



# State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street - Room 100  
Concord, New Hampshire 03301  
office@das.nh.gov

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MLC

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Commissioner  
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Deputy Commissioner  
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Assistant Commissioner  
(603) 271-3204

June 6, 2022

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, NH 03301

### REQUESTED ACTION.

Authorize the Department of Administrative Services (DAS) and the New Hampshire Department of Employment Security (NHES) to enter into a contract with Mason, Inc., 23 Amity Road, Bethany, Connecticut (VC # 406245 406245) in an amount up to and not to exceed \$1,935,000 for the purpose of providing marketing and outreach services to promote the Granite State Paid Family and Medical Leave Plan (PFML Plan). This contract shall be effective upon Governor and Executive Council approval through December 31, 2025 with an option to extend for up to an additional two (2) years. 100% General Funds

Funds are available in account 01-14-14-144510-21770000-102-500731 for FY 23 and are anticipated to become available in the future operating budgets with the authority to adjust costs and encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified.

Class	Description	FY23	FY24	FY25	FY26	Total
102-500731	Contracts for Program Services	\$785,000	\$540,000	\$415,000	\$195,000	\$1,935,000

## EXPLANATION

### The Granite State Paid Family Leave Plan

DAS and NHES are working in partnership to implement the Granite State Paid Family Leave Plan (PFML Plan/Plan) that was established in House Bill 2 (Chapter 91, Laws of 2021). The PFML Plan provides participating NH workers with paid family and medical leave insurance coverage at 60% of their average weekly wage for up to 6 weeks for specific leaves of absence from the work place associated with birth of a child, placement of a child for adoption or fostering, a serious health condition of a family member, a qualifying exigency arising from foreign deployment with the armed services or caring for a service member with a serious injury or illness as permitted under the federal Family and Medical Leave Act (FMLA) and for their own serious health condition, if applicable.

The law requires DAS to purchase paid family leave insurance (PFLI) for state workers as a means to create a PFLI market in NH. For public and private sector employers and employees, participation in the plan is voluntary. Large employers with 50 or more employees may opt in or choose to participate in the plan in which case they will contract with the insurance carrier directly. Employers may determine the manner in which the Paid Family Leave Plan coordinates with their leave policies and/or the federal FMLA. The Plan provides for a business enterprise tax credit in the amount of 50% of the PFLI premium paid by an employer. Employers can choose how to structure premium costs by paying the full premium cost or by passing all or part of the cost along to their employees. Individuals whose employers do not opt into the plan and small employers may also participate in the plan.

The law also creates an individual purchasing pool that allows individuals whose employers decline to participate in the Plan to purchase PFLI by making payments into an FMLI Premium fund administered by NHES. Small employers (< 50 employees) can also participate in the plan by making premium payments into the FMLI Premium fund and are also afforded the business enterprise tax credit in the amount of 50% of the PFLI premium they pay. The law establishes an FMLI Premium Stabilization Trust Fund into which the premium taxes on FMLI are deposited to create a premium stabilization reserve so that the rates paid by individual participants in the individual purchasing pool do not exceed \$5 per week.

RSA 21-I:107 and RSA 282-B:8 contain identical provisions to fund the Granite State Paid Family Leave Plan. Each provision states that “[t]he state treasurer shall transfer funds from the general fund to the [department of administrative services/department of employment security] for the payment of the administrative and implementation costs associated with this chapter.” For ease of contract administration and payment of the contractor invoices, the costs of this contract if approved will be administered in the above referenced account established at DAS.

RSA 21-I:105 and RSA 282-B:6 require DAS and NHES to jointly develop and implement an outreach and marketing plan to employers and eligible individuals to promote the benefits of the PFML Plan. The law states that outreach must explain in an easy to understand format eligibility requirements, benefit structures, and the process for accessing coverage, enrolling individuals, and qualifying for the business tax credit under RSA 77-E:3-d. Considering the uniqueness of the New Hampshire Plan where, unlike any other PFML program in the country, it is a truly voluntary program for employers and employees, DAS and NHES believe that effectively marketing the NH PFML Plan

will help New Hampshire employers retain the workers they have and will also attract new workers to the Granite State.

