

**PROGRAM ADMINISTRATION, CONSULTING AND BROKERAGE
SERVICES AGREEMENT**

between

Alliant Insurance Services, Inc.

and

Monterey Bay Area Self Insurance Authority

I. PARTIES

The PARTIES to this AGREEMENT are Monterey Bay Area Self Insurance Authority (CLIENT) and Alliant Insurance Services, Inc., a Delaware Corporation, (BROKER/CONSULTANT).

II. AGREEMENT

In consideration of the payments and covenants specified in this AGREEMENT, BROKER/CONSULTANT shall perform the SERVICES described herein.

III. DEFINITIONS

When used throughout this AGREEMENT, capitalized terms, whether in the singular or in the plural form, shall have the meanings ascribed to them at their first occurrence. In addition, the following terms, when capitalized, whether in the singular or in the plural form, shall have the meanings set forth below:

- A. BROKER/CONSULTANT** – Alliant Insurance Services, Inc.
- B. CLIENT** – Monterey Bay Area Self Insurance Authority.
- C. AGREEMENT** – This Services Agreement, its addendums, exhibits, and/or attachments, and any written changes that are agreed upon by the PARTIES.
- D. COMPENSATION** – Remuneration paid to BROKER/CONSULTANT as consideration for its SERVICES performed under this AGREEMENT, which shall be in the form of either a FEE and/or COMMISSION.
- E. FEE** – Annual remuneration paid by CLIENT directly to BROKER/CONSULTANT for SERVICES (does not include COMMISSION).
- F. COMMISSION** – Remuneration paid by CLIENT's insurance carriers (or excess pools) directly to BROKER/CONSULTANT.
- G. PARTY** – CLIENT or BROKER/CONSULTANT.

- H. PROGRAM** – The SERVICES provided in the Scope of Service outlined, or the lines of insurance coverages placed on behalf of CLIENT within this AGREEMENT.
- I. SERVICE** – Any and all obligations of BROKER/CONSULTANT to be performed pursuant to this AGREEMENT.
- J. KEY PERSONNEL** – Those individuals on the account service team, designated in the attached **Addendum A**, who are responsible for the BROKER/CONSULTANT’s role provided for under the Section IV, SCOPE OF SERVICE.
- K. COMPANIES** - The business entities other than Alliant which make available services necessary to implement the Program.

IV. SCOPE OF SERVICE

BROKER/CONSULTANT agrees to provide the following services to the satisfaction of the Board of Directors of CLIENT:

- A.** Act as “key” contact for the CLIENT coverage programs including Liability and Workers’ Compensation PROGRAMS.
- B.** Handle clerical and correspondence work duties of the Joint Powers Authority.
- C.** Work with the CLIENT committees and coordinate CLIENT program administration.
- D.** Meet with cities as requested and necessary.
- E.** Maintain a Policy and Procedures manual.
- F.** Develop, issue and maintain Certificates of Coverage for the CLIENT Memorandums of Coverage on behalf of the members of CLIENT.
- G.** Issue, modify as directed and maintain Memorandums of Coverage forms for the shared risk layer of PROGRAMS.
- H.** Assist CLIENT in preparing agendas and other general administrative functions.
- I.** Record and distribute minutes of meetings to all Board members.
- J.** Meet with the Board of Directors and the committees on a scheduled basis.
- K.** Assist with the preparation of the annual budget.
- L.** Act as a central clearinghouse for dissemination of information on risk management issues and CLIENT programs.
- M.** Assist Members in matters of proper insurance coverage requirements in contracts.

