AGREEMENT
between
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
and
ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
for
RISK MANAGEMENT AND INSURANCE BROKER SERVICES

THIS AGREEMENT, made and entered into by and between: THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, a political subdivision of the State of Florida (hereinafter, "M-DCPS,") and Arthur J. Gallagher Risk Management Services, Inc./Arthur J. Gallagher & Co. (hereinafter, "BROKER").

WHEREAS, M-DCPS issued a Request for Qualifications and addenda, identified as RFQ #14-058-ND (hereinafter collectively "RFQ"), which is incorporated by reference herein, for the purpose of receiving proposals for Risk Management and Insurance Broker Services; and

WHEREAS, BROKER offered a proposal in response to RFQ #14-058-ND (hereinafter "Proposal"), which is incorporated by reference herein; and

WHEREAS, subsequent to receipt of Proposal by M-DCPS, M-DCPS and BROKER entered into negotiations, which were memorialized by correspondence or other documents (hereinafter collectively "Negotiations"), which are incorporated by reference herein; and

WHEREAS, BROKER desires to provide and M-DCPS desires to receive Risk Management and Insurance Broker Services as described under the terms and conditions of this Agreement.

NOW, THEREFORE, IN CONSIDERATION of mutual covenants and conditions set forth herein, the parties agree as follows:

ARTICLE 1 – RECITALS

1.1 **Recitals**. The Parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

ARTICLE 2 – TERM OF AGREEMENT

2.1 **Term of Agreement.** This Agreement is effective as of 12:01 a.m., January 1, 2016 and will continue until 12:01 a.m., January 1, 2019. The term of the AGREEMENT may, by mutual agreement by M-DCPS and BROKER, be extended for up to two additional one-year periods.

ARTICLE 3 – COMPENSATION OF BROKER

See Attachment B.

ARTICLE 4 – GENERAL CONDITIONS

4.1 **Scope of Services**

See Attachment A.

4.2 **Notice of Termination or Adverse Change**.

4.2.1 **Notice by BROKER**. BROKER shall give valid written notice to M-DCPS at least one hundred and twenty (120) days prior to cancellation, non-renewal, or restriction of BROKER's obligations under this Agreement. The written notice of cancellation, non-renewal, or restriction of BROKER's obligations under this Agreement shall be delivered by certified mail to:

Risk and Benefits Officer
Office of Risk & Benefits Management
Miami Dade County Public Schools
1501 NE 2nd Avenue, #335
Miami, FL 33132

4.2.2 **Notice by M-DCPS**. This Agreement may be canceled at any time and for any reason at the request of M-DCPS by written notice to BROKER stating when thereafter cancellation is to be effective.

4.2.3 **Basis of Termination**. In the event of termination of this Agreement for whatever reason, M-DCPS shall be relieved of all commissions for future coverage placements as outlined in Attachment B herein.

4.3 **Agreement – Document Priority**. In the event of a conflict among the terms of this Agreement, and the Proposal and the RFQ, the order of priority in determining the intent of the parties shall be as follows:

(1) This Agreement
(2) Documentation regarding negotiations for this Agreement
(3) Proposal
(4) RFQ

4.4 **Hold Harmless/Indemnification.**

4.4.1 BROKER agrees to indemnify, hold harmless and defend to the fullest extent permitted by law M-DCPS, its members, officials, officers, agents or employees from any and all claims, judgments, costs, and expenses including, but not limited to, reasonable attorney's fees, reasonable investigative and discovery costs, court costs and all other sums which M-DCPS, its members, officials, officers or employees may pay, or may be incurred by M-DCPS, or become obligated to pay on account of any, all and every claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of BROKER's negligence, its agents, servants or employees, products, goods or services furnished by BROKER, its agents, servants or employees; the equipment of BROKER, its agents, servants or employees while such equipment is on premises owned or controlled by M-DCPS; or the negligence or other culpability of BROKER or the negligence or other culpability of BROKER's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including M-DCPS's property, and injury or death of any person whether employed by BROKER, M-DCPS or otherwise.

