

AGREEMENT

FOR CLAIMS ADMINISTRATION AND RELATED SERVICES FOR THIRD PARTY LIABILITY

THIS AGREEMENT, is made and entered into this 17 day of March, 1998 by and between SCHOOL BOARD OF SARASOTA COUNTY, a political subdivision of the State of Florida, herein after referred to as the "SCHOOL BOARD" and JOHNS EASTERN, INC., herein after referred to as the "ADMINISTRATOR".

WITNESSETH

WHEREAS, the SCHOOL BOARD intends to undertake the program described as Claims Administration and Related Services for third party liability and employ the ADMINISTRATOR in connection with this Program; and,

WHEREAS, the ADMINISTRATOR has reviewed the professional services required pursuant to this Agreement and is qualified, willing and able to provide and perform all such services in accordance with its terms;

AGREEMENT DOCUMENTS

The Agreement shall consist of the following documents and in the event of a any conflict in the obligations, control shall be determined in the following order:

1. This Agreement and all Exhibits attached hereto.
2. The Administrator's Response to Request for Proposal RFP#7153J
3. The County Request for Proposal RPF#7153J

The failure of this Agreement to include reference to any matter contained in any other Agreement document shall not be deemed to constitute a waiver of such matter.

AGREEMENT

NOW, THEREFORE, the SCHOOL BOARD and the ADMINISTRATOR, in consideration of the mutual covenants contained herein, do agree as follows:

I. ADMINISTRATOR'S SERVICES

The ADMINISTRATOR agrees to provide all Claims Administration and Related Services in a manner described in Exhibit A, "Scope of Services" with staffing as described in Exhibit C, "Staffing" attached hereto.

This Agreement shall become effective July 1, 1998 and shall continue in force for a period

of one (1) year. This Agreement shall be renewable for four (4) additional one (1) year terms at rates identified in Exhibit B, "Fee Schedule", attached hereto and made a part hereof. If the SCHOOL BOARD does not wish to renew this Agreement, SCHOOL BOARD shall provide the ADMINISTRATOR with written notice, not less than ninety days prior to the end of the term of the Agreement, of its intent not to renew.

II. COMPENSATION AND PAYMENT OF ADMINISTRATOR'S SERVICES

The SCHOOL BOARD shall pay the ADMINISTRATOR for the professional services rendered hereunder and completed in accordance with the terms of this Agreement pursuant to Exhibit B, "Fee Schedule". Said total amount to include all profit, direct and indirect labor costs, personnel related costs, overhead and administrative costs, travel related out-of-pocket expenses and costs, and all other costs which are necessary to provide the services as outlined in this Agreement.

A. METHOD OF PAYMENT

1. The SCHOOL BOARD shall pay the ADMINISTRATOR through payment issued by the School Board Financial Services Department in accordance with the Florida Prompt Payment Act of the Florida Statutes, Chapter 218.70, upon receipt of the ADMINISTRATOR'S invoice and written approval of same by the SCHOOL BOARD'S Administrative Agent indicating that services have been rendered in conformity with this Agreement. The ADMINISTRATOR shall submit an invoice for payment to the SCHOOL BOARD on a monthly basis for those specific services as described in Exhibit A, Scope of Services, (and the corresponding amount as described in Exhibit B, Fee Schedule) that were completed during that invoicing period.
2. The ADMINISTRATOR'S invoices shall be in a form satisfactory to the School Board Financial Services Department, who shall initiate disbursements.

B. ADDITIONAL SERVICES

If, upon written instruction by the SCHOOL BOARD'S Administrative Agent and written agreement by the ADMINISTRATOR, the ADMINISTRATOR shall perform additional services, and if such services are not required as a result of error, omission or negligence of ADMINISTRATOR, then in such event the ADMINISTRATOR shall be entitled to additional compensation. The additional compensation shall be computed by the ADMINISTRATOR on a fee quotation proposal (lump sum, labor rate times multiplier, cost plus fixed fee, etc.) and submitted to the SCHOOL BOARD'S Administrative Agent for review and approval by the SCHOOL BOARD. The fee shall be agreed upon before commencement of any additional services or changes and shall be incorporated into this Agreement by written Amendment. Any additional service or work performed before a written Amendment to this Agreement shall not be compensated by the SCHOOL BOARD.

