



Services Agreement

This Services Agreement (the "Agreement") made and entered into effective as of October 1, 2022 ("Effective Date"), by and between INDIAN RIVER COUNTY ("Client") and the Southeast Series of Lockton Companies, LLC ("Lockton"). In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **TERM.** This Agreement will be in effect from the Effective Date to September 30, 2027 unless earlier terminated in accordance with the provisions of Section 4 of this Agreement. This Agreement may be extended by mutual written agreement of the parties pursuant to Section 6.3 of this Agreement.

2. COMPENSATION, DISCLOSURE AND PAYMENT TERMS

2.1 **Compensation.** All insurance brokerage and/or other insurance brokerage services provided by Lockton as set forth in Addendum A are services required by applicable law or regulation to be or are customarily performed by a licensed insurance broker (including a person designated by applicable law as a consultant licensed to render services as an insurance broker). Any services (other than services as a consultant licensed to render services as an insurance broker) that may from time to time be included in or rendered in connection with the foregoing services are embedded in or ancillary to the performance of Lockton's insurance brokerage services and will be performed without separate payment for such consulting services (if any). Compensation for the services to be rendered under this Agreement shall consist of the following:

- This Agreement will be in effect from the Effective Date above on an annual basis and shall automatically renew for annual periods through September 30, 2027 unless earlier terminated in accordance with the provisions of the Agreement.
- Base commissions calculated as a percentage of premiums on those insurance placements so referenced in Addendum B, and
- As applicable, other compensation set forth below.

2.2 **Disclosure.** In addition to the compensation set forth above, Client acknowledges, consents and agrees that Lockton may also receive other forms of incentive compensation such as contingency payments, bonuses, overrides, prizes/awards and/or supplemental commissions or other commission-like payments from insurance companies, intermediaries (which may be affiliated with Lockton) or other third parties as a result of being Client's insurance broker (collectively, "Additional Compensation"). Addendum B, receipt of which is hereby acknowledged, sets forth a disclosure of actual or estimated commissions and/or Additional Compensation, if any, Lockton may or will receive on account of its services provided to you or on your behalf.

2.3 **Payment Schedule.** Client shall pay the fee set forth above on the following payment schedule:

<u>Due Date</u>	<u>Amount Due</u>
Quarterly	\$22,250

Client will provide full payment to Lockton for all fee invoices submitted within 30 days of Client's receipt of each invoice. Client grants Lockton a right to offset any amounts Lockton owes to Client against any unpaid fees Client owes to Lockton.

2.4 **No Offset.** It is further agreed that no portion of any noncash compensation (e.g., meals, entertainment, travel, gifts, etc.) received by Lockton from any insurance company, intermediary, or other third party as a result, in whole or in part, of Lockton's services as Client's insurance broker shall be offset or credited against the compensation payable to Lockton as set forth above.

3. SERVICES

3.1 **Scope of Services.** It is hereby understood and agreed that in consideration of the compensation set forth above, Lockton will provide the consulting services outlined in Addendum A, which is attached to and made part of this Agreement. In the event Client: 1) requests that Lockton place coverage on any line(s) of business not indicated in Addendum B; 2) requests that Lockton provide other services beyond those set forth in Addendum A; or 3) makes an acquisition or otherwise experiences growth such that the level and/or scope of services needed by Client shall significantly exceed the level of services as contemplated at the inception of this Agreement, Client and Lockton agree to review in good faith the additional services required and increase the fee set forth herein or agree to other compensation (such as commissions on additional placements) in addition to the fee. Such additional compensation shall be set forth in a written and signed addendum pursuant to Section 6.3 of this Agreement.

3.2 **Use of Intermediaries.** When in Lockton's professional judgment it is necessary or appropriate, Lockton may utilize the services of intermediaries or other appropriate outside vendors to assist in the servicing and marketing of Client's employee benefit programs. However, this may only be done after consultation with Client. Such intermediaries may or may not be affiliates of Lockton. Lockton will advise Client whether any such intermediary is an affiliate of Lockton. Under all circumstances, any and all compensation earned by any intermediary or outside vendor shall be in addition to the compensation paid to Lockton as described herein.