4.4.2 BROKER agrees that BROKER's obligation to hold harmless and defend an indemnitee under Section 4.4 with respect a claim, judgment, cost, or expense resulting from bodily injury, personal injury, or damage to tangible property, caused in whole or in part by BROKER, its agents, servants or employees, shall apply whether or not the claim, judgment, cost, or expense is due to or caused in part by the negligence or other culpability of the indemnitee, excluding only the sole negligence or other sole culpability of the indemnitee.

4.4.3 Any remedy provided to an indemnitee by this Section 4.4 shall be in addition to and not in lieu of any other remedy available to the indemnitee under this Agreement or otherwise.

4.5 **Duty to Defend**

The BROKER agrees, at its own expense, and upon written request by M-DCPS, to defend any suit, action or demand brought against M-DCPS on any claim or demand that is alleged to arise out of or result from the negligence, recklessness or intentional wrongful conduct of the BROKER or other persons employed or utilized by the BROKER in the performance of this Agreement.

4.6 **BROKER Insurance Requirements**.

4.6.1 **Evidence of Insurance.**

4.6.1.1 **Certificate of Insurance.** BROKER shall furnish M-DCPS with a fully completed satisfactory Certificate of Insurance such as a standard ACORD Certificate of Liability Insurance (ACORD Form 25) or other evidence satisfactory to M-DCPS, signed by an authorized representative of the insurer(s) providing all of the coverages required herein.

4.6.1.2 **Additional Insured Endorsement.** In addition, as evidence of the required Additional Insured status for M-DCPS on the Commercial General Liability insurance, BROKER shall furnish M-DCPS with a certificate of insurance, signed by an authorized representative of the insurer(s), verifying inclusion of M-DCPS and M-DCPS's members, officials, officers and employees as Additional Insureds in the Commercial General Liability coverage.

4.6.1.3 **Notice of Cancellation.** All policies of insurance providing the insurance required under this Section 4.6, must be endorsed to provide that M-DCPS shall be given no less than thirty (30) days' prior written notice prior to any cancellation of such policies. In addition, BROKER shall furnish M-DCPS with copies of the actual endorsements, as issued on the policies and signed by an authorized representative of the insurer(s), providing that the required notice of cancellation will be provided to M-DCPS. A cancelled or non-renewed policy will be replaced with no coverage gap and a current certificate of insurance will be provided to M-DCPS.

4.6.1.4 **Renewal/Replacement Evidence.** Until such time as the insurance is no longer required to be maintained by BROKER, BROKER shall provide M-DCPS with certificates of insurance evidencing renewal or replacement of the insurance as soon as coverage is bound with the insurers.

4.6.2 **Qualification of BROKER's Insurers**

4.6.2.1 Insurers providing the insurance required by this Agreement for BROKER must either be: (1) authorized by a subsisting certificate of authority issued by the State of Florida to transact insurance in the State of Florida, or (2) except with respect to coverage for the liability imposed by the Florida Workers' Compensation Act, an eligible surplus lines insurer under Florida Statutes.

4.6.2.2 In addition, each such insurer shall have and maintain throughout the period for which coverage is required, a Best's Rating of "A-" or better and a Financial Size Category of "VII" or better according to A. M. Best Company, unless this requirement is waived in writing by M-DCPS.

4.6.2.3 If, during the period when an insurer is providing the insurance required by this Agreement, an insurer shall fail to comply with the foregoing minimum requirements, as soon as BROKER has knowledge of any such failure, BROKER shall immediately notify M-DCPS and immediately replace the insurance provided by the insurer with an insurer meeting the requirements. Until BROKER has replaced the unacceptable insurer with an insurer acceptable to M-DCPS, BROKER shall be in default of this Agreement. This provision does not apply if M-DCPS approves the use of the insurer in writing.

