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LOCAL GOVERNMENT CENTER, INC.

BYLAWS

RECITALS

A. The former Executive Committee or Boards of Trustees, as the case may be, of the New Hampshire Municipal Association, Inc. ("NHMA, Inc."), the New Hampshire Municipal Association Property-Liability Trust, Inc. ("PLT, Inc."), and HealthTrust, Inc. ("HealthTrust, Inc."), each have separately and jointly deemed it advisable and generally to the welfare and advantage of each of them and their respective members and the employees of their members, that they be consolidated into an organization represented by a single Board of Directors.

B. NHMA, Inc. has been renamed "Local Government Center, Inc."

C. A new limited liability company named "New Hampshire Municipal Association, LLC" ("NHMA") has been formed.

D. PLT, Inc. has merged with Local Government Center Property-Liability Trust, LLC (the surviving entity, "PLT").

E. HealthTrust, Inc. has merged with Local Government Center HealthTrust, LLC (the surviving entity, "HealthTrust").

F. Local Government Center, Inc. has been renamed LGC Real Estate, Inc. ("LGC Real Estate").

G. LGC shall be the sole owner of NHMA, PLT, HealthTrust and LGC Real Estate, and shall provide services thereto.

The following are the Bylaws of LGC:

ARTICLE I

Definitions

The terms "his", "he", "him", "hers", "she", "her" or any other denomination of gender is used herein in a gender-neutral sense to refer to both male and female gender. Capitalized terms used herein have the following meanings:

"*Affected Group*" is defined in Section 6.11.

"*Board of Directors*" means the Municipal Public Officials, School Public Officials, Employee Officials and the County Public Officials then serving as directors of LGC pursuant to Article VI.

"Bylaws" means the bylaws of LGC.

"Certificate of Formation" means, as the context requires, the NHMA Certificate of Formation, the HealthTrust Certificate of Formation, the PLT Certificate of Formation or the Workers' Compensation Certificate of Formation.

"Chair" means the presiding officer of the Board of Directors elected by the Directors as provided in Section 7.1 to perform certain duties as more specifically described in Section 7.4.

"Code" means the Internal Revenue Code of 1986, as amended and regulations pertaining thereto and subsequent and corresponding federal law and regulations.

"Contribution" means, with regard to any Trust, as applicable, any required payments to purchase excess insurance, to establish a Loss Fund and/or any other necessary or prudent reserves, administration and assessments made thereunder.

"County Public Official" means a Public Official of a Participant that is one of New Hampshire's ten (10) counties.

"County Director" means at any time, the person then serving as a Director by reason of being a County Public Official.

"Director" means a person then serving as member of the Board of Directors pursuant to the Bylaws.

"Directors" means the Board of Directors.

"Employee" means, with regard to HealthTrust only, in whole or in part as each Participant in HealthTrust may determine, any individual (but not including an independent contractor) described in the categories below and on whose behalf contributions are made to HealthTrust by a Participant:

- (i) An employee within the meaning of Sub-Title C of the Code;
- (ii) Any person who has been an employee described in the immediately preceding clause (i) but is on leave of absence or is retired;
- (iii) Any publicly elected official of a Participant whose term of office is at least one (1) year's duration (or official appointed to fill the unexpired term of a publicly elected official) regardless of his or her scheduled work week if such official is described in one of the categories as follows:
 - (A) Members of the Governing Body of a Participant; or
 - (B) Officials who serve in an administrative position of a Participant which position is comparable in status to a department-head level appointed administrator, but which, by law or option of the Participant, is an elected position. Such position shall include, but not be limited to, clerks,

treasurers, tax collectors, road agents and police chiefs.

- (iv) Any appointed official serving on a permanent board or commission of a Participant which board or commission is established pursuant to a statute of the State of New Hampshire and whose term of office is at least one (1) year's duration regardless of his or her scheduled work week.
- (v) Any spouse or dependent, including a surviving spouse or dependent, of any of the foregoing persons.

"*Employee Directors*" means at any time, as a group, the persons then serving as Directors by reason of being Employee Officials.

"*Employee Official*" means an Employee (as defined in clause (i) in the definition of "Employee") of a Participant of HealthTrust.

"*Executive Director*" means the person appointed pursuant to the Bylaws by the Directors to be responsible for the daily activities of LGC, including all of its subsidiary entities. The person appointed as Executive Director of LGC shall by such appointment and without further action also be the Executive Director of NHMA (as such term is defined in the NHMA Operating Agreement).

"*Finance Committee*" is defined in Section 7.6 (b) (iii).

"*Fund Year*" or "*Pool Year*" means a twelve (12) consecutive month period chosen from time to time by the Directors for periods of coverage for the Trusts. Any Trust may have more than one (1) Fund Year or Pool Year and Fund Years and Pool Years may be different among the Trusts. A Fund Year or Pool Year may be any period less or more than twelve (12) months if it is the first or last such year of a Trust, or a year or years involving a change in the Fund Year or Pool Year.

"*Governing Body*" means the board of selectmen in towns, the city council or board of aldermen in cities, the town council in towns, the board of commissioners in counties and village districts, the school board in school districts, and other similar governing bodies of authorities, agencies or entities eligible to become Members.

"*HealthTrust*" means Local Government Center HealthTrust, LLC, a New Hampshire limited liability company, including all contributions made by HealthTrust Participants pursuant to the applicable Operative Documents; all sums, contracts, policies and properties received by HealthTrust; all of the money or property received by HealthTrust from such or other persons pursuant to the applicable Operative Documents, for the uses, purposes and trusts as set forth in the applicable Operative Documents; and all income, gains, and all other increments of any nature whatsoever, if any, therefrom.

"*HealthTrust Certificate of Formation*" means the Certificate of Formation of HealthTrust filed with the New Hampshire Secretary of State, as amended from time to time.

whether before or after the date of adoption of the Bylaws.

"*HealthTrust, Inc.*" is defined in the preamble.

"*HealthTrust Operating Agreement*" means the operating agreement between HealthTrust and LGC dated as of July 1, 2003.

"*Insurer*" means any insurance company providing any insurance contract to a Trust through the Directors or the Executive Director and providing any benefit, directly or indirectly, for any Participant including, but not limited to, any such policy the Directors deem necessary or prudent for the proper operation of the Trusts.

"*LGC*" means Local Government Center, Inc., the entity to which these Bylaws are applicable.

"*LGC, Inc.*" is defined in the preamble.

"*LGC Real Estate*" means LGC Real Estate, Inc., a New Hampshire corporation.

"*Strategic Planning Committee*" is defined in Section 7.6 (b) (iv).

"*Loss Prevention Program*" means a program which may include but shall not be limited to arrangements on behalf of Participants or entities eligible to become Participants to avoid or limit losses, injuries, illness, damage or destruction; to transfer the risk of or provide for reimbursement for losses in the areas of health, property and liability, and workers' compensation and may include but shall not be limited to the following:

- (a) loss control activities including training, education and management improvements;
- (b) purchase of commercial insurance;
- (c) investigation, defense of claims and pursuit of subrogation;
- (d) payment of losses;
- (e) administration;
- (f) surveys of Participant safety practices; employee and dependent health status; and, Participant operational practices and procedures; and
- (g) any other activities of a similar nature.

"*Member(s)*" means any entity that has joined LGC pursuant to Article III, remains in compliance with Sections 3.3, 3.4, and 3.5, and has not withdrawn or been terminated pursuant to Article IV.

"*Municipal Directors*" means at any time, as a group, (i) the persons then serving as Directors by reason of being a Municipal Public Official, and (ii) the person then serving as Director by reason of being a County Public Official.

"*Municipal Public Official*" means a Public Official of a Participant that is a New Hampshire city, town, village district, or an entity created for a special purpose administered or funded by any of the above-named governmental units.

"*NHMA*" is defined in the Recitals.

"*NHMA Board of Directors*" means the persons serving as the Board of Directors of NHMA as set forth in the NHMA Operating Agreement.

"*NHMA, Inc.*" is defined in the preamble.

"*NHMA Municipal Advocacy Committee*" is defined in Section 7.6 (b) (i).

"*NHMA Operating Agreement*" means the operating agreement between NHMA and LGC dated as of July 1, 2003

"*Nominating Committee*" is defined in Section 7.6 (b) (v).

