SUPERINTENDENT APPROVAL OF PURCHASE OR CONTRACT RENEWAL

Request for Payment ☐ New Contract/Agreement ☑

Addendum/Amendment ☐ Annual/Renewal ☐

Vendor Name: Brentwood Services Adminstrators BIB#

Specific Description:

Initiate a new contract for Worker's Compensation Adminstrative Services.

Purpose/Outcome:

To execute a new contract with Brentwood Services Adminstrators to provide Workers Compensation Adminstrative Services for a period of three (3) years starting July 1, 2025 and ending June 30, 2028.

Term: 3-Years

Funding Source: ~~1######~~ : 10026401 - 527000 KA 7/31/25

Special Revenue:_____(Initial) Capital/Referendum/8%_____(Initial)

Costs: $50,000 Base+claims Procurement Method: RFP 25-029

**Over $749,579,711.00 Board Approval Required:_____ (Initial)

MOUs and MOAs - Reviewed by Legal:_____ (Initial)

Requested by: Jennifer A. Staton Date: 7-31-25

If applicable, by signing as the requester, you are confirming you have read and understand Proviso 1.93 (SDE: Partisanship Curriculum) and that the services provided by the contractor are in compliance with the order. Questions regarding the Proviso may be directed to the BCSD Legal Department.

APPROVED BY:

Chief Officer: Allen W. Wade Date: 7/31/25

CFO: Tonya Cody Date: 8-11-25

Superintendent: Date: 8/14/25

UPDATED BY KMY 06/2024

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

CONTRACTUAL AGREEMENT BETWEEN DISTRICT AND CONTRACTOR FOR WORKER'S COMPENSATION ADMINISTRATIVE SERVICES

This Contractual Agreement Between District and Contractor for Workers' Compensation Administrative Services ("Agreement") is made on the 16th day of July 2025, between Beaufort County School District ("BCSD") and Brentwood Services Administrators, Inc. ("Contractor").

The Project is to provide for third party claims administrative services (the "Services") for BCSD.

RECITALS

Whereas, BCSD is authorized by the State of South Carolina to self- insure its workers' compensation injuries or occupational illnesses incurred by its employees arising during the course and scope of their employment; and,

Whereas, Contractor is a duly authorized third-party administrator ("TPA") and provider of the Services in the State of South Carolina and has submitted its proposal to BCSD to provide the Services which are more fully described herein.

The parties hereto do agree as follows in consideration of the mutual promises, covenants and agreements as hereinafter set forth.

1. **TERMS AND CONDITIONS.** Contractor certifies that the scope of work/specifications as they apply to the Services and all terms and conditions within the BCSD Request for Information (RFP) #25-029 solicitation and the Contractor proposal in response to the RFP shall be made part of the Contract as if incorporated therein.

2. **DEFINITIONS.**

   a. **"Allocated Loss Adjustment Expenses" (ALAEs):** shall mean any cost or expense incurred by Contractor in connection with the administration, investigation, adjustment, or defense of claims on behalf of BCSD. ALAEs include but are not limited to: any and all legal fees, court costs and legal expenses; fees and expenses billed by attorneys for legal services; court reporters, fees for service of process; pre and post judgment interest paid; professional photographs; medical records; the cost to retain experts; cost containment fees; rehabilitation costs; accident reconstruction; architects;

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chemist; contractors; engineers, police, fire, coroner, weather or other such reports; extraordinary costs for witness statements; the cost to obtain official documents and transcripts; sub rosa investigations; medical examinations; extraordinary travel made by BCSD's request; collection costs payable to third parties on subrogation; or, any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a Qualified Claim; or, the protection of subrogation, contribution, indemnification rights of the BCSD.

b. **"Claim Files":** shall mean the files, either electronic or paper, for all open or closed claims which are provided to Contractor at the inception of this Agreement and which shall be considered the sole property of the BCSD.

c. **"Disability Management Coordinator" or "DMC":** shall mean Contractor's registered nurses who telephonically manage workers' compensation claims.

