

## MARKETING AGREEMENT

This MARKETING AGREEMENT ("Agreement") is entered into as of January 7, 2020, ("**Effective Date**"), by and between the City of Manhattan Beach, California ("**City**"), and Utility Service Partners Private Label Inc., a Delaware corporation, d/b/a SLWA Insurance Services, ("**Company**"), herein collectively referred to singularly as "Party" and collectively as the "Parties".

### RECITALS:

**WHEREAS**, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners residing in the City ("**Residential Property Owner**"); and

**WHEREAS**, City desires to offer Residential Property Owners the opportunity, but not the obligation, to purchase a service line warranty and other similar products set forth in Exhibit A or as otherwise agreed in writing from time-to-time by the Parties (each, a "**Product**" and collectively, the "**Products**"); and

**WHEREAS**, Company, a subsidiary of HomeServe USA Corp., is the administrator of the National League of Cities Service Line Warranty Program and has agreed to make the Products available to Residential Property Owners subject to the terms and conditions contained herein; and

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

1. **Purpose.** City hereby grants to Company the right to offer and market the Products to Residential Property Owners subject to the terms and conditions herein.
2. **Grant of License.** City hereby grants to Company a non-exclusive license ("**License**") to use City's name and logo on letterhead and marketing materials to be sent to Residential Property Owners from time to time, and to be used in advertising (including on the Company's website), all at Company's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. City agrees that it will not extend a similar license to any competitor of Company during the Term and any Renewal Term of this Agreement.
3. **Term.** The term of this Agreement ("**Term**") shall be for three (3) years from the Effective Date. The Agreement will renew for additional one (1) year terms upon City Manager approval and mutual agreement of the parties, ("**Renewal Term**") unless one of the Parties gives the other written notice at least ninety (30) days prior to end of the Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that Company is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to Company of such breach, if said breach is not cured during said thirty (30) day period.

Company will be permitted to complete any marketing initiative initiated or planned prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate.

4. **Indemnification.** To the fullest extent permitted by law, Company hereby agrees to protect, indemnify, and hold the City, its elected officials, officers, employees and agents (collectively or individually, "**Indemnatee**") harmless from and against any and all third party claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, reasonable attorneys' fees and court costs (individually or collectively, "**Claim**"), which an Indemnatee may suffer or which may be sought against or are recovered or obtainable from an Indemnatee, as a result of or arising out of any breach of this Agreement by the Company, or any negligent or fraudulent act or omission of the Company or its officers, employees, contractors, subcontractors, or agents in the performance of services under the Products provided that the applicable Indemnatee notifies Company of any such Claim within a time that does not prejudice the ability of Company to defend against such Claim. Company further agrees to and shall, upon demand of City, at Company's sole cost and expense, defend (with attorneys acceptable to the City) the Indemnatee against any claims, actions, or suits, arising or resulting from the performance of services under this agreement. Any Indemnatee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

5. **Notice.** Any notice or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Company's and City's regular business hours, (c) sent by electronic mail (provided confirmation of receipt is provided by the receiving Party) or (d) three Business Days after deposit in the United States mail (i.e. USPS or FedEx), by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

**To:** City:  
ATTN: Bruce Moe  
City of Manhattan Beach  
1400 Highland Avenue  
Manhattan Beach, CA 90266  
Phone: (310) 802-5053  
Email: bmoe@citymb.info

**To:** Company:  
ATTN: Chief Sales Officer  
SLWA Insurance Services  
4000 Town Center Boulevard, Suite 400  
Canonsburg, PA 15317  
Phone: (866) 974-4801

6. **Modifications or Amendments/Entire Agreement.** Any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a party unless in writing signed by that Party.

7. **Assignment.** This Agreement and the License granted herein may not be assigned by Company other than to an affiliate or an acquirer of all or substantially all of its assets, without the prior written consent of the City.

8. **Counterparts/Electronic Delivery; No Third Party Beneficiary.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this agreement any third-party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.

9. **Choice of Law/Attorney Fees.** The governing law shall be the laws of the State of California. In the event that at any time during the Term or any Renewal Term either Party institutes any action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, then the unsuccessful Party shall be responsible for the reasonable expenses of such action including reasonable attorney's fees, incurred therein by the successful Party.

10. **Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the day and year first written above.

City:

City of Manhattan Beach,  
a California municipal corporation

Company:

SLWA Insurance Services  
a Utility Service Partners Private Label Inc.,

By: \_\_\_\_\_

Name: Bruce Moe  
Title: City Manager

By: \_\_\_\_\_

DocuSigned by:

*Michael Backus*

Name: Michael Backus  
Title: Chief Sales Officer

ATTEST:

By: \_\_\_\_\_

Name: Liza Tamura  
Title: City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_

Name: Quinn M. Barrow  
Title: City Attorney

APPROVED AS TO CONTENT:

By: \_\_\_\_\_

Name: Steve S. Charelian  
Title: Finance Director

**Exhibit A**  
**NLC Service Line Warranty Program**  
**City of Manhattan Beach**  
**Term Sheet**  
**January 7, 2020**

**I. Initial Term. Three years**

**II. License Conditions.**

- a. City logo on letterhead, advertising and marketing materials
- b. Signature by City official

**III. Products.**

- a. External water service line warranty (initially, \$6.00 per month)
- b. External sewer/septic line warranty (initially, \$9.00 per month)
- c. Interior plumbing and drainage warranty (initially, \$9.49 per month)

**IV. Fees**

Company may adjust the foregoing Product fees; provided, that any such adjustment shall not exceed \$.50 per month in any 12-month period, unless otherwise agreed by the Parties in writing.

**V. Scope of Coverage.**

- a. External water service line warranty:
  - Homeowner responsibility: From the meter and/or curb box to the external wall of the home.
  - Covers well service lines if applicable.
- b. External sewer/septic line warranty:
  - Homeowner responsibility: From the exit point of the home to the main.
  - Covers septic lines if applicable
- c. Interior plumbing and drainage warranty:
  - Water supply pipes and drainage pipes within the interior of the home.

**VI. Marketing Campaigns.** Company shall have the right to conduct up to three campaigns per year, comprised of up to six mailings and such other channels as may be mutually agreed. Initially, Company anticipates offering the Interior plumbing and drainage warranty Product via in-bound channels only.