4.6.3 **Description of BROKER Required Insurance**

4.6.3.1 **Workers' Compensation and Employer's Liability Insurance.** Such insurance shall be no more restrictive than that provided by the Standard Workers' Compensation Policy, as filed for use in Florida by the National Board on Compensation Insurance, without restrictive endorsements other than those which are required by the State of Florida. The minimum amount of coverage (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	$ 1,000,000	Each Accident
	$ 1,000,000	Disease - Policy Limit
	$ 1,000,000	Disease - Each Employee

4.6.3.2 **Commercial General Liability Insurance.** Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial General Liability Form (ISO Form CG 00 01) as filed for use in the State of Florida without any restrictive endorsements other than those required by ISO or the State of Florida those described below. The coverage may include restrictive endorsements which exclude coverage for liability arising out of:

- Mold, fungus, or bacteria
- Silica, asbestos or lead
- Terrorism
- Sexual Molestation

The minimum limits (inclusive of amounts provided by an umbrella or excess policy) shall be:

$ 2,000,000	General Aggregate
$ 2,000,000	Products/Completed Operations Aggregate
$ 1,000,000	Personal and Advertising Injury
$ 1,000,000	Each Occurrence

M-DCPS and its members, officials, officers, employees, and agents shall be included as an additional insured on a form no more restrictive than the most recent version of ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

4.6.3.3 **Automobile Liability Insurance.** Such insurance shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of the Agreement. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

$ 1,000,000 Each Occurrence - Bodily Injury and Property Damage Combined

4.6.3.4 **Professional Liability Insurance.** Such insurance shall be on a form acceptable to M-DCPS and shall cover BROKER for those sources of liability arising out of the rendering or failure to render professional services in the performance of the services required in the Agreement including any hold harmless and/or indemnification agreement. Coverage must either be on an occurrence basis; or, if on a claims-made basis, the coverage must respond to all claims reported within four years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

$ 3,000,000 Each Claim/Annual Aggregate

4.6.3.5 **Cyber Liability & Data Storage.**

Such insurance shall be on a form acceptable to M-DCPS and shall cover, at a minimum, the following:

- Data Loss and System Damage Liability
- Security Liability
- Privacy Liability
- Privacy/Security Breach Response Coverage, including Notification Expenses

Such Cyber Liability coverage must be provided on an Occurrence Form or, if on a Claims Made Form, the retroactive date must be no later than the first date of this Agreement and such claims-made coverage must respond to all claims reported

within three years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

$ 1,000,000 Each Claim/Annual Aggregate

4.6.4 **BROKER's Insurance Primary and Non-Contributory.** The insurance provided by BROKER shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by M-DCPS or its members, officers, employees, and agents. Any insurance, or self-insurance, maintained by M-DCPS shall be excess of, and shall not contribute with, the insurance provided by BROKER.

4.6.5 **Self-Insurance, Deductibles or Self-Insured Retentions**. Except as otherwise specifically authorized in this Agreement, or for which prior written approval has been obtained hereunder, the insurance maintained by BROKER shall apply on a first dollar basis without application of a deductible or self-insured retention. Under limited circumstances, M-DCPS may, at their sole discretion, permit the application of a deductible or permit BROKER to self-insure, in whole or in part, one or more of the insurance coverages required by this Agreement. However, no such self-insurance, deductible or self-insured retention will be allowed unless and until BROKER has received prior written approval from M-DCPS to use such self-insurance, deductible or self-insured retention. In addition, BROKER shall pay on behalf of M-DCPS or M-DCPS's member, officer, official or employee any self-insurance, deductible or self-insured retention applicable to a claim against M-DCPS or M-DCPS's member, officer, official or employee. The agreement by M-DCPS to allow the use of any such self-insurance, deductible or self-insured retention shall be subject to periodic review by M-DCPS. If, at any time, M-DCPS deems that the continued use of the self-insurance, deductible or self-insured retention by BROKER should not be permitted, M-DCPS may, upon 60 days' written notice to BROKER, require BROKER to eliminate, replace, or modify the self-insurance, deductible or self-insured retention, at no additional cost to M-DCPS, in a manner satisfactory to M-DCPS.