d. **"Discretionary Authority Limit":** shall mean the maximum amount Contractor is authorized to pay on BCSD's behalf for any Qualified Claim without first obtaining prior approval from BCSD.

e. **"Late Reported Claims":** shall mean a claim reported after the expiration or termination of this Agreement or renewals regardless of whether the injury or occupational illness was incurred during the term of this Agreement.

f. **"Lost Time Claims":** shall mean any timely reported workers' compensation accident or claim where the injured employee (i) will likely be entitled to medical benefits; and (ii) has lost time from work, may lose time from work, or will submit or has submitted a claim for indemnity benefits. Lost Time Claims require Contractor to investigate to resolve issues regarding compensability without regard to whether or not the injured worker has actually lost time from work or whether the claim is ultimately approved or denied. Lost Time Claims also includes a claim originally classified as a Medical Only Claim which becomes a Lost Time Claim because the injured employee becomes eligible for indemnity benefits requiring Contractor to undertake additional claim handling services.

g. **"Medical Case Managers" or "CM":** shall mean Contractor's registered nurses who provide on-site case management services in connection with severe or catastrophic workers' compensation.

h. **"Medical Only Claims":** shall mean any reported workers' compensation accident or claim involving an injured worker who is or may be entitled to medical benefits; but is not likely to lose time from work or submit a claim for indemnity benefits.

i. **"Qualified Claim":** shall mean any claim, loss, monetary demand, occurrence, or suit occurring within the term of this Agreement and every

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Takeover Claim; *provided* that Takeover Claims have been mutually agreed upon, in writing, to be obligations of Contractor under this Agreement.

j. **"Record Only Claims":** shall mean a claim which is not considered by BCSD or Contractor as Medical Only or Lost Time Claim. Record Only Claim only obligates Contractor to memorialize a notice of an occurrence or incident.

k. **"Takeover Claims":** shall mean any open claim which has been: (1) administered by BCSD or BCSD's third party administrator prior to the inception of this Agreement; and (2) subsequently transferred to Contractor for servicing on or after the inception of Agreement. Closed Lost Time Claims with accident dates prior to the date set forth in Article 2 and are subsequently reopened during the term of this Agreement requiring services provided herein will be considered a Takeover Claim for billing purposes. Closed Medical Only Claims with accident dates prior to the date set forth in Article 2 which are subsequently reopened during the term of this Agreement requiring services provided herein will be considered a Takeover Claim for billing purposes.

3. **TERM.** This Agreement shall commence on July 1, 2025, and the base term of the agreement shall be for three (3) years, expiring June 30, 2028. BCSD has the option to renew the agreement for two (2) one-year extensions, for a total of five (5) years. Extensions beyond the five (5) year period require the written approval of Contractor and the BCSD Superintendent.

4. **TPA SERVICES**

a. Contractor shall provide customary and appropriate workers' compensation claims handling services for all Qualified Claims, but no Takeover Claims. Such services include but are not limited to: the investigation of each Qualified Claim or to the extent deemed necessary by Contractor or according to claims handling guidelines provided by BCSD; adjusting, settling or litigating all Qualified Claims subject to the Discretionary Authority Limit or with BCSD's approval if outside the Discretionary Authority Limit; investigation and pursuit of subrogation on behalf of BCSD; setting appropriate claim reserves; and, necessary and customary administrative tasks. Specifically, with regards to:

i. **Lost Time Claims,** Contractor will provide the services required to make a determination regarding compensation compensability, pay the appropriate level of indemnity benefits, and attempt to achieve a return to full duty for the affected employee.

ii. **Medical Only Claims,** Contractor services will be limited to recording the claim and associated data and payment of medical bills and expenses as provided in this Agreement.

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

b. In the event that BCSD provides hard-copy files to Contractor at the inception of the Agreement for data conversion, Contractor shall return such files to BCSD within one (1) year of receipt in paper or electronic format, at Contractor selection.

c. Contractor shall administer the Qualified Claims for the payment set forth in Article 10 of this Agreement during the life of this Agreement.

i. BCSD acknowledges that it is not entitled to any refund if BCSD requests that Contractor return Claim Files prior to resolution of any open claim.

d. Contractor shall file all forms required to be filed in the adjustment of workers' compensation claims pursuant to the applicable workers' compensation statutory and regulatory scheme.

e. Contractor shall prepare and issue medical or indemnity payments to BCSD's injured employees. Contractor agrees to review with and seek approval from BCSD with respect to a recommended course of action regarding a Qualified Claim valued in excess of the Discretionary Authority Limit.

