

AUGUSTA, GEORGIA FINANCE DEPARTMENT, RISK MANAGEMENT DIVISION

PROFESSIONAL SERVICES AGREEMENT

BETWEEN

AUGUSTA, GEORGIA

AND

MARSH & MCLENNAN AGENCY LLC

This Agreement made and entered into this ____ day of _____ 202_ (the “Effective Date”), by and between Augusta, Georgia, (hereinafter referred to as “Augusta”) a political subdivision of the State of Georgia, acting by and through the Augusta, Georgia Finance Division, Risk Management Department (“Risk”) whose address is 535 Telfair Street, Augusta, GA, and Marsh & McLennan Agency LLC, (hereinafter referred to as MMA) a Delaware corporation whose address is 1166 Avenue of the Americas, New York, New York.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MMA and Augusta, intending to be legally bound, do hereby covenant and agree as follows:

ARTICLE I.

SCOPE OF SERVICES TO BE PROVIDED

A. MMA will conduct those activities as indicated in RFP 22-274, Section III, “Scope of Services,” which is incorporated herein by reference as if each and every section and subsection thereof is subsequently recited below, including but not limited to:

Pre-Marketing Services

- (a) Conduct an initial strategy discussion in advance of each placement;
- (b) Assist Augusta in assessing Augusta’s risks and in developing insurance specifications which MMA will submit to insurers;
- (c) Recommend potential insurers;

Marketing and Placement Services

- (d) Solicit quotes from insurers that Augusta selects;
- (e) Negotiate on Augusta's behalf with insurers;
- (f) Assist Augusta in evaluating the options received from insurers;
- (g) Use best efforts to place insurance for Augusta, but only after Augusta has authorized MMA to bind coverage for Augusta;

Services related to MMA placements

- (h) Deliver confirmation of coverage once it is placed;
- (i) Follow up with insurance carriers to obtain policies and/ or endorsements. MMA may deliver Augusta's insurance policies and endorsements to Augusta electronically;
- (j) Review policies and endorsements for conformity with agreed terms and coverages;
- (k) Provide coverage summaries;
- (l) At Augusta's request, issue certificates or memoranda of insurance and/or auto identification cards;
- (m) Review premium and exposure audits, rating adjustments, dividend calculations and loss data;
- (n) Provide Augusta with invoices, except in the case of direct billing by insurers. Remit premiums to insurers and, where applicable, remit taxes and fees to the relevant authorities, following receipt thereof from Augusta;
- (o) Monitor published financial information of Augusta's current insurers and alert Augusta when one of those insurers falls below MMA's minimum financial guidelines.

Claims-Related Services

- (p) Provide the following claims-related services:
 - Evaluate coverage applicability on all MMA placed business
 - Assist Augusta in the development of settlement strategies
 - Assist Augusta with insurer negotiations.

ARTICLE II

GENERAL CONDITIONS

A. Agreement Term The term of this Agreement commences on the Effective Date hereof and terminates absolutely and without further obligation on the part of Augusta, Georgia each and every December 31st, unless terminated earlier in accordance with the termination provisions of the Agreement. The term of this agreement automatically renews on each January 1st, unless terminated in accordance with the termination provisions of the Agreement. The term of this agreement shall terminate absolutely, with no further renewals, two years from the

Effective Date, unless extended by written amendment. Any extension is contingent upon funding and satisfactory delivery and performance, to be determined in Augusta, Georgia's sole discretion.

B. The ownership of all data, drawings, charts, etc. which are prepared or produced under this contract shall be that of Augusta, Georgia.

C. Taxes and Fees. MMA may place insurance for Augusta that may require the payment of insurance premium taxes (including U.S. federal excise taxes), sales taxes, use taxes, surplus or excess lines and similar taxes and/or fees to federal, state or foreign regulators, boards or associations. Augusta agrees to pay such taxes and fees. MMA will remit any taxes and fees that it collects from you to the appropriate authorities.

