

**Washington Metropolitan Area Transportation Authority  
Board Action/Information Summary**

<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information	MEAD Number:	Resolution: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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**PURPOSE**

To request Board approval to enter into a Standby Trust Agreement that includes trustee indemnification by WMATA.

**DESCRIPTION**

WMATA is required to comply with the financial responsibility regulations of the federal underground storage tank compliance program and is able to do so by using a Letter of Credit and Standby Trust Account established by local banks.

Staff is recommending this option as the least-cost alternative to comply with the regulations.

The required form of a Standby Trust Account includes a provision providing indemnification for the trustee, which reads:

“The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this Trust, or in carrying out any directions by the Grantor or the Director of the implementing agency issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.”

**FUNDING IMPACT**

There is no additional cost to providing indemnification.

**RECOMMENDATION**

Request Board approval to enter into the Standby Trust Account Agreement which includes the indemnification provision described above.

PRESENTED AND ADOPTED:

SUBJECT: APPROVAL TO EXECUTE STANDBY TRUST AGREEMENT WITH  
INDEMNIFICATION PROVISIONS

PROPOSED  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Authority is required to comply with the financial responsibility regulations of the federal underground storage tank compliance program; and

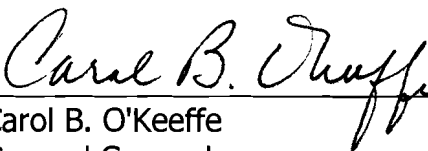
WHEREAS, The Authority desires to comply with this program by using a Letter of Credit and Standby Trust Account established by local banks; and

WHEREAS, The required form of a Standby Trust Account Agreement includes a provision which provides indemnification for the Trustee, now, therefore be it

*RESOLVED*, That the Board of Directors authorizes staff to enter into a Standby Trust Account Agreement with U.S. Bank which provides an indemnification to the Trustees; and be it finally

*RESOLVED*, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe  
General Counsel