"*Officers*" means the Chair and Vice Chair, or, if in the singular, the Chair or Vice Chair, as the context requires.

"*Operating Agreement*" means, as the context requires, the NHMA Operating Agreement, the PLT Operating Agreement or the HealthTrust Operating Agreement.

"*Operative Documents*" means (i) these Bylaws, (ii) the NHMA Certificate of Formation, (iii) the HealthTrust Certificate of Formation, (iv) the PLT Certificate of Formation, (v) the NHMA Operating Agreement, (vi) the HealthTrust Operating Agreement, (vii) the PLT Operating Agreement, (viii) the Member Agreements and (ix) any Rules and other agreements pursuant or incident thereto.

"*Participant*" means an entity that has become a participant in NHMA or the Trusts pursuant to Section 3.2 or Section 3.6, as applicable.

"*Personnel Committee*" is defined in Section 7.6 (b) (vi).

"*PLT*" means Local Government Center Property-Liability Trust, LLC, a New Hampshire limited liability company, including all Contributions made by PLT and Workers Compensation Participants and; all of the sums, contracts, policies or properties received by PLT

or other persons pursuant to the applicable Operative Documents for uses, purposes and trusts as set forth in the applicable Operative Documents; and all income, gains, and all other increments of any nature whatsoever, if any, therefrom.

"PLT Certificate of Formation" means the PLT Certificate of Formation filed with the New Hampshire Secretary of State, as amended from time to time whether before or after the date of adoption of the Bylaws.

"PLT, Inc." is defined in the preamble.

"PLT Operating Agreement" means the operating agreement between PLT and LGC dated as of July 1, 2003.

"Public Official" means as set forth in clauses (iii) and (iv) in the definition of *"Employee"*.

"Pool Year" is defined under *"Fund Year or Pool Year"*.

"Risk and Health Management Committee" is defined in Section 7.6 (b) (ii).

"Rules" means any rules adopted by the Directors and applicable to LGC or any Trust or combination of Trusts.

"School Directors" means at any time, as a group, the persons then serving as Directors by reason of being Schools Public Officials.

"School Public Official" means a Public Official of a Participant that is a New Hampshire school district, charter school or school administrative unit.

"Service Company" means any person or agency (other than LGC) designated to operate or provide claims administration services, loss prevention programs, insurance accounting programs or perform similar or other services as directed by the Directors.

"Standing Committees" is defined in Section 7.6 (b).

"Trusts" means HealthTrust and PLT or, if in the singular, HealthTrust or PLT as the context requires.

"Vice Chair" means the member of the Board of Directors elected by the Directors as provided in Section 7.1 to perform certain duties as more specifically described in Section 7.4.

"Workers' Compensation" means the Local Government Center Workers Compensation component of PLT including all contributions made by Workers' Compensation Participants pursuant to the applicable Operative Documents; all sums, contracts, policies and properties received for Workers' Compensation; all of the money or property received by the Worker's Compensation component of PLT from such or other persons pursuant to the applicable

Operative Documents, for the uses, purposes and trusts as set forth in applicable Operative Documents; and all income, gains, and all other increments of any nature whatsoever, if any, therefrom.

ARTICLE II

Mission and Vision

SECTION 2.1. Mission.

- (a) The mission of LGC is to provide programs and services that strengthen the quality of its member governments and the ability of their officials and employees to serve the public by being a catalyst for dialogue and action, an advocate on issues, an advisor on problems, a provider of benefits and risk-management services, an educator/trainer in skills, and a resource for information.
- (b) The mission of HealthTrust is to provide health and other benefits to Participants for their employees and to facilitate joint cooperation of the Participants in the exercise or in the performance of their essential governmental functions, powers or responsibilities relating to the provision of such health and other benefits.
- (c) The mission of PLT is to provide property-liability and workers' compensation coverage benefits to Participants for their employees and to facilitate joint cooperation of the Participants in the exercise or in the performance of their essential governmental functions, powers or responsibilities relating to the provision of such benefits.

SECTION 2.2. Vision. To (i) provide education and support that enhance the daily strategic activities of New Hampshire's municipal, school and county governments and their employees; (ii) regularly communicate with valued Members, Participants, employees, dependents, retirees and partners; (iii) increase the number and retention of Members; (iv) deliver outstanding service and support; and (v) enable Members to achieve organizational health by providing tools to help them govern more effectively and efficiently, maintain and enhance Employee health and safety, and manage Member loss exposure.

ARTICLE III

Membership in LGC and Participation in NHMA and the Trusts

SECTION 3.1. LGC Membership. All Participants of NHMA and PLT or HealthTrust shall automatically be Members of LGC.

SECTION 3.2 NHMA Participation. Participation in NHMA shall be governed in accordance with the NHMA Operating Agreement.

SECTION 3.3. Eligibility to become a Participant of a Trust. Entities eligible to become

a Participant of a Trust are:

- (a) Any city, town, county, school district, charter school, village district, school administrative unit, or any district or entity created for a special purpose administered or funded by any of the above-named governmental units, and which is located in and authorized by New Hampshire law and is a Participant in NHMA; and
- (b) NHMA, PLT, HealthTrust, and LGC.

SECTION 3.4. Requirements to Become a Participant of a Trust. Prior to becoming a Participant of a Trust, an entity must:

- (a) Complete such written request to become a Participant as the Directors shall determine;
- (b) Meet all other criteria established and provide all information requested by the Directors which the Directors deem necessary and prudent;
- (c) Receive the approval of any Insurer whose approval is required as a condition of providing insurance;
- (d) Be qualified as an entity the income of which is exempt under Section 115 of the Code; and
- (e) Not cause LGC to be disqualified under NH RSA 5-B, IRC §115 or any applicable Federal or state law.

SECTION 3.5. Required NHMA Participation. All Participants of Trusts shall maintain participation in NHMA.

SECTION 3.6. Acceptance as a Participant of a Trust by the Executive Director or Directors. The Executive Director has the authority to accept any entity which meets the criteria set forth in Sections 3.4 and 3.5. An entity which does not meet the criteria set forth in Sections 3.4 and 3.5 in the judgment of the Executive Director may request that the decision of the Executive Director be reviewed by the Directors. After conducting such review, the Directors shall decide whether or not the applicant meets the eligibility criteria. The decision of the Directors in this regard shall be final. Any such entity which has been refused the status as a Participant may request a review of such refusal after a period determined by the Directors.

SECTION 3.7. Effect of Acceptance. Upon becoming a Participant, each Participant agrees to be bound by the provisions and terms of the applicable Operative Documents, any documents required by an Insurer then in effect, the LGC Member Agreement or any other requirements that may be adopted from time to time by the Directors.

SECTION 3.8. Meetings of the Members. A meeting of Members (either collectively or as Participants of a particular Trust) shall be held at least annually in the fall of each year for the

purposes of receiving reports on the operations of the LGC; voting upon nominations for Director; and transacting any other business which may be transacted at an annual meeting. The time and place of each meeting will be determined by the Directors. Members shall be notified of the time and place of each meeting by at least ten (10) days written notice. Any number of Members shall constitute a quorum for the conduct of elections and the transaction of any business.

SECTION 3.9. Optional Defense by Participants of PLT. The Directors shall promulgate Rules to allow Participants of PLT a reasonable opportunity in liability cases or claims to participate in their own defense or prevent the settlement of such cases or claims by the PLT in a manner contrary to the wishes of the Member.

The Rules shall provide for the Member that has exercised its privilege to prevent the settlement of the case or claim, to be responsible for any later judgment or settlement in excess of the settlement offer or proposal, the acceptance of which was prevented by the Member.

ARTICLE IV

Termination of Membership in LGC or Participation in the Trusts

SECTION 4.1. Termination as a Member of LGC. If a Member fails to maintain status as a Participant in NHMA, such Member shall be notified that their participation in (i) NHMA, or (ii) in NHMA and one or more Trust(s), shall be terminated if NHMA participation is not renewed (A) prior to the due date of such Member's next Contribution or (B) sixty (60) calendar days after notification, whichever is earlier. Such termination shall be effective as of such date.