### **PFML Outreach and Marketing Services**

Because participation in the NH PFML Plan is voluntary for employers and individuals, marketing the PFML Plan will require a robust, multi-media educational and promotional campaign that reaches all NH employers and individuals with specific messages targeted to their needs. For employers, the NH PFML plan promotes the retention and recruitment of workers, enriches their benefit offerings, increases employee satisfaction, morale and productivity, and reduces costs associated with employee turnover. For employees, the NH PFML Plan protects their income when they need to take time off from work to care for a family member with a health issue, for the birth and bonding of a new child, or to deal with their own serious health condition. Paid family and medical leave can significantly improve employees' lives and a business' bottom lines. Again, while PFML type coverage exists in several states throughout the country, no other state has created a voluntary program, which DAS/NHES hope to aggressively market so that New Hampshire employers and workers understand the Plan's benefits.

The marketing campaign must raise awareness among current and prospective New Hampshire employers, educate them about the benefits of the PFML Plan and the tax advantages that are part of its design, and connect them with the insurance carrier so they can explore opportunities to purchase PFML for their employees. The marketing campaign must also educate NH employees about the PFML Plan so that they can talk with their employers and obtain coverage independently if their employer decides not to participate in the PFML Plan. A comprehensive marketing strategy in the first year of the plan is essential to building awareness about the PFML plan and continued and sustained marketing is critical to building and maintaining employer and individual participation in the PFML Plan over time.

The marketing and outreach services in this contract include the development, management and execution of a strategic marketing and outreach plan. This will include the design of a distinctive NH PFML logo and brand to be carried throughout all marketing and promotional communications including a PFML website. The marketing firm will develop educational and promotional content to be included in the PFML website and media campaigns, conduct media planning and buying, and will monitor and report on the marketing plan's strategy to enable appropriate adjustments to achieve enrollment outcomes.

This contract is the result of a Request for Proposal (RFP) issued by DAS on April 15, 2022. The DAS Division of Procurement and Support Services sent notifications of the RFP through the appropriate Institute for Public Procurement (NIGP) industry code database. The RFP was also posted on the Division of Procurement and Support Services' public website. On May 2, 2022, one proposal was received from Mason, Inc. (Mason).

The scoring of the proposal was based on the combined score of the Financial (50%) and Non-Financial (50%). The Evaluation Team consisted of the following members: Catherine Keane, DAS Deputy Commissioner; Gary Lunetta, DAS Director of Procurement and Support Services; Andrew

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Bennett, DAS Purchasing Agent; Laura Holmes, DAS Project Manager; Richard Lavers, Deputy Commissioner, NH Employment Security; Lisa Cota-Robles, Health Reform Coordinator, NH Insurance Department; and Lori Harnois, Director, Division of Travel and Tourism, Department of Business and Economic Affairs. The Evaluation Team met and unanimously selected Mason.

After selecting Mason as a bidder, the Division of Procurement and Support Services entered into negotiations with Mason. Mason agreed to reduce its hourly professional fees from \$180 and \$170 to a fixed hourly rate of \$160.00 resulting in a savings of \$222,000.00, representing a 33% savings for professional fees, over the contract term.

Based on the foregoing, we are respectfully recommending approval of the contract.

Respectfully Submitted,



Charles M. Arlinghaus  
Commissioner  
Department of Administrative Services



George N. Copadis  
Commissioner  
NH Employment Security



Division of Procurement Support Services  
Bureau of Purchase Property

Gary S. Lunetta  
Director  
(603) 271-2201

Bid Description	Outreach and Marketing Services for the Granite State Paid Family and Medical Leave Plan	Agency:	Statewide
Bid #	2577-22	Requisition: #	N/A
Agent Name	Andrew Bennett	Bid Closing:	5/2/22 @ 10:00 AM

Vendor	Total Score
Mason Inc.	88.00
Indicates highest score	

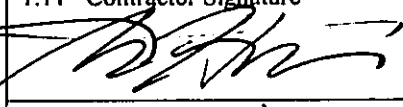
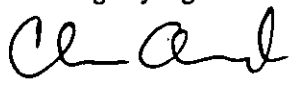