- C. Payment for Outside Vendors as shown in Exhibit B shall be made to the ADMINISTRATOR for the actual costs to the ADMINISTRATOR for such services rendered by another firm. In the event additional outside services are needed due to unforeseen conditions, the ADMINISTRATOR shall:
1. Obtain a written proposal from three firms designated to render the required services and submit such proposal to the SCHOOL BOARD for written approval.
 2. If the services are such that registration is required to perform them, the ADMINISTRATOR shall select a firm that is registered in the State of Florida.
 3. If the proposal is approved, in writing, by the SCHOOL BOARD, the ADMINISTRATOR shall enter into a contract with the firm for the furnishing of such services in accordance with the proposal.
 4. The ADMINISTRATOR shall submit three (3) copies of all reports for all such required services to the SCHOOL BOARD.
 5. Upon approval by the SCHOOL BOARD of such reports, the SCHOOL BOARD shall reimburse the ADMINISTRATOR for the cost of such services, which cost shall not exceed the amount of the proposal.
 6. Services rendered by the ADMINISTRATOR in connection with the coordination of these additional services shall be considered within the scope of the basic Work Assignment and no additional fee will be due the ADMINISTRATOR.

III. LIABILITY OF ADMINISTRATOR

The ADMINISTRATOR shall pay on behalf of or indemnify and hold harmless the SCHOOL BOARD, its Board Members, officers, employees, agents and volunteers from and against any and all claims, actions, damages, fees, fines, penalties, defense costs (including attorneys fees and court costs, whether such fees and costs are incurred in negotiations, collection of attorneys' fees or at the trial level or on appeal), suits or liabilities which may arise out of any actual or alleged negligent act, error, omission, or default of the ADMINISTRATOR arising out of the ADMINISTRATOR'S (or ADMINISTRATOR'S officers, employees, agents, volunteers and Subcontractors or Consultants, if any) performance or failure to perform under the terms of this Agreement. This indemnification and hold harmless agreement shall survive the termination or expiration of this Agreement. Nothing herein shall be construed to hold the ADMINISTRATOR liable for the negligence of the SCHOOL BOARD or any other party other than the ADMINISTRATOR (including

ADMINISTRATOR'S officers, employees, agents, volunteers, subcontractors or consultants).

IV. ADMINISTRATOR'S INSURANCE

Before performing any work on the Agreement, the ADMINISTRATOR shall procure and maintain, during the life of this Agreement, the insurance coverages listed below. The policies of insurance shall be primary and written on forms acceptable to the SCHOOL BOARD and placed with insurance carriers approved and licensed by the Florida Department of Insurance and meet a minimum financial A.M. Best & Company rating of no less than Excellent. No changes are to be made to these specifications without prior written specific approval by the School Board Risk Management Office.

A. INSURANCE COVERAGES

1. Workers Compensation - The ADMINISTRATOR will provide Workers Compensation Insurance on behalf of all employees who are to provide a service under this Agreement, as required under Florida Laws, Chapter 440, and Employers Liability of limits no less than \$ 100,000 per employee per accident; \$500,000 disease aggregate and \$100,000 employee per disease.
2. Commercial General Liability - Including but not limited to bodily injury, property damage, contractual, products and complete operations and personal injury with limits of not less than \$300,000 per occurrence, \$300,000 aggregate covering all work performed under this Agreement.
3. Automobile Liability - Including bodily injury and property damage including all vehicles owned, leased, hired and non owned with limits of not less than \$500,000 combined single limit covering all work performed under this Agreement. (Limits may be satisfied by combining an UMBRELLA form and Automobile Liability form for a total combined limit of \$1,000,000).
4. Umbrella Liability - With limits of not less than \$1,000,000 per occurrence covering all work performed under this Agreement.
5. Errors and Omissions Liability - With limits of not less than \$1,000,000 for professional services rendered in accordance with this Agreement. The ADMINISTRATOR shall maintain such insurance for at least a two (2) year period from the termination of this Agreement and during this two (2) year period the ADMINISTRATOR shall use his best efforts to ensure that there is no change of the retroactive date on this insurance coverage. If there is a change that reduces or restricts the coverage carried during the Agreement, the ADMINISTRATOR shall notify the Risk Management Office 30 calendar days prior to the change.