4.6.6 **BROKER's Insurance as Additional Remedy.** Compliance with these insurance requirements shall not limit the liability of BROKER. Any remedy provided to M-DCPS by the insurance provided by BROKER shall be in addition to and not in lieu of any other remedy (including, but not limited to, as an indemnitee of BROKER) available to M-DCPS under this Agreement or otherwise.

4.6.7 **No Waiver by M-DCPS Approval/Disapproval.** Neither approval nor failure to disapprove insurance furnished by the BROKER shall relieve the BROKER from responsibility to provide insurance as required by this Agreement.

4.7 **Compliance With Laws, Rules, And Regulations**. BROKER is responsible for full and complete compliance with all laws, rules, and regulations, including those of the Florida Department of Financial Services, which may be applicable to it. Failure or inability on the part of BROKER to comply with such laws, rules, and regulations shall not relieve BROKER from its obligation to perform completely in accordance with this Agreement.

4.8 **Default**. In the event of default, which may include, but is not limited to non-performance and/or poor performance of this Agreement, BROKER shall lose eligibility to transact new business with M-DCPS for a period of 14 months from date of termination of this Agreement by M-DCPS. If BROKER is determined to be ineligible, BROKER may request a hearing pursuant to §120.569, Fla. Statute, and M-DCPS Board Rule 6Gx13-8C-1.064.

4.9 **Compliance with the Jessica Lunsford Act**. In accordance with the requirements of Sections, 1012.465, and 1012.32 and 1012.467, Florida Statutes, M-DCPS Rules 6Gx13- 3F-1.024 and 6Gx13- 4C-1.021 as amended from time to time BROKER agrees that, if BROKER receives remuneration for services, BROKER and all of its employees who provide or may provide services under this Agreement will complete criminal history checks, and all background screening requirements, including level 2 screening requirements as outlined in the above-referenced statutes and M-DCPS rules prior to providing services to M-DCPS. Additionally, BROKER agrees that each of its employees, representatives, agents. subcontractors or suppliers who are permitted access on school grounds when students are present, who have direct contact with students or who have access to or control of school funds must meet level 2 screening requirements as described in the above-referenced statutes and M-DCPS rules.

Pursuant to the 2009 amendments to the Jessica Lunsford Act enacted by the Florida Legislature, requirements for certain fingerprinting and criminal history checks shall be inapplicable to non-instructional contracted personnel who qualify for exemption from level 2 screening requirements as provided under § 1012.468, Fla. Stat. (2009). In addition, the provisions of § 1012.467, Fla. Stat. (2009) are incorporated herein by reference, and any provisions of this Agreement that may be inconsistent with, contrary to, or determined to be in conflict with § 1012.467, will be superseded by said statute

A non-instructional contractor who is exempt from the screening requirements set forth in § 1012.465, § 1012.468 or § 1012.467, Florida Statutes, is subject to a search of his or her name or other identifying information against the registration information regarding sexual predators and sexual offenders maintained by the Department of Law Enforcement under § 943.043 and the national sex offender public registry maintained by the United States Department of Justice. BROKER will not be charged for this search. Further, upon obtaining clearance by M-DCPS, if M-DCPS deems necessary, M-DCPS will issue a photo identification badge which shall be worn by the individual at all times while on M-DCPS property when students are present.

