

Association of Christian Schools International

**ACSI Legal Defense Reimbursement Program
Indemnity Agreement**

Form - IA/2021

This agreement entered into for this **2021-2022 school year (August 1 – July 31)** between the Association of Christian Schools International (hereafter ACSI), 731 Chapel Hills Drive, Colorado Springs, Colorado, 80920, and the member Christian school, by its ACSI membership and continuing participation in and payment of the LDRP fee, certification of agreement to this Indemnity Agreement and ACSI's acceptance of the member school's fee and/or application for participation in the Legal Defense Reimbursement Program.

This agreement ends on July 31, 2022, and must be renewed by the member Christian school annually by either filing an application and/or paying the annual fee.

WHEREAS, ACSI member schools throughout the United States are frequently required to defend themselves in state and federal employment and/or civil rights commissions, arbitration proceedings, or in litigation arising out of employment related claims; and

WHEREAS, ACSI member schools also are required to defend themselves in student related litigation arising out of academic operations; and

WHEREAS, ACSI desires to assist member Christian schools with the defense costs associated with such claims.

NOW, THEREFORE, for and in consideration of the following mutual terms, provisions and covenants, and such other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged and accept-

ed by ACSI and the above referenced member Christian school, they agree as follows:

SECTION 1

**CONTRACTUAL
INDEMNIFICATION**

ACSI hereby agrees to indemnify the aforesaid member Christian school for certain **Defense Costs** arising out of specified academic operations errors and employment practices liability under the terms as stated herein.

SECTION 2

DEFINITIONS

The following definitions apply to this School Operations Legal Defense Reimbursement Program:

(a) **Academic Operations Error** - means an actual or alleged educational error involving one or more of the following: improper evaluation, discipline or graduation practices with respect to a student; the failure to meet designated standards required to maintain accreditation from a governmental or private accreditation body; or the failure to meet standards of student educational preparation demonstrated by other similarly-situated educational institutions; but only if such error is committed by a school or a representative of a school who is authorized to take such action, and only if

such action results in **emotional injury** or **financial loss** to a student or to the parents or guardians of a student.

More than one related **Academic Operations Error** will be considered a single **Academic Operations Error** for the purposes of this indemnity agreement.

(b) **Belief-Based Decision or Practice** - means the decision to pursue a particular course of action; or a practice, policy or stance; that is undertaken or otherwise pursued in accordance with, and in furtherance of, the spiritual or religious beliefs of the **indemnified member**. **Belief-based decision or practice** includes the **religious communication** and the **religious activity** of the **indemnified member**.

(c) **Belief-based discriminatory act** means any of the following alleged behavior that is undertaken in furtherance of a **belief-based decision or practice**: any act that would be considered discrimination under Title IX of the Education Amendments of 1972 or any other applicable federal, state or local statute, ordinance, or law; or any conduct characterized or interpreted as violating any federal, state or local statute, ordinance or law enacted for the purpose of protecting individuals from discriminatory conduct; or any disparate impact sustained by any person because of that person's, religion, gender, gender identity, sexual orientation, age, nationality, criminal background, physical impairment, or disability; or any conduct characterized or interpreted as being discriminatory in nature by a person against whom such conduct is directed.

Any of the above acts or conduct will be considered a single **belief-based discriminatory act** if undertaken by the same perpetrator(s), even if such acts are directed against more than one person, occur over time, or take place during more than one **indemnity period**.

A **belief-based discriminatory act** does not include any acts, activity, conduct, or behavior

directed toward a **school employee** or job applicant.

(d) **Belief-based legal challenge** means an administrative hearing, judicial proceeding, civil action, **targeted action** or **financing / accreditation / scholarship challenge** that: is initiated by a governmental agency, educational accrediting institution or other governing body; and seeks to invoke restrictions upon, or to invoke fines, penalties or damages against, the **indemnified member**; and arises out of or is otherwise related to any actual or alleged **belief-based decision or practice** or any actual or alleged **belief-based discriminatory act** undertaken by the **indemnified member**.

More than one related **belief-based legal challenge** will be considered a single **belief-based legal challenge** for the purpose of this Indemnity Agreement.

