

**GROUP SAVINGS PLUS ®  
HOLD HARMLESS AND MARKETING AGREEMENT**

The purpose of this Agreement is to confirm the relationship between Kittitas County, with its primary office located at 205 West Fifth Ave., Suite 107, Ellensburg, Washington 98926 ("Employer"), and Liberty Mutual Insurance Company and only its subsidiaries and affiliates writing and distributing personal market insurance through licensed agents employed directly by Liberty Mutual and operating collectively as the companies of Liberty Mutual Personal Markets, having a principal place of business at 175 Berkeley Street, Boston, Massachusetts 02116. ("Liberty").

**DEFINITIONS**

"Eligible Employees" means Employer's employees and retirees.

"Insurance Products" means auto, home, and other personal insurance products offered to the Eligible Employees in connection with the Program (the Program is defined in Section 1).

"Group Discount" means the discounted rate Liberty Mutual agrees to provide for specified Insurance Products to an Eligible Employee pursuant to this Agreement.

"Participating Employee" means an Eligible Employee who purchases an Insurance Product.

"Indemnified Parties" means Employer, its officers, directors, and Eligible Employees.

**1. GROUP SAVINGS PLUS ® PROGRAM**

The Group Savings Plus ® Program, marketed and underwritten by Liberty, is a voluntary personal insurance program through which Eligible Employees are able to purchase Insurance Products (the "Program"). The Group Discount under this Program shall be offered to the Eligible Employees in addition to Liberty's standard discounts; which are approved for use in the relevant jurisdiction. The Group Discount will be offered so long as allowed by law and as long as Liberty, in its sole discretion, deems rates adequate to support such a discount. The Program and the offering of the Insurance Products shall be subject to Liberty's underwriting standards and rates and subject to Liberty's sole discretion in making business decisions regarding states in which it offers coverage.

**2. PROGRAM PARTICIPATION**

Election to purchase any of the Insurance Products offered through the Program will be at the option of the Eligible Employee. A Participating Employee shall have the option to select one of the following payment options: direct bill, electronic funds transfer through their checking account, or if applicable, payroll deduction. Employer will not be considered an agent of Liberty Mutual for any purpose, including the collection of premiums.

### **3. INDEPENDENT RELATIONSHIP OF THE PARTIES**

- a. The parties intend to create an independent contractor relationship between Liberty and the Employer. The parties agree that they are independent entities legally organized and operating pursuant to the terms and conditions of this Agreement.
- b. No agent, employee, servant or representative of Liberty shall be deemed to be an employee, agent, servant or representative of the Employer for any purpose, and the employees of Liberty are not entitled to any of the benefits the Employer provides for its employees.
- c. Liberty will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors, volunteers or representatives during the performance of this Agreement.
- d. In relation to the performance of this Agreement, neither party will hold out itself or any of its officers, agents, employees, servants, or representatives as, nor claim status as, an officer, agent, employee, servant or representative of the other and will not claim for itself or its officers, agents, employees, servants or representatives any rights, privileges or benefits which would accrue to an officer, agent, employee, servant or representative of the other.

### **4. INDEMNIFICATION**

Liberty agrees to indemnify and hold harmless the Indemnified Parties for, from, and against, any and all liability, damage and costs (including reasonable attorney fees) arising out of any claim or action brought against the Indemnified Parties which arise as a result of acts or omissions of Liberty or their employees in the performance of this Agreement. The Indemnified Parties agree that Liberty may, at its option and expense, direct the defense, compromise, or settlement of any such claim and employ attorneys of its own selection to defend, compromise, or settle the same. In addition, Employer agrees to notify Liberty in writing within 15 days of any suit or claim made against the Indemnified Parties. This section shall survive the termination of this Agreement.