BROKER agrees to bear any and all costs associated with acquiring the required background screening, including any costs associated with fingerprinting and obtaining the required photo

identification badge. BROKER agrees to require all its affected employees to sign a statement, as a condition of employment with BROKER in relation to performance under this Agreement, agreeing that the employee will abide by the heretofore described background screening requirements, and also agreeing that the employee will notify the BROKER of any arrest(s) or conviction(s) of any offense enumerated in M-DCPS Rules 6Gx13- 3F - 1.024 and 6Gx13- 4C 1.021 within 48 hours of its occurrence. BROKER agrees to provide M-DCPS with a list of all of its employees who have completed background screening as required by the above-referenced statutes and who meet the statutory requirements contained therein. BROKER agrees that it has an ongoing duty to maintain and update these lists as new employees are hired and in the event that any previously screened employee fails to meet the statutory standards. BROKER further agrees to notify M-DCPS immediately upon becoming aware that one of its employees who was previously certified as completing the background check and meeting the statutory standards is subsequently arrested or convicted of any disqualifying offense. Failure by BROKER to notify M-DCPS of such arrest or conviction within 48 hours of being put on notice and within 5 business days of the occurrence of qualifying arrest or conviction, shall constitute grounds for immediate termination of this Agreement by M-DCPS.

The parties further agree that failure by BROKER to perform any of the duties described in this section shall constitute a material breach of the Agreement entitling M-DCPS to terminate this Agreement immediately with no further responsibility to make payment or perform any other duties under this Agreement.

4.10 **Public Records**. Each Party shall maintain its own respective records and documents associated with this Agreement in accordance with the records retention requirements applicable to public records. Each Party shall be responsible for compliance with any public documents request served upon it pursuant to Section 119.07, Florida Statutes, and any resultant award of attorneys' fees attributable to the party's non-compliance with that law. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.11 **BROKER Is Independent Contractor**. The Parties agree that BROKER is engaged to perform services under this Agreement as an independent contractor, and not as an agent, of M-DCPS.

4.12 **Entire Agreement**. This Agreement incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in, or incorporated by reference in, this document. Accordingly, the Parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

4.13 **Amendments**. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each Party hereto.

4.14 **Waiver**. The Parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any Party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

4.15 **Governing Law and Venue**. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Eleventh Judicial Circuit of Miami-Dade County, Florida. Each party shall be responsible for its own attorneys' fees and costs incurred as a result of any action or proceeding under this Agreement, except as otherwise set forth in this Agreement. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.16 **No Waiver of Sovereign Immunity**. Nothing contained in this Agreement is intended to serve as a waiver of sovereign immunity by M-DCPS or any person to which sovereign immunity may be applicable. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.17 **Non-Discrimination**. BROKER shall not discriminate against any person in the performance of the duties, responsibilities and obligations under this Agreement because of race, age, religion, color, gender, national origin, marital status, disability or sexual orientation.

4.18 **Successors**. This Agreement shall be binding upon and shall inure to the benefit of all assigns, transferees and successors in interest of the Parties.

4.19 **Assignment**. Neither this Agreement or any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other Party.

4.20 **Notice**. When any of the Parties desire to give notice to the other, such notice must be in writing, sent by U S Mail, postage prepaid, addressed to the Party for whom it is intended at the place last specified. The place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective places for giving notice:

As to M-DCPS

Risk and Benefits Officer
Office of Risk & Benefits Management
Miami Dade County Public Schools
1501 NE 2nd Ave.., #335
Miami, FL 33132

As to BROKER

David L. Marcus, ARM-P
Area Chairman – South Florida
Arthur J. Gallagher Risk Management Services, Inc.
South Florida – Boca Location
2255 Glades Road, Suite #200E
Boca Raton, FL 33431

IN WITNESS WHEREOF, the parties have made and executed this Agreement on the respective dates under each signature. THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA by and through its Chair, and ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC. by and through its duly authorized representative.

FOR THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

By: _____
Superintendent of Schools

On this 2 day of Dec, 2015.

Approved as to Form and Legal Sufficiency

_____ 11/17/2015
School Board Attorney Signature Date

_____ 11/17/15
Risk Management Signature Date

FOR ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.