(e) **Covered Indemnity Obligation** - means the obligation to pay specified **Defense Costs** of the **Indemnified Member** as the result of an **Employment Practices Proceeding** or **Covered Student Lawsuit** that is filed against such person or entity; or as the result of **specified pre-suit legal consultation expense**.

(f) **Covered student lawsuit** means a civil action that is filed against the **indemnified member** by a **past or present student** of the **indemnified member**, but only if such action alleges an **academic operations error** or a **belief-based discriminatory act**. More than one related **covered student lawsuit** will be considered a single **covered student lawsuit** for the purpose of this Indemnity Agreement.

(g) **Defense Costs** - means the reasonable and necessary legal fees, costs, and expenses charged by a law firm or an attorney that are directly related to the legal defense of a person or entity against whom a lawsuit or proceeding

is directed, or legal consultation resulting in **specified pre-suit legal consultation expense**.

(h) **Emotional Injury** - means only mental or emotional injury, suffering or distress sustained by a person other than as a result of a physical impact, physical touching or other bodily injury.

(i) **Employee Benefit Program** - means any of the following programs, insurance or plans procured, maintained or monitored by an entity or employer for the benefit of any of past or present group of employees or the dependents/beneficiaries of such employee group: group medical, accident, health or life insurance programs or any workers' compensation, disability, or unemployment insurance; or severance programs or salary continuation plans, or any pension or retirement benefit plans.

(j) **Employment discriminatory act** means any of the following acts, activity, conduct, or behavior directed toward a **school employee** or job applicant: any act that would be considered discrimination under any applicable federal, state, or local employment statute, ordinance or law, or any conduct characterized or interpreted as violating any federal, state, or local employment statute, ordinance, or law enacted for the purpose of protecting employees and job applicants from discriminatory conduct, or any disparate treatment or disparate impact sustained by a **school employee** because of that **school employee's** race, religion, gender, sexual orientation, nationality, age, physical impairment or disability, or any conduct directed against a **school employee** or job applicant that is characterized or interpreted as being discriminatory in nature.

(k) **Employment Practice** - means the interviewing or evaluation of a job applicant; the hiring, training, evaluation, supervision, promotion, discipline or termination of an employee; and the communication of the employment information to or in relation to, an employer or job applicant; and the application or administration

of any employment benefit program. More than one related **Employment Practice** will be considered a single **Employment Practice** for purposes of this indemnity agreement.

(l) **Employment Practices Proceeding** - means a formal arbitration proceeding or an administrative or civil complaint that is filed against the **Indemnified Member** by one or more of the **School Employees** as a result of any actual or alleged improper **Employment Practice** or any actual or alleged **Wrongful Employment Act** on the part of the **Indemnified Member** Christian school. More than one related **Employment Practices Proceeding** will be considered a single **Employment Practices Proceeding** for the purposes of this Indemnity Agreement.

(m) **Financial Loss** - means only financial or monetary loss arising out of a financial transaction. Financial loss does not include loss of any kind arising directly or indirectly out of any emotional or bodily injury to any person, or any damage to, or loss of use of, any tangible or intangible property.

(n) **Financing/Accreditation/Scholarship challenge** - means an action, hearing, summons, or other similar proceeding or inquiry that: challenges **the** ability of the **indemnified member** or the ability of the **indemnified member's past or present students** to receive financial aid or other financing under Title IV of the Higher Education Act of 1965; or challenges **the** ability the **indemnified member** or the ability of the **indemnified member's past or present students** to receive financing or scholarships through federal, state or local programs other than Title IV of the Higher Education Act of 1965; or challenges **the** accreditation status of the **indemnified member** with respect to any accreditation body; or challenges the position or the benefits that the **indemnified member** or its **students** receive in the form of scholarships through any scholarship program or sporting league, as determined by any organization or any regulatory body that conveys scholarships to students; but only if such challenge is brought as a result of the **indemnified mem-**

ber's belief-based decision or practice or the **indemnified member's** alleged **belief-based discriminatory act**.