5. EXCESS REPORTING SERVICES

a. Contractor will report to BCSD's excess insurance carrier or carriers ("Carrier(s)") all Qualified Claims administered by Contractor which meet BCSD's excess insurance reporting requirements, subject to the following requirements:

i. BCSD shall promptly deliver to Contractor copies of all applicable excess policies and contact information, as well as amended or modified policies, endorsements, and any excess claim reporting thresholds or standards agreed upon between the BCSD and Carrier(s) as they arise.

ii. BCSD shall direct Carrier(s) to provide Contractor with copies of all claim notice confirmations, claim reports, and any similar reports provided by Carrier(s) to BCSD.

iii. BCSD shall provide data for conversion to Contractor's computer system for purposes of determining historical loss information.

iv. BCSD shall instruct its attorneys to advise Contractor when in the attorney's professional opinion one of BCSD's claims meets those thresholds.

b. BCSD's failure to supply the information set forth above shall relieve

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

Contractor of liability for the timely reporting of excess claims to BCSD's Carrier(s). Contractor shall not be liable for reporting any Qualified Claims not administered by Contractor, nor for claims not timely filed by BCSD's prior TPA.

c. If requested by BCSD, Contractor shall provide BCSD with a cumulative listing of all claims which have been reported by Contractor to Carrier(s). Within ninety (90) days of its receipt of said listing, BCSD shall notify Contractor of any claims which the BCSD knew or should have known met the reporting thresholds and which are not included on the listing. BCSD's failure to so notify Contractor shall relieve Contractor of its obligation to report such claims to Carrier(s).

6. MANAGED CARE SERVICES

a. Contractor may provide CM's and DMC's for the management of certain workers' compensation claims, as requested by BCSD. CM's and DMC's, in conjunction with Contractor claims professionals, may, as applicable to the Qualified Claim, provide the following services, including but not limited to monitor the treatment programs recommended for each claimant by the relevant health care providers; coordinate necessary services; recommend utilization review; review pertinent medical reports; perform all investigative activities as may be appropriate.

b. Contractor shall provide Cost Containment Programs to review medical bills and bills for other services performed in connection with each Qualified Claim, for appropriateness, relatedness to the injury or accident, unbundling, and for conformity to any applicable fee schedule or usual and customary re-pricing ("UCR").

i. Contractor shall provide access to its preferred provider network ("PPN") vendor for health care services which may include hospitals, physicians, and ancillary care providers from which BCSD and its employees may obtain medical services. In addition, Contractor shall provide BCSD access to its Out of Network ("OON") vendor.

ii. Contractor shall provide BCSD access to its pharmacy benefit management program. The pharmacy benefit management program provides prescription drugs and durable medical equipment at discounted prices.

c. When deemed appropriate by Contractor, third party vendors may be retained by the Contractor for the purpose of directly or indirectly providing managed care services or any services as may become necessary for Contractor to provide such managed care services.

d. BCSD agrees to use Contractor's healthcare provider networks.

7. RISK MANAGEMENT INFORMATION SYSTEM ("RMIS")

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

a. Contractor may provide the following RMIS services for an additional fee:

i. conversion of BCSD's existing claims data, subject to additional fees if not otherwise explicitly stated.

ii. access to Contractor's RMIS for the fee stated herein; *provided* BCSD agrees to the terms and conditions of the license agreement, applicable when first accessing Contractor's RMIS.

iii. Standard reports available through Contractor's RMIS.

iv. Customized reporting reasonably acceptable to Contractor, subject to the terms, conditions and fees as may be stated herein. Contractor will provide a reasonable estimate of the costs of preparation of any such reports to BCSD in advance.

b. Warranty and Limitation of Liability for Contractor's RMIS:

i. Contractor warrants any RMIS furnished against malfunctions, errors or loss of data which are due solely to errors on its part. If BCSD notifies Contractor in writing and furnishes adequate documentation of any such malfunction, error, or loss of data, then:

1) In the event of a malfunction, error, or loss of data, upon notice by BCSD within twenty (20) days of the malfunction, Contractor will, without an additional fee, re-create the reports designated by BCSD, using data as of the recreation date.