B. POLICY FORM

1. All policies required by this Agreement, with the exception of Errors and Omissions Liability or Workers Compensation, unless specific approval is given by the SCHOOL BOARD, are to be written on an occurrence basis, shall name School Board, its Board Members, officers, employees, agents and volunteers as additional insured as their interest may appear under this Agreement, and the insurer(s) shall agree to waive all rights of subrogation against the School Board, Board Members, officers, employees, agents or volunteers.
2. Insurance and insurance provisions, itemized in this Agreement, and required of the ADMINISTRATOR shall be provided by or in behalf of all subcontractors to cover their operations performed under this Agreement. The ADMINISTRATOR all be held responsible for modifications, deviations or omissions in these insurance requirements as they apply to subcontractors.
3. Each insurance policy required by this Agreement shall:
 - a. Apply separately to each insured against whom claim is made and suit is brought, except with respect to the limits of the insurer's liability.
 - b. Be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, reduced in coverage or in limits except after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has been given to the Risk Management Office.
4. The Risk Management Office shall retain the right at any time to review coverage, form and amount of insurance.
5. The procuring of such required policies of insurance shall not be construed to limit the ADMINISTRATOR'S liability nor to fulfill the indemnification provisions and requirements of this Agreement. Notwithstanding said policy or policies of insurance, ADMINISTRATOR shall be obligated for the full and total amount of any damages, injury or loss caused by any act, neglect, omission or default connected with this Agreement.
6. The ADMINISTRATOR shall be solely responsible for payment of all premiums for insurance contributing to the satisfaction of this Agreement and shall be solely responsible for the payment of all deductibles to which such policies are subject, whether or not the SCHOOL BOARD is an insured under the policy.
7. Claims Made Policies will be accepted for professional and hazardous material and such other risks as are authorized by the Risk Management Office. All Claims Made Policies contributing to the satisfaction of the

insurance requirements herein shall have an extended reporting period option or automatic coverage of not less than two years. If provided an option, the ADMINISTRATOR agrees to purchase the extended reporting period on cancellation or termination unless a new policy is effected with a retroactive date, including at least the last policy year.

8. Certificates of Insurance evidencing Claims Made or Occurrence form coverage and conditions to this Agreement, as well as the School Board's number and the description of work are to be furnished to the Risk Management Office prior to commencement of work AND a minimum of thirty (30) calendar days of expiration of the insurance contract when applicable. All insurance certificates shall be received by the Risk Management Office before the ADMINISTRATOR will be allowed to commence or continue to work.
9. Notice of Accident (occurrence) and Notice of Claim associated with the work being performed under this Agreement, shall be provided to the ADMINISTRATOR'S insurance company and the Risk Management Office as soon as practicable after notice to the insured.

V. RESPONSIBILITIES OF THE ADMINISTRATOR

- A. The ADMINISTRATOR shall be responsible for the professional quality, technical accuracy, and the coordination of all services, reports, designs, specifications, other documents and data used or produced by or at the behest of the ADMINISTRATOR under this Agreement. The ADMINISTRATOR shall, without additional compensation, correct or revise any errors or deficiencies in its reports, designs, specifications, other documents and data.
- B. Neither the SCHOOL BOARD'S review, approval or acceptance of, nor payment for, the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.
- C. The rights and remedies of the SCHOOL BOARD provided for under this Agreement are in addition to any other rights and remedies provided by law.
- D. If the ADMINISTRATOR is comprised of more than one legal entity, each entity shall be jointly and severally liable hereunder.
- E. The ADMINISTRATOR warrants that he has not employed or retained any company or person (other than a bona fide employee working solely for the ADMINISTRATOR), to solicit or secure this Agreement and that he has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for the ADMINISTRATOR; any fee, commission,

percentage, gift, or any other consideration, contingent upon or resulting from the award of this Agreement.