3.3 **Modeling and Analytics Services.** Lockton provides various modeling and/or data analytics services to its clients ("Modeling

and Analytics Services”) and may provide such services to Client. Client authorizes Lockton to 1) disclose information it receives from Client, its insurers and/or third-party administrators to Lockton’s affiliates, parents, employees, and/or to third parties as necessary to perform such Modeling and Analytics Services, and 2) contribute such information to benchmarking databases created by or for Lockton to facilitate the creation of analytic reports for its clients, provided that such reports shall not include any information that personally identifies Client or its employees.

Modeling and Analytics Services will be based upon a number of assumptions, conditions and factors, as well as information provided by third parties. If any such information provided to or utilized by Lockton is inaccurate, incomplete or should change, the Modeling and Analytics Services provided by Lockton could be materially affected. As Modeling and Analytics Services are subject to inherent uncertainty and involve variables beyond Lockton’s control, actual results may differ materially from Lockton’s projections. The parties agree that Lockton shall have no liability to Client if 1) Lockton is provided inaccurate or incomplete information, or 2) actual results differ from Lockton’s projections. Modeling and Analytics Services do not constitute, and are not intended to be a substitute for, independent actuarial, accounting or tax advice.

4. TERMINATION OF SERVICES

4.1 Termination for Convenience. Client or Lockton may terminate this Agreement at any time with ninety (90) days’ written notice to the other party.

4.2 Termination Upon Change in Broker of Record. However, should Client designate a broker other than Lockton as its exclusive broker of record at any time subsequent to the Effective Date for any reason, this Agreement shall terminate on the effective date of the change in broker of record (“BOR”) rather than at the conclusion of the ninety (90) day notice period referenced in Section 4.1., above.

4.3 TERMINATION IN REGARDS TO F.S. 287.135: Lockton certifies that it and those related entities of Lockton as defined by Florida law are not on the Scrutinized Companies that Boycott Israel List, created pursuant to s. 215.4725 of the Florida Statutes, and are not engaged in a boycott of Israel. In addition, if this agreement is for goods or services of one million dollars or more, Lockton certifies that it and those related entities of Lockton as defined by Florida law are not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473 of the Florida Statutes and are not engaged in business operations in Cuba or Syria. Client may terminate this Contract if Lockton is found to have submitted a false certification as provided under section 287.135(5), Florida Statutes, been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or been engaged in business operations in Cuba or Syria, as defined by section 287.135, Florida Statutes. Client may terminate this Contract if Lockton, including all wholly owned subsidiaries, majority-owned subsidiaries, and parent companies that exist for the purpose of making profit, is found to have been placed on the Scrutinized Companies that Boycott Israel List or is

engaged in a boycott of Israel as set forth in section 215.4725, Florida Statutes.

4.4 Fee Due at Termination.

In the event that Client terminates this Agreement, either by BOR or by ninety (90) days written notice, all services will be discontinued on the effective date of termination and Lockton will assist in the transition to Client’s new broker or other person that Client authorizes and represents to Lockton is authorized by applicable law to render the services transitioned. In such event, Lockton shall be deemed to have earned, and Client shall remain obligated to pay Lockton, a portion of the annual fee then in effect in accordance with the following schedule:

If BOR received or Agreement terminated**:	Amount of annual service fee owed*:
During first 3 months of the term:	50%
During 4th through 6th months of the term:	75%
During 7th through 9th months of the term:	90%
During 10th through 12th months of the term:	100%

*Does not apply to intermediaries and any coverage that they place on Client’s behalf.

**In the event of a multiyear term, this provision applies annually from the Effective Date, for the initial term, or the anniversary date for any successive term.

If applicable, Lockton shall also be entitled to retain all commissions earned on Client’s placements through the effective date of termination.

4.5 Additional Expenses Payable Upon Termination. In the case of a renewal, should some or all of the insurance coverages described in Addendum B be assigned to another broker through a broker of record letter prior to the inception date of the coverages, in addition to any termination payment owed pursuant to Section 4.3 above, Client will reimburse Lockton for its reasonable expenses for the time, charges, and expenses incurred for the renewal services provided through the date of the broker of record letter.

5. CONFIDENTIALITY

5.1 Confidential Information. Lockton and Client acknowledge that the nature of Lockton’s services provided to Client may result in either party (the “Disclosing Party”) disclosing to the other party (the “Receiving Party”) certain of Disclosing Party’s information (“Information”), some of which may be of a confidential or proprietary nature. Client acknowledges and consents to Lockton’s use and disclosure of information in the course of performing marketing, services, claims handling, risk management and/or insurances renewal services for Client. For purposes of this Agreement, Information shall mean any and all nonpublic information provided to the Receiving Party, which may include the Disclosing Party’s product, marketing, pricing or financial strategies; customer information; carrier rate and discount data;

employee information; proprietary business processes or technologies; financial information and/or trade secrets.