2) The maximum and only liability of Contractor for such malfunction, error or loss of data shall be its obligation to reprocess reports or regenerate data as described above.

c. The warranties stated in this section are in lieu of all other warranties, express or implied including, but not limited to, any implied warranty of merchantability of fitness for a particular purpose, any software, hardware, equipment, or data supplied to BCSD by the Contractor in no event shall the Contractor be liable for any loss or damage to revenues,

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

profits, or goodwill or other special, indirect, incidental, or consequential damages resulting from Contractor performance or failure to perform under this section or resulting from the furnishing, performance, use or loss of use of any software provided to BCSD hereunder, including without limitation any interruption of business. The agreement shall survive the termination of the agreement.

d. Obligations of BCSD regarding use of Contractor's RMIS:

i. BCSD shall adhere to state and federal law with regard to protecting the privacy of any claimant whose information may appear in the RIMS. BCSD agrees to use all available security features and to notify Contractor promptly of all potential and actual breaches of the security system.

ii. BCSD agrees that no information recorded in Contractor's RMIS will be used as a pretext for retaliatory or other illegal or unfair discriminatory employment practices in violation of any federal or state statute or regulation.

e. General Provisions regarding Contractor' S RMIS:

i. Contractor will remove BCSD's password from the list of authorized users promptly upon termination or expiration of the Agreement.

ii. BCSD agrees to limit access to Contractor's RMIS to those persons who perform the essential functions of claim and risk management, including protecting security access passwords to hardware and communications, except that this provision is not intended to limit BCSD from generating and using reports and statistics for legitimate business purposes.

8. LEGAL SERVICES

a. In the event a claim managed by Contractor pursuant to this Agreement: (i) enters into litigation; or (ii) is scheduled for a workers' compensation hearing; or (iii) involves a potential third-party (subrogation) claim, Contractor will:

i. Make recommendations to BCSD regarding litigation of claims handled under this Agreement.

ii. Assist BCSD in the retention and appointment of counsel selected by BCSD to represent BCSD in and regarding such legal matters, and assist BCSD in the selection of expert witnesses and vendors.

iii. At direction of BCSD and/or its authorized counsel, pursue all

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

appropriate subrogation/contribution claims on behalf of BCSD.

b. In the event a claim managed by Contractor pursuant to this Agreement enters into litigation or is a potential third-party subrogation/contribution claim, Contractor will assist outside legal counsel selected or approved by BCSD to handle such legal matters. If BCSD so desires, Contractor will manage such claims litigation in accordance with Contractor's Defense Counsel Guidelines. Contractor will make settlement recommendations to BCSD, but the final decision regarding the disposition of any claim, suit or proceeding will be made solely by BCSD.

9. FUNDING of CLAIMS and EXPENSES

a. Contractor will maintain a non-interest-bearing checking account in Contractor's name ("Claim and Expense Account") with First Citizens Bank or its successor, which is to be funded by BCSD, but, which Contractor will administer for the purposes of paying Qualified Claims and ALAEs in accordance with the procedures set forth in this Article. Contractor will provide BCSD with a monthly Payment Register outlining all claims payments, ALAEs and correction items funded by the Contractor. The Payment Register will contain the name of the payee, date of payment, amount of payment and claim number for all funding transactions occurring during the prior month.

b. Contractor will automatically withdraw funds from BCSD's account at BCSD's bank through the Automated Clearing House System ("ACH Debit") for deposit to the Claim and Expense Payment Account. ACH Debit activities will occur on a daily basis. The amount of the automatic withdrawal shall equal the total amount of payments made during that business day. BCSD shall not be required to maintain a minimum balance in the Claim and Expense Payment Account.

