

**AN ORDINANCE TO AUTHORIZE CITY CONTRACT
14068HRPS, PROPERTY AND CASUALTY INSURANCE
BROKERAGE SERVICES, AS AMENDED, WITH USI
INSURANCE SERVICES LLC, SUCCESSOR IN INTEREST TO
WILLIS OF DELAWARE, INC.**

#4063

Sponsor:

Council
Member
Freel

WHEREAS, pursuant to Section 2-308 and Section 8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for the supply of property or the rendering of services for more than a period of one year if approved by City Council by Ordinance; and

WHEREAS, the City desires to obtain the services of an experienced firm to be the City's property and casualty insurance broker; and

WHEREAS, the City publicly advertised a request for proposals in accordance with the applicable provisions of the City Charter and subsequently negotiated Contract 14068HRPS – Property and Casualty Insurance Brokerage Services (“the Contract”) – with Willis of Delaware, Inc. (“Willis”), the firm ranked highest by the City's evaluation committee, a copy of which Contract, in substantial form, is attached as Exhibit “A” hereto; and

WHEREAS, Willis has subsequently assigned its rights and obligations under the Contract to USI Insurance Services LLC (“USI”), and USI has agreed to accept and assume all such rights and obligations to the City as Willis' successor in interest; and

WHEREAS, the City and USI have agreed to amend the Contract to confirm the assignment thereof from Willis to USI, and to extend the term of the Contract for a period of one month; and

WHEREAS, the term of the amended Contract is for a period of one year beginning on or about August 1, 2014 and ending on July 31, 2015, at a total price not to

exceed Sixty Thousand Dollars (\$60,000.00), with the possibility of three (3) extensions of one year each, upon the same terms and conditions thereof; and

WHEREAS, it is the recommendation of the Department of Human Resources and the Risk Management Committee that the City enter into and extend the Contract, as amended, with USI as described above.


**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**


SECTION 1. Contract 14068HRPS – Property and Casualty Insurance Brokerage Services, as amended – between the City and USI Insurance Services LLC, as successor in interest to Willis of Delaware, Inc., a copy of which, in substantial form, is attached hereto as Exhibit “A,” for the term of one year beginning on or about August 1, 2014, and ending on July 31, 2015, at a total price not to exceed Sixty Thousand Dollars (\$60,000.00), with the possibility of three (3) extensions of one year each, upon the same terms and conditions thereof, is hereby approved, and the Mayor or his designee and the City Clerk are hereby authorized to execute as many copies of said contract, as well as all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval of the Mayor.

First Reading.....June 4, 2015
Second Reading..... June 4, 2015
Third Reading.....July 9, 2015

Passed by City Council, July 9, 2015



President of City Council


ATTEST: Maribel Seijo
City Clerk

Approved as to form this
2nd day of June, 2015

Marky P. Smith
First Assistant City Solicitor

Approved this 10 day of July, 2015

Dennis P. Williams
Mayor

SYNOPSIS: This Ordinance authorizes the City to enter into Contract 14068HRPS, Property and Casualty Insurance Brokerage Services, as amended, with USI Insurance Services LLC, as successor in interest to Willis of Delaware, Inc., for the term of one year beginning on or about August 1, 2014 and ending on July 31, 2015, at a total price not to exceed Sixty Thousand Dollars (\$60,000.00), with the possibility of three (3) extensions of one year each upon the same terms and conditions thereof.

Agenda #4063

IMPACT STATEMENT

This Ordinance authorizes the City to enter into Contract 14068HRPS, Property and Casualty Insurance Brokerage Services, as amended, with USI Insurance Services LLC, as successor in interest to Willis of Delaware, Inc., for the term of one year beginning on or about August 1, 2014 and ending on July 31, 2015, at a total price not to exceed Sixty Thousand Dollars (\$60,000.00), with the possibility of three (3) extensions of one year each upon the same terms and conditions thereof.

CITY CONTRACT 14068HRPS
PROPERTY & CASUALTY INSURANCE BROKERAGE SERVICE
BETWEEN
CITY OF WILMINGTON
AND
WILLIS OF DELAWARE, INC

EXHIBIT "A"



The News Journal Media Group

A GANNETT COMPANY

Street Address:
950 West Basin Road
New Castle, DE 19720

(302) 324-2500
(800) 235-9100

Mailing Address:
P.O. Box 15505
Wilmington, DE 19850

Legal Desk:
(302) 324-2676
Legal Fax:
302 324-2249

CITY OF WILMINGTON, PURCHASING DIV.
ATTN: PHILIP CERESINI
800 N. FRENCH ST., FL 5
WILMINGTON, DE 19801

State of Delaware } SS. New Castle County

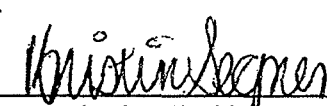
Personally appeared **The News Journal**

Of the **The News Journal Media Group**, a newspaper printed, published and circulated in the State of Delaware, who being duly sworn, depose and saith that the advertisement of which the annexed is a true copy, has been published in the said newspaper 2 times, once in each issue as follows:

3/11/14, 3/18/14

A.D. 2014


Notary Public of Delaware


Sworn and subscribed before me, this
19 day of March, 2014

Legal notification printed at larger size for affidavit.

The City of Wilmington will
receive sealed proposals
at the Div. of Procurement
& Records, 5th Fl.,
Louis L. Redding Bldg.,
800 French St.,
Wilm., DE 19801 for:

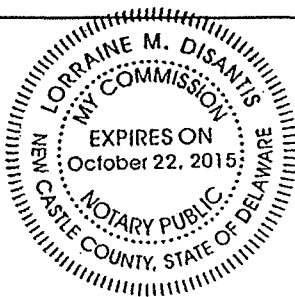
**14068HRPS - PROPER-
TY & CASUALTY
INSURANCE BROKER-
AGE SERVICES**

Proposals are due on
**TUESDAY, APRIL 1,
2014, at the close of
business, 5:00 p.m.**

Scope of Services may be
obtained at the above ad-
dress.

Philip Ceresini
Purchasing Agent II
Division of Procurement
and Records
Department of Finance

pceresini@WilmingtonDE.gov
www.WilmingtonDE.gov
3/11.18-NJ



ADDENDUM # 2

14068HRPS

Property & Casualty Insurance Brokerage Services



In response to additional questions that have been received we offer the following supplemental information.

1. No separate Fiduciary Liability insurance is desired beyond what is traditionally part of GL coverage.
2. No Fiduciary Liability insurance is presently carried?
3. The Scope of Services may include the usual broker assistance with insurance contract reviews, initially limited to the GL and property coverage contracts.
4. Excess Workers Compensation insurance for Self-Insured Program may be desired eventually; but the first year price should not include marketing same; rather indicate how the price of services would be affected when and if such coverage is desired.
5. "Employee Benefit Plan" refers to Employee Benefits Liability coverage.

**Issued March 24, 2014 by the
Procurement and Records Division, Department of Finance
Louis L. Redding City County Building, 800 French Street
Wilmington, DE 19801**

ADDENDUM # 1

14068HRPS

Property & Casualty Insurance Brokerage Services



In response to questions that have been received we offer the following supplemental information.

1. The current insurance Broker is MARSH USA.
2. The current insurance premiums are: Property- \$96,945, Special Events Liability-\$9,555, Flood-\$12,039, Crime-\$2,250, Hull and Machinery-\$55,866
3. Fixed is the only option for compensation; no commissions permitted.
4. The history of claims and other factors should be reviewed as far back in years as you deem commercially reasonable to provide the City with guidance as to the best Insurance Program.
5. The term "otherwise" in Item #1 on page 11 refers to other sources not listed you may discover or request in your commercially reasonable review.
6. Actuarial Services are not included as part of services to be provided.
7. TPA Services are not included as part of services to be provided.
8. Regarding Item # 5 on page 11, this requirement is only to the degree that such information can be obtained through commercially reasonable means.
9. As to Item #25 on page 13, the phrase "Participate in meetings upon request", the term "meetings" is not limited to claims review. Notice it also references "specific Insurance Program". Frequency may be in excess of quarterly, especially during renewal time; and quarterly meetings will only be required as necessary at the time. Total Annual meetings may or may not exceed four (4) depending upon the need for same.
- 10 Proposers need, or must agree to obtain, State of Delaware and City of Wilmington Business licenses despite whatever licensure they have from the Department of Insurance; regardless whether this is a legal requirement, it is an RFP requirement.
- 11 As to Item D, page 17, Paragraph 2, regarding a flow chart, you may disregard that sentence; and also disregard the paragraph following (Paragraph 3).

- 12 As to Item #3, Page 23- any request for revisions in this indemnification provision would be addressed, if you are selected, with our Law Dept. If it is an absolute requirement for you to be considered you may put it in your Proposal as such.
- 13 The boxes on Pages 26-27 ask for "yes" or "no" whether your company is a DBE; if so indicate the Company Classifications: Certificate Number.
- 14 The City of Wilmington does not currently have an insurance carrier for General Liability.
- 15 The City of Wilmington does not currently carry "public officials and employment practices liability coverage".

**Issued March 19, 2014 by the
Procurement and Records Division, Department of Finance
Louis L. Redding City County Building, 800 French Street
Wilmington, DE 19801**

Philip Ceresini

From: Philip Ceresini
Sent: Wednesday, March 19, 2014 1:48 PM
To: Philip Ceresini
Subject: Addendum #1 to 14068HRPS - Property & Casualty Insurance Brokerage Services for the City of Wilmington
Attachments: Addendum1.pdf

Attached is Addendum #1 to 14068HRPS Property & Casualty Insurance Brokerage Services.

Thank you,

Phil Ceresini
Purchasing Agent
City of Wilmington
Procurement Division
Louis L. Redding City/County Building
800 N. French Street, 5th Floor
Wilmington, DE 19801-3537
302-576-2421
fax 302-571-4283
pceresini@wilmingtonde.gov

Sent to:

'zutzi@willis.com'; 'steven.j.russell@marsh.com'; 'wdonato@safegardgroup.com'; 'insurance@bh-insurance.com'; 'Gary Hutt'; 'bids20'; 'Stephanie Winokur'; 'jheggie@edwardandlee.com'; 'eleanor.koger@willis.com'



CITY OF WILMINGTON
CONTRACT 14068HRPS

REQUEST FOR PROPOSAL
PROPERTY & CASUALTY (P & C)
INSURANCE BROKERAGE SERVICES

REQUESTS FOR PROPOSALS

1. Proposals on City Contract 14068HRPS – PROPERTY & CASUALTY INSURANCE BROKERAGE SERVICES will be received in the Division of Procurement and Records, 5th Floor, Louis L. Redding City/County Building, 800 French Street, Wilmington, Delaware, on TUESDAY, APRIL 1, 2014, at the close of business, 5:00 p.m.

2. Proposals must be an original and four (4) copies, sealed in an envelope, and the envelope endorsed "Proposal for City Contract 14068HRPS – PROPERTY & CASUALTY INSURANCE BROKERAGE SERVICES" and addressed to the Department of Finance, Division of Procurement and Records, 5th Floor, Louis L. Redding City/County Building, 800 French Street, Wilmington, Delaware.

3. Any proposal may be withdrawn prior to the schedule time for opening of proposals or authorized postponement thereof. No proposal may be withdrawn within sixty (60) calendar days after the actual opening thereof.

4. The successful proposer will be required to have or obtain an appropriate business license from the Department of Finance, Revenue Division, City of Wilmington, in order to be awarded the contract. Before obtaining a City of Wilmington Business License, all applicants must show proof of a current State of Delaware Business License.

5. The successful proposer will be required to withhold City of Wilmington Wage Tax from their employees and withheld taxes paid to the City of Wilmington pursuant to the provisions of the Wilmington Wage Tax Law. This law applies to people living and/or working in the City of Wilmington.

6. The U.S. Department of Commerce monitors Procurement transaction made to minority business enterprises by the City of Wilmington. The Minority Business Developments Agency's District Office reserves the right to contact the successful minority proposer and/or subcontractor to confirm any participation in the Procurement process.

7. The successful bidder certifies that they are not listed on the Federal Governmental, Excluded Parties List System (www.sam.gov). This will be verified by the City of Wilmington and if listed may be grounds for rejection of the bid or proposal.

8. Award and Execution of Contract

A. **Consideration of Proposals.** Before awarding the contract, a proposer may be required to show that he/she has the ability, experience, necessary equipment, experienced personnel, and financial resources to successfully carry out the work required by the contract.

The right is reserved to reject any and/or all proposals, to waive technicalities, to advertise for new proposals, or to proceed to do the work otherwise, if in the judgement of the department the best interest of the City will be promoted thereby.

B. **Award of Contract.** The award of the contract, if it be awarded, must be within sixty (60) calendar days after the opening of proposals to the qualified proposer whose proposal complies with all the requirements prescribed. The successful bidder will be notified by letter mailed to the address shown on his proposal that his proposal has been accepted and has been awarded the contract.

- C. **Cancellation of Award.** The City reserves the right to cancel the award of any contract at any time before the execution of said contract by all parties without any liability against the City.
9. Any person doing business or seeking to do business with the City shall abide by the following Global Sullivan Principles:
- A. Support universal human rights and particularly, those of employees, the communities within which you operate, and parties with whom you do business.
 - B. Promote equal opportunity for employees at all levels of the company with respect to issues such as color, race, gender, age, ethnicity, or religious beliefs, and operate without unacceptable worker treatment such as the exploitation of children, physical punishment, female abuse, involuntary servitude, or other forms of abuse.
 - C. Respect employee's voluntary freedom of association.
 - D. Compensate employees to enable them to meet at least their basic needs and provide the opportunity to improve their skill and capability in order to raise their social and economic opportunities.
 - E. Provide a safe and healthy workplace; protect human health and the environment; and promote sustainable development.
 - F. Promote fair competition including respect for intellectual and other property rights, and not offer, pay, or accept bribes.
 - G. Work with governments and communities in which you do business to improve the quality of life in those communities -- their educational, cultural, economic, and social well-being -- and seek to provide training and opportunities for workers from disadvantaged backgrounds.
 - H. Promote the application of these principles by those with whom you do business.

CITY OF WILMINGTON

CONTRACT 14068HRPS

P & C INSURANCE BROKERAGE SERVICES

TO ALL OFFERORS:

The City of Wilmington ("City") is seeking priced proposals from qualified firms to provide professional Insurance Brokerage services for the City's high-retention property and casualty (P & C) insurance programs.

Any questions concerning the project should be sent in writing to Philip Ceresini, at pceresini@wilmingtonde.gov. Responses to questions will be shared with all proposers. Questions will not be accepted within 7 days of the proposal due date.

GENERAL

The City of Wilmington, Delaware is seeking proposals from qualified firms to provide Professional P & C Insurance Brokerage Services in accordance with the specifications contained in this Request for Proposal. The process will result in the selection of one firm to provide future brokerage services.

The City has approximately 1,122 fulltime and 550 part-time and seasonal employees, serving a population of approximately 71,000 residents. The annual/budgeted payroll for fiscal year 2014 is \$64,217,179. During fiscal year 2013, the City received 220 Workers Compensation Claims, 37 Auto claims, and 38 General liability claims. See Exhibit A hereto for a further Profile of the City.

The City is currently self-insured for casualty losses, with the exception of special events and crime coverages. There is first party insurance coverage for commercial real property and hull and machinery.

Note: A copy of the City of Wilmington Fiscal Year 2014 Comprehensive Annual Budget is available through our website:

<http://www.wilmingtonde.gov/government/citybudget>

Once selected, the successful firm will be responsible for assisting in the initial placement, renewals, and ongoing P & C insurance needs of the City of Wilmington. The service provided will include the development of underwriting guidelines, placement of all insurance coverage, and periodic advice as to existing and renewal carriers, including financial solvency, and assistance

The City reserves the right to waive any formalities it deems appropriate and to reject any or all proposals. Failure to furnish the requested information will disqualify a broker candidate's proposal.

The City reserves the right to interview any, but not necessarily all, proposers.

Any contract for said services pursuant to this RFP must be approved by City Council before it will be effective.

Scope

The Contractor will market, present to the City, and place as directed by the City, insurance coverages for the City for Commercial Property, Workers Compensation, Automobile and General Liability, Automobile Physical Damage, Cyber Liability, Environmental Liability, Umbrella, and other recommended and desired coverages. The Contractor will advise the City as to what coverages to seek and obtain, which carriers to choose, and what retentions, deductibles and limits are most suitable on a cost/benefit/risk basis.

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The definitions and general provisions apply and are part of this Request for Proposal. Should the general provisions conflict with the Special Provisions, the Special Provisions shall prevail.

I. DEFINITIONS

“AGENCY” means the City of Wilmington, Division of Procurement and Records, Department of Finance.

“AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE” OR “AL” means high retention insurance coverage for liability to third parties for property damage or bodily injuries resulting from accidents outside the boundaries of the State of Delaware (within which municipal tort immunity damage limits apply), and first-party automobile physical damage coverage for high value vehicles regardless of location of any accident or incident or peril which caused such damage.

“CARRIER” means an insurance company authorized by the State of Delaware to sell insurance of the type to be issued.

“CITY” means the City of Wilmington, its elected and appointed officials, full and part-time and seasonal employees, and volunteers.

“CITY EMPLOYEE” means an employee of the City of Wilmington, including its elected and appointed officials, fulltime, part-time and seasonal employees, and volunteers.

“CLAIMS” means workers compensation or liability claims made by City employees or third parties against the City during the initial term of the Contract, or any extension thereof.

“CONTRACT” means the written agreement between the City and the successful proposer for the furnishing and delivery of any material or work to be performed pursuant to this RFP, and any contract documents referenced in the said written agreement, including without limitation, this RFP and any proposal submitted by the contractor in response thereto.

“CONTRACTOR” means any individual, firm or corporation or other entity with whom a contract is made by the agency.

“COMMITTEE” means the Proposal Review Committee that shall screen and evaluate all proposals.

“DEPARTMENT” means the City of Wilmington, Division of Procurement and Records, Department of Finance.

“GENERAL LIABILITY INSURANCE” OR “GL” includes, but is not limited to, general liability, excess liability, Public Officials and Employees (EPL), Public Entity Management, Employee Benefit Plan, Police Professional, and Crime high-retention insurance coverage.

“GENERAL PROVISIONS” means the instructions pertaining to City contracts in general.

"INSURANCE PROGRAM" means the City of Wilmington program of risk retention, loss control, funding for self insured loss reserves and contingencies, and insurance of property and casualty related risks.

"OFFEROR" means a proposer or vendor.

"PROPERTY & CASUALTY INSURANCE" includes, but is not limited to, Commercial Real Property, Contents, Inland Marine, and Boiler/Machinery insurance coverage.

"PROPOSAL" means the detailed offer of the proposer submitted in the required manner and setting forth the proposer's price(s) for performing the work or supplying the material(s) to be provided pursuant to the Request for Proposal.

"PROPOSER" OR "VENDOR" means an individual, firm or corporation or other entity formally submitting a proposal for the material or work contemplated, acting directly or through a duly authorized representative.

"REQUEST FOR PROPOSAL" OR "RFP" means this document and any other documents or materials provided to offerors upon request, including, but not limited to, the General, Scope, Definitions, Overview, Services, Special Provisions, Proposal Information, Required Format for Submission of Proposals, Criteria for Selection of Proposals/Review Process, General Provisions and Proposal Reply Sections.

"RISK MANAGEMENT" OR "RISK MANAGEMENT DIVISION" means the Risk Management and Employee Benefits division of the Department of Human Resources of the City of Wilmington.

"RISK MANAGER" means the Director of Risk Management and Employee Benefits of the City of Wilmington or his or her designee.

"SPECIAL PROVISIONS" means specific conditions or requirements particular to the contract under consideration, which supplement the general provisions. In the case of any conflict between general and special provisions, special provisions shall prevail.

II. OVERVIEW

The Agency seeks proposals for professional services to provide Property and Casualty (P & C) Insurance Brokerage Services.

The proposed schedule of events is as follows:

	Date/Time
Public Notice	3-11-2014
Deadline for Questions	3-25-2014
Deadline for the Receipt of Proposals	4-1-2014, 5:00 p.m.
Anticipated Contract Effective Date	5-1-2014

Proposals must conform to the requirements set forth in this RFP. Each proposal must be accompanied by a cover letter briefly summarizing the proposer's interest in providing the required professional services and the name, address, and telephone number of a contact person or persons.

Any duly qualified private for-profit or non-profit corporation, partnership, sole proprietor, or other legal entity which has or can timely obtain, before commencing the Contract, and maintain licensure for the entity and its employees as required by the Department of Insurance and other agencies of the State of Delaware, as well as State of Delaware and City of Wilmington business licenses ("qualified entity") is eligible to respond to this RFP, subject to the minimum requirements set forth herein. The successful applicant must provide proof of its qualification as part of its proposal.

III. SPECIAL PROVISIONS

A. ISSUING OFFICE

This RFP is issued by the City of Wilmington, Division of Procurement and Records, Department of Finance. The Department is the primary point of contact between the City and all proposers.

B. SCOPE OF RFP

This RFP contains instructions governing proposals to be submitted and the material to be included therein, a description of the services to be provided, requirements that must be met to be eligible for consideration and general evaluation criteria.

C. CONTRACT TERM/RENEWAL

The term of the contract shall be for 14 months beginning May 1, 2014, or as soon thereafter as possible, and ending June 30, 2015, with the availability of three (3) extensions

of one year each by mutual consent, to be reached at least ninety (90) days prior to the termination date of the Contract or extension thereof. Should no notice of desire to extend or terminate be transmitted in writing by either party to the other party prior to ninety (90) days prior to the said termination date, the Contract shall continue from month-to-month following the said termination date as before until an extension or termination agreement is reached. The Contract may be terminated for cause by either party upon thirty (30) days written notice, and by either party without cause upon 120 days written notice. The contractor shall be liable for the adjustment of all prior and new claims during the contract term, and to provide a full accounting and documentation of same in acceptable electronic and/or paper form in a timely manner upon termination thereof to any successive Contractor or the City, as directed.

D. BASIS OF AWARD

The City shall award this contract to the most responsible and responsive proposer who complies with the requirements of this RFP, best satisfies the criteria for selection, and meets the needs of the City. The award of a contract may be made upon criteria other than the lowest price. The City reserves the right to reject any or all proposals in whole or in part, to make partial awards, award by types, item by item, or lump sum total, whichever may be most advantageous to the City of Wilmington. The intent though is to award this contract to one (1) proposer.

In the sole discretion of the City, proposers submitting conforming proposals may be afforded an opportunity for discussion and revision of proposals. Negotiations may be conducted with responsible proposers who submit proposals found to be reasonable likely to be selected for award. The contents of any proposal shall not be disclosed so as to be available to competing proposers during the negotiation process.

E. INCURRING COSTS

The City will not be responsible for any expenses or costs incurred by any proposer in preparing and submitting a proposal or prior to the issuance of a contract.

F. RESPONSE DATE

To be considered, proposals must be received by the Division of Procurement and Records, Department of Finance, City of Wilmington, no later than 5:00 p.m., April 1, 2014. **Proposals shall be addressed as follows:**

City of Wilmington
Attention: Philip Ceresini
Department of Finance
Division of Procurement and Records
800 North French Street, 5th Floor
Wilmington, Delaware 19801

Proposals shall be delivered in sealed envelopes with the name and address of the proposer, and shall be labeled **"Sealed Proposal Contract 14068HRPS, City of Wilmington – P & C Insurance Brokerage Services."** The proposer bears the risk of delays in delivery. Proposals received after the time set will be returned unopened.

G. PROPOSALS

To be considered, proposers must submit a complete response covering all of the work items outlined in this RFP, using the format required by the RFP. A proposal may be rejected if it is incomplete or conditional.

The proposer must submit five (5) copies of the proposal in a sealed envelope marked with the proposer's name and address, and labeled **"Sealed Proposal Contract 14068HRPS, City of Wilmington – P & C Insurance Brokerage Services."** One of the copies shall be marked "Master Copy," and will contain original signatures in all locations requiring a proposer's signature.

Proposals must be signed by an individual authorized to bind the proposer to its provisions. Proposals must remain valid until June 1, 2014. Proposals should be prepared as simply and economically as reasonably possible, providing a straightforward, clear, and concise description of the proposer's ability to meet the requirements of the RFP. The selected proposal will become a part of the contract issued pursuant to the RFP. The Scope of Services and Contractor Qualifications paragraphs below should be responded specifically to by paragraph number in the proposal.

H. NEGOTIATIONS/ORAL PRESENTATIONS

Proposers who submit proposals may be required to make oral presentations of proposals. Such presentations provide an opportunity to clarify proposals to ensure thorough mutual understanding. Presentations will be scheduled at the sole discretion of the Agency.

I. PRIME RESPONSIBILITY/SUBCONTRACTING/ASSIGNMENT

The City will enter into a contract with the successful proposer. The successful proposer shall be responsible for all work required by this RFP and any contract issued pursuant thereto. Subcontractors, if any, must be clearly identified in the proposal. The City retains the right to approve any subcontractor.

Neither the successful proposer nor any approved subcontractor may assign or transfer any of its interest in its proposal or any subsequent contract issued pursuant to this RFP without the prior written consent of the City. Any such attempted assignment shall be void and constitute a breach of the requirements of this RFP and any contract subsequently issued pursuant thereto, and constitutes cause for termination as described above.

J. DISCLOSURE OF PROPOSAL CONTENT

Information provided in proposals will be held in confidence and will not be revealed or discussed with competitors prior to awarding the contract or otherwise. All materials submitted in connection with any proposal become the property of the City and may be returned only at the option of the City. Proposals may be reviewed and evaluated by any person other than competing proposers at the discretion of the City. Any information a proposer considers proprietary or otherwise not a "public record" should be so identified with a request that it not be disclosed to any third parties. Disclosure will then be controlled by the Delaware Freedom of Information Act (FOIA) or other applicable statutes or regulations as interpreted in the sole discretion of the City.

K. PRICE

The proposal must clearly identify the price of all work to be performed and include:

- A pricing structure that is clear, accountable, and auditable;
- The full spectrum of services required; and
- Specify the price during any contract renewal terms.
- Specify the pricing for any extra services, as described above.

Prices and/or rates will remain firm for the term of the contract and any renewal term thereof.

L. PAYMENT

Payments will be paid to the contractor in response to billings submitted to the City reflecting premiums from selected carriers for specific coverage (s), from which Funds, having been held in a separate account from the contractor's general operating account, the Contractor will issue drafts to carriers.

M. ADDENDA TO THE RFP

If it becomes necessary to revise any part of this RFP, revisions in writing will be provided to all potential proposers known to have received a copy of the RFP. Proposers shall acknowledge in writing receipt of all amendments, addenda, and changes in connection with this RFP by including a statement in the Proposal to that effect.

IV. PROPOSAL INFORMATION

A. PURPOSE

This Request for Proposal (RFP) seeks proposals for P & C Insurance Brokerage Services.

B. SCOPE OF SERVICES

The Contractor will, initially and on a continuing basis:

1. Review and evaluate the history of property, Workers Compensation (WC), Automobile (AL) and General (GL) liability claims against the City, including reports from the TPA, City-contracted actuary, City records or otherwise (the "Reports").
2. Make recommendations for additional or improved Reports to maximize the effectiveness of documenting of claim history, and predicting future claims and exposures of the City.
3. Review and evaluate the reserves and other projections contained in the Reports, and make recommendations for modifications thereof.
4. Make recommendations for loss control or other cost containment measures.
5. Provide the City with comparative information of entities comparable to the City as to loss control, cost containment, loss history comparisons, metrics and measures of performance in loss control and cost containment, and retention of risk versus insured exposures.
6. Represent the City during marketing and acquisition of property and high-retention AL and GL and workers compensation insurance, and place such coverage on or before July 1, 2014, while assuring that any GL quotes or policies take into consideration the limitations on claims against the City due to Delaware state municipal immunity laws found in the Delaware Code at Sections 4010-4013 of Title 10.
7. Assist and advise the City with all claims tracking and reporting to assure mandatory and recommended reports are made to carriers and otherwise.
8. Review during initial and renewal insurance placement, and continuously monitor the reported solvency and financial status, A.M. Best and other ratings, NAIC and State regulatory status of prospective and selected carriers.
9. Keep the City apprised of proposed and actual changes in laws or regulations affecting the City's exposures and insurance coverages known to the brokerage community or associated organizations, such as the National Association of Insurance Commissioners (NAIC), Public Risk Management Association (PRIMA), Property Casualty Insurers Association of America (PCI), and American Insurance Association (AIA).
10. Maintain an office within a seventy-five (75) mile radius of the center of Wilmington, Delaware with available staff of not less than four (4) qualified, Delaware licensed and bonded P & C brokers, two of whom are, and who are supervised by an individual familiar with all phases of Delaware workers' compensation, liability and insurance laws, as applicable, with at least seven (7) years experience for the supervisor and three (3) years experience for the brokers in the area (s) to which they are to be assigned.

