

CONTRACT

THIS CONTRACT, made and entered into this 18 day of September 2017, by and between the Teachers' Retirement System of the State of Kentucky, 479 Versailles Road, Frankfort, Kentucky, 40601, hereinafter referred to as "TRS", and Peritus, 131 West Main Street, Louisville, KY 40202 hereinafter referred to as the "Communications Consultant."

WHEREAS, the TRS Board of Trustees at a meeting held on the 18 day of September 2017, has pursuant to authority granted in KRS 161.340(3) authorized selecting the Communications Consultant to assist with communications to persons and groups for the benefit of the members and beneficiaries of the retirement system; and

WHEREAS, TRS has determined that the Communications Consultant meets TRS's requirements for the requested services and

NOW THEREFORE, it is hereby mutually agreed as follows:

1. **Scope of Services**

A. Communications Consultant shall provide services described as follows:

1. Assist with developing effective informational communications to members and beneficiaries, elected officials, executive and legislative staff, various education groups, and others regarding the Retirement System and its programs as required by law and board policy. Particular deliverables may include, but shall not be limited to, reviewing and editing TRS's summary plan description, employer handbook, law book, website, booklets, pamphlets, business and retirement communications, health benefits communications, newsletters, presentations, speeches, and other materials for form, content, and clarity.
2. Assist with developing a master communications plan after assessing all printed and graphical material already produced in-house by TRS.
3. Assist with facilitating the publication of informational communications in local, national, and specialty media.
4. Assist with monitoring media and other communications about TRS and assist with developing effective informational responses to those communications.
5. Assist with assessing the effectiveness of communication efforts.
6. Be available in person, by telephone, or by other means, to discuss or consult on matters regarding communications by TRS, as requested by TRS.

B. The services outlined in Section 1A above shall not be construed to give the Communications Consultant any discretionary authority or discretionary responsibility in the management or administration of TRS or its programs. Communications Consultant shall not communicate with any members or beneficiaries, elected officials, executive or legislative staff, education groups, or vendors on behalf of TRS, unless Communications Consultant is specifically authorized in writing by TRS to make such communication.

2. **Fees.** For the services to be rendered by Communications Consultant under paragraph 1.A.1—6, TRS shall pay Communications Consultant \$10,000 monthly during the term of the Contract. TRS shall not reimburse Communications Consultant's travel nor other expenses incurred in providing communication services set forth in the Contract.

3. **Duration of Contract.** The period in which subject services are to be performed is September 18, 2017, through September 17, 2018. However, termination or cancellation may be effected at any time by TRS upon thirty (30) days written notice of its intent to terminate prior to such termination served on the Communications Consultant by personal delivery or registered or certified mail. Upon such termination, TRS will only pay such fees as had been incurred until the date of termination as specified in the notice of termination. At the expiration of its term, this contract may, at the option of the parties hereto, be renewed by negotiation for further periods not to exceed twelve (12) months for each such renewal.

4. **Conflict of Interest.** Communications Consultant hereby certifies that it has not and will not pay or cause to be paid any money, fees, political contributions or other things of value to any third party as a result of or in relation to services provided to TRS, without TRS's informed written consent. Communications Consultant hereby certifies that it has not and will not accept any money, fees, or other things of value from any third party as a result of or in relation to the services provided to TRS, without TRS's informed written consent. In addition, Communications Consultant agrees to act without conflict of interest concerning TRS in regard to any payments, fees or other things of value nevertheless received from a third party in relation to providing services to TRS, unless the Communications Consultant's acceptance and retention of such item was fully disclosed to and approved by TRS in writing. Communications Consultant agrees to exercise independent professional judgment, without conflict of interest, in providing services to TRS. Communications Consultant shall certify as to its compliance with this section and the TRS Conflict of Interest and Confidentiality Policy by executing the TRS External Service Provider Conflict of Interest Statement. The TRS Conflict of Interest and Confidentiality Policy and External Service Provider Conflict of Interest Statement are attached hereto and incorporated herein as Exhibit 1. Communications Consultant hereby certifies that Communications Consultant is legally entitled to enter into the subject contract with the Commonwealth of Kentucky and certifies that Communications Consultant is not and will not be violating any conflict of interest statute (KRS 121.056 or any other applicable statute) or principle by the performance of this contract. The Communications Consultant shall not engage directly or indirectly in any financial or other transaction with a trustee or employee of TRS which would violate standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A. Further, the Communications Consultant hereby certifies that it has not knowingly

violated any of the Executive Branch Ethics provisions nor the campaign finance laws of the Commonwealth, and the award of a contract to it will not violate any of the Executive Branch Ethics provisions, the campaign finance laws of the Commonwealth, nor the TRS Conflict of Interest and Confidentiality Policy.

