

**CONTRACT MA-017-23010951  
FOR  
INSURANCE BROKER SERVICES  
WITH  
AON RISK INSURANCE SERVICES WEST, INC.**

This Contract for Insurance Broker Services, hereinafter referred to as “Contract” is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California on behalf of County Executive Office, CEO hereinafter referred to as “County” and Aon Risk Insurance Services West, Inc., a California corporation, “Contractor”, which are sometimes referred to individually as “Party”, or collectively referred to as “Parties”.

**ATTACHMENTS**

This Contract is comprised of this document and the following Attachments, which are attached hereto and incorporated by reference into this Contract:

Attachment A – Scope of Work  
Attachment B – Payment and Compensation  
Attachment C – Staffing Plan  
Attachment D – Line of Coverage

**RECITALS**

**WHEREAS**, County solicited via a Request for Proposal (“RFP”) for Insurance Broker Services as set forth herein; and

**WHEREAS**, Contractor responded and represented that it is qualified to provide Insurance Broker Services to the County as further set forth in the Scope of Work, attached hereto as Attachment A; and

**WHEREAS**, County agrees to pay Contractor based on the schedule of fees set forth in Payment and Compensation, attached hereto as Attachment B; and

**NOW, THEREFORE**, the Parties mutually agree as follows:

**ARTICLES**

**General Terms and Conditions:**

- A. **Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.
- B. **Entire Contract:** This Contract, including any attachments hereto, contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in

- writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee.
- C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax. Out-of-state Contractors shall indicate California Board of Equalization permit number and sales permit number on invoices, if California sales tax is added and collectable. If no permit numbers are shown, sales tax will be deducted from payment. The Auditor-Controller will then pay use tax directly to the State of California in lieu of payment of sales tax to Contractor.
- E. **Delivery:** Time of delivery of commodities and services is of the essence in this Contract. County reserves the right to refuse any commodities and services and to cancel all or any part of the commodities not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed scope of work. Acceptance of any part of the order for commodities shall not bind County to accept future shipments nor deprive it of the right to return commodities already accepted at Contractor's expense. Over shipments and under shipments of commodities shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all commodities or services have actually been received and accepted in writing by County.
- F. **Acceptance Payment:** Unless otherwise agreed to in writing by County, 1) acceptance shall not be deemed complete unless in writing and until all the commodities/services have actually been received, inspected, and tested to the satisfaction of County, and 2) invoices are to be submitted in advance, once a year for the fixed cost by line of coverage (property, casualty or miscellaneous, as applicable) to the user agency/department to the ship-to address, unless otherwise directed in this Contract.
- G. **Warranty:** Contractor expressly warrants that the commodities covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold County and its indemnitees as identified in paragraph "Z" below, and as more fully described in paragraph "Z," harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the commodities/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in paragraph "Z" below, it shall indemnify, defend and hold County and County Indemnitees harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses but not including attorney's fees.

- I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express written consent of County. Any attempt by Contractor to assign the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty for cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any material breach of contract, any misrepresentation or fraud on the part of Contractor. Exercise by County of its right to terminate Contract shall relieve County of all further obligation.
- L. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. **Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- N. **Performance Warranty:** Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other commodities/services furnished by Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.
- O. **Insurance:** Prior to the provision of services under this contract, Contractor agrees to carry purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy County that the insurance provisions of this contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with County during the entire term of this contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage

required by County from Contractor under this contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor, and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this contract for inspection by County representative(s) at any reasonable time.

All self-insured retention's (SIR)'s shall be clearly stated on the Certificate of Insurance. All deductibles and any self insured retention (SIR) shall be the Contractor's responsibility. The County reserves the right to require current audited financial reports from Contractor. If Contractor is self-insured, Contractor will indemnify the County for any and all claims resulting or arising from Contractor's services in accordance with the indemnity provision stated in this contract.

If Contractor fails to maintain insurance acceptable to County for the full term of this contract, County may terminate this contract.

### **Qualified Insurer**

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the State of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by Contractor shall provide the minimum limits and coverage as set forth below:

<b>Coverage</b>	<b>Minimum Limits</b>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence
Workers' Compensation	Statutory
Professional Liability Insurance	\$10,000,000 per claims-made or per occurrence/aggregate

### **Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 12, CA 00 20, or a substitute form providing liability coverage as broad.

### **Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

1. An Additional Insured endorsement using ISO form CG 20 or a form at least as broad naming County of Orange, its elected and appointed officials, officers, employees and agents as Additional Insureds, or provide blanket coverage, which will state *As Required By Written Contract*.
2. A primary non-contributing endorsement using ISO Form CG 20 01 04 13, or a form at least as broad evidencing that Contractor's insurance is primary and any insurance or self-insurance maintained by County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against *County of Orange, its elected and appointed officials, officers, employees and agents*, or provide blanket coverage, which will state *As Required By Written Contract*.

The Commercial General Liability, Business Auto Liability and Workers' Compensation insurance policies required by this contract shall waive all rights of subrogation against County of Orange, its elected and appointed officials, officers, employees and agents when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of Contract, upon which County may suspend or terminate this contract.

If Contractor's Professional Liability is a "Claims-Made" policy, Contractor shall agree to maintain coverage for two (2) years following the completion of the Contract.

If Contractor's Professional Liability Liability is a "Claims-Made" policy, Contractor shall agree to the following:

- 1) The retroactive date must be shown and must be before the date of the contract or the beginning of the contract services.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least three (3) years after expiration or earlier termination of contract services.
- 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the contract services, Contractor must purchase an extended reporting period for a minimum of three (3) years after expiration of earlier termination of the Contract.

The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

Insurance certificates should be forwarded to the agency/department address listed on the solicitation.

If Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the agency/department purchasing division, award may be made to the next qualified vendor.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this contract. Any increase or decrease in

insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

- P. **Changes:** Contractor shall make no changes in the work or perform any additional work without County's specific written approval.
- Q. **Change of Ownership/Name, Litigation Status, Conflicts with County Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and County agrees to an assignment of Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of County.

County reserves the right to immediately terminate Contract in the event County determines that the assignee is not qualified or is otherwise unacceptable to County for the provision of services under Contract.

In addition, Contractor has the duty to notify County in writing of any change in Contractor's status with respect to name changes that do not require an assignment of Contract. Contractor is also obligated to notify County in writing if Contractor becomes a party to any litigation against County, or a party to litigation that may reasonably affect Contractor's performance under Contract, as well as any potential conflicts of interest between Contractor and County that may arise prior to or during the period of Contract performance. While Contractor will be required to provide this information without prompting from County any time there is a change in Contractor's name, conflict of interest or litigation status, Contractor must also provide an update to County of its status in these areas whenever requested by County.

Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with County interests. In addition to Contractor, this obligation shall apply to Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. Contractor's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers in the performance of their duties.

- R. **Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to County within 36 hours of the start of the delay and Contractor avails himself of any available remedies.
- S. **Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information in accordance with all applicable statutory laws and regulations relating to privacy and confidentiality that currently exist or exist at any time during the Term of this Contract. Contractor agrees this obligation applies to Contractor and Contractor's staff, agents and employees. Contractor may with prior written consent of the County disclose confidential

- County and County-related records and information to a third party, such as insurance/reinsurance vendor(s), as may be necessary to provide the services set forth in Attachment A to this Contract.
- T. **Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees that it shall defend, indemnify and hold County and County INDEMNITEES harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.
- U. **Freight:** Prior to County's express acceptance of delivery of products. Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
- V. **Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. **Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- Y. **Employee Eligibility Verification:** Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employees for the period prescribed by the law. Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.
- Z. **Indemnification:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the

services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

- AA. **Audits/Inspections:** Contractor agrees to permit County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of Contract including, but not limited to, the costs of administering Contract. County will provide reasonable notice of such an audit or inspection.

County reserves the right to audit and verify Contractor's records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right to County to audit records and interview staff of any subcontractor related to performance of this Contract.

Should Contractor cease to exist as a legal entity, Contractor's records pertaining to this Contract shall be forwarded to County's project manager.

- BB. **Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.
- CC. **Expenditure Limit:** Contractor shall notify County of Orange assigned Deputy Purchasing Agent in writing when the expenditures against Contract reach 75 percent of the dollar limit on Contract. County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on Contract unless a change order to cover those costs has been issued.

**Additional Terms and Conditions:**

1. **Scope of Contract:** This Contract specifies Contractual terms and conditions by which County will procure Insurance Broker Services from Contractor as further detailed in the Scope of Work, identified and incorporated herein by this reference as "Attachment A".
2. **Term of Contract:** This Contract shall commence upon execution of all necessary signatures, and continue for five (5) years, unless otherwise terminated by County. This contract may be renewed upon mutual concurrence for two (2) additional years, with approval from the Board of Supervisors.
3. **Breach of Contract:** The failure of Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
  - a. Terminate Contract immediately, pursuant to Section K herein;
  - b. Afford Contractor written notice of the breach and ten (10) calendar days or such shorter



- time that may be specified in this Contract within which to cure the breach;
- c. Discontinue payment to the Contactor for and during the period in which Contractor is in breach; and
  - d. Offset against any monies billed by Contractor but yet unpaid by County those monies disallowed pursuant to the above.
4. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
  5. **Conflict of Interest – Contractor’s Personnel:** Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of County. This obligation shall apply to Contractor; Contractor’s employees, agents, and subcontractors associated with accomplishing work and services hereunder. Contractor’s efforts shall include, but not be limited to establishing precautions to prevent its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers from acting in the best interests of County.
  6. **Conflict of Interest – County Personnel:** County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. Contractor shall not, during the period of this Contract, employ any County employee for any purpose.
  7. **Contractor’s Project Manager and Key Personnel:** Contractor shall appoint a Project Manager to direct Contractor’s efforts in fulfilling Contractor’s obligations under this Contract. This Project Manager shall be subject to approval by County and shall not be changed without the written consent of County’s Project Manager, which consent shall not be unreasonably withheld.  
  
Contractor’s Project Manager shall be assigned to this project for the duration of Contract and shall diligently pursue all work and services to meet the project time lines. County’s Project Manager shall have the right to require the removal and replacement of Contractor’s Project Manager from providing services to County under this Contract. County’s Project manager shall notify Contractor in writing of such action. Contractor shall accomplish the removal within five (5) business days after written notice by County’s Project Manager. County’s Project Manager shall review and approve the appointment of the replacement for Contractor’s Project Manager. County is not required to provide any additional information, reason or rationale in the event it requires the removal of Contractor’s Project Manager from providing further services under Contract.
  8. **Contractor Personnel – Reference Checks:** Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Contractor’s employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the agency/department issuing this Contract.
  9. **Contractor’s Power and Authority:** The Contractor warrants that it has the full power and authority to grant the rights herein granted and will hold the County hereunder harmless from and against any loss, cost, liability and expense, including reasonable attorney fees, arising out of any breach of this warranty. Further, the Contractor avers that it will not enter into any arrangement with any third party which might abridge any rights of the County under this Contract.
  10. **Contractor’s Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of seven years after final payment is received from the County. Storage of records in another

county will require written approval from the County of Orange assigned DPA.

11. **Contractor Personnel – Uniform/Badges/Identification:** Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to accept the kind of responsibility under this Contract.

All Contractor's employees shall be required to wear uniforms, badges, or other means of identification which are to be furnished by Contractor and must be worn at all times while working on County property. The assigned Deputy Purchasing Agent must be notified in writing, within seven (7) days of notification of award of Contract of the uniform and/or badges and/or other identification to be worn by employees prior to beginning work and notified in writing seven (7) days prior to any changes in this procedure.

