MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (Memorandum) is made and entered into as of the day of Tuve, 2012, by and between League of Kansas Municipalities (LKM), and the Kansas Municipal Insurance Trust (KMIT).

WHEREAS, LKM and KMIT have adopted a Resolution of Intent to reorganize their business relationship; and,

WHEREAS, both LKM and KMIT desire to set forth their respective responsibilities going forward under the new business arrangement;

NOW THEREFORE the parties do hereby agree as follows:

- 1. **Term.** This Memorandum will become effective 12:01 AM, January 1, 2013 and terminate 12:01 AM, January 1, 2018. Upon expiration of the term of this Memorandum, no further services will be provided by either party unless or until this memorandum is extended in writing upon such terms conditions as the parties agree.
- 2. **Assignment.** This Memorandum may not be assigned by either party. Nothing in the Memorandum is intended to nor shall confer upon any person or legal entity other than LKM or KMIT any rights or remedies under or by reason of this Memorandum.
- 3. Anti-Discrimination Clause. LKM and KMIT agree: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and the Kansas Age Discrimination in Employment Act, (K.S.A. 44-1111 et seq.) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101 et seq.) [ADA] and to not discriminate against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the admission of access to or treatment or employment in, its programs or activities; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out in K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if either party is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract; (f) if the contracting agency determines that either party has violated applicable provisions of ADA, that violation shall constitute a breach of contract; (g) if (e) or (f) occurs, the contract may be cancelled, terminated or suspended in whole or in part by either party.
- 4. **Entire Agreement.** This Memorandum represents the entire understanding and agreement of the parties hereto with respect to the subject matter hereof, supersedes all prior negotiations between such parties, and cannot be amended, supplemented, or modified except by an agreement in writing signed by the party or parties against whom enforcement is sought and making specific reference to in this Memorandum. In the event any one or more of the provisions contained in this Memorandum or any application thereof shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of the Agreement and any other application thereof shall not in any way be affected or impaired thereby.
- 5. **Jurisdiction.** This Memorandum shall be governed by and construed in accordance with the laws of the State of Kansas applicable to contracts made in that state.

6. KMIT Duties.

- a. KMIT will pay LKM a total of \$70,000 per year for five years, payable in quarterly installments of \$17,500 due January 1, April 1, July 1, and October 1. LKM will invoice KMIT in advance of the due date.
- b. Membership in LKM will remain a prerequisite for membership in KMIT, and this requirement will remain in the KMIT bylaws.

7. LKM Duties.

- a. KMIT may use the current LKM logo on KMIT stationery, brochures, business cards, the KMIT website, and other KMIT materials for the purpose of demonstrating LKM's endorsement of KMIT.
- b. LKM will provide KMIT a full-page advertisement in the Kansas Government Journal each month, the placement location of the advertisement and the content subject to LKM's editorial control. Such advertisement shall include the LKM logo and reference to LKM's endorsement. Provided, however, LKM will guarantee KMIT either the inside front cover or the inside back cover at least four times per year.
- c. LKM will include a listing for KMIT in the Annual Conference Vendor/Sponsor guide.
- d. LKM will print the KMIT logo on KMIT member cities' registrant badges at the annual conference.
- e. LKM will transfer the ownership of the computer now used by Deanna Furman to KMIT.
- f. LKM will transfer the ownership of the LCD projector and the cellular phone currently used by Don Osenbaugh to Don Osenbaugh. If presented the proper form to consent to the portability of the phone number currently assigned to Don Osenbaugh, 316-259-3847, LKM will sign such consent.
 - g. All KMIT files and information will remain the property of KMIT.
 - h. KMIT will continue to own the domain name www.KMIT.net.
- i. Don Osenbaugh and Deanna Furman will continue to have access to the filing cabinets and office space housing KMIT materials during 8:00 a.m. to 5:00 p.m. business hours through March 31, 2013, for the purpose of removing such files and materials. LKM office keys, however, will be surrendered by Deanna Furman and Don Osenbaugh prior to January 1, 2013.
- j. LKM will forward any correspondence received at 300 SW 8th Ave., Topeka, KS, addressed to KMIT, to an address provided by KMIT for an indefinite time.
- k. LKM will set both Don Osenbaugh's and Deanna Furman's LKM email addresses to be forwarded to email addresses provided to LKM through March 31, 2013.
- l. Suitable space for KMIT's annual meeting at LKM's annual conference will be provided without charge by LKM. KMIT will be responsible for all other expenses of the meeting, including but not limited to, food, beverages and any audio-visual equipment and services.
- m. KMIT will be provided a complimentary Municipal Business Associate Extended Package. As a benefit of such membership, KMIT will receive the following:
 - 1. One subscription to the *Kansas Government Journal*.
 - 2. One copy of the *Directory of Kansas Public Officials*.
 - 3. LKM's League News.
 - 4. An online listing in the Business Links section of the LKM website.
 - 5. A listing in the Municipal Products & Services Guide.
 - 6. Two complimentary full registrations for the annual LKM Conference.

- 7. An Annual Conference Exhibit Booth. KMIT shall notify LKM by August 1 of each year if it intends to utilize the opportunity for a booth.
- n. In addition to the above-referenced benefits, KMIT will receive two more subscriptions to the *Kansas Government Journal* and three more copies of the *Directory of Kansas Public Officials*.
- o. LKM shall remain a member of the KMIT pool for workers compensation insurance during the term of this Memorandum of Understanding.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representatives as of the date first above written.

"KMIT"

Kansas Municipal Insurance Trust

Larry Paine, President

Kansas Municipal Insurance Trust

"LKM"

League of Kansas Municipalities

Don Moler

Executive Director