  i. BCSD acknowledges that it has signed an Authorization to Access Account Form prior to the inception of Contractor services.

c. In no instance will any payment of claims or expenses be made by Contractor on behalf of BCSD, including but not limited to ALAEs, unless the required funds are made available by BCSD to Contractor to do so. Should Contractor advance funding on the part of BCSD, the BCSD shall immediately reimburse Contractor or Contractor may suspend all contractual obligations under this Agreement until full reimbursement has been received as well as any related Contractor bank charges, fees, or penalties have been paid by BCSD.

d. Should BCSD fail at any time to maintain adequate funding after

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

receiving notification from Contractor, the Contractor may suspend all contractual obligations under this Agreement until such funding has been retained and payment of any related Contractor bank charges, fees, or penalties have been paid by BCSD.

e. This Section of the Agreement shall survive the termination of the Agreement.

10. PAYMENT of CLAIMS SERVICES

a. **New Claims Service Fee.** BCSD shall pay to Contractor a claims service fee in accordance with the schedule below. The Annual Flat Service Fee only includes those items identified as Standard Services.

Annual Flat Service Fee (Life of Agreement)

Year 1	Year 2	Year 3	Year 4 (Option)	Year 5 (Option)
$49,000.00	$50,500.00	$52,045.00	$53,600.00	$55,215.00

Standard Services	Fee
Indemnity Claim (per claim)	$930.00
Medical Only Claim (per claim)	$150.00
Information Only (per claim)	$35.00
WC Administration Fee (annual)	$2,500.00
System Fee (view only annual) 24/7 system access	Up to 5 users free, $300.00 annually per each add'l user
Other Services	
Loss Control Fee	$190.00 per hour, plus Expense
Medical Bill Review (per bill)	$8.50
All Medical Bill Review PPO Savings (% of savings)	28%
All Pharmaceutical Bill Review Savings (% of savings)	28%
All Other Savings (% of savings)	28%
Claim Run-off Fee (if Contractor to handle claims post-termination)	$400.00 per Indemnity Claim per year $0 per Medical Only Claim, per year

Billing and Payment. Contractor shall bill BCSD on a quarterly basis for the claims service and administration fees owed for the previous quarter. Payment shall be due thirty (30) days after the billing date.

b. **Custom Reports.** All system menu reports are included free of charge. Should BCSD request any customized claims or loss control/risk management reports, then BCSD shall pay to Contractor a fee of One Hundred Fifty Dollars

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

($150.00) per hour of reasonable time it takes Contractor to create the requested customized report. Said fees are earned as the time is expended, and payment of such fees shall occur within thirty (30) days of the receipt of a bill for the preparation of such customized reports.

c. **Online Access Fee.** For 24 hours, 7 days a week online (internet) read-only access to Contractor's Claims System to review claims and loss history, BCSD shall pay to Contractor: Free of charge for the first five (5) users; thereafter, a fee of Three Hundred Dollars ($300.00) per user, per annum.

d. **Loss Control Service Fee.** For the provision of loss control services, BCSD shall pay to Contractor a fee of One Hundred Ninety Dollars ($190.00) per hour, plus all out-of-pocket expenses. Standard IRS mileage rates shall be utilized. Contractor shall bill the amount owed and BCSD shall pay the amount owed at the next claims service fee payment date.

e. **Miscellaneous.** It is understood and agreed that nothing in this Agreement shall be construed as prohibiting Contractor or any of its affiliates from receiving ordinary and reasonable commission(s) from any reinsurer and/or insurer(s) providing reinsurance and/or excess insurance or other insurance coverage(s) as shall be necessary and/or desired by BCSD; no such commission(s) shall be considered a setoff against the fees due under this Agreement. It is further understood and agreed between Contractor and BCSD that the above fees contemplate Contractor providing the services described in this Agreement only during the time that this Agreement, or a renewal thereof, is in full force and effect.