D. Augusta shall be solely responsible for the accuracy and completeness of all information that Augusta furnishes to MMA and/or insurers, and Augusta shall sign any required application for insurance. MMA shall not be responsible to verify the accuracy or completeness of any information that Augusta provides, and MMA shall be entitled to rely on that information. MMA shall have no liability for any errors, deficiencies or omissions in any Services provided to Augusta, including the placement of insurance on your behalf, that are based on inaccurate or incomplete information provided to Marsh & McLennan Agency. Augusta understands that the failure to provide all necessary information to an insurer, whether intentional or by error, could result in the impairment or voiding of coverage. Augusta will review all policy documents provided to Augusta by MMA.

ARTICLE III
CONSIDERATION/FEES

A. Augusta shall pay to MMA an annual fee of 6% of the annual insurance policy premiums. The annual fee shall be paid commencing the effective date of the agreement and at

each anniversary date thereafter. Appendix B, “Standard Compensation Disclosure,” is included hereby. Additional services shall be agreed on advance and reflected in an amendment to this Agreement or a separate Agreement, both in writing and signed by both parties.

B. Adjustment in price in this Agreement shall be computed in one of the following ways:

a. By agreement on a fixed price adjustment before commence of the pertinent performance or as soon thereafter as practicable;

b. In such other manner as the contracting parties may mutually agree upon.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF MMA

MMA hereby represents and warrants to RISK as follows:

A. Due Authorization and Binding Obligation. This Agreement has been duly authorized, executed and delivered by MMA and constitutes a legal, valid and binding obligation of MMA, enforceable against MMA in accordance with its terms, except to the extent its enforceability may be limited by (i) applicable bankruptcy, reorganization, moratorium or similar laws affecting enforcement of creditors' rights or remedies generally, (ii) general equitable principles concerning remedies, and (iii) limitations on the enforceability of rights to indemnification by federal or State laws or regulations or public policy.

B. No Conflict. To its knowledge, neither the execution nor delivery of this Agreement by MMA, nor the performance by MMA of its obligations hereunder (i) conflicts with, violates or results in a material breach of any law or governmental regulation applicable to MMA, (ii) conflicts with, violates or results in a material breach of any term or condition of any order, judgment or decree, or any contract, agreement or instrument, to which MMA

is a party or by which MMA or any of its properties or assets are bound, or constitutes a material default under any of the foregoing, or (iii) constitutes a default under or results in the creation of, any lien, charge, encumbrance or security interest upon any assets of MMA under any agreement or instrument to which MMA is a party or by which MMA or its assets may be bound or affected.

C. No Approvals Required. No approval, authorization, order or consent of, or declaration, registration or filing with, any Governmental Authority is required for the valid execution and delivery of this Agreement by MMA or the performance of its obligations hereunder, except such as have been duly obtained or made.

D. Financial Condition. There has been no material adverse change in the financial condition of MMA that would impair the ability of MMA to perform its obligations under this Agreement.

E. No Collusion. MMA's Proposal is genuine and not collusive or a sham. MMA has not colluded, conspired, connived or agreed, directly or indirectly, with any other person, to put in a sham proposal, or to refrain from proposing, and has not in any manner, directly or indirectly, sought, by agreement, collusion, communication or conference with any person, to fix the prices of MMA's proposal or the proposals of any other person or to secure any advantage against any person interested in this Agreement.

F. Information Supplied By MMA. The information supplied and representations and warranties made by MMA and in all submittals made in response to the RFP, including MMA's Proposal, and in all post-proposal submittals with respect to MMA (and, to its knowledge, all information supplied in such submittals with respect to any subsidiary or subcontractor) are true, correct and complete in all material respects. MMA's Proposal does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary in order to make the statements therein not misleading.

