



Insurance | Risk Management | Consulting

RETAINED EXECUTIVE SEARCH AGREEMENT

This Retained Executive Search Agreement, effective July 8, 2022 is entered into by and between **Gallagher Executive Search and Leadership Advisors**, a practice of Gallagher Benefit Services, Inc. (“Gallagher” or “Firm” as specified below), and The **Texas A & M University System** (“A&M System” or “Client”), for the purpose of clarifying the expectations under which Gallagher will provide retained executive search services for the Client, specifically to fill the current need for five to ten Engineering Research Faculty who are members of the National Academy of Engineering. The Gallagher search consultant leading this search and serving as the main point of contact for the Client will be Diane Fennig, PhD, Senior Consultant.

Fee Structure (VALUE):

Gallagher requires a retained fee equivalent to **twenty-five percent (25%)** of the position’s anticipated first year’s total cash compensation (starting salary, target incentive bonus/commission and sign-on bonus, if applicable) **with a minimum fee of \$50,000**. The Client estimates each position’s compensation package to be approximately **\$300,000**.

Terms (SPEED):

An **initial invoice** for 1/3 of the estimated fee will be submitted upon acceptance of this Agreement. Partnering with the Client, Gallagher will gather the necessary and relevant information to properly market the Client’s company, culture and role, and will draft the Position Specification (“PS”). Once the Client approves the PS outlining the core requirements of the ideal candidate, Gallagher will begin the search. Given the short time frame of the search, progress reports will be provided as requested by the Client. Several finalists / candidates (typically 4-6) will be presented to the Client on or around the **30th business day** of the search (depending on mutual availability, especially around the Holidays) along with a **second invoice** for an additional 1/3 of the estimated fee. The **final invoice** (final 1/3 of the estimated fee - adjusted up or down based on the final compensation package) shall be invoiced when the **search is closed** which, in most cases, is defined by the **Acceptance Date** of the person chosen for the role. Additional definitions of “closed” would be: 1) the Client fills the role (directly, indirectly or internally); or 2) the Client cancels / puts the search on hold (longer than 30 days) for any reason. Any incidental / direct expenses incurred on behalf of and at the advance written approval of an authorized representative of the Client in relation to this search (i.e., candidate or search consultant travel, and overnight shipping of materials), will be invoiced at cost. All invoices are due and payable within 30 days following receipt to maintain terms of Gallagher’s guarantee set forth below.

The Client agrees that they have retained Gallagher to perform retained executive search services, and as such, Gallagher and Client are partnering together to ensure the successful outcome of the search for the Client. Therefore, given Gallagher’s role as the retained search consultant, the Terms agreed to above, and Gallagher’s efforts to generate / validate interest in this role and discern “fit” on behalf of the Client, it is agreed that external candidates who contact the Client directly / indirectly, or who the Client connects with directly / indirectly (to include internal applicants), will be introduced to Gallagher for appropriate screening / interviewing on behalf of the Client. In addition, should multiple hires be made by the Client (or its affiliates / subsidiaries) based on the candidate / information shared by Gallagher as a result of this search, within a one year period after the search closes, an additional **25% fee** (as outlined above) shall be due if such person(s) is (are) hired by the Client.

Guarantee (QUALITY):

Gallagher supports its services with a **one-year replacement guarantee** on all retained search placements. Should the person hired be terminated for cause or quit within 6 months of the start date, Gallagher will conduct the search again, for a similar replacement, at no cost except direct expenses as outlined above. If the departure occurs between the 6th and 12th month, Gallagher will conduct the replacement search again for 50% of the original fee paid (adjusted up, if the replacement is paid more than the original hire). This guarantee will be in effect subject to the following conditions: 1) Payment of each invoice was made in full within **30 days** of receipt; 2) the termination is not due to employee cutbacks, layoffs, outsourcing, the elimination of the position, or a substantial change in the job description, reporting structure or travel status; and. 3) the Gallagher search consultant (mentioned above) is notified of the termination within 5 working days. Lastly, Gallagher will not actively pursue employees of the Client for at least one year after this Agreement is signed.



Insurance | Risk Management | Consulting

Authorization for use of Clients Name, Logo, etc.

To support Gallagher’s efforts to attract key leadership talent for the Client, Client authorizes Gallagher to utilize Clients name, logo, and information / graphics shared on Clients website for the purpose of creating the PS (mentioned above), raising awareness of and interest in the Client, and affirming that Gallagher is serving the Client as the Client seeks to attract key leadership talent. Such authorization shall commence on the Effective Date and continues as long as parties maintain a mutual business relationship. The Client may revoke its authorization upon 30 days prior written notice to Gallagher, at which time Gallagher will immediately discontinue its use of Clients property. The authorization contained herein is non-assignable by Gallagher.

Limitation of Liability.

Gallagher’s liability to the Client and any other party for any losses, injury or damages to persons or properties or work performed arising out of in connection with this Agreement and for any other claim, whether the claim arises in contract, tort, statute or otherwise, shall be limited to the amount of the total fees due to Gallagher from Client for the particular project assignment giving rise to the claim. Notwithstanding anything to the contrary in this agreement, Gallagher shall not be liable for any special, indirect, consequential, lost profits or punitive damages sustained or incurred in connection with this agreement, and whether or not such damages are foreseeable.

Client’s exclusive remedy for any claim arising out of or relating to this Agreement will be for Gallagher, at its sole option and upon receipt of written notice, either (i) to use commercially reasonable efforts to cure , at its expense, the matter that gave rise to the claim for which Gallagher is at fault, or (ii) return to the Client the fees paid by the Client to Gallagher for the particular service provided that gives rise to the claim, subject to the limitation contained in this section. Client agrees that it will not allege that this remedy fails its essential purpose.

Legal Jurisdiction: Any issues arising out of this agreement will be settled under the United States of America legal system, if not through mediation initially.

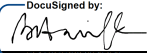
Indemnification.

Client shall defend, indemnify and hold harmless Gallagher, its parents, subsidiaries and affiliates, and its and their respective directors, officers, members, shareholders, partners, employees, agents, successors and assigns (Indemnified Parties) from any claims, demands, lawsuits, damages, liabilities, costs and expenses (including reasonable fees and disbursements of counsel) and judgments and settlements of every kind (Claims) resulting in whole or in part from the acts or omissions of Client. Upon receiving written notice from Gallagher, Client will then defend Gallagher against such claim and Gallagher at its option shall have the right to select counsel and control the defense and all related settlement negotiations, and then Client shall indemnify Gallagher from and against any damages finally awarded or agreed to be paid for such claim.

This Agreement supersedes all prior agreements between the parties, relating to the subject matter hereof, may only be amended in writing between the parties, and will become effective on the Effective Date above when signed by authorized personnel of both parties.



The Texas A&M University System:

By: 
Title: Deputy Chancellor
Date: 7/20/2022 | 4:44:15 CDT

Gallagher Benefit Services, Inc. (Gallagher):

By: 
Title: Sr. Managing Director
Date: 7/20/2022 | 2:49:32 PDT