f. **Subrogation and/or Subsequent Injury Fund Recovery.** For each subrogation and/or subsequent injury fund recovery, BCSD shall pay to Contractor a fee of thirty percent (30%) of the net recovery. Such subrogation and/or subsequent injury fund recovery fees are an allocated loss expense and, as such, shall be paid off of the claims file.

g. **Medical Cost Containment Fees.** It is understood and agreed that Contractor shall receive fees for bill review and PPO services, utilization review services, pharmaceutical bill review and PPO procurement services, durable medical equipment bill review and durable medical equipment PPO services, and medical cost containment services according to the rates set forth in the Section 10(a) schedule. Such medical cost containment fees are an allocated loss expense and, as such, shall be paid off of the claims file.

h. **Transportation, Translation, and Investigation Fees.** It is understood and agreed that Contractor shall receive fees for transportation, translation, and

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

investigation fees in addition to the fees delineated in this Exhibit. Such transportation, translation and investigation fees are an allocated loss and, as such, shall be paid off of the claims file.

i. **Claim Run-off Fee.** In the event BCSD or BCSD's insurance carrier requests Contractor handle claims to conclusion following termination of this Agreement, BCSD shall pay to Contractor the Claim Run-off Fee, at the rate established in the Section 10(a) schedule.

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

11. OMITTED

12. INDEMNIFICATION and HOLD HARMLESS

a. Contractor will indemnify, defend and hold harmless BCSD, its officers, directors, employees, and agents, from all claims, losses, damages, costs, liability or expenses, including attorneys' fees, caused by or resulting from negligence or willful misconduct of Contractor, its officers, directors, employees or agents, to the extent permitted by law, however the parties agree that Contractor, its directors, officers, agents or employees, will not be liable to BCSD or any third party for claims arising from Contractor's performance under this Agreement in those cases where Contractor acted at the request of or with the consent of BCSD.

b. BCSD agrees that it will not hold Contractor liable for, or reduce the compensation of Contractor with respect to, any failure of Contractor to deliver any services resulting from any failure of cooperation on the part of BCSD.

c. This Section of the Agreement shall survive the termination of the Agreement.

13. NATURE of RELATIONSHIP

a. Contractor agrees to perform the services described in this Agreement as an independent Contractor and not as an agent or employee of BCSD. BCSD retains no control or direction over Contractor, its employees, or agents, or over the detail, manner, or methods of the performance of the services described herein.

b. Contractor shall be entitled to retain third party vendors to provide any or all services herein when deemed appropriate by Contractor. Contractor will notify BCSD of retention of third-party vendors to provide services.

14. TERMINATION

a. This Agreement will be terminable upon ninety (90) days advance

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

written notice by either party with or without cause.

b. This Agreement will terminate immediately upon the happening of any of the following events:

i. Mutual agreement of the parties; or,

ii. BCSD is in default in payment of any fees or expenses due hereunder or fails to maintain the requisite security deposit or funding levels stated herein and Contractor has given BCSD prior written notice of such default thirty (30) days prior to the date set for termination; or,

iii. Either party defaults (other than a monetary default) under any of the terms, covenants, and conditions hereunder and the non- defaulting party has given the defaulting party prior written notice of such default thirty (30) days prior to the date set for termination and the defaulting party has failed to cure such default prior to the termination date; or,

iv. Either party becomes insolvent or bankrupt, is placed into receivership, makes an assignment for the benefit of creditors, or is levied upon or sold out by Sheriff's sale; or,

v. Contractor fails to obtain any required state or federal licensing for providing services hereunder; or,

vi. Any state regulatory entity which fails to approve or subsequently disapproves or revokes the self-insurer status of BCSD.

c. In the event that this Agreement is terminated by Contractor due to any BCSD default, or terminated by either party in accordance with this Agreement, Contractor shall return the Claim Files to BCSD in paper or electronic form, at Contractor's election, and Contractor shall have no further obligations hereunder with respect to such claims. BCSD shall be responsible for payment of all fees incurred by Contractor up to and including the date of termination. Nothing in this section is intended to limit any other remedy which may be available to Contractor.