5.2 Exclusions. Information shall not include any information that: 1) is or becomes publicly known and generally available in the public domain through no wrongful action or disclosure by the Receiving Party; 2) becomes known by the Receiving Party without any obligation to hold such information in confidence; 3) is received from a third party without similar restrictions known to the Receiving Party; 4) is independently developed by the Receiving Party without use of or reference to the Disclosing Party's Information; or 5) The Receiving Party is required by law, regulation, summons, subpoena or similar judicial, regulatory or administrative order or proceeding to disclose, but only to the extent and for the purpose of such required disclosure, provided the Receiving Party, unless prohibited by law, gives the Disclosing Party prompt written notice of such required disclosure to enable the Disclosing Party to pursue protective measures.

5.3 Receiving Party's Confidentiality Duties. In consideration of the Disclosing Party's disclosure of Information to the Receiving Party, the Receiving Party hereby agrees as follows:

A. The Receiving Party shall take all reasonable steps to protect the confidentiality of the Information, and shall not use the Information for any purpose other than the advancement of the services contemplated herein.

B. The Receiving Party shall not, without the prior written approval of the Disclosing Party, publish or disclose to others any of the Information, except that Client expressly authorizes Lockton to disclose Client's Information to underwriters, insurers, insurance-related intermediaries and/or other third parties as necessary for the purpose of providing the services contemplated herein.

C. The Parties acknowledge that any unauthorized disclosure or use of the Information in violation of this Agreement by a Receiving Party may cause the Disclosing Party irreparable harm, and that money damages alone, the amount of which might be difficult to ascertain, might be an inadequate remedy and, therefore, agree that the Disclosing Party shall have the right to seek injunctive relief in addition to any other remedies otherwise available to the Disclosing Party at law or in equity.

D. At the Disclosing Party's written request, the Receiving Party shall return to the Disclosing Party any and all records or documents constituting the Information, except that the Receiving Party shall be permitted to retain an archival copy of the Information pursuant to its record retention and regulatory and legal compliance requirements. If return of the Information is not feasible, the Receiving Party shall maintain the Information pursuant to the terms and conditions of this Agreement.

6. GENERAL CONDITIONS

6.1 Cooperation. Client shall provide Lockton with reasonable cooperation and assistance necessary for Lockton to fulfill its responsibilities to Client pursuant to the terms of this Agreement, including, without limitations, copies of all documents reasonably requested by Lockton and the cooperation of and access to certain of Client's personnel.

6.2 Assignment. Neither party shall assign any rights or duties herein set forth without the prior written consent of the other party.

6.3 Entire Agreement. The terms and conditions of this Agreement constitute the entire Agreement between the parties with respect to the subject matter hereof. Subject to the provisions of Section 3.1, this Agreement shall not be amended except by a written amendment signed by both parties, and no promises, agreement, or representations not herein set forth shall be of any force or effect between them. This Agreement shall serve to terminate and supersede all agreements and undertakings heretofore entered into between the parties on subjects covered by this Agreement.

6.4 Indemnification. Lockton and Client shall indemnify, defend, and hold one another, their directors, officers, employees, agents, and representatives harmless from and against any and all claims, damages, losses, or expenses (including such parties' reasonable attorney, accountant, and expert witness fees and costs) incurred by one party as the result of (i) a material breach by the other party of any of its obligations under this Agreement or (ii) any willful or negligent conduct of the other party.

6.5 Dispute Resolution. Any and all disputes between the parties arising out of or relating to this Agreement or the services provided pursuant to this Agreement shall be adjudicated and resolved exclusively through binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules in effect at the time such arbitration is initiated. Any arbitration hereunder shall be conducted in Kansas City, Missouri, and the decision of the arbitrator shall be final and binding upon all parties. An arbitrator's decision may be recorded and registered as a judgment in any jurisdiction in which the party against whom the arbitration award is rendered has assets in order for the prevailing party to collect any amounts due hereunder. Each party shall be responsible to pay its own arbitration filing fees, arbitrator fees, attorney fees, and other related administrative costs and expenses incurred in the course of prosecuting or defending a claim in arbitration.