- F. The ADMINISTRATOR covenants and agrees that it and its employees shall be bound by the Standards of Conduct of the Florida Statutes, Chapter 112.313, as it relates to work performed under this Agreement. The ADMINISTRATOR agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed.
- G. The ADMINISTRATOR shall comply with Florida Statutes, Chapter 128.133, Public Entity Crimes.
- H. The ADMINISTRATOR shall comply with all federal, state and local laws, regulations and ordinances applicable to the work or payment for work thereof, and shall not discriminate on the grounds of race, color, religion, sex, disability or national origin in the performance of work under this Agreement.
- I. As required for the Acquisition of Professional Services of the Florida Statutes, Chapter 287.055, the ADMINISTRATOR hereby certifies, covenants and warrants that the compensation provided in Article II shall be accurate, complete and current as of the date of negotiation. It is further agreed that said compensation provided in Article II shall be adjusted to exclude any significant sums where the SCHOOL BOARD shall determine the unit price was established due to inaccurate, incomplete and non-current wage rates and other factual unit costs. All such price adjustments shall be made within one (1) year following the date of final billing or acceptance of the work by the SCHOOL BOARD, in writing, whichever is later. Records of costs incurred under the terms of this Agreement shall be maintained by the ADMINISTRATOR and made available to the SCHOOL BOARD during the period of this Agreement and for one (1) year after final payment is made. Upon request by the SCHOOL BOARD, copies of these documents and records shall be furnished to the SCHOOL BOARD, without cost to the SCHOOL BOARD.
- J. The ADMINISTRATOR shall maintain books, records, documents, and other evidence directly pertaining to or connected with the services under this Agreement which shall be available and accessible at the ADMINISTRATOR'S offices for the purpose of inspection, audit, and copying during normal business hours by the SCHOOL BOARD, or any of its authorized representatives. Such records shall be retained for a minimum of three (3) years after completion of the services.

VI. OWNERSHIP AND USE OF DOCUMENTS

- A. It is understood and agreed that the documents, or reproducible copies, including reports, designs, specifications, other documents and data developed by the ADMINISTRATOR in connection with its services shall be delivered to, and shall become the property of the SCHOOL BOARD as they are received by the SCHOOL BOARD. The ADMINISTRATOR hereby assigns all its copyright and other

proprietary interests in the products of this Agreement to the SCHOOL BOARD. Specific written authority is required from the SCHOOL BOARD'S Administrative Agent for the ADMINISTRATOR to use any of the work products of this Agreement on any non-School Board program.

- B. Computer systems and databases used for providing the documents necessary to this Agreement shall be Year 2000 compatible.
- C. All computer programs, computer codes (including source codes) and/or computer programed software developed by or used by the ADMINISTRATOR in conjunction with the ADMINISTRATOR's services shall remain the sole and exclusive property of the ADMINISTRATOR.

VII. TIMELY PERFORMANCE OF ADMINISTRATOR'S PERSONNEL

The timely performance and completion of the required services is vitally important to the interest of the SCHOOL BOARD. The ADMINISTRATOR shall assign a Program Manager, together with such other personnel as are necessary to assure faithful prosecution and timely delivery of services pursuant to the requirements of this Agreement. The personnel assigned by the ADMINISTRATOR to perform the services of this Agreement, shall comply with the information presented in the professional services response proposal as specifically described in Exhibit C, Staffing, attached hereto and made a part hereof. The ADMINISTRATOR shall ensure that all key personnel, support personnel and other agents are fully qualified, licensed and capable to perform their assigned tasks. Any change or substitution to the ADMINISTRATOR'S key personnel must receive the SCHOOL BOARD'S Administrative Agent's written approval before said changes or substitution can become effective.

- A. The services to be rendered by the ADMINISTRATOR shall commence at 12:01 a.m. July 1, 1998. The time limits set forth in Exhibit B, Fee Schedule, shall commence at 12:01 a.m. on July 1, 1998.
- B. The ADMINISTRATOR specifically agrees that all work performed under the terms and conditions of this Agreement shall be completed within the time limits as set forth in Exhibit A and B.
- C. The ADMINISTRATOR agrees to provide to the SCHOOL BOARD'S Administrative Agent, written progress reports concerning the status of the Program. The SCHOOL BOARD'S Administrative Agent may determine the format for this progress report. The SCHOOL BOARD shall be entitled at all times to be advised at its request, and in writing, as to the status of work to be performed by the ADMINISTRATOR.
- D. All final plans and documents prepared by the ADMINISTRATOR shall bear the endorsement of a person in the full employ of the ADMINISTRATOR.