G. Ethics: Gratuities and Kickbacks. Neither MMA, any subsidiary, or any agent or other representative of MMA has given or agreed to give, any employee or former employee of RISK or any other person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a procurement requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any procurement requirement or an Agreement or subcontract, or to any solicitation or proposal for an Agreement or subcontract. Notwithstanding any other provision hereof, for the breach or violation of this representation and warranty and upon a finding after notice and hearing, Augusta may terminate this Agreement.

H. Contingent Fees. The MMA warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by MMA for the purpose of securing business and that the MMA has not received any non-Augusta fee related to this Agreement without the prior written consent of the Augusta. For breach or violation of this warranty, the Augusta shall have the right to annul this Agreement without liability or at its discretion to deduct from the Agreement Price of consideration the full amount of such commission, percentage, brokerage or contingent fee.

I. Existence and Powers. MMA is a corporation duly organized and validly existing under the laws of Georgia and is duly qualified to do business in the State of Georgia, with full power, authority and legal right to enter into and perform its obligations under this Agreement.

J. Augusta's selection of the MMA was made with specific reliance on the qualifications and experience of specific MMA staff identified in the MMA's response to RFP 22-274, incorporated herein by reference. Unless substitutions are otherwise approved by Augusta or Risk, MMA agrees to assign specific staff members to this Agreement substantially in keeping with the roles articulated in MMA's response.

K. MMA does not speak for any insurer, is not bound to utilize any particular insurer and is not authorized to make binding commitments on behalf of any insurer, except under special circumstances which MMA shall endeavor to make known to Augusta. MMA shall not be responsible for the solvency of any insurer or its ability or willingness to pay claims, return premiums or other financial obligations. MMA does not guarantee or make any representation or warranty that insurance can be placed on terms acceptable to Augusta. MMA will not take any action to replace Augusta's insurers unless Augusta instructs MMA to do so. The parties acknowledge and agree that, in performing the Services, MMA and its affiliates are not acting as a fiduciary for Client, except to the extent required by applicable law, and do not have a fiduciary or other enhanced duty to Augusta. Any reports or advice provided by MMA should not be relied upon as accounting, legal, regulatory or tax advice. In all instances, MMA recommends that Augusta seek Augusta's own advice on such matters from professional accounting, legal, regulatory and tax advisors.

L. MMA will not be responsible for the adequacy or effectiveness of any insurance programs or policies implemented by another broker, or any acts or omissions occurring prior to MMA's engagement.

M. MMA may provide to Augusta information and services related to insurance regulatory and insurance tax issues relating to Augusta's insurance program. Any reports or advice provided by MMA will be based on publicly available information and MMA's experience as an insurance broker and risk consultant in dealing with such matters for other

clients and should not be relied upon as accounting, legal, regulatory or tax advice. In all instances, MMA recommends that Augusta seek Augusta's own advice on accounting, legal, regulatory and tax matters from professional legal and tax advisers.

N. MMA may provide Augusta with modeling and/or business analytics services, including hazard loss and catastrophe modeling, loss forecasting and triangles, adverse event simulation, scenario and portfolio risk analysis, decision mapping, risk bearing and risk retention tolerance analysis and insurance program evaluation analysis ("Modeling and Analytics"). Modeling and Analytics services will be based upon a number of assumptions, conditions and factors. If any of them or any information provided to MMA are inaccurate or incomplete or should change, the Modeling and Analytics provided by MMA could be materially affected. These services are subject to inherent uncertainty, and actual results may differ materially from that projected by MMA. They are provided solely for Augusta's benefit, and do not constitute, and are not intended to be a substitute for, actuarial, accounting or legal advice. MMA shall have no liability to any third party in connection with these services or to you with regard to any services performed or provided by a third party. Except to Augusta's insurers in connection with the placement of coverage by MMA and to the extent permitted by law including the Georgia Open Records Act, Augusta shall not share any of MMA's Modeling and Analytics work product with a third party without MMA's prior written consent.