(o) **Indemnified Member** – means **you** as a member school of ACSI located in North America (and **your** member governing boards, administrators and employees or the sponsoring church of the member Christian school if the school is operated as a ministry of the church), but only if ACSI and **you** have entered into an indemnity agreement in relation to an **Employment Practices Proceeding, Covered Student Lawsuit, or belief-based legal challenge**.

(p) **Indemnity Period** - means that period of time from the signing/initialing of the application for the indemnity agreement by **you** and acceptance by ACSI to and including July 31, 2022. The **Indemnified Member** school must apply each school year. The **Indemnity Period** shall in no case be interpreted to mean a period of time longer than one year.

(qp) **Law enforcement inquiry** means an investigation undertaken by law enforcement officials and directed against a person suspected of committing a criminal offense under federal, state or local law, including any related prosecution for such alleged offense. More than one such criminal investigation, prosecution (or appeal thereof) arising out of the same or related incidents, allegations or events will be considered a single **law enforcement inquiry**.

(r) **Leader** means a person while serving as a member of an **indemnified member's** governing board; or the **indemnified member's** lead administrator, but only if such person is acting on behalf of and within the scope of, his or her delegated authority as granted by the **indemnified member**.

(s) **Personal activity** means individual activity or group activity that is undertaken apart from the sanctioned ministry operations of an **indemnified member**. **Personal activity** includes activity: that is outside the scope or purpose of the **indemnified member's** minis-

try operations; or that is outside the scope, purpose or directives conveyed by the **indemnified member** or its **leaders** to any committee, group, teacher, faculty member or other person; or that is unauthorized, unapproved or prohibited by the **indemnified member**; or

(t) **Past or Present Student** - means an individual who is, or who has been, formally enrolled as a student in the **Indemnified Member** school.

(r) **Religious activity** means an act or expression undertaken in accordance with, and in furtherance of, the spiritual or religious beliefs of the **indemnified member**. More than one related act or expression will be considered a single **religious activity**, even if such activity occurs over time, during more than one **indemnity period** or involves multiple persons.

(u) **Religious communication** means a religious message, sermon, invocation, school publication, or other oral or written communication containing any religious or spiritual content that is conveyed to three or more persons. **Religious communication** includes religious or spiritual communication that is conveyed as an electronic data transmission (such as e-mail), or that is posted on an electronic communication network (such as the internet or a social media site).

More than one related communication will be considered a single **religious communication**, even if such communication is conveyed over time, during more than one **indemnity period**, or to multiple recipients.

(v) **School Employee** - means an individual who is or who has been employed by **your** Christian school, either on a contract basis or an "at will" employment basis; or a person otherwise paid to perform work for your school and over whose performance you have authority and control. **School Employee** includes a school job applicant but does not include any person who has been

hired as or is otherwise considered to be an independent contractor.

(w) **Sexual Act** - means any act which would be considered a criminal act under any applicable federal, state or local statute, ordinance or law relating to sexual offenses; any actual or attempted touching of a person by another person for the purpose of obtaining sexual arousal or sexual gratification; any other act undertaken by a person for the purposes of obtaining sexual arousal or sexual gratification; any conduct characterized or interpreted as **Sexual Harassment**; or any conduct characterized or interpreted as being sexual in nature.

(x) **Sexual Harassment** - means an act or series of acts involving conduct that is characterized or interpreted as sexual harassment, or as intimidation or harassment based upon a person's gender.

(y) **Specified pre-suit legal consultation expense** - means legal fees incurred by the **indemnified member** in connection with attorney consultation prior to terminating the employment relationship of one or more of their **school employees**. **Specified pre-suit legal consultation expense** also includes legal fees incurred by the **indemnified member** in connection with attorney consultation prior to disciplining, expelling, or refusing to enroll or admit a student if such act constitutes a **belief-based decision or practice**.

(z) **Targeted action** means a civil lawsuit, a governmental action, agency hearing, legislative summons, **law enforcement inquiry**, contempt proceeding or other similar action, summons, proceeding, hearing or inquiry that targets the **indemnified member** as a result of the **indemnified member's belief-based decision or practice**. More than one such lawsuit, action, summons, proceeding, hearing or inquiry (or appeal thereof) arising out of the same or related incidents, allegations or events will be considered a single **targeted action**.