- E. After written notice to the ADMINISTRATOR and reasonable opportunity to cure, and after consultation with the ADMINISTRATOR, the SCHOOL BOARD shall have the right to refuse to make payment, in whole or in part, and, if necessary, may demand the return of a portion of all of the amount previously paid to the ADMINISTRATOR due to:
1. The quality of a portion, or all, of the ADMINISTRATOR'S work not being in accordance with the requirements of this Agreement;
 2. The quantity of the ADMINISTRATOR'S work not being as represented in the ADMINISTRATOR'S Payment Request, or otherwise;
 3. The ADMINISTRATOR'S failure to use Agreement funds, previously paid the ADMINISTRATOR by the SCHOOL BOARD, to pay ADMINISTRATOR'S Program related obligations including, but not limited to, subcontractors, material and equipment or suppliers.
 4. Claims made, or likely to be made, against the SCHOOL BOARD or its property as they relate to the Indemnification Provision under this contract.
 5. Loss caused by the ADMINISTRATOR.
 6. The ADMINISTRATOR'S failure or refusal to perform any of the obligations to the SCHOOL BOARD, after written notice and reasonable opportunity to cure as set forth above.

In the event that the SCHOOL BOARD makes written demand upon the ADMINISTRATOR for amounts previously paid by the SCHOOL BOARD as contemplated in the clause, the ADMINISTRATOR shall promptly comply with such demand. The SCHOOL BOARD'S rights hereunder survive the term of this Agreement, are not waived by final payment and/or acceptance, and are in addition to ADMINISTRATOR'S obligations set forth in Exhibit A.

VIII. OBLIGATIONS OF SCHOOL BOARD

- A. The SCHOOL BOARD designates as its Administrative Agent the Risk Manager who shall serve as program coordinator and do all things necessary to properly administer the terms and conditions of this Agreement. If necessary, a specific program manager will be authorized to perform the responsibilities of the SCHOOL BOARD'S Administrative Agent. The responsibility of the SCHOOL BOARD'S Administrative Agent shall include:
1. Examination of all reports, sketches, drawings, estimates, proposals, and other documents presented by the ADMINISTRATOR, and render in writing, decisions pertaining thereto within a reasonable time so as not to delay the work of the ADMINISTRATOR.

2. Transmission of instructions, receipt of information, interpretation and definition of SCHOOL BOARD policies and decisions with respect to design, materials and other matters pertinent to the work covered by this Agreement.
 3. Review for approval or rejection all of the ADMINISTRATOR'S documents and payment requests.
- B. The SCHOOL BOARD shall, upon request, furnish the ADMINISTRATOR with all existing data, plans, studies and other information in the SCHOOL BOARD'S possession which may be useful in connection with the work of this Program, all of which shall be and remain the property of the SCHOOL BOARD and shall be returned to the SCHOOL BOARD'S Administrative Agent upon completion of the services to be performed by the ADMINISTRATOR.
- C. The SCHOOL BOARD'S Administrative Agent shall conduct periodic reviews of the work of the ADMINISTRATOR necessary for the completion of the ADMINISTRATOR'S services during the period of this Agreement and may make other SCHOOL BOARD personnel available, where required and necessary to assist the ADMINISTRATOR. The availability and necessity of said personnel to assist the ADMINISTRATOR shall be determined solely within the discretion of the SCHOOL BOARD. The SCHOOL BOARD'S technical obligations to this Program, if any, are stated in Exhibit A, Scope of Services.
- D. The SCHOOL BOARD shall not provide any services to the ADMINISTRATOR in connection with any claim brought on behalf of or against the ADMINISTRATOR except that the SCHOOL BOARD shall reasonably cooperate and provide the ADMINISTRATOR with information necessary for the ADMINISTRATOR to respond to claims related to the ADMINISTRATOR'S performance of this Agreement.

IX. TERMINATION

- A. The SCHOOL BOARD shall have the right at any time upon ninety (90) calendar days written notice to the ADMINISTRATOR to terminate the services of the ADMINISTRATOR and, in that event, the ADMINISTRATOR shall cease work and shall deliver to the SCHOOL BOARD all documents, (including reports, designs, specifications, and all other data) prepared or obtained by the ADMINISTRATOR in connection with its services within 30 calendar days. The SCHOOL BOARD shall, upon receipt of the aforesaid documents, pay to the ADMINISTRATOR and the ADMINISTRATOR shall accept as full payment for its services, a sum of money equal to (1) the fee for each completed and accepted task as shown in Exhibit A, Scope of Services, and Exhibit B, Fee Schedule, plus (2) the percentage of the work completed in any commenced but uncompleted task shown in Exhibit A, Scope of Services, and Exhibit B, Fee Schedule, less (3) all previous payments in accordance with Article II.