6.6 Limitation of Liability. IN NO EVENT SHALL A PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS AND LOST BUSINESS), ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF IT HAS BEEN ADVISED OR IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES, AND REGARDLESS OF WHETHER ARISING IN TORT (INCLUDING NEGLIGENCE), CONTRACT, OR OTHER LEGAL THEORY. IN ANY EVENT, THE LIABILITY OF ONE PARTY TO THE OTHER FOR ANY REASON AND UPON ANY CAUSE OF ACTION SHALL BE LIMITED TO TEN MILLION DOLLARS (\$10,000,000.00). THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE EXCLUSIONS AND LIMITATIONS OF LIABILITY CONTAINED IN THIS SECTION SHALL NOT APPLY TO: 1) ANY DAMAGES AWARDED IN CONJUNCTION WITH A FINAL JUDICIAL DETERMINATION OF FRAUD OR GROSS NEGLIGENCE OR 2) PERSONAL INJURY, INCLUDING DEATH, OR DAMAGE TO TANGIBLE PERSONAL PROPERTY CAUSED BY THE NEGLIGENT, WILLFUL OR INTENTIONAL ACTS OF A PARTY OR ITS EMPLOYEES, AGENTS OR

SUBCONTRACTORS. REFERENCES TO A PARTY IN THIS SECTION INCLUDE SUCH PARTY'S DIRECTORS, OFFICERS, EMPLOYEES, MEMBERS, AGENTS AND DOMESTIC AND INTERNATIONAL AFFILIATED ENTITIES.

6.7 Accuracy and Completeness of Information. Client shall be solely responsible for the accuracy and completeness of all information furnished to Lockton and/or to underwriters, insurers, insurance-related intermediaries and/or other third parties as necessary for the services contemplated herein. Lockton shall not be responsible for independently verifying the accuracy or completeness of any information that Client provides, and Lockton shall be entitled to rely on such information. Lockton shall have no liability for any errors, deficiencies or omissions in any services provided to Client, including the placement of insurance on Client's behalf, that are the result of, arise from, or are based, in whole or in part, on inaccurate or incomplete information provided to Lockton. Client understands that the failure to provide accurate and complete information to an insurer, whether intentional or by error, could result in the denial of claims or rescission of coverage altogether. Client will review all policy documents provided to Client by Lockton and shall inform Lockton of any inaccuracies, deficiencies or discrepancies contained therein.

6.8 Use of a Particular Insurer. Lockton is not obligated to utilize any particular insurer. In addition, Lockton is not authorized to make binding commitments on behalf of any insurer, except under certain circumstances which Lockton shall endeavor to make known to Client. Lockton shall not be responsible for the solvency of any insurer or its ability or willingness to pay claims, return premiums or other financial obligations. Lockton does not guarantee or make any representation or warranty that insurance can be placed on terms acceptable to Client. Lockton will not take any action to replace Client's insurers unless Client instructs Lockton to do so.

6.9 No Reliance. Any reports or advice provided by Lockton should not be relied upon as accounting, legal, actuarial or tax advice. In all instances, Lockton recommends that Client seek independent advice on such matters from professional accounting, legal, actuarial and tax advisors.

6.10 Responsibility for Insurance Programs. Lockton will not be responsible for the adequacy or effectiveness of any insurance programs or policies implemented or placed by another broker, including, without limitation, any acts or omissions occurring prior or subsequent to Lockton's engagement.

6.11 Relationship between the Parties. Client acknowledges and agrees that in no event shall Lockton owe any enhanced or special duties to Client, express or implied, in fact or by law, whether referred to as a special relationship or fiduciary relationship or otherwise, except to the extent required by applicable law.

6.12 Notices. Any communication or notice required or which may be given hereunder shall be addressed to Client and to Lockton at their respective addresses as follows:

CLIENT

INDIAN RIVER COUNTY
1800 27th Street
Vero Beach, FL 32960
Attn: Suzanne Boyll
Title: Human Resources Director | Indian River County |
Board of County Commissioners

LOCKTON

SOUTHEAST SERIES OF LOCKTON COMPANIES, LLC
3280 Peachtree Road NE Suite 250
Atlanta, GA 30305
Attn: Manoj Sharma
Title: Chief Operating Officer

6.13 Governing Law. This Agreement shall be governed for all purposes by the laws of the state of Florida.

6.14 E-Verify. Lockton is registered with and will use the Department of Homeland Security's E-Verify system (www.e-verify.gov) to confirm the employment eligibility of all newly hired employees for the duration of this agreement, as required by Section 448.095, F.S. Lockton is also responsible for obtaining proof of E-Verify registration and utilization for all subcontractors.