By: _____
Area Chairman

Attest:

By: _____
Secretary

On this 9th day of November, 2015.

ATTACHMENT A
PROPERTY AND CASUALTY INSURANCE BROKER SERVICES
SCOPE OF SERVICES

BROKER agrees to provide the following services:

PLACEMENT AND INSURANCE MANAGEMENT SERVICES

- Use its best efforts to place insurance coverage on M-DCPS's behalf. Included lines of insurance are:
  - Property
  - NFIP Flood (currently over 900 separate policies)
  - Terrorism
  - Portfolio/Blanket Builders' Risk
  - Boiler & Machinery
  - Excess Workers' Compensation
  - Excess Third Party Liability
  - Police Professional Liability
  - Cyber Liability
  - Catastrophic Student Accident Insurance
  - Crime, Fidelity Bonds and other miscellaneous bonds
  - Miscellaneous Property and Liability Coverages
  - Superintendents Automobile Coverage
  - (All property and casualty insurance coverages will be included except student accident, football accident and catastrophic accident.)

- Consult with M-DCPS to formulate a marketing strategy that focuses on delivering a cost-effective risk management strategy and structure based upon current market conditions. Agree upon and meet M-DCPS schedules for submissions and other work product. Suggest innovative coverage and risk financing solutions to reduce M-DCPS's cost of risk.

- Work with M-DCPS to produce comprehensive underwriting data and criteria for insurance carrier negotiations. Broker will coordinate database of insured values. Broker will coordinate the procurement of all underwriting information from various departments. Represent M-DCPS in negotiations with insurers, underwriters and other parties with regards to the insurance program.

- Formally present coverage submissions to agreed upon insurance carrier(s) and negotiate terms on behalf of M-DCPS.

- Annually, coordinate and provide M-DCPS with copies of catastrophe analysis studies to be used in the marketing of the property insurance program.

- Summarize the results of executing the marketing strategy developed with M-DCPS and communicate program recommendations.

- Provide consultation to M-DCPS on exposures, existing coverage, and the desirability and/or feasibility of potential program changes.

- Request change endorsements, when requested by M-DCPS or when otherwise necessary, ensuring accuracy and delivery in a timely manner.

- Administration of insurance program, including extensive policy review and issuance, invoicing, coordination and/or issuance of required documentation, i.e., automobile identification cards, certificates of insurance, and other program administration, as required by M-DCPS.

- Review accounting and billing data received from insurance markets on M-DCPS's behalf to ensure accuracy.

- Annually, provide stewardship report summarizing program and services provided throughout the year.

- Provide M-DCPS Risk Management department staff with access to risk management documents and insurance policies on-line and provide appropriate training to M-DCPS staff for effective use of system.

- Except with the prior written approval of M-DCPS, place insurance on behalf of M-DCPS with insurers that meet or exceed minimum financial guidelines or a Best rating of not less than "A-" as assigned by A.M. Best. Monitor published financial information of any insurers with whom M-DCPS's coverage is placed. Alert M-DCPS if the status of an insurer falls below A.M. Best guidelines herein.

LOSS CONTROL SERVICES

- Develop, with M-DCPS's assistance and involvement, loss control programs and strategies, including educational training, seminars, research and analysis of loss trends, and develop communication materials. Provide, at a minimum, quarterly reporting detailing the loss control activities and results.

- Provide a full time, qualified loss control representative to assist with the implementation of such loss control programs and strategies.

- Loss control services will not be limited to property exposures but will also support the M-DCPS workers' compensation program and other safety initiatives.

APPRAISAL SERVICES

- Subcontract with a vendor approved by M-DCPS to provide appraisal services for non-instructional facilities of M-DCPS as agreed by M-DCPS and broker. Finalize a three-year plan to have all non-instructional facilities appraised.