SECTION 4.2. Termination of Participation in the Trusts. Status as a Participant of NHMA shall be determined in accordance with the NHMA Operating Agreement. Status as a Participant in any Trust shall be continuous except as provided in Section 4.1 and unless terminated for:

- (a) Conduct that is determined by the Directors in their sole absolute discretion pursuant to Section 4.3 to warrant suspension or termination.
- (b) Failure to pay any Contribution when due and owing; provided, however, that with regard to PLT and its Workers' Compensation component only, any Participant failing to make a Contribution required by the Directors when due, shall upon ten (10) days proper notice be immediately suspended from participation by action of the Executive Director without further action by the Board of Directors and such Participant's coverage and benefits hereunder shall immediately cease on the effective date of such notice. If the Participant shall subsequently submit its payment, the Executive Director may, in his discretion reinstitute such participation.
- (c) Failure to continue to meet the criteria required by any Insurer or the applicable Trust including without limitation underwriting criteria.

- (d) Failure to continue to comply or continue to comply with any material provisions of the applicable Operative Documents.
- (e) Failure to comply in good faith with Loss Prevention Programs instituted by the applicable Trust or no cooperation with staff of the applicable Trust regarding loss prevention procedures including without limitation attendance at training programs.

Other than as described in Section 4.1 and the proviso in Section 4.2 (b), termination of status as a Participant pursuant to this Section 4.2 shall be accomplished by a vote of the Directors. The Directors in such resolution may set forth any conditions precedent to such termination that the Directors deem reasonable in their sole, absolute discretion. Such suspension or expulsion shall be evidenced and preceded by a written notice to the Participant from the Directors or the Executive Director.

SECTION 4.3. Participant Review and Termination. Prior to termination of a Participant pursuant to Section 4.2 (a), (d) or (e):

- (a) When in the determination of the Executive Director a Participant has engaged in conduct, other than nonpayment of Contributions, that warrants review of participation status, the Executive Director shall file a written report with the Directors. Such report shall contain a summary of the facts and the Executive Director's recommendations regarding continued participation status.
- (b) A copy of the Executive Director's report shall be served by mail on the Participant along with a notice of hearing of the Directors. Such notice of hearing shall include the place, date and time of the hearing and a request for attendance at the hearing. At their discretion, the Directors may submit written questions to the Participant, written answers to which must be mailed to the Executive Director no later than seven (7) calendar days prior to the date of the hearing. A Participant objecting to the report and recommendations of the Executive Director shall submit a written statement to the Directors setting out in detail the basis of the objection and any other information the Participant desires to submit. Said statement must be mailed to the Executive Director no later than five (5) calendar days prior to the hearing. Such hearing shall be scheduled no less than ten (10) and no more than twenty (20) days from the date of such notice of the Directors; provided, however, that if the Directors submit written questions to the Participant, the date of such hearing shall be set or re-set by the Executive Director so that such Participant shall have at least fifteen (15) days from the mailing of such questions by or on behalf of the Directors to prepare such written answers.
- (c) The Directors shall meet at the time and place designated in the notice of hearing. The Participant shall be entitled to be represented at the hearing and present an oral statement and other information.

- (d) Following the hearing, the Directors shall affirm, modify, or reject the recommendation of the Executive Director. The Directors shall have the authority to place a Participant on probation, the terms and duration of which it shall determine and shall also have the authority to terminate a Participant on ten (10) days notice. A copy of the Directors decision shall be served by mail on the Participant.
- (e) The action of the Directors shall be final and binding.

SECTION 4.4. Withdrawal by a Participant. Subject to Section 4.6, a HealthTrust Participant may withdraw at any time. A PLT Participant or Workers' Compensation Participant may withdraw subject to the following conditions:

- (a) Each PLT Participant or Workers' Compensation Participant shall continue its participation for a period of not less than one full Fund Year. Effective upon the conclusion of such period, or effective at the end of any subsequent Fund Year, a PLT Participant or Workers' Compensation Participant may withdraw on sixty (60) days written notice to the applicable Trust.
- (b) In the case of withdrawal, a PLT Participant or Workers' Compensation Participant shall remain liable for any Contribution that may have accrued prior to the effective date of such withdrawal.

SECTION 4.5. Effective Date of Termination or Withdrawal by HealthTrust Participants. When a HealthTrust Participant's participation is terminated pursuant to Section 4.2 or a Participant withdraws, such termination or withdrawal shall become effective and benefit coverage of each Employee of such Participant shall cease at the earlier of the end of (i) the first day of the next month after the delivery of the notice required by Section 4.2, or, if less than fifteen (15) days in the case of withdrawal, the first day of the next succeeding month, or, (ii) the paid up period with respect to which Contributions have been made by such Participant for its Employee(s). Notwithstanding the foregoing the Directors may establish any other effective date of termination that the Directors in their sole, absolute discretion deem reasonable or appropriate. No liability (except a liability incurred prior to such termination or withdrawal and for which HealthTrust is responsible pursuant to a written contract with the terminating or withdrawing Participant) shall accrue to the Participants or its Employees for any illness or injury and no benefits shall be paid to or for the benefit of an Employee of such Participant after such termination or withdrawal becomes effective.

SECTION 4.6. Two Year Lockout from Health Benefits Coverage.

- (a) When a HealthTrust Participant cancels, terminates, withdraws from or otherwise ceases to participate in medical benefits coverage provided by or through HealthTrust, such HealthTrust Participant shall not be eligible to participate in such medical benefits coverage provided by or through HealthTrust, in any manner, for at least two full years from the date of such cancellation, withdrawal,

termination or other cessation of participation.

- (b) The provisions of this Section 4.6 may be waived in the sole, absolute discretion and by a vote of the Directors upon a written request signed by the Governing Body of the former HealthTrust Participant. Any such written request of the former HealthTrust Participant must be made within six (6) months of termination and must set forth the specific reasons and circumstances that, in the former HealthTrust Participant's view, justifies the exercise of discretion by the Directors to waive the provisions of this Section 4.6 and may include any or all of the following:
- (i) that the former HealthTrust Participant was misled as to coverage and/or final terms offered by the insurer or other entity providing coverage to the former HealthTrust Participant after such termination or withdrawal from HealthTrust;
 - (ii) the insurer or other entity providing coverage to the HealthTrust Participant after such withdrawal or termination from HealthTrust failed to accept retirees of the former HealthTrust Participant as covered persons; or
 - (iii) the former HealthTrust Participant did not realize the financial savings from a substitution of or change from the coverage provided by HealthTrust, as was or to the extent promised or represented by the insurer or other entity providing coverage to the former HealthTrust Participant after its withdrawal or termination from HealthTrust.

SECTION 4.7. Portion of a Participant. The provisions of Sections 4.5 and 4.6 shall be separately and independently applied to those distinct subunits of a HealthTrust Participant which are actually participating in or are eligible to participate in HealthTrust pursuant to the applicable Operative Documents, such as, by way of example and without limitation, a collective bargaining unit that comprises a portion of a HealthTrust Participant or a school district that comprises a portion of a HealthTrust Participant that is an SAU.

SECTION 4.8. No Claim.

- (a) A Participant that is terminated or withdraws from one or more Trusts shall thereupon and at all times thereafter have no right to, or claim on, without limitation, any of the assets, income, distributions (whether past, present or future), reserves or property, whether or not then owned or after acquired, of the Trust from which it is terminated or withdraws.
- (b) A Participant that is terminated or withdraws from LGC shall thereupon and at all times thereafter have no right to, or claim on, without limitation, any of the assets, income, distributions (whether past, present or future), reserves or property, whether or not then owned or after acquired, of LGC.

SECTION 4.9. Continuation of Service. The applicable Trust shall continue the servicing of any covered claim after the withdrawal of a Participant.

ARTICLE V

Accrual of Income

SECTION 5.1. Net Income to Accrue to Members. The LGC's net income shall accrue to the Members as it is earned. The determination of when net income has been earned and the Members who are eligible to participate in a return of net income shall be made in accordance with this Section 5.1. Once this determination is made, the amount of net income, if any, to be allocated for return to any particular eligible Member shall be made in accordance with Section 5.2. Only Members who are eligible under this Section 5.1 and to whom net income is allocated for return under Section 5.2 shall have a legal, enforceable right to a share of net income. As used in these Bylaws, "net income" shall be determined in accordance with the Code. A Member is eligible to accrue rights to net income and participate in the return of such income only if (i) that Member is in good standing and participating in the LGC on the date of adoption of the Directors' resolution that declares such net income and (ii) that Member has been in good standing and participating in NHMA or a Trust continuously and without interruption or absence from the last day of the end of the year for which the net income is declared through the date of distribution set forth in the Directors' resolution declaring such net income. Such return may be by means of the rating formula used to establish rates for each program of coverage, and/or reduction in Contributions due in subsequent Fund Years or Pool Years unless such Member elects otherwise by notice.