ARTICLE V **INSURANCE**

MMA ("Contractor") shall at all times during the term of this Contract, obtain and maintain continuously, at its own expense, and file with Augusta ("the County") evidence of a policy or policies of insurance as enumerated below.

- A. A policy of Commercial General Liability Insurance, written on an insurance industry standard occurrence form for not less than \$1,000,000.
- B. A policy of Professional Liability, Errors and Omissions with limits not less than \$1,000,000.
- C. A policy of Workers Compensation Insurance. As respects Workers Compensation insurance in the State of Georgia, the Contractor shall secure its liability for industrial injury to the employees in accordance with the provisions of § 34-9-1 et seq, Official Code of Georgia Annotated. Such policy must provide the following minimum limit:
 - a. Worker’s Compensation – Statutory coverage
 - b. Employer’s Liability - \$1,000,000
- D. Any deductible or self-insured retention must be disclosed and is subject to approval by the County. The cost of any claim payments falling within the deductible shall be the responsibility of the Contractor.
- E. If any such policy is written on a “Claims Made” form, the retroactive date shall be prior to or coincident with the Effective Date of this Contract. The policy shall state the coverage is “Claims made” and state the retroactive date. Claims made form coverage shall be maintained by Contractor for a minimum of two years following the expiration or earlier termination of this Contract and Contractor shall annually provide the County with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, Contractor shall purchase an extended reporting period (“tail”) or execute another form of guarantee acceptable to the County to assure financial responsibility for liability for services performed.

Additional Insured and Primary Insurance Provisions:

- F. Such insurance, as provided in (1), (2), & (4) above, shall be endorsed to include the County, its officers, elected officials, employees, agents, and volunteers as additional insured, and shall not be reduced or canceled without forty-five (45) days prior written notice to the County.
- G. In addition, Contractor's insurance shall be primary as respects the County, and any other insurance maintained by the County shall be excess and not contributing insurance with the Contractor's insurance.
- H. Evidence of Insurance: The following documents must be provided as evidence of insurance coverage:
 - I. A copy of the policies declarations pages, showing the Insuring Company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements.
 - J. A copy of the endorsement naming the County as an Additional Insured showing the policy number and signed by an authorized representative of the insurance company for Commercial General Liability and Worker's Compensation.
 - K. A copy of an endorsement stating that the coverage's provided by this policy to the County or any other named insured shall not be terminated reduced or otherwise materially changed without providing at least forty-five (45) days prior written notice to the County.
- L. **Policy Rating.** All policies shall be subject to approval by the County Finance Director as to company (must be rated A-VII or higher in the A.M. Best's Key Rating Guide and licensed to do business in the State of Georgia or issued as a surplus line by a Georgia Surplus line broker), form and coverage, and primary to all other insurance.
- M. **Self-Insurance.** Should Contractor be self-insured, under item (1), (2) (3) and (4) above, a letter from a Corporate Officer stipulating if actuarially funds and fund limits; plus, any excess declaration pages to meet the contract requirements. Further, this letter should

advise how Contractor would protect and defend the County as Additional Insured in their Self-Insured layer and include claims handling directions in the event of a claim.

- N. **Subcontractors.** Contractor shall include all subcontractors as insured under its policies or shall furnish separate evidence of insurance as stated above for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein and applicable to their profession.
- O. Failure of the Contractor to furnish and maintain said Insurance requirements shall be considered a material default of this Contract.

ARTICLE VI

TERMINATION

A. Termination of the Agreement for Default. Failure of the MMA, which has not been remedies or waived, to perform or otherwise comply with a material condition of the Agreement shall constitute default. Augusta, Georgia may terminate this contract in part or in whole upon written notice to the MMA pursuant to this term.

B. Augusta shall have the right to terminate this Agreement immediately upon or after any of the following:

1. **Assignment for Creditors:** The MMA makes a general assignment for the benefit of creditors.
2. **Bankruptcy:** The MMA files a petition for relief as a debtor under any Article or chapter of the Federal Bankruptcy Code, as amended from time to time.
3. **Receivership:** A receiver, trustee, or custodian is appointed for all or substantially all of the assets of the MMA in any proceeding brought by or against the MMA, or the MMA consents to or acquiesces in such appointment.