- N. Assist as may be required with financial audits, claims audits or actuarial studies conducted by CLIENT's retained auditors and actuaries.
- O. Monitor loss runs of CLIENT programs.
- P. Coordinate matters of safety/loss control programming and in the development of loss prevention material.
- Q. Provide annual time tracking data summarized by program/service categories.
- R. Maintain on behalf of CLIENT; loss reports, insurance policies, certificates of insurance, JPA vendor contracts, claims audits, actuarial studies, financial audits, statistical studies, deposit premium calculations, and other pertinent materials in accordance with standard insurance record retention practices and with the CLIENT approved Policy and Procedure on Records Retention. Records will be converted to a digitized record format and current records will be maintained in a digital format.
- S. Maintain a suitable backup and recovery system for data and develop and implement processes for the protection of electronic data, including a written policy with respect to:
 - (a) Disaster recovery
 - (b) Physical and electronic data security
 - (c) Electronic data retention
- T. On a six-month basis provide a service calendar reporting on the services rendered for the period and a projection of work to be accomplished during the next six months.
- U. **Website Design and Management.** Ongoing website hosting, maintenance and administration, including posting Agendas, Minutes and Policy & Procedures on a timely basis. All CLIENT "public" documents will be accessible via the website by Members with security access. Links to other Vendors and regulatory agencies will be provided.
- V. **Brokerage Services.** Placement of Lines of Insurance for the CLIENT, and the optional insurance programs that Members may choose to join through the CLIENT, or direct through BROKER/CONSULTANT will be provided outside the FEE in this AGREEMENT. ¹
 - 1. Develop and recommend insurance and other risk financing or loss funding Lines of Coverage, techniques, and methods.
 - 2. Develop underwriting information, structure offerings to insurers, and secure, when reasonably available, a Line of Coverage as desired by CLIENT with financially acceptable insurance companies, or other

¹ Currently, various Property lines of coverage are provided to CLIENT Members, as well as MBASIA involvement in ERMA, CARMA and other pools such as PRISM; insurance pools in which BROKER/CONSULTANT maintains separate broker relationships.

pooling programs providing the balance of coverage scope, cost, and services selected by the CLIENT. BROKER/CONSULTANT'S goal is to procure insurance for CLIENT with underwriters possessing the financial strength to perform. To that end, BROKER/CONSULTANT regularly reviews publicly available information concerning an underwriter's financial condition. BROKER/CONSULTANT does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage occasioned by reason of the financial failure or insolvency of any insurer. BROKER/CONSULTANT encourages CLIENT to review the publicly available information collected by BROKER/CONSULTANT to enable CLIENT to make the ultimate decision of accepting or rejecting a particular underwriter, and, to that end, BROKER/CONSULTANT shall provide sufficient time for Client to obtain necessary consulting or advice and meet prior to making said decision as set forth in Section X, "Obligations of the Client."

3. Review insurance policies, binders, certificates, and other documents related to the Line of Coverage for accuracy and obtain revisions in such documents when needed.
4. Monitor the Line of Coverage to assure its continuing balance of coverage scope, cost, service, and stability.
5. Prepare written reports to CLIENT management to include:
 - (a) Reports as needed of pending rate, coverage, or renewal problems including significant changes in the financial status of major insurers, reinsurers, and other entities providing services for Line of Coverage. At least ninety (90) days prior to Line of Coverage anniversary, prepare a written report stating anticipated renewal terms and conditions, and other indications of market conditions, trends, and anticipated changes,
 - (b) Not more than ninety (90) days after renewal, deliver a comprehensive annual summary report outlining the Line of Coverage for use in the CLIENT's annual report. Such report shall contain the following information:
 - 1) Recapitulation of Line of Coverage cost for current and preceding years.
 - 2) Summary of coverages and other Line of Coverage terms and conditions.
6. Deliver binders or other evidences of insurance within ten (10) calendar days after the placement of any insurance under the PROGRAM to be effective until such time as the policy or policies for the placement are received by CLIENT from the insurance carriers. Such binders shall be signed by an authorized agent or employee of the insurance carrier.
7. The BROKER/CONSULTANT shall not be responsible for the failure

of CLIENT to make premium payments.