7. PUBLIC RECORDS COMPLIANCE

7.1 Client is a public agency subject to Chapter 119, Florida Statutes. Lockton shall comply with Florida's Public Records Law. Specifically, the Lockton shall:

- (1) Keep and maintain public records required by the Client to perform the service.
- (2) Upon request from the Client's Custodian of Public Records, provide the Client with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law.
- (3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the Client.
- (4) Upon completion of the contract, transfer, at no cost, to the Client all public records in possession of the Contractor or keep and maintain public records required by the County to perform the service. If Lockton transfers all public records to the Client upon completion of the contract, Lockton shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the

Client, upon request from the Custodian of Public Records, in a format that is compatible with the information technology systems of the County.

7.2. IF LOCKTON HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO LOCKTON'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:

(772) 226-1424

publicrecords@ircgov.com

**Indian River County Office of the
County Attorney**

1801 27th Street

Vero Beach, FL 32960

7.3. Failure of Lockton to comply with these requirements shall be a material breach of this Agreement.

<The rest of this page is intentionally left blank. Signature page to follow.>



In witness whereof, the parties hereto have executed the Agreement in duplicate intending each copy to serve as an original as of the day and year first written above.

SOUTHEAST SERIES OF LOCKTON COMPANIES, LLC

INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONS

BY: _____

Manoj Sharma
Chief Operating Officer

DATE: _____

BY: _____

DATE: _____

BY: _____

DATE: _____

BY: _____

DATE: _____

BY: _____

DATE: _____

BY: _____

DATE: _____

DRAFT

Addendum A - Proposed Scope of Services & Compensation

Standard Services	Typical Frequency	Cost
Health and Welfare Program Assessment and Strategic Planning		
❖ Conduct Health and Welfare Program Assessment to establish short- and long-term benefit plan objectives, including benefits offered, plan design, employee/employer cost sharing, role of voluntary benefits, etc.	Annually	No Additional Cost
❖ Review possible future program modifications and financial impact to complement the Client's objectives	Annually	No Additional Cost
❖ Develop and monitor strategic plan, with emphasis on benefits offered, plan design, total cost, and employee contributions	Annually	No Additional Cost
❖ Analyze relevant normative data to ensure the Client is within its desired range	Annually	No Additional Cost
Renewal and Marketing		
❖ Coordinate renewal activities with all carriers/administrators	Annually	No Additional Cost
❖ Quantify financial impact of renewal; negotiate variance between renewal and Lockton projections	Annually	No Additional Cost
❖ Prepare and present detailed renewal report, including Lockton recommendations	Annually	No Additional Cost
❖ Prepare and distribute Request for Proposal if marketing is necessary	As needed	No Additional Cost
❖ Direct and coordinate marketing process and carrier data requests	As needed	No Additional Cost
❖ Prepare and present Marketing Report, detailing current and proposed costs, provider networks, service capabilities, plan designs, vendor evaluations, etc.	As needed	No Additional Cost
❖ Prepare and submit Executive Summary of final recommendations, including marginal cost analysis associated with program changes and/or price changes	As needed	No Additional Cost
Claims Experience/Financial Analysis		
❖ Prepare paid claims analysis, detailing paid claims, projected claims, plan enrollment, and large claimants	Monthly	No Additional Cost
❖ Prepare preliminary renewal projection based on claims analysis	Semi-annually	No Additional Cost
❖ Prepare claims management report, detailing claims paid by type of service, diagnostic category, in- vs. out-of-network, brand drug vs. generic drug utilization, etc. (based on carrier reporting capabilities)	Annually	No Additional Cost
❖ Analyze claims history to determine most appropriate method of medical and/or dental financing (e.g. fully insured, self-insured, minimum premium, etc.)	Annually	No Additional Cost
Compliance Services		
❖ Access to Lockton's in-house Compliance Department for assistance with:		
➤ ERISA and state insurance law; COBRA and HIPAA; Title VII, FMLA, and USERRA; Tax Code welfare; Tax Code retirement	Daily	No Additional Cost
➤ Legislation affecting benefit program	Daily	No Additional Cost
➤ ERISA requirements via "ERISA Calendar"	Annually and updates	No Additional Cost
➤ Document preparation and review	As needed	No Additional Cost
➤ Compliance audits and reporting	As needed	No Additional Cost