5. **Relationship of the Parties.** Communications Consultant warrants that all work performed by Communications Consultant under this Contract is and shall be performed as an independent contractor. Communications Consultant shall be responsible for compliance with all laws, rules and regulations by his respective employees, including, but not limited to, employment of labor, hours of labor, health and safety, working conditions, workers' compensation insurance, and payment of wages. This contract shall not be construed so as to create a partnership or joint venture between Communications Consultant and TRS.

6. **Amendments and Renewal.** Written modifications, amendments or additions to this contract shall be effective only when signed by both parties.

7. **Notices of Material Changes.** Communications Consultant shall notify the Board of Trustees in writing within five (5) business days of any material changes concerning providing the services identified herein, significant legal actions instituted against Communications Consultant, or any significant investigations, examinations, or other proceedings commenced by any governmental agency. Notices required in this section shall be served on TRS by registered or certified mail.

8. **Assignment.** This contract may not be assigned by Communications Consultant without the written consent of TRS. Further, the obligations of Communications Consultant under this Contract shall be considered personal obligations of Communications Consultant, performable solely by the Communications Consultant and Communications Consultant may not delegate his duties hereunder to any entity other than an employee of Communications Consultant without the express written consent of TRS.

9. **Controlling Law; Jurisdiction and Venue; Waiver.** All questions as to the execution, validity, interpretation, construction, and performance of this contract shall be construed in accordance with the laws of the Commonwealth of Kentucky, without regard to conflicts of laws principles thereof. Communications Consultant hereby consents to the jurisdiction of the courts of the Commonwealth of Kentucky and further consents that venue shall lie in Franklin Circuit Court located in Franklin County, Kentucky. To the extent that in any jurisdiction Communications Consultant may now or hereafter be entitled to claim for itself or its assets immunity from suit, execution, attachment (before or after judgment) or other legal process, Communications Consultant, to the extent it may effectively do so, irrevocably agrees not to claim, and it hereby waives, same.

10. **Access to Confidential Information.** The Communications Consultant (its employees, agents or subcontractors) may have access to confidential information maintained by TRS to the extent necessary to carry out his responsibilities under the contract. The Communications Consultant shall presume that all information received pursuant to this contract is confidential unless otherwise designated by TRS. The Communications Consultant shall

provide to TRS a written description of its policies and procedures to safeguard confidential information. The Communications Consultant shall provide TRS updates or changes to these policies in a timely manner. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Communications Consultant shall provide physical and logical protection for all TRS written and electronic information. Electronic information shall be encrypted during transport and at rest. The Communications Consultant shall remain the responsible authority in charge of all information collected, used, or disseminated by the Communications Consultant in connection with the performance of this contract. The Communications Consultant shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this contract. The private or confidential information shall remain the property of TRS at all times.

A. **No Dissemination of Confidential Information.** No confidential information collected, maintained, or used in the course of the contract shall be disseminated except as authorized by law and with the written consent of TRS either during the period of the contract or thereafter. Any information supplied to or created by the Communications Consultant shall be considered the property of TRS. The Communications Consultant must return any and all information collected, maintained, created or used in the course of the performance of the contract in whatever form it is maintained promptly at the request of TRS.

B. **Subpoena.** In the event that a subpoena or other legal process is served upon the Communications Consultant for records containing confidential information, the Communications Consultant shall promptly notify TRS and cooperate with TRS in any lawful effort to protect the confidential information, at TRS's expense.

C. **Reporting of Unauthorized Disclosure.** The Communications Consultant shall immediately report to TRS any unauthorized disclosure of confidential information. TRS will manage the disclosure in accordance with our established policies.

D. **Survives Termination.** The Communications Consultant's obligations under this section regarding the security, confidentiality, and ownership of information as set forth in this section shall survive termination of this contract.