12. **Conflict with Existing Law:** The Contractor and the County agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either Party having knowledge of such term or provisions shall promptly inform the other of the presumed non-applicability of such provision. Should the offending provision go to the heart of the Contract, the Contract shall be terminated in a manner commensurate with interests of both Parties to the maximum extent reasonable.

13. **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, except bona fide employees of the Contractor or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

For breach or violation of this warranty, the County shall have the right to terminate this Contract in accordance with the termination clause and at its sole discretion to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee from the Contractor.

14. **Contractor Bankruptcy/Insolvency:** If the Contractor should be adjudged bankrupt or should have a general assignment for the benefit of its creditors or if a receiver should be appointed on account of the Contractor's insolvency, the County may terminate this Contract.

15. **Contractor's Records:** Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from County. Storage of records in another county will require written approval from County of Orange assigned Deputy Purchasing Agent.

16. **Cooperative Contract:** The provisions and pricing of this Contract will be extended to other California local or state governmental entities. Governmental entities wishing to use this Contract will be responsible for issuing their own purchase documents/price agreements, providing for their own acceptance, and making any subsequent payments. Contractor shall be required to include in any Contract entered into with another agency or entity that is entered into as an extension of this Contract a Contract clause that will hold harmless County of Orange from all claims, demands, actions or causes of actions of every kind resulting directly or indirectly, arising out of, or in any way connected with the use of this contract. Failure to do so will be considered a material breach of this Contract and grounds for immediate Contract termination. The cooperative entities are responsible for obtaining all certificates of insurance and bonds required. Contractor is responsible for providing each cooperative entity a copy of Contract upon request by the cooperative entity. County of Orange makes no guarantee of usage by other users of this Contract.

Contractor shall be required to maintain a list of the cooperative entities using this Contract. The list shall report dollar volumes spent annually and shall be provided on an annual basis to County, at County's request.

17. **Data – Title To:** All materials, documents, data or information obtained from County data files or any County medium furnished to Contractor in the performance of this Contract will at all times remain the property of County. Such data or information may not be used or copied for direct or indirect use by Contractor after completion or termination of this Contract without the express written consent of County. All materials, documents, data or information, including copies, must be returned to County at the end of this Contract.
18. **Debarment:** Contractor warrants that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency.
19. **Default – Re-Procurement Costs:** In case of Contract breach by Contractor, resulting in termination by County, County may procure the commodities and services from other sources. If the cost for those commodities and services is higher than under the terms of the existing Contract, Contractor will be responsible for paying County the difference between Contract cost and the price paid, and County may deduct this cost from any unpaid balance due Contractor. The price paid by County shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this Contract and under law.
20. **Disputes – Contract:**
- a. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by Contractor’s Project Manager and County’s Project Manager, such matter shall be brought to the attention of County Deputy Purchasing Agent by way of the following process:
    - i. Contractor shall submit to the agency/department assigned Deputy Purchasing Agent a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Contract, unless County, on its own initiative, has already rendered such a final decision.
    - ii. Contractor’s written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to Contract, Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects Contract adjustment for which Contractor believes County is liable.
  - b. Pending the final resolution of any dispute arising under, related to, or involving this Contract, Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of commodities and/or provision of services. Contractor’s failure to diligently proceed shall be considered a material breach of this Contract.
  - c. Any final decision of County shall be expressly identified as such, shall be in writing, and shall be signed by County Deputy Purchasing Agent or his designee. If County fails to render a decision within 90 days after receipt of Contractor’s demand, it shall be deemed a final decision adverse to Contractor’s contentions. Nothing in this section shall be construed as affecting County’s right to terminate Contract for cause or termination for convenience as stated in section K herein.
21. **Emergency/Declared Disaster Requirements:** In the event of an emergency or if Orange County is declared a disaster area by the County, state or federal government, this Contract may be subjected to unusual usage. The Contractor shall service the County during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions. The pricing quoted by the Contractor shall apply to serving the County’s needs regardless of the circumstances. If the Contractor is unable to supply the goods/services under the

- terms of the Contract, then the Contractor shall provide proof of such disruption and a copy of the invoice for the goods/services from the Contractor's supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster shall not be permitted. In the event of an emergency or declared disaster, emergency purchase order numbers will be assigned. All applicable invoices from the Contractor shall show both the emergency purchase order number and the Contract number.
22. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as Contractor Project Manager and key personnel attached hereto, prior to submission to the County. Contractor agrees that County review is discretionary, and Contractor shall not assume that the County will discover errors and/or omissions. If the County discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should the County or others discover errors or omissions in the reports, files or other written documents submitted by Contractor after County approval thereof, County approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between the County and Contractor, and the reports, files or documents will be returned to Contractor for correction without payment of additional compensation.
23. **Gratuities:** The Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the County shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the County in procuring on the open market any services which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the County provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.
24. **Interpretation** of Contract: In the event of a conflict or question involving the provisions of any part of this Contract, interpretation and clarification as necessary shall be determined by the County's assigned buyer. If disagreement exists between the Contractor and the County's assigned buyer in interpreting the provision(s), final interpretation and clarification shall be determined by the County's Purchasing Agent or his designee.
25. **Limitations** of Actions: No action, regardless of form, arising out of this Contract may be brought by either Party more than two (2) years after the cause of the action has arisen, or, in the case of nonpayment, more than two (2) years from the date of the last payment, except where either Party, within two (2) years after a cause of action has arisen, provides the other Party in writing a notice of a potential cause of action, disclosing all material facts then known by the notifying Party concerning such cause of action, then the notifying Party may bring an action based on the matter so disclosed at any time prior to the expiration of four (4) years from the time the cause of action arose.
26. **Lobbying:** On best information and belief, Contractor certifies no federal appropriated funds have been paid or will be paid by, or on behalf of, the Contractor to any person for influencing or attempting to influence an officer or employee of Congress; or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
27. **News/Information Release:** Contractor agrees that it will not issue any news releases in **connection** with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from County through County's Project Manager.
28. **No Third-Party Beneficiaries:** This Contract is an agreement by and between the Parties, and neither: (a) confers any rights upon any of the employees, agents, or contractors of either Party, or

upon any other person or entity not a party hereto; or (b) precludes any actions or claims against, or rights of recovery from, any person or entity not a party hereto.