**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name  Department of Administrative Services, Bureau of Purchase and Property and NH Employment Security		1.2 State Agency Address  25 Capitol Street, Room 102 Concord, NH 03301	
1.3 Contractor Name Mason Inc.		1.4 Contractor Address 23 Amity Road Bethany, CT 06525	
1.5 Contractor Phone Number 203-641-8258	1.6 Account Number  Multiple	1.7 Completion Date December 31, 2025	1.8 Price Limitation \$1,935,000.00
1.9 Contracting Officer for State Agency Gary Lunetta Director of Procurement and Support Services		1.10 State Agency Telephone Number  603-271-3606	
1.11 Contractor Signature   Date: 6/3/22		1.12 Name and Title of Contractor Signatory STEPHEN HAYES PRESIDENT	
1.13 State Agency Signature   Date: 6.13.22		1.14 Name and Title of State Agency Signatory  Charles M. Arlinghaus, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)  By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable)  By:  On: 6/13/22			
1.17 Approval by the Governor and Executive Council (if applicable)  G&C Item number: _____ G&C Meeting Date: _____			

**2. SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials SA  
Date 6/3/22

## 8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

## 9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

## 10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

## 12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the



Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

#### 14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

#### 15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

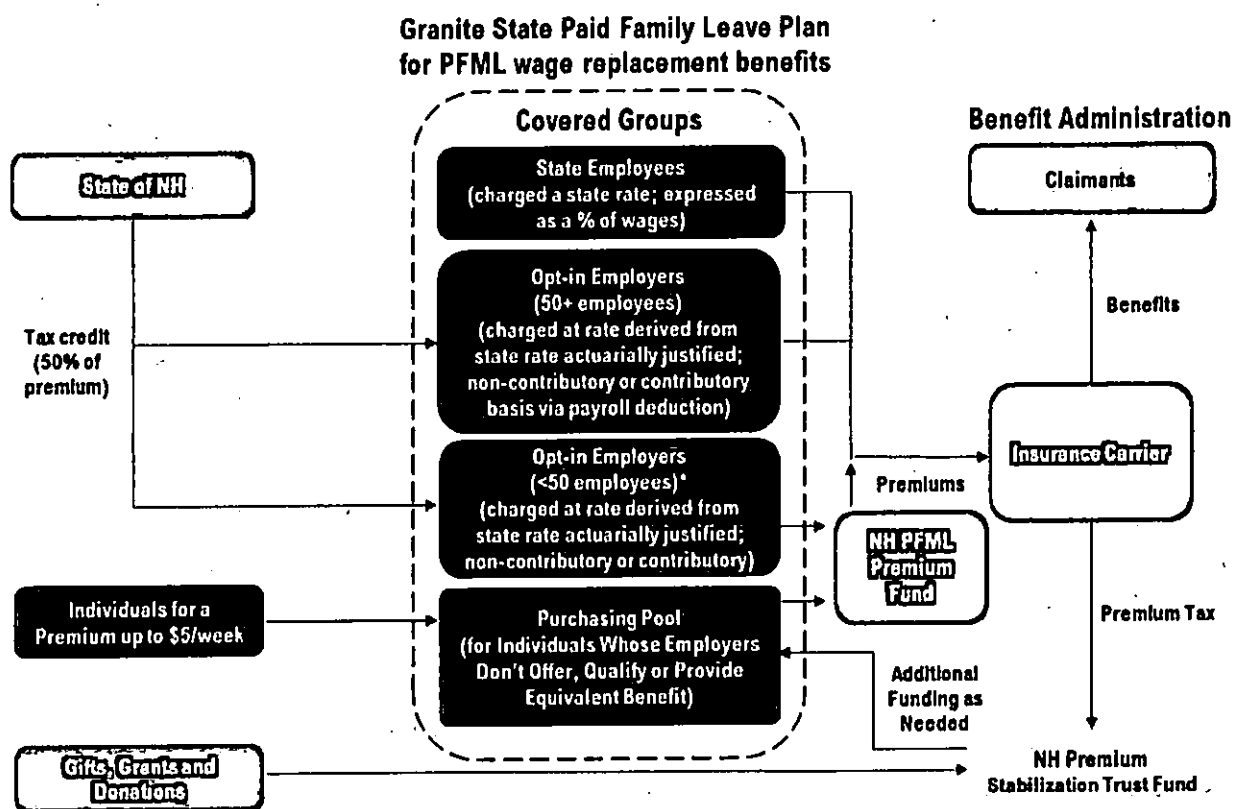
**EXHIBIT A  
SPECIAL PROVISIONS**

There are no special provisions of this contract.

**EXHIBIT B  
SCOPE OF SERVICES**

**1. INTRODUCTION**

- 1.1. The Contractor must provide Outreach and Marketing Services for the Granite State Paid Family and Medical Leave Plan (the Plan) in accordance with the proposal submission in response to State Request for Proposal #2577-22 and as described herein and depicted in the below flow chart.
- 1.2. Pursuant to RSA 21-I:99-111 the Plan shall be in place by January 1, 2023, and hence it is critical that the Contractor begin outreach and marketing efforts expediently and as agreed by the Parties. **Time is of the essence in the performance of this Agreement.**