W. Accounting Coordination. Provide general accounting services as established by the MBASIA Board based on the recommendations of the Executive and Finance Committee and in compliance with other conditions of the Agreement. The following duties will be completed by MBASIA's Program Administration Team:

1. Check *writing* for administrative expenses;
2. Reconciliation of administrative check (checking) account activity quarterly;
3. Preparation of monthly checking account activity statement;
4. Receipt of monthly reports from Investment Advisor (if applicable);
5. Preparation of cover letters for review of MBASIA Treasurer on quarterly report of investments;
6. Preparation of quarterly report of investment cover letters for review by MBASIA Treasurer;
7. Preparation of Balance Sheet, Profit and Loss YTD Comparison, and Profit and Loss Previous Year Comparison quarterly;
8. Gathering of data to submit to auditors annually;
9. Requesting estimated and final payroll information from cities;
10. Tracking on spreadsheet payroll information to compare estimated to actual payrolls;
11. Submit invoices to cities for:
 - (a) Annual premium;
 - (b) Annual admin fee; and
 - (c) Final payments based on actual payroll.
12. File State Controller's report annually;
13. Annual budget preparation (to be reviewed by MBASIA Treasurer);
14. Tracking on spreadsheet of expenditures/appropriates to present to each CLIENT meeting;
15. Assist MBASIA Treasurer in requesting funds to and from investment accounts;
16. Gathering of financial data to send to ALLIANT for meetings;
17. Keeper of financial records;
18. Provide Auditor with all required information;
19. Provide ALLIANT a list of all outstanding Final Audit items necessary for meeting Critical Path deadlines;
20. Identify missing vendor "Confirmations";
21. Preparation of (Quarterly Compilation); and
22. As directed, transfer monies to and from the Local Agency Investment Fund under authority granted by the Board.

V. ADDITIONAL SERVICES

- A.** BROKER/CONSULTANT may be asked to provide services not included in this AGREEMENT for additional COMPENSATION and subject to negotiation in separate AGREEMENTS. Such services include, but are not limited to:
1. Risk management claims information systems, including appropriate software programs, and related services;
 2. Claims services other than those specified above, including catastrophic claims, mass tort claims, claims advocacy services, and archival research;
 3. Services in connection with loss portfolio transfers and alternative risk financing;
 4. Establishment and administration of captive insurers;
 5. Non-recurring insurance placements involving significant quantitative or actuarial analysis or modeling, placements of risks with financial institutions other than insurance carriers, and placements of risks not customarily accepted by insurers.

VI. COMPENSATION

- A. Annual Fee.** For the first year, calculated according to the following:
1. The Annual Fee Schedule for the five (5) year term will be adjusted starting on July 1, 2024 as outlined in Section VI.A.3. below :

Program Year: FY23/24

FEE: \$298,500

2. For any requested services that are outside the SCOPE OF SERVICE of this AGREEMENT, the hourly rates per **Addendum A** will be used in calculating the fee for these services. (These Additional Services will be fully disclosed in writing, and agreed to by both PARTIES before performed.)
3. Annual Fee Escalator (first adjustment effective July 1, 2024): Any Annual Fixed Fee and all hourly rates in this Contract shall be adjusted at the beginning of the second year of the term by the lesser of, 5% or in accordance with the changes in the Consumer Price Index (CPI-U) for all Urban Consumers for the West Region using the most recently published month annual percentage change prior to each June 1st of each term but in any event such increase shall not go below 3%.

premium. Revenue received by AUS and/or ASIS will be disclosed, in writing, to CLIENT and is it is agreed to by CLIENT as a component of the total premiums that may be paid. Alliant acknowledges that Alliant and ASIS maintain an arm's length relationship. CLIENT understands that while Alliant represents CLIENT as an individual entity, AUS and/or ASIS independently administers its Program as a whole, and not on behalf of any particular Member. Additionally, the related entities of Alliant Business Services (ABS) may receive revenue from Alliant and/or a carrier for providing designated, value-added services. Services contracted by CLIENT directly will be invoiced accordingly.

