agreement, including without limitation legal or other fees and the costs and expenses of defending itself against any claim of liability in the premises or any action for interpleader. The Escrowee shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith, unless first indemnified and held harmless to its satisfaction in accordance with the foregoing. Such indemnity shall survive the termination or discharge of this Agreement or resignation of the Escrowee.

4. Fee of the Escrowee. The Escrowee shall be entitled to fees and expenses for its regular services as the Escrowee as set forth in Exhibit A. Additionally, the Escrowee is entitled to fees for extraordinary services rendered and reimbursement of any out of pocket and extraordinary costs and expenses, including, but not limited to, attorneys' fees. The Escrowee's compensation, costs and expenses shall be paid on demand by the Employer.

5. Dispute. In the event of any disagreement between the undersigned, the Division or any person or persons named in any instructions given pursuant to this Agreement, or any other person, resulting in adverse claims and demands being made in connection with the funds deposited with the Escrowee, the Escrowee shall be entitled to refuse to comply with any demand or claim, as long as such disagreement shall continue, and in so refusing to make any delivery or other disposition of any money, papers or property involved or affected hereby the Escrowee shall not be or become liable to the Employer or any other person for its refusal to comply with such conflicts or adverse demands if it (i) follows any direction of the Division received, or (ii) follows a final order or judgment of a court of competent jurisdiction.

6. Modification. This Side Letter may be amended, modified or terminated at any time by a writing executed by Employer and the Escrowee.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means.

8. Headings. The section headings contained in this Agreement are inserted for convenience only, and shall not affect in any way, the meaning or interpretation of this Agreement.

9. Severability. This Agreement constitutes the entire agreement among the parties and supersedes all prior and contemporaneous agreements and undertakings of the parties in connection herewith. In the event that 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 to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

10. Notices. All notices, demands and requests required or permitted to be given under the provisions of the Agreement must be in writing and shall be deemed to have been sufficiently given, upon receipt, if (i) personally delivered, (ii) sent by email and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

(i) If to Employer:	Jackson County, Missouri Attn: John Gordon 415 E. 12 th Street, Room 105 Kansas City, MO 64106 Office: 816-881-1320 JGordon@jacksongov.org
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(iii) If to the Escrowee:	UMB Bank, N.A Attn: Nicole Tarantino 928 Grand Blvd., 12 th Floor Kansas City, MO 64106 Office: 816-860-7631 Nicole.Tarantino@umb.com
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11. Regulatory Compliance. The Employer agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. Persons) and other forms and documents that the Escrow Agent may reasonably request at the time of execution of this Agreement, and any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time or the Bank Secrecy Act, as amended from time to time.

[SIGNATURE PAGES FOLLOW]

EMPLOYER:

JACKSON COUNTY, MISSOURI

By: _____

Name: _____

Title: _____

ESCROWEE:

UMB BANK, n.a.,

By: _____

Name: _____

Title: _____

EXHIBIT A

ESCROW FEES AND EXPENSES

Acceptance Fee

Review escrow agreement/side letter agreement
and establish account \$0

Annual Fee

Maintain account \$600.00

Fees specified are for the regular, routine services contemplated by the Escrow Agreement, and any additional or extraordinary services, including, but not limited to disbursements involving a dispute or arbitration, or administration while a dispute, controversy or adverse claim is in existence, will be charged based upon time required at the then standard hourly rate. In addition to the specified fees, all expenses related to the administration of the Escrow Agreement (other than normal overhead expenses of the regular staff) such as, but not limited to, travel, postage, shipping, courier, telephone, facsimile, supplies, legal fees, accounting fees, etc., will be reimbursable. Acceptance and first year annual fees will be payable at the initiation of the escrow and annual fees will be payable in advance thereafter. Other fees and expenses will be billed as incurred.