Addendum A - Proposed Scope of Services & Compensation

Standard Services	Typical Frequency	Cost
Health and Welfare Program Assessment and Strategic Planning		
❖ Other services include online seminars and workshops, compliance newsletters, and newflashes/alerts delivered via e-mail	Timely	No Additional Cost
❖ Coordinate gathering of Schedule A reports to facilitate preparation of signature-ready Form 5500	Annually	No Additional Cost
❖ Health Care Reform modeling & strategy with updates as needed	Annually	No Additional Cost
Actuarial Services		
❖ Provide comprehensive actuarial services, including:		No Additional Cost
➤ IBNR reserve certification	As needed	No Additional Cost
➤ Actuarial valuation of benefit plan design changes	As needed	No Additional Cost
➤ Stop loss analysis, including	As needed	No Additional Cost
❖ Analysis of the difference in risk between various stop loss levels	As needed	No Additional Cost
❖ Estimate of expected number and dollar of claims above the specific stop loss deductible	As needed	No Additional Cost
❖ Probability that aggregate claims will exceed various levels	As needed	No Additional Cost
❖ Comparison of provider network reimbursement levels by network	As needed	No Additional Cost
❖ COBRA rate certification	As needed	No Additional Cost
❖ Analysis of funding options (fully-insured vs. self-insured)	As needed	No Additional Cost
❖ Detailed analysis of claims data to identify problem areas, estimate impact of plan changes, project enrollment for multi- option plans, etc.	As needed	No Additional Cost
❖ Multi-option plan modeling, including cost projections, employee contribution strategies, and enrollment migration estimates	As needed	No Additional Cost
Employee Communication and Implementation Activities		
❖ Develop basic written and visual employee communication materials (i.e., overview, overheads, bulletins, etc.)	Annually	No Additional Cost
❖ Coordinate annual enrollment process	Annually	No Additional Cost
❖ Manage carrier participation in annual enrollment process	Annually	No Additional Cost
❖ Develop periodic benefit-related company newsletter articles, as requested by ER	As needed	No Additional Cost
❖ Implement Web-based benefit communication/enrollment system – Lockton Marketplace	As needed	No Additional Cost
Routine Service		
❖ Provide daily assistance in resolving escalated carrier service issues (i.e., claims, billing, etc.)	Daily	No Additional Cost
❖ Coordinate and attend service meetings with the Client, Lockton, and select carrier representatives	Quarterly	No Additional Cost
❖ Coordinate research on benefit-related legal issues with Compliance team	As needed	No Additional Cost
❖ Review plan documents, summary plan descriptions, contracts, and other benefit-related documents	As needed	No Additional Cost

Addendum A - Proposed Scope of Services & Compensation

Optional Services		
❖ Conduct Employee satisfaction surveys	Annually	Additional cost - TBD
❖ COBRA Administration		Third Party Vendor
❖ Prepare annual benefit statements	Annually	Additional cost - TBD
Technology & Outsourcing Services		
❖ FSA Administration	Annually	Additional cost - TBD
❖ Retirement and Executive Compensation consulting	Annually	Additional cost - TBD
❖ International Benefits consulting	Annually	Additional cost - TBD
❖ Provide situational analysis of current HR, Payroll, Benefits, and/or Time technology and processes and review of current contract(s)	As needed	Additional cost - TBD
❖ Facilitate vendor selection process for HR, Payroll, Benefits, and/or Time technology and services	As needed	Additional cost - TBD
❖ Provide implementation oversight to HR, Payroll, Benefits, and/or Time technology implementation projects	As needed	Additional cost - TBD
❖ Provide ongoing governance of HR, Payroll, Benefits, and/or Time technology contracts/service level agreements	As needed	Additional cost - TBD

Addendum B – Compensation Disclosure Statement

Thank you for giving Lockton Companies, LLC, the opportunity to provide insurance brokerage and/or other insurance services to you on behalf of your employee benefit plans. The purpose of this Compensation Disclosure Statement is to explain the circumstances under which Lockton may receive compensation from insurance companies and other entities for the services we provide on your behalf, and the method by which the amount of that compensation is determined.