VII. TAXES & FEES, THIRD PARTY BROKERS AND INDIRECT INCOME

- A. Surplus Lines Fees and Taxes.** In certain circumstances, placement of insurance services made by BROKER/CONSULTANT on behalf of CLIENT, with the prior approval of CLIENT, may require the payment of surplus lines assessments, taxes, and/or fees to state regulators, boards, and associations. Such assessments, taxes, and/or fees will be charged to CLIENT and identified separately on invoices covering these placements. CLIENT shall be responsible for all such assessments, taxes, and fees, whether or not separately invoiced. BROKER/CONSULTANT shall not be responsible for the payment of any such fees, taxes, or assessments, except to the extent such fees, taxes or assessments have already been collected from CLIENT.
- B. Intermediaries.** Alliant may determine from time to time that it is necessary or appropriate to utilize the services of intermediaries (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the Program. These intermediaries may be affiliates of Alliant or may be unrelated intermediaries. Compensation of such intermediaries will be paid by the insurance company out of paid insurance premiums. Where a placement through such an intermediary will result in compensation to an Alliant affiliate, Alliant will fully disclose in writing to CLIENT its relationship to the affiliate and the reason that placement of coverage through that intermediary is in the best interest of CLIENT. Notification to, and agreement from, the CLIENT will be received in advance of binding coverage.
- C. Indirect Income.** "Indirect Income" includes such items as insurance carrier contingency arrangements. BROKER/CONSULTANT will not accept these compensation incentives from insurers, including contingent commissions, market service agreements (MSA), volume-based commission incentives and rebates on business placed on behalf of CLIENT within the SCOPE OF SERVICE of this AGREEMENT.

VIII. PERSONNEL

BROKER/CONSULTANT agrees KEY PERSONNEL as listed in **Addendum A** will be responsible for performance of the SERVICES described herein. Should such personnel become unavailable to perform SERVICES for CLIENT, BROKER/CONSULTANT agrees to replace, as soon as practicable, such personnel with individual(s) of comparable skills and experience as determined by BROKER/CONSULTANT's evaluation and subject to CLIENT's right of reasonable refusal.

IX. INSURANCE REQUIREMENTS

A. Coverage and Limits. During the term of this AGREEMENT, BROKER/CONSULTANT shall maintain the following insurance coverage and limits or the equivalent self-insurance coverage:

1. Professional Liability insurance with minimum limits of \$2 million per claim providing coverage for any errors and omissions that the BROKER/CONSULTANT or its agents may make resulting in financial loss to CLIENT.
2. Commercial General and Automobile Liability insurance with limits of at least \$1 million combined single limit per occurrence and in the aggregate for bodily injury and property damage. The policies are to contain, or be endorsed to contain the following provisions:
 - (a) CLIENT, its trustees, officers, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of the work or operations performed by the BROKER/CONSULTANT, or on behalf of the BROKER/CONSULTANT, or "any auto," whether owned, leased, hired or borrowed by the BROKER/CONSULTANT.
 - (b) For any covered claims related to this AGREEMENT, the BROKER/CONSULTANT's insurance coverage shall be primary insurance as respects CLIENT, its trustees, officers, employees, or volunteers. Any insurance or self-insurance maintained by CLIENT, or any of its members, shall be excess to the BROKER/CONSULTANT's insurance and shall not contribute with it.
3. Workers' Compensation coverage in compliance with applicable law, and Employers' Liability insurance in the amount of at least \$1 million per accident or aggregate.
4. Excess Liability of at least \$4 million per occurrence (and in the aggregate) coverage over General Liability, Professional Liability, and Auto primary coverage.

- B. Cancellation/Non-renewal.** Each insurance policy required by this section shall be endorsed to state that coverage shall not be canceled or non-renewed by BROKER/CONSULTANT, except with thirty (30) days' prior written notice by certified mail, return receipt requested, addressed to CLIENT.
- C. Carrier Rating.** All insurance carriers providing the coverages required by this section shall have a financial rating of at least an "A-" published A.M. Best, or an equivalent financial rating firm. Published reports will be used to confirm the insurance carriers' rating, unless the BROKER/CONSULTANT has obtained the CLIENT's written acknowledgment that an insurance carrier with a lower financial rating is permitted.
- D. Certificates of Insurance/Endorsements.** BROKER/CONSULTANT shall also provide to CLIENT certificates of insurance and copies of applicable endorsements evidencing the above coverages and limits, and will maintain these coverages during the term of this AGREEMENT.
- E. Ongoing Obligation.** The failure of the BROKER/CONSULTANT to procure and maintain the required insurance does not negate its obligation under this AGREEMENT to do so.

