



Corporate Office  
150 Main Street  
Suite 300  
P.O. Box 389  
Menasha, WI 54952

Phone: 920.725.3232  
Toll Free: 800.236.1034

[mcclone.com](http://mcclone.com)

### **CONSULTING SERVICES AGREEMENT**

This Consulting Services Agreement ("Agreement") is entered into January 1st, 2026-December 31<sup>st</sup>,2028, between [City of Manitowoc] ("Client") and McClone Agency, Inc. ("Consultant"). Client and Consultant referred to herein as "Party" and together called the "Parties."

Whereas the Client desires to engage with consultant to provide certain Services and Consultant agrees to provide such Services, as defined herein.

Now, therefore, in consideration of mutual promises and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree:

#### **Services.**

Consultant shall provide to Client professional insurance brokerage services and other such related services ("Services") as indicated under Exhibit A.

#### **Consideration.**

Consultant shall invoice Client and Client shall pay Consultant for such Services, as indicated under Exhibit B.

#### **Term.**

This Agreement shall be effective as of the date stated above ("Effective Date") and shall continue until the corresponding policy or policies expire noted above. Or the Agreement shall automatically renew for a successive policy term (typically a 12-month period), unless either Party provides at least thirty (30) days' notice of nonrenewal to the other Party before the expiration of the initial term or renewal term or under additional specified terms as stated in the attached Exhibits.

#### **Fees.**

Consultant may assess Client an annual escalation of fees upon each Agreement renewal for each successive twelve (12) month term. For a 3 year term we will agree to not exceed 3% increase each calendar year, of the total fee on an annual basis.

Either Party may terminate this Agreement if a material breach of a Party's obligations occurs. Any claim of a breach shall be communicated by one Party to the other Party and shall allow for the breaching Party to cure said breach within twenty (20) days. Any failure to cure such breach within the period shall continue the Services and Consideration obligation responsibilities of the Parties, including earned amounts remaining for the quarterly terms, and/or under Exhibits A and B, including the date of termination notice by a Party.

#### **Confidentiality.**

The Parties understand and agree this Agreement and each Party's information, data, knowledge and know-how (in whatever form and however communicated) relating directly or indirectly to that Party (or to its affiliates or contractors, or to its or their respective businesses, employees, operations, properties, products, markets or financial positions) that is

**Strategic. Transparent. Refreshing.**

delivered or disclosed by such Party, or any of their respective officers, directors, partners, members, employees, contractors, agents or shareholders to the other Party in writing, electronically, orally or through visual means, or that such receiving Party learns or obtains aurally, through observation or analyses, interpretations, compilations, studies or evaluations of such information, data, knowledge or know-how and is identified during disclosure as confidential, regarding written materials, in writing and, regarding other information, in writing or orally, and any information reasonably deemed confidential when considering such information and the circumstances surrounding its disclosure. Any personal data of Client, received by consultant, shall be limited in access and use to the personnel and subcontractors of consultant who need such access to perform the obligations under this Agreement, under security procedures. Consultant will notify Client of any unauthorized access or use of the personal data.

#### Indemnification.

The Parties agree that each shall defend, indemnify and hold harmless the other Party and the Party's current and former shareholders, employees, attorneys, officers, board members, directors, agents and representatives, each known as an Indemnified Party ("Indemnified Party") against any claims, suits, charges, petitions, demands, government investigations, damages (including liquidated, punitive and compensatory), injuries, deaths, actions and causes of action, costs and expenses, including attorney's fees and expenses, and all other consequences of any kind, whether known or unknown, brought against an Indemnified Party relating to each Party's respective obligations with this Agreement.

#### Limitation of Liability.

Client suffering direct losses, resulting from Consultant's failure to perform its obligations regarding the provisions, shall allow Consultant to be liable to Client only for direct damages incurred by Client, which shall include no damages relating to or arising from the delay or failure of Client or a third party provider engaged by Client, to provide timely, accurate and complete data and information, or the delay or failure of Client to meet any obligation under this Agreement, required for the proper performance of such Services. Neither Party or its affiliates shall be liable for any special, indirect, exemplary, punitive incidental or consequential damages, including loss of profits, savings or data incurred by the other Party. Consultant shall use commercially reasonable efforts to perform Services, notwithstanding such unavoidable delay or failure and use reasonable efforts to mitigate the nature, extent, and duration of any failure by consultant to so perform. Each Party shall be solely liable for all other matters of every kind related to its Employees. Nothing in this Section shall diminish the relationship, obligation, responsibility of the Parties to this Agreement.