**2. TERMINOLOGY**

- 2.1. Employee means a person performing services for any employer with a physical location in NH in exchange for wages under any contract of hire written or oral, express or implied.
- 2.2. Employer means any individual or type of organization located in NH, which has in its employ one or more individuals performing services for it within the State.
- 2.3. Individual Group is comprised of individuals who work for employers who do not offer either PFML coverage under the Plan as authorized by RSA 21-I:96 through RSA 21-I:108 or a PFML

benefit that is at least equivalent to such coverage under the Plan, and who voluntarily opt to purchase coverage through the Plan.

- 2.4. Permanent State Employee means any full-time employee who has completed their 12-month probationary period with any branch of the State government, including any person who has been or will be employed on a temporary basis for a period of not less than six (6) months in a 12-month period.
- 2.5. Private Employer means any entity located in NH and which falls outside the definition of State Employer and Public Employer.
- 2.6. Public Employer means any political subdivision of the State, any quasi-public corporation, the state community college system and the state university system.
- 2.7. State Employer means the State of NH, including the executive, judicial and legislative branches.

### **3. CONTRACT DOCUMENTS**

- 3.1. This Contract consists of the following documents ("Contract Documents"):
  - 3.1.1. State of New Hampshire Terms and Conditions, General Provisions Form P-37
  - 3.1.2. EXHIBIT A Special Provisions
  - 3.1.3. EXHIBIT B Scope of Services
  - 3.1.4. EXHIBIT C Method of Payment
  - 3.1.5. EXHIBIT D RFP 2577-22
  - 3.1.6. EXHIBIT E Proposal
- 3.2. In the event of any conflict among the terms or provisions of the documents listed above, the following order of priority shall indicate which documents control: (1) Form Number P-37 as modified by Exhibit A, (2) EXHIBIT B "Scope of Services," (3) EXHIBIT C "Method of Payment," (4) EXHIBIT D "RFP 2577-22," and (5) Exhibit E "Proposal."

### **4. TERM OF CONTRACT**

- 4.1. The Contract may be extended for up to two (2) years under the same terms, conditions, and pricing structure upon the mutual agreement between the Contractor and the State with the approval of the Governor and Executive Council.