11. The brokers and supervisors to be assigned to this contract shall provide resumes in which education and experience generally and in Delaware are listed, as well as initial and recurrent and ongoing planned continuing broker education in Delaware workers' compensation, liability, and insurance laws and regulations are specifically listed, with particular emphasis on the Delaware sovereign immunity laws mentioned above precluding or limiting the liability of the City, listing providers of the training received and planned, and listing hours spent and to be spent periodically going forward.
12. Maintain a tickler/reminder system to which designees within Risk Management has access, of dates when policy renewals, reports and other actions under the Insurance Program are due. Keep Risk Management abreast of the status of each policy renewal, status of and when each report has been filed or action taken, and scan and provide documentation of such status, reports and other actions via email to the Risk Manager, with backups of same saved into an electronic system to which designees within Risk Management have access.
13. Provide a designated broker assigned to the City who shall provide and exchange with the Risk Manager cell phone and discrete office phone numbers and email addresses, with urgent 24/7 access to the Risk Manager as needed, and vice versa, with a designated backup broker in the event the primary broker is not available with the same information available to the Risk Manager and the backup broker.
14. Assure that all routine phone calls and emails to said designated brokers are returned within twenty-four (24) hours, with urgent calls or emails returned within four (4) hours.
15. Meet with Risk Management and/or other City managers with the assigned brokers and supervisors as needed, but routinely on a quarterly basis, to discuss strategies for loss and cost control, and specific Insurance Program, policy or claim matters.
16. Ensure, working with the City and TPA and otherwise, the notification of insurance carriers of claims and/or occurrences at predetermined levels, and as to specific injuries or losses required by those insurance carriers, and documentation of same as provided in subsection IV, B, 12 above. Provide information and status of claims as requested by the insurance carriers.
17. Notify the City within 24 hours of professional staff turnover, and provide resumes for replacement personnel for review and approval prior to making assignments to the program.
18. Brokerage services shall be provided in compliance with applicable federal, state, and local laws and requirements, and/or ordinances relating to such services.
19. The contractor shall maintain and keep all records directly related to City accounts in a redundant system, electronically or otherwise, to assure their safekeeping and inspection and/or return to the City as herein provided.

20. The contractor shall, upon reasonable notice and at a reasonable time during normal business hours, allow authorized City designees the privilege of inspecting, examining and/or auditing records which are directly related to City's accounts.
21. All reports, documentation, and material developed or acquired by the contractor as a direct requirement specified herein shall become and remain the property of the City. The contractor shall agree and understand that all discussions with the contractor and all information gained by the contractor as a result of the contractor's performance under the contract shall be confidential, and that no reports, documentation, or material prepared as required by the contract shall be released to the public without the prior written consent of the City.
22. Upon expiration, termination, or cancellation of the contract, the contractor shall assist the City to ensure an orderly transfer of responsibility and/or continuity of those services required under the terms of the contract to an organization designated by the City or its designee, if and as requested in writing.
23. The contractor shall deliver to the City all records, documentation, reports, data, recommendations, master, or printing elements, etc., which were required to be produced under the terms of the contract to the City and/or to its designee within seven (7) calendar days after receipt of a written request. Any and all records which are on electronic media must be delivered in a format which is compatible with or convertible to the system(s) currently in use by the City or its designee.
24. If necessary to assure a smooth transition to another vendor and continuity and renewals of insurance coverages, upon termination, or during periods of suspension of the contract, or otherwise, the contractor shall agree to continue providing any part or all of the services in accordance with the terms and conditions of the contract for a period not to exceed ninety (90) calendar days after the expiration, termination, or cancellation date of the contract for a price not to exceed those prices set forth in the contract, subject to the extension and other provisions herein.
25. Participate in meetings upon request.
26. Prepare and/or assist the City with appropriate responses to audits and inquiries of all regulatory agencies.
27. The contractor shall maintain and keep all records directly related to City accounts.
28. The contractor shall deliver to the City all records, documentation, reports, data, recommendations, master, or printing elements, etc., which were required to be produced under the terms of the contract to the City and/or to its designee within seven (7) calendar days after receipt of a written request. Any and all records which are on electronic media must be delivered in a format which is compatible with the system(s) currently in use by the City or its designee.

29. If necessary to assure a smooth transition to another vendor, during periods of suspension of the contract as hereinafter set forth, or otherwise, the contractor shall agree to continue providing any part or all of the services in accordance with the terms and conditions of the contract for a period not to exceed ninety (90) calendar days after the expiration, termination, or cancellation date of the contract for a price not to exceed those prices set forth in the contract, subject to the extension and other provisions herein.

C. CONTRACTOR QUALIFICATIONS.

The Contractor shall have, at a minimum, the following qualifications, subject to written waiver in the sole discretion of the City if the overall experience of the proposer, and anticipated enhancement actions warrant same:

1. Must be primarily engaged in the business of providing comprehensive P & C Insurance Brokerage Services, including self-insured and Delaware clients, and must have actively provided this service for a period of no less than five (5) years, with available staff of four (4) qualified, licensed and bonded P & C insurance brokers, two of whom are, and who are supervised by an individual familiar with all phases of Delaware workers' compensation law or liability laws, as applicable, with at least seven (7) years experience for the supervisor and three (3) years experience for the brokers in the area (s) to which they are to be assigned. The firm must have been in existence and have had a substantial client base in Delaware for at least five (5) years.
2. The brokers and supervisors to be assigned to this contract shall provide resumes in which education and experience generally and in Delaware are listed, as well as initial and recurrent and ongoing planned continuing broker education in Delaware workers' compensation, liability, and insurance laws and regulations, with particular emphasis on the Delaware sovereign immunity laws mentioned above precluding or limiting the liability of the City, listing providers of the training received and planned, and listing hours spent and to be spent periodically going forward.
3. Delaware Business License.
4. Licenses for all operational and supervisory personnel as required by DE law.
5. Have sufficient staff to complete the actions outlined here.
6. Three (3) business or government references of self-insured or high retention insured clients served for at least two (2) years.

D. INSURANCE REQUIREMENTS

Workers' Compensation & Employer's Liability Insurance

Vendor shall purchase and keep in force and effect workers' compensation insurance that will provide the applicable statutory benefits for all of the vendor's employees who may or do suffer covered injuries or diseases while involved in the performance of their work for the Vendor; and, even if permitted to do so by statute, Vendor shall not reject any workers compensation insurance option that, in the absence of such a rejection, would be applicable to any of the said employees. The policy providing the workers' compensation insurance shall include: (1) broad form all-states coverage; (2) an endorsement that specifically waives any subrogation rights the insurer would otherwise have against the City of Wilmington, its officials or employees.

Vendor shall purchase, and keep in force and effect, Employers' Liability insurance with maximum limits for each employee of \$1,000,000 for each bodily injury by accident, or occupational disease, and \$1,000,000 aggregate maximum limits for all bodily injuries by accidents and occupational diseases within the coverage period, regardless of the number of employees who may sustain bodily injuries by accident or occupational disease.

Automobile and General Liability Insurance

Vendor shall purchase: (1) motor vehicle liability coverage, for owned, hired and non-owned vehicles, covering any and all claims for bodily injury and property damage that arise out of Vendor's performance of work for the City of Wilmington, (2) comprehensive Commercial General Liability (CGL) insurance with limits of no less than \$1,000,000 each occurrence and \$2,000,000 annual aggregate. The CGL policy shall be extended by endorsement or otherwise to also include (a) coverage for Contractual Liability assumed by Vendor, with defense provided in addition to and separate from policy limits for indemnities of the named insured, (b) coverage for Independent Contractor Liability providing coverage in connection with such portion of the Services being subcontracted prior to any of the Services being subcontracted, in accordance with the terms and conditions of this Agreement, (c) coverage for Broad Form Property Damage Liability, (d) coverage for Personal Injury and Advertisers Liability, (e) products and completed operations.

Professional Liability Insurance

Each vendor shall provide professional liability insurance with limits of at least \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

All insurance required under this contract except workers' compensation, employers liability, and professional liability shall be provided on a policy(s) that specifically names the City of Wilmington, its officials and employees as additional insureds.

Each policy shall provide an endorsement that specifically waives any subrogation rights the insurer would otherwise have against the City of Wilmington, its officials or employees. Each policy shall be endorsed to require the insurer to give the City of Wilmington at least thirty (30) days' advance written notice of the insurer's intention to cancel, refuse to renew, or otherwise terminate the policy, suspend or terminate any coverage under the policy, or reduce any policy limits, increase any policy deductibles, or otherwise modify or alter any terms or conditions of the policy or renewal issued by the same insurer.

Each policy shall be written by a carrier licensed by the State of Delaware to do insurance business of the type involved in the State of Delaware, and which has, and maintains for the life of this contract, at least an "A" rating from the A.M. Best Agency with "Stable" outlook.

Any change in this rating or outlook must be related to the City of Wilmington by the Vendor or insurance carrier as soon as possible upon learning of same; and the Vendor shall use due diligence with its insurance broker or carrier to keep track of same.

All insurance required under this contract except workers' compensation, employer's liability and professional liability shall expressly provide that such insurance shall be primary insurance; and any similar insurance in the name of Vendor shall be excess and non-contributing.

Deductibles for insurance provided under this contract shall not exceed five percent (5%) of policy limits.

V. REQUIRED FORMAT FOR SUBMISSION OF PROPOSALS

A. COMPILATION OF PROPOSALS (FORMAT)

Proposals must be submitted with labeled tabs or labeled colored divider sheets as described in the paragraphs below. Any other information thought to be relevant, but not applicable to these categories, should be provided as an appendix to the proposal. Paragraphs under Scope of Services and Contractor Qualifications should be responded to by numbered paragraph.

If a proposal contains material that a proposer considers to be exempt from the definition of a "public record" under the provisions of the Delaware Freedom of Information Act, it should be so marked and include a reference to the specific subsection of the Delaware Code under which the exemption is claimed. However, the Agency reserves the right to make a final determination as to whether any such material is a public record.

B. COVER LETTER

Each proposal will have a cover letter on the letterhead of the proposer submitting the proposal. The cover letter will briefly summarize the proposer's ability to provide the services specified in the RFP and any other value-added services not specifically requested.

The cover letter must be signed by a representative who has the legal capacity to enter into a formal contract with the City on behalf of the proposer.

C. TABLE OF CONTENTS; PAGE NUMBERING

Each proposal should have a table of contents, and tabs for sections identified therein. Pages should be numbered consecutively from beginning to end of the proposal, not within sections.

D. DESCRIPTION OF SERVICES AND STAFF TO BE PROVIDED

Include a detailed narrative description of the services to be provided, by whom and how in satisfaction of the requirements set forth in the SPECIAL PROVISIONS, GENERAL PROVISIONS, AND SCOPE OF SERVICES sections of this RFP, and following a logical order from the beginning of processing each claim to the end.

Please include flowcharts describing the decision process for use by an adjuster to manage a claim including contact with claimant and employing department and use of services or medical examinations, occupational/vocational rehabilitation, review of medical bills, adjustment of medical bills to usual, customary and reasonable, and surveillance.

Describe in detail the proposer's experience and qualifications to implement and manage the claims adjustment program contemplated by this RFP. Provide evidence that the proposer has been in the business of providing claims adjustment services for not less than five (5) consecutive years immediately prior to submitting the proposal, as well as the other items listed under Contractor Qualifications above. Indicate the proposer's prior experience in implementing similar programs for other public entities describing any such experience in detail and providing names, addresses, telephone numbers and the job title of contact persons for each such public entity.

Describe the proposer's staff resources and their geographical location and state the proposer's present and/or proposed operations in Delaware with other government or self insured private or public entities. Indicate staff size and any special capabilities, particularly those relevant to this project, and profile your client mix by industry.

Identify the persons in your organization who will be involved in key activities implementing and managing the work to be done pursuant to this RFP; state their respective functions; and provide a brief resume of each individual's professional experience and other qualifications, as provided above. Identify one person who will ultimately be accountable for the development of the services to be provided pursuant to this RFP.

E. ESTIMATED COST PROPOSAL

Proposals are to provide a fixed annual fee for the initial year of the contract and each subsequent year with a provision for supplemental billing on a per case basis in the event takeover or annual claims exceed the number of expected claims the proposal is based upon, by category. A separate schedule of fees for optional services described above or otherwise offered should be provided.

Alternate cost proposals may also be included as additions, but only if accompanied by a detailed explanation.

F. EXHIBITS

The proposer must include specimen copies of reports with regard to claim records and a copy of the Causes of Loss table utilized by the proposer. Other exhibits may also be included in this section.

G. DRAFT FORM OF CONTRACT

Attach a draft form of contract that complies with the requirements of this RFP.

H. CONDITIONS

State with specificity any conditions to the proposer's proposal.

VI. CRITERIA FOR SELECTION OF PROPOSALS/REVIEW PROCESS

A. PROPOSAL REVIEW COMMITTEE

The Proposal Review Committee (PRC) shall be composed of members selected by the City's HR Director. The PRC shall determine which proposers meet the minimum requirements pursuant to the selection criteria and shall interview at least one of those proposers. The PRC or Department may negotiate with one or more of the qualified proposers, and may, in its discretion, terminate negotiations with any or all proposers. The PRC shall make a recommendation to the HR Director regarding the award of a contract. Subject to the provisions of this RFP and any applicable laws, the Director of Human Resources shall have the final authority to award a contract to the successful proposer.

B. PROPOSAL SELECTION CRITERIA

1. MINIMUM REQUIREMENTS TO BE CONSIDERED

The following requirements must be met in order for a proposal to be considered:

- a. The proposer must provide evidence that the proposer meets to requirements of section IV, C. above.
- b. The proposer must provide evidence of insurance, or representation that such has been arranged for in the event the contract is award, as provided above.
- c. The proposer must provide evidence that, at the time at which the proposal is filed, the proposer maintains available staff of qualified, licensed, bonded brokers supervised by a person with at least seven (7) years of similar experience, and the qualifications and background listed above.
- d. The proposer must provide evidence that the proposer possesses valid State of Delaware and City Business, Insurance or other required Licenses, or a signed commitment to obtain same upon the award of this contract.

2. EVALUATION

Proposals that meet the foregoing minimum requirements will be evaluated by the PRC.

The proposals shall contain the essential information from which the award decision will be made. The information required to be submitted in response to this RFP has been determined by the HR Director to be essential for use by the committee in the proposal evaluation and award process. Therefore, all instructions in this RFP shall be met in order to qualify as a responsive and responsible proposer and participate in the PRC's consideration for award. Proposals that do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the committee.

The City reserves the right to:

- a. Reject any and all proposals received in response to this RFP, or to make no award, or to issue a new RFP.
- b. Waive, reject, or ignore any information, irregularity, or inconsistency in proposals received.
- c. Request modifications to proposals from any or all proposers during review and negotiation.

- d. Negotiate any aspect of the proposal with any proposer, and negotiate with more than one proposer at the same time.
- e. Select for contract or for negotiation a proposal other than that with the lowest cost.

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be included, but not limited to, by the PRC to evaluate proposals:

- a) Experience and demonstrated ability to comply with the requirements of a contract of the magnitude of that described in Section IVB- Scope of Services of this RFP.
- b) Reputation in the insurance industry and among trade organizations and clients formerly and currently serviced.
- c) Demonstrated experience, facilities and staff to perform the contract.
- d) Proximity to the City.
- e) Pricing for the services required by this RFP as submitted by the proposing firms.

SECTION VII. GENERAL PROVISIONS

A. PREPARATION OF PROPOSAL

The proposer's proposal shall be typewritten.

B. WITHDRAWAL OF PROPOSALS

A proposer may withdraw an unopened proposal after it has been deposited with the City, if such request is made in writing and received by the City prior to the time set for the opening of the proposal.

C. DISQUALIFICATION OF PROPOSERS

Any one or more of the following causes may be considered sufficient for the disqualification of a proposer and the rejection of a proposal.

1. More than one proposal for the same contract from an individual, firm, corporation, or other business entity under the same or different names.
2. Evidence of collusion among proposers.
3. Failure to return the Non-collusion Statement provided near the end of this package with the bid or proposal. The proposal marked "Master Copy" must have handwritten signature(s). Signature stamps or photocopies of signatures are not acceptable for the

Master Copy. Photocopies of the Master Copy may be used for additional copies of the proposal.

4. Unsatisfactory Performance record as evidenced by documented past experience.
5. Failure to satisfy any minimum qualification in the RFP, except as waived as described above.
6. Filing an incomplete or unresponsive proposal.
7. Unauthorized additions, interlineations, conditional or alternate proposals or irregularities which make the proposal incomplete, indefinite or ambiguous as to its meaning.

D. SIGNING OF CONTRACT

The proposer to whom the award is made shall timely sign a formal contract. If the successful proposer fails to sign a formal contract as aforesaid, the City may revoke the award and proceed as if the proposer's proposal had been rejected.

E. PERFORMANCE OF WORK

All work described in this RFP must be completed with reasonable promptness in the judgment of the City.

F. CONTRACTOR RESPONSIBILITY

The contractor shall be responsible for all services required by this RFP. Subcontractors, if any, must be clearly identified in the proposal and are subject to the approval of the City. Notwithstanding any approval for the use of any subcontractor, the contractor shall continue to be fully responsible for all services required by this RFP.

G. PERSONNEL

The contractor represents that he has or will secure, at contractor's own expense, all personnel required to perform the services required under this contract, and will pay all costs and expenses incident thereto.

All of the services required hereunder shall be performed by the contractor or under its direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.

None of the work or services covered by the contract shall be subcontracted without the prior written approval of the City.

H. INTEREST OF CONTRACTOR

The contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree in performing any services under the contract. The contractor further covenants that in the performance of this contract, no person having such interest shall be employed or subcontracted with.

I. COVENANT AGAINST CONTINGENT FEES

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees. For breach or violation of this warranty, the City shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

J. GRATUITIES

If it is found, after notice and hearing, by the City that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the contractor or any agent of the contractor to the City with a view toward securing a contract, or securing favorable treatment with respect to the awarding, amending or making of any determinations relating to the performance of the contract, the City may, by written notice to the contractor, terminate the right of the contractor to proceed under the contract and/or may pursue such other rights and remedies provided by law or under the contract.

K. AUDIT ACCESS TO RECORDS

The contractor shall maintain books, records, documents, and other evidence pertaining to the contract to the extent and in such detail as shall adequately reflect performance hereunder. The contractor agrees to preserve and make available to the City, upon request, such records for a period of ten (10) years from the date services were rendered by the contractor. Records involving matters in litigation shall be retained for ten (10) years following the termination of such litigation. The contractor agrees to make such records available for inspection, audit, or reproduction to any official City representative.

L. LAWS TO BE OBSERVED

The contractor is presumed to know and shall strictly comply with all national, state, county, and city laws, ordinances, and regulations in any manner affecting the work to be done pursuant to this RFP. The contractor shall defend, indemnify, and hold harmless the City of Wilmington, this agreement, and all officers, agents, and employees thereof against any claim, liability, or cost, including attorney's fees arising from or based upon the violation of any such laws, ordinances, or regulations, whether by the contractor or by its officers, agents, employees or subcontractors.

M. PERMITS AND LICENSES

All necessary permits, licenses, insurance policies, etc., required by local, state, or federal laws, shall be provided by the contractor at its own expense.

N. APPROPRIATION OF FUNDS

In the event that the City Council fails to appropriate the specific funds necessary to initially fund or continue the contract, either in whole or in part, the contract shall be suspended pending appropriations, limited as appropriated for, or terminated as to any obligation of the City requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds, whichever shall occur first. Notwithstanding, the contractor shall continue to service the contract during any such period upon mutual agreement for a reasonable time to assure that City claims status is not compromised during such periods.

O. NON-DISCRIMINATION

In performing the services required by this RFP, the contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, sexual orientation, marital status, disability, age or veteran status. The contractor shall comply with all federal and state laws, regulations, and policies concerning the prevention of discriminatory employment practice. Failure to comply with these provisions is a material breach of the contract.

P. INDEMNIFICATION

The contractor agrees to defend, indemnify and otherwise hold harmless the City of Wilmington, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses and attorneys' fees, arising out of the contractor's, its agents, employees and subcontractors' performance of work or services in connection with the contract.

Q. CONTRACT DOCUMENTS

This RFP, the successful proposal, and contract shall be part of and constitute the entire Agreement entered into by the City and any proposer. In the event that there is a discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter:

- Contract
- RFP
- Proposal

R. ASSIGNMENT

Neither the contract, nor any part of it, may be assigned except with the prior written consent of the City, and any attempted such assignment shall be void and of no effect.

S. CHOICE OF LAW

The contract shall be governed by and interpreted under the laws of the State of Delaware and City of Wilmington, without regard to principles of conflicts of laws. The contractor consents and agrees that jurisdiction and venue shall lie in the courts of the State of Delaware for any litigation brought under the contract.

VIII. PROPOSAL REPLY SECTION

If you do not desire to file a proposal in response to this RFP, please fill out the No Proposal Reply form and return it to the Division of Procurement and Records at the address set forth above by 5:00 p.m., on April 1, 2014. If you desire to file a proposal, please respond in accordance with the requirements of the RFP and submit a completed Non-Collusion Statement in the form, which follows. Failure to submit the form with your proposal will result in your proposal being disqualified from further consideration.

CITY OF WILMINGTON
DEPARTMENT OF FINANCE
800 NORTH FRENCH STREET, 5TH FLOOR
WILMINGTON, DELAWARE 19801

NO PROPOSAL REPLY FORM

Contract Title: RFP for P & C Insurance Brokerage Services

Contract No. 14068HRPS

To assist us in obtaining good competition on our Request for Proposals, we ask that each firm that has received an invitation, but does not wish to submit a proposal, state their reason(s) below and return in a clearly marked envelope displaying the contract number. This information will not preclude receipt of future invitations unless you request removal from the Vendor's List by so indicating below, or do not return this form or bona fide proposal.

Unfortunately, we must offer a "No Proposal" at this time because:

- ☐ 1. We do not wish to participate in the proposal process.
- ☐ 2. We do not wish to submit a proposal under the terms and conditions of the Request for Proposal document. Our objections are:
- ☐ 3. We do not feel we can be competitive.
- ☐ 4. We cannot submit a proposal because of the marketing or franchising policies of the company.
- ☐ 5. We do not wish to contract with the City. Our objections are: _____

- ☐ 6. We do not provide the items/services on which proposals are requested.
- ☐ 7. Other: _____

FIRM NAME

SIGNATURE

Contract Title: RFP for P & C Insurance Brokerage Services

Contract 14068HRPS Proposal Due Date: April 1, 2014, 5:00 p.m.

NON-COLLUSION STATEMENT

This is to certify that the undersigned offeror has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive proposals in connection with this proposal submitted this date to the City of Wilmington, Division of Procurement and Records.

It is agreed by the undersigned proposer that the signed delivery of this proposal represents the proposer's acceptance of the terms and conditions of this Invitation to Proposal including all specifications and special provisions.

NOTE: Signature of the authorized representative MUST be of an individual who legally may enter his/her organization into a formal contract with the City of Wilmington.

COMPANY NAME _____ (Check one)

<input type="checkbox"/>	Corporation, State:
<input type="checkbox"/>	Partnership, State:
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Other (Specify)

NAME OF AUTHORIZED REPRESENTATIVE _____

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

FEDERAL E.I. NUMBER _____ STATE OF DELAWARE BUSINESS
LICENSE NUMBER _____

		(circle one)
COMPANY CLASSIFICATIONS: CERT. NO.	Disadvantaged Business Enterprise (DBE)	Yes No

[The above table is for information and statistical use only.]

FINANCIAL INFORMATION SHOULD BE SENT TO:

COMPANY NAME _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, director, officer, partner, or proprietor been the subject of a federal, state, local government suspension or debarment?

YES _____ NO _____ If yes, please explain _____

THIS PAGE SHALL BE SIGNED, NOTARIZED, AND RETURNED FOR YOUR PROPOSAL TO BE CONSIDERED

STATE OF _____

SS

COUNTY OF _____

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day
of _____, 20____.

Notary Public _____

Commission Expires _____

ACCOUNT PROFILE FOR CITIES AND COUNTIES (11/18/13)

City of Wilmington

800 North French Street
Wilmington, DE 19801

Contact: Risk Management
302-576-2470

Population: 71,000
Budget: \$146,926,834
Payroll: \$ 64,217,179
Employees: 1,122

Bond Rating: Moody's- Aa2; S&P- AA-; Fitch-AA (a/o 11/15/13)

Website: www.wilmingtonde.gov

TPA

Name of Firm: PMA Management Corp.
Contact Person: Michael J. Sharkey, Sr. Claims Service Manager
Michael.Sharkey@pmagroup.com
484-530-8224 (office)
Address: PMA Companies, Member of Old Republic Companies, One
Tower Bridge, Suite 1200, W. Conshohocken, PA 19428
Type of Service: Adjusting, Reserve Setting, Loss Runs, Data Management
Onsite Claim Handling
Term of Service: Annual (currently in extension through January, 2014
pending RFP results.

Streets and Roads

Paved Miles: 199
Unpaved Miles: 0
Bridges: 0 City is responsible for.

Amusement Parks: 0

Beaches/Lakes: 0

Clinics

Type and Number of Locations: Medical Dispensary for City Employees
Total Outpatient Visits/yr.: 3151
Physicians/Nurses: Nurse-City Employee
Doctor-Independent Contractor-Own Insurance

Dams: 0

Exhibit A

Daycare: 0

Exhibition
/Convention 0
Centers

Firefighters

Total: 172
Payroll: \$10,379,642
EMTs/Paramedics 130 EMTs (4 are Certified Paramedics)
Volunteers: 0
Training: Provided

Firehouses

Number: 7
Apparatus: 2 at Stations 1,2,3,6
3 at Stations 4, 5
6 at Station 7 (watercraft-see below)
Size: Stations 1-4, and 6- 9,116 Sq. Ft. each
Station 5-12,000 sq. ft.
Station 7 4,900 sq. ft.

Watercraft-Fire

Number: 6
Description: Metalcraft Fire Storm 70'
Boston Whaler 21'
Zodiac 16'
Grumman 16'
Avon 10'
SILVERSHIP 34'

Law Enforcement

Police Officers: 317
Payroll \$21,332,825
Reserves: 0
Accreditation: Council on Accreditation for Law Enforcement
Ride-Along: Waivers Signed

Jail: 0

Holding Facilities

Facilities: 1
Cells: 10
Length of Stays: Up to 72 Hours
Sq. Footage 9- 80 Sq. Ft. each
1-400 Sq. Ft.

