

Hold Harmless/Indemnity Agreement

The Baldwin County Commission, a body corporate pursuant to *Code of Alabama* § 11-1-2, et. seq. that governs Baldwin County, Alabama (“Commission”), provides this Hold Harmless/Indemnity Agreement to United Bank, an Alabama state-chartered bank headquartered in Atmore, Alabama (“Bank”), with respect to its request that the Bank return funds held in the Accounts (as defined below) to the Commission.

In consideration for the Bank returning all funds held in the Accounts (as defined below) to the Commission, the Commission hereby agrees as follows.

1. The Commission hereby represents and warrants to the Bank as follows:
 - a. In 1963, the Commission established the Baldwin County Library Board for the purpose of supporting local public libraries in accordance with section 11-90-1, et. seq. of the Code of Alabama (1975). The Baldwin County Library Board has become known as the Baldwin County Library Cooperative (the “BCLC”).
 - b. In 2000, the BCLC formed a non-profit corporation which it called the Baldwin County Library Cooperative, Inc. (the “Corporation”). Sometime thereafter, the BCLC opened bank accounts with the Bank in the name of the Corporation and deposited public funds in said accounts (“the Accounts”).
 - c. Section 11-90-3 of the Code of Alabama delineates the powers given to library boards; the legislature did not give library boards formed pursuant to that section the power to incorporate. Accordingly, the BCLC’s attempt to incorporate by forming the Corporation is null and void under Alabama law. This opinion is shared by the Alabama Attorney General, as expressed in Opinion No. 99-00135.
 - d. Because the Corporation is a nullity, it cannot open or maintain bank accounts or hold public funds.
 - e. In June 2024, the Commission voted to dissolve the BCLC. Because the Corporation is a nullity and the BCLC has been dissolved, the funds held in the Accounts should be returned to the Commission.
2. In consideration of the Bank agreeing to return the funds in the Accounts to the Commission, the Commission agrees to fully indemnify and hold harmless the Bank from any and all actions, causes of action, claims, demands, damages, costs and expenses, of whatsoever kind, nature or description, at law or in equity, including attorneys’ fees and court costs, arising in any manner or from any source whatsoever relating to the return of the funds in the Accounts to the Commission and the closing of such Accounts.

[Signature Page Follows]

Date: _____

Baldwin County Commission

By: _____ (Print Name)

Its: _____ (Title)

Sworn to (or affirmed) and subscribed before me this _____ day of _____, 2024, by _____, who is personally known to me or who produced _____ as identification.

_____ (Signature of Notary)

Commission expires: _____

Name of Notary, printed or stamped

[Signature Page to Hold Harmless/Indemnity Agreement]