(aa) **Wrongful Employment Act** - means a **Belief-Based Discriminatory Act, An Employment Discriminatory Act** or an act of **Sexual Harassment** directed against a **school employee**; or the breach of an oral or written employment contract between the member Christian school and a **school employee**. More than one related **Wrongful Employment Act** will be considered a single **Wrongful Employment Act** for purposes of applying the indemnity agreement provision set forth herein.

(bb) **You and Your** - means the member Christian school signing the indemnity agreement and the attached application and which has been accepted by ACSI for participation in this Legal Defense Reimbursement Program.

SECTION 3

COVERAGE UNDER THIS INDEMNITY AGREEMENT

(a) ACSI will pay on **your** behalf **Defense Costs** arising out of any **Employment Practices Proceeding, Covered Student Lawsuit, or Believe-Based Legal Challenge** that is filed against **you** that is filed or initiated during the **Indemnity Period** covered by this agreement.

(b) This indemnity agreement is subject to the limits set forth in the "How Much We Pay" section and to all other limitations, conditions and exclusions set forth herein.

SECTION 4

PAYMENT LIMITATIONS

The following limitations apply to this indemnity agreement as set forth herein;

(a) ACSI will not pay for **Defense Costs** of any kind relating directly or indirectly to any obligation or liability:

(1) that represents any obligation other than a **Covered Indemnity Obligation**;

(2) that is assumed in relation to any suit or proceeding other than **Covered Student Lawsuit, Employment Practices Proceeding, or Belief-Based Legal Challenge**; or

(3) that is assumed beyond the **Defense Costs** covered herein.

(b) ACSI will not pay for any **Defense Costs** associated with any action or proceeding which, on the inception date of this indemnity agreement has been suggested or threatened, or which is otherwise anticipated or expected to be filed by any **Indemnified Member**.

(c) ACSI will not pay for any **Defense Costs** incurred in connection with any college, university or other educational program other than a pre-k to 12th grade program.

(d) ACSI will not pay for any **Defense Costs** associated with any lawsuit or proceeding that is brought by any person other than:

(1) a **School Employee** or a **Past or Present Student** (or the parents or guardians of the **Past or Present Student**); or

(2) as a qualifying **belief-based legal challenge**.

(e) ACSI will not pay for any **Defense Costs** arising directly or indirectly out of, or in connection with, any actual or alleged breach of an expressed or implied contract other than an employment contract or student enrollment contract.

(f) ACSI will not pay any **Defense Costs** associated with any workers' compensation action or proceeding, or any action or proceeding based in whole or in part upon any physical injuries sustained by any person (unless such physical injury forms the basis of a covered **Employment Practices Proceeding**).

(g) ACSI will not pay for any **defense costs** associated with allegations arising directly or indirectly out of any **personal activity** of any kind.

(h) ACSI will not pay for any **Defense Costs** associated with any action or proceeding based in whole or in part upon any damage, injury or loss sustained by the **Indemnified Member** other than an employee related loss sustained by a **School Employee** of the **Indemnified Member** or an education related loss sustained by a **Past or Present Student** of the **Indemnified Member**.

(i) ACSI will not pay for **Defense Costs** associated with the appeal of any **Employment Practices Proceeding** or any **Covered Student Lawsuit**, or any **Belief-Based Legal Challenge** if the appeal is initiated by any **Indemnified Member**.

(j) ACSI will not pay for **Defense Costs** associated directly or indirectly or in connection with any loss or injury sustained by any **Past or Present Student**:

(1) that is expected by, directed by, or intended by any representative of a school; or

(2) that is the result of intentional and malicious acts of any representatives of a school.

The limitation in (1) above does not apply to **Emotional Injury** sustained by a student as the result of reasonable disciplinary action directed towards the student by a school representative who is authorized to undertake such action.

(k) ACSI will not pay any **Defense Costs** associated with any loss or injury arising directly or indirectly out of or in connection with any **Sexu-**

al Act (including **Sexual Harassment**) directed against any **Past or Present Student**.