### **5. SCOPE OF WORK**

#### **5.1. Outreach and Marketing Services**

5.1.1. The Contractor shall provide and carry out written recommendations on how to market to, communicate to, and educate all employers in the State of New Hampshire, all workers in the State of New Hampshire, as well as employers and people outside the state considering working in New Hampshire about the Plan, as directed and approved by Department of Administrative Services (DAS), New Hampshire Employment Security (NHES) and in partnership with the insurance carrier selected and contracted by the State for the Plan ("Insurance Carrier"):

5.1.1.1. In accordance with NH laws and insurance rules accessible here, respectively:  
<http://www.gencourt.state.nh.us/rsa/html/XXXVII/417/417-4.htm>,  
[http://www.gencourt.state.nh.us/rules/State\\_Agencies/ins2600.html](http://www.gencourt.state.nh.us/rules/State_Agencies/ins2600.html)

5.1.1.2. As a first and immediate priority, the Contractor shall work with the State to design and produce an impactful logo and brand framework, supported by guidelines, tone and themes to be used in all campaigns and materials:

- 5.1.1.2.1. The Contractor shall incorporate and apply ADA compliance guidelines for accessibility to multiple audiences, considering language and cultural differences into all its work.
- 5.1.1.3. As a simultaneous and pressing matter, the Contractor shall partner with the State and the Insurance Carrier to generate online content for awareness and education about the Plan:
  - 5.1.1.3.1. Through a microsite developed by the State that is accessible on a 24/7/365 basis.
  - 5.1.1.3.2. Consistent with logo and brand framework as approved by the State.
  - 5.1.1.3.3. Including a structure for reporting on microsite metrics such as number of visitors, bounce rate, traffic sources, and other relevant metrics.
- 5.1.1.4. As concurrent and critical activities, the Contractor shall:
  - 5.1.1.4.1. Develop a strategic outreach and marketing plan to motivate Employers and Individuals to purchase coverage in accordance with the State's goals.
    - 5.1.1.4.1.1. Prepare a strategic plan and advise on the most effective ways to reach and message to target audiences.
    - 5.1.1.4.1.2. Utilize multiple mediums consistent with the project plan and State concurrence (such as web, print, events, social media, email, paid media placements, strategic partnerships, etc.) and how they could be combined for ultimate effectiveness and cost-efficiency.
    - 5.1.1.4.1.3. Clearly outline a timeline and rationale for use of each recommended medium, all costs involved, and anticipated target audience penetration for each.
    - 5.1.1.4.1.4. Specify activities and campaigns to prompt enrollment in the Plan for the immediate time period between contract signature and January 1, 2023.
    - 5.1.1.4.1.5. Establish strategies to increase participation for Year One (1) of the Plan from January 1, 2023 to December 31, 2023; Year Two (2) of the Plan from January 1, 2024 to December 31, 2024; and subsequent years.
    - 5.1.1.4.1.6. Incorporate the ability to change directions/redirect resources if initial strategic expectations are not being met or in the event of a future change in the law.
  - 5.1.1.4.2. Create comprehensive yet straightforward and easily understood content to educate targeted populations regarding all aspects of how the PFML program works in accordance with strategic timelines and with the goal of motivating enrollment in the Plan.
    - 5.1.1.4.2.1. Provide strategic direction, creative ideation, production and development for agreed upon channels.
    - 5.1.1.4.2.2. Develop, produce and launch campaigns that drive purchase decisions, inquiries and engagement.

- 5.1.1.4.2.3. Establish assets such as inventory of photography and video content to be used in print, public relations and digital channels.
- 5.1.1.4.3. Conduct media planning and buying, social and consumer engagement, video and other production services in accordance with the strategic outreach and marketing plan:
  - 5.1.1.4.3.1. Establish budgets for media placement, creative services and production related to all mediums used.
  - 5.1.1.4.3.2. Manage, buy, and optimize all media for agreed upon campaigns.
  - 5.1.1.4.3.3. Purchase, setup, and traffic media across all channels to ensure competitive and economical advertising and promotional pricing, and to leverage free or matched airings.
- 5.1.2. At all times the Contractor shall work in cooperation with the State, its technology and other vendors and the Insurance Carrier on content and materials development including but not limited to:
  - 5.1.2.1. Facilitating user-friendly tools and/or materials around the Plan and how coverage works, such as calculators, visual timelines, brochures, guides, checklists, etc.
  - 5.1.2.2. Formulating answers to frequently asked questions (FAQs) and/or to clarify expected points of confusion.
  - 5.1.2.3. Refining and maintaining outreach and communications as enrollment in the Plan evolves.
- 5.1.3. At all times the Contractor shall define metrics and assess outreach effectiveness amongst Private and Other Public Employers, as well as Individuals, and report on outreach and marketing outcomes at agreed upon intervals as well as on an ad hoc basis.
- 5.1.4. At all times the Contractor shall collaborate with the State on resource planning of associated costs and adjusting the marketing plan based on plan performance.
- 5.1.5. At all times the Contractor shall clearly outline costs associated with the marketing and outreach plan initially and ongoing through the term of the contract.