SECTION 5.2. Proportions in Which Net Income Accrues. The Directors may provide for net income to be distributed among Members who are eligible under Section 5.1 hereof in such proportions as the Directors may determine, provided that such determination shall allocate such net income among the eligible Members in a manner that is non-discriminatory as to eligible Members receiving similar services and having similar payments of, or reservations for, claims. Subject to the foregoing non-discrimination standard, nothing in the foregoing shall be deemed to required that any eligible Member receive any particular proportion of net income or any net income at all; rather the allocation shall be made to some or all eligible Members in accordance with the allocation determination made by the Directors in accordance with this Section 5.2. The Directors may furthermore, from time to time, modify or change the determination as to the eligible Members' proportionate shares of the future net income attributable to a program, provided that no modification or change shall affect net income allocated to an eligible Member before the effective date of such modification or change. In the event LGC shall have net income under Section 5.1 but the Directors do not allocate such net income among eligible Members as provided in this Section 5.2, then such net income shall be allocated to eligible Members in proportion to the respective payment, during the Fund Year or Pool Year in which the net income is earned, which each eligible Member makes for coverage in connection with programs offered by the LGC to its Members during said Fund Year or Pool Year.

ARTICLE VI

LGC Board of Directors

SECTION 6.1. Board of Directors. The Board of Directors shall be comprised of twelve (12) Municipal Public Officials, twelve (12) School Public Officials, six (6) Employee Officials and one (1) County Public Official.

SECTION 6.2. Qualification of Directors. Each Director shall at the time of appointment or election and at all times while serving in such office be a Public Official (and of the category for which appointed during the applicable term of office or an employee as defined in (i) of the definition of "Employee") of any Member (if appointed to office of Director due to such status). In nominating Directors, the Nominating Committee should, but need not, give due regard to varying geographic location, population of the Members or entities eligible to become Members, experience in risk management, administrative ability and fiduciary experience.

SECTION 6.3. Acceptance of Office of Director. Each Director shall accept the office of Director by execution and delivery of a written acceptance of such appointment, or, by attendance at a meeting of the Board of Directors intending to do so in the capacity of the Directors.

SECTION 6.4. Tenure of Directors. Each term of office of a Director shall be three (3) years in duration. The terms of Directors will be staggered so that no more than eleven (11) new appointments will occur each year. A Director who is appointed to fill a vacancy shall serve the remainder of the vacant term and may, then, serve no more than three (3) consecutive 3-year terms.

SECTION 6.5. Initial Directors. As of the date hereof, the Directors shall have terms of office as follows:

- (i) Four (4) Municipal Officials, four (4) School Officials and two (2) Employee Officials shall each serve one (1) year;
- (ii) Four (4) School Officials, four (4) Municipal Officials, two (2) Employee Officials and one (1) County Official shall each serve two (2) years; and
- (iii) Two (2) Employee Officials, four (4) Municipal Officials and four (4) School Officials shall each serve three (3) years.

SECTION 6.6. 2008 TRANSITION PROVISION. In the fall of 2008, upon passage of at least five (5) years from adoption of these by-laws, the first annual meeting of Members shall be held for the purposes of receiving reports on the operations of the LGC; voting upon nominations for Director, and transacting any other business which may be transacted at an annual meeting. The current term of each Director in office at the time of adoption of this Transition Provision shall be extended to November 30th of the year of termination of their current term. Directors who are elected at an annual meeting shall take office as of December 1st of the same year.

SECTION 6.7. Power of Other Directors to Act in Case of Vacancy. If a vacancy occurs in any office of Director for any reason, the remaining Directors then in office shall have full power and authority to act until such vacancy is filled. The Nominating Committee shall make recommendations to fill such vacancies.

SECTION 6.8. Regular Meetings. Directors may provide, by resolution, the time and place, either within or without the State of New Hampshire, for the holding of regular meetings without other notice than such resolution. This Section shall apply equally to meetings of committees.

SECTION 6.9. Special Meetings. Special Meetings of the Directors may be called by or at the request of the Chair or a majority of Directors. The person or persons authorized to call any such Special Meeting may fix the time and any place, within the State of New Hampshire, for the holding of any such Special Meeting of the Directors called by him or them. Any such meeting may be called upon at least five (5) days written notice delivered personally, mailed or faxed to each such Director at his or her business or residential address or, by telegram. Such notice shall specify the date, time, place and purposes thereof. This section shall apply equally to meetings of committees.

SECTION 6.10. Attendance at Meeting. The attendance of a Director at any meeting of the Directors shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A Director may attend a meeting by telephone.

SECTION 6.11. Quorum. A quorum for the transaction of business at a duly called meeting of the Directors shall consist of a majority of the Directors then serving. No quorum is required for a committee.

SECTION 6.12. Voting.

- (a) Other than as provided in Section 6.12(b) and (c), all actions of the Directors shall be by a majority vote of the Directors present and voting at a duly called meeting at which there is a quorum present.
- (b) A two-thirds (2/3) majority of Municipal Directors, plus a two-thirds (2/3) majority of School Directors, plus a two-thirds (2/3) majority of Employee Directors is required (i) to change the composition of the Directors, (ii) eliminate any service offered on July 1, 2003 to Participants in NHMA, (iii) sell or otherwise transfer assets other than in the regular course of business, merge, consolidate, amalgamate or engage in a similar transaction whether or not at arms length or for fair value or (iv) amend or otherwise modify this Section 6.12 or Section 11.1. For the purposes of this paragraph only, the definition of "Municipal Directors" shall not include the County Director.
- (c) In the event that a majority vote is not achieved for an action of the Directors in

regard to a new service to be offered to any group of Participants, but a two-thirds (2/3) majority of Municipal Directors, a two-thirds (2/3) majority of School Directors, or a two-thirds (2/3) majority of Employee Directors has voted in favor of such action (such Municipal Directors, School Directors or Employee Directors affected hereby, as applicable, the "Affected Group"), such Affected Group shall have the option to vote again on such measure and such measure may prevail by majority vote of such Affected Group; provided, however, (i) such measure shall only apply to such Affected Group's Participants (ii) such measure shall be funded by other than Contributions to the Trusts and (iii) such measure shall not be grossly inimical to the mission, vision and purpose of LGC.

SECTION 6.13. Action by Directors Without a Meeting. Any action which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the actions so taken shall be signed by all of the Directors then serving.

SECTION 6.14. Compensation of Directors. The Directors may pay themselves reasonable compensation for services as Directors and reimburse themselves for reasonable expenses properly and actually incurred in the course of acting as Directors.

SECTION 6.15. Resignation of a Director. A Director may resign by an instrument in writing delivered to the Chair or to the Executive Director, who shall forthwith notify the Chair. Such written notice of resignation may state a prospective date upon which such resignation shall become effective; otherwise, such resignation shall become effective upon receipt by the Executive Director. Upon the effective date of any such resignation, such Director shall become and be fully discharged from all further duties, responsibilities or liabilities associated with such office. A Director, upon vacating such office shall turn over and deliver any and all records, books, documents, monies or other property in the possession or under the control of such Director to the Executive Director.

SECTION 6.16. Removal of a Director. A Director may be removed from office by a vote of a two-thirds (2/3) majority of the Directors at any time and for any reason, including, but not limited to, for (i) failure to attend two (2) consecutive meetings of the Directors, (ii) failure to attend two (2) consecutive meetings of a committee, (iii) material violations of the Bylaws, Rules or policies of the Directors, or (iv) breach of a fiduciary duty to be performed by a Director. The Chair, as an *ex officio* member of each standing committee, shall be exempt from the attendance requirement for standing committee meetings.

ARTICLE VII

Officers and Committees

SECTION 7.1. Officers. The officers of LGC shall be a Chair and Vice Chair. The officers shall be elected by the Directors from among their number at the first meeting of Directors held after each annual meeting and each officer shall be a Public Official.