X. OBLIGATIONS OF CLIENT

CLIENT will reasonably cooperate with the BROKER/CONSULTANT in the performance of the BROKER/CONSULTANT's Program Administration duties by providing the BROKER/CONSULTANT where available reasonably complete and accurate information as to CLIENT's loss experience risk exposures and any other pertinent information that the BROKER/CONSULTANT requests. CLIENT shall promptly review coverage documents concerning the Programs delivered by the BROKER/CONSULTANT for consistency with CLIENT's specifications.

CLIENT shall designate one or more officers or committees of CLIENT to receive and provide significant intervening substantive review, and independently evaluate any and all recommendations or proposals made to CLIENT by the BROKER/CONSULTANT which are significant and substantive in nature, and under which any benefit shall accrue to the BROKER/CONSULTANT or the BROKER/CONSULTANT's affiliates and be considered as a Material Financial Impact, under the terms of this AGREEMENT. Such committees shall then provide their own recommendations concerning such matters to the Board of Directors of CLIENT, having ultimate decision making authority on such matters.

XI. CONFIDENTIALITY

- A. Client Information.** BROKER/CONSULTANT will not disclose to any third party any of CLIENT's confidential information, protected tangible or intangible property rights, intellectual property, or trade secrets ("Client Information") that are obtained in the course of providing SERVICES to CLIENT, except in the furtherance of insurance brokerage, risk management, risk transfer, employee benefits or other insurance related SERVICES or products provided by BROKER/CONSULTANT to CLIENT, and only on condition that such insurers and financial institutions are informed of the confidential nature of such information. This information may include information relevant to the underwriting and/or evaluation of the CLIENT's risks and the processing of claims.
- B. Confidential Information.** The services and work product exchanged by the PARTIES under this AGREEMENT are to be used exclusively to carry out the terms, conditions, and purposes set forth herein. The PARTIES acknowledge that during the term of this AGREEMENT, they may each exchange information considered confidential, proprietary and/or trade secret including, without limitation, data, recommendations, proposals, reports and similar information, Client Information (as defined above), and work product (collectively, "Confidential Information"). For purposes of this AGREEMENT, the party disclosing Confidential Information shall be called the Disclosing Parties and the party receiving Confidential Information shall be called the Recipient Party. The PARTIES understand and agree that they will not distribute, use, or rely upon Confidential Information received from the other without the permission of the Disclosing Party.
- 1. Ownership.** Except as otherwise provided in this AGREEMENT, Confidential Information is and remains the absolute and exclusive property of the Disclosing Party and/or its affiliates, and is its unique and variable asset. Unless otherwise authorized by this AGREEMENT, no copies of Confidential Information shall be made without the written permission of the Disclosing Party. The PARTIES agree that, except as otherwise provided herein, they will not directly or indirectly communicate, divulge, or otherwise disclose any of the other's Confidential Information to any unauthorized person, firm, or corporation, and shall prevent, to the best of their ability, the unauthorized disclosure of such Confidential Information to others.
 - 2. Exclusions.** The following types of information shall not be considered confidential:
 - (a)** Information in the public domain or that becomes a part of the public domain, other than as a result of a breach of the confidentiality provisions of this AGREEMENT;