Exhibit A

Security: Total: 1,120 Sq. Ft.
24/7

Housing: 0

Landfills: 0

Golf Courses:

Number of Courses: 2

Owner/Operator: City of Wilmington/Billy Casper Golf

Annual Receipts: \$2,000,000 +-

Golfmobiles

Number: 57

Annual Receipts: \$200,000 +-

Marinas: 0

Nursing Homes: 0

Recreational Facilities

Major Neighborhood Parks: 24

Playgrounds: 26

Parkways and Boulevards: 7

Triangles, Square Plazas,
And Monuments: 19

Swimming Pools: 5

Recreation Centers: 1

Indemnification: Yes-for large events

Schools: 0

Special Events

Various sports tournaments, Festivals, banquets, League sports and camps,
First Night, July 4th, Jazz Festivals, Film Festival, Misc. Wellness and
Fitness and Senior Days

Stadiums: 0 (One owned but leased to State)

Exhibit A

Transportation

Public Transportation: None
City Vehicles: 474 tagged, 42 not tagged
Monitoring of Drivers: DMV Records checked once yearly
All receive Defensive Driving Course
Maintenance: Contracted to First Vehicle Services-
Maintained to Manufacturer Specifications

Utilities

Sewer Lines: 200 miles
Water Lines: 550 miles

Zoos: 0 (One in City Park owned but leased to State and non-profit)

Buildings and other Structures

Number: 37 +-
Value: \$83.3 Million
Contents: \$ 4.2



Willis

**Response to RFP for
Property & Casualty
Insurance Brokerage
Services**

PREPARED FOR

**THE CITY OF
WILMINGTON, DE**

Contract 14068HRPS

PRESENTED BY WILLIS OF DELAWARE, INC.

March 31, 2014

Willis

Office: (302) 658 8000
Toll Free: (800) 441 9385
Fax: (302) 658 8879
Website: willisofde.com / www.willis.com

March 31, 2014

EMAIL: larry.zutz@willis.com
DIRECT DIAL: 302-397-0180

City of Wilmington
Attention: Philip Ceresini
Department of Finance
Division of Procurement & Records
800 French Street, 5th Floor
Wilmington, DE 19801

Re: Request for Proposal Property & Casualty Insurance Brokerage Services
Contract 14068HRPS

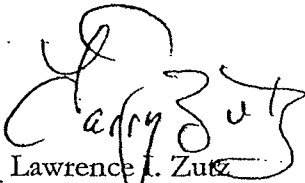
Dear Mr. Ceresini:

We are pleased to enclose with this letter, one original and four copies of our response to your Request for Proposal for Insurance Brokerage Services, Bid # 10PP-001.

We thank you for the opportunity to be of service and look forward to hearing from you in the near future regarding our Response to your RFP.

Sincerely,

WILLIS OF DELAWARE, INC.



Lawrence J. Zutz
President

LIZ/co

Enclosures

Willis of Delaware, Inc.
222 Delaware Avenue, Suite 1000
P.O. Box 2287
Wilmington, DE 19899

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	D. Service Team Biographies and Team Chart	
	E. Statistical Claim Report (ABC Company)	
	F. Licenses	

Prepared Especially for the City of Wilmington by Willis of Delaware, Inc.

For further information, please contact:

Carolyn S. Olenik

Telephone: 302-397-0347

Fax: 302-658-8879

E-mail: carolyn.olenik@willis.com

**Address: Willis of Delaware, Inc.
222 Delaware Avenue, Suite 1000
P.O. Box 2287
Wilmington, DE 19899**

Cover picture source: http://en.wikipedia.org/wiki/File:Wilmington_Delaware_skyline.jpg

SECTION 1

DESCRIPTION OF SERVICES

Willis is very excited for the opportunity to respond to The City of Wilmington's Request for Proposal for insurance brokerage services. Our focus in this response is to address your needs and requirements as defined in your RFP and match those needs with our resources. We believe the solutions we propose fit ideally with your needs and we trust you will find the same.

Based on your RFP, we believe your goal is to secure the services of a qualified insurance broker that will:

- Represent your insurance needs;
- Assist you with the placement of selected insurance coverages and/or other risk transfer methods;
- Advise and assist you with claims tracking and reporting to assure mandatory reports are prepared;
- Assist with loss control and prevention including audits of departments;
- Monitor the solvency and financial status, AM Best and other ratings, NAIC and State regulatory status of selected insurance carriers; and
- Provide comparisons and evaluations of your claims and loss data.

As you review the enclosed material, you will find that all of your goals are an integral part of the way we conduct business every day and each of your goals is individually addressed.

Willis Group Holdings, plc is a leading global risk advisor and insurance and reinsurance broker and one of the top three largest insurance intermediaries in the United States and the world. With roots dating to 1828, Willis operates today on every continent with more than 17,000 employees in over 400 offices. All of the work for The City of Wilmington, Delaware, will be managed through our Wilmington location but will draw from Willis talent in our international network. Willis is a publically held corporation that is traded on the New York Stock Exchange under the symbol WSH. No group, fund, nor individual person owns 10% or greater of WSH stock.

We Have Been Providing Insurance Services To Our Clients For Over 186 Years.

The Nineteenth Century

Willis of Delaware, Inc. was founded in 1940 as Harry David Zutz Insurance, Inc., providing property and casualty insurance brokerage services. The Zutz Insurance Group was the largest independently owned insurance brokerage in Delaware until March 2006, when it became part of Hilb Rogal & Hobbs (HRH), which was founded in 1982. In October 2008, HRH merged with Willis, making it one of the world's largest and oldest insurance brokers with over 186 years of service.

The Twentieth Century

Willis of Delaware, Inc. was founded in 1940 as Harry David Zutz Insurance, Inc., providing property and casualty insurance brokerage services. The Zutz Insurance Group was the largest independently owned insurance brokerage in Delaware until March 2006, when it became part of Hilb Rogal & Hobbs (HRH), which was founded in 1982. In October 2008, HRH merged with Willis, making it one of the world's largest and oldest insurance brokers with over 186 years of service.

The Twenty-first Century

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Our local office located at 222 Delaware Avenue, Suite 1000, Wilmington, Delaware, has been in continuous operation for over 76 years with a staff of 43 talented men and women – 31 of whom are licensed insurance professionals. The tenure of the majority of our Delaware staff ranges from 5 years to 50 years and we are licensed in all 50 States.

Willis offers its clients superior expertise, teamwork, innovation, and market-leading products and professional services in risk management and transfer. Our experts rank among the world's leading authorities on analytics, modeling, and mitigation strategies at the intersection of global commerce and extreme events. Find more information at our website (www.willis.com), our leadership journal, *Resilience* (<http://resilience.willis.com/>), or our up-to-the-minute blog on breaking news, WillisWire (<http://blog.willis.com/>).

Across geographies, industries, and specializations, Willis provides its local and multinational clients with resilience for a risky world.

At Willis, we honor our clients at every interaction. We never take a client's business for granted, knowing that their trust must be earned. We will continually demonstrate our values as an indispensable strategic partner and trusted advisor. Our unwavering focus is on helping our clients protect their assets and fulfill their objectives.

Our key differentiator is the Willis "One Flag" culture, which means that we work together as a single team across all our Business Units to deliver exceptional value to our clients. In this way our client partnership model becomes a unique strength.



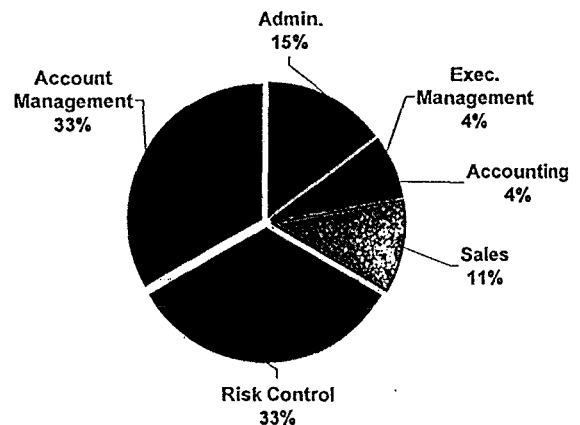
The formula for success has been centered on a fairly simple set of beliefs:

- Focus on clients' exposures and issues;
- Be honest, ethical, proactive, and creative in dealing with each and every customer;
- Each associate must become an "expert" in their chosen field;
- In order to be successful in a service organization, you must have a sense of urgency to accomplish service requests from the client;
- Senior Management will be involved throughout the relationship with our clients; and
- Develop meaningful relationships with our insurance companies based on mutual respect.

Willis's Customer Service Philosophy & Approach to Customer Service

We operate within a culture that strives for continuous improvement and we put a strong emphasis on measuring the quality of our services. As evidenced by the exhibit below, we place importance on servicing the client. Everything at Willis begins with the customer. We rely heavily on customer feedback by asking whether our customer's expectations are being exceeded.

Ratio of Service to Sales Personnel is 8 to 1



We believe the quality of our team and high percentage of our staff dedicated to service functions are primary reasons why our client retention ratio is 96%.

WHY WILLIS?

1. **Strength:** As one of the three largest brokers in the United States and in the world, Willis is positioned to provide the professional level of risk management expertise coupled with creative approaches to insurance program design and execution that is consistent with The City of Wilmington's increasing service expectations.
2. **Client First:** Willis's culture is founded on achieving operational excellence as defined by our commitment to best professional service, continual process improvement, and, most importantly, customer satisfaction.
3. **Expertise:** We have carefully selected the Willis team based on the specific areas your insurance exposures command within your industry. The team is comprised of individuals who have significant experience in large and unique risks, contract reviews, insurance program design, coverage negotiations, and on-going policy administration. We operate closely in a team-oriented environment that includes our claims, risk control professionals, and national resources.
4. **Partnership:** Willis proposes to become a strategic partner with The City of Wilmington in the achievement of your goals. We will work with you to meet these challenges and to integrate your strategic vision into an efficient, cost-effective risk management plan to reduce your total cost of risk. We are "in business with our customer" as opposed to "doing business with our customer". It means understanding and meeting your partner's short-term needs, anticipating future needs, and being prepared to share the resources needed to meet and exceed those requirements.

WORKING FOR OUR CLIENTS – IT'S WHAT WE DO

- We leverage our size and resources for clients.
- We bring our clients closer to the global markets crucial in today's climate – encourage and support client market relationships.
- Our clients are treated like clients – not a commodity risk.
- You always get the "A" team – highest quality client advocate, technicians, brokers, claims, and risk consultants.

The proposed team assigned to the City of Wilmington consists of seasoned insurance professionals. Carolyn Olenik, Client Advocate, has over 20 years of insurance experience with expertise in large and complex clients. Teresa Asman, Secondary Client Advocate, has been in the insurance industry for over 30 years, mainly handling large, complicated commercial businesses. Christopher Baird, Eleanor Koger, and Brian Phillips round out the team offering marketing, placement, and claims handling expertise to the City of Wilmington's account. Theodore Zutz brings a breadth of knowledge from decades insurance industry experience and will act as Transition Officer. Please see Section 3 for the proposed service team's short biographies and Exhibit D for complete biographies and the Service Team Chart.

WILLIS DIFFERENTIATORS

We understand that you have several choices in selecting a broker that meets your needs. Our intention is not merely to meet your needs; we have EVERY intention of exceeding your needs and expectations. That is what makes us different from our competitors and more valuable to you.

- We are local. Just around the corner! As an operating insurance broker, our offices have always been within the city limits of Wilmington, going back to 1940.
- We are an organization and team that is committed to upholding the highest standards of integrity.
- Our team has the experience and tools to meet and exceed all your needs. We are able to capitalize on expertise from throughout the worldwide Willis organization and deliver it to you through a local platform. We call this *Glocal* service – global resources, delivered locally.
- We have product line expertise that will create, package, and deliver a superior program designed in a timely manner.
- We are an organization that truly operates under a “One Flag” culture wherein there are no silos or barriers to overcome – this enables our teams to access the most appropriate resources for you without regard to geographic location, complexity of size.
- We are an organization that provides you the tools and resources that help you make better decisions for your business.
- Our organization was the first worldwide organization to embrace total transparency and we continue to lead our industry in that regard.

SECTION 3

PROPOSED SERVICE TEAM

Team Member / Title / Role	Short Bio / Responsibility
Theodore Zutz, CPCU <i>Executive Vice President</i> <i>Transition Officer</i>	<p>Ted is a graduate of the University of Delaware with a Bachelor of Science Degree in Business Administration and Minors in Economics & Accounting. He earned his Chartered Property Casualty Underwriter (CPCU) professional designation after taking graduate level courses in insurance at Wharton School of the University of Pennsylvania & Villanova University. Ted has a wealth of experience and background in the insurance industry and is a specialist in evaluating and placing large, complex Property & Casualty risks. Ted is also a certified instructor approved by the Delaware insurance department.</p>
Carolyn Olenik <i>Senior Client Services Specialist</i> <i>Client Advocate</i>	<p>Carolyn began her insurance career in 1982 after attending Keystone Secretarial and Business Administration School. She has worked as a Senior Account Manager for some of the top large corporate insurance firms and has extensive experience in Commercial insurance, handling midsize to large accounts.</p> <p>She coordinates current and prospective risks, marketing, and policy-related administration for her clients and has the expertise to understand the client's industry and takes the time to learn how its individual operation functions, the specific nature of the risks the client faces, and its financial objectives and goals.</p> <p>As Client Advocate, she will manage all of our resources – people, knowledge, technology, experience – that come together for a single purpose: to help our client's organization succeed and protect their assets. The Client Advocate is the client's doorway to the global expertise of Willis, their willing champion in the marketplace, and their trusted adviser.</p>
Teresa Asman, CIC <i>Principal – Senior Client Service Specialist</i> <i>Secondary Client Advocate</i>	<p>Teresa began her insurance career at Willis of Delaware in 1977 after completing a one-year Certificate Program at Goldey-Beacom College. She obtained her Property and Casualty license in 1980.</p> <p>Through the University of Delaware, she has completed many courses in insurance. She received her Certified Insurance Counselors (CIC) professional designation in 1996 and continues to take the advanced CIC courses each year.</p> <p>Teresa's knowledge and experience, together with being very detail-oriented, enables her to effectively manage the insurance programs of our larger and more complex commercial clients. She has worked with our large accounts for most of her career with Willis of Delaware.</p>

SECTION 3

PROPOSED SERVICE TEAM

Team Member / Title / Role	Short Bio / Responsibility
Christopher Baird, CISR <i>Client Service Specialist</i> <i>Tertiary Client Advocate</i>	<p>Chris began his insurance career in 1999 with AIGM, Inc. and joined Willis of Delaware in 2001 as a member of the Personal Insurance division before moving into Commercial Lines in 2005 and earning his Certified Insurance Service Representative (CISR) professional designation.</p> <p>He currently manages and services all aspects of his Commercial clients' diverse insurance programs, providing exposure identification, risk transfer choices for treatment of exposures, monitoring the results of the chosen risk transfer vehicle, and applying appropriate modifications to enhance protection of clients' assets.</p>
Eleanor Koger <i>New Business Placement Specialist</i> <i>Marketing</i>	<p>Eleanor has been with Willis of Delaware for over 10 years and has over 27 years of experience in the insurance industry. She is currently pursuing her Certified Insurance Counselor (CIC) professional designation.</p> <p>As a licensed Insurance agent for over 22 years, she possesses great attention to detail along with vast insurance industry knowledge regarding insurance carriers' strengths and their specialty programs. This enables her to thoroughly search the marketplace for the best policy terms, conditions, and pricing for our diverse clients.</p>
Brian K. Phillips, Jr. <i>Claims Consultant</i>	<p>As an advocate in the Willis Risk Control and Claim Advocacy Practice, Brian brings over a decade of claims experience to our Wilmington, DE, and Radnor, PA offices. His areas of concentration include General Liability, Property, Commercial Auto, and Professional Liability. Industry experience includes: commercial, industrial and habitational real estate, hotels, retail, accountants, lawyers, and dental (Professional Liability).</p> <p>He is responsible for providing expertise and counselling related to insurance claim matters, while functioning as a liaison between our clients, insurance carriers, TPAs, and other service providers. With a focus on solutions and results, Brian monitors losses to ensure our clients claims are paid quickly, efficiently, and appropriately. Because customer service is equally as important, he is available for our clients 24 hours a day.</p> <p>Prior to joining Willis, Brian worked for The Progressive Group of Insurance Companies where he was responsible for resolving complex cases. He is a graduate of Millersville University and holds a B.A. in Government and Political Affairs. He has attained the Associate in Claims (AIC) professional designation and is pursuing his Associate in Risk Management (ARM) professional designation.</p>

SECTION 4

SCOPE OF SERVICES

When awarded an account, the senior members of your Willis account team meet with you to confirm objectives and mutually agree on an implementation strategy reflective of your priorities. We will then introduce the remaining team members and establish service and communication protocols with your risk management team. Our implementation objective is to transition the broker servicing to Willis in as seamless and efficient a manner as possible.

Our plan is intended to demonstrate our project management approach to the process – structure, roles, responsibilities, and timing. We will also address the framework for the ongoing team-wide service plan for The City of Wilmington. All of our plans are living documents, to be shaped and driven by your specific needs and priorities.

Together, The City of Wilmington and Willis will establish primary and subordinate objectives and develop a comprehensive plan. Effective administrative support is achieved by assuring that all service deliverables are mapped out by the City of Wilmington / Willis team and by articulating program elements and service points.

Benefits to the City of Wilmington

A role of transition officer ensures that the steps involved in assuming the brokerage services are met while the core service team can focus on the program issues. This ensures the quickest assimilation of the program.

Once we are appointed as your broker, we begin an intensive process of familiarizing our team with your operations, exposures, and history. The process will involve all members of your service team and we begin with:

- **Site Visit:** We will visit your sites and review your operations as well as the details of your buildings – construction and protection to provide us with a “hands on” understanding of your operations and key exposures we observe. We will also meet with your risk management and financial department, public safety, human resources, facilities, and any other appropriate staff to gain an understanding of your risk management philosophy and processes on site.
- **Loss Information:** We will conduct a complete analysis of your loss history, including a review of any large losses, to better understand your historical exposure to loss. We will also work with you to understand your internal Claims Management program. This loss review will also provide a base for any retention analysis study and assist in the design of a risk transfer program.
- **Risk Control:** We will review any Risk Control programs in conjunction with your loss history to determine any trends or if any suggestions can be made for future loss reductions.
- **Program Review:** We will fully review all insurance policies and their rating plans, so we understand your current program. We will also make recommendations to improve any areas of the program where we identify coverage issues.

SECTION 4

SCOPE OF SERVICES

Once we complete these reviews, we will meet with you to discuss our findings and present a service plan tailored to fit your needs that will address our service standards and procedures for Loss/Risk Control, Claims Management, and Insurance Administration. This is an ongoing interactive process involving your Client Advocate and Service Team to continually improve your Risk Management program.

The performance of your service team will be measured against the service standards and goals set in the service plan. Goals and objectives can be set to react to changes in your operations or changes in the market. We will provide you with a timeline of our service schedule.

We will also develop a renewal marketing strategy plan and if necessary a process for selecting a Third Party Administrator (TPA) for claims handling.

- 1. Review and evaluate the history of property, Workers Compensation (WC), Automobile (AL) and General (GL) liability claims against the City, including reports from the TPA, City-contracted actuary, City records or otherwise (the "Reports").**

Yes, as stated above, we shall review the history and evaluate claims and reports for the City. With regard to Actuarial services, an additional fee would be required to review and evaluate actuarial reports.

- 2. Make recommendations for additional or improved Reports to maximize the effectiveness of documenting of claim history, and predicting future claims and exposures of the City.**

We shall make recommendations to maximize the effectiveness of documenting claim history and will coordinate and evaluate data received from your Actuarial firm.

- 3. Review and evaluate the reserves and other projections contained in the Reports, and make recommendations for modifications thereof.**

As stated above, these services are included in our Proposal.

- 4. Make recommendations for loss control or other cost containment measures.**

Yes, this is included in our Proposal.

5. Provide the City with comparative information of entities comparable to the City as to loss control, cost containment, loss history comparisons, metrics and measures of performance in loss control and cost containment, and retention of risk versus insured exposures.

If our Proposal is accepted by the City of Wilmington, Willis will be happy to provide the City with comprehensive comparative information relating to loss control, cost containment, loss history comparisons, loss control metrics and performance and retention of risk versus insured exposures, to the degree that this information is available.

6. Represent the City during marketing and acquisition of property and high-retention AL and GL and workers compensation insurance, and place such coverage on or before July 1, 2014, while assuring that any GL quotes or policies take into consideration the limitations on claims against the City due to Delaware state municipal immunity laws found in the Delaware Code at Sections 4010-4013 of Title 10.

Yes, representation during marketing and acquisition of coverages is provided with this Proposal.

7. Assist and advise the City with all claims tracking and reporting to assure mandatory and recommended reports are made to carriers and otherwise.

Yes, Willis will advise and assist the City with claims tracking and reporting and coordinate transmittal to carriers.

8. Review during initial and renewal insurance placement, and continuously monitor the reported solvency and financial status, A.M. Best and other ratings, NAIC and State regulatory status of prospective and selected carriers.

Willis is committed to working with markets that represent our clients' best interests. To this end, our Global Carrier Management Unit monitors insurance and reinsurance carriers, in addition to third party intermediaries such as managing general underwriters, to determine those who may become approved Willis markets from a Market Security perspective. Our normal Market Security review includes consideration of each carrier's financial stability and consideration of financial strength ratings from recognized credit rating agencies where available.

9. Keep the City apprised of proposed and actual changes in laws or regulations affecting the City's exposures and insurance coverages known to the brokerage community or associated organizations, such as the National Association of Insurance Commissioners (NAIC), Public Risk Management Association (PRIMA), Property Casualty Insurers Association of America (PCI), and American Insurance Association (AIA).

The insurance and legal environments are constantly changing. Our goal is to keep our clients up to date and informed as this information becomes available. In addition to our subscription to the NAIC's Center for Insurance Policy & Research Quarterly Bulletin, Willis offers a number of proprietary resources which are delivered to clients on a regular basis. Key risk management leaders within your organization can be placed on auto E-mail distribution for these publications and web-based services. Some examples include:

- **Technical Advisory Bulletins:** Published throughout the year, these advisories have covered a broad range of topics such as, State Specific Changes to Workers Compensation, Office Ergonomics, Playground Safety, Protection Strategies for Electrical Power Outages, Hurricane Tracking and Preparedness, as well as Business Continuity Management.
- **Willis Webcasts:** In 2004, Willis began a series of interactive 45-minute webcasts designed to keep our clients and prospects abreast of current risk management and market issues. These webcasts feature several Willis Associates with expertise in specific areas or product specialties. Past topics have included a five-part series on Workers Compensation, Medical Cost Containment, The Impact of Healthcare Reform on Workers Compensation, OSHA Recordkeeping Requirements, and the General Liability Claims Process.
- **Product Recall Bulletins:** Distributed monthly, this publication is designed to keep our clients informed of the latest product recalls across a broad range of industries.

10. Maintain an office within a seventy-five (75) mile radius of the center of Wilmington, Delaware with available staff of not less than four (4) qualified, Delaware licensed and bonded P and C brokers, two of whom are, and who are supervised by an individual familiar with all phases of Delaware workers' compensation, liability and insurance laws, as applicable, with at least even (7) years experience for the supervisor and three (3) years experience for the brokers in the area (s) to which they are to be assigned.

The Willis of Delaware office has been located in the City of Wilmington for over 74 years. The Service Team assigned to the City of Wilmington all have at least 7 years insurance experience each and over 107 years combined.

SECTION 4

SCOPE OF SERVICES

11. The brokers and supervisors to be assigned to this contract shall provide resumes in which education and experience generally and in Delaware are listed, as well as initial and recurrent and ongoing planned continuing broker education in Delaware workers' compensation, liability, and insurance laws and regulations are specifically listed, with particular emphasis on the Delaware sovereign immunity laws mentioned above precluding or limiting the liability of the City, listing providers of the training received and planned, and listing hours spent and to be spent periodically going forward.

See Exhibit D for full biographies of assigned staff and our Service Team Chart. With regard to Delaware State Immunity Laws, referenced in items 6 and 11, we are knowledgeable of Delaware Code, sections 4010-4013 of Title 10. Additionally, we retain Jeffrey Weiner, Esq. as a consultant on matters relating to these sections; and Mr. Weiner, inter alia, represents the Wilmington City Police Union. He is truly an expert on this legislation. His next scheduled live educational report to us on the State's municipal immunity laws is in late April, 2014.

12. Maintain a tickler/reminder system to which designees within Risk Management has access, of dates when policy renewals, reports and other actions under the Insurance Program are due. Keep Risk Management abreast of the status of each policy renewal, status of and when each report has been filed or action taken, and scan and provide documentation of such status, reports and other actions via email to the Risk Manager, with backups of same saved into an electronic system to which designees within Risk Management have access.

Willis Online is our secure web portal for clients, offering simple and convenient access to your risk and insurance information, including:

- Open items list
- Shared library for important documents
- Shared calendar
- All of your policies
- Industry and product newsletters and alerts
- Comprehensive Market Security data
- Electronic marketing submissions
- Contact list and links

All data is securely backed up nightly at corporate headquarters in Nashville, TN.

SECTION 4

SCOPE OF SERVICES

13. Provide a designated broker assigned to the City who shall provide and exchange with the Risk Manager cell phone and discrete office phone numbers and email addresses, with urgent 24/7 access to the Risk Manager as needed, and vice versa, with a designated backup broker in the event the primary broker is not available with the same information available to the Risk Manager and the backup broker.

All requested information will be provided once a contract is awarded.

14. Assure that all routine phone calls and emails to said designated brokers are returned within twenty-four (24) hours, with urgent calls or emails returned within four (4) hours.

We will return all routine phone calls and emails within 24 hours and urgent calls or emails within four (4) hours.

15. Meet with Risk Management and/or other City managers with the assigned brokers and supervisors as needed, but routinely on a quarterly basis, to discuss strategies for loss and cost control, and specific Insurance Program, policy or claim matters.

Willis of Delaware will be pleased to meet with Risk Management and/or other City Managers routinely, and as requested.

16. Ensure, working with the City and TPA and otherwise, the notification of insurance carriers of claims and/or occurrences at predetermined levels, and as to specific injuries or losses required by those insurance carriers, and documentation of same as provided in subsection IV, B, 12 above. Provide information and status of claims as requested by the insurance carriers.

Yes, we will comply with this requirement.

17. Notify the City within 24 hours of professional staff turnover, and provide resumes for replacement personnel for review and approval prior to making assignments to the program.

While we do not expect any professional staff turnover, we will certainly provide resumes for potential replacements for approval.

18. Brokerage services shall be provided in compliance with applicable federal, state, and local laws and requirements, and/or ordinances relating to such services.

Willis of Delaware provides services in compliance with applicable federal, state and local laws and requirements and ordinances.

SECTION 4

SCOPE OF SERVICES

19. The contractor shall maintain and keep all records directly related to City accounts in a redundant system, electronically or otherwise, to assure their safekeeping and inspection and/or return to the City as herein provided.

Willis of Delaware's files are redundantly stored offsite in Nashville, TN, on a daily basis.

20. The contractor shall, upon reasonable notice and at a reasonable time during normal business hours, allow authorized City designees the privilege of inspecting, examining and/or auditing records which are directly related to City's accounts.

Our files pertaining to the City of Wilmington will be made available for audit.

21. All reports, documentation, and material developed or acquired by the contractor as a direct requirement specified herein shall become and remain the property of the City. The contractor shall agree and understand that all discussions with the contractor and all information gained by the contractor as a result of the contractor's performance under the contract shall be confidential, and that no reports, documentation, or material prepared as required by the contract shall be released to the public without the prior written consent of the City.

Willis of Delaware takes our client's privacy very seriously. Other than insurance companies and intermediaries who have a legitimate "need to know," no documentation or materials will ever be released to a third party without prior written consent of the City.

22. Upon expiration, termination, or cancellation of the contract, the contractor shall assist the City to ensure an orderly transfer of responsibility and/or continuity of those services required under the terms of the contract to an organization designated by the City or its designee, if and as requested in writing.

Willis of Delaware looks forward to a long and successful relationship with the City of Wilmington; however, upon written termination or cancellation of the contract, we shall endeavor to transfer responsibility and/or continuity to a new designee in a smooth, professional, and orderly manner.

23. The contractor shall deliver to the City all records, documentation, reports, data, recommendations, master, or printing elements, etc., which were required to be produced under the terms of the contract to the City and/or to its designee within seven (7) calendar days after receipt of a written request. Any and all records which are on electronic media must be delivered in a format which is compatible with or convertible to the system(s) currently in use by the City or its designee.

