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CITY OF DANBURY

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DANBURY, CONNECTICUT 06810

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MEMORANDUM

TO: Mark D. Boughton via the Common Council ✓
FROM: Dan Garrick, Assistant Director of Finance *Dan*
DATE: May 29, 2007
SUBJECT: Bank Account Authorization – JP Morgan Chase

The City's Insurance Board of Review awarded the dental insurance contract to CIGNA effective July 1, 2007. This will be a self insured plan that will require the City to open a demand deposit account administered by CIGNA for claims payments. Therefore I am requesting that the Common Council approve the attached resolution to authorize a demand deposit account with JP Morgan Chase.

Please feel free to contact me if you require any additional information. Thank you.

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RESOLUTION

CITY OF DANBURY, STATE OF CONNECTICUT

_____ A. D., 200__

RESOLVED by the Common Council of the City of Danbury:



WHEREAS, Connecticut General Life Insurance Company [hereinafter referred to as the "Administrator"] will administer the dental benefits programs of the City of Danbury (hereinafter referred to as the "City"); and

WHEREAS, to facilitate the administration of such benefits programs, the City desires to open an account with JPMorgan Chase.

NOW, THEREFORE, BE IT RESOLVED, that the City open a demand deposit account with JPMorgan Chase, Account No. (such account being hereinafter referred to as the "Account"), and that the officers and agents of the City and of the Administrator are authorized to deposit funds into the Account and that the officers and agents of the Administrator are further authorized to deliver standing instructions to JPMorgan Chase respecting deposits of funds of the City to be made to the Account and corresponding debits to such other account of the City as shall be specified by the City; and

FURTHER RESOLVED, that until the further order of the Common Council, any of the funds of the City or of the Administrator deposited in the Account shall be subject at any time to withdrawal or charge upon the following terms only: (1) in accordance with orders or instructions delivered to JPMorgan Chase in the name of the Administrator electronically, orally, in writing, or by any other method and (2) upon debits or charges to the Account effected by JPMorgan Chase in connection with returns or reversals of amounts previously credited to the Account or adjustments of erroneous credits; and

FURTHER RESOLVED, that JPMorgan Chase is hereby authorized to permit any such withdrawal or make any such charge in accordance with such instructions without inquiry as to the circumstances of such withdrawal or charge or the disposition of the proceeds and, at JPMorgan Chase's option, even if the Account is not in credit to the full amount of such withdrawal or charge; it being understood that some or all of the funds on deposit in the Account will be transferred from time to time to an account or accounts maintained by the Administrator with JPMorgan Chase; and

FURTHER RESOLVED, that JPMorgan Chase shall not, unless otherwise directed by a representative of the Administrator whose name and signature has been certified to JPMorgan Chase by an officer of the Administrator, (1) act on a stop-payment request, (2) except as hereinabove described, withdraw or permit the withdrawal of any amount from the Account; and

FURTHER RESOLVED, that (1) all statements of account in connection with the Account, (2) all balance and transaction information in connection with the Account, (3) all information regarding checks, and (4) all correspondence received by JPMorgan Chase in connection with the Account shall be transmitted or mailed by JPMorgan Chase to the Administrator and not to the City; and

FURTHER RESOLVED, that the City shall be liable for any and all overdrafts in the Account and unconditionally promises to pay to JPMorgan Chase the amount of each such overdraft, it being understood that the City's arrangements with the Administrator may contemplate the existence of overdrafts in the Account from time to time; and

FURTHER RESOLVED, that the City authorizes and directs its Clerk to the Common Council to promptly notify JPMorgan Chase in writing of any change in these resolutions, that any such change shall not be effective until JPMorgan Chase has received such written notice of the same at such address as JPMorgan Chase shall specify, and has had a reasonable opportunity to act on it and that until such time, JPMorgan Chase is authorized to continue to act in accordance with these resolutions and shall be indemnified and saved harmless from any loss or liability incurred in continuing to act in accordance with these resolutions, even though these resolutions may have changed.