E. Termination. Either party may terminate this Agreement upon 90 days' prior written notice. If MMA terminates this Agreement, Marsh & McLennan Agency's

compensation will be adjusted pro-rata to reflect the duration of the Agreement. If Augusta terminate this Agreement, Marsh & McLennan Agency's annual compensation will be deemed earned as follows and each anniversary date thereafter: 60% at the commencement of the current contract year; 75% after four months of the current contract year; and 100% after seven months of the current contract year.

F. Furthermore, Augusta may terminate this Agreement at any time upon the giving of written notice as follows:

1. In the event that the MMA fails to discharge any obligations or remedy any default or breach under this Agreement for a period continuing more than thirty (30) days after the providing written notice specifying such failure or default and that such failure or default continues to exist as of the date upon which such notice so terminating this Agreement is given; or
2. In the event that the MMA makes an assignment for the benefit of creditors, or commences or has commenced against it any proceeding in bankruptcy, insolvency, or reorganization pursuant to bankruptcy laws or laws of debtor's moratorium; or
3. In the event that appropriate and otherwise unobligated funds are no longer available to satisfy the obligations of Risk.

G. Temporary Suspension or Delay of Performance of Contract. To the extent that it does not alter the scope of this Agreement, Augusta Georgia may unilaterally order a temporary stopping of the work, or delaying of the work to be performed by MMA under this Agreement.

ARTICLE VII
MISCELLANEOUS PROVISIONS

A. MMA will promptly observe and comply with applicable provisions of all published federal, state, and local laws, rules and regulations which govern or apply to the services rendered by MMA herein, or to the wages paid by MMA to its employees.

B. MMA will procure and keep in force during the term of this Agreement all necessary licenses, registrations, certificates, permits, and other authorizations as are required herein.

C. All reports, documents, data bases, commercials, and other deliverable products produced by MMA for sole purposes of Risk under the terms of this Agreement will at all times be the exclusive property of Risk.

D. Governing Law. This Agreement and any questions concerning its validity, construction or performance shall be governed by the laws of the State of Georgia, irrespective of the place of execution or the place or places of performance.

E. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

F. Severability. In the event that any part, provision or term of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Agreement shall, as so amended, modified, supplemented, or otherwise affected by such action, remain in full force and effect.

G. No Third Party Beneficiary. This Agreement is intended to be solely for the benefit of MMA and Augusta and their respective successors and permitted assigns and is not intended to and shall not confer any rights or benefits on any Person not a signatory hereto.

H. Risk Approvals and Consents. When this Agreement requires any approval or consent by Augusta to a MMA submission, request or report, the approval or consent shall be given by Risk's Authorized Representative in writing and such writing shall be conclusive evidence of such approval or consent, subject only to compliance by Risk with the applicable law that generally governs its affairs. Unless expressly stated otherwise in this Agreement, and except for requests, reports and submittals made by the MMA that do not, by their terms or the terms of this Agreement, require a response or action, if Risk does not find a request, report or submittal acceptable, it shall provide written response to MMA describing its objections and the reasons therefore within thirty (30) days of the Risk's receipt thereof. If no response is received, the request, report or submittal shall be deemed rejected.