We do not anticipate a problem with delivering any items requested by the City in a timely manner, not to exceed seven (7) calendar days.

SECTION 4

SCOPE OF SERVICES

24. If necessary to assure a smooth transition to another vendor and continuity and renewals of insurance coverages, upon termination, or during periods of suspension of the contract, or otherwise, the contractor shall agree to continue providing any part or all of the services in accordance with the terms and conditions of the contract for a period not to exceed ninety (90) calendar days after the expiration, termination, or cancellation date of the contract for a price not to exceed those prices set forth in the contract, subject to the extension and other provisions herein.

In the event of expiration, termination or cancellation of the contract, Willis will continue to provide services outlined in this Scope of Services upon the execution of a separate servicing agreement and in return for payment of a Termination Fee.

25. Participate in meetings upon request.

See our response to #15 above.

26. Prepare and/or assist the City with appropriate responses to audits and inquiries of all regulatory agencies.

As it relates to our Scope of Service, we shall assist the City with appropriate responses to audits and inquiries of all regulatory agencies.

27. The contractor shall maintain and keep all records directly related to City accounts.

All records related to the City account will be kept electronically.

28. The contractor shall deliver to the City all records, documentation, reports, data, recommendations, master, or printing elements, etc., which were required to be produced under the terms of the contract to the City and/or to its designee within seven (7) calendar days after receipt of a written request. Any and all records which are on electronic media must be delivered in a format which is compatible with the system(s) currently in use by the City or its designee.

See our response to #23 above.

29. If necessary to assure a smooth transition to another vendor, during periods of suspension of the contract as hereinafter set forth, or otherwise, the contractor shall agree to continue providing any part or all of the services in accordance with the terms and conditions of the contract for a period not to exceed ninety (90) calendar days after the expiration, termination, or cancellation date of the contract for a price not to exceed those prices set forth in the contract, subject to the extension and other provisions herein.

See our response to #24 above.

SECTION 5

CLIENT INFORMATION

REFERENCE #1

- a. **Company Name:** The Delaware River and Bay Authority
- b. **Summary of Operations:** Multifaceted provider of transportation facilities, and economic development. They own or lease and operate:
 - The twin span Delaware Memorial Bridges
 - 3 Airports in Delaware and 2 Airports in New Jersey
 - 3-Vessel auto/passenger ferry line between Lewes, Delaware, and Cape May, New Jersey, with food and beverage facilities on board
 - Seasonal passenger ferry line between Delaware City, Delaware; Pea Patch Island; and Ft. Mott, New Jersey, and a police patrol boat
 - Owns, maintains, and operates a considerable number of buildings, including leasing several to third parties
 - Has a sizeable police force for road patrol and security for all facilities
 - Has a large fleet of vehicles and equipment
 - Has a maintenance department to service all facilities, vessels, and vehicles
 - Operates a computer system that supports their entire operation and also EZPass system
- c. **Point of Contact:**
Joseph Larotonda
Delaware River and Bay Authority
P.O. Box 71, New Castle, DE 19720
302-571-6323 Phone
302-571-6367 Fax
joe.larotonda@drba.net
- d. **Length of Time as a customer:** 50+ years

REFERENCE #2

- a. **Company Name:** New Castle County, Delaware
- b. **Summary of Operations:** The largest of 3 counties in the State of Delaware providing a multitude of governmental services to the community. They own, lease, and/or operate:
 - Various buildings owned or leased throughout the County
 - Has a police force for road patrol and security for all facilities; including mounted police force

SECTION 5

CLIENT INFORMATION

- Has a large fleet of vehicles and equipment
 - Has a maintenance department to service all facilities
 - Installs and maintains County sewer system
 - Has multiple parks and recreational facilities
- c. **Point of Contact:**
New Castle County
87 Reeds Way
New Castle, Delaware 19720
302-395-5150 Fax
- d. **Length of Time as a customer:** 1993 to 1997; Reappointed as their broker effective 2010 to 2013

REFERENCE #3

- a. **Company Name:** Wilmington Savings Fund Society (WSFS)
- b. **Summary of Operations:** WSFS Financial Corporation is a financial services holding company headquartered in Wilmington, Delaware. Its principal subsidiary, Wilmington Savings Fund Society, FSB (WSFS) serves the residents of the Delaware Valley from its 52 banking offices in all three counties of Delaware, southeastern Pennsylvania and northern Virginia. Founded in 1832, WSFS is the seventh oldest bank continuously operating under the same name in the United States. WSFS is among the largest financial institutions in the state of Delaware.
- c. **Point of Contact:**
Robert Hayman
WSFS Bank
500 Delaware Avenue
11th Floor
Wilmington, DE 19801
302-571-6840 Phone
- d. **Length of Time as a customer:** 8 years

REFERENCE #4

- a. **Company Name:** Wilmington Housing Partnership
- b. **Summary of Operations:** Although Wilmington Housing Partnership does not meet high retention or self-insured criteria, we have included because their operations are very similar in scope to that of the City of Wilmington.
- c. **Point of Contact:**
Steve T. Martin
Louis L. Redding City/County Building
800 N. French Street, 7th Floor
Wilmington, DE 19801-3557
302-576-3004 Phone
302-571-4143 Fax
stmartin@ci.wilmington.de.us
- d. **Length of Time as a customer:** 1.5 years

SECTION 6

COST PROPOSAL

In lieu of market commissions, we are committed to establishing an annual service fee that would best reflect our services and resources. We believe that our proposed service fee represents a fair number based upon our knowledge of the City of Wilmington's operations coupled with the proper utilization of our resources.

Please refer to Exhibit B for a copy of our Sample Service Level Agreement.

PLEASE NOTE: We adhere to a strict policy that we do not accept any form of Property & Casualty contingent commission from any retail or wholesale insurance company when we collect a service fee from our clients. Our sole source of compensation is derived from the service fee we collect from you, our client. In situations where policy commissions for placing insurance do not permit us to remove them from the policy, we clearly outline those commission dollars to you and deduct that amount proportionately from the service fee. Our proposed service agreement specifically states our compensation arrangements with you and states that we do not accept Property & Casualty contingent commissions as a company.

The Response to the Request for Proposal outlines the services that Willis will provide to the City of Wilmington, by discipline. The agreement also addresses our proposed compensation, which is outlined below. We have proposed a service option for the initial policy year of this proposal, given the extensive work and diligence that goes into identifying and evaluating your risks, making structural changes to your existing program, and placing your institution's annual insurance renewal. Willis will only be compensated based on our service fee for insurance brokerage, administration, and proposed risk management, claims, and risk control services.

We also believe that a long-term partnership is beneficial and have proposed a multiple year (4 years) term for your consideration. Therefore, in lieu of market commissions, Willis has proposed the following service fee:

	<i>Minimum of:</i>
1 st Year	\$ 62,500
2 nd Year	\$ 62,500 plus minimum increase based on CPI
3 rd Year	2 nd Year plus minimum increase based on CPI
4 th Year	3 rd Year plus minimum increase based on CPI

WILLIS RISK CONTROL AND CLAIM ADVOCACY PRACTICE

Buying insurance is only part of the risk management process - preventing losses and managing claims are critical elements as well. Risk control and claim management offer powerful value opportunities that can produce strategic advantages.

The Willis Risk Control and Claim Advocacy Practice drives better results for organizations of every size and type by delivering technical and consulting services that help:

- Prevent and mitigate loss and exposure to loss
- Get claims paid quickly, efficiently and appropriately
- Contain losses when they do occur
- Mobilize data analytics to deliver more efficient and more effective risk management

The foundation of our service delivery is a team of regional consultants charged with client ownership and integrated service advocacy. They are supported by a regional team of highly experienced claim consultants and technical risk control and safety experts.

Backing up our regional consultants are national product line and industry experts whose responsibility is to drive best practices, product enhancement, training and development. In claim management, we also have a unique centralized team of claim reporting and

monitoring advocates who bring to the table deep experience with the carriers and the coverage scenarios you are likely to face.

WHO WE SERVE

- Clients seeking a strategic partner to help them meet their risk management objectives, protect assets and ensure business continuity
- Property and Casualty clients with risk profiles of every scope and complexity
- Clients looking to control claim costs and to secure prompt recovery of claim dollars
- Clients with a need for analytical data that is meaningful and useful

WHAT WE DO

We impact loss costs through pre-loss consulting and a strong focus on getting your claims paid. Our services include:

- Risk and loss control consulting
- Strategic Risk Planning
- Reporting, monitoring, advocacy and consulting
- Claim Closure Solutions
- À la carte claim and risk reduction services and products
- Specialization in large, complex Casualty and Property claims
- Catastrophic loss response planning
- Construction claim and risk specialization
- Business continuity management consulting

Willis

- TPA and managed care program cost and design consulting
- Data analytics, cost benefit analysis
- Benchmarking – We will evaluate your data, to help you identify clear objectives. We then generate solutions by looking within your company, within (and outside) your specific industry; and establish objective measures to help you meet specific goals. Benchmarking is a powerful management tool, and an extremely effective way to minimize cost. Analyzing your data is important but we know it's not the entire picture- we also focus on developing, identifying and implementing solutions that improve outcomes.

WHY WILLIS

The Willis Risk Control and Claim Advocacy Practice has claim and risk control consultants worldwide, with a large concentration across North America. Like all Willis resources, these are delivered to your doorstep through our One Flag service model of Client Advocacy and *Global* service – global resources, delivered locally.

- 185 claim consultants, in North America, with more than 500 claim consultants worldwide.
- 93 risk control and safety consultants in North America, with more than 230 risk control colleagues worldwide.
- National team of complex property experts.
- We offer the industry's only centralized Claim Advocacy and Administration Group. We don't just talk claim advocacy, we've built an entire practice around it.
- We have dedicated claim experts in areas where claims can be exceedingly complex, such as environmental pollution and construction accidents.
- We offer borderless access to the right solutions.
- We have best-in-class competency and trusted business partners.
- We have experience in high-dollar resolution (HDR) with critical incident/high impact event consulting.
- We offer proprietary data analytic technology:
 - Willis DataWize^(sm) – a Willis branded Risk Management Information System
 - ClaimsSource^(sm), our proprietary claim monitoring system
 - Turning loss runs into actionable information

- Analyzing the claim handling trends of your adjuster team
- Solutions-based approach to benchmarking
- We provide technical bulletins on a number of operational risks and timely issues, offering insight on how they may impact your own exposures.

Janine Collins

Product and Business Development
 Willis Risk Control & Claim Advocacy Practice
 +1 804 527 2303
janine.collins@willis.com

WILLIS CLAIM ADVOCACY FIELD LEADERSHIP MAP

Joe Picone, Chief Claim Officer

West Region
Jim Hensley
 Marilyn Dittman (Gen Claim)
 Michelle Lentes (Gen Claim)
 Phillip Gale (Gen Claim)
 Jim Hensley (Con)
 Gregg Phipps (Enviro)
 Blaine Conant (Prop)

Midwest Region
 (and Pittsburgh)
Mike Kenitz
 Marc Schneider (Gen Claim)
 Kara Wakefield (Gen Claim)
 Frank Nappi (Gen Claim)
 Ralph Reeves (Gen Claim)
 Jerry Myscotski (Con, Enviro)
 Joe Freilino (Con)
 Phil Zawacki (Prop)
 David Hagenman (Prop, Enviro)

Atlantic Region
 (and Hartford)
Lori Schmitt
 Mike Farrand (Gen Claim)
 Steve Dragone (Gen Claim)
 Barry Layton (Gen Claim)
 Kanna Anyou Con Claim)
 Mike DiIodice (Gen Claim)
 Rick Howley (Con)
 Dave Passman (Prop)
 Robin Keilner (Enviro)

South Region
Marc Hindman (RC)
 John Bobo (Reg Dir)
 Henry Levens (Gen Claim)
 Laura Miller (Gen Claim)
 Jill King (Gen Claim)
 Paul J. Becker (Con)
 Mike Bradshaw (Con)
 James Dunbar (Prop)
 Doug Meitz (Enviro)

Northeast Region
 (NY/NJ)
Manuel Homem
 Bob Alcamo (Gen Claim)
 Gene Buerle (Gen Claim)
 Tim Walker (Con)
 Steve Poleno (Prop)
 Michael Kennedy (Enviro)

John Picone, Regional Director, Atlantic Region

WILLIS



City of Wilmington, DE
800 French Street, 5th Floor
Wilmington, DE 19801

Willis of Delaware, Inc.
222 Delaware Avenue, Ste. 1000
Wilmington, DE 19801

SERVICE AGREEMENT

This document records our mutual understanding regarding our professional relationship and the services we will provide to you.

The City of Wilmington, DE and Willis of Delaware, Inc., Inc. agree that the Term of the service and compensation arrangement set forth below will begin on May 1, 2014 and end on June 30, 2015.

1.0. Services and Responsibilities

1.1 Subject to all other terms and conditions of this Agreement, Willis shall provide the services as outlined in the Request for Proposal.

1.2 We are committed to acting in your best interests in providing services to you.

1.3 Willis will work with your staff to update insurance underwriting data on the policies outlined in the Request for Proposal.

1.4 The services we provide to you rely in significant part on the facts, information, and direction provided by you or your authorized representatives. Accordingly, you must provide us with complete and accurate information regarding your loss experience, risk exposures, changes in the analysis or scope of your risk exposures, and any other information reasonably required or requested by us or insurers. It is important to advise us of any changes in your operations that may affect our services or your insurance coverages. Therefore, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your risk, finalizing the terms to apply and/or the cost of coverage or pay a claim, must be disclosed. Failure to fully disclose such information might allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal of your existing coverage and upon placement of new lines of coverage. Willis is not responsible for any consequences arising from any delayed, inaccurate or incomplete information.

1.5 At the time of binding, we review the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our analysis of such insurers. We do not guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.

1.6 You will make all final decisions relating to your insurance coverages, risk management, and loss control needs. We will procure the insurance coverage chosen by you,



including the limits you choose. We will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and your instructions. We will advise you of any errors in, or recommended changes to, such documents. You agree to also review all such documents and promptly advise us of any questions you have or of any document or provision which you believe may not be in accordance with your instructions. Your coverage is defined by the terms and conditions detailed in your insurance policies and endorsements.

1.7 We will inform you of the reporting requirements for claims, including where claims should be reported and the method of reporting to be used. Please carefully review any claims-reporting instructions or information we provide. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, please retain copies of all insurance policies and coverage documents as well as claims-reporting instructions after termination of the policies in case you need to report claims after termination of a policy.

1.8 We will meet, as requested by you, with your representatives to discuss coverage and policies. We will promptly respond to your requests for coverage information, analysis of changing market conditions, and assistance in reporting subsequent changes in information to insurance companies and service providers.

1.9 In our capacity as insurance brokers, we do not provide legal, actuarial or tax advice. We encourage you to seek any such advice you want or need from competent legal counsel or tax professionals or actuaries.

2.0. Confidentiality

2.1 We treat information you provide us in the course of our professional relationship as confidential and use it only in performing services for you. We may share this information with third parties to provide the services to you. We may also disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. By providing us with data, you represent that you are fully authorized to possess that data and to provide it to us, and further that we are fully authorized to obtain, maintain, process and transfer such data in a commercially reasonable manner. We have implemented and maintain commercially reasonable and appropriate security measures to protect sensitive information from unauthorized use or disclosure. Records you provide us will remain your property and will be returned to you upon request. However, we will retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

3.0 Compensation and Disclosure

Option A (fee only)

3.1 You agree that our compensation for the services provided under this Agreement shall be a fee of \$62,500. The Fee is in addition to the premium paid for the insurance policies set forth in Appendix A (the "Coverages") purchased by you through us as your insurance brokers and is payable in quarterly installments commencing the 30th day of June, 2014.

If we receive any commissions for the Coverages purchased by you through us as your insurance brokers we will offset such commissions against the Fee to the fullest extent permitted by law. However, if we are requested to place any new lines of insurance not included in this proposal, then we will negotiate with you for additional fee, or to place such insurance on a commission basis.

Claim, Risk Control and Data Analytic Services

Service	Parameters	
<i>Claim Reporting</i>	<i>Included and not subject to maximum hour cap</i>	
<i>Claim Monitoring and Advocacy</i>	<i>Included and not subject to maximum hour cap</i>	
<i>Individual Claim Strategy Reviews – Telephonic</i>	<i>Meetings per year</i>	Unlimited
<i>Claim Strategy Reviews – Onsite</i>	<i>Meetings per year</i>	4
<i>Contract Review</i>	<i>Contracts per year</i>	12
<i>High Dollar Resolution/ CAT or complex claim consulting</i>	<i>Not included in this fee. Negotiated service</i>	
<i>Critical Incident / Crisis Management Consulting</i>	<i>Not included in this fee. Negotiated service</i>	

Cost per hour for additional services

Contract Review

\$250

3.2 Our compensation for the services does not include federal, state and local sales, use, excise, receipts, gross income and other similar taxes or governmental charges which may be imposed. You are responsible for paying any such taxes or charges (except for taxes imposed on the net income of Willis) now imposed or becoming effective during the Term. In addition to the premium and our compensation, Willis may invoice you for any federal, state and local sales, use, excise or other similar taxes, unless you provide us with a valid tax exemption acceptable to us.

3.3 Our compensation may be revised if you request a change in the coverages and/or services during the term of this Agreement and we enter into a written agreement documenting any change in coverages, services and compensation, as outlined in 3.1.

3.4 If a Willis affiliate located outside of North America serves as an intermediary in the placement of your coverages, it will also earn and retain compensation for providing those services, which compensation is not included in the fee.

3.5 This Paragraph left intentionally blank

3.6 Willis is an insurance producer licensed to do business worldwide, including in all 50 states and the District of Columbia. Insurance producers are authorized by their license to work with insurance purchasers and discuss the benefits and terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of an insurance producer in any particular transaction involves one or more of these activities.

3.7 This Paragraph left intentionally blank.

3.8 This Paragraph left intentionally blank.

3.9 This Paragraph left intentionally blank.

3.10 Willis may place your insurance with members of a panel of insurers. Willis develops panels of insurers in certain market segments. Participating insurers are reviewed on a variety of factors.

3.11 This Paragraph left intentionally blank.

3.12 In some cases the use of a wholesale broker may be beneficial to you. We will not directly or indirectly place or renew your insurance business through a wholesale broker unless we first disclose to you in writing any compensation our corporate parents, subsidiaries or affiliates will receive as a result.

3.13 If wholesalers, underwriting managers or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of ours, any compensation our corporate parents, subsidiaries or affiliates will receive will be we disclosed to you. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.

3.14 In the ordinary course of business we may also receive and retain interest on premiums you pay from the date we receive the funds until we pay them to the insurers or their intermediaries, or until we return them to you after we receive such funds.

3.15 This Paragraph left intentionally blank.

3.16 As an insurance intermediary, we normally act for you. However, we or our corporate parents, subsidiaries or affiliates may provide services to insurers for some

insurance products. These services may include (a) acting as a managing general agent, program manager or in other similar capacities which give us binding authority enabling us to accept business on their behalf and immediately provide coverage for a risk; (b) arranging lineslips or similar facilities which enable an insurer to bind business for itself and other insurers; or (c) managing lineslips for insurers. Contracts with these insurers may grant us certain rights or create certain obligations regarding the marketing of insurance products provided by the insurers. We may place your insurance business under such a managing general agent's agreement, binding authority, lineslip or similar facility when we reasonably consider that these match your insurance requirements/instructions. When we intend to do so, we shall inform you and disclose the compensation payable to Willis North America, Inc. in connection with the placement of the insurance coverage.

3.17 Some of our corporate parents, subsidiaries or affiliates are reinsurance brokers that provide reinsurance brokerage services to their insurance carrier clients. Their clients compensate them for those reinsurance brokerage services. Some of their insurance carrier clients may happen to be insurance carriers with whom we place your insurance coverages. The services we provide you and the reinsurance services our reinsurance affiliates provide their clients are separate and any compensation they may earn for the services they provide their clients are separate from and in addition to the compensation we earn for the services we provide you under this Agreement.

3.18 Subsidiaries of Willis North America Inc are members of a major international group of companies. In addition to the commissions received by Willis North America, Inc. from insurers for placement of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by our corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to you under their separate contracts with insurers or reinsurers.

3.19 The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and provide your written consent. Please let us know in writing if you have concerns or we will assume that you understand and consent to our providing our services pursuant to these terms.

4.0 Premium and Handling of Funds

4.1 You will provide immediately available funds to pay premiums by the dates specified in the insurance policies, invoices, or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage by the insurer. We are not responsible for any consequences arising from any delay or failure by you to pay the amount due by the indicated date.

4.2 You may use a premium finance company, property appraiser, structured settlement firm or other similar service provider in connection with the insurance coverages we place for you. Willis currently works with industry-leading finance providers for this service. Where permitted by law, we receive a fee for the services we provide those companies.

4.3 We will handle any premiums you pay through us and any funds which we receive from insurers or intermediaries for payment or return to you in accordance with applicable state and federal insurance laws and regulations and state unclaimed property laws. We may transfer your funds directly to insurers or to third parties such as wholesale brokers, excess and surplus lines brokers, or managing general agents to carry out transactions for you.

5.0 Termination

5.1 Either party may terminate this agreement upon 120 prior written notice.

If we terminate this agreement under Section 4.1 before the end of the Term, we will be deemed to have fully earned and be entitled to a pro rata portion of the Fee, calculated from the start of the Term through the date of termination.

If you terminate this agreement before the end of the Term, we will be deemed to have fully earned and be entitled to a portion of the fee as set forth in the following schedule:

During the first six months:	75%
After six months:	100%

5.2 Our obligation to render the services under this agreement ceases at the end of the Term or on the effective date of termination of our relationship, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker. Claims and premium or other adjustments may arise after our relationship ends, and we have no responsibility to handle these things after our relationship ends. Such items are normally handled by the insurance broker serving you at the time the claim or adjustment arises. However, we will consider providing such services after the termination of this agreement for mutually agreed additional compensation. Nevertheless, we will process all remaining deposit premium installments on the policy(ies) in effect at the time of change.

6.0 Other Provisions

6.0 We do not tolerate unethical behavior either in our own activities or in those with whom we seek to do business. We will comply with all applicable laws, regulations, and rules.

6.1 In certain circumstances, the United States and other countries prohibit or restrict companies from conducting business in certain jurisdictions or with certain individuals or entities and can fine or otherwise penalize companies who conduct such business. The way these sanctions programs may affect a given insurance transaction depends on a number of complex factors including your ownership structure, control, location, and the nationality of your employees. We cannot advise you or insurers on the applicability of sanctions programs nor can we guarantee or otherwise warrant the position of any insurer under existing or future sanctions programs. You should seek legal advice on the potential applicability of sanctions as you deem appropriate. We will comply with all applicable sanctions programs and, where required by law, may take certain actions, including freezing funds held on behalf of parties and individuals covered by applicable sanctions.

6.2 Willis owns and retains all right, title, and interest in and to the following Willis Property: (i) all software, hardware, technology, documentation, and information provided by Willis in connection with the Claim and Risk Control Services; (ii) all ideas, know-how, methodology, models and techniques that may be developed, conceived, or invented by Willis during its performance under this Agreement; and (iii) all worldwide patent, copyright, trade secret, trademark and other intellectual property rights in and to the property described in clauses (i) and (ii) above. We expressly reserve all rights in the Willis Property.

6.3 We agree to communicate with each other from time to time by electronic mail, sometimes attaching further electronic data. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices.) We each agree, however, to employ reasonable virus checking procedures on our computer systems, and to check all electronic communications received for viruses. You will also check that messages received are complete. In the event of a dispute neither of us will challenge the legal evidentiary standing of an electronic document, and the Willis system is deemed the definitive record of electronic communications and documentation.

6.4 Please note that our system blocks certain file extensions for security reasons, including, but not limited to, .rar, .text, .vbs, .mpeg, .mp3, .cmd, .cpl, .wav, .exe, .bat, .scr, .mpq, .avi, .com, .pif, .wma, .mpa, .mpg, .jpeg. Emails with such files attached will not get through to us, and no message will be sent to tell you they have been blocked. If you intend to send us emails with attachments, please verify with us in advance that our system will accept the proposed form of attachment.

6.5 The Section headings in this Agreement are for convenience only and are not intended to define or limit the scope of the contents of such paragraphs. This Agreement may be executed in its original version or in any copy, counterpart, or other duplicate.

Willis

6.6 This Agreement supersedes any and all prior agreements between us regarding the insurance coverages and the services provided. This Agreement may not be amended or modified except by a written agreement executed by the parties.

6.7 The provisions of this agreement are severable, and, in the event any provision or portion of any provision is construed by any court of competent jurisdiction to be invalid, the same shall not invalidate any other provision of this agreement or the remainder of the enforceable portion of the provision.

6.8 This Agreement is governed by and construed in accordance with the laws of the state of Delaware without regarding to such state's choice of law rules. Any dispute shall be resolved in the appropriate state or federal courts located in such state.

7.0 Questions

7.1 If you have questions, please inform your Willis representative or call the head of our office at 302-658-8000. . You may also call 1-866-704-5115, the toll-free number which Willis has established for client feedback.

City of Wilmington, DE

Willis of Delaware, Inc.

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____

Contract Title: RFP for P & C Insurance Brokerage Services

Contract 14068HRPS Proposal Due Date: April 1, 2014, 5:00 p.m.

NON-COLLUSION STATEMENT

This is to certify that the undersigned offeror has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive proposals in connection with this proposal submitted this date to the City of Wilmington, Division of Procurement and Records.

It is agreed by the undersigned proposer that the signed delivery of this proposal represents the proposer's acceptance of the terms and conditions of this Invitation to Proposal including all specifications and special provisions.

NOTE: Signature of the authorized representative MUST be of an individual who legally may enter his/her organization into a formal contract with the City of Wilmington.

COMPANY NAME Willis of Delaware, Inc. (Check one)

<input checked="" type="checkbox"/>	Corporation, State:DE
<input type="checkbox"/>	Partnership, State:
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Other (Specify)

NAME OF AUTHORIZED REPRESENTATIVE Lawrence Zutz

SIGNATURE 

TITLE Managing Partner

COMPANY ADDRESS 222 Delaware Avenue, Suite 1000, Wilmington, DE 19801

PHONE NUMBER 302-658-8000

FAX NUMBER 302-658-8879

EMAIL ADDRESS Larry.Zutz@Willis.com

FEDERAL E.I. NUMBER 51-0316153

STATE OF DELAWARE BUSINESS
LICENSE NUMBER TBD

COMPANY CLASSIFICATIONS: CERT. NO.		Disadvantaged Business Enterprise (DBE)	(circle one) Yes <input type="radio"/> No <input checked="" type="radio"/>
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[The above table is for information and statistical use only.]

FINANCIAL INFORMATION SHOULD BE SENT TO:

COMPANY NAME Same as above

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, director, officer, partner, or proprietor been the subject of a federal, state, local government suspension or debarment?

YES _____ NO X If yes, please explain _____

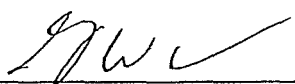
THIS PAGE SHALL BE SIGNED, NOTARIZED, AND RETURNED FOR YOUR PROPOSAL TO BE CONSIDERED

STATE OF DELAWARE

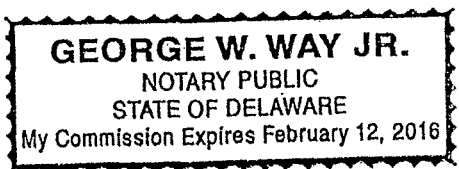
COUNTY OF New Castle

SS

SWORN TO AND SUBSCRIBED BEFORE ME this 27th day of March, 2014.

Notary Public 

Commission Expires February 12, 2016



PROFESSIONAL PERSONNEL PROFILE

Executive & Commercial

THEODORE C. ZUTZ, CPCU
Executive Vice President
Willis of Delaware, Inc.



Ted is a graduate of the University of Delaware with a Bachelor of Science Degree in Business Administration and Minors in Economics and Accounting. He also served as a 1st Lieutenant in the United States Army Chemical Corps.