29. **Notice of Claims:** Contractor must give County immediate notice in writing of any legal action or suit filed related in any way to this Contract or which may affect the performance of work under this Contract, and prompt notice of any claim made against Contractor by any subcontractor, which may result in litigation related in any way to this Contract, or which may affect the performance of work under this Contract.
30. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned Deputy Purchasing Agent (DPA), except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

Contractor:      Company Name: Aon Risk Insurance Services West, Inc.  
                           Attn: Julie Theirl  
                           Address: 17875 Von Karman Avenue, Suite 300.  
                           Irvine, CA 92614  
                           Telephone: 909-967-9091  
                           Email: Julie.Theirl@aon.com

County:            County Executive Office/ Risk Management  
                           Address: 400 W Civic Center Dr., 5th Floor  
                           Santa Ana, CA 92701  
                           Attn: Bryan Berea  
                           Telephone: 714-285-5520  
                           Email: Bryan.Berea@ocgov.com

Assigned DPA:    County of Orange  
                           County Executive Office/County Procurement Office  
                           Attn: Sabrina Correa  
                           400 W Civic Center Dr., 5th Floor  
                           Santa Ana, CA 92701  
                           Telephone: 714-567-5113  
                           Email: sabrina.correa@ocgov.com

31. **Ownership of Documents:** The County has permanent ownership of all directly connected and derivative materials produced under this Contract by the Contractor. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the County and may be used by the County as it may require without additional cost to the County. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the Contractor without the express written consent of the County.
32. **Precedence:** Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the exhibits and attachments.

33. **Publication:** No copies of sketches, schedules, written documents, computer based data, photographs, maps or graphs, including graphic at work, resulting from performance or prepared in connection with this Contract, are to be released by Contractor and/or anyone acting under the supervision of Contractor to any person, a partnership, company, corporation, or agency, without prior written approval by the County, except as necessary for the performance of the services of this Contract. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be administered only by the County unless otherwise agreed to by both Parties.
34. **Reports/Meetings:** The Contractor shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this contract. The County's project manager and the Contractor's project manager will meet on reasonable notice to discuss the Contractor's performance and progress under this Contract. If requested, the Contractor's project manager and other project personnel shall attend all meetings. The Contractor shall provide such information that is requested by the County for the purpose of monitoring progress under this Contract.
35. **Waivers - Contract:** The failure of the County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.
36. **Termination – Orderly:** After receipt of a termination notice from County of Orange, Contractor may submit to County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by County upon written request of Contractor. Upon termination County agrees to pay Contractor for all services performed prior to termination which meet the requirements of Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of Contract.
37. **Usage:** No guarantee is given by County to Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. Contractor agrees to supply services and/or commodities requested, as needed by County of Orange, at rates/prices listed in Contract, regardless of quantity requested.
38. **Usage Reports:** Contractor shall submit usage reports on an annual basis to the assigned Deputy Purchasing Agent of County of Orange user agency/department. The usage report shall be in a format specified by the user agency/department and shall be submitted 90 days prior to the expiration date of Contract term, or any subsequent renewal term, if applicable.

**SIGNATURE PAGE**

**IN WITNESS WHEREOF**, the Parties hereto have executed this Contract on the dates opposite their respective signatures:

**AON RISK INSURANCE SERVICES WEST, INC.**  
a California Corporation,

Date: \_\_\_\_\_

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

\_\_\_\_\_  
Print Name & Title

*(If a corporation, the document must be signed by two corporate officers. The 1<sup>st</sup> must be either Chairman of the Board, President or any Vice President.)*

Date: \_\_\_\_\_

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

\_\_\_\_\_  
Print Name & Title

*(If a corporation, the 2nd signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer)*

**COUNTY OF ORANGE,**  
a political subdivision of the State of California

Date: \_\_\_\_\_

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

Print  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

County Counsel

By \_\_\_\_\_  
Deputy

Date \_\_\_\_\_

**ATTACHMENT A  
SCOPE OF WORK**

- I. SCOPE OF SERVICES:** Contractor shall provide Insurance Broker Services, and have knowledge, experience, and credentials to place insurance for The County of Orange.
- II. CONTRACTOR'S RESPONSIBILITIES:**
- A. The fixed fee contract including identification of any income, remuneration or commissions, etc., will only apply to the existing insurance portfolio provided in Attachment D – Line of Coverages.
  - B. New coverages added by the County (if any, in the future) will be on a commission percentage (%) basis.
  - C. Broker shall explore strategies for traditional and alternative risk financing programs.
  - D. Broker will make recommendations on creative alternatives to the existing insurance programs, assist the Director of Risk Management and his/her staff in evaluating these alternatives, and provide unbiased, professional advice and/or recommendations that will enable the County to reduce its total cost of risk.
- III. CONTRACTOR REQUIREMENTS:**
- Broker services will include, but may not be limited to the following:
- A. Market, Evaluate, Negotiate, and Place Insurance Coverage(s)**
- 1. Broker shall provide a comprehensive evaluation of the County's insurance program; some of the tasks to be included, but not limited to, are as follows:
    - i. Ongoing proactive review and analysis of existing insurance policies and applicable claims history
    - ii. Unbiased assessment and recommendation of program alternatives including changes, modifications, consolidations, and/or additions in the terms, conditions and coverage limits needed for the insurance program to adequately protect the County's interests
    - iii. Notify the Director of Risk Management and his/her staff of favorable or unfavorable market developments that may include the identification of risk mitigation, risk transfer, risk financing opportunities, and legislation that could affect the County's access to insurance
    - iv. Recommendations regarding coverage changes in response to market conditions (e.g. increasing or decreasing self-insured retentions or purchasing additional insurance coverage)
  - 2. Broker shall design marketing programs and recommend strategies for obtaining insurance coverage(s) at least one hundred twenty (120) days before policy expirations, based upon a complete understanding of the County's potential exposures and by consulting with the Director of Risk Management and his/her staff
  - 3. Broker shall provide the Director of Risk Management and his/her staff with a written recap of strategies discussed following any strategy meetings within thirty (30) days
  - 4. Broker shall identify insurance programs, products, and qualified insurers capable of meeting the County's insurance needs
  - 5. Broker shall prepare bid specifications for markets capable of quoting for