d. Upon termination of this Agreement for any reason other than BCSD default, BCSD may elect for Contractor to handle the remaining open claims pursuant to the terms of this Agreement and the Claim Run-off Fee set forth in Section 10. Upon final closing of the account, Contractor shall return the Claim Files to BCSD in paper or electronic form, at Contractor's election. This paragraph is specifically subject to, and limited in its application in all respects by, any and all legal requirements, defenses, immunities, and

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

other statutory or common law limitations on (1) any tort liability as applicable to the BCSD, whether under the South Carolina Tort Claims Act or any other applicable law.

e. BCSD and Contractor acknowledge that certain approved medical payments may still be in process upon the date of termination. Therefore, BCSD agrees that BCSD will remain responsible for payment of any legitimate expense payments which may be processed by Contractor for a Qualified Claim. In addition, Contractor shall return to BCSD any outstanding checks remaining unpaid after termination. Contractor shall not be responsible for BCSD's escheat obligations with regard to issued but unpresented checks either before or after the termination of this Agreement.

f. In the event BCSD terminates this Agreement and requests that Contractor convert any data into a format compatible with BCSD's computer system, Contractor may charge BCSD a reasonable fee.

15. CONFIDENTIALITY

a. The parties acknowledge and agree that any and all information emanating from either party's business in any form, including compilations of otherwise public information, is confidential and proprietary in nature. Each party will use its best efforts during and after the termination of this Agreement to preclude the duplication, use or disclosure of any such confidential and proprietary information to any third party, unless such duplication or disclosure is specifically authorized under this Agreement or otherwise by the party claiming ownership. In addition, the parties agree that information provided by Contractor's RMIS or otherwise in the context of this relationship shall be considered confidential and proprietary, and may constitute privileged and/or attorney work product protected from discovery by law and/or rules of court. Therefore, neither party will release any such information unless:

i. compelled by an order of a court of competent jurisdiction;

ii. mandated by an insurance code, claim practices act, workers' compensation law, or other applicable law or regulation to provide information to the claimant or other person;

iii. mandated by applicable court discovery rules in the opinion of the claim professional responsible for the adjustment of the claim or defense counsel, if any;

iv. mandated by the Freedom of Information Act, Chapter 4, Title 30, Code of Laws of South Carolina.

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

b. Seemingly inappropriate information sought to be produced will be prescreened by Contractor in consultation with BCSD, provided such discovery requests comply with applicable rules of court governing discovery in litigation.

c. If there is an obligation to release part but not all of the information, the part deemed not responsive will be withheld, but nothing in this Agreement is intended to abrogate the duty of either party to comply in good faith with such discovery requests.

d. Each party agrees that the information contained within Contractor's RMIS must be treated in a confidential manner by all users who may gain authorized access to the RMIS.

e. This Section of the Agreement shall survive the termination of the Agreement.

16. NOTICES

All notices required to be given by one party to the other under this

Agreement will be in writing and will be sent by first class US mail, postage prepaid, or by express mail and will be addressed as set forth below or to such other address as may be designated in writing by either party in accordance with the provisions of this Agreement and will be effective upon receipt.

For BCSD:

Jennifer Staton
Beaufort County School District
P. O. Drawer 309 Beaufort,
SC 29901-0309

For Contractor:

Brentwood Services Administrators, Inc.
214 Centerview Drive, Suite 350,
Brentwood, TN 37027
Attn: Legal

With copy to:

100 Ottawa Ave SW
Grand Rapids, MI 49503
Attn: Chief Legal Officer

17. NON-HIRE of OTHER'S EMPLOYEES

Each party to this Agreement agrees not to solicit or hire for employment, either as an employee or an independent Contractor, employees, or former employees of the other

Docusign Envelope ID: 933A6F5E-F4A5-4F83-9FDD-629DE9B357AE

party or of an affiliate of the other party during the term of this Agreement or for a period of one year following its termination. The parties acknowledge the difficulty in determining a specific damage amount for breach of this section, therefore, as liquidated damages and not as a penalty, if either party breaches the terms of this section, the breaching party shall pay the other party an amount equal to one year's base salary of each employee hired. Notwithstanding the foregoing, this Section shall not apply to a general solicitation through media that is not directed specially to any employees or independent contractors of the other party, unless such solicitation is undertaken as a means to circumvent the restrictions contained herein, or conceal a violation of this Section. This section of the Agreement shall survive the termination of the Agreement.