**5.2. Delivery and Collaboration**

- 5.2.1. The Contractor shall deliver and manage a detailed, task-oriented project plan for maximizing awareness by the public before coverage is available for purchase by NH Private and Public Employers by December 1, 2022 and Individuals by January 1, 2023, and ongoing awareness and increased participation thereafter in collaboration with the State and in partnership with the Insurance Carrier, with flexibility to change directions/redirect resources if initial strategic expectations are not being met.
- 5.2.2. The Contractor shall support DAS and NHES with their quarterly requirement to provide data and other information and to otherwise work with the PFML Advisory Board, State staff or the Legislature as necessary, including attending meetings onsite, as requested.
- 5.2.3. The Contractor shall acknowledge and refer all media requests to the State and assist the State with its compliance with the 'Right to Know' laws codified as RSA 91-A.

**5.3. Professional Staffing**

5.3.1. The Contractor shall provide staffing to include a dedicated Account Executive/Strategy Director who may, along with other staff, be required, on occasion, to testify in person before legislative and administrative bodies, for which the State will provide as much advance notice as possible:

5.3.1.1. The Account Executive/Strategy Director will serve as the strategic advisor and be responsible for the day-to-day client relationship and serve as the primary point of contact with the State and in coordination with the Insurance Carrier. The Account Executive/Strategy Director shall possess the highest level of strategy and account management experience, particularly with government programs and employee benefit initiatives.

5.3.1.1.1. The Contractor shall provide the names, titles, duties, experience, and applicable credentials of staff who will work on the Plan. The State reserves the right to approve staff as well as request different staff at any time during the term of this Contract if service expectations are not met.

5.3.2. Any services covered under this Contract shall not be, in whole or in part, subcontracted, assigned, or otherwise transferred to any other contractor without prior written approval by the State. The State shall approve the assignment of all subcontractor staff. If subcontractors are to be used, the Contractor must clearly explain their participation.

5.3.3. The Contractor shall be directly responsible for any subcontractor's performance and work quality when used by the Contractor to carry out the scope of the services.

5.3.4. Subcontractors must abide by all terms and conditions under this Contract.

#### 5.4. Transition upon Contract Termination or Expiration

5.4.1. The State may solicit bids for the continuation of marketing and outreach services for the Plan prior to the expiration of this Contract. Should a subsequent contract be awarded to a vendor other than the Contractor, the Contractor shall, cooperate with the State in executing those actions necessary to facilitate a smooth, orderly and complete transition to the next vendor including, without limitation on knowledge and records, State-owned logos, branding, campaign and other materials. Any product, whether acceptable or unacceptable, developed under this Contract is the sole property of the State of New Hampshire unless stated otherwise in the Contract.

#### 5.5. Additional Requirements

5.5.1. The Contractor shall correct defective work or damages to any part of a building or its appurtenances when caused by the Contractor's employees, equipment, or supplies. The Contractor shall replace in satisfactory condition all defective work and damages rendered thereby or any other damages incurred. Upon failure of the Contractor to proceed promptly with the necessary corrections, the State may withhold any amount necessary to correct all defective work or damages from payments to the Contractor.

5.5.2. The Contractor staff shall consist of qualified persons completely familiar with the products and equipment they shall use. The State's Contracting Officer may require the Contractor to dismiss from the State's work any employees deemed incompetent, careless, insubordinate, or otherwise objectionable or whose continued employment on the State's work is determined to be contrary to the public interest or inconsistent with the best interest of security and the State.