upcoming renewals; minimum qualification criteria for insurance placement shall be based upon financial stability, ability to pay claims, the cost of insurance and coverage

6. Broker shall assist the Director of Risk Management and his/her staff in the preparation of underwriting information and insurance applications; some of the tasks to be included, but not limited to, are as follows:
  - i. Gather, organize and analyze exposure and loss data for renewal of policies placed.
  - ii. Review insurance binders, policies, certificates, endorsements and other documents for accuracy, completeness and conformity to specification as negotiated; correct deficiencies immediately; provide a written list of coverage changes from the expiring policy, and as coverage is bound; provide a summary of coverage and evidence of coverage documents/certificate of insurance.
  - iii. Follow-up with insurance carriers for timely issuance of insurance documents (e.g. 90 days for policies)
  - iv. Must provide policies electronically. Hard copy policies shall be provided upon request.
7. Broker shall involve the Director of Risk Management and his/her staff in insurance renewal negotiations, reviews, studies, analyses or inspections with underwriters, whenever such approach is beneficial for the County's insurance placement.
8. Broker shall seek a minimum of three (3) different quotes (with copies provided to the County upon request) for each line of insurance whenever feasible
9. Broker shall seek approval in advance from the County's Director of Risk Management and/or his/her staff whenever non-admitted markets will be utilized or approached when marketing and/or seeking renewal of the County's insurance policies and disclose fees, costs and contingencies associated with the placement.
10. Broker shall obtain approval from the County's Director of Risk Management and/or his/her staff whenever a wholesale broker, intermediary or Managing General Agent (MGA) will be utilized for the County's insurance placement and/or marketing purposes and disclose fees, costs and contingencies associated with the placement.
11. Broker shall provide comparisons of key policy terms offered by potential insurance carriers, and, when appropriate, negotiate terms that are favorable for the County
12. Broker shall utilize insurers that possess a minimum A.M Best rating of A- with a financial category of seven (7) or higher, unless otherwise approved in writing by the Director of Risk Management and/or his/her staff
13. Broker shall continue to evaluate and regularly monitor all insurers' financial status and advise the County immediately of any downgrades so that prompt action may be taken to preserve and protect the human and capital assets of the County
14. Broker shall submit firm quotations to the Director of Risk Management and his/her staff at least thirty (30) days prior to expiration of existing insurance when feasible
15. Broker shall clearly identify advantages and disadvantages for each policy recommendation made

16. Broker shall bind and place coverage promptly upon approval of selected coverage by the Director of Risk Management and/or his/her designated staff

**B. Provide On-Going Account and Support Services**

1. Broker will provide the Director of Risk Management and his/her staff with a complete insurance summary of all current policies in force within (30) thirty days of each insurance renewal and if any change in the County's insurance portfolio occurs.
2. Broker shall service the insurance policies placed for the County, including processing of all changes in exposure, coverage and endorsements.
3. Broker shall review policies and endorsements for conformity to agreed terms and coverage(s); this comprehensive review shall be evidenced by affixing the signature of an officer of the company to each page of the coverage documents
4. Broker shall notify the County of any discrepancies from the negotiated coverage and terms within ten (10) calendar days following receipt of copies.
5. Broker shall issue the invoices within ten (10) calendar days after insurance coverage is bound or renewed to avoid lapses in coverage
6. Broker shall verify the accuracy of invoices before submitting them for payment to the County and shall be consolidated under one invoice (whenever possible) for each insurance policy or line of coverage where coverage is bound and multiple insurance carriers are involved; whenever necessary, broker shall resolve accounting differences or discrepancies and resubmit the invoice for payment
7. Broker shall obtain updates on insured losses from carriers with which coverage is placed on a regular basis, and evaluate loss history for trends and other indicators that may alter the placement / marketing strategy.
8. Broker shall perform the duties relative to account management and servicing of all existing policies, such as:
  - a. Preparation of insurance applications and certificates
  - b. Coverage descriptions
  - c. Policy changes and endorsements; requests by suppliers, contractors or vendors shall be directed to the Director of Risk Management and his/her staff for approval and processing.
  - d. Assist in compiling, reviewing and organizing data and assist in data quality analysis.
  - e. Provide research assistance to evaluate and mitigate underwriting and claim exposures, such as research legislative changes, case law, claim and lawsuit settlements, verdicts, appeal issues, etc.
  - f. Provide template forms (Example: Claim reporting forms inclusive of carrier and reporting information, coverage change notification/request forms, underwriting data collection forms, etc.
  - g. Provide a secure data transfer link or portal.
9. Broker shall assist the Director of Risk Management and his/her staff in reviewing leases and other contractual language for risk transfer agreements and required insurance arrangements

10. Broker shall provide answers to the Director of Risk Management and his/her staff and obtain clarification from underwriters or adjusters as to coverage or claims questions
11. Broker shall assist designated staff in updating the insurance schedules, whenever necessary, including researching any details requested by insurance carriers
12. Broker shall assist the County in:
  - a. Notifying the insurance carriers when claims are submitted
  - b. Monitoring, coordination and problem resolution on submitted claims
  - c. Resolving coverage, claim and insurance related outstanding disputes
  - d. Obtaining payments/recovery collection on insured claims
  - e. Providing guidance and interpretation of coverage issues or policy interpretation