- (b) Information that is independently developed by either PARTY as demonstrated by the PARTY's records;
 - (c) Information that is disclosed by a third party whom the RECIPIENT PARTY has no reason to believe has any confidentiality or fiduciary obligation to the owner of such information;
 - (d) Information that is required to be disclosed by law or judicial process, provided the disclosing party gives the non-disclosing party prior notice of subpoena or request for information so that the non-disclosing party can seek a protective order, or other appropriate injunctive relief;
 - (e) Services in connection with loss portfolio transfers and alternative risk financing;
 - (f) Establishment and administration of captive insurers; or
 - (g) Non-recurring insurance placements involving significant quantitative or actuarial analysis or modeling, placements of risks with financial institutions other than insurance carriers, and placements of risks not customarily accepted by insurers.
- C. Reasonable Efforts.** The PARTIES agree to employ reasonable and customary business practices to protect and secure both CLIENT INFORMATION and CONFIDENTIAL INFORMATION from unauthorized release or distribution and to limit access and usage of such information to those employees, officers, agents, and representatives who "need to know" in order to provide the products and SERVICES under this AGREEMENT. The PARTIES further agree that those employees, officers, agents, and representatives who are privy to CLIENT INFORMATION and/or CONFIDENTIAL INFORMATION shall be informed about the confidential nature of the information and required to maintain its confidentiality as provided under this AGREEMENT.
- D. Survival.** The PARTIES agree that the obligations contained herein shall survive the termination of this AGREEMENT, for a period of two (2) years, to the extent allowed by law.

XII. ETHICS AND CONFLICT OF INTEREST STATEMENT

The BROKER/CONSULTANT understands and agrees that CLIENT desires to compare the cost of obtaining services or insurance products from BROKER/CONSULTANT against other viable and competitive options and expects that the BROKER/CONSULTANT will make its compensation agreements and revenue streams known to CLIENT, so as to provide CLIENT with a clear accounting of the costs of the placement of insurance services and products. The BROKER/CONSULTANT shall conduct its business so as to fulfill all legal and ethical requirements, and standards of the industry and the applicable state(s) in which SERVICES are rendered, and shall place the best interests of CLIENT ahead of any other concerns in the placement of insurance services and products. To this end, BROKER/CONSULTANT:

- A.** Warrants that it will adhere to its ethical obligations to CLIENT to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;
- B.** Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact and the name, address, phone number and, to the extent available, email address of the individual contact for each market;
- C.** Will make every good faith attempt to avoid even the appearance of a conflict of interest between the BROKER/CONSULTANT, CLIENT, and any provider of any insurance product or service, and will promptly notify CLIENT of any real or potential conflict of interest;
- D.** Agrees to provide to CLIENT a copy of BROKER/CONSULTANT's own Ethics Statement or Code, or BROKER/CONSULTANT's Compliance Statement, or to make such statements available on the BROKER/CONSULTANT's website; and
- E.** Will require that all insurance carriers show any commission rates on their insurance policies and ensure those rates are known to CLIENT.

XIII. TERM

The term of this AGREEMENT shall be effective from July 1, 2023 and ending 12:01 a.m. July 1, 2028 (i.e., five years), unless cancelled pursuant to termination provisions set forth herein. CLIENT shall have an option to extend this AGREEMENT for two additional one-year periods, exercisable by CLIENT by notifying BROKER/CONSULTANT of such extension prior to the anniversary date. This AGREEMENT shall have an anniversary date each July 1st, for the purpose of reviewing COMPENSATION and optional extensions. This Agreement supersedes and replaces all previous agreements or contracts.

XIV. TERMINATION

This AGREEMENT may be cancelled by either PARTY any time upon ninety (90) days advance written notice delivered, or mailed to the other PARTY in accordance with the notice provisions set forth herein. In the event of termination or expiration of this AGREEMENT, BROKER/CONSULTANT will provide CLIENT with reasonable assistance in arranging a smooth transition to another broker. Except for this transition assistance, BROKER/CONSULTANT's obligation to provide SERVICES to CLIENT will cease at 12:01 a.m. upon the effective date of termination or expiration.