- B. In the event that the ADMINISTRATOR has abandoned performance under this Agreement, then the SCHOOL BOARD may terminate this Agreement upon three (3) calendar days written notice to the ADMINISTRATOR indicating its intention to do so. The written notice shall state the evidence indicating the ADMINISTRATOR'S abandonment. Payment for work performed prior to the ADMINISTRATOR'S abandonment shall be as stated above.
- C. The ADMINISTRATOR shall have the right to terminate services only in the event of the SCHOOL BOARD failing to pay the ADMINISTRATOR'S properly documented and submitted invoice within ninety (90) calendar days of the approval by the SCHOOL BOARD'S Administrative Agent, or if the Program is suspended by the SCHOOL BOARD for a period greater than ninety (90) calendar days.
- D. The SCHOOL BOARD reserves the right to terminate and cancel this Agreement in the event the ADMINISTRATOR shall be placed in either voluntary or involuntary bankruptcy or an assignment be made for the benefit of creditors.
- E. In consideration of fees for service, the ADMINISTRATOR responsibilities under this AGREEMENT shall continue, until six months after the termination of the contract (including any renewals, extensions, or replacements, thereof), for any claims resulting from accidents, incidents or events which occurred during the agreement period regardless of when they are reported. The amount set forth in Exhibit B includes the full consideration for such continuing obligations concerning Tier 1 claims and no additional consideration shall be due for any such obligations which continue for the six months following the termination of the contract (including renewals, extensions, or replacements).

X. MISCELLANEOUS

- A. This Agreement, its Exhibits, and specified RFP#7153J documents made part hereto by reference, constitutes the sole and complete understanding between the parties and supersede all agreements between them, whether oral or written with respect to the subject matter. No amendment, change or addendum to this Agreement is enforceable unless agreed to in writing by both parties and incorporated into this Agreement. For any material change in the Scope of Services or any increase in the compensation for the services, the School Board and the duly authorized representative for the ADMINISTRATOR shall agree in writing to this change. For all other changes, the SCHOOL BOARD'S Administrative Agent and the ADMINISTRATOR'S representative shall agree in writing to the change.
- B. Any reference to a specific chapter of the Florida Statutes in this Agreement shall mean that the Florida Statutes shall by reference be made a part of this Agreement as though set forth in full.
- C. The ADMINISTRATOR shall not assign any interest in this Agreement and shall not transfer any interest in same (whether by assignment or novation) without the prior

written consent of the SCHOOL BOARD, except that claims for the money due or to become due the ADMINISTRATOR from the SCHOOL BOARD under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy without such approval from the SCHOOL BOARD. Notice of any such transfer or assignment due to bankruptcy shall be promptly given to the SCHOOL BOARD.

- D. The exercise by either party of any rights or remedies provided herein shall not constitute a waiver of any other rights or remedies available under this Agreement or any applicable law. The rights and obligations of the parties under this Agreement shall be governed by the laws of the State of Florida and the venue for any legal or judicial proceedings in connection with the enforcement or interpretation of this Agreement shall be in Sarasota County, Florida. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding on each party.
- E. The parties covenant and agree that each is duly authorized to enter into and perform this Agreement and those executing this Agreement have all requisite power and authority to bind the parties.
- F. Any notices, invoices, reports, or any other type of documentation required by this Agreement shall be sufficient if sent by the parties in the United States mail, postage paid, to the addresses listed below:

ADMINISTRATOR'S Representative:	SCHOOL BOARD'S Administrative Agent:
NAME: <u>James Wolabaugh</u>	NAME: <u>Bert Palmer</u>
TITLE: <u>Manager</u>	TITLE: <u>Risk Manager</u>
ADDRESS: <u>Johns Eastern, Inc</u>	ADDRESS: <u>School Board of Sarasota Co.</u>
<u>330 S. Pineapple Ave.</u>	<u>1960 Landings Blvd.</u>
<u>Sarasota, FL 34230</u>	<u>Sarasota, FL 34231-3111</u>
TELEPHONE: <u>941 361 3100</u>	TELEPHONE: <u>941 927-9000</u>
FAX: <u>941 365 4083</u>	FAX: <u>941 927-4017</u>

- G. Paragraph headings are for the convenience of the parties and for reference purposes only and shall be given no legal effect.