Broker shall be available for consultation and/or expert guidance (in person and/or over the phone) with the Director of Risk Management and his/her staff regarding insurance coverage

13. Broker shall attend meetings as needed; this shall include regular meetings with Risk Management staff (e.g. monthly meetings at County's Risk Management office), the County's governing body staff (e.g. Board of Supervisors) and/or with other County Agency/Department staff, whenever needed
14. Broker shall provide input to appraisals, modeling studies, probable maximum loss (PML) studies and actuarial reports, whenever requested by the Director of Risk Management and/or his/her staff
15. Broker shall advise the Director of Risk Management and his/her staff regarding any additional support services offered to the County; these services shall be broken into included services and services available at additional costs; the list of services may include, but is not limited to, Workers' Compensation, Liability and/or Property Claim Reviews, Risk Analysis, Loss Prevention and Control, Appraisal Services, Claims Handling Services, Actuarial or Analytical Services, and/or Reporting Services, etc.

**C. Required Reports/Correspondence**

1. Broker shall provide in writing, no later than December 1<sup>st</sup> of each year, a forecast for the renewal premium costs of all County insurance policies to serve as guidance to the Director of Risk Management and his/her staff for budgeting purposes
2. Broker shall submit an annual stewardship and/or marketing report to include (a) a comprehensive review of the County's insurance programs and the status of established goals and objectives to reduce the County's total cost of risk, (b) a discussion of the current insurance marketplace and future trends, (c) highlights of concerns (d) and Broker recommendations as to the most appropriate strategies to meet the County's needs, (e) summaries of all insurance policies to include coverage limits and sub-limits, pricing information, and major terms, conditions and endorsements, (f) a written list of coverage changes from expiring policies, (g) evidence of coverage upon placement of policies
3. Broker shall provide premium allocation reports annually no later than December 1<sup>st</sup> of each year, indicating rates for each line of coverage

provided so that payment costs are properly charged back to the appropriate County Departments

4. Broker shall have the ability to send documents or other types of information or correspondence to the Director of Risk Management and his/her staff electronically or in a hard copy format, as requested.

**D. Continuing Education, Training Seminars and Loss Control Services**

1. Broker shall assist the Director of Risk Management and his/her staff in the education and/or training of Board members, executive staff, contract administrators or other County Departments on insurance-related programs
2. Broker shall advise administrative staff in the maintenance of certificates, policy endorsements and binders
3. Broker shall provide, at no additional cost and at the request of the County's Director of Risk Management or his/her staff, a minimum of 50 loss control hours each contract year, ongoing insurance and/or risk management related webinars, and up to two (2) full day (8 hours) instructor led seminars and/or training sessions to County staff (on County premises) each contract year; training materials must be provided for all attendees

**E. Additional Requirements**

1. Broker shall submit a project organization chart and designate in writing, the service team, the team leader and the reporting relationships amongst staff responsible for the County's account; team leader replacements are subject to the Director of Risk Management's review and approval in writing; broker shall notify the Director of Risk Management promptly of any team member changes (per Attachment C).
2. Broker shall disclose in writing all commissions, fees, rebates, earnings or other forms of remuneration or income received from Insurance Carriers, Managing General Agents (MGA), Wholesale or Surplus Lines Brokers, London Market, Reinsurance Brokers or any Underwriting facilities related to the placement of insurance on behalf of the County.
3. Broker shall disclose in writing any ownership interests and/or direct and/or indirect investments in insurance and/or reinsurance carriers, MGA's, Intermediaries, Wholesale or Surplus Line Brokers, etc.

**ATTACHMENT B**  
**PAYMENT AND COMPENSATION**

- I. Compensation:** This is a firm-fixed fee Contract between County and Contractor for Insurance Broker Services as set forth in Attachment A, Scope of Work.

Contractor agrees to accept the specified compensation as set forth in this Contract as full payment for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by Contractor of all its duties and obligations hereunder. Contractor shall only be compensated as set forth herein for work performed in accordance with the Scope of Work. **County shall have no obligation to pay any sum in excess of the fixed rates specified herein unless authorized by amendment in accordance with Articles C & P of County Contract Terms and Conditions.** Unless otherwise agreed to by the County, all broker commissions received on existing coverage lines that are listed in Attachment D, shall be netted against the insurance premium.

- II. Fees and Charges:** County will pay the following fees in accordance with the provisions of this Contract.

- A.** Payment shall be as follows:

<b>Line of Coverage</b>	<b>Fixed Fees Base Amount (\$)</b>
Earthquake	\$199,000
All Risk incl flood, terrorism, boiler & machinery, licensed vehicles, mobile equipment, fine arts. *	\$133,000
*If market and do not bind	*\$119,700
<b>Property Program Total</b>	<b>\$332,000</b>
<b>Casualty – Annual</b>	<b>\$332,000</b>
<b>Miscellaneous – as needed, annual</b>	<b>\$25,000</b>