### **5. PRIVACY**

In accordance with applicable state and federal laws and regulations, including but not limited to provisions of Gramm-Leach-Bliley Title V, Liberty and Employer agree to hold in confidence any and all non-public personally identifiable information relating to the Eligible Employees which may be obtained from one another in performance of this Agreement. Liberty warrants that it is in compliance with federal and state privacy laws and agrees not to sell, release, or distribute any information relating to the Eligible Employees to any third party except for those third parties providing services integral to the performance of this Agreement. The Employer respects the confidentiality of information that comes into possession of the Employer in connection with this Agreement. However, to the extent required by law, such documents may be subject to public disclosure requirements. In compliance with Washington's public records

law, Kittitas County will retain copies of any documents received from Liberty for the retention period required under said law.

**6. TERM AND TERMINATION**

This Agreement, dated July 6, 2010, shall continue in perpetuity and may be amended, or superseded by either party only by a written consent signed by the parties. The Agreement may be terminated by either party, at any time, by providing the other party with thirty (30) calendar days advance written notice. Only the Board of Kittitas County Commissioners is authorized to agree to modifications on behalf of the County.

**7. PROGRAM COMMUNICATION**

The promotion of the Program to the Eligible Employees will consist of a mutually agreed upon communication plan. The communication plan may include some or all of the following promotional activities: on-site sales consultation, interoffice mail and desk drops, electronic mail announcements, links or ads placed on Employer's intranet, information placed in Employer's new hire benefit package, or direct mail. Upon written approval by both parties, promotional activities not listed in this section may be used in connection with the communication of this Program.

**8. NOTICE; DEFAULT**

Notice shall be sent certified mail, return receipt requested, but shall be deemed given when placed in the United States mail, properly addressed and with proper postage affixed, regardless of whether it is ultimately received. If either party defaults in its performance under this Agreement, the non-defaulting party may give the defaulting party written notice that it has fifteen (15) days in which to cure the default. If the defaulting party fails to commence correction of such non-performance within the fifteen (15) days and fails to diligently complete the correction thereafter, the non-defaulting party may terminate this Agreement. In the event of such termination, the non-defaulting party shall have all rights and remedies available to it under the law.

**9. COMPLIANCE WITH LEGAL REQUIREMENTS**

- a. In the performance of this Agreement, Liberty shall comply with all applicable federal, state, or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.
- b. The Employer is an equal opportunity employer. In the performance of this Agreement, Liberty will not discriminate against any employee or applicant for employment on grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular

disability prevents the proper performance of the particular work involved. Liberty shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

- c. In the performance of this Agreement, Liberty will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.

**10. DISPUTE RESOLUTION**

- a. This Agreement has been and shall be construed as having been made and delivered within the State of Washington, and the parties agree that this Agreement shall be governed by the laws of the State of Washington, as to both interpretation and performance. Jurisdiction and venue shall be in Kittitas County, Washington.
- b. If any legal proceeding is brought by either of the parties for the enforcement of this Agreement or because of a dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement or the services delivered hereunder, both parties shall bear responsibility for their own attorney fees and costs.

**11. SEVERABILITY**

If for any reason any part, term or provision of this Agreement is determined by a court of the United States to be illegal, void or unenforceable; or if any provision is in conflict with any statutory provision in the State of Washington; or if any agency of the State of Washington or any federal agency shall issue a formal or informal opinion declaring this Agreement to be unlawful or *ultra vires*, the validity of the remaining provisions shall not be affected, and the rights and obligations contained in this Agreement shall be construed and enforced as if the Agreement did not contain the particular provision held to be inoperative or invalid.

**12. ENTIRE AGREEMENT**

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded.

Employer wishes to offer the Groups Savings Plus ® Program to the Eligible Employees and the parties execute this Agreement with the authorized signatures below.

**KITTITAS COUNTY**

By: 7.70

Name: mark mcclain

Title: Boec Chair

Date: 7/16/10

**LIBERTY MUTUAL INSURANCE COMPANY**

By: Roland Coto

Name: Roland Coto

Title: AVP

Date: 7/26/10