#### Force Majeure.

Neither Party shall be responsible for loss or damages which occur because of failure to perform, or a delay in performing, any obligation under this Agreement due to acts of God, acts of war, acts of terrorism, government authority, riots, commotion, strikes, lock outs, disorder, telephone service and/or electronic disruption, Internet disruption, communicable diseases, disease outbreaks, epidemics or pandemics or similar triggering events beyond each Party's reasonable control.

#### Relationships of the Parties.

Nothing herein shall be construed to create an employer-employee relationship between the Client and the Consultant. It is understood that the Client will withhold no amounts for payment of taxes from the compensation to Consultant and that Consultant shall be responsible for all taxation obligations.

Notices.

All notices, requests, demands and determinations under this Agreement, other than routine operational communications, shall be in writing and shall be deemed duly given when delivered by hand or on the designated day of delivery after being timely given to an express overnight courier with a reliable system for tracking delivery, and addressed to each Party:

Client: City of Manitowoc

Consultant: McClone Agency, Inc.

Attention: William Julius, Executive Vice President, Sales and Tera Nelson (Jossart) SRA  
150 Main Street Suite 300  
Menasha, WI 54952

Miscellaneous.

This Agreement constitutes the entire Agreement of the Parties regarding and replaces and supersedes all other Agreements or understandings, whether written or oral. No amendment or extension of the Agreement shall be binding unless in writing and signed by both Parties.

This Agreement shall be governed by the laws of the State of Wisconsin. The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision.

The Parties have executed this Agreement by their respective and authorized representatives as stated below:

City of Manitowoc - Client

McClone Agency, Inc. - Consultant

Accepted by: \_\_\_\_\_  
(print name#1)

Accepted by: \_\_\_\_\_  
(print name)

Signature: \_\_\_\_\_  
(as authorized)

Signature: \_\_\_\_\_  
(as authorized)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted by: \_\_\_\_\_  
(print name#2)

Signature: \_\_\_\_\_  
(as authorized)

Date: \_\_\_\_\_

## **EXHIBIT A – SERVICES and LINES OF BUSINESS**

### Accuracy of Client Data.

Client shall be solely responsible for furnishing all necessary information and its accuracy and completeness of any information, materials, or data, that it provides to consultant, including the furnishing, accuracy, and completeness of transmission of such information, materials, or data to consultant. Consultant shall not be responsible for errors in or the delay of nonperformance of its responsibilities or obligations under this Agreement caused or contributed to by the non-furnishing, inaccuracy and/or incompleteness of information, materials, or data provided to Consultant by Client.

Coordination of Installation. Consultant will supervise the installation of the group insurance program, including employee communication and materials, on-site meetings, certificates, and master agreements.

### Lines of Business

Medical, Prescription, Stop Loss and Ancillary (including but not limited to: Dental, Vision, Life, STD, LTD, voluntary, worksite services, clinic, and wellness).

### Scope of Work (SOW) and Services:

#### Strategic Planning & Stewardship

- Identify goals, challenges, and strategies relevant to business operations Develop strategies to meet established goals.
- Marketplace Overview and Education.
- Discuss satisfaction with current vendors and carriers Explore alternative funding methods.
- Evaluate and review current employee benefits package Review employer/employee contribution strategies Review total plan costs.
- Benchmarking.

#### Vendor & Carrier Marketing

- Determine vendors and carrier selection criteria.
- Analyze marketplace, vendors, and carrier options as requested Prepare and distribute request-for-proposal (RFP)
- Support vendors and carriers through RFP process Evaluate vendors and carriers' proposals.
- Compile due diligence of finalists.
- Negotiate financial and contractual terms and funding arrangements Compare with incumbent vendors and carriers and identify finalists Facilitate decision making process.
- Provide summaries and recommendations based on the proposals Communicate decision to all vendors and carriers.