18. ASSIGNMENT

This Agreement will be binding upon the parties, their successors, and assigns; provided; however, Contractor may, subject to written consent of the BCSD Procurement Officer, which shall not be unreasonably withheld, assign this Agreement to a current affiliate.

19. COOPERATION

a. BCSD and its agent, representatives and employees will promptly report to Contractor all notices of injuries, losses or claims for which BCSD may be liable under its self-insurance program, and to provide all necessary documents and materials to Contractor, including but not limited to excess policies, which are necessary to provide the services hereunder.

b. Each party and its agents will cooperate fully with the other party in connection with its obligations hereunder and upon reasonable request, assist in the investigation, litigation, settlement, and/or defense of a particular claim. Upon prior notice from BCSD, all **Claim Files** will be open to BCSD's inspection at reasonable times, at the office of Contractor. Contractor will provide copies of individual claims files to BCSD or BCSD's designated representative within five (5) business days of a request by BCSD.

c. This Section of the Agreement shall survive the termination of the Agreement.

20. DISPUTE RESOLUTION

All disputes between the parties hereto under this Agreement must be resolved pursuant to the procedures of the Procurement Code of BCSD.

21. WARRANTIES and REPRESENTATIONS

a. By affixing its authorized signature below, BCSD warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully

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enter into this Agreement.

b. By affixing its authorized signature below, Contractor warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully enter into this Agreement.

22. INTERPRETATION

a. **Governing Law.** This Agreement and all disputes relating in any way to this Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of conflicts of laws.

b. **Entire Agreement.** This document, together with all subordinate and other documents incorporated by reference herein, will constitute the entire agreement between the parties with respect to the subject contained herein, supersedes all prior agreements and understandings, whether written or oral, and may only be modified by an amendment executed in writing by both parties.

c. **No Waiver.** No delay or omission on the part of any party in exercising any right hereunder will operate as a waiver of such right or of any other right under this Agreement. A waiver on any one occasion will not be construed as a bar to or waiver of any right or remedy on any other occasion.

d. **Severability.** The provisions of this Agreement are to be deemed severable, and the invalidity or unenforceability of any provision will, unless material and going to the essence of the Agreement as a whole, not affect or impair the remaining provisions which will continue in full force and effect.

e. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which will constitute but one and the same Agreement.

f. **Captions.** The captions and headings to the various Articles of this Agreement have been inserted for convenience of reference only, and shall not have the effect of amending or changing the express terms or provisions of this Agreement.

g. **Ambiguities.** The parties agree that the terms and language of this Agreement are the result of detailed negotiations by, between and among the parties and, as a result, there shall be no presumption that any ambiguities in this Agreement shall be resolved against either party. Any controversy over the construction of this Agreement shall be decided in light of its business purposes, without regard to events of authorship or negotiation. In the event of any inconsistency or conflict between the terms or provisions of this Agreement and the terms or provisions of any other pre-existing or contemporaneous document or agreement as to the subject matter of this

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Agreement, the terms and provisions of this Agreement shall control and shall supersede the terms or provisions of such other document or agreement.

h. **Calculation of Time.** All references herein to days shall be to calendar days unless an express reference is made to business days. In the event the last day for compliance falls on a Saturday, Sunday, or Holiday, the period for compliance shall be deemed to include the following business day. For the purposes of determining the BCSD's timely performance of acts, days that the relevant office of the BCSD is not formally open for business shall be deemed a 'Holiday' as against the BCSD, even if the day is not generally recognized business or governmental holiday.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have caused this Agreement to be executed by their duly authorized officers on the day and year first written above.

AGREED:

Brentwood Services Administrators, Inc.	**Beaufort County School District**
Signed by: Ryan G. Foley CF25BA4D44224AD...	
By: _____	By: _____
Ryan Foley,	Dr. Frank Rodriguez,
Executive Vice President	Superintendent