# CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement (this "**Agreement**") is made and entered into as of the ___1st___ day of __July_____, 2021_ (the "**Effective Date**") by and between Beaufort County School District, a South Carolina public school district ("**Client**"), and Arthur J. Gallagher Risk Management Services, Inc., an Illinois corporation, and its licensed brokerage affiliates ("**Gallagher**"). Client and Gallagher shall each be referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, Gallagher is willing, able and desires to provide advisory and/or consulting services to Client on a non-exclusive basis, as further described on Exhibit A attached hereto (collectively, the "**Services**"); and

WHEREAS, Client desires to engage Gallagher to provide such Services to Client on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, Gallagher and Client hereby agree as follows:

## I. TERM AND TERMINATION

This Agreement shall commence on the Effective Date and continue for a term of one (1) year. This Agreement shall automatically renew on the first anniversary of the Effective Date and annually thereafter for consecutive additional periods of one (1) year each. This Agreement may be terminated by either Party at any time upon thirty (30) days' prior written notice. In the event of any such termination, Gallagher will work with Client during such 30-day period to transition the Services as directed.

## II. SERVICES

A. Gallagher will provide the Services for Client as set forth on Exhibit A attached hereto and incorporated herein, which Exhibit A may be amended from time to time as agreed upon in writing by the Parties. Services are limited to an advisory capacity only, and represent the opinion and suggestion of Gallagher. Notwithstanding the Services being provided by Gallagher, Services shall not be construed as decisions on behalf of Client.

B. All decisions related to Client's business, operations, affairs and any and all other matters discussed between Client and Gallagher are deemed to have been made and shall be made by Client in its sole and absolute discretion. Failure or refusal to implement the suggestions of Gallagher shall not be deemed cause for non-payment of the Services.

C. Client shall provide Gallagher with all information and documentation that may be relevant to Gallagher's provision of the Services, including any such information and documentation as may be requested by Gallagher from time to time.

## III. COMPENSATION, TAXES AND FEES

A. Client shall pay Gallagher the fees set forth on Exhibit A. Client shall reimburse Gallagher for all expenses reasonably incurred by Gallagher in performance of the Services.

B. All fees and expenses shall be due and payable to Gallagher in U.S. dollars, within thirty (30) days after Client's receipt of the applicable invoice.

C. Where applicable, Services provided by Gallagher may require the payment of federal excise taxes or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, Client is responsible for the payment of such taxes and/or fees, which Gallagher will separately identify on related invoices. Under no circumstances will these taxes or other related fees or charges be offset against fees or commissions due to Gallagher hereunder.

## IV. CONFIDENTIALITY & DATA PRIVACY

A. As used in this Agreement, Confidential Information means any nonpublic, proprietary or personal data and information furnished by either Party or its agents or representatives to the other Party or its agents and representatives, whenever furnished and regardless of the manner or media in which such information is furnished, which the receiving Party knows or reasonably should know to be confidential. Each Party shall treat Confidential Information as confidential and only use it in the performance of its obligations under this Agreement.

B. The Parties acknowledge that Confidential Information includes personal data provided to Gallagher by Client for the benefit of Client and/or its employees to facilitate the Services set forth in Exhibit A. Both Parties also agree that the Confidential Information may include information that alone, or in combination with other information, uniquely identifies an individual. Client agrees that Gallagher is permitted to disclose and transfer Client's Confidential Information to Gallagher's affiliates, agents or vendors that have a need to know the Confidential Information in connection with the Services provided under this Agreement (including insurance carriers, as necessary, for quoting and/or placing insurance coverages, if applicable). In addition, Gallagher may also utilize anonymized/de-identified Client data in connection with data analytics, service enhancement initiatives and similar business purposes. Either Party may also disclose such information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at https://www.ajg.com/privacy-policy/.

C. Both Gallagher and Client agree to comply with all state and federal laws, rules, and orders that relate to privacy and data protection which are, or which in the future may be, applicable to Confidential Information, the Services or the performance of obligations under this Agreement. Upon request, Gallagher will cooperate with Client pursuant to applicable law(s) to comply with requests from individuals regarding their personal information.

## V. INTELLECTUAL PROPERTY

Gallagher retains all copyright, trademark and other intellectual property rights in all materials developed, designed or created by Gallagher either before or during the term of this Agreement, including systems, methodologies, software, know-how and working papers, except for any confidential information that Client has provided to Gallagher.

## VI. DISPUTE RESOLUTION

A. In the event of a dispute, the Parties should first agree to engage in good faith negotiations to resolve the dispute, and if those fail after sixty (60) days, either Party may file a claim against the other in a court that has jurisdiction, subjece to the restrictions in Sextion VIII.E. (Governing Law)

H. Counterparts. This Agreement may be executed in multiple counterparts (including by scanned image or electronic signature), each of which shall be considered one and the same agreement, and shall become effective when signed by each of the Parties and delivered to the other Party.

I. Warranties. Except as expressly set forth in this Agreement, Gallagher makes no other warranties of any kind with respect to the Services, including, without limitation, warranties that may be implied from a course of performance, dealing or trade usage.

J. Severability. If a court/arbitrator of competent jurisdiction determines that any provision of this Agreement is void or unenforceable, that provision will be severed from this Agreement, and the court/arbitrator will replace it with a valid and enforceable provision that most closely approximates the intent of the Parties, and the remainder of this Agreement will otherwise remain in full force and effect.

K. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior negotiations, agreements and understandings. No change, waiver or discharge hereof shall be valid unless in writing and executed by the Party against whom such change, waiver or discharge is sought to be enforced.