SECTION 7.2. Term of Office. All Officers shall have a two (2) year term beginning on

at the meeting at which they are elected and ending:

- (a) at the annual meeting which occurs in the year that their term as an Officer expires; or
- (b) the date on which they no longer hold the public office held when first elected or appointed as an Officer; or
- (c) at the time in which their seat is declared vacant for any other reason.

SECTION 7.3 Duties of the Chair. The Chair shall be the presiding officer at all meetings of the LGC. The Chair shall appoint all Standing Committees and their chairpersons except for the NHMA Municipal Advocacy Committee. The Chair shall be a voting member of each standing committee *ex officio*.

SECTION 7.4 Duties of the Vice Chair. In the absence or inability of the Chair, the Vice Chair shall perform in its stead. In addition the Vice Chair shall perform such other duties as are delegated to him by the Chair.

SECTION 7.5 Committees.

- (a) General Authority. The Directors shall have the power and authority to appoint from among themselves such committees as the Directors shall deem expedient which may be vested with such powers as the Directors in their sole discretion shall determine.
- (b) Standing Committees. The chair and all members of all standing committees shall be appointed by and removed by the Chair. Each Director shall serve on at least one (1) standing committee. The LGC shall have the following standing committees (the "Standing Committees"):
 - (i) NHMA Municipal Advocacy Committee. The NHMA Municipal Advocacy Committee (the "*NHMA Municipal Advocacy Committee*") shall be composed of the Municipal Directors (excluding the County Director) and others elected by NHMA dues paying municipal Participants as set forth in the NHMA Operating Agreement. The initial composition shall be as follows: all Directors of NHMA, Inc., and Trustees of HealthTrust, Inc. and PLT, Inc. (as "Director" and "Trustee" are defined in the Bylaws of NHMA, Inc., HealthTrust, Inc. and PLT, Inc.) who are municipal Public Officials and who are not appointed to be a Director shall be invited to be a member of this committee.
 - (ii) Risk and Health Management Committee. The Risk and Health Management Committee (the "*Risk and Health Management Committee*") shall canvass, study and review loss prevention and wellness programs for

the purpose of keeping LGC apprised of the latest information in this regard. It shall make policy and program recommendations to the Directors.

- (iii) Finance Committee. The Finance Committee (the "*Finance Committee*") shall review and oversee the proposed budget, financial and actuarial rating procedures, annual audit process, investment policy, and financial statements and make recommendations to the Directors.
- (iv) Strategic Planning Committee. The Strategic Planning Committee (the "*Strategic Planning Committee*") shall review risk programs and member services to ensure competitiveness and attraction and retention of Members and other policies of LGC not assigned to other committees, and make recommendations to the Directors.
- (v) Nominating Committee. The Nominating Committee (the "*Nominating Committee*") shall nominate persons to serve as Directors and as Chair and Vice Chair, and shall be comprised of two (2) Municipal Officials, two (2) School Officials, and one (1) Employee Official.
- (vi) Personnel Committee. The Personnel Committee (the "*Personnel Committee*") shall (i) oversee pay study, personnel policies, cost of living adjustments and fringe benefits with regard to employees of LGC, (ii) evaluate the Executive Director in consultation with the full Board of Directors and (iii) recommend to the Directors changes to such policies and procedures and without further action by the Directors, perform or execute such changes in order to improve or ensure competitiveness of LGC. The Personnel Committee shall be comprised of (2) Municipal Officials, two (2) School Officials, and one (1) Employee Official. The Personnel Committee shall have a chair and a vice chair. The Vice Chair of the LGC Board shall be chair of the Personnel Committee.
- (vii) Retirement Committee. The Retirement Committee (the "*Retirement Committee*") shall (i) serve as the Plan Administrator to the New Hampshire Local Government Center, Inc. Defined Benefit Pension Plan (the "*Plan*"), with the power and instruction to take all actions necessary for the implementation and ongoing administration of such Plan, including but not limited to the selection of an investment advisor and the possible engagement of a third party plan administrator; and (ii) make such administrative or technical amendments to the Plan as may be recommended by such advisors, or by the Plan's actuary or legal counsel. The Retirement Committee shall be comprised of five (5) members of the LGC Board of Directors, three LGC employee representatives, two representatives of senior management of LGC, and one outside representative (who shall be the Committee Chair).

ARTICLE VIII

Duties and Powers of the Board of Directors

SECTION 8.1. General Duties of the Board of Directors. The Directors shall set policy, oversee and administer LGC, NHMA, HealthTrust, PLT, and LGC Real Estate, and without limitation to the preceding clause, shall perform the following duties:

- (a) Create a reserve for the payment of benefits and claims and for any legitimate purpose for LGC, NHMA, the Trusts or LGC Real Estate.
- (b) Pay or provide for the payment on behalf of Members to the insurer of all premiums as they become due on any policy of insurance.
- (c) Cause to be maintained accounts of all investments, receipts, disbursements and all other transactions.
- (d) Engage an independent certified public accountant to perform a financial and management audit at least once per Fund Year and cause copies of such audits to be distributed to Members and to report regarding such audit report to the Members at the annual meeting of the Members.
- (e) Maintain minutes of all meetings of the Directors and Members and cause copies thereof to be distributed in a timely manner to all Directors.
- (f) Pay all taxes and assessments of any and all kind whatsoever that may be levied or assessed under existing or future laws upon the NHMA, the Trusts, LGC Real Estate or any of their income.
- (g) Cause the terms and provisions of the Bylaws, any Certificate of Formation and any Rules to be performed and carried out and the assets of the NHMA and the Trusts to be properly held and administered.
- (h) Pay or provide for the payment of all reasonable and necessary expenses and all charges reasonably incurred by the Directors in carrying out the functions of the Directors.
- (i) Assure compliance with the requirements of NH RSA 5-B, as amended, or any subsequent law of the State of New Hampshire in substitution therefore.
- (j) Assure that LGC, NHMA, the Trusts and all Members are organizations the income of which is exempt under Section 115 of the Code.

SECTION 8.2. Power of the Directors. The Directors shall have such powers as may be necessary or prudent to discharge their responsibilities in setting policy, administration and oversight of LGC, NHMA, the Trusts or LGC Real Estate, and without limiting the prior clause,

shall have the following powers:

- (a) To designate a bank or banks as a depository and to designate one or more persons as are appropriate to withdraw sums therefrom.
- (b) To receive, hold, manage, invest and reinvest such monies and property in stocks, bonds or other securities.
- (c) To require and receive such reports from the Members or their employees as they deem necessary or advisable.
- (d) To sue and be sued, or to prosecute and defend any and all actions; to compromise or settle any suit, claims or demands, or waive or release any rights relating to LGC, the Trusts, NHMA, LGC Real Estate, or any of their property.
- (e) To adopt and enforce Rules not inconsistent with the provisions of the Bylaws or any Certificate of Formation as the Directors may from time to time deem expedient.
- (f) To make, execute, acknowledge and deliver any and all documents that may be necessary or appropriate to carry out the powers herein granted.
- (g) To borrow or raise money in such amount, and upon such terms and conditions as the Directors shall deem advisable.
- (h) To hold cash, uninvested, for such length of time as the Directors may determine without liability for interest thereon.
- (i) To continue to have and to exercise, after the termination of LGC and until final distribution, all of the title, powers, discretion, rights and duties conferred or imposed upon the Directors hereunder, or by law.
- (j) To construe and interpret any Certificate of Formation or Operating Agreement.
- (k) 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 as a general administrative expense to the extent permitted by applicable law).
- (l) To appoint one or more investment managers to supervise and direct the investment and reinvestment of a portion or all of the Trusts in accordance with the provisions hereof and applicable law and in the same manner and with the same powers, duties, obligations, responsibilities and limitations as apply to the Directors as set forth herein and to pay reasonable compensation for such

services.

- (m) To acquire, hold, own, rent or lease, alone or in conjunction with any other party or parties, any property, real or personal, and to pay the appropriate pro rata part of the mortgage payments, property taxes, assessments, insurance, maintenance and ordinary repairs on all such property.
- (n) To declare dividends for distribution to eligible Members.
- (o) To set rates for each risk product offered by the Trusts.
- (p) To fill any vacancy on the Board of Directors for the remainder of the term of the vacant position.
- (q) To do all acts, whether or not expressly authorized herein, which the Directors may deem necessary or proper for the administration and management of LGC, NHMA, the Trusts and LGC Real Estate.