He earned his Chartered Property Casualty Underwriter (CPCU) professional designation after taking graduate level courses in insurance at the Wharton School of the University of Pennsylvania and Villanova University and continues to take CPCU courses.

Ted has a wealth of experience and background in the insurance industry and is a specialist in evaluating and placing large, complex property and casualty risks. His vast career includes responsibility for all administrative functions of Willis of Delaware, Inc. and is currently directing Risk Management programs for our largest clients. He has been with the firm for over 55 years.

He is a certified instructor of insurance approved by the Delaware insurance department and regularly teaches continuing education classes for Delaware insurance brokers.

Willis

Willis of Delaware, Inc.

222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willisofde.com • www.willis.com
Direct 302-397-0324 • theodore.zutz@willis.com

PROFESSIONAL PERSONNEL PROFILE

Commercial Department

CAROLYN S. OLENIK
Senior Client Services Specialist
Willis of Delaware, Inc.



Carolyn began her insurance career in 1982 after attending Keystone Secretarial and Business Administration School. She has been licensed in Property and Casualty Insurance for over thirty years and worked as an Account Coordinator and Account Executive for some of the smaller local agencies in Wilmington, Delaware. For the past fifteen years Carolyn worked as Senior Account Manager for one of the top larger corporate insurance firms, USI Insurance Services, before joining Willis of Delaware, Inc. in the fall 2013. She has extensive experience in Commercial Insurance handling mid to large sized accounts.

She coordinates current and prospective risks, marketing, and policy-related administration for her clients and has the expertise to understand the client's industry and takes the time to learn how its individual operation functions, the specific nature of the risks the client faces, and its financial objectives and goals. Providing clients with systematic, continuous service and attention is reflective of her experience as a Senior Client Services Specialist.

Willis

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222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willis.com
Direct 302-397-0347 • carolyn.olenik@willis.com

PROFESSIONAL PERSONNEL PROFILE

Commercial Department

TERESA S. ASMIAN, CIC
Vice President / Principal - Client Services
Willis of Delaware, Inc.



Teresa began her insurance career at The Zutz Insurance Group (now Willis of Delaware, Inc.) in 1977 after completing a one-year Certificate Program at Goldey-Beacom College. She obtained her Property and Casualty license in 1980.

Through the University of Delaware, she has completed many courses in insurance. She received her Certified Insurance Counselors (CIC) professional designation in 1996 and continues to take the advanced CIC courses each year.

Teresa's knowledge and experience, together with being very detail-oriented, enables her to effectively manage the insurance programs of our larger and more complex commercial clients. She has worked with Ted Zutz, Executive Vice President, on large accounts for most of her career and is currently the Commercial Lines Service Manager.

Willis

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222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willisofde.com • www.willis.com
Direct 302-397-0325 • teresa.asman@willis.com

PROFESSIONAL PERSONNEL PROFILE

Commercial Department

CHRISTOPHER BAIRD, CISP
Senior Client Services Specialist
Willis of Delaware, Inc.



Chris is an Account Executive with Willis in Wilmington, DE, and manages the insurance programs for a portfolio of clients with a particular focus on identifying exposures and determining the best approach via insurance products, loss control, or self-insurance options.

He began his insurance career in 1999 with AIGM, Inc. and joined The Zutz Insurance Group (now Willis of Delaware, Inc.) in 2001 as a member of the Personal Insurance division before moving into Commercial Lines in 2005. He currently manages and services all aspects of his Commercial clients' diverse insurance programs, providing exposure identification, risk transfer choices for treatment of exposures, monitoring the results of the chosen risk transfer vehicle, and applying appropriate modifications to enhance protection of clients' assets.

Chris is Property and Casualty licensed and has earned his Certified Insurance Service Representative (CISR) professional designation. He has been a member of the Society of Certified Insurance Service Representatives since 2003 and graduated from Chubb Insurance Group's Producer Development School in 2006. He is currently pursuing his Bachelor of Science in Business Management.

Willis

Willis of Delaware, Inc.

300 Delaware Avenue, Suite 1600 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willis.com
Direct 302-397-0359 • christopher.baird@willis.com

PROFESSIONAL PERSONNEL PROFILE

Commercial Department



As a Marketing Placement Specialist and Client Executive, Eleanor reviews and assesses a diverse group of clients' insurance programs with a particular focus on identifying risk exposures and determining the best way to approach the overall account, either by risk transfer, risk retention, or elimination of the risk exposures via insurance products, loss control discussions, inspections, and loss control recommendations. She began her insurance career with an industry leader, AIG, in 1986. She joined The Zutz Insurance Group (now Willis of Delaware, Inc.) in 2003 as a member of the Commercial Lines division.

She is responsible for all aspects of new client introductions to Willis of Delaware's capabilities and expertise in handling all aspects of their insurance program, which includes identifying strengths and weaknesses within their current insurance programs, with an emphasis on resolution of gaps within their current coverages. As a licensed insurance agent in 50 states, Eleanor's education and training affords her the ability to analyze clients emerging changes in risk circumstances and to determine the best solutions for those developing exposures.

Her experience in establishing strong client relationships allows her to keep insureds involved throughout the placement and underwriting process and to provide them an opportunity to better analyze how their operations, processes, and procedures impact their insurance premiums and bottom line.

With over 28 years of experience in the insurance industry, Eleanor has experience in multiple lines of business including Commercial Property and Liability, Professional, Environmental, Cyber, Aviation, and Workers Compensation. She has been licensed in Property and Casualty since 1990 (licensed in all 50 states) and Life and Health since 1994. She completed INS 21, INS 23, and CPCU 3 as part of a Charter Property & Casualty Underwriting program and four components of the Certified Insurance Counselor (CIC) professional designation and is pursuing the final component in 2014.

Willis

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222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willisofde.com • www.willis.com
Direct 302-397-0348 • eleanor.koger@willis.com

PROFESSIONAL PERSONNEL PROFILE

Risk Control & Claims

BRIAN K. PHILLIPS, JR.

Senior Claims Consultant

Risk Control and Claim Advocacy Practice



As an advocate in the Willis Risk Control and Claim Advocacy Practice, Brian brings over a decade of claims experience to our Wilmington, Delaware, and Radnor, Pennsylvania, offices. His areas of concentration include General Liability, Property, Commercial Auto, and Professional Liability. Industry experience includes: commercial, industrial and habitational real estate, hotels, retail, accountants, lawyers, and dental (Professional Liability).

As a member of the Risk Control and Claim Advocacy Practice, he is responsible for providing expertise and counselling related to insurance claim matters, while functioning as a liaison between our clients, insurance carriers, TPAs and other service providers. With a focus on solutions and results, he monitors losses to ensure our clients claims are paid quickly, efficiently, and appropriately. Because customer service is equally as important, he is available for our clients 24 hours a day.

Prior to joining Willis, Brian worked for The Progressive Group of Insurance Companies where he was responsible for resolving complex property and casualty cases.

He is a graduate of Millersville University and holds a B.A. in Government and Political Affairs (Minor in International Relations). He has attained the Associate in Claims (AIC) professional designation and is pursuing his Associate in Risk Management (ARM) professional designation.

Willis

Risk Control and Claim Advocacy Practice

222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willisofoe.com • www.willis.com
Direct 302-397-0333 • Mobile 302-357-4927 • brian.phillipsjr@willis.com

PROFESSIONAL PERSONNEL PROFILE

Executive

LAWRENCE L. ZUTZ
Managing Partner
Willis of Delaware, Inc.



Larry is a Phi Beta Kappa graduate of Indiana University in 1968 and Yale Law School in 1971. He is also a retired Captain in the United States Army Reserve and a former professional golfer.

In 1973, Larry joined the respected Wilmington law firm of Bayard, Brill and Handelman. Then in 1975, he moved to a General Counsel and Executive role at The Zutz Insurance Group, which has preserved a proud family history since 1940.

In 1989, he was named President of The Zutz Insurance Group (now Willis of Delaware, Inc.) and has been responsible for much of the growth and success of the organization.

Among his professional memberships are the Delaware State Bar Association, the District of Columbia Bar Association, the Professional Liability Underwriting Society (PLUS), and the Independent Insurance Agents and Brokers of America.

Larry is currently active in a number of civic affairs, including the Wilmington Rotary Club, and over the years has served on the Boards of the Blood Bank of Delmarva, The First Tee Program, Blood Bank of Delmarva, Girls, Inc. and others.

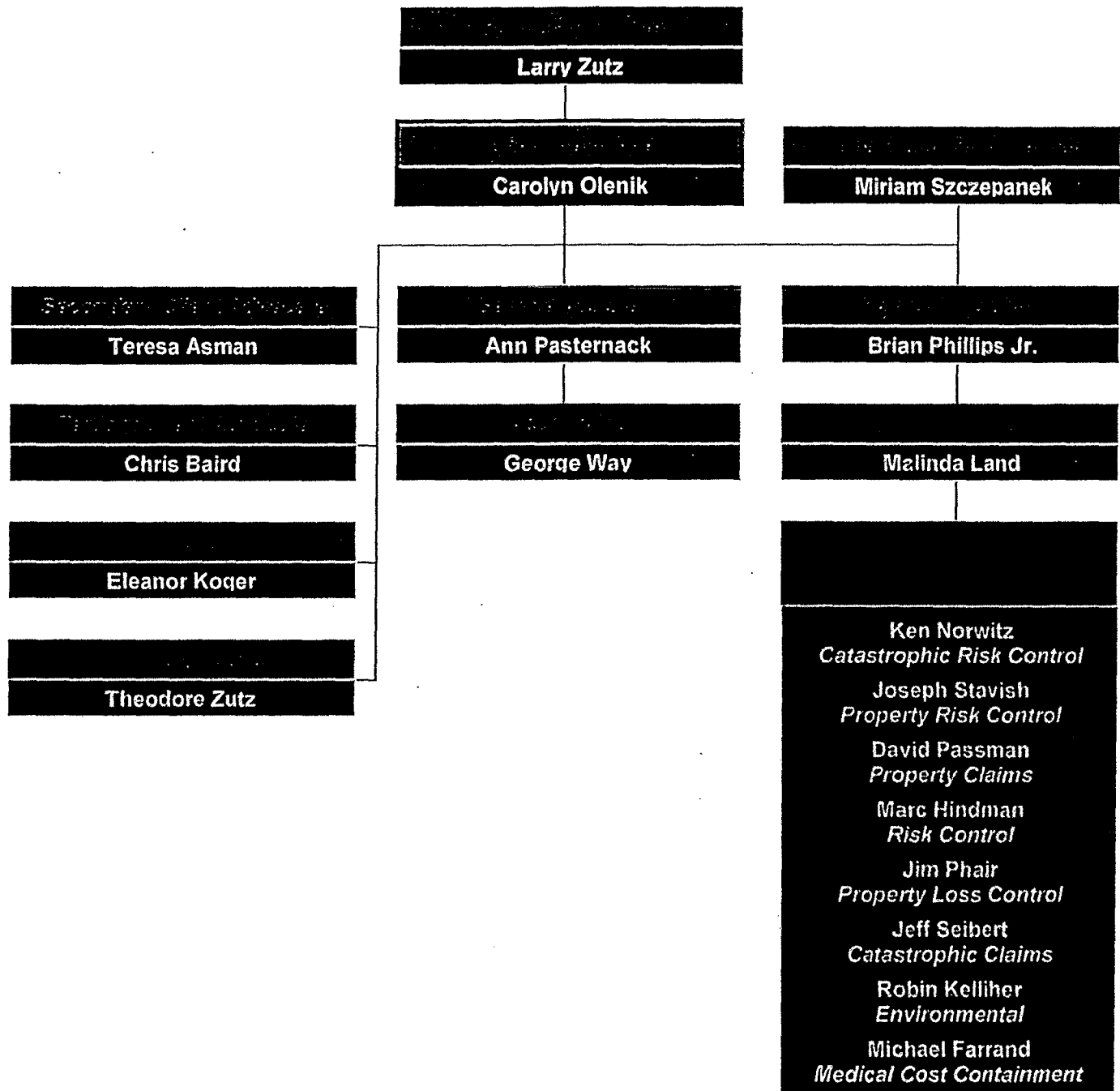
Over the years, he has served in various Board positions for numerous other civic and professional associations, including United Way of Delaware and American Red Cross of Delaware.

Willis

Willis of Delaware, Inc.

222 Delaware Avenue, Suite 1000 • P.O. Box 2287 • Wilmington, Delaware 19899
302-658-8000 • 800-441-9385 • Fax 302-658-8879 • www.willisofde.com • www.willis.com
Direct 302-397-0180 • larry.zutz@willis.com

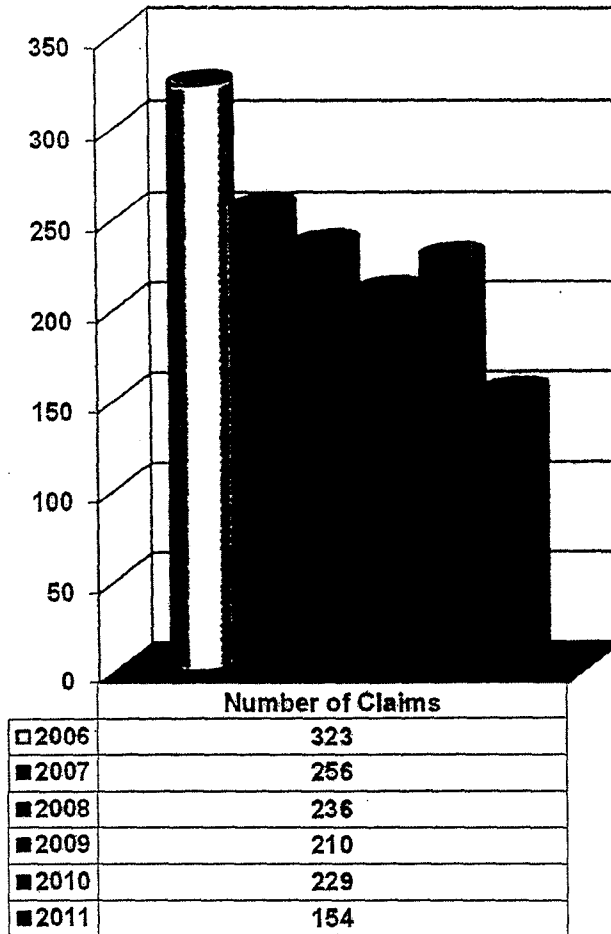
WILLIS ACCOUNT SERVICE TEAM FOR CITY OF WILMINGTON



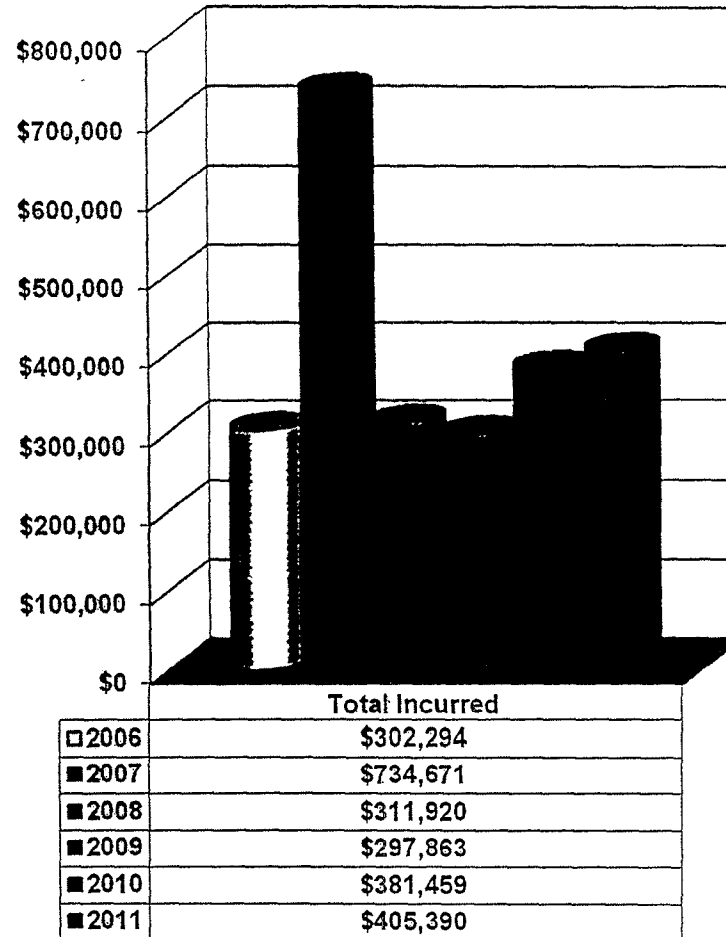
**ABC Company
Statistical Report
January-2012
Policy Years 2006-2011**

ABC Company

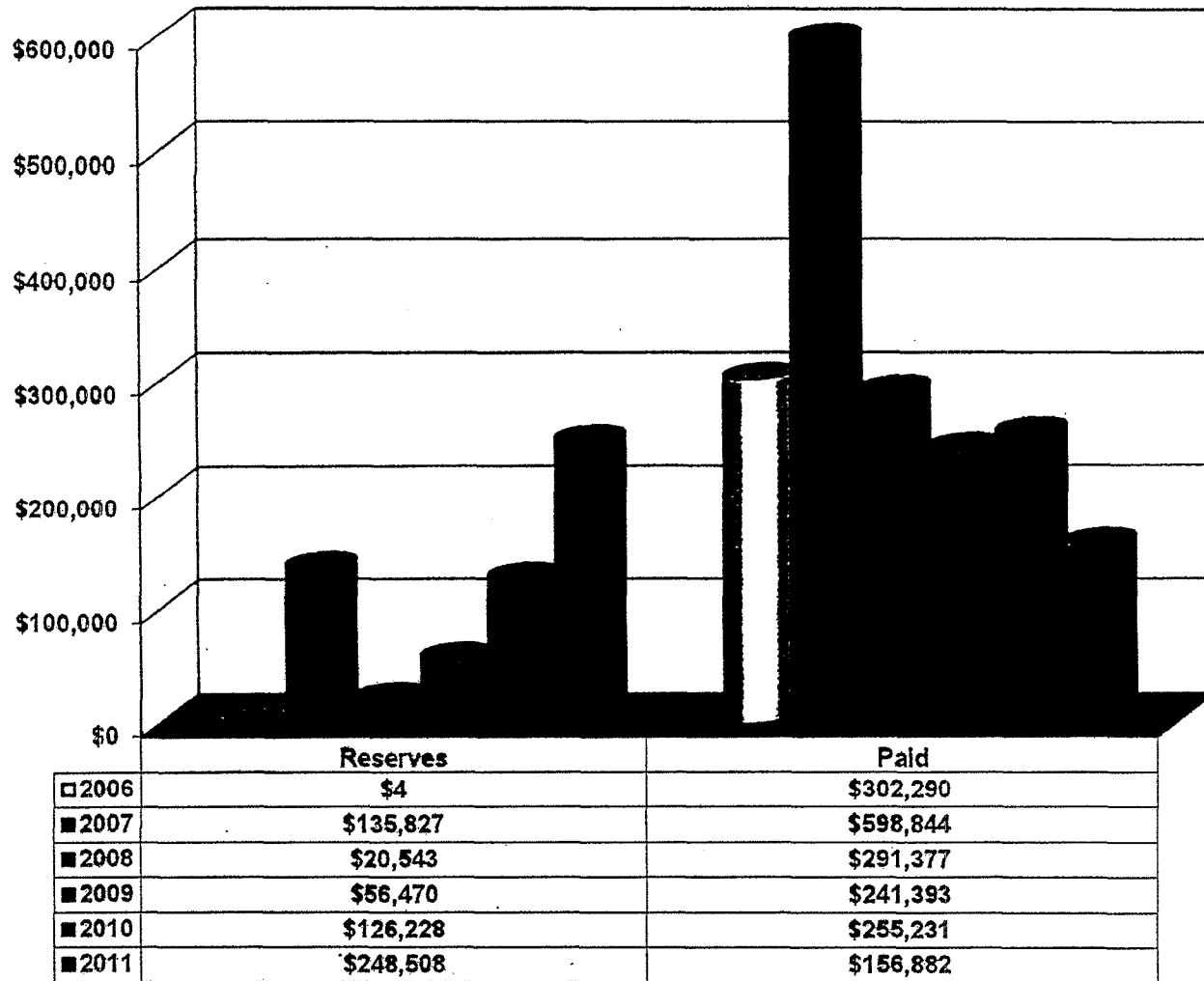
Number of Claims



Total Incurred



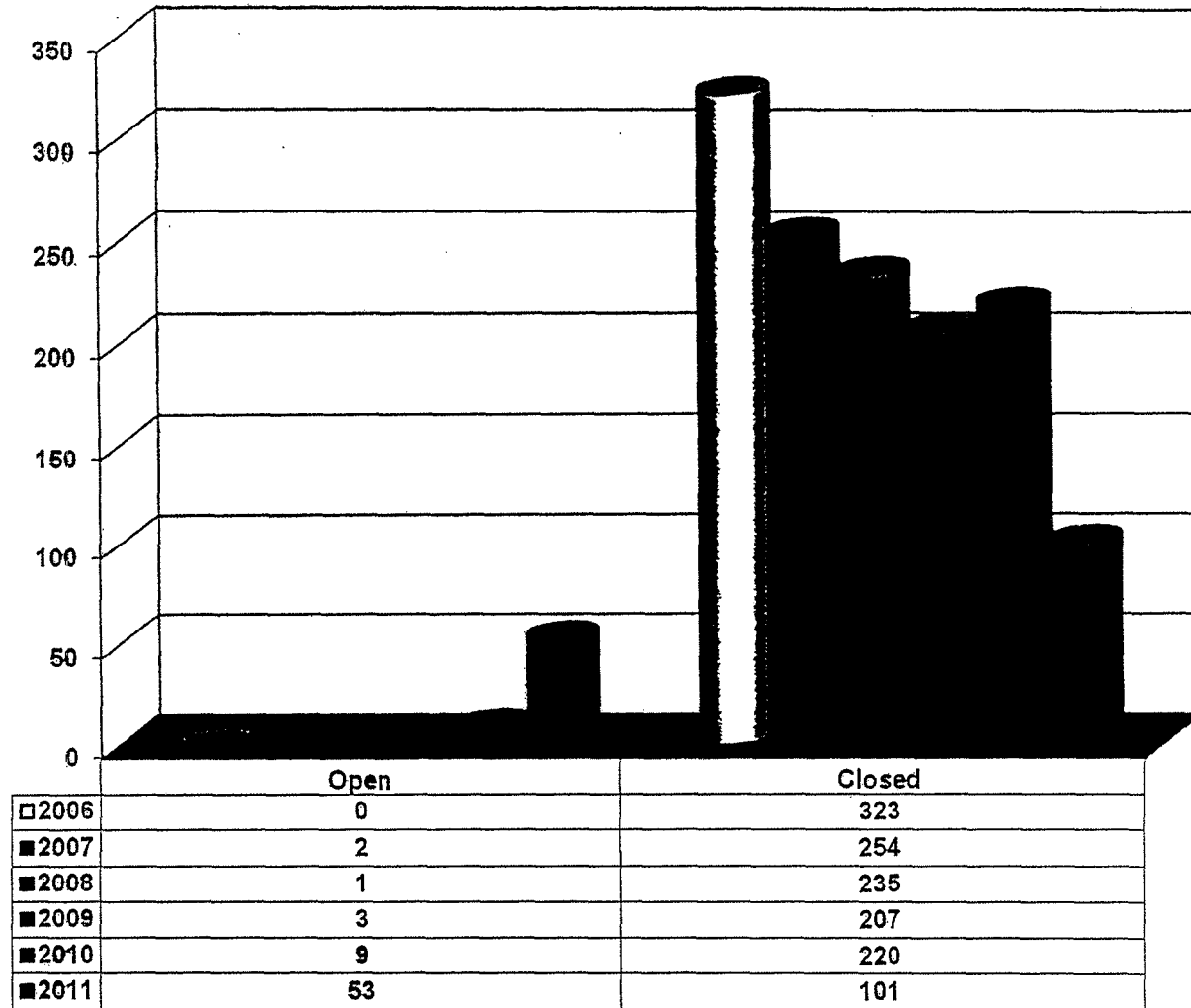
ABC Company Reserves vs. Paid



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

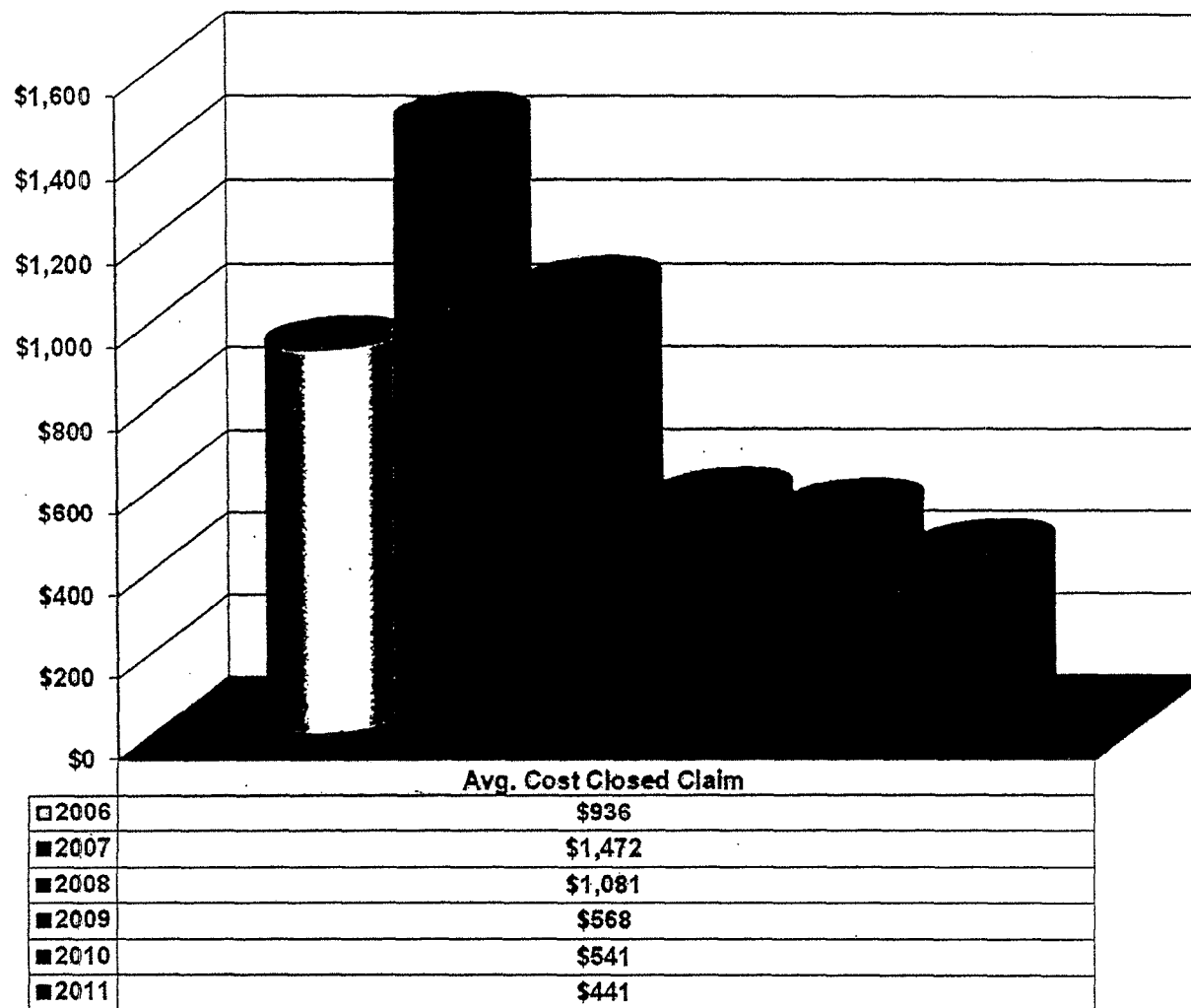
ABC Company Open vs. Closed Claims



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

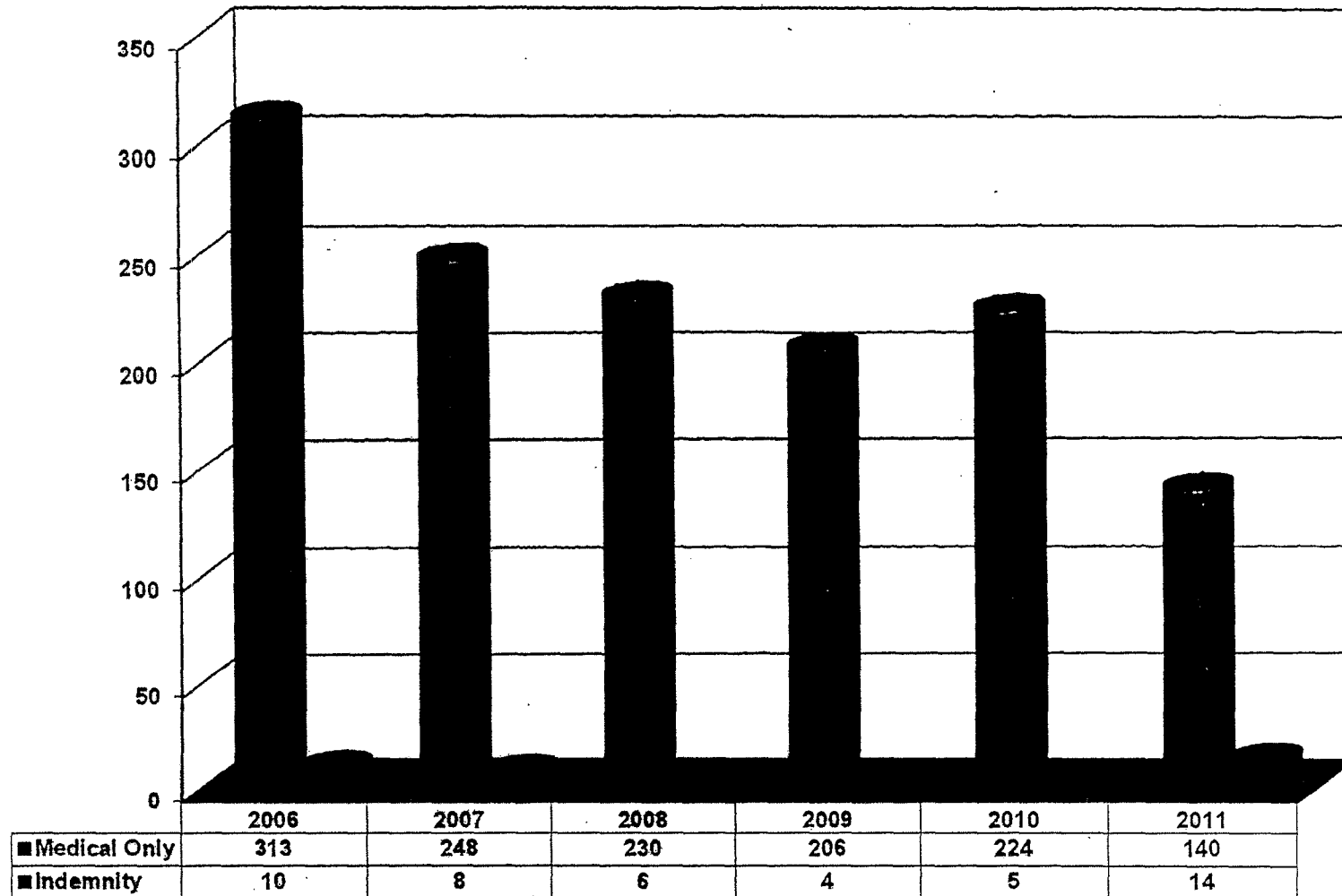
ABC Company Average Cost of a Closed Claim