XV. NONASSIGNABLE

This AGREEMENT is binding upon the PARTIES hereto and their respective successors by merger, sale, consolidation, or reorganization. This AGREEMENT is otherwise personal to the PARTIES and cannot be assigned or delegated without prior written consent of the other PARTY.

XVI. RELATIONSHIP OF THE PARTIES.

At all times and for all purposes, the relationship between the PARTIES is intended to be that of independent contractors and there is no intent to create a joint venture relationship, and any person representing BROKER/CONSULTANT, shall be an independent contractor to CLIENT, and the AGREEMENT shall not in any way be construed as a contract of employment between CLIENT and BROKER/CONSULTANT's agents. In addition, the PARTIES agree that, except as otherwise provided herein, CLIENT shall not be obligated for any expense incurred by BROKER/CONSULTANT in rendering SERVICES, or by engaging in any other transaction or conduct arising out of this AGREEMENT.

XVII. OWNERSHIP OF BOOKS AND RECORDS.

The PARTIES shall each maintain normal business records related to all business generated under this AGREEMENT. Upon reasonable request, and subject to the confidentiality provisions set forth herein, the PARTIES may each obtain from the other copies of all policyholder documents, including but not limited to policies, binders, certificates, endorsements, underwriting data, loss data, and other statistical information in the other's possession, custody, or control with respect to all business generated under this AGREEMENT.

XVIII. INDEMNIFICATION

A. In the event that BROKER/CONSULTANT, its agents, employees, representatives, or assigns, negligently or intentionally violate any law or regulation, any provision of the AGREEMENT, or any written rule, regulation, policy, procedure or similar instruction under the PROGRAM, BROKER/CONSULTANT shall indemnify, defend, and hold CLIENT

harmless from and against all loss and damage, including any reasonable costs or expenses (including attorney's fees), incurred by CLIENT in connection with such conduct.

- B.** In the event that CLIENT, its agents, employees, representatives, or assigns, negligently or intentionally violate any law or regulation, or any provision of the AGREEMENT, CLIENT shall indemnify, defend, and hold BROKER/CONSULTANT harmless from and against all loss and damage, including any reasonable costs or expenses (including attorney's fees), incurred by BROKER/CONSULTANT in connection with such conduct.

These obligations shall survive the termination of this Agreement.

XIX. NOTICE

All notices, requests, and other communications given under this AGREEMENT, shall be in writing and deemed duly given: (a) when delivered personally to the recipient; (b) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid); (c) five (5) business days after being sent by U.S. certified mail (charges prepaid); or (d) one (1) business day after being sent to the recipient by fax or email transmission. Except as otherwise provided herein, all notices, requests or communications under this AGREEMENT shall be addressed to the intended recipient as set forth below:

To CLIENT:

MBASIA
(To the attention of the current
President of the Authority at
this Member's specific address)

To BROKER/CONSULTANT:

Alliant Insurance Services, Inc.
560 Mission Street, 6th Floor
San Francisco, CA 94105
Attn.: Conor Boughey

XX. ENTIRE AGREEMENT MODIFICATION

This AGREEMENT contains the entire agreement between the PARTIES and supersedes and replaces all previous agreements or contracts on the subject matter described herein. The AGREEMENT can be modified only by a written amendment signed by both PARTIES. This AGREEMENT shall be governed by the laws of the State of California without regard to any conflict of law provisions.

XXI. WAIVER

No provision of this Agreement shall be considered waived, unless such waiver is in writing and signed by the Party that will benefit from the enforcement of such provision. No Waiver of any Provision in this Agreement, however, shall be deemed a Waiver of a subsequent Breach of such Provision or a Waiver of a similar Provision. In addition, a Waiver of any Breach or a Failure to Enforce any Term or Condition of this Agreement shall not in any way Affect, Limit, or Waive

a Party's Right under this Agreement at any time to Enforce strict Compliance thereafter with every Term and Condition of this Agreement.

XXII. COPYRIGHT

Any reports, documents or other materials produced in whole or in part under this Agreement shall be the property of CLIENT and none shall be subject to an application for copyright by or on behalf of Alliant.