SECTION 8.3. The Executive Director. The Directors shall designate and appoint an Executive Director to administer the daily affairs of LGC, NHMA, the Trusts and LGC Real Estate. The duties of the Executive Director shall include, without limitation, carrying out policies established by the Directors, maintaining the competitiveness of LGC and the Trusts, locating and recommending various contractors, and supervising and reporting on contractor performance, the provision of financial and accounting reports and the maintenance of excess reinsurance or other insurance. The Executive Director shall make reports and be accountable to the Directors. The Executive Director shall not be an owner, officer or employee of any Service Company.

SECTION 8.4. Powers of the Executive Director. The Executive Director, without prior approval or direction from the Directors, shall carry out the policies of the Directors and programs of LGC, NHMA and the Trusts, and shall have all powers incident thereto, including, but not limited to the following powers:

- (a) Submit annual budgets (which shall contain an amount equal as discretionary funds to provide the Executive Director with flexibility to undertake strategic competitive activities).
- (b) Pay benefits and claims to or on behalf of Members or Employees in accordance with the purpose of the Trusts.
- (c) To accept, determine and make reasonable arrangements for the payment on behalf of each Participant of all Contributions due.
- (d) To purchase contracts of insurance and to hold all insurance policies issued by Insurers and to deal with Insurers on behalf of the Members.

- (e) To administer risk management pools, collect Contributions and pay authorized losses on behalf of Members.
- (f) To establish loss control and wellness procedures and to provide general advice and educate Members in relation thereto.
- (g) To provide risk management services including defense of and settlement of claims and engage a Service Company.
- (h) To purchase reinsurance or excess insurance as necessary to protect the interests of the Members and the Trusts.
- (i) To employ such agents, advisors and counsel as may be reasonably necessary in managing and administering their duties.
- (j) To purchase as a general administrative expense so called general liability insurance and other insurance for the benefit of the NHMA, the Trusts and/or the protection of the Directors, employees, or agents against any losses by reason of errors or omissions or breach of fiduciary duty or negligence.
- (k) Except as otherwise provided in these Bylaws, to enter into any and all contracts and agreements for carrying out the purposes of the LGC and for the administration and operation of the LGC 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 Members and their employees. The Executive Director, in his discretion, may delegate the power to execute contracts and agreements on behalf of LGC or its subsidiaries to the Deputy Director and/or another member of the Leadership Team or Management Team as they may be constituted by him.

SECTION 8.5. Service Company. If services are not otherwise to be provided by the Trusts, the Directors may obtain the services of a Service Company for the purpose of servicing claims as directed by the Directors. The claims administrator shall adhere to guidelines for the performance of their duties as set forth by the Directors.

ARTICLE IX

Limitation of Liability; Indemnification

SECTION 9.1. Definitions. For purposes of Article IX only, the following terms have the following meanings:

"Expenses" include counsel fees.

"Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses actually incurred with respect to a proceeding. The liability may arise from bodily injury, illness, death

or property damage or loss, or any other source.

"Official" means an individual who is or was a Director, officer or employee of LGC (the "corporation"); an individual who has been appointed by the Directors to serve the LGC in any official capacity; or an individual who, while a Director, officer or employee of the corporation is or was serving at the corporation's request as officer, partner, Director, employee or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. An official is considered to be serving an employee benefit plan at the corporation's request if the official's duties to the corporation also impose duties on, or otherwise involve services by, the official to the plan or to participants in or beneficiaries of the plan. Official includes, unless the context requires otherwise, the estate or personal representative of an official.

"Official capacity" means: (i) when used with respect to a Director, the office of Director in the corporation; and (ii) when used with respect to an officer, the office in the corporation held by the officer; and (iii) when used with respect to a committee member, the position held in the committee by the member. "Official capacity" does not include service as an employee for the corporation or service for any other foreign or domestic business or nonprofit corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise.

"Party" includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.

"Proceeding" means any threatened, pending, or completed action, suit or proceeding whether civil, criminal, administrative, or investigative and whether formal or informal.

SECTION 9.2. *Obligation to Indemnify.*

(a) Except as provided in Section 9.2 (d), the corporation shall indemnify an individual made a party to a proceeding because the individual is or was an official against liability incurred in the proceeding if the individual:

- (i) conducted himself in good faith; and
- (ii) reasonably believed:
 - (A) in the case of conduct in his official capacity with the corporation, that his or her conduct was in its best interests; and
 - (B) in all other cases that his conduct was at least not opposed to its best interests; and
- (iii) in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) An official's conduct with respect to an employee benefit plan for a purpose the

official reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirements of Section 9.1(a) (ii) (B).

- (c) The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not of itself, determinative that the official did not meet the standard of conduct described in this Section.
- (d) A corporation may not indemnify an official under this Section:
 - (i) in connection with a proceeding by or in the right of the corporation in which the official was adjudged liable to the corporation; or
 - (ii) in connection with any other proceeding charging improper personal benefit to the official, whether or not involving action in his or her official capacity, in which the official was adjudged liable on the basis that personal benefit was improperly received by the official.
- (e) Indemnification permitted under this Section in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

SECTION 9.3. Advance for Expenses.

- (a) The corporation may pay for or reimburse the reasonable expenses incurred by an official who is a party to a proceeding in advance of final disposition of the proceeding if:
 - (i) the official furnishes the corporation a written affirmation of his or her good faith belief that he or she has met the standard of conduct described in Section 9.2;
 - (ii) the official furnishes the corporation a written undertaking, executed personally or on the official's behalf, to repay the advance if it is ultimately determined that the official did not meet the standard of conduct; and
 - (iii) a determination by the Directors is made that the facts then known to the Directors making the determination would not preclude indemnification under this Article.
- (b) The undertaking required by Section 9.3 (a) (ii) must be an unlimited general obligation of the official but need not to be secured and may be accepted without reference to financial ability to make repayment.
- (c) Determinations of payments under this Section shall be made in the manner

specified in Section 9.5.

SECTION 9.4. Court-Ordered Indemnification. An official of the corporation who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court after giving any notice the court considers necessary may order indemnification in the amount it considers proper if it determines that the official is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not the official met the standard of conduct set forth in Section 9.2 (a) or was adjudged liable as described in Section 9.2 (d) but if the official was adjudged so liable indemnification is limited to reasonable expenses incurred.

SECTION 9.5. Determination of Indemnification.

- (a) The corporation shall not indemnify an official under Section 9.2 unless a determination has been made that indemnification of the official is required in the circumstances because the official has met the standard of conduct set forth in Section 9.2.
- (b) The determination shall be made:
 - (i) by the Directors by majority vote of a quorum consisting of Directors not at the time parties to the proceeding;
 - (ii) if a quorum cannot be obtained under clause (i), by majority vote of a committee duly designated by the Directors (in which designated Directors who are parties may participate), consisting solely of two or more Directors not at the time parties to the proceeding; or
 - (iii) by special legal counsel:
 - (A) selected by the Directors or its committee in the manner prescribed in clause (i) or (ii); or
 - (B) if a quorum of the Directors cannot be obtained under clause (i) and a committee cannot be designated under clause (ii), selected by majority vote of all of the Directors (in which selected Directors who are parties may participate).
- (c) Evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is required, except that if the determination is made by special legal counsel, evaluation as to reasonableness of expenses shall be made by those entitled under clause (iii) to select counsel.

SECTION 9.6. Insurance. The corporation may purchase and maintain insurance on behalf of an individual who is or was an official or who, while an official, is or was serving at the request of the corporation as a director, officer, partner, Director, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee

benefit plan, or other enterprise, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as an official, whether or not the corporation would be required to indemnify the person against the same liability under these Bylaws.

SECTION 9.7. Application to General Rights. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which any official, agent or employee may be entitled.

SECTION 9.8. Indemnity by Contract. The corporation may provide indemnity to any official or third party pursuant to a contract or agreement authorized by a majority of a quorum of Directors.