<b>Current Program – Fixed Fees Base Amount (\$)</b>			<b>New Placements Commission Percentage (%)</b>
<b>Other Income Above the Base Amount (\$)</b>			
<b>Estimated Account Hours</b>			
<b>Contract Year 1</b>	<b>Fixed Fees (\$)</b>	<b>Estimated Hours</b>	<b>Percentage (%)</b>
Property	\$332,000	1200	5% - 15%
Casualty	\$332,000	1200	10% - 15%
Miscellaneous	\$25,000	80	10% - 30%
<b>Contract Year 2</b>	<b>Fixed Fees (\$)</b>	<b>Estimated Hours</b>	<b>Percentage (%)</b>
Property	\$332,000	900	5% - 15%
Casualty	\$332,000	1000	10% - 15%
Miscellaneous	\$25,000	80	10% - 30%
<b>Contract Year 3</b>	<b>Fixed Fees (\$)</b>	<b>Estimated Hours</b>	<b>Percentage (%)</b>
Property	\$332,000	900	5% - 15%
Casualty	\$332,000	1000	10% - 15%
Miscellaneous	\$25,000	80	10% - 30%
<b>Contract Year 4</b>	<b>Fixed Fees (\$)</b>	<b>Estimated Hours</b>	<b>Percentage (%)</b>
Property	\$332,000	900	5% - 15%
Casualty	\$332,000	1000	10% - 15%
Miscellaneous	\$25,000	80	10% - 30%
<b>Contract Year 5</b>	<b>Fixed Fees (\$)</b>	<b>Estimated Hours</b>	<b>Percentage (%)</b>

Property	\$332,000	900	5% - 15%
Casualty	\$332,000	1000	10% - 15%
Miscellaneous	\$25,000	80	10% - 30%

**B.** Support services - as-needed, not to exceed \$50,000, annually. Services may include, but are not limited to:

Support Services	Fee
Loss Prevention and Control (including inspection services)	\$250 - \$350 per hour
Data and Analytics Charge	\$500 per line of coverage
Claim Reports	Priced on a per project basis *
Risk Analysis	Many risk analysis services are included in the Contract fee. Others, such as the evaluation of alternative risk solutions are priced on a per project basis. *
Analytical Services and/or Reporting	Many analytical services are included in the Contract fee. Others are priced on a per project basis. *
Claim Audits	\$220 - \$350 per hour
Cost Allocation Services	Priced on a per project basis *
Market Research	Carrier market research is included in Contract fee
Peril Specific Modeling Studies	Priced on a per project basis *
Actuarial Services	\$17,500 (WC and GL)
Other consulting services, as needed	Priced on a per project basis *

\* Contractor shall provide a quote per project to the County prior to services provided in Attachment A.

**C. Total Contract Amount: ~~\$200,000~~ 3,695,000**

Amendment No. 1 to increase contract total amount.

**III. Price Increase/Decreases:** No price increases will be permitted during the first period of Contract. County requires documented proof of cost increases on Contracts prior to any price adjustment. A minimum of 30-days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. All price decreases will automatically be extended to County of Orange. County may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of Contract. Adjustments increasing Contractor’s profit will not be allowed.

**IV. Firm Discount and Pricing Structure:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to County during the term of this Contract not otherwise specified and provided for within this Contract.

**V. Contractor’s Expense:** Contractor will be responsible for all costs related to photo copying, telephone communications and fax communications while on County sites during the performance of work and services under this Contract.

**VI. Payment Terms:** Invoices are to be submitted in advance, once a year for the fixed cost by line of coverage (property, casualty or miscellaneous, as applicable) to the user agency/department to

the ship-to address, unless otherwise directed in this Contract. Contractor shall reference Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to County of Orange and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with Contractor.

Billing shall cover services and/or goods not previously invoiced. Contractor shall reimburse County of Orange for any monies paid to Contractor for goods or services not provided or when goods or services do not meet Contract requirements.

Payments made by County shall not preclude the right of County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

- VII. Taxpayer ID Number:** Contractor shall include its taxpayer ID number on all invoices submitted to County for payment to ensure compliance with IRS requirements and to expedite payment processing.
- VIII. Payment – Invoicing Instructions:** Contractor will provide an invoice on Contractor’s letterhead for goods delivered and/or services rendered. In the case of goods, Contractor will leave an invoice with each delivery. Each invoice will have a number and will include the following information:
- a. Contractor’s name and address
  - b. Contractor’s remittance address, if different from 1 above
  - c. Contractor’s Taxpayer ID Number
  - d. Name of County Agency/Department
  - e. Delivery/service address
  - f. Contract TBD
  - g. Agency/Department’s Account Number
  - h. Date of invoice
  - i. Product/service description, quantity, and prices
  - j. Sales tax, if applicable
  - k. Freight/delivery charges, if applicable
  - l. Total

Invoice and support documentation are to be forwarded to:

**Attn: TBD**  
 CEO / Office of Risk Management  
 400 W. Civic Center, 5<sup>th</sup> Floor  
 Santa Ana, CA 92701

- IX. Payment (Electronic Funds Transfer (EFT)):** County of Orange offers contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An e-mail address will need to be provided to The County of Orange via an EFT Authorization Form. To request a form, please contact the agency/department Procurement Buyer listed in Contract. Upon completion of the form, please mail, fax or email to the address or phone listed on the form.

**ATTACHMENT C  
STAFFING PLAN**

**I. KEY PERSONNEL**

Respondents must identify all key staff members proposed to be assigned to the Contract if awarded to Respondent. Respondent shall provide the following information on each proposed staff member to be assigned to the Proposed Contract. Use additional sheets as needed.

<b>Name</b>	<b>Classification/Designation</b>	<b>Year of Experience</b>	<b>Years with Company</b>	<b>Professional Licenses or Credentials</b>
Billy Deeb	Lead Account Executive	<u>22</u>	<u>22</u>	Edd, licensed property & casualty broker
Kyle Powell	Account Executive	<u>11</u>	<u>6</u>	ARM, licensed property & casualty broker
Julie Theirl	Strategic Account Manager	<u>40</u>	<u>9.5</u>	Licensed property & casualty broker
Devin Dye	Account Specialist	<u>9</u>	<u>9</u>	Licensed property & casualty broker

The substitution or addition of other key individuals in any given category or classification shall be allowed only with prior written approval of County Project Manager or designee.

**II. SUBCONTRACTORS**

Listed below are subcontractor(s) anticipated by Contractor to perform services as specified in Attachment A. Substitution or addition of Contractor's subcontractors in any given project function shall be allowed only with prior written approval of County's Project Manager.