L. Non-Waiver. The Parties agree that any delay or forbearance by either Party in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. Only waivers expressly made in writing by an authorized Gallagher or Client representative shall be effective against such Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

**ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.**

By: Scott Thomason

Name: Scott Thomason

Title: Senior Vice President

**BEAUFORT COUNTY SCHOOL DISTRICT**

By: _____

Name: _____

Title: _____

## VII. LIABILITY LIMITATIONS

If Gallagher is liableto pay damages to Client and if Client or any other person (including other advisers to Client) has contributed to the loss Client or such other person has suffered, the damages payable by Gallagher willbe reduced to the extent of such contribution. Without limiting the foregoing, Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, special, exemplary,reliance, consequential or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreementor any Services provided hereunder may be brought by either party any later than two (2) years after the accrual of such claim or cause of action.

## VIII. MISCELLANEOUS

A. Non-Reliance. To the extent Gallagher's Services hereunder relate to Gallagher's review or creation of any due diligence materials involving Client's acquisition of another entity or business, whether by stock, asset purchase or otherwise, Gallagher is providing any reports relating to such review for Client's benefit only in order to facilitate Client's own research and review and not to induce Client to take action with respect to any transaction or anything related thereto. For Client and its employees, consultants, contractors, legal counsel, professional advisors and any other party with which Client shares such information, Client hereby confirms that any and all such parties do not intend to, and agrees that they are not entitled to, rely upon such information.

B. Indemnification. (Removed)

C. Professional Services. In the event Gallagher's Services include the provision of contract or other document reviews or consulting activities, such commentary shall not be provided to Client in a legal capacity and will not constitute legal or tax advice. Client must consult with its own legal and tax advisors to become fully apprised of any legal or financial implications to its business and Gallagher hereby disclaims liability for issues that arise due to Client actions taken based upon any Gallagher contract and document reviews or other advisory consulting activities. Client hereby assumes the sole responsibility for the legality of any and all decisions made, whether or not at the suggestion of Gallagher.

D. Assignment. This Agreement shall apply to and bind the successors and assigns of the Parties, including, in the event of a Party's insolvency, debtors-in-possession and any appointed trustee or administrator. This Agreement shall be not be assignable by either Party, except with the prior written consent of the other Party; provided, however, that either Party may assign this Agreement to an affiliate or in the event of a merger or sale, provided the assignee is willing and able to assume (and does actually assume) such Party's obligations hereunder.

E. Independent Contractor. Gallagher is engaged to perform Services as an independent contractor of Client and not as an employee or agent of Client, and will not be operating in a fiduciary capacity.

F. Governing Law & Venue. This Agreement and any disputes or litigation relating to or arising out of this Agreement shall be governed by the laws of the State of South Carolina without regard to its conflict of law rules. Any litigation under Section VI.A of this Agreement shall be brought in federal or state court in Beaufort County, South Carolina.

G. Force Majeure. Neither Party shall be liable to the other for any delay or failure to perform any of its obligations under this Agreement as a result of flood, earthquake, storm, other act of God, fire, derailment, accident, labor dispute, explosion, war, act of terrorism, sabotage, insurrection, riot, embargo, court injunction or order, act of government or governmental agency or other similar cause beyond its reasonable control.

# EXHIBIT A

The following outlines Services provided by Gallagher over the term of this Agreement:

## Beaufort County School District - Option 2 (Excess Workers Compensation Program Management) $20,000

**Brokerage and Risk Management Services Proposal**

| Annual Service Offering | Brief Description of Services | Annual Cost |
|---|---|---|
| **Risk Management and Broker Services Package** | | **$20,000** |
| Normal Brokerage Services | Issue Certificates of Insurance, issue binders, etc. | |
| Risk Management Consulting | General risk management advice | |
| Claims Advocacy | Claim Assistance; attend claim review meetings | |
| Gallagher Policy Analysis | Analysis of current program - advice on coverages, limits, additional policies | |
| Risk Retention Analysis Report | Analysis of claims in order to maximize deductibles | |
| Market Analysis | Quarterly/Annual market analysis and insurance forecast | |
| Contractual Risk Management | Evaluation and advice on contracts | |
| Gallagher Public Sector and K-12 Whitepapers | Access to past, present, and future whitepapers | |
| Gallagher Safety Products | Access to webinars, "pep talk" and other bulletins | |
| Gallagher Thought Leadership | Access to Subscription center services | |
| Gallagher Risk Assessment Report | Exposure and Best Practices using proprietary tools | |
| Annual CORE360 Scorecard / Stewardship Report | Summary of coverages, claims history, services provided | |
| Online Risk Control Portal Access | Up to 10 risk control modules and training resources | |
| Safety / Risk Mgmt. Committee | Attend quarterly meetings; write recommendations | |
| Safety Committee Development | Assistance and continuing development of committee includes guidelines, manuals, best practices | |
| Annual Claims Analysis | Root Cause Analysis - risk metrics reports and tools | |
| Experience Modifier Analysis | Complete analysis; breakdown of cost drivers | |
| Claim Closure Project | Focus on closing claims; working with your Carrier/TPA | |
| Self-Insured Program Management | Total Cost of Risk Development; general consulting | |
| **Grand Total** | | **$20,000** |
| *Optional Additional Risk Management Services* | | |
| Enterprise Risk Management Consulting | Typical Project Fee | $25,000 |
| Risk Control / Risk Management Services | Standard fee per hour of $150 - $200 | Per project |

Client Signature _____

Date _____