As your broker (or, if an insurance broker is so designated under applicable law, as your consultant licensed to render services as an insurance broker), Lockton may assist you with (i) the placement of one or more insurance contracts offered by employee benefits insurers and/or (ii) services related to one or more self-funded plans administered in whole or in part by an insurance company or other entity, such as a third-party administrator (“TPA”). Any reference herein to a “consultant” shall mean a person designated as a “consultant” under applicable law governing persons who render services as an insurance broker.

Upon placement of a policy with an insurance company, Lockton typically receives compensation from that insurer. This compensation may differ in form and amount depending on the product and the insurer. In cases where Lockton facilitates the placement of an administrative services contract with an insurance company or TPA, Lockton might receive commission-like payments from that carrier or TPA.

There are generally three types of commission or commission-like payments made by insurance carriers and TPAs to employee benefit brokers and consultants:

1. **Base Commissions**—Typically, base commission is equal to a percentage of the policy premiums paid by the contract holder. The rate and amount of commission may vary based on the specific circumstances of an individual policy placement.
2. **Additional Compensation**—Contingency payments, bonuses, overrides, prizes/awards and/or supplemental commissions or other commission-like payments from insurance companies, intermediaries (which may be affiliated with Lockton) or other third parties as a result of being Client’s insurance broker (collectively, “Additional Compensation”) are typically based upon factors such as the overall premium volume placed with a particular insurer, premium growth year-over-year, retention/persistency and the profitability of all the business placed with that insurer on a national basis. Historically, Additional Compensation received by Lockton has ranged from 0.5-5% of overall premium volume placed with an insurer. Additional Compensation is not considered part of the base commissions, and typically is not based upon or contingent on the sale of any particular policy to a particular insured, and does not affect the premium you pay. Some carriers may take into account administrative-services-only contracts placed with the carrier by the broker or consultant on a client’s behalf when calculating Additional Compensation.

3. **Administrative Service Fees**—Insurance companies and TPAs may pay a commission-like fee for services rendered to arrange for the insurance company or TPA to administer a client’s self-insured benefit program.

Attached you will find a summary description of the compensation we believe Lockton is or may be entitled to receive from the insurance companies and/or other entities listed in the attachment that is attributable to the insurance or administrative service contracts placed with those insurers or other entities on your behalf. Lockton will update this Compensation Disclosure Statement as the information in the attachment changes (i.e., as contracts are placed or renewed, or there are material changes to the terms and conditions of Lockton’s compensation from insurance carriers and other entities providing insurance and/or administrative services to you).

Please note that insurance companies are required to disclose to most clients the base and supplemental commissions and other incentive compensation they pay to the clients’ brokers and consultants. They are also required to disclose the value of certain gratuities and gifts (business lunches, tickets to sporting events, etc.) supplied to Lockton Producers and Associates if those items are supplied directly or indirectly in relation to your insurance contract. These amounts are to be reflected as part of the carriers’ Form 5500 Schedule A disclosures supplied to you. Because carriers might employ different methods for tracking, tabulating, and allocating these various items, the amounts reflected on your Schedule A information might vary somewhat from the amounts reflected in our attached summary of anticipated compensation.

Please feel free to contact us if you have any questions regarding this Compensation Disclosure Statement.

Compensation Disclosure – Attachment Sheet 1 of 5 Sheet(s)

Lockton believes it is or may be entitled to receive the compensation listed below, from the insurance companies and/or other entities listed below, attributable to the insurance and/or administrative service contracts placed with those insurers and/or other entities on your behalf.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Blue Cross and Blue Shield of FL Inc
Policy or Benefit Type:	Medical PPO
Plan Name:	Medical Premier Gold Plan
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2026
Base Commissions:	Medical Plan Rate - Net of commission
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Blue Cross and Blue Shield of FL Inc
Policy or Benefit Type:	Medical PPO
Plan Name:	Medical Premier Silver Plan
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2026
Base Commissions:	Premier Silver Plan Rate - Net of commission
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	RxBenefits, Inc.
Policy or Benefit Type:	Prescription Drug (Carve-Out)
Plan Name:	PBM
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2023
Base Commissions:	PBM Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Optum
Policy or Benefit Type:	Stop Loss
Plan Name:	Stop Loss
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2023
Base Commissions:	Stop Loss Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Clarity Benefit Solutions
Policy or Benefit Type:	Administration Fees
Plan Name:	Retiree billing
Policy / Contract Year:	Effective Date 10/1/2021 to Expiration Date 10/1/2024
Base Commissions:	\$0.00 per Month
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Compensation Disclosure – Attachment Sheet 2 of 5 Sheet(s)