(l) ACSI will not pay for **Defense Costs** on behalf of any **Indemnified Member** that fails to accurately complete the process for participation in the indemnification program to which this indemnity agreement applies.

(m) ACSI will not pay for any **defense costs** incurred prior to written notice or notification to ACSI of an **Employment Practice Proceeding, Covered Student Lawsuit, or Belief-Based Legal Challenge**.

SECTION 5

CONDITIONS

(a) **Notice of Claim** - In the event that the **Indemnified Member** becomes aware of any situation that may give rise to a claim under the terms of this indemnity agreement you must promptly report such situation to ACSI. This indemnity agreement will not apply to any **Defense Costs** incurred prior to the **Indemnified Member** school reporting a claim to ACSI

(b) **Selection of Counsel** - ACSI has the right to select and retain legal counsel. The **Indemnified Member** agrees to cooperate with ACSI in the selection and retention of counsel. It is understood that ACSI will endeavor to select counsel knowledgeable in the field or area of representing Christian schools, but ACSI will not be responsible for the legal work undertaken by such counsel.

(c) **Settlement Assistance** - Every **Indemnified Member**, upon ACSI's request, must assist ACSI in settling any **Employment Practices Proceeding** or **Covered Student Lawsuit** to which this indemnity agreement applies.

(d) **Limitation of Agreement** - This indemnity agreement covers only certain specific legal fees, costs and expenses. Nothing in this agree-

ment shall be construed to obligate ACSI in any way to pay for any actual or alleged damage, injury or loss sustained by any person or entity or to pay any related fine, penalty, judgment or award that arises directly or indirectly out of any civil, criminal or other proceeding.

(e) **Settlement** - By providing for the payment of **Defense Costs** under the terms of this indemnity agreement, ACSI undertakes no obligation of any kind to contribute toward the settlement of any lawsuit or proceeding. ACSI maintains the right, however, to use any remaining amount of the proceeding limit to settle, or to contribute toward the settlement of, any **Employment Practices Proceeding** or **Covered Student Lawsuit**. ACSI will not settle any lawsuit on behalf of any **Indemnified Member**, however, if such **Indemnified Member** conveys to ACSI a written request to terminate further payment of **Defense Costs** prior to settlement of the proceeding. Nothing in the settlement process will obligate ACSI in any way to pay any amount beyond the specified **Defense Costs** provided herein, nor will it in any way modify any of the terms of this indemnity agreement.

(f) **Arbitration** - Any dispute between ACSI and the **Indemnified Member** regarding the existence or application of coverage under the terms of this indemnity agreement must be submitted to Christian conciliation/arbitration pursuant to the Christian Conciliation/Arbitration clause attached hereto as Exhibit A and made a part hereof by reference. Such arbitration will be required if demanded by you or by ACSI and the decision rendered in the arbitration will be binding upon all persons affected by the provisions of this indemnity agreement.

(g) **Cost of Participation** - The Legal Defense Reimbursement Program is based upon payment of a participant fee by the **Indemnified Member**. You agree to promptly pay the cost as stated on the ACSI membership statement and/or the portion of the application for ACSI membership relating to your agreement to participate in this program. Failure to pay the participation fee within 30 days of the date of billing

and/or application will void the indemnity agreement.

(h) **Termination of Payment of Defense Costs** - Any payments provided by this indemnity agreement will terminate, and no further payment will be made for **Defense Costs** incurred after:

(1) The **Indemnified Member** is dismissed from an **Employment Practices Proceeding, Covered Student Lawsuit, or Belief-Based Legal Challenge**, a verdict or final judgment is entered in the **Employment Practices Proceeding** or **Covered Student Lawsuit**, or the proceeding is otherwise dismissed or resolved.

(2) ACSI has paid under the terms of this indemnity agreement an amount equal to any proceeding or aggregate limit set forth in the "How Much We Pay" section of this agreement.

(3) The **Indemnified Member** fails to comply with any condition of this indemnity agreement or submits to ACSI a written request to terminate further payments.