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

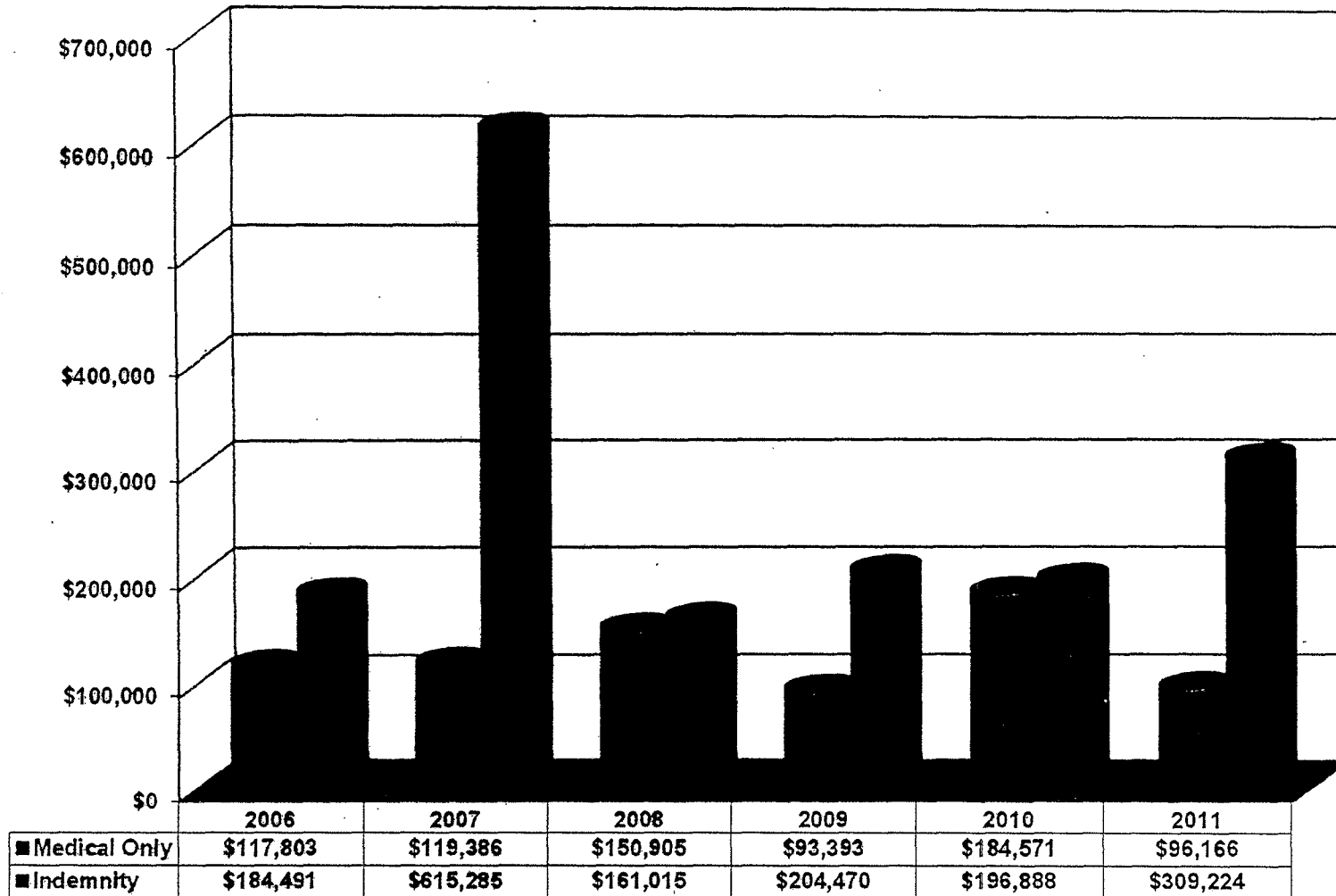
ABC Company Medical Only vs. Indemnity - Number of Claims



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

ABC Company Medical Only vs. Indemnity - Total Incurred

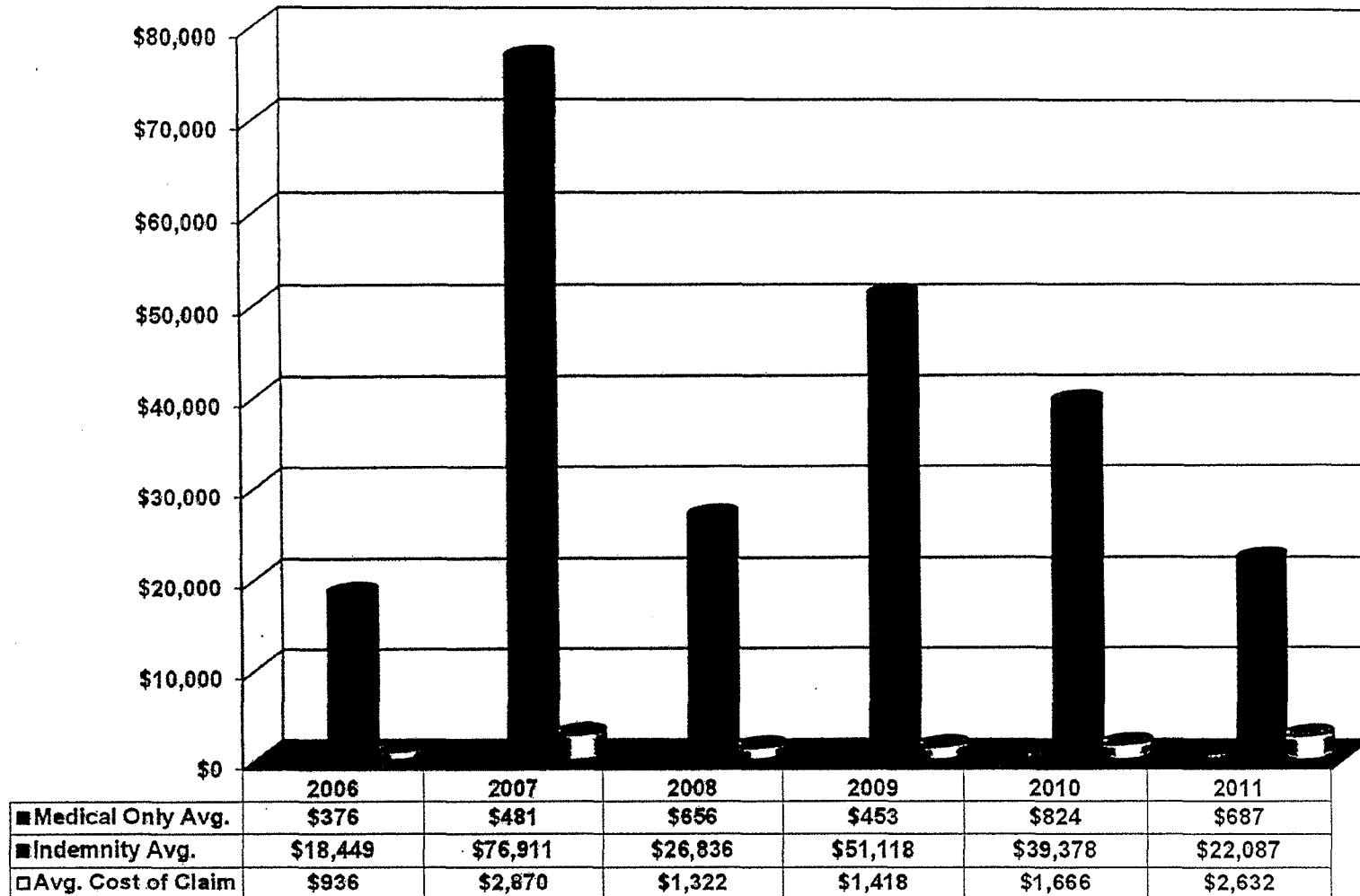


Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

ABC Company

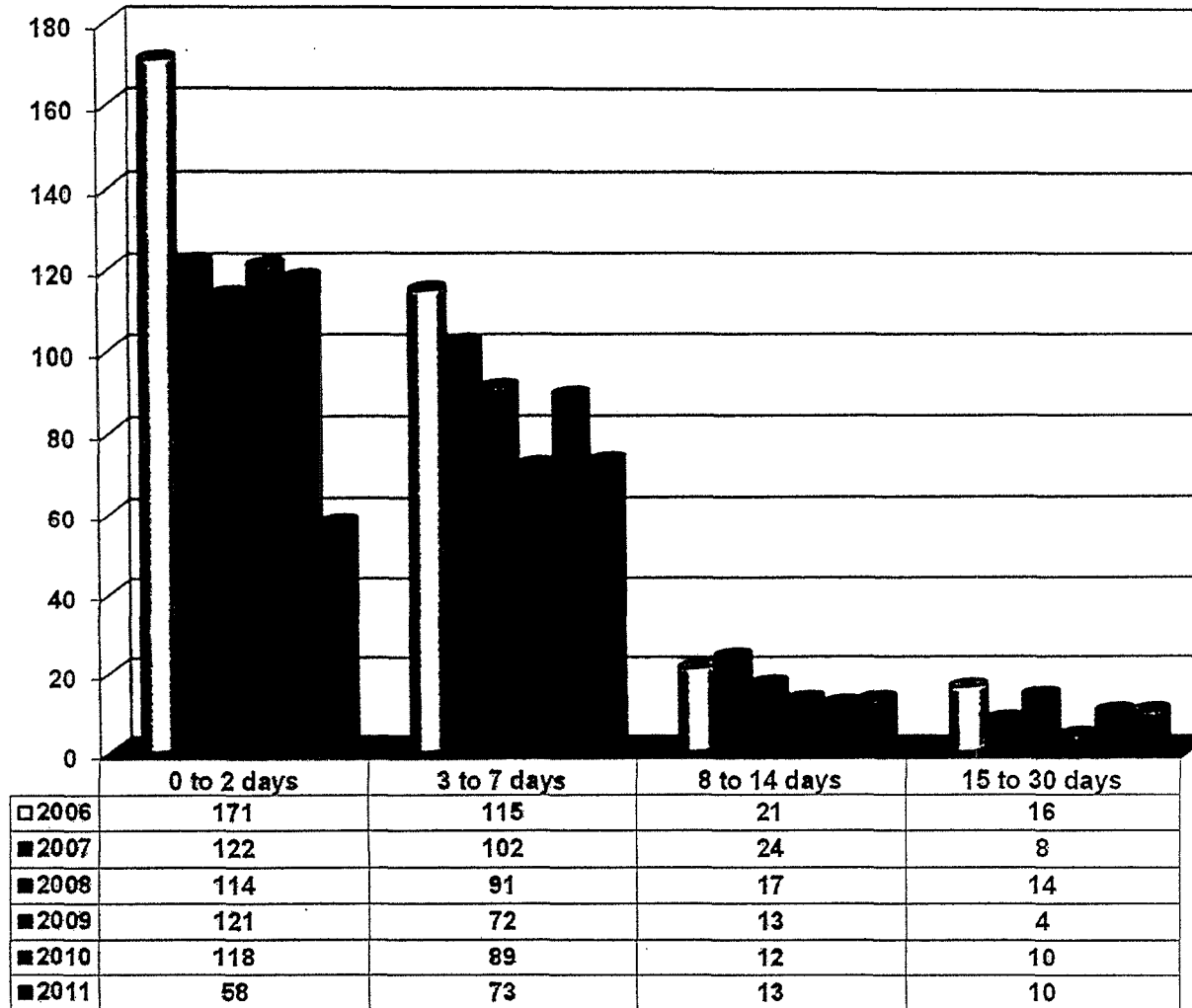
Average Cost of a Claim Based on Total Dollars Incurred



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

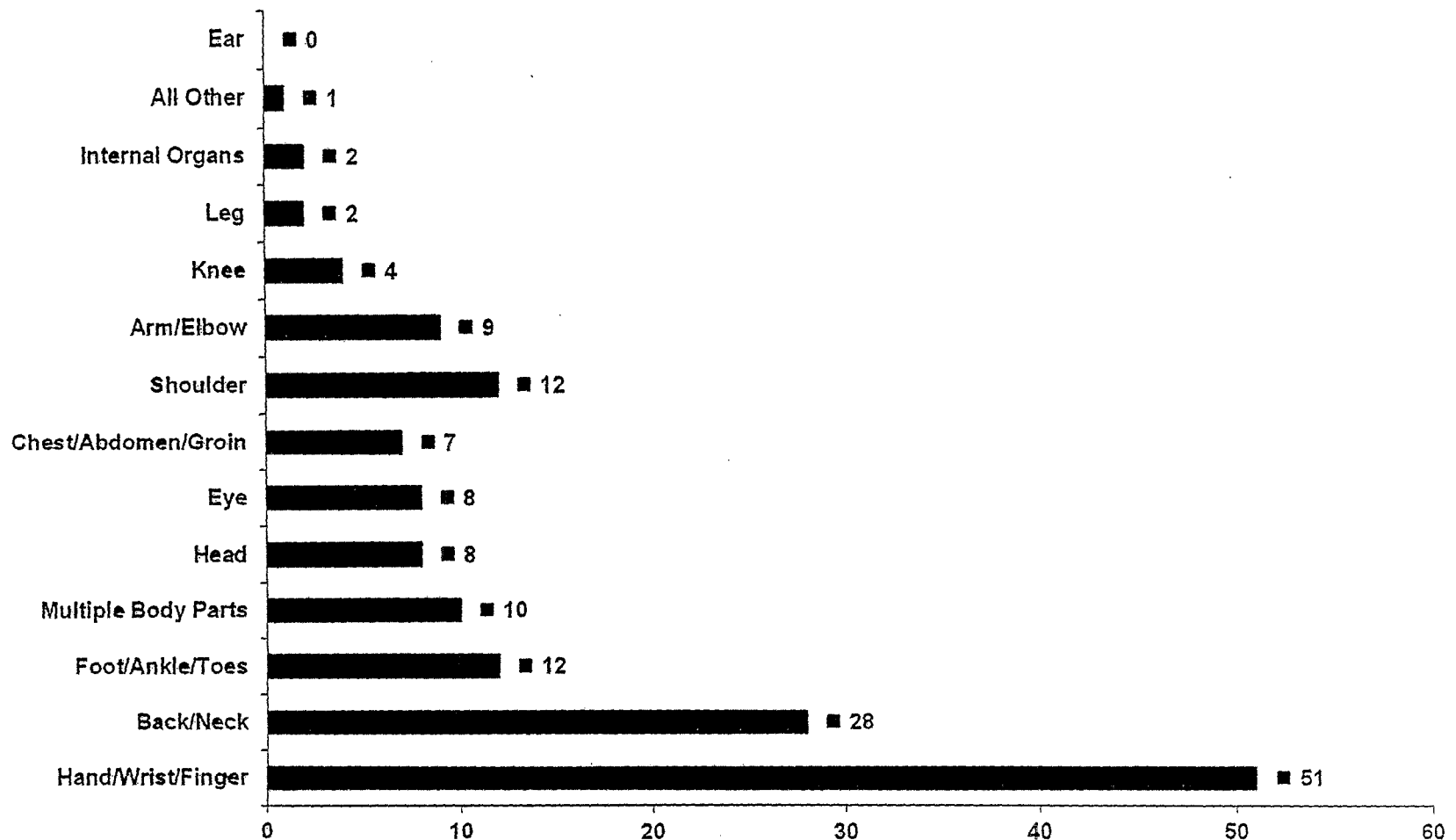
ABC Company Lag Time Analysis



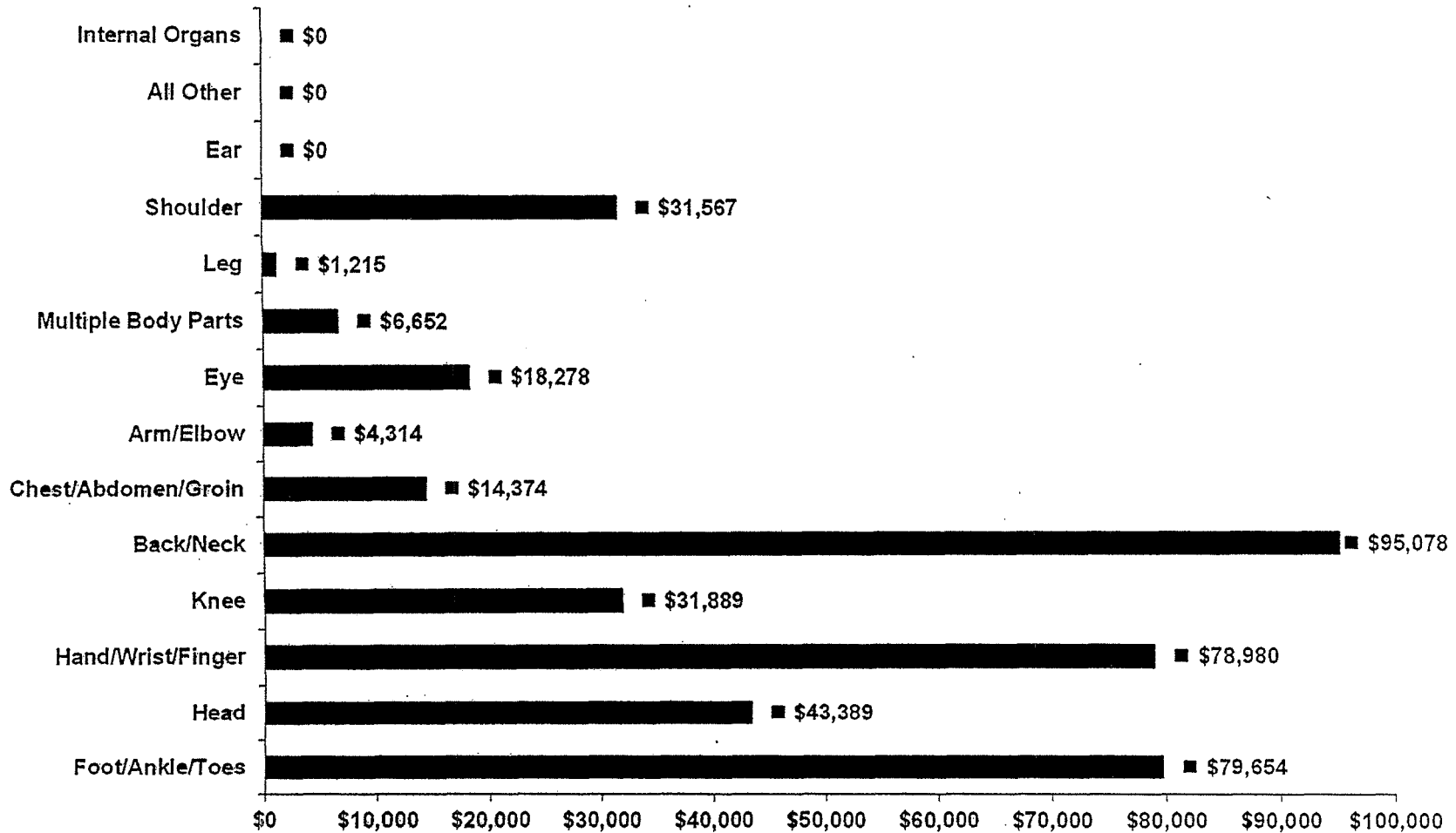
Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