ADMINISTRATIVE SUPPORT

- Provide administrative support services to M-DCPS Risk Management department. This support will include a full-time staff member employed by and managed by broker and located at the M-DCPS Risk Management department. This full-time staff member will work with broker and M-DCPS staff to manage certificate of insurance issuance, update and coordinate Risk Management insurance policy files, assist in statement of values development, and provide other administrative support services as agreed between broker and M-DCPS.

CLAIMS ADVOCACY

- Participate in claims review meetings to ensure accuracy of reserves and effective claims management.

- Coordinate claim information with designated adjusters.

- Assist with emergency procedures and disaster planning.

- Assist with claim and coverage disputes.

ATTACHMENT B
COMPENSATION OF BROKER

Compensation to BROKER

The following outlines the compensation to be provided to BROKER for all insurance placements initiated by BROKER on behalf of M-DCPS pursuant to the terms of this Agreement, effective January 1, 2016:

Property Insurance Placements	no more than an average of 8.0% of property insurance premium not to exceed $1,600,000 per annual term
All Other Insurance Placements	no more than an average of 9.0% of premium

Or as agreed to in writing by M-DCPS on an annual basis.

Compensation to Intermediaries

BROKER may utilize insurance intermediaries (such as a wholesale insurance broker, managing general agent (MGA), managing general underwriter or reinsurance broker) for the placement of M-DCPSs insurance. The compensation received by the insurance intermediary for placements is to be no more than the following in addition to above BROKER compensation for all insurance placements initiated by BROKER on behalf of M-DCPS pursuant to the terms of this Agreement, effective January 1, 2016:

Property Insurance Placements:	
London/Internationally Based Intermediaries	6.00% of premium
U.S. Based Intermediaries	4.25% of premium
All Other Insurance Placements:	
Ancillary Insurance Placements:	Per full disclosure by BROKER and agreement by M-DCPS

Or as agreed to in writing by M-DCPS on an annual basis.

NFIP Flood Insurance

Compensation for NFIP policies will be subject to full disclosure by BROKER as agreed to in writing by M-DCPS on an annual basis.

Contingent Commissions

Neither the Broker nor any affiliate of the Broker will accept any commissions or consideration, directly or indirectly, from any insurance company, underwriter, or other entity or individual (other than as defined in this Attachment) that is paid or given on account of a certain volume or type of business being placed with any particular carrier, including payments commonly referred to as contingent commissions, if the insurance purchased by M-DCPS with respect to the Scope of Services is considered as part of such volume or type (collectively the "Contingent Commissions"). The Broker shall promptly disclose to M-DCPS all Contingent Commissions. It is the intent of the

parties that the Broker never receive, in the aggregate, more than the compensation set forth above from all sources in connection with the performance of the Scope of Services.

Miscellaneous Compensation Terms

All payments or allowances paid to, received by, or retained by BROKER and/or intermediaries attributable to the placement of M-DCPSs insurance program will be disclosed, at minimum annually, to M-DCPS.

Premiums, as used in this agreement, do not include taxes, loss funds, inspection fees, assessments or other similar fees.

Where applicable, insurance coverage placements which BROKER makes on M-DCPSs behalf, may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees, to the Internal Revenue Service (federal), various state(s) departments of revenue, state regulators, boards or associations. In such cases, M-DCPS is responsible for the payment of such taxes and/or fees, which will be identified separately by BROKER on invoices covering these placements.

Costs and expenses associated with travel and expenses incurred by BROKER in the performance of duties performed in the performance of its obligations in this Agreement shall be the sole responsibility of BROKER.

Excess Commissions

The Broker will collect compensation directly from the insurance carrier(s). In the event the sum of compensation exceeds the hard dollar or commission percentage caps noted above in any annual period, this compensation shall be accounted for separately by the BROKER. This compensation shall be used solely on behalf of M-DCPS for additional loss control and risk management related services. All services provided shall be approved in writing by M-DCPS Risk Management Director or designee. An accounting of this compensation shall be provided to M-DCPS annually or as requested by M-DCPS in writing.