SECTION 6

HOW MUCH WE PAY

The following provisions apply under the terms of this indemnity agreement.

(a) **Hourly Limit** - ACSI will pay no more than **\$250 per hour** toward legal fees to which this indemnity agreement herein applies.

(b) **Proceeding Limit** - ACSI will pay no more than **\$35,000** toward **Defense Costs** incurred in relation to each **Employment Practices Proceeding, Covered Student Lawsuit, or Belief-Based Legal Challenge** filed or initiated against the **Indemnified Member** during the term of this Agreement.

(c) **Specified Pre-Suit Legal Consultation Limit** – ACSI will pay no more than \$750.00 per **Indemnified Member** per **Indemnity Period** toward **Specified Pre-Suit Legal Consultation** expense that is incurred by the **Indemnified member**. The **Hourly Limit** specified above will apply to consultation fees covered herein. This limit will apply in addition to the **Proceeding Limit**.

(d) **Maximum Limit – Multiple Suits**

If two or more unrelated covered proceedings (Employment Practices Proceeding(s) /Covered Student Lawsuit(s)/Belief-Based Legal Challenges) are directed against you (and/or your administrators, employees or governing board) during the term of this agreement, ACSI will pay no more than \$35,000 toward Defense Costs incurred in relation to all such proceedings. The Proceeding Limit above will apply to each individual covered proceeding. The Multiple Suit Limit set forth herein represents the most that ACSI will pay in relation to all covered proceedings to which this agreement applies.

(e) **Conditional Cost Retention** - A \$5,000 retention amount will apply if any **Indemnified Member** terminates an employee prior to the completion of the employee's contract terms or prior to the end of the school year, unless the **Indemnified Member** has obtained the legal advice of legal counsel prior to such termination. If this retention applies, the **Indemnified Member** will be responsible for paying the first \$5,000 in **Defense Costs** incurred by any **Indemnified Member** in defending any **Employment Practices Proceeding** filed against the **Indemnified Member** by such employee. ACSI reserves the right to request proof of contact with legal counsel for purposes of obtaining legal advice.

(f) **Application of Limits** - The hourly proceeding and multiple suit limits set forth above represent the most ACSI will pay regardless of:

(1) the total cost or expense required to prepare for or defend any covered suits, inquiries, or related appeals;

(2) the number of plaintiff's, victims, accusers, or other persons or entities alleging damage, injury or loss;

(3) the number of persons or entities that are the subject of lawsuit or inquiry or number of attorney or law firms representing such persons;

(4) the number of **Employment Practices Proceedings** or **Covered Student Lawsuits** that are filed during the **Indemnity Period**;

(5) the number of alleged acts, omissions or incidents or exposures upon which the proceeding or proceedings are based;

(6) the number of indemnity agreements or length of the number of **Indemnity Periods**, or portions thereof, during the course of which any proceeding or proceedings should transpire;

(g) Payment of **Defense Costs** covered herein will be made only after proper documentation of a covered legal expense has been submitted to ACSI. Legal expense will be paid in the order that it is received by ACSI, subject to limits set forth herein.

(h) **Reasonable Costs** - ACSI will not pay any covered legal costs, fee or expense unless such cost, fee or expense is reasonable and necessary, relates to a completed task (not a retainer), and is directly related to the legal defense of an **Employment Practices Proceeding** or **Covered Student Lawsuit** directed against you.

(i) The payment of **Defense Costs** under this indemnity agreement is **Contingent** with respect to all other insurance or liability coverage plans that may provide defense coverage or that may otherwise pay **Defense Costs**, even if such insurance or plan (i) is stated to be secondary, excess or contingent; or (2) has coverage available, that is not elected to be used.

Contingent means that the payment of **Defense Costs** described herein does not apply if any other insurance or liability coverage plan provides defense coverage or otherwise pays **Defense Costs**. This includes, but is not limited to, circumstances where an insurance or liability coverage plan provides a defense at its national or regular or normal hourly rate and counsel used by the **Indemnified Member** bills hourly fees in excess of that rate.