SECTION 9.9. Limitation of Liability. No Director or officer shall be liable for any acts or omissions whatsoever of any other Director, officer or agent of the corporation; nor shall any Director or officer be liable for any negligence, error, judgment, or for any act or omission unless resulting from his own gross negligence or willful misconduct. Every act or thing done or omitted, and every power exercised or obligation incurred by the Directors or officers or any of them in the administration of the corporation or in connection with any affairs, property or concerns of the corporation, whether ostensibly in their own names or in their capacities as Directors or officers, shall be done, omitted, exercised or incurred by them as Directors or as officers and not as individuals; and every person contracting or dealing with the Directors or officers or having any debt, claim or judgment against them or any of them, shall look only to the funds or property of the corporation for payment or satisfaction, and no Director, officer or agent of the corporation shall ever be personally liable for or on account of any contract, debt, tort, claim, damage, or decree arising out of the preservation of the corporation or the conduct of any of the affairs of the corporation. There shall be purchased a surety bond in sufficient amount to ensure against the defalcations of any Director or Directors, or agents of the corporation under authority of the Directors. Premium for said surety bond shall be an administration expense of the corporation.

SECTION 9.10. Source of Indemnification. All indemnification or reimbursement provided for in this Article shall be limited to the corporation.

ARTICLE X

Dissolution

SECTION 10.1. Dissolution and Distribution of Assets. In the event of dissolution of LGC, and after all legal debts, liabilities and retirement plan obligations have been finally discharged, all remaining assets shall be liquidated and the proceeds shall be distributed equitably to the Members in accordance with their participation in NHMA and/or the Trusts from which assets to be distributed are generated.

ARTICLE XI

Amendments

SECTION 11.1. Procedure.

- (a) Subject to Section 6.12, an amendment which would materially affect the rights and responsibilities of any Participant may be adopted by the Directors only after a hearing with regard to such proposed amendment is held by the Directors and at which any Participant may participate. Written notice of the proposed Bylaws change and the hearing before the Directors shall be delivered to each such Participant at least ten (10) days prior to such Directors meeting. The notice shall contain at least the text of the proposed Bylaws change and the date, time and place of such hearing. Notice for these purposes will be considered delivered when deposited in the United States mail for regular delivery.

- (b) With regard to PLT and Workers' Compensation only, the Directors may adjust the scope of coverage, limits of coverage, and/or the amount of loss retention in consideration of loss experience, additional coverage/limits required by Members, and amounts and scope of reinsurance coverage available. Notice of consideration by the Directors of reduction of the scope of coverage or limits shall be preceded by written notice to the Members mailed ten (10) days prior to the meeting at which such reductions are to be considered.

Adopted July 1, 2003
Amended July 14, 2006
Amended July 13, 2007
Amended October 17, 2007
Amended December 13, 2007

c/



P.O. Box 617
Concord, NH 03302-0617
TEL: (603) 226-4481

New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

November 16, 1999

Board of Selectmen
Town of Hill
Town Hall, Box 236
Hill, NH 03243

Dear Gentlemen:

DIVIDENDS

Enclosed please find a check for \$2,219.33, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years. The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an overall good deal.

SHAKE-UPS

This is also a good time to point out that what we've been saying about the competition's rates being too low and too unrealistic to be stable and sustainable have proved true. Great American, one of the companies that had been offering cut rate pricing in an attempt to compete with the Trust has abandoned the New Hampshire municipal and school marketplace and will no longer add or renew any business. We understand they were losing too much money and the home office in Cincinnati decided to pull out. ANY company that promises to beat the Trust's rates is either losing money or using a war chest of other money to compete. The Trust is the long-term, stable, lowest responsible and realistically priced program that serves your community. It's also been around since 1986 and has the size, experience, and expertise to handle claims fairly and provide the necessary training and services at levels you have come to expect.



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FAX: (603) 226-2322

November 16, 1999

Jim Plumb
B.C.E.P. Solid Waste Dist.
P.O. Box 426
Pittsfield, NH 03263

Dear Mr. Plumb,

DIVIDENDS

Enclosed please find a check for ~~\$222.53~~, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. **In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years.** The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an overall good deal.

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November 16, 1999

Donna Nashawaty, Fin. Officer
City of Franklin
316 Central Street
Franklin, NH 03235

Dear Ms. Nashawaty,

DIVIDENDS

Enclosed please find a check for \$3,088.03, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. **In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years.** The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an overall good deal.

SHAKE-UPS

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New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

November 16, 1999

Paul G. Beecher, City Manager
City of Dover
288 Central Avenue
Dover, NH 03820

Dear Mr. Beecher,

DIVIDENDS

Enclosed please find a check for \$27,298.68, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years. The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an overall good deal.

SHAKE-UPS

This is also a good time to point out that what we've been saying about the competition's rates being too low and too unrealistic to be stable and sustainable have proved true. Great American, one of the companies that had been offering cut rate pricing in an attempt to compete with the Trust has abandoned the New Hampshire municipal and school marketplace and will no longer add or renew any business. We understand they were losing too much money and the home office in Cincinnati decided to pull out. ANY company that promises to beat the Trust's rates is either losing money or using a war chest of other money to compete. The Trust is the long-term, stable, lowest responsible and realistically priced program that serves your community. It's also been around since 1986 and has the size, experience, and expertise to handle claims fairly and provide the necessary training and services at levels you have come to expect.



P.O. Box 617
Concord, NH 03302-0617
TEL: (603) 226-4481

New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

November 16, 1999

Julia N. Griffin, Town Mgr.
Town of Hanover
P.O. Box 483
Hanover, NH 03755

Dear Ms. Griffin,

DIVIDENDS

Enclosed please find a check for \$15,960.10, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years. The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an overall good deal.

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New Hampshire Municipal Association Property-Liability Trust, Inc.



2-0617
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N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

November 16, 1999

John Wheeler, Town Manager
Town of Sunapee
P.O. Box 717
Sunapee, NH 03782

Dear Mr. Wheeler,

DIVIDENDS

Enclosed please find a check for \$9,972.00, your share of the \$750,000 dividend declared by your Board of Trustees. Total dividends now stand at \$10 million dollars—money that private and quasi-private insurers would have kept as profits or as a war chest for new products.

This dividend is being paid from years 1992, 1994, and 1995 and your share is based on your actual claim experience in those years. **In addition to an overall dividend that's as large as last years, our PLT 2002 plan reduced rates a total of 25% and froze contributions for three years.** The Property Liability Trust can *only* be described as a successful solution to managing risks for New Hampshire local governments, and an **overall good deal.**

SHAKE-UPS

This is also a good time to point out that what we've been saying about the competition's rates being too low and too unrealistic to be stable and sustainable have proved true. Great American, one of the companies that had been offering cut rate pricing in an attempt to compete with the Trust has abandoned the New Hampshire municipal and school marketplace and will no longer add or renew any business. We understand they were losing too much money and the home office in Cincinnati decided to pull out. **ANY** company that promises to beat the Trust's rates is either losing money or using a war chest of other money to compete. The Trust is the long-term, stable, lowest responsible and realistically priced program that serves your community. It's also been around since 1986 and has the size, experience, and expertise to handle claims fairly and provide the necessary training and services at levels you have come to expect.



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Property-Liability Trust, Inc.**

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Concord, NH 03302-0617
TEL: (603) 226-4481

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Jim Plumb
[REDACTED]

PO Box 426
Pittsfield, NH 03263

RE: DIVIDENDS

Dear Mr. Plumb,

Enclosed please find a check for [REDACTED] your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,

Jonathan G. Steiner

Jonathan G. Steiner
Trust Manager

enc.



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P.O. Box 617
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TEL: (603) 226-4481

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Bruce S. Brown, Chairman

[REDACTED]
PO Box 667
Bethlehem, NH 03574-0667

Not Sent

RE: DIVIDENDS

Dear Mr. Brown,

Enclosed please find a check [REDACTED] share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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Concord, NH 03302-0617
TEL: (603) 226-4481

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Board of Selectmen
[REDACTED]

RR 1, Box 49
Intervale, NH 03845

RE: DIVIDENDS

Dear Gentlemen:

Enclosed please find a check for [REDACTED] share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Board of Selectmen

[REDACTED]
P.O. Box 436
Bradford, NH 03221

RE: DIVIDENDS

Dear Gentlemen:

Enclosed please find a check for \$1,545.00, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.

New Hampshire Municipal Association
Property-Liability Trust, Inc.