ABC Company Body Parts Injured by Number of Claims - 2011

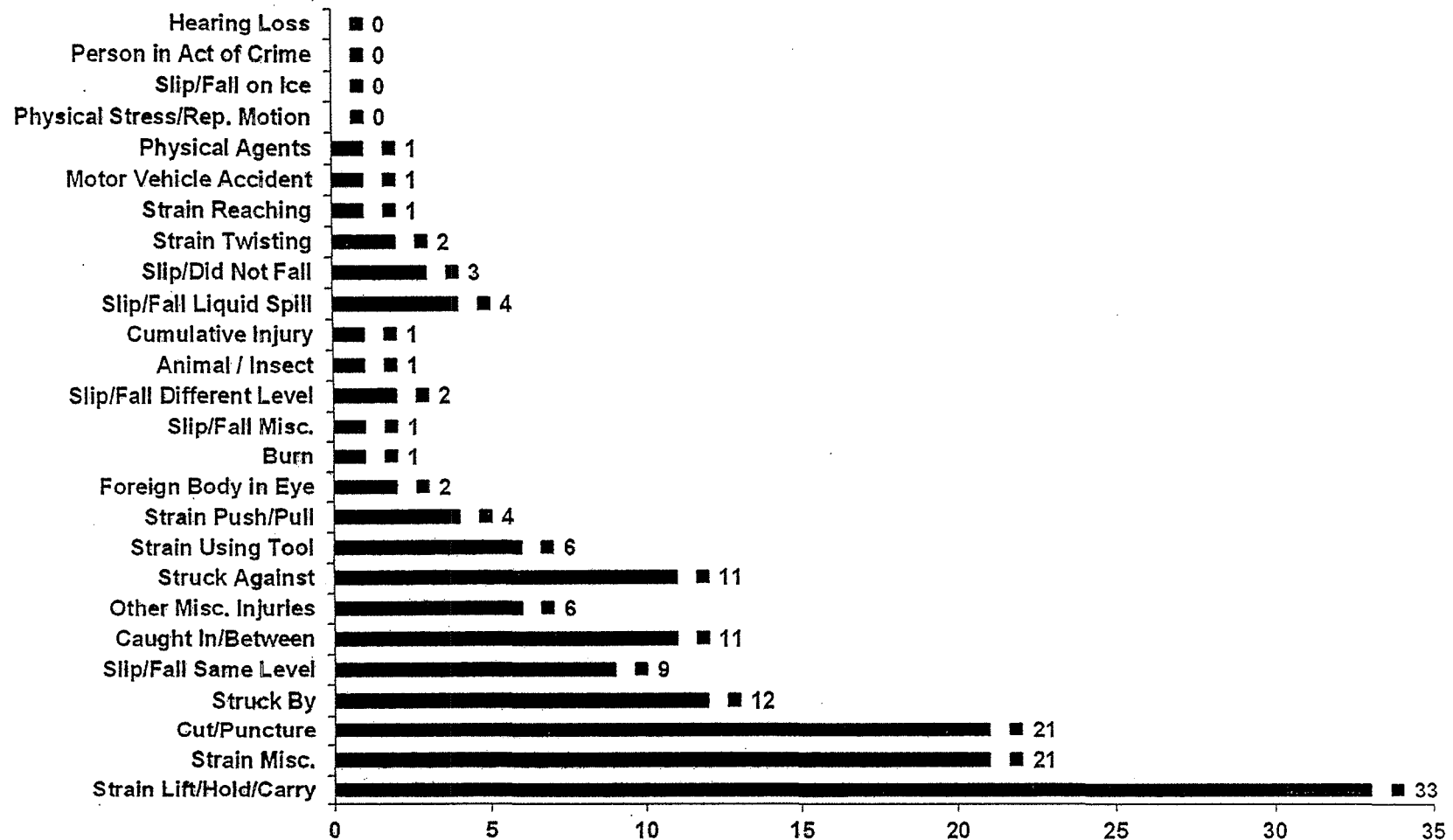


ABC Company Body Parts Injured by Total Incurred - 2011



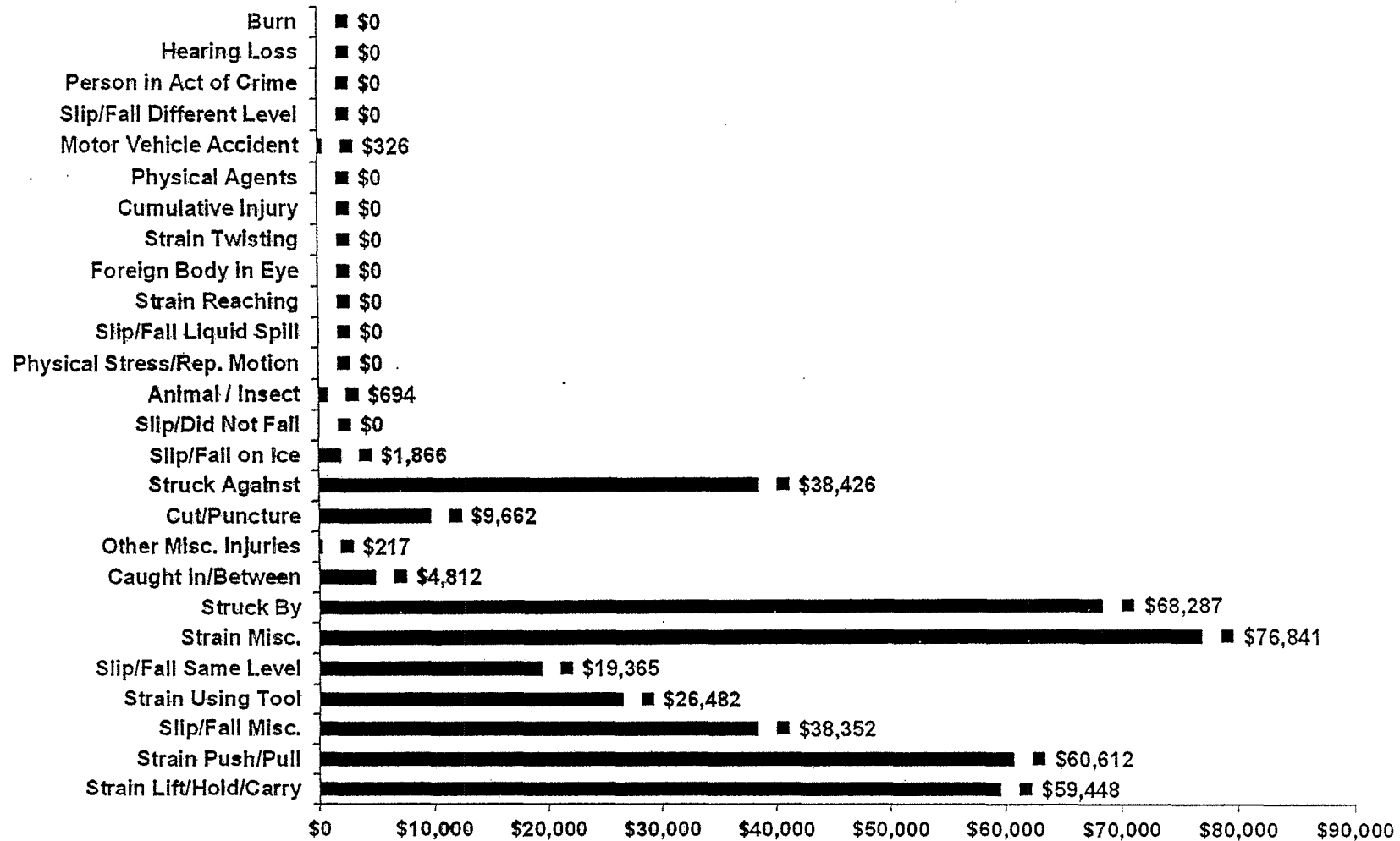
Willis

ABC Company Cause of Injury by Number of Claims - 2011



Willis

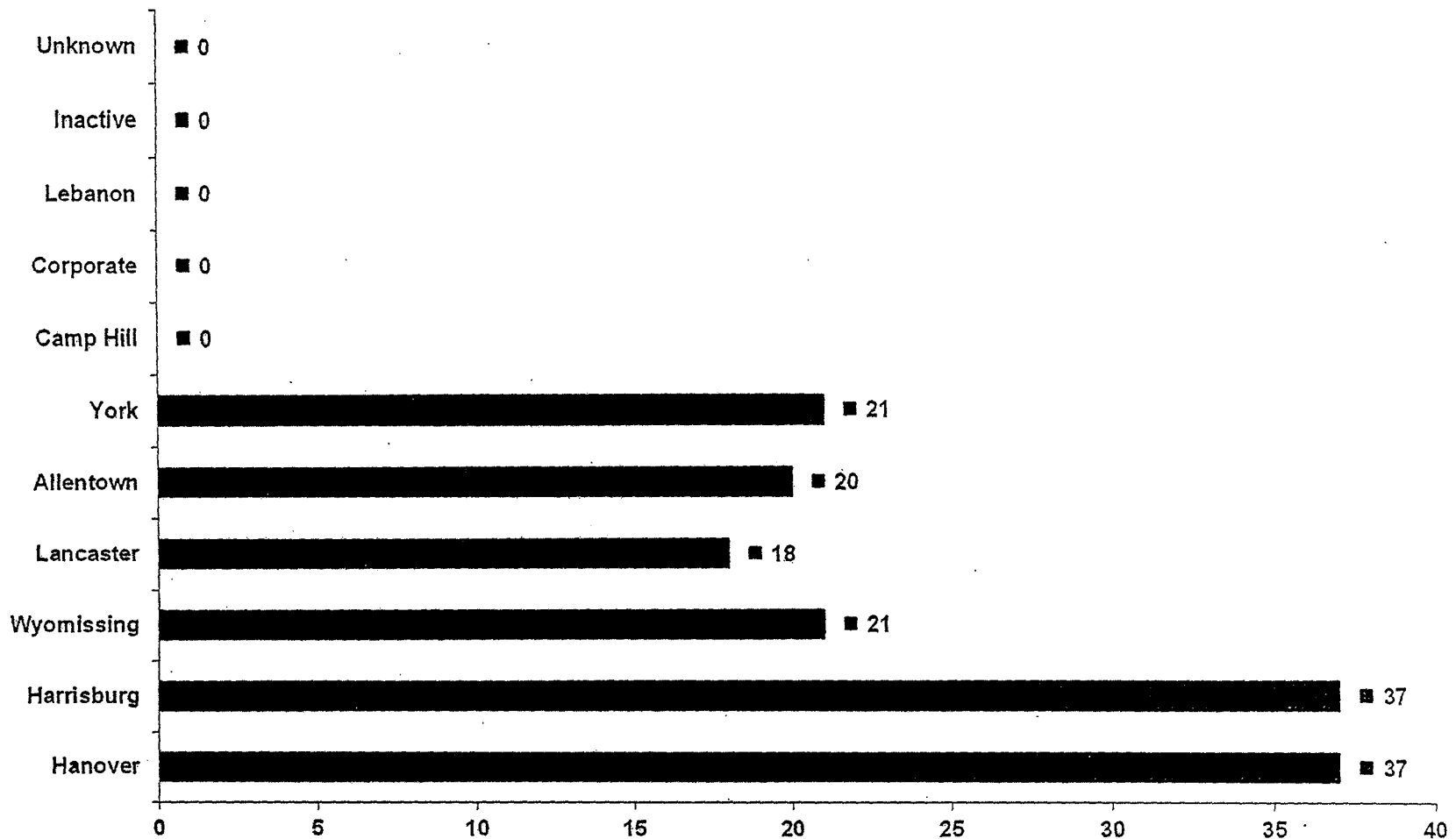
ABC Company Cause of Injury by Total Incurred - 2011



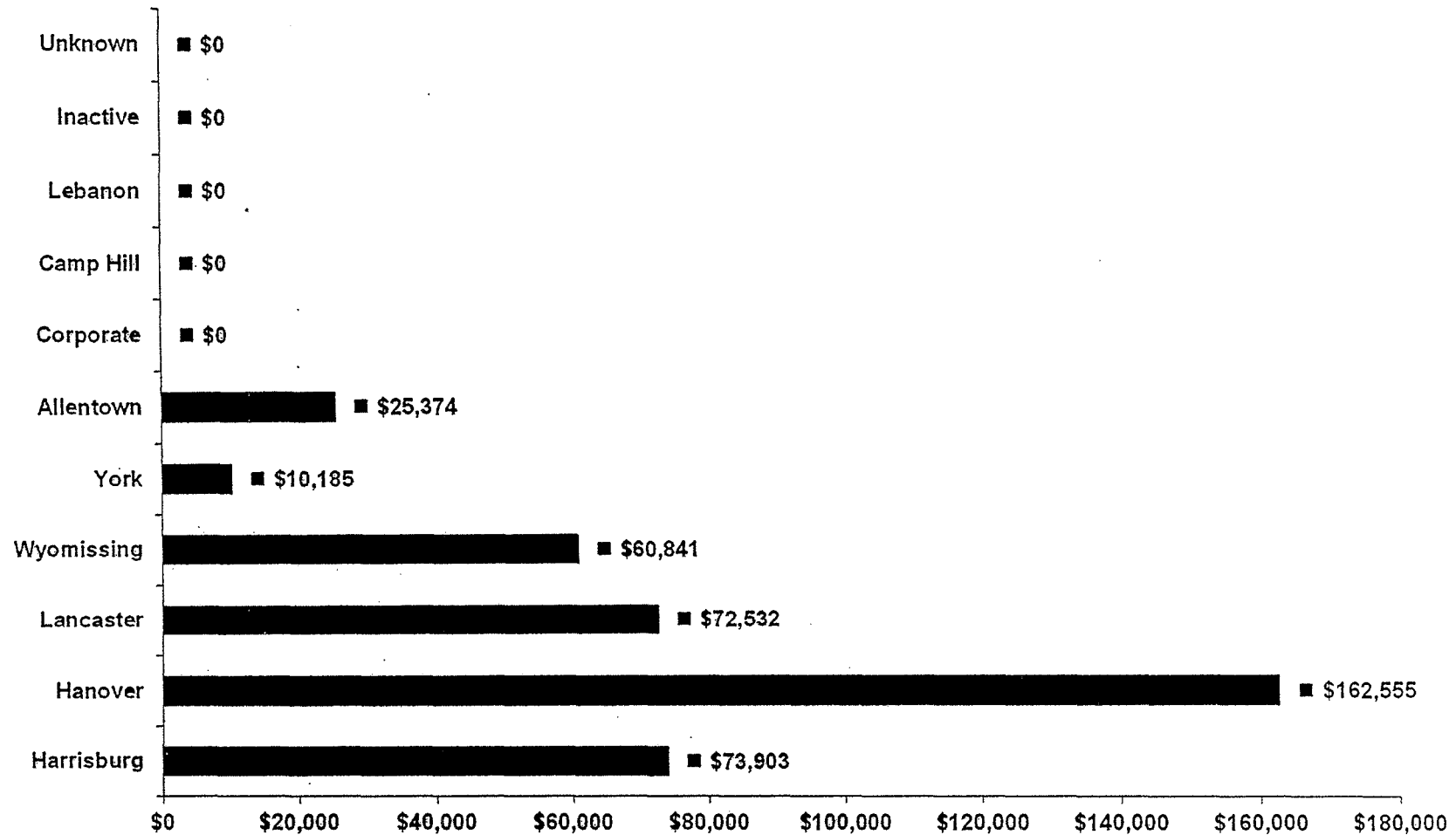
Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

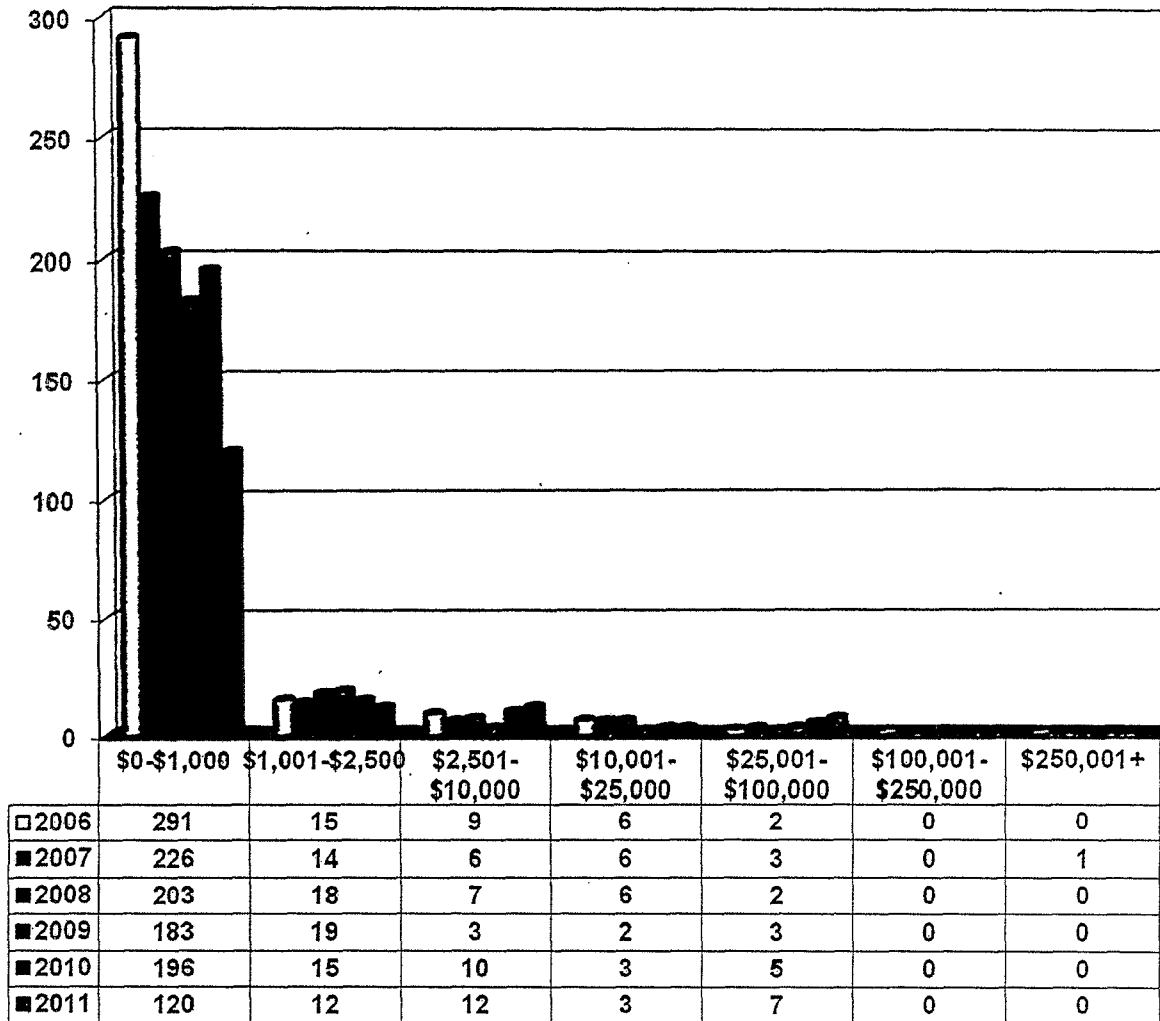
ABC Company Number of Claims by Location - 2011



ABC Company Total Incurred by Location - 2011



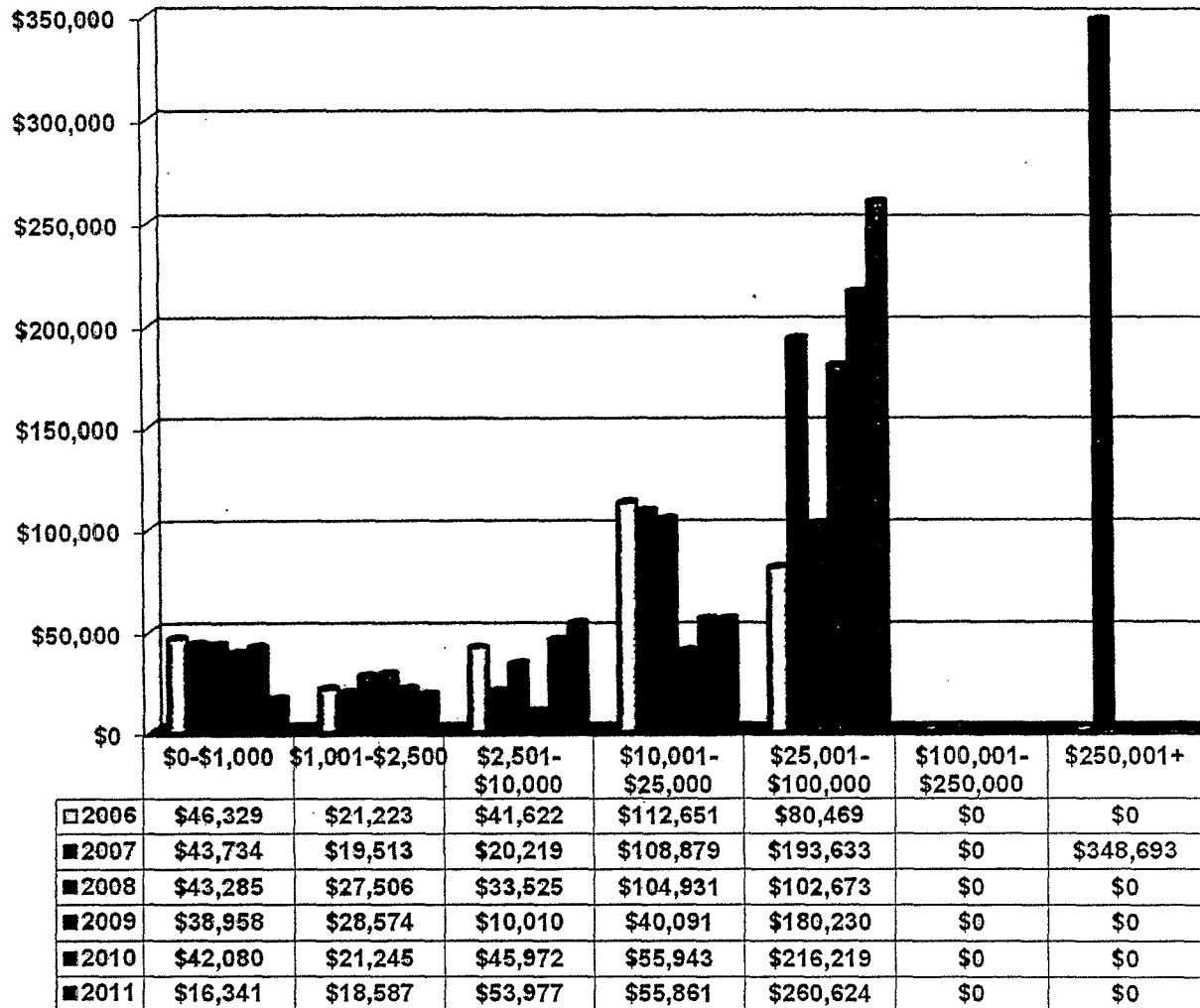
ABC Company **Loss Stratification by Number of Claims**



Workers' Compensation Claims
 ABC ACT Report as of 12-31-11.xls

Willis

ABC Company Loss Stratification by Total Incurred



Workers' Compensation Claims
ABC ACT Report as of 12-31-11.xls

Willis

2011

Number of Claims	15,398	Incurred Reserves	\$1,103,800
Open Claims	5,398	Paid	\$2,883,508
Open Claims %	35.32%	Average Cost per Claim	\$155,682
Closed Claims	10,000	Reporting Lag Average	5
Closed Claims %	64.68%	0-2 Days	23
Average Cost of Closed Claim	\$111,100	3-7 Days	72
		8-14 Days	18
		15-Over	10
Indemnity Claim Count #	15,398		
Indemnity Claim Count %	100.00%		
Indemnity Incurred \$	\$3,022,265		
Indemnity Incurred %	100.00%		
Indemnity Average \$	\$196,260		
Medical Only Claim Count #	1,000		
Medical Only Claim Count %	6.49%		
Medical Only Incurred \$	\$96,660		
Medical Only Incurred %	3.19%		
Medical Only Average \$	\$96,660		

LOSS STRATIFICATION	Number of Claims	Total Incurred
\$0 - \$1,000	120	\$5,917
\$1,001 - \$2,500	10	\$18,500
\$2,501 - \$10,000	12	\$59,172
\$10,001 - \$25,000	3	\$55,851
\$25,001 - \$100,000	2	\$268,520
\$100,001 - \$250,000	1	\$20,000
\$250,001 +	0	\$0


Body Part	Number of Claims	Total Incurred	Body Part	Number of Claims	Total Incurred
Hand/Wrist/Finger	5	\$72,980	Foot/Ankle/Toes	12	\$72,651
Back/Neck	2	\$95,078	Head	6	\$13,889
Foot/Ankle/Toes	2	\$95,078	Hand/Wrist/Finger	5	\$72,980
Multiple Body Parts	1	\$5,652	Knee	1	\$1,889
Head	1	\$13,889	Back/Neck	2	\$95,078
Eye	2	\$38,235	Chest/Abdomen/Groin	1	\$11,970
Chest/Abdomen/Groin	1	\$11,970	Arm/Elbow	1	\$13,889
Shoulder	2	\$31,567	Eye	1	\$13,889
Arm/Elbow	1	\$13,889	Multiple Body Parts	1	\$1,889
Knee	1	\$1,889	Leg	2	\$2,500
Leg	2	\$2,500	Shoulder	2	\$31,567
Internal Organs	1	\$1,889	Ear	1	\$1,889
All Other	1	\$1,889	All Other	1	\$1,889
Ear	1	\$1,889	Internal Organs	1	\$1,889

Cause of Injury	Number of Claims	Total Incurred	Cause of Injury	Number of Claims	Total Incurred
Strain Lift/Hold/Carry	3	\$6,122	Struck Against	1	\$50,000
Strain Misc.	2	\$3,611	Struck By	1	\$60,612
Cut/Puncture	2	\$9,652	Caught In/Between	1	\$38,852
Struck By	1	\$50,000	Motor Vehicle Accident	1	\$26,482
Slip/Fall Same Level	1	\$10,855	Slip/Fall Same Level	1	\$10,855
Caught In/Between	1	\$38,852	Strain Misc.	2	\$3,611
Other Misc. Injuries	1	\$1,889	Strain Lift/Hold/Carry	3	\$6,122
Struck Against	1	\$50,000	Other Misc. Injuries	1	\$1,889
Strain Using Tool	1	\$1,889	Strain Reaching	1	\$1,889
Strain Push/Pull	1	\$1,889	Cut/Puncture	2	\$9,652
Foreign Body in Eye	1	\$1,889	Strain Push/Pull	1	\$1,889
Burn	1	\$1,889	Strain Using Tool	1	\$1,889
Slip/Fall Misc.	1	\$1,889	Strain Twisting	1	\$1,889
Slip/Fall Different Level	1	\$1,889	Slip/Did Not Fall	1	\$1,889
Animal / Insect	1	\$1,889	Slip/Fall on Ice	1	\$1,889
Cumulative Injury	1	\$1,889	Physical Stress/Rep. Motion	1	\$1,889
Slip/Fall Liquid Spill	1	\$1,889	Physical Agents	1	\$1,889
Slip/Did Not Fall	1	\$1,889	Person in Act of Crime	1	\$1,889
Strain Twisting	1	\$1,889	Hearing Loss	1	\$1,889
Strain Reaching	1	\$1,889	Slip/Fall Misc.	1	\$1,889
Motor Vehicle Accident	1	\$26,482	Animal / Insect	1	\$1,889
Physical Agents	1	\$1,889	Slip/Fall Liquid Spill	1	\$1,889
Physical Stress/Rep. Motion	1	\$1,889	Cumulative Injury	1	\$1,889
Slip/Fall on Ice	1	\$1,889	Slip/Fall Different Level	1	\$1,889
Person in Act of Crime	1	\$1,889	Burn	1	\$1,889
Hearing Loss	1	\$1,889	Foreign Body in Eye	1	\$1,889

Locations	Number of Claims	Total Incurred	Locations	Number of Claims	Total Incurred
Hanover	1	\$162,550	Harrisburg	1	\$73,903
Harrisburg	1	\$73,903	Hanover	1	\$162,550
Wyomissing	1	\$60,411	Lancaster	1	\$12,557
Lancaster	1	\$12,557	Wyomissing	1	\$60,411
Allentown	1	\$2,374	York	1	\$10,855
York	1	\$10,855	Allentown	1	\$2,374
Camp Hill	1	\$1,889	Corporate	1	\$1,889
Corporate	1	\$1,889	Camp Hill	1	\$1,889
Lebanon	1	\$1,889	Lebanon	1	\$1,889
Inactive	1	\$1,889	Inactive	1	\$1,889
Unknown	1	\$1,889	Unknown	1	\$1,889

WILLIS OF DELAWARE INC
222 DELAWARE AVENUE STE 1000
WILMINGTON DE 19801

State of Delaware Insurance Department Insurance License		
License No: 1042109	NPN: 8819291	
WILLIS OF DELAWARE INC		
Is licensed to engage in the business of insurance in the State of Delaware, in the capacity stated below:		
LICENSE TYPE	LOA CODE	ISSUE DATE
PRODUCER	All insurance transactions completed in the name of the agency shall be accomplished by an individual(s) licensed with this Department. Lines of Authority are not assigned to agencies.	06/07/2006
SURPLUS LINES BROKER	All insurance transactions completed in the name of the agency shall be accomplished by an individual(s) licensed with this Department. Lines of Authority are not assigned to agencies.	02/18/2009


Karen Weldin Stewart, CIR-ML, Insurance Commissioner

CUT ALONG DASHED LINE

State of Delaware Insurance Department Insurance License

License Number: 1042109

NPN: 8819291

WILLIS OF DELAWARE INC
222 DELAWARE AVENUE STE 1000
WILMINGTON DE 19801



Is licensed to engage in the business of insurance in the State of Delaware in the capacity stated below

LICENSE TYPE	LINE OF AUTHORITY CODE	ISSUE DATE
PRODUCER	All insurance transactions completed in the name of the agency shall be accomplished by an individual(s) licensed with this Department. Lines of Authority are not assigned to agencies.	06/07/2006
SURPLUS LINES BROKER	All insurance transactions completed in the name of the agency shall be accomplished by an individual(s) licensed with this Department. Lines of Authority are not assigned to agencies.	02/18/2009


An insurance license shall remain in effect unless revoked or suspended as long as the fee(s) set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Resident renewal fees are due by February 28th of every even year.

Non-resident renewal fees are due by February 28th of every odd year.

Notification will be mailed to the licensee 90 days prior to the due date.

Licenses are perpetual and are not reissued upon renewal.


Karen Weldin Stewart, CIR-ML, Insurance Commissioner

LINE OF AUTHORITY CODES		
01-LIFE	11-TRAVEL ACC & BAGGAGE	MISC. NON-RESIDENT LOAs
02-HEALTH	13-MARINE & TRANS	21-AGRICULTURAL AGENT
04-PROPERTY	14-PERSONAL LINES	22-AUTO MECHANIC BREAKDOWN
05-CASUALTY	15-BAIL AGENT	25-PREPAID DENTAL PLANS
06-SURETY	16-PROPERTY BAIL AGENT	26-PREPAID LEGAL AGENT
07-TITLE	23-MULTI-PERIL-CROP	
08-VARIABLE ANNUITY	24-AUTOMOBILE CLUB	
MOTOR VEHICLE	27-WORKERS' COMPENSATION	
CREDIT		

THEODORE C ZUTZ
1145 WEBSTER DRIVE
WILMINGTON DE 198030000

CUT ALONG DASHED LINE
DELAWARE INSURANCE LICENSE NO. 123309

THEODORE C ZUTZ
1145 WEBSTER DRIVE
WILMINGTON DE 198030000

ISSUE
DATE
09/01/57
10/27/77

LICENSE TYPE LINE OF AUTHORITY CODE (see back)
PRODUCER 01 02 04 05 06 13 14
SURPLUS LINES BROKER 02 04 05 06 13 14

INSURANCE COMMISSIONER: Anna Lee Williams

CUT ALONG DASHED LINE



State of Delaware Insurance Department
INSURANCE LICENSE

NO. 123309

THEODORE C ZUTZ
1145 WEBSTER DRIVE
WILMINGTON DE 198030000

LICENSE TYPE

PRODUCER
SURPLUS LINES BROKER

LINE OF AUTHORITY CODES

01 02 04 05 06 13 14
02 04 05 06 13 14

ISSUE
DATE

09/01/57
10/27/77



An insurance license shall remain in effect unless revoked or suspended as long as the fee set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Anna Lee Williams
INSURANCE COMMISSIONER

LINE OF AUTHORITY CODES

01 - LIFE
02 - HEALTH
04 - PROPERTY
05 - CASUALTY
06 - SURETY
07 - TITLE
08 - VARIABLE ANNUITY
09 - MOTOR VEHICLE
10 - CREDIT

11 - TRAVEL AGC & BAGGAGE
13 - MARINE & TRANS
14 - PERSONAL LINES

MISC. NON-RESIDENT LOAs

21 - AGRICULTURAL AGENT
22 - AUTO MECHANIC BREAKDOWN
23 - CROP/HAIL
24 - MOTOR CLUB
25 - PREPAID DENTAL PLANS
26 - PREPAID LEGAL AGENT
27 - WORKERS' COMPENSATION

CAROLYN S. OLENIK
932 TRELIS LANE
WEST CHESTER PA 19382

State of Delaware Insurance Department		
Insurance License		
License No: 1343850	NPN: 2068543	
CAROLYN S. OLENIK		
Is licensed to engage in the business of insurance in the State of Delaware, in the capacity stated below		
LICENSE TYPE	LOA CODE	ISSUE DATE
PRODUCER	4, 5	12/04/2013

Karen Weldin Stewart, CIR-ML, Insurance Commissioner

CUT ALONG DASHED LINE



State of Delaware Insurance Department
Insurance License
License Number: 1343850 NPN: 2068543
CAROLYN S. OLENIK
932 TRELIS LANE
WEST CHESTER PA 19382

Is licensed to engage in the business of insurance in the State of Delaware in the capacity stated below

LICENSE TYPE	LINE OF AUTHORITY CODE	ISSUE DATE
PRODUCER	4, 5	12/04/2013

An insurance license shall remain in effect unless revoked or suspended as long as the fee(s) set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Resident renewal fees are due by February 28th of every even year.

