

## **RISK MANAGEMENT CONSULTANT'S AGREEMENT**

This Agreement, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the \_\_\_\_\_, a public body corporate and politic constituting a political subdivision of the State of New Jersey, (hereinafter referred to as Local Unit) and \_\_\_\_\_, a Corporation of the State of New Jersey, having its principal office at \_\_\_\_\_ (hereinafter referred to as the Risk Management Consultant):

### **Witnesseth:**

**WHEREAS**, the Risk Management Consultant has offered to the Local Unit professional Risk Management Consulting services as required in the Bylaws of the Mid Jersey Municipal Joint Insurance Fund ("Fund"); and

**WHEREAS**, the Local Unit desires these professional services pursuant to the resolution adopted by the Mayor and Council of the Local Unit at a meeting held \_\_\_\_\_; and

**NOW, THEREFORE**, the parties in consideration of the mutual promises and covenants set forth herein, agree as follows:

1. The Risk Management Consultant, for and in consideration for the amount stated hereinafter agrees to provide services to the Local Unit as follows:
  - A. The Risk Management Consultant shall assist the Local Unit in identifying its insurable exposures and to recommend professional methods to reduce, assume or transfer the risk or loss.
  - B. Assist the Local Unit in understanding and selecting the various coverages available from the Mid Jersey Municipal Joint Insurance Fund.
  - C. Review with the Local Unit any additional coverages that the Risk Management Consultant feels should be carried but are not available from the Fund, and subject to the Local Unit's authorization, place such coverages outside the Fund.
  - D. Assist the Local Unit in the preparation of the application, statements of values and similar documents requested by the Fund, it being understood that this agreement does not include any appraisal work by the Risk Management Consultant.
  - E. Review the Local Unit's assessment as prepared by the Fund and assist the Local Unit in the preparation of its annual insurance budget.
  - F. Review the loss and engineering reports and generally assist the Safety Committee in its loss containment objectives.
  - G. Assist where needed in the settlement of the claims, with the understanding that the scope of the Risk Management Consultant's involvement does not include the work normally done by a public adjuster.

- H. Any other services required by the Fund's Bylaws.
- 2. The term of this Agreement shall be for a period \_\_\_\_\_ in the Fund unless terminated as hereinafter provided in this agreement.
- 3. The Local Unit authorizes the Fund to pay its Risk Management Consultant as compensation for services rendered to an amount equal to \_\_\_\_\_ % of the Local Unit's annual assessment as promulgated by the Fund. Said fee shall be paid within thirty (30) days of payment of the member's assessment. The Risk Management Consultant shall receive no other compensation or commission for the placement or servicing of any Mid Jersey Municipal Joint Insurance Fund coverage with the Fund.
- 4. For any coverages authorized by the Local Unit, to be placed outside of the Fund, the Risk Management Consultant shall receive as its full compensation the normal brokerage commission paid by the insurance company. The premiums for said policies shall not be added to the Fund's assessments in the computing of the fee outlined in item 3 above.
- 5. Either party may cancel this agreement at any time by mailing to the other written notice calling for termination at any time not less than ninety (90) days thereafter. Fees shall be prorated to the date of termination.

Attest: \_\_\_\_\_:

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Attest: \_\_\_\_\_:

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