02-0617
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N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Board of Selectmen
Town of Deering
RFD 1, Box 166
Hillsborough, NH 03244

RE: DIVIDENDS

Dear Gentlemen:

Enclosed please find a check for \$4,264.71, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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TEL: (603) 226-4481

New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Board of Selectmen
Town of Dorchester
Town Office, RFD 2
Rumney, NH 03266

RE: DIVIDENDS

Dear Gentlemen:

Enclosed please find a check for \$92.46, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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FAX: (603) 226-2322

December 22, 2000

Board of Selectmen

Town of Dublin

P.O. Box 277

Dublin, NH 03444

RE: DIVIDENDS

Dear Gentlemen:

Enclosed please find a check for \$3,050.96, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.

New Hampshire Municipal Association Property-Liability Trust, Inc.



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Concord, NH 03302-0617
TEL: (603) 226-4481

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Paul G. Beecher, City Manager
City of Dover
288 Central Avenue
Dover, NH 03820

RE: DIVIDENDS

Dear Mr. Beecher,

Enclosed please find a check for \$6,031.52, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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FAX: (603) 226-2322

December 22, 2000

Donna Nashawaty, Town Mgr.
City of Franklin
316 Central Street
Franklin, NH 03235

RE: DIVIDENDS

Dear Ms. Nashawaty,

Enclosed please find a check for \$2,229.89, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2

December 22, 2000

Len Jarvi, Treasurer
City of Lebanon
51 North Park Street
Lebanon, NH 03766-1317

RE: DIVIDENDS

Dear Mr. Jarvi,

Enclosed please find a check for \$742.10, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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New Hampshire Municipal Association Property-Liability Trust, Inc.

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FAX: (603) 226-2322

December 22, 2000

John P. Bohenko, City Manager
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

RE: DIVIDENDS

Dear Mr. Bohenko,

Enclosed please find a check for \$58,277.12, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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Concord, NH 03302-0617
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N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Mark Descoteau, Fin. Dir.
City of Rochester
31 Wakefield Street
Rochester, NH 03867

NOT SENT

RE: DIVIDENDS

Dear Mr. Descoteau,

Enclosed please find a check for \$0 your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



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P.O. Box 617
Concord, NH 03302-0617
TEL: (603) 226-4481

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

December 22, 2000

Stanley Swier
Swain Lake Village Water District
P.O. Box 429
Barrington, NH 03825

RE: DIVIDENDS

Dear Mr. Swier,

Enclosed please find a check for \$259.68, your share of the \$750,000 dividend declared by your Board of Trustees. The Trust has been able to sustain this level of dividend for the past 3 years while locking in your rates as well.

This Dividend is being paid from years 1990, 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager

enc.



P.O. Box 617
Concord, NH 03302-0617
TEL: (603) 226-4481

New Hampshire Municipal Association Property-Liability Trust, Inc.

N.H. Toll Free: 1-800-646-2758
FAX: (603) 226-2322

November 16, 2001

Mark Descoteau, Fin. Dir.
City of Rochester
31 Wakefield Street
Rochester, NH 03867

RE: DIVIDENDS

Dear Mr. Descoteau,

We are pleased to announce a dividend of \$750,000, bringing the total returned to over \$11 Million. Your share is \$0. The Trust has been able to sustain this level of dividend for the past 4 years while locking in your rates as well.

This Dividend is being paid from years 1994, 1995, and 1996 and your share is based on your actual claim experience in those years.

Please let us know if you would like a check, or have it applied to your July 1, 2002 bill. Call Ellie at 1-800-646-2758 by December 17, 2001 to let her know your decision.

As always, we thank you for your support and participation of the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverages, the very best services and the latest innovations to save you money and manage your risks.

Best Wishes,

Jonathan G. Steiner
Jonathan G. Steiner
Trust Manager



25 Triangle Park Drive • P.O. Box 617 • Concord, NH 03302-0617

Tel. 603/226-4481 • Members Toll Free 1-800-646-2758
Fax 603/226-2322 • Members Toll Free 1-800-262-9507
Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

Daniel Kelly
City of Dover
288 Central Ave.
Dover, NH 03820-4169

RE: DIVIDENDS

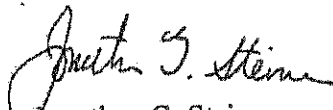
Dear Member:

Enclosed please find a check for \$3,099.24 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

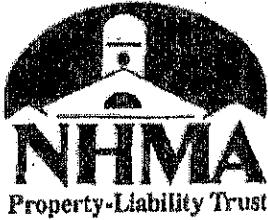
As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



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Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

James McSweeney
City of Lebanon
51 North Park Street
Lebanon, NH 03766

RE: DIVIDENDS

Dear Member:

Enclosed please find a check for \$4,766.19 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,

Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



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Fax 603/226-2322 • Members Toll Free 1-800-262-9507

Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

Dianna Fogarty
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

RE: DIVIDENDS

Dear Member:

Enclosed please find a check for \$25,720.02 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

~~As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.~~

Best wishes,

Jonathan G. Steiner
Trust Manager

JGS/ig

Enclosure



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Fax 603/226-2322 • Members Toll Free 1-800-262-9507
Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

Julie Clough
Grafton County
3801 Dartmouth College Hwy.
No. Haverhill, NH 03774-9758

RE: DIVIDENDS

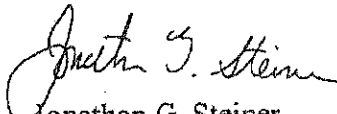
Dear Member:

Enclosed please find a check for \$13,213.43 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



25 Triangle Park Drive • P.O. Box 617 • Concord, NH 03302-0617

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Fax 603/226-2322 • Members Toll Free 1-800-262-9507
Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

RobertE Youngberg
Derry Public Library
64 East Broadway
Derry, NH 03038

RE: DIVIDENDS

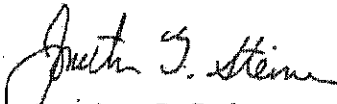
Dear Member:

Enclosed please find a check for \$1,008.91 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



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Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

April Whittaker
Town of Enfield
PO Box 373
Enfield, NH 03748

RE: DIVIDENDS

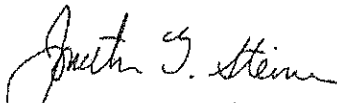
Dear Member:

Enclosed please find a check for **\$6,788.09** your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



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Fax 603/226-2322 • Members Toll Free 1-800-262-9507
Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

George Olson
Town of Exeter
10 Front St.
Exeter, NH 03833

RE: DIVIDENDS

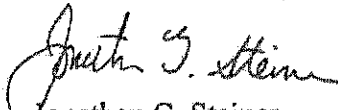
Dear Member:

Enclosed please find a check for \$12,149.14 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure



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June 17, 2003

James Barrington
Town of Hampton
100 Winnacunnet Rd.
Hampton, NH 03842

RE: DIVIDENDS

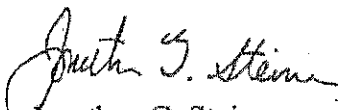
Dear Member:

Enclosed please find a check for \$11,450.69 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,


Jonathan G. Steiner
Trust Manager

JGS/ig

Enclosure



25 Triangle Park Drive • P.O. Box 617 • Concord, NH 03302-0617

Tel. 603/226-4481 • Members Toll Free 1-800-646-2758

Fax 603/226-2322 • Members Toll Free 1-800-262-9507

Email: plt@nhmunicipal.org • www.nhmunicipal.org

June 17, 2003

Julia N. Griffin
Town of Hanover
PO Box 483
Hanover, NH 03755

RE: DIVIDENDS

Dear Member:

Enclosed please find a check for \$19,239.07 your share of the \$500,000 dividend declared by your Board of Trustees. The Trust has been able to sustain dividends since 1989 while keeping rate levels low and service levels high.

This dividend is being paid from the years 1990, 1993, 1996 and 1997 and your share is based on your actual claim experience in those years.

As always, we thank you for your support and participation in the Trust. By working together as your risk management partner we hope to continue offering the very broadest coverage, the very best services and the latest innovations to save you money and manage your risks.

Best wishes,

A handwritten signature in cursive script that reads "Jonathan G. Steiner".

Jonathan G. Steiner
Trust Manager

JGS/lg

Enclosure