Lockton believes it is or may be entitled to receive the compensation listed below, from the insurance companies and/or other entities listed below, attributable to the insurance and/or administrative service contracts placed with those insurers and/or other entities on your behalf.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	EyeMed Vision Care
Policy or Benefit Type:	Vision
Plan Name:	Vision Plan
Policy / Contract Year:	Effective Date 10/1/2021 to Expiration Date 9/30/2025
Base Commissions:	Vision Plan Rate - Indian River County - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Ameritas Life Insurance Corp
Policy or Benefit Type:	Dental PPO
Plan Name:	LOW Option Plan
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2023
Base Commissions:	LOW Option Plan Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Ameritas Life Insurance Corp
Policy or Benefit Type:	Dental PPO
Plan Name:	HIGH Option Plan
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2023
Base Commissions:	HIGH Option Plan Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Health Advocate
Policy or Benefit Type:	Employee Assistance Program (EAP)
Plan Name:	EAP
Policy / Contract Year:	Effective Date 8/1/2022 to Expiration Date 9/30/2024
Base Commissions:	EAP Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Health Advocate
Policy or Benefit Type:	Core Advocacy
Plan Name:	Core Advocacy
Policy / Contract Year:	Effective Date 8/1/2022 to Expiration Date 7/31/2024
Base Commissions:	Rate - Net of commission
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Compensation Disclosure – Attachment Sheet 3 of 5 Sheet(s)

Lockton believes it is or may be entitled to receive the compensation listed below, from the insurance companies and/or other entities listed below, attributable to the insurance and/or administrative service contracts placed with those insurers and/or other entities on your behalf.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Mutual of Omaha Insurance Company
Policy or Benefit Type:	Life and AD&D
Plan Name:	Basic Life and AD/D
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2024
Base Commissions:	Basic Life and AD/D Rate - 5.0%
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Mutual of Omaha Insurance Company
Policy or Benefit Type:	Voluntary Life
Plan Name:	Vol. Life/Dep. Life
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2024
Base Commissions:	Vol. Life/Dep Life Rate - 5.0%
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Mutual of Omaha Insurance Company
Policy or Benefit Type:	Short Term Disability (STD)
Plan Name:	Vol. STD
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2024
Base Commissions:	Vol. STD Rate - 5.0%
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Mutual of Omaha Insurance Company
Policy or Benefit Type:	Long Term Disability (LTD)
Plan Name:	Vol. LTD
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2024
Base Commissions:	Vol. LTD Rate - 180 day EP - 5.0% Vol. LTD Rate - 90 day EP - 5.0%
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Compensation Disclosure – Attachment Sheet 4 of 5 Sheet(s)

Lockton believes it is or may be entitled to receive the compensation listed below, from the insurance companies and/or other entities listed below, attributable to the insurance and/or administrative service contracts placed with those insurers and/or other entities on your behalf.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Mutual of Omaha Insurance Company
Policy or Benefit Type:	Worksite Benefits
Plan Name:	Accident, Critical Illness
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2024
Base Commissions:	Rate - Net of commission
Additional Compensation:	This insurer/TPA does have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s). Upon request, Lockton can provide you with a more detailed description of the manner in which the Additional Compensation that Lockton may receive under such program would be calculated.

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	P&A Group, Inc.
Policy or Benefit Type:	FSA Admin
Plan Name:	FSA Admin
Policy / Contract Year:	Effective Date 10/1/2021 to Expiration Date 9/30/2026
Base Commissions:	\$0.00 per Month
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	P&A Group, Inc.
Policy or Benefit Type:	COBRA Administration
Plan Name:	COBRA Administration
Policy / Contract Year:	Effective Date 10/1/2021 to Expiration Date 9/30/2024
Base Commissions:	\$0.00 per Month
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Client Name:	INDIAN RIVER COUNTY
Insurer or TPA:	Lockton (TPA)
Policy or Benefit Type:	Fee for Service - Consulting/Project
Plan Name:	Consulting Fee
Policy / Contract Year:	Effective Date 10/1/2022 to Expiration Date 9/30/2027
Base Commissions:	\$22,500.00 per Quarter
Additional Compensation:	This insurer/TPA does not have an Additional Compensation program in place that might apply to the placement of your policy(ies) or administrative-services-only contract(s).

Our Mission

To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits, and retirement services

Our Goal

To be the best place to do business and to work



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