IN WITNESS WHEREOF, the parties have executed the Agreement as of the date first above written.

ADMINISTRATOR:

Johns Batten Cochrane
NAME OF ADMINISTRATOR

BY: Kenneth W. Johnson

ITS: President

DATE: 2/19/98

SCHOOL BOARD OF SARASOTA COUNTY,
FLORIDA

BY: Janice K. Mee
CHAIRMAN

DATE: 3/17/98

Approved as to form and correctness:

BY: [Signature]
SCHOOL BOARD ATTORNEY

EXHIBIT A

SCOPE OF SERVICES

The ADMINISTRATOR shall provide administrative services required for third party liability claims administration and related services. Specific services shall be provided as follows:

CLAIMS ADMINISTRATION AND RELATED SERVICES

- 01 Provide ensuing year(s) claim estimates for budgetary purposes.
- 02 Provide risk financing alternative studies upon request.
- 03 The service team will be readily available whenever needed to answer insurance and risk management related questions.
- 04 Assist with risk identification and evaluation.
- 05 Attend meetings with Risk Manager or others as requested by the Risk Manager, as it relates to risk management and insurance.
06. Participate and advise in claims and litigation management analysis.
07. Participate in risk reviews of various issues as requested.
08. Endeavor to inform Risk Manager of any significant regulatory or industry changes effecting the third party liability program.
09. Prepare and file with the appropriate State agencies all applications, bonds, documentation and data required (if any) for implementation and continuance of the School Board's program.
10. Prepare, distribute, maintain and file all records and reports as may be required by legal authorities (state, local, and federal including Form 1099) for School Board.
11. Prepare, maintain, and file statistical or other records as required by insurers.
12. Provide recorded statements of claimants, School Board personnel and witnesses in all third party liability claims when deemed appropriate.
13. Comply fully with all rules, regulations, guidelines and procedures established by the State of Florida.
14. Contact claimants, either in writing or orally, within 24 hours of receipt of claim reports.

15. Provide a licensed third party liability claims adjuster with a minimum of five years experience.
16. Establish reporting procedures compatible with the needs and organizational structure of the School Board.
17. Maintain empathetic communications with claimants, providing timely updates on claim status.
18. Subject to applicable law of damages, accept and recommend settlement or denial for each reported claim for third party damages. Any settlement is to include preparation and actuation of all necessary compromise. The final decision to settle or deny claims will rest solely with the School Board's Administrative Agent.
19. Conduct such investigation, as deemed appropriate, after receiving approval from the School Board.
20. Subject to the prior approval of, and at the expense of the School Board, employ such outside professionals such as private investigators and expert witnesses to assist in the investigation, adjustment, and defense of claims.
21. Written recommendations for settlement of claims are not to include any contribution factor, nor language indicating liability.
22. Prepare and maintain files necessary for legal defense of claims and/or other litigation (such as actions for subrogation, contribution or indemnity), or other proceedings.
23. Where appropriate or desirable, attend hearings, depositions, and other proceedings.
24. Review all medical bills and bills for other services for appropriateness for which a claim is being made.
25. Provide the School Board Risk Manager a complete copy of all files involving litigation.
26. Upon request, provide a complete copy of all files involving potential or actual subrogation or recovery.
27. Aggressively pursue all possibilities of subrogation, contribution or indemnity and or recovery.
28. Perform monthly review and provide status of all open cases.
29. Subject to the School Board's provisions and approval, all claims are to be paid by the School Board via method described in Exhibit B, "Fee Schedule" attached hereto and made a part hereof by reference. All claim expenses are to be reimbursed to the Administrator.

30. Provide 24 hour coverage for accidents involving death, severe bodily injury or property damage..
- 31 Report to School Board on legislative enactments and standards as such relate to School Board operations.