#### Vendor and Carrier Implementation

- Create a timeline of expectations and facilitate implementation meetings.
- Communicate coverage termination to incumbent if needed Assist in completion and delivery of placement paperwork.
- Coordinate the ordering and delivery of employee communication and enrollment materials from the carrier.
- Review vendor and carrier contracts prior to client approval.

#### Renewal Analysis

- Establish renewal timelines and goals.
- Analyze and validate vendors and carrier renewal. terms Negotiate renewals with respective vendors and carriers.
- Coordinate all related plan design and financial requests to vendors and carriers.

- Provide renewal alternatives with employees and strategy cost impact.
- Create employee contribution modeling reports.
- Communicate decisions to all vendors and carriers.
- Present to senior management or the Board of Directors as requested.

#### **Training Development and Education**

- Develop employee benefit communication materials, printing not included unless specifically included as part of consulting fee.
- Open enrollment meeting presentations, as needed.
- Education meetings on various benefits-related topics.

#### **Compliance Support**

- Assist with daily questions and plan administration Provide periodic briefings and white papers. As well as annual review.
- Review plan documents and summary plan descriptions prior to client approval Evaluate plan design to assist with compliance with state and federal regulations Conduct periodic public seminars and webinars on regulatory issues.
- Provide guidance on ACA, ERISA, COBRA, HIPAA, and other applicable laws. Provide access to a comprehensive solution to mitigate HR and compliance risk.

#### **Day-to-Day Administration on and Management**

- Assist with claim issue resolution.
- Assist with contract and policy review.
- Support conversations with vendors regarding provider network issues Assist with billing, enrollment, and eligibility issues.
- Assist in daily administration of benefit policy changes, service issues and questions.

#### **Data & Analytics**

- Dedicated data and analytics team independent renewal analysis Strategic forecast modeling Contribution and migration modeling.
- Self-funded plan reporting includes claims and funding projections independent decrement modeling.
- Self-funded financial projections.
- Self-funded premium equivalency rate development (funding levels and COBRA) Stop loss benchmarking.
- Stop loss analysis.
- Network pricing comparisons Demographic analysis.
- PCORI calculations
- IBNR reserve calculation Alternative funding analysis
- Employee plan selection tool calibrated to employer benefit contributions.

## EXHIBIT B – CHARGES

Fees for Services. The fees for the period from the effective date, unless indicated otherwise in this Agreement, are \$85,000 annually with 3% increase each year after 2026. Payable Monthly, net all commissions by any ancillary vendors today. The consultant may assess to the client a late fee of 1½% per month (not to exceed the maximum allowed under state law) on all balances not paid when due. The client agrees to pay all costs and fees in the collection of charges due.

Unusual expenses. Expenses such as extensive travel, will be agreed upon separately between both Parties. No such expenses may be incurred without the advance written authorization of Client. Consultant will notify Client in writing of price changes 30 days before the start of the Renewal Term.

Installment Schedule for consulting fee not inclusive of commissions 2026. +3% increase 2027 and 3% 2028.

| Installation Number | Due Date  | Amount Due         |
|---------------------|-----------|--------------------|
| 1                   | 1/1/2026  | \$7083.34          |
| 2                   | 2/1/2026  | \$7083.34          |
| 3                   | 3/1/2026  | \$7083.34          |
| 4                   | 4/1/2026  | \$7083.34          |
| 5                   | 5/1/2026  | \$7083.34          |
| 6                   | 6/1/2026  | \$7083.34          |
| 7                   | 7/1/2026  | \$7083.34          |
| 8                   | 8/1/2026  | \$7083.34          |
| 9                   | 9/1/2026  | \$7083.34          |
| 10                  | 10/1/2026 | \$7083.34          |
| 11                  | 11/1/2026 | \$7083.34          |
| 12                  | 12/1/2026 | \$7083.34          |
| <b>Total Due</b>    |           | <b>\$85,000.00</b> |