I. Notices and Authorized Representatives. All notices, consents, approvals or communications required or permitted hereunder shall be and may be relied upon when in writing and shall be (i) transmitted by registered or certified mail, postage prepaid, return receipt requested, with notice deemed to be given upon receipt, or (ii) delivered by hand or nationally recognized courier service, or (iii) sent by facsimile transmission with confirmed receipt thereof, with a hard copy thereof transmitted pursuant to (i) or (ii) above. All such notices, consents, approvals or communications shall be addressed as follows:

For Augusta: Office of the Mayor
535 Telfair Street
Suite 200
Augusta, Georgia 30901

Augusta Finance Department
535 Telfair Street
Augusta, Georgia 30901
Attn: Judy Blackstone

With a Copy to:
General Counsel
Augusta Law Department
535 Telfair Street, Building 3000
Augusta, GA 30901

For MMA:

Marsh McLennan Agency LLC
2601 Commons Blvd.
Augusta, GA 30909
Attn: Phil Harison, Jr

J. Nondiscrimination. During the performance of services under this Agreement, MMA agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. MMA will take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action will include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

K. Indemnification. MMA hereby agrees to hold harmless, indemnify and defend Augusta, Georgia, the Augusta Finance Department, its members, elected officials, officers and employees, against any claim, action, loss, damage, injury (whether mental or physical, and including death to persons, or damage to property), liability, cost and expense of whatsoever kind or nature including, but not by way of limitation, attorneys' fees and court costs, caused by negligent acts or acts of commission or omission by MMA its officers, employees, sub-MMAs, or other representatives.

L. Compliance with laws: The MMA shall obtain and maintain all licenses, permits, liability insurance, workman's compensation insurance and comply with any and all other standards or regulations required by federal, state or City statute, ordinances and rules during the performance of any contract between the MMA and Augusta. MMA shall also provide, pay for, and maintain with companies, reasonably satisfactory to Augusta, the types of insurance as set forth in the Augusta-Richmond County Code, and Georgia law as the same may be amended from time to time.

M. Prompt Pay Act. The terms of this Agreement supersede any and all provisions of the Georgia Prompt Pay Act.

N. MMA (“Contractor”) acknowledges that this contract and any changes to it by amendment, modification, change order or other similar document may have required or may require the legislative authorization of the Board of Commissioners and approval of the Mayor. Under Georgia law, Contractor is deemed to possess knowledge concerning Augusta, Georgia's ability to assume contractual obligations and the consequences of Contractor's provision of goods or services to Augusta, Georgia under an unauthorized contract, amendment, modification, change order or other similar document, including the possibility that the Contractor may be precluded from recovering payment for such unauthorized goods or services. Accordingly, Contractor agrees that if it provides goods or services to Augusta, Georgia under a contract that has not received proper legislative authorization or if the Contractor provides goods or services to Augusta, Georgia in excess of the any contractually authorized goods or services, as required by Augusta, Georgia's Charter and Code, Augusta, Georgia may withhold payment for any unauthorized goods or services provided by Contractor. Contractor assumes all risk of non-payment for the provision of any unauthorized goods or services to Augusta, Georgia, and it waives all claims to payment or to other remedies for the provision of any unauthorized goods or services to Augusta, Georgia,

however characterized, including, without limitation, all remedies at law or equity. This acknowledgement shall be a mandatory provision in all Augusta, Georgia contracts for goods and services, except revenue producing contracts.

O. All contractors and subcontractors entering into contracts with Augusta, Georgia for the physical performance of services shall be required to execute an Affidavit verifying its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm, or corporation which is contracting with Augusta, Georgia has registered with and is participating in a federal work authorization program. All contractors and subcontractors must provide their E-Verify number and must be in compliance with the electronic verification of work authorized programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603, in accordance with the applicability provisions and deadlines established in O.C.G.A. § 13-10-91 and shall continue to use the federal authorization program throughout the contract term. All contractors shall further agree that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to its contract with Augusta, Georgia the contractor will secure from such subcontractor(s) each subcontractor's E-Verify number as evidence of verification of compliance with O.C.G.A. § 13-10-91 on the subcontractor affidavit provided in Rule 300-10-01-.08 or a substantially similar form. All contractors shall further agree to maintain records of such compliance and provide a copy of each such verification to Augusta, Georgia at the time the subcontractor(s) is retained to perform such physical services.

