

# Harford Mutual Insurance Group Participation Agreement

THIS HARFORD MUTUAL INSURANCE GROUP PARTICIPATION AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_. Chamber Business Solutions, Inc., a wholly owned subsidiary of the Kentucky State Chamber of Commerce, Inc. (“State Chamber”) and the \_\_\_\_\_ (“Local Chamber”) have agreed to enter into a group purchasing agreement to offer a workers' compensation insurance program to qualifying members of the Local Chamber.

## Recitals

The HARFORD MUTUAL INSURANCE GROUP Workers' Compensation Program (the “Program”) is group purchasing program designed for Chambers of Commerce to offer to their members. This program offers exclusive pricing and solutions for members of chambers of commerce that opt to participate in the Program and that are found by HARFORD MUTUAL INSURANCE GROUP , a Kentucky mutual insurance company (“HMIG”), in its sole discretion, to qualify for the Program .

## Agreement Term

This Agreement shall continue for a term of two (2) years from the Effective Date. This Agreement may be renewed thereafter for one-year terms unless either party gives notice to the other party that they do not wish to renew the Agreement no less than thirty (30) days prior to the end of the then-current term. This agreement may be cancelled by either party with thirty (30) days' notice given in writing to the other party. Notwithstanding the foregoing, the State Chamber may terminate this Agreement immediately upon notice in the event the Program agreement between the State Chamber and HMIG is terminated or no longer effective.

Membership in the State Chamber is necessary for participation by the Local Chamber in this program. Payments, if any, by the State Chamber to the Local Chamber will end upon termination of this Agreement.

The Local Chamber agrees to indemnify, hold harmless and defend the State Chamber from any claims, suits or actions, including reasonable attorney fees, arising out of the marketing, sale, administration or promotion of this Program that arise or relate to Local Chamber's actions and omissions relating to this Agreement.

## Program Conditions

The Local Chamber acknowledges that HMIG, through the Program, is not required to do business with any particular member and retains discretion as to the terms and conditions upon which it will deal with members.

The Local Chamber is not responsible or liable for any terms, conditions, prices or products offered through the Program for members. HMIG will bill participating Local Chamber members directly. All charges incurred by each participating member are the exclusive obligation of the member.

The State Chamber's duties and responsibilities will include marketing, operational, and administrative functions needed to assist the Local Chamber with the management of this program. The Local Chamber agrees to use their best efforts to promote this program to encourage member engagement and participation. Examples of this include promoting the Program at Local Chamber events, a program overview on the Local Chamber's website, emails to members, inclusion of information about the Program in new member kits, and more.

## Chamber Compensation

In consideration of the marketing support provided by the Local Chamber and to induce the Local Chamber to enter into this Agreement, the Local Chamber is eligible to receive an amount equal to \$10 for each company referral, paid in quarterly fees (“Compensation”). Payment of the Compensation shall be made following the end of each fiscal quarter of the State Chamber to the Local Chamber no later than fourteen (14) days after receipt of funds by the State Chamber. The Compensation is in consideration for the Local Chamber's strong and continuous commitment to the program's success and promotion to members and will continue throughout the term of this agreement.

If any quarterly Compensation earned by the Local Chamber is less than twenty dollars (\$20.00), no Compensation shall be paid to the Local Chamber for that quarter.

## Marketing Support

The State Chamber and Local Chamber will jointly develop a marketing plan to help engage member participation in the Program. Once this final marketing plan has been agreed upon, all parties will use their best efforts to support the execution of this Agreement. All design/marketing expenses regarding the Program must be pre-approved by the State Chamber and Local

Chamber.

## **Local Chamber Program Promotion**

To ensure the Program's success, the Local Chamber agrees to assign a staff member to serve as the State Chamber's contact for the Program to provide information and answer questions. The Local Chamber contact will also be available to meet at least quarterly with the State Chamber and a HMIG representative to review program results, upcoming Program promotional opportunities, including Local Chamber events and functions, as well as to evaluate the effectiveness of prior marketing of the Program.