Non-resident renewal fees are due by February 28th of every odd year.

Notification will only be provided through electronic posting at www.delawareinsurance.gov 90 days prior to the due date.

Licenses are perpetual and are not reissued upon renewal.

Apprentice Licenses expire one year from the date of issue and are not renewable.

Karen Weldin Stewart, CIR-ML, Insurance Commissioner

LINE OF AUTHORITY CODES

01-LIFE	11-TRAVEL ACC & BAGGAGE	MSC. NON-RESIDENT LOAs
02-HEALTH	13-MARINE & TRANS	21-AGRICULTURAL AGENT
03-PROPERTY	14-PERSONAL LINES	22-AUTO MECHANIC BREAKDOWN
04-CASUALTY	15-BAIL AGENT	25-PREPAID DENTAL PLANS
06-SURETY	16-PROPERTY BAIL AGENT	26-PREPAID LEGAL AGENT
07-TITLE	23-MULTI-PERIL-CROP	
08-VARIABLE ANNUITY	24-AUTOMOBILE CLUB	
09-MOTOR VEHICLE	27-WORKERS' COMPENSATION	
10-CREDIT		



State of Delaware Insurance Department
INSURANCE LICENSE

NO. 124456

TERESA S ASMAN
4 EVITA CIRCLE
MIDDLETOWN DE 197090000

LICENSE TYPE

LINE OF AUTHORITY CODES

ISSUE
DATE

PRODUCER

04 05 06 14

05/01/80



An insurance license shall remain in effect unless revoked or suspended as long as the fee set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Anna Lu H Williams
INSURANCE COMMISSIONER

CHRISTOPHER P BAIRD
2407 LINCOLN AVENUE
CLAYMONT DE 197030000

CUT ALONG DASHED LINE

DELAWARE INSURANCE LICENSE NO. 126101

CHRISTOPHER P BAIRD
2407 LINCOLN AVENUE
CLAYMONT DE 197030000

LICENSE TYPE
PRODUCER

LINE OF AUTHORITY CODE (see back)
04 05 14

ISSUE
DATE
05/31/00

INSURANCE COMMISSIONER: *Anna Lee Williams*

CUT ALONG DASHED LINE



State of Delaware Insurance Department
INSURANCE LICENSE

NO. 126101

CHRISTOPHER P BAIRD
2407 LINCOLN AVENUE
CLAYMONT DE 197030000

LICENSE TYPE

PRODUCER

LINE OF AUTHORITY CODES

04 05 14

ISSUE
DATE

05/31/00



An insurance license shall remain in effect unless revoked or suspended as long as the fee set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Anna Lee Williams
INSURANCE COMMISSIONER

LINE OF AUTHORITY CODES

LIFE
HEALTH
04 - PROPERTY
05 - CASUALTY
06 - SURETY
07 - TITLE
08 - VARIABLE ANNUITY
09 - MOTOR VEHICLE
10 - CREDIT

11 - TRAVEL ACC & BAGGAGE
13 - MARINE & TRANS
14 - PERSONAL LINES

MISC. NON-RESIDENT LOAs

21 - AGRICULTURAL AGENT
22 - AUTO MECHANIC BREAKDOWN
23 - CROP/MAIL
24 - MOTOR CLUB
25 - PREPAID DENTAL PLANS
26 - PREPAID LEGAL AGENT
27 - WORKERS' COMPENSATION

ELEANOR KOGER
404 W 35TH STREET
WILMINGTON DE 198020000

CUT ALONG DASHED LINE
DELAWARE INSURANCE LICENSE NO. 124613

ELEANOR KOGER
404 W 35TH STREET
WILMINGTON DE 198020000
LICENSE TYPE LINE OF AUTHORITY CODE (see back)
PRODUCER 01 02 04 05 14

ISSUE
DATE
05/15/90

INSURANCE COMMISSIONER: Anna Lee H Williams

CUT ALONG DASHED LINE



State of Delaware Insurance Department
INSURANCE LICENSE

NO. 124613

ELEANOR KOGER
404 W 35TH STREET
WILMINGTON DE 198020000

CENSE TYPE

LINE OF AUTHORITY CODES

ISSUE
DATE

PRODUCER

01 02 04 05 14

05/15/90



An insurance license shall remain in effect unless revoked or suspended as long as the fee set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Anna Lee H Williams
INSURANCE COMMISSIONER

LINE OF AUTHORITY CODES

01 - LIFE
02 - HEALTH
04 - PROPERTY
05 - CASUALTY
06 - BURETY
07 - TITLE
08 - VARIABLE ANNUITY
09 - MOTOR VEHICLE

11 - TRAVEL ACC & BAGGAGE
13 - MARINE & TRANS
14 - PERSONAL LINES

MISC. NON-RESIDENT LOAs

21 - AGRICULTURAL AGENT
22 - AUTO MECHANIC BREAKDOWN
23 - CROP/HAIL
24 - MOTOR CLUB
25 - PREPAID DENTAL PLANS
26 - PREPAID LEGAL AGENT
27 - WORKERS' COMPENSATION

DELAWARE INSURANCE LICENSE NO. 0123595
LAWRENCE I. ZUTZ
3704 CENTERVILLE ROAD
GREENVILLE, DE 19807

LICENSE TYPE
PRODUCER
SURPLUS LINES BROKER

LINE OF AUTHORITY CODE
2,4,5,6,13,14
4,5,14

ISSUE DATE
05/01/1976
04/12/2004

INSURANCE COMMISSIONER: *Anna Lee Williams*
CUT ALONG DASHED LINE

LAWRENCE I. ZUTZ
3704 CENTERVILLE ROAD
GREENVILLE, DE 19807

CUT ALONG DASHED LINE



State of Delaware Insurance Department
INSURANCE LICENSE

NO. 0123595

LAWRENCE I. ZUTZ
3704 CENTERVILLE ROAD 1 CARRIAGE RD.
GREENVILLE, DE 19807

LICENSE TYPE
PRODUCER
SURPLUS LINES BROKER

LINE OF AUTHORITY CODE
2,4,5,6,13,14
4,5,14

ISSUE DATE
05/01/1976
04/12/2004

An insurance license shall remain in effect unless revoked or suspended as long as the fee(s) set forth in Title 18 Delaware Code, Chapter 7 is paid and education requirements for resident individuals are met by the due date.

Resident renewal fees are due by February 28th of every even year.

Non-resident renewal fees are due by February 28th of every odd year.

Notification will be mailed to the licensee 90 days prior to the due date.

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Apprentice Licenses expire one year from the date of issue and are not renewable.

Anna Lee Williams
INSURANCE COMMISSIONER

LINE OF AUTHORITY CODES

01-LIFE
02-HEALTH
1-PROPERTY
5-CASUALTY
06-SURETY
07-TITLE
08-VARIABLE ANNUITY
09-MOTOR VEHICLE
10-CREDIT

11-TRAVEL ACC & BAGGAGE
13-MARINE & TRANS
14-PERSONAL LINES

MISC. NON-RESIDENT LOAs
21-AGRICULTURAL AGENT
22-AUTO MECHANIC BREAKDOWN
23-CROP/HAIL
24-MOTOR CLUB
25-PREPAID DENTAL PLANS
26-PREPAID LEGAL AGENT
27-WORKERS' COMPENSATION



CITY OF WILMINGTON HUMAN RESOURCES DEPARTMENT

TO: Department of Finance, Division of Procurement and Records

FROM: James A. Robb, Acting Director of Risk Management

RE: 14068HRPS- P & C Insurance Brokerage Services

Dated: April 23, 2014

Proposals for the above mentioned contract were received from the following companies:

1. Willis of Delaware, Inc.
2. Marsh USA, Inc.

Following an HR Department team review by selected managers and employees of the proposals, each proposal was evaluated by each team member and scored. Based upon this scoring, the Proposal Review Committee concluded that Willis of Delaware, Inc. offered the best value to the City when compared to the other proposer. Additionally, the proposal from Willis of Delaware, Inc. is within the budget of the Risk Management Fund, while the other proposal is not.

Therefore, it is my recommendation, based upon all of the above, that the award be made to Willis of Delaware, Inc.



City of Wilmington, DE
800 French Street, 5th Floor
Wilmington, DE 19801

Willis of Delaware, Inc.
222 Delaware Avenue, Ste. 1000
Wilmington, DE 19801

SERVICE AGREEMENT

This document records our mutual understanding regarding our professional relationship and the services we will provide to you.

The City of Wilmington, DE (the "City", or "you" or "your") and Willis of Delaware, Inc ("Willis") agree that the Term of the service and compensation arrangement set forth below will begin on August 1, 2014 and end on June 30, 2015, with the availability of three (3) extensions of one (1) year each by mutual consent, to be reached at least ninety (90) days prior to the termination date of the Contract or extension thereof; any such extension shall be at the same fee as described in paragraph 3.1 below, with no CPI or other adjustment. Should no notice of desire to extend or terminate be transmitted in writing by either party to the other party prior to ninety (90) days prior to the said termination date, the Contract shall continue from month-to-month following the said termination date as before until an extension or termination agreement is reached.

1.0. Services and Responsibilities

1.1 Subject to all other terms and conditions of this Agreement, Willis shall provide the services as outlined in the Request for Proposal to the City.

1.2 We are committed to acting in your best interests in providing services to you.

1.3 Willis will work with your staff to update insurance underwriting data on the policies outlined in the Request for Proposal.

1.4 The services we provide to you rely in significant part on the facts, information, and direction provided by you or your authorized representatives. Accordingly, you must provide us with complete and accurate information regarding your loss experience, risk exposures, changes in the analysis or scope of your risk exposures, and any other information reasonably required or requested by us or insurers. It is important to advise us of any changes in your operations that may affect our services or your insurance coverages. Therefore, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your risk, finalizing the terms to apply and/or the cost of coverage or pay a claim, must be disclosed. Failure to fully disclose such information might allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal of your existing coverage and upon placement of new lines of coverage. Willis is not responsible for any consequences arising from any delayed, inaccurate or incomplete information.

1.5 At the time of binding, we review the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our

Lawrence D. Ziff / Revised 6/12/14

Willis

produced by well-recognized rating agencies. Upon request, we will provide you with our analysis of such insurers. We do not guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.

1.6 You will make all final decisions relating to your insurance coverages, risk management, and loss control needs. We will procure the insurance coverage chosen by you, including the limits you choose. We will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and your instructions. We will advise you of any errors in, or recommended changes to, such documents. You agree to also review all such documents and promptly advise us of any questions you have or of any document or provision which you believe may not be in accordance with your instructions. Your coverage is defined by the terms and conditions detailed in your insurance policies and endorsements.

1.7 We will inform you of the reporting requirements for claims, including where claims should be reported and the method of reporting to be used. Please carefully review any claims-reporting instructions or information we provide. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, please retain copies of all insurance policies and coverage documents as well as claims-reporting instructions after termination of the policies in case you need to report claims after termination of a policy.

1.8 We will meet, as requested by you, with your representatives to discuss coverage and policies. We will promptly respond to your requests for coverage information, analysis of changing market conditions, and assistance in reporting subsequent changes in information to insurance companies and service providers.

1.9 In our capacity as insurance brokers, we do not provide legal, actuarial or tax advice. We encourage you to seek any such advice you want or need from competent legal counsel or tax professionals or actuaries.

2.0. Confidentiality

2.1 We treat information you provide us in the course of our professional relationship as confidential and use it only in performing services for you. We may share this information with third parties to provide the services to you. We may also disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. By providing us with data, you represent that you are fully authorized to possess that data and to provide it to us, and further that we are fully authorized to obtain, maintain, process and transfer such data in a commercially reasonable manner. We have implemented and maintain commercially reasonable and appropriate security measures to protect sensitive information from unauthorized use or disclosure. Records you provide us will remain your property and will be returned to you upon request. However, we will retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may disclose this information to the extent required to comply with applicable laws or regulations or the order

of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

3.0 Compensation and Disclosure- *fee only*

3.1 You agree that our compensation for the services provided under this Agreement shall be an annual fee of \$60,000, calculated in year one at \$5,000 per month times the months remaining at commencement. The Fee is in addition to the premium paid for the insurance policies set forth in Appendix A (the "Coverages") purchased by you through us as your insurance brokers and is payable in quarterly installments commencing the 1st day of August, 2014.

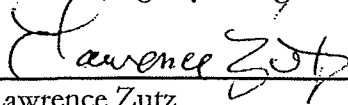
If we receive any commissions for the Coverages purchased by you through us as your insurance brokers we will offset such commissions against the Fee to the fullest extent permitted by law. However, if we are requested to place any new lines of insurance not included in this proposal, then we will negotiate with you for additional fee, or to place such insurance on a commission basis.

Claim, Risk Control and Data Analytic Services

Service	Parameters	
<i>Claim Reporting</i>	<i>Included and not subject to maximum hour cap</i>	
<i>Claim Monitoring and Advocacy</i>	<i>Included and not subject to maximum hour cap</i>	
<i>Individual Claim Strategy Reviews – Telephonic</i>	<i>Meetings per year</i>	Unlimited
<i>Claim Strategy Reviews – Onsite</i>	<i>Meetings per year</i>	4
<i>Contract Review</i>	<i>Contracts per year</i>	12
<i>High Dollar Resolution/ CAT or complex claim consulting</i>	<i>Not included in this fee. Negotiated service</i>	
<i>Critical Incident / Crisis Management Consulting</i>	<i>Not included in this fee. Negotiated service</i>	

3.2 Our compensation for the services does not include federal, state and local sales, use, excise, receipts, gross income and other similar taxes or governmental charges which may be imposed. You are responsible for paying any such taxes or charges (except for taxes imposed on the net income of Willis) now imposed or becoming effective during the Term. In addition to the premium and our compensation, Willis may invoice you for any federal, state and local sales, use, excise or other similar taxes, unless you provide us with a valid tax exemption acceptable to us.

3.3 Our compensation may be revised if you request a change in the coverages and/or services during the term of this Agreement and we enter into a written agreement documenting any change in coverages, services and compensation, as outlined in 3.1.


Lawrence Zutz

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3.4 If a Willis affiliate located outside of North America serves as an intermediary in the placement of your coverages, it will also earn and retain compensation for providing those services, which compensation is not included in the fee. In all events, it is not expected that Willis of Delaware, Inc. will need to rely on any companies, entities and intermediaries who would be providing separate and unique services. If such were to be the case Willis of Delaware would ask permission, in writing, from the City to implicate such services which would be outside the scope of the acknowledged assignment.

3.5 This Paragraph left intentionally blank

3.6 Willis is an insurance producer licensed to do business worldwide, including in all 50 states and the District of Columbia. Insurance producers are authorized by their license to work with insurance purchasers and discuss the benefits and terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of an insurance producer in any particular transaction involves one or more of these activities.

3.7 Willis will provide you with additional information about the compensation Willis expects to receive based in whole or in part on your purchase of insurance, and (if applicable) the compensation expected to be received based in whole or in part on any alternative quotes presented to you; provided however that such compensation may not exceed that which is provided in subparagraph 3.1 above except by mutual consent and addendum hereto.

3.8 This Paragraph left intentionally blank.

3.9 In placing insurance on your behalf, Willis might use WillPLACE, a proprietary online tool that provides Willis brokers with access to global placement information. WillPLACE assists us in seeking to develop solutions for you with appropriate markets at competitive prices and terms. Some insurers pay Willis an Administration and Maintenance Fee for reporting on their book of business. Some of these insurers pay Willis an additional fee equal to 1% of the premium cost for placements matched through the WillPLACE system. Any insurer payments related to the WillPLACE system will not increase the cost of your insurance. WillPLACE fees are separate from and in addition to our compensation set forth in this Section 3 of this Agreement.

3.10 Willis may place your insurance with members of a panel of insurers. Willis develops panels of insurers in certain market segments. Participating insurers are reviewed on a variety of factors. Commission rates on panel placements may be higher than rates paid on business placed outside of the panel process. Willis discloses its commission rates to clients on quotes obtained through the panel process prior to binding the coverage. In some instances, insurers pay an administration fee to participate in the panel process.

3.11 This Paragraph left intentionally blank.



3.12 In some cases the use of a wholesale broker may be beneficial to you. We will not directly or indirectly place or renew your insurance business through a wholesale broker unless we first disclose to you in writing any compensation our corporate parents, subsidiaries or affiliates will receive as a result.

3.13 If wholesalers, underwriting managers or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of ours, any compensation our corporate parents, subsidiaries or affiliates will receive will be we disclosed to you. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.

3.14 In the ordinary course of business we may also receive and retain interest on premiums you pay from the date we receive the funds until we pay them to the insurers or their intermediaries, or until we return them to you after we receive such funds.

3.15 This Paragraph left intentionally blank.

3.16 As an insurance intermediary, we normally act for you. However, we or our corporate parents, subsidiaries or affiliates may provide services to insurers for some insurance products. These services may include (a) acting as a managing general agent, program manager or in other similar capacities which give us binding authority enabling us to accept business on their behalf and immediately provide coverage for a risk; (b) arranging lineslips or similar facilities which enable an insurer to bind business for itself and other insurers; or (c) managing lineslips for insurers. Contracts with these insurers may grant us certain rights or create certain obligations regarding the marketing of insurance products provided by the insurers. We may place your insurance business under such a managing general agent's agreement, binding authority, lineslip or similar facility when we reasonably consider that these match your insurance requirements/instructions. When we intend to do so, we shall inform you and disclose the compensation payable to Willis North America, Inc. in connection with the placement of the insurance coverage.

3.17 Some of our corporate parents, subsidiaries or affiliates are reinsurance brokers that provide reinsurance brokerage services to their insurance carrier clients. Their clients compensate them for those reinsurance brokerage services. Some of their insurance carrier clients may happen to be insurance carriers with whom we place your insurance coverages. The services we provide you and the reinsurance services our reinsurance affiliates provide their clients are separate and any compensation they may earn for the services they provide their clients are separate from and in addition to the compensation we earn for the services we provide you under this Agreement.

3.18 Subsidiaries of Willis North America Inc are members of a major international group of companies. In addition to the commissions received by Willis North America, Inc. from insurers for placement of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and

Willis

similar parties (some of which may be owned in whole or in part by our corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to you under their separate contracts with insurers or reinsurers.

3.19 The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and provide your written consent. Please let us know in writing if you have concerns or we will assume that you understand and consent to our providing our services pursuant to these terms.

4.0 Premium and Handling of Funds

4.1 You will provide immediately available funds to pay premiums by the dates specified in the insurance policies, invoices, or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage by the insurer. We are not responsible for any consequences arising from any delay or failure by you to pay the amount due by the indicated date.

4.2 You may use a premium finance company, property appraiser, structured settlement firm or other similar service provider in connection with the insurance coverages we place for you. Willis currently works with industry-leading finance providers for this service. Where permitted by law, we receive a fee for the services we provide those companies.

4.3 We will handle any premiums you pay through us and any funds which we receive from insurers or intermediaries for payment or return to you in accordance with applicable state and federal insurance laws and regulations and state unclaimed property laws. We may transfer your funds directly to insurers or to third parties such as wholesale brokers, excess and surplus lines brokers, or managing general agents to carry out transactions for you.

5.0 Termination

5.1 The Contract may be terminated for cause by either party upon thirty (30) days written notice; provided that during that period ten (10) days notice of the specific alleged cause, in sufficient detail, shall be provided along with the termination notice, and ten (10) days following such notice permitted to cure the default; and by either party without cause upon 120 days written notice. Willis shall be liable for the reporting and processing of all prior and new placements, renewals and claims in process during the contract term, and to provide a full accounting and documentation of same in acceptable electronic and/or paper form in a timely manner upon termination thereof to any successive Contractor or the City, as directed.

If we terminate this agreement under Section 4.1 before the end of the Term, we will be deemed to have fully earned and be entitled to a pro rata portion of the Fee, calculated from the start of the Term through the date of termination.

If you terminate this agreement without cause before the end of the Term, we will be deemed to have fully earned and be entitled to a portion of the fee as set forth in the following schedule:

During the first six months:	75%
After six months:	100%

Any other termination before the end of the Term shall result in Willis being deemed to have fully earned and be entitled to a pro rata portion of the Fee, calculated from the start of the Term through the date of termination.

5.2 Our obligation to render the services under this agreement ceases at the end of the Term or on the effective date of termination of our relationship, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker. Claims and premium or other adjustments may arise after our relationship ends, and we have no responsibility to handle these things after our relationship ends. Such items are normally handled by the insurance broker serving you at the time the claim or adjustment arises. However, we will consider providing such services after the termination of this agreement for mutually agreed additional compensation. Nevertheless, we will process all remaining deposit premium installments on the policy(ies) in effect at the time of change.

6.0 Other Provisions

6.0 We do not tolerate unethical behavior either in our own activities or in those with whom we seek to do business. We will comply with all applicable laws, regulations, and rules.

6.1 In certain circumstances, the United States and other countries prohibit or restrict companies from conducting business in certain jurisdictions or with certain individuals or entities and can fine or otherwise penalize companies who conduct such business. The way these sanctions programs may affect a given insurance transaction depends on a number of complex factors including your ownership structure, control, location, and the nationality of your employees. We cannot advise you or insurers on the applicability of sanctions programs nor can we guarantee or otherwise warrant the position of any insurer under existing or future sanctions programs. You should seek legal advice on the potential applicability of sanctions as you deem appropriate. We will comply with all applicable sanctions programs and, where required by law, may take certain actions, including freezing funds held on behalf of parties and individuals covered by applicable sanctions.

6.2 Willis owns and retains all right, title, and interest in and to the following Willis Property: (i) all software, hardware, technology, documentation, and information provided by Willis in connection with the Claim and Risk Control Services; (ii) all ideas, know-how, methodology, models and techniques that may be developed, conceived, or invented by Willis during its performance under this Agreement; and (iii) all worldwide patent, copyright, trade secret, trademark and other intellectual property rights in and to the property described in clauses (i) and (ii) above. We expressly reserve all rights in the Willis Property.

6.3 We agree to communicate with each other from time to time by electronic mail, sometimes attaching further electronic data. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices.) We each agree, however, to employ reasonable virus checking procedures on our computer systems, and to check all electronic communications received for viruses. You will also check that messages received are complete. In the event of a dispute neither of us will challenge the legal evidentiary standing of an electronic document, and the Willis system is deemed the definitive record of electronic communications and documentation.

6.4 Please note that our system blocks certain file extensions for security reasons, including, but not limited to, .rar, .text, .vbs, .mpeg, .mp3, .cmd, .cpl, .wav, .exe, .bat, .scr, .mpq, .avi, .com, .pif, .wma, .mpa, .mpg, .jpeg. Emails with such files attached will not get through to us, and no message will be sent to tell you they have been blocked. If you intend to send us emails with attachments, please verify with us in advance that our system will accept the proposed form of attachment.

6.5 The Section headings in this Agreement are for convenience only and are not intended to define or limit the scope of the contents of such paragraphs. This Agreement may be executed in its original version or in any copy, counterpart, or other duplicate.

6.6 This Agreement supersedes any and all prior agreements between us regarding the insurance coverages and the services provided. This Agreement may not be amended or modified except by a written agreement executed by the parties.

6.7 The provisions of this agreement are severable, and, in the event any provision or portion of any provision is construed by any court of competent jurisdiction to be invalid, the same shall not invalidate any other provision of this agreement or the remainder of the enforceable portion of the provision.

6.8 This Agreement is governed by and construed in accordance with the laws of the state of Delaware without regarding to such state's choice of law rules. Any dispute shall be resolved in the appropriate state or federal courts located in such state.

6.9 City of Wilmington Contract 14068HRPS Request for Proposal, Property & Casualty (P & C) Insurance Brokerage Services, and the Willis Proposal in response thereto dated March 31, 2014 are incorporated herein by reference as if fully set out herein.

7.0 Questions

7.1 If you have questions, please inform your Willis representative or call the head of our office at 302-658-8000. You may also call 1-866-704-5115, the toll-free number which Willis has established for client feedback.

Willis

City of Wilmington, DE

Willis of Delaware, Inc.

By: _____
Title: _____
Date: _____

By: Laurence H. 308
Title: President
Date: May 30, 2014
✓

Appendix A

POLICIES/COVERAGES

Workers' Compensation
Commercial Property
General Liability
Automobile Liability
Automobile Physical Damage
Cyber Liability
Environmental Liability
Umbrella Liability
Crime
Special Events Liability
Hull and Machinery Liability and Marine Liability
Flood
Police Professional Liability

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT TO SERVICE AGREEMENT ("the Amendment") is made this 11th day of May, 2015, by and between USI Insurance Services LLC, a Delaware limited liability company ("USI"), as successor in interest to Willis of Delaware, Inc., a Delaware corporation ("Willis"), and the City of Wilmington, DE, a municipal corporation of the State of Delaware (the "City").

WHEREAS, subject to approval by City Council, the City intends to execute the Service Agreement, which is an integral part of Contract 14068HRPS, Property & Casualty Insurance Brokerage Services, which was executed by Willis on May 30, 2014.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, USI and the City wish to amend the Service Agreement, and intending to be legally bound, hereby agree as follows:

1. Extension of the Term of the Service Agreement. The City and USI agree that the initial Term of the Service Agreement shall be extended through July 31, 2015. All possible extensions of the Service Agreement shall remain available as provided therein.

2. Change of Parties. Wherever Willis appears in the Service Agreement, USI shall be substituted therefor as if an original contracting party to the Service Agreement. Furthermore, USI, by assignment from Willis, agrees to accept all rights and obligations of Willis arising under the Service Agreement as if USI had been an original party thereto.

3. No Other Changes. The above amendments to the Service Agreement constitute the only changes thereto. All other terms and conditions therein shall remain unaltered and in full force and effect.

4. Amendment. This Amendment may not be amended or modified except by written agreement executed by the parties.

5. Headings. The headings of sections and paragraphs of this Amendment have been inserted for convenience of reference only and do not constitute a part of this Amendment.

6. Counterparts. Any executed signature of this Amendment delivered by facsimile or other electronic transmission will constitute and be deemed an original signature of this Amendment.

7. Choice of Law. This Amendment and the legal relations among the parties under the Service Agreement will be governed by, and construed in accordance with, the internal laws of the State of Delaware, as applied to agreements entered into and entirely to be performed within that jurisdiction, without regards to the principles of comity or the conflicts of laws provisions of any jurisdiction which would cause this Amendment to be governed or construed in accordance with the laws of any jurisdiction other than the State of Delaware.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed and delivered as of the day and year first above written.

USI INSURANCE SERVICES LLC

By: Lawrence I. Zitz
Name: Lawrence I. Zitz
Title: President

CITY OF WILMINGTON, DE

By: _____
Name: _____
Title: _____

Approved as to form

First Assistant City Solicitor