11. **Ownership of Materials.** All materials submitted or developed by Communications Consultant for TRS and any other tangible work product produced by Communications Consultant specifically on behalf of TRS during the term of this Agreement (collectively, "Materials"), shall, as between Communications Consultant and TRS, be deemed TRS's property exclusively (subject, however, to any licensed third party rights retained therein), provided that TRS pays for such Materials. All such Materials belonging to TRS which are eligible for copyright protection in the United States or elsewhere shall be deemed works made for hire. If any such Materials are deemed for any reason not be a work made for hire, Communications Consultant, without further consideration, assigns all such rights, title and interest in the copyright of Materials to TRS, and Communications Consultant agrees, at the request and expense of TRS, to execute and deliver such documents and instruments as shall be necessary to evidence TRS's ownership and copyright interest therein. The foregoing shall not

apply to the extent that Materials or works created or prepared by Communications Consultant on behalf of TRS consist of material that was owned by, or licensed to, Communications Consultant, prior to its execution of this Contract and any computer software or elements thereof that may have been developed by Communications Consultant in connection with its services hereunder, which shall remain Communications Consultant's property.

12. **Authorized Signature.** The undersigned, Gary L. Harbin, CPA, is Executive Secretary of TRS and as such has been duly authorized by the Board of Trustees of TRS to sign this contract in behalf thereof, therefore, binding TRS to the provisions of this contract.

13. **Authorized Signature.** The undersigned, Tim Mulloy is the CEO of Communications Consultant and is duly authorized to sign this contract and his signature, therefore, binds Communications Consultant to the provisions of this contract.

14. **Severability.** The provisions of this contract shall be deemed severable, and the unenforceability of any one or more provisions shall not affect the enforceability of any of the other provisions. In addition, if any provision of this contract, for any reason, is declared to be unenforceable, the parties shall substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

15. **Principal Contact.** Tim Mulloy shall be the principal contact for the Communications Consultant for the implementation of the services set forth in this contract.

16. **Principal Contact.** Gary L. Harbin shall be the principal contact for TRS for the implementation of the services set forth in this contract.

KENTUCKY TEACHERS' RETIREMENT SYSTEM



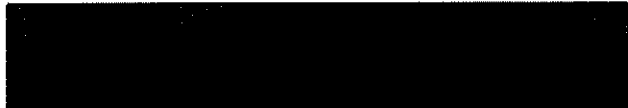
Gary L. Harbin, CPA
Executive Secretary
Kentucky Teachers' Retirement System
479 Versailles Road
Frankfort, Kentucky 40601
In behalf of TRS

PERITUS



Tim Mulloy, CEO
131 West Main Street
Louisville, Kentucky 40202
In behalf of Communications Consultant

Approved as to Form and Legality:
KENTUCKY TEACHERS' RETIREMENT SYSTEM



Robert B. Barnes
Deputy Executive Secretary Operations and
General Counsel

TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF KENTUCKY

EXTERNAL SERVICE PROVIDER
CONFLICT OF INTEREST STATEMENT

I, Timothy Mulloy, in my role as Communication Consultant
for the Teachers' Retirement System of the State of Kentucky
(TRS), recognize the need to maintain the public's confidence and trust in the integrity of TRS
and the Commonwealth of Kentucky.

I understand that I have the obligation to diligently identify, disclose, avoid and manage conflicts
of interest that may arise through my relationship with TRS.

I will conduct my activities with TRS so that I do not advance or protect my own interests or the
private interests of others with whom I have a relationship, in a way that is detrimental to the
interests of TRS.

In every instance in which I am acting on behalf of TRS, I will conduct my activities in a manner
to best promote the interests of TRS.

I agree not to attempt to influence TRS in disregard of the public interest at large.

In all matters where an official decision must be made that may favorably or detrimentally
impact my own financial interests or the financial interests of other individuals or organizations
with whom I have a relationship, I will reveal that relationship and abstain from involvement in
the official decision.

When a conflict of interest arises, or when a potential conflict of interest arises, I will disclose
that conflict or potential conflict to my contact person at TRS and seek resolution of that issue.

I agree not to violate any conflict of interest statute or principle by the performance of my duties
with TRS. I will not engage directly or indirectly in any financial or other transaction with a
trustee or employee of TRS that would violate the standards of the Executive Branch Ethics
provisions, as set forth in KRS Chapter 11A.

Agreed this the 12th day of OCTOBER, 2017

Signature

Name

Title

Company

Timothy Mulloy
CEO
PERITUS