The Local Chamber agrees to promote the program with such format and content as determined by the Local Chamber at no cost to the State Chamber or the Program, through available marketing media. Available marketing media includes, without limitation, newsletters on a space available basis, new Local Chamber member kits, membership displays and inclusion in the membership services portion of the Local Chamber's web page.

The Local Chamber will provide ongoing lists of the Local Chamber members' names, addresses, and contact names as contained in Local Chamber's computerized membership records to the Program. The list will be updated no later than on an annual basis and provided to both the State Chamber and the designated HMIG representative in a mutually agreed upon format. Through its agreement with the State Chamber, HMIG agrees that the member list and such confidential Local Chamber information will be used solely for the purposes of contacting Chamber members as agreed upon in this Agreement and will not be provided or sold to any other source.

## **Participation Reporting**

The State Chamber will provide quarterly reports covering all purchases made by members of the Local Chamber during the previous quarter. This report will include member name, account number, start date of Program participation, and annual written premium totals.

## **Disputes**

Any unresolved dispute arising under this Agreement will be submitted first to mediation by senior management of all parties. If the dispute remains unresolved, then it will be submitted for binding, confidential arbitration, in accordance with the usual rules of commercial dispute resolution. Both parties will mutually agree on the arbitrator and share equally in associated costs.

## **Governing Laws**

The parties agree that this Agreement is being governed and construed in accordance with the laws of Kentucky. Each party submits to the non-exclusive jurisdiction of the courts of Kentucky with respect to any matter arising or related to this agreement.

## **Confidentiality**

All materials and information furnished by a party to the other party pursuant to this Agreement shall be deemed and treated as confidential and such receiving party shall not disclose to any unauthorized person any such materials or information, except as required by statute, regulation, or legal process. Upon termination of this Agreement, the other party shall promptly return to the demanding party or certify the destruction of all such materials and information in whatever format, whether written or electronic, including any and all copies or reproductions thereof. Such other party shall also permanently delete all such materials and information from its computer hard drives and any other electronic storage medium (including any backup or archive system). Each party hereby acknowledges that any breach or threatened breach of this section may cause the other party irreparable harm for which monetary damages may be inadequate. Each party agrees that the other party shall be entitled to injunctive relief to prevent or restrain any such breach or any threatened or continued breach of this Agreement, or any part hereof, and to secure the enforcement of this section. Such injunctive relief shall be in addition to all other remedies at law or in equity available to a party. Each party in any action to enforce this Agreement shall also be entitled to recover reasonable attorneys' fees in addition to other relief granted in such action. The provisions of this section shall survive the termination of this Agreement.

## **Miscellaneous**

The invalidity or unenforceability of any provision hereof shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had been omitted. This Agreement shall inure to the benefit of and be binding upon the parties and their successors and permitted assigns. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes and merges with all prior agreements, communications, and understandings between the parties relating to the subject matter hereof. This Agreement may be executed simultaneously in two or more counterparts, each one of which shall be deemed the original, but all of which shall constitute one and the same instrument. Nothing in this Agreement is intended to create or shall be deemed or construed to create any relationship between the Parties other than that of independent contractors, solely for the purposes of effecting the provision of this Agreement. Neither party may assign this Agreement without the prior written consent of the other party. No terms of this Agreement may be waived except by a written instrument signed by the Party waiving compliance. The waiver of a breach of any

provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. Local Chamber acknowledges that this Agreement does not create an exclusive arrangement and that State Chamber may authorize other persons to perform substantially similar work.

**[Signature Page to Follow]**

**[Signature Page to Kentucky Chamber-Local Chamber Participation Agreement]**

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the Effective Date.

**State Chamber: Chamber Business Solutions, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Its: \_\_\_\_\_

**Local Chamber: \_\_\_\_\_**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Its: \_\_\_\_\_