<b>Company Name &amp; Address</b>	<b>Contact Name and Telephone Number</b>	<b>Project Function</b>
Not Applicable		



**ATTACHMENT D  
LINE OF COVERAGE**

Line of Coverage	Policy Period	Agency	Premium	Limits*	Carrier	Deductible/SIR	Placement
<b>Property</b>							
Property	3/31/22-3/31/23	All	\$6,009,273	\$600,000,000 All Perils; \$125,000,000 EQ & \$200,000,000 Flood; misc. sublimits	multiple	\$10,000 All Risk; EQ & Flood have separate deductibles	PRISM
JWA Property	3/31/22-3/31/23	JWA	\$1,651,819	\$600,000,000 All Perils; \$100,000,000 EQ & \$225,000,000 Flood; misc. sublimits	multiple	\$5,000 All Risk; EQ and Flood separate deductibles	PRISM
<b>Casualty</b>							
Active Assailant Insurance	2/1/22-2/1/23	All	\$130,282	\$5,000,000	Validus Specialty	Sabotage/ Active Shooter \$25,000	Broker of Record
Watercraft Liability	10/1/22-10/1/23	OCSD OCPW	\$103,765	\$10,000,000	Navigators, RLI	\$1,000	Broker of Record
Environmental/Pollution Liability (3 year \$359K)	10/1/21-10/1/24	All	\$119,670	\$25,000,000	Illinois Union	\$100,000	Broker of Record
Excess Liability	10/1/22-10/1/23	All	\$6,061,594	\$30,000,000	multiple	\$5,000,000 SIR	Broker of Record
JWA Liability	3/31/22-3/31/24	JWA	\$194,203	\$250,000,000	Chubb, Lloyd's	Zero	Broker of Record
OCSD Helicopter Liability	3/31/22-3/31/24	OCSD	\$195,208	\$100,000,000	Chubb	Zero	Broker of Record
OCSD Heliport Liability	3/31/22-3/31/25	OCSD	\$5,604	\$100,000,000	Chubb	Zero	Broker of Record
RNSP Liability	3/31/22-3/31/24	OCSD	\$31,223	\$50,000,000	Chubb	Zero	Broker of Record
Drone Liability (OCPW, OCWR & DA)	6/30/22-6/30/23	OCPW OCWR DA	\$16,240	\$5,000,000	Starr Indemnity	Zero	PRISM
Line of Coverage	Policy Period	Agency	Premium	Limits*	Carrier	Deductible/SIR	Placement

Cyber Liability	7/1/22-7/1/23	All	\$2,152,539	\$25,000,000 Ransomware sublimit \$2,500,000	XL, Starr Surplus, RPS, Ironshore, Berkley	\$2,500,000 SIR	Broker of Record
Workers' Compensation	8/1/22-8/1/23	All	\$379,384	Statutory	Safety National	\$20,000,000 SIR	Broker of Record
<b>Miscellaneous</b>							
CFCOC Cyber	9/29/2022-9/29/2023	CFCOC	\$14,585	\$1,000,000 Social Engineering Sublimit \$100,000	Accredited Specialty	\$25,000	PRISM
CFCOC Crime	6/30/22-6/30/23	CFCOC	\$3,974	\$15,000,000 Impersonation Fraud sublimit \$250,000	National Union Fire, Berkley Insurance	\$2,500/Impers onation Fraud \$25,000	PRISM
IHSS Crime	6/30/22-6/30/23	IHSS	\$3,974	\$15,000,000 Impersonation Fraud sublimit \$250,000	National Union Fire, Berkley Insurance	\$2,500/Impers onation Fraud \$25,000	PRISM
CFCOC SPIP	7/1/22-7/1/23	CFCOC	\$4,185	\$25,000,000	multiple	\$5,000	PRISM
Adopt-A-Channel SLIP	09/29/22-09/29/23	OCPW	\$7,792	\$1,000,000	Great American	\$2,500	PRISM
CFCOC SLIP	09/29/22-09/29/23	CFCOC	\$5,096	\$5,000,000	Great American	\$1,000/Empl oyment Practices \$10,000	PRISM
IHSS SLIP	09/29/22-09/29/23	IHSS	\$16,942	\$5,000,000	Great American	\$1,000/Empl oyment Practices \$10,000	PRISM
Notary Public E & O Bond	3/23/22 - 3/23/23	All	\$791	\$15,000	Western Surety	Zero	Broker of Record
Crime, including elected & appointed officials**	10/21/22-10/21/24	All	\$500,413	\$30,000,000	multiple	\$100,000; \$25,000 buy down for public officials	Broker of Record
Securities Transfer Agent Medallion Program	12/22/22-12/20/25	TTC	\$4,420	\$1,000,000 \$2,000,000 agg.	Hartford Fire Insurance	Zero	Broker of Record
<b>Line of Coverage</b>	<b>Policy Period</b>	<b>Agency</b>	<b>Premium</b>	<b>Limits*</b>	<b>Carrier</b>	<b>Deductible/S IR</b>	<b>Placement</b>

Volunteer Accident, Excess Liability, Excess Auto	7/1/22- 7/1/23	HRS	\$22,920	\$2,500 AD&D; \$50,00 Accident Medical Expense; \$1,000,000 per occurrence; \$3,000,000 annual aggregate; \$500,000	VIS - QBE, Underwriters at Lloyd's of London	Excess of Medicare, Medicaid & any other insurance volunteer maintains; Excess of & noncontributi ng with any other valid & collectible insurance in place; Excess only after individual auto insurance is exhausted/ policy retention has been exceeded	CIMA
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PRISM – Public Risk Innovation, Solutions, and Management  
 \*Highest limit stated. Sublimits are not shown under all coverages.  
 \*\*Primary, Excess and Buy Down policies are multi-year policies expiring 10/21/24