XXIII. SEVERABILITY

If any term, covenant, condition, or provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

XXIV. APPLICABLE LAW

This AGREEMENT has been executed and delivered in the State of California, and the validity, enforceability, and interpretation of any of its provisions shall be determined and governed by the applicable laws of this state.

XXV. DISPUTE RESOLUTION

Any dispute arising under the terms of this AGREEMENT that is not resolved within a reasonable period of time by authorized representatives of the PARTIES shall be brought to the attention of the Chief Executive Officer (or designated representative) of the BROKER/CONSULTANT and the Chair (or designee) of the CLIENT for joint resolution. At the request of either PARTY, the CLIENT shall provide a forum for discussion of the disputed item(s). If resolution of the dispute through these means is pursued without success and upon the PARTIES' mutual agreement, such dispute may be submitted to final and binding arbitration, or either PARTY may elect to and pursue any rights and remedies by legal action. In any dispute arising out of or under the terms of this AGREEMENT, the prevailing PARTY shall be entitled to recover its legal fees and costs from the other PARTY to the extent allowed by applicable law. Any such arbitration or legal action shall be venued in County of Monterey, California unless the PARTIES mutually agree in writing to another location. Despite an unresolved dispute, the BROKER/CONSULTANT shall continue without delay to perform its responsibilities under this AGREEMENT. The BROKER/CONSULTANT shall keep accurate records of its SERVICES in order to document the extent of its SERVICES under this AGREEMENT.


XXVI. HEADINGS AND CONSTRUCTION

The PARTIES agree that the headings and sections of this AGREEMENT are used for convenience only and shall not be used to interpret the provisions herein. The PARTIES also agree that the terms of this AGREEMENT were jointly negotiated and each has had an opportunity to review and discuss each provision with legal counsel, to the extent desired. Therefore, the normal rule of construction that construes any ambiguities against the drafting party shall not be employed in the interpretation of this AGREEMENT.

IN WITNESS WHEREOF, CLIENT and BROKER/CONSULTANT have hereby executed this AGREEMENT on this 30th day of January, 2023.

MBASIA

ALLIANT INSURANCE SERVICES, INC.

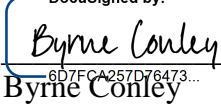
By:  _____
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Jamie Goldstein
Title: MBASIA Board Chair

By:  _____

Conor Boughey
Title: Senior Vice President

Reviewed and Approved by MBASIA Legal Counsel

By:  _____
8D7FCA257D76473...
Byrne Conley

Date:

ADDENDUM A

		<u>2023</u> <u>Rates</u>
<i>Program Lead Consultant</i>	* Conor Boughey	195
<i>Peer Manager</i>	Marcus Beverly	180
<i>Program Administration</i>	Lorissa Huey	130
<i>Accountant</i>	Tami Giovanni	130
<i>Administration</i>	Misc.	110

*Denotes KEY Personnel

These rates shall be adjusted to compensate for any agreed to change at contract renewal. Such proposed rate changes will be in accordance with the business practices of BROKER/CONSULTANT.

ADDENDUM B

BROKER/CONSULTANT agrees to provide SERVICES for the following Lines of Coverage of CLIENT and its Members:

1. Property and Boiler & Machinery (which may include Pollution and Cyber liability)
2. Excess Cyber Liability
3. Excess Liability (Currently through ERMA & CARMA with Excess Carriers);
4. Workers' Compensation (currently through PRISM);
5. Fidelity Insurance; and
6. Trustees Errors & Omissions
7. Travel and/or Volunteer Accident coverage
8. Miscellaneous Benefit lines of coverage

It is understood and agreed that CLIENT may obtain additional services and/or Products or programs from BROKER/CONSULTANT for additional PROGRAMS and Lines of Coverage. Unless direct with Members, CLIENT and BROKER/CONSULTANT shall agree, in writing, the SCOPE OF SERVICE and COMPENSATION in advance of BROKER/CONSULTANT's performance and delivery.