P. Throughout the term of this contract, MMA will comply with all applicable federal, state, or local laws related to equal employment opportunity and will not discriminate on the

basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. MMA will comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). MMA certifies that it is not, nor will it employ any individuals or subcontractors who are debarred, suspended, or otherwise excluded by the U.S. Department of Housing and Urban Development, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. MMA further certifies it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Further, MMA will promptly disclose to Augusta if this certification ceases to be accurate at any point during the contract period. As applicable, MMA will comply with the requirements of 2 CFR 200.322 related to the procurement of materials under this contract.

Q. Inspection. Augusta, Georgia may, at reasonable times, inspect the part of the plant, place of business, or work site of MMA or any subcontractor of MMA or subunit thereof which is pertinent to the performance of any contract awarded or to be awarded by Augusta, Georgia. MMA agrees to maintain records of costs and services provided to document and fully support billings. All books, records and other documents relevant to this agreement shall be retained for a period of three years after the end of the fiscal year during which they were created. Augusta and their duly authorized representatives shall have access to the books, documents, papers, and records of MMA which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts.

R. Independent Contractor. The MMA shall act at all times as an independent contractor, not as an agent of Augusta or Augusta Finance Department; and shall retain control over its employees, agents, servants and subcontractors.

S. Assignment and Subcontracting. The MMA shall not sell, convey, transfer, mortgage, subcontract, sublease or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of Augusta. Any assignment or transfer of this Agreement or any rights of the MMA hereunder, without the prior written consent of Augusta shall be invalid, and shall convey to Augusta the right to terminate this Agreement at its sole discretion.

T. Choice of Law and Venue. This Agreement shall be performable and enforceable in the Superior Court of Richmond County, Georgia, and shall be construed in accordance with the laws of the State of Georgia. MMA by execution of this Agreement specifically consents to jurisdiction and venue in the Superior Court of Richmond County and waives any right to contest same.

U. Invalid Provisions: If any covenant, condition or provision contained in this Agreement is held to be invalid by any Court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenants, conditions or provisions contained in this Agreement; provided, that the validity of such covenant, condition or provision does not materially prejudice either Risk or MMA in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

V. Waivers. Failure by Augusta to insist upon the strict performance by the MMA of any of the terms herein contained shall not constitute a waiver of Augusta's right to thereafter enforce any such term, but the same shall continue in full force and effect. The exercise of

any right to terminate arising under this Agreement shall not operate to deprive Augusta of any coexisting right to seek damages or other remedies arising from the default of the MMA.

W. Entire Agreement. This Agreement constitutes the entire agreement between the parties and will supersede and replace all prior agreements or understandings, written or oral, in relation to the matters set forth herein. Notwithstanding the foregoing, however, MMA hereby affirms the completeness and accuracy of all of the information provided by it in its proposal to Augusta in pursuit of this Agreement. Should there be a conflict between any provision in this Agreement and MMA's response to RFP 22-274 (Exhibit "A"), the MMA's response to RFP 22-274 shall take precedence over this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Marsh McLennan Agency LLC

Augusta, Georgia

By: _____

By: _____

Name: Phil Harison, Jr

Name:

Title: Managing Director

Title: Mayor

Date: _____

Date: _____

Finance Department/Risk Management

By: _____

Name: _____

Title: _____

Date: _____

Attest: _____
Lena J. Bonner, Clerk of Commission

APPENDIX A
RFP 22-274 and MMA'S RESPONSE TO RFP 22-274

Appendix B Compensation Disclosure

Marsh & McLennan Agency LLC (“MMA”) prides itself on being an industry leader in the area of transparency and compensation disclosure. We believe you should understand how we are paid for the services we are providing to you. We are committed to compensation transparency and to disclosing to you information that will assist you in evaluating potential conflicts of interest.