- 5.5.3. The Contractor or their personnel shall not represent themselves as employees or agents of the State.
- 5.5.4. While on State property, the Contractor's employees shall be subject to the control of the State, but under no circumstances shall such persons be deemed to be employees of the State.
- 5.5.5. All Contractor personnel shall observe all regulations or special restrictions in effect at the State.
- 5.5.6. The Contractor's personnel shall be allowed only in areas where services are being performed. The use of State telephones is prohibited.
- 5.5.7. Except as otherwise provided in this Scope of Services, all services performed under this Contract shall be performed between the hours of 8:00 A.M. and 5:00 P.M. unless other arrangements are made in advance with the State. Any deviation in work hours shall be pre-approved by the Contracting Officer. The State requires ten-day advance knowledge of said work schedules to provide security and access to respective work areas.
- 5.5.8. The Contractor shall not commence work until a conference is held with staff from the New Hampshire Department of Administrative Services (DAS) and the New Hampshire Employment Security (NHES), at which representatives of the Contractor and the State are present. The conference will be arranged by the State agencies.

## **6. OBLIGATIONS AND LIABILITY OF THE CONTRACTOR**

- 6.1. The Contractor shall provide all services strictly pursuant to, and in conformity with, the specifications described in State RFP #2577-22, as described herein, and under the terms of this Contract.
- 6.2. It is the responsibility of the Contractor to maintain this contract and New Hampshire Vendor Registration with up to date contact information.
- 6.3. Contract specific contact information (Sales contact, Contractor contract manager, etc.) shall be sent to the State's Contracting Office listed in Box 1.9 of Form P-37.
- 6.4. Additionally, all updates i.e., telephone numbers, contact names, email addresses, W9, tax identification numbers are required to be current through a formal electronic submission to the Bureau of Purchase and Property at:  
[https://das.nh.gov/purchasing/vendorregistration/\(S\(a0fzcv55qhaeas45jpva5i45\)\)/welcome.aspx](https://das.nh.gov/purchasing/vendorregistration/(S(a0fzcv55qhaeas45jpva5i45))/welcome.aspx)
- 6.5. The Contractor shall agree that any damage to building(s), materials, equipment or other property during the performance of the service shall be repaired at its own expense, to the State's satisfaction.

## **7. DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS**

- 7.1. The Contractor certifies, by signature of this Contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal Department or Agency.



**8. CONFIDENTIALITY & CRIMINAL RECORD**

8.1. If requested by the using agency, the Contractor and its employees, and Sub-Contractors (if any), shall be required to sign and submit a Confidential Nature of Department Records Form and a Criminal Authorization Records Form. These forms shall be submitted to DAS prior to the start of any work.

**EXHIBIT C  
METHOD OF PAYMENT**

**1. CONTRACT PRICE**

1.1. The Contractor agrees to perform the services in Exhibit B Scope of Services in complete compliance with the terms and conditions specified in Exhibit B Scope of Services for an amount up to and not to exceed \$1,935,000.00, as indicated in the Price Limitation in Block 1.8 of P-37.

1.1.1. This amount shall not be considered a guaranteed or minimum amount. It shall be considered a maximum amount from the Effective Date through the Completion Date of December 31, 2025, as indicated in Form P-37 Block 1.7.

**2. PRICING STRUCTURE**

2.1. The Contractor agrees to the following pricing structure, subject to agreement to adjust specific costs among budget categories within and across calendar and fiscal years.

**2.1.1. Total Project Costs**

2.1.1.1. The total cost of the project will not exceed \$1,935,000.00 for the contract term ending December 31, 2025, as specified in Table 2.1;

2.1.1.2. The total cost of Contractor Fees will not exceed \$670,000 for the contract term as specified in Table 2.1;

2.1.1.3. The total cost of the media campaign will not exceed \$1,265,000 for the contract term as specified in Table 2.1.

**Table 2.1: Total Project Costs**

TOTAL PROJECT COSTS				
COST CATEGORIES	FROM EFFECTIVE DATE TO DECEMBER 31, 2022	YEAR 1	YEAR 2	YEAR 3
		JANUARY 1