(j) Once ACSI has paid the proceeding limit (\$35,000.00) under the terms of this agreement, the **Indemnified Member** may (at its own cost) select counsel of its own choosing or may (at its own cost) agree to continued representation with counsel initially selected by ACSI.

(Note: This indemnity agreement is not valid until member school has agreed to the terms and conditions of the Indemnity Agreement and/or has checked the appropriate box on the membership application or otherwise applied and has paid the participation fee as required herein).

This Indemnity Agreement shall be construed according to Colorado law

PLEASE DOWNLOAD AND KEEP THIS FORM FOR YOUR FILES

THE MEMBER SCHOOL PAYING ITS CONTINUING LDRP MEMBERSHIP FEE AND/OR PAYING THE APPROPRIATE ACSI LDRP FEE INDICATES THE SCHOOL'S AGREEMENT TO AND ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS INDEMNITY AGREEMENT

EXHIBIT A

ARBITRATION AGREEMENT

The parties to this agreement are Christians and believe that the Bible commands them to make every effort to live at peace and to resolve disputes with each other in private or within the Christian community in conformity with the biblical injunctions of 1 Corinthians 6:1–8, Matthew 5:23–24, and Matthew 18:15–20. Therefore, the parties agree that any claim or dispute arising out of, or related to, this agreement or to any aspect of the employment relationship, including claims under federal, state, and local statutory or common law, the law of contract, and law of tort shall be settled by biblically based mediation.

If resolution of the dispute and reconciliation do not result from mediation, the parties agree to utilize binding Christian arbitration as the sole and exclusive means to resolve all disputes or claims against [school name] or any of its employees, officers, directors, agents or volunteers that may arise out of or be related in any way to the employment of [teacher or staff member name]. Included within the scope of this agreement are all disputes or claims whether based on tort, contract, or statute including, but not limited to, any claims of discrimination, harassment, and/or retaliation based on local, state or federal law or regulation, with the exception of a claim of disability or medical benefits based on workers compensation law or as otherwise required by state or federal law. The arbitrator for such binding arbitration shall be independent, objective, and neutral.

The parties agree for the arbitration process to be conducted in accordance with the “Rules of Procedure for Christian Conciliation” (“Rules”) of the Institute for Christian Conciliation contained in the booklet Guidelines for Christian Conciliation. A copy of the “Rules” may be obtained from the school office or at the website for the Institute for Christian Conciliation (www.iccpeace.com). Consistent with these “Rules,” each party to the agreement

shall agree to the selection of the arbitrator. The parties agree that if there is an impasse in the selection of the arbitrator, the Institute for Christian Conciliation shall be asked to provide the name of a qualified person who will serve in that capacity. Resolution of all disputes shall be based upon any local, state, or federal law or regulation governing the claims and defenses. Consistent with the “Rules,” the arbitrator shall issue a written opinion, with findings of facts and law and consistent with the “Rules,” within a reasonable time.

The parties acknowledge that the resolving of conflicts requires time and financial resources. In an effort to fully encourage and implement a biblically faithful process, [school name] agrees to pay all fees and expenses which may be required by the mediator, case administrator, and/or arbitrator related to such proceeding. The issue of final responsibility for such costs will be an agreed issue for consideration or determination arbitration in the mediation or arbitration. The parties agree they will endeavor to exchange information with each other and present the same at any mediation or pursuant to the “Rules” with the intent to minimize costs and delays to the parties. They will seek to cooperate with one another and may request the mediator, case administrator, and/or arbitrator to direct and guide the preparation process so as to reasonably limit the amount of fact-finding, investigation, and discovery by the parties to that which is reasonably necessary for the parties to understand each other’s issues and positions, and to prepare the matter for submission to the mediator and/or arbitrator to inform the mediator and/or arbitrator. In addition, the parties agree that in the event of arbitration, they will use a single arbitrator who is experienced in the relevant area of law and familiar with biblical principles of resolving conflict.

ASSOCIATION OF CHRISTIAN SCHOOLS INTERNATIONAL • 731 Chapel Hills Drive • Colorado Springs, CO 80962-5130

Form - IA/2021

LDRP Indemnity Agreement August 1, 2021- July 31, 2022