As a professional insurance producer, MMA and its subsidiaries facilitate the placement of insurance coverage on behalf of our clients. As an independent insurance agent, MMA may have authority to obligate an insurance company on behalf of our clients and as a result, we may be required to act within the scope of the authority granted to us under our contract with the insurer. In accordance with industry custom, we are compensated either through commissions that are calculated as a percentage of the insurance premiums charged by insurers, or fees agreed to with our clients.

MMA engages with clients on behalf of itself and in some cases as agent on behalf of its non-US affiliates with respect to the services we may provide. For a list of our non-US affiliates, please visit: <https://mma.marshmma.com/non-us-affiliates>. In those instances, MMA will bill and collect on behalf of the non-US Affiliates amounts payable to them for placements made by them on your behalf and remit to them any such amounts collected on their behalf;

MMA receives compensation through one or a combination of the following methods:

- **Retail Commissions** – A retail commission is paid to MMA by the insurer (or wholesale broker) as a percentage of the premium charged to the insured for the policy. The amount of commission may vary depending on several factors, including the type of insurance product sold and the insurer selected by the client.
- **Client Fees** – Some clients may negotiate a fee for MMA’s services in lieu of, or in addition to, retail commissions paid by insurance companies. Fee agreements are in writing, typically pursuant to a Client Service Agreement, which sets forth the services to be provided by MMA, the compensation to be paid to MMA, and the terms of MMA’s engagement. The fee may be collected in whole, or in part, through the crediting of retail commissions collected by MMA for the client’s placements.
- **Contingent Commissions** – Many insurers agree to pay contingent commissions to insurance producers who meet set goals for all or some of the policies the insurance producers place with the insurer during the current year. The set goals may include volume, profitability, retention and/or growth thresholds. Because the amount of contingent commission earned may vary depending on factors relating to an entire book of business over the course of a year, the

amount of contingent commission attributable to any given policy typically will not be known at the time of placement.

- **Supplemental Commissions** – Certain insurers and wholesalers agree to pay supplemental commissions, which are based on an insurance producer's performance during the prior year. Supplemental commissions are paid as a percentage of premium that is set at the beginning of the calendar year. This percentage remains fixed for all eligible policies written by the insurer during the ensuing year. Unlike contingent commissions, the amount of supplemental commission is known at the time of insurance placement. Like contingent commissions, they may be based on volume, profitability, retention and/or growth.
- **Wholesale Broking Commissions** – Sometimes MMA acts as a wholesale insurance broker. In these placements, MMA is engaged by a retail agent that has the direct relationship with the insured. As the wholesaler, MMA may have specialized expertise, access to surplus lines markets, or access to specialized insurance facilities that the retail agent does not have. In these transactions, the insurer typically pays a commission that is divided between the retail and wholesale broker pursuant to arrangements made between them.
- **Medallion Program and Sponsorships** – Pursuant to MMA's Medallion Program, participating carriers sponsor educational programs, MMA events and other initiatives. Depending on their sponsorship levels, participating carriers are invited to attend meetings and events with MMA executives, have the opportunity to provide education and training to MMA colleagues and receive data reports from MMA. Insurers may also sponsor other national and regional programs and events.
- **Other Compensation & Sponsorships** – From time to time, MMA may be compensated by insurers for providing administrative services to clients on behalf of those insurers. Such amounts are typically calculated as a percentage of premium or are based on the number of insureds. Additionally, insurers may sponsor MMA training programs and events.

We will be pleased to provide you additional information about our compensation and information about alternative quotes upon your request. For more detailed information about the forms of compensation we receive please refer to our Marsh & McLennan Agency Compensation Guide at <https://www.marshmma.com/us/compensation-guide.html>.

MMA's aggregate liability arising out of or relating to any services on your account shall not exceed ten million dollars (\$10,000,000), and in no event shall we be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits or other economic loss arising out of or relating to such services. In addition, you agree to waive your right to a jury trial in any action or legal proceeding arising out of or relating to such services. The foregoing limitation of liability and jury waiver shall apply to the fullest extent permitted by law.