REPORTING SERVICES

01. Claims investigation reports (oral and/or written) are to be provided within 14 calendar days of assignment.
02. Provide any and all reports upon request regardless of time frame in which they are requested.
03. Provide detailed written captioned reports for all claims assigned to the Administrator. All reports must include photos, recorded statements of witnesses, and any other relevant supporting documents, unless otherwise directed by the SCHOOL BOARD'S Risk Manager.
04. Provide statistical summaries and analysis as requested by the SCHOOL BOARD.

EXHIBIT B

FEE SCHEDULE

ADMINISTRATOR shall be paid for each month's service during the term of this Agreement in the following manner:

Claims Administration and Related Fees

1. Claims administrations fees shall be billed following receipt of the claim assignment.
2. Claims Related expenses shall be billed monthly.
3. ADMINISTRATOR has guaranteed the rates for five years at the rate set forth in Claims Administration and Related Fees as adjusted annually provided herein. All fees are inclusive of Services identified in Exhibit A to this contract.
4. For the purpose of billing claims adjusting and administrative fees, the definition of a claim is as follows:

Claims are events that occurred during the contract period. The claim rate is to be charged once for the event that on a certain date, regardless of when it is reported. Fees that apply for contract period in which the claim occurred will apply to that claim regardless of the date it is reported (i.e. a claim that occurs on July 1, 1998 but is not reported until July 1, 1999 - the rate that applies for contract year July 1, 1998 for the type of claim is the amount that shall be charged to adjust the July 1, 1998 claim and not the rate in place on the filing date of July 1, 1999.) A claim is further defined as all losses arising from a single accident at a single location.

Claims Administration and Related Fees

<u>Type of Claim</u>	<u>1998-1999</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>
Automobile (to include all claims arising out of one occurrence) - Tier 1	\$395	\$425	\$450	\$475	\$500
Tier 2	600	650	675	700	725

<u>Type of Claim</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
General Liability (to include all claims arising out of one occurrence) - Tier 1	\$425	\$450	\$475	\$500	\$525
Tier 2	750	775	800	850	875

*Fees include salaries, benefits, educational costs (including travel), overhead and profit.

Reimbursable Expense - School Board has the right and option to select outside vendors of its choice. No reimbursable expense will be borne without prior approval by the School Board

Surveillance/investigation Not to exceed \$60 per hour (inclusive of mileage and tax.)

All items purchased from reimbursable expenses become the property of School Board upon termination of this Agreement. All reimbursable expenses shall be reimbursed at cost only. Reimbursable expenses shall mean the actual cost, as authorized by the SCHOOL BOARD, reasonably incurred by the ADMINISTRATOR directly in connection with the ADMINISTRATOR'S performance of this Agreement.

Claim Administration Rate Tiers

Tier I claim fees are one time charges to adjust the first fifteen (15) claims assigned during the contract period (General Liability and Automobile Liability combined). All claims beyond the initial fifteen (15) in the contract year are charged at **Tier II** rates per claim file. These fees cover all Claims Administration for eighteen (18) months. If the file is still open and active after eighteen (18) months, an additional flat fee of \$400 is charged to take the file to closure.

EXHIBIT C

STAFFING

Staffing, Experience, and Conditions

The ADMINISTRATOR shall provide one licensed liability claims adjuster, with a minimum of five years experience.

All adjusters are the employees of the ADMINISTRATOR. All salary, insurance, benefits, training, and other related employment costs are to be provided by the ADMINISTRATOR.

The adjusters assigned to the SCHOOL BOARD, shall be scheduled to work the same working hours with those in the SCHOOL BOARD'S Risk Management Office. Vacation, sick and holiday time off will be consistent with the ADMINISTRATOR's personnel policies.

The adjusters will be reviewed every six months by both the SCHOOL BOARD and the ADMINISTRATOR. Retention of the adjuster will depend on a satisfactory performance review by the SCHOOL BOARD's administrative agent in conjunction with the ADMINISTRATOR. In the event of a vacancy of either position, for whatever reason, a mutually acceptable replacement of the position shall be made as soon as practicable after the discontinuance of the service of the former adjuster. ADMINISTRATOR shall provide interim adjustment services while seeking a replacement.

Professional staff will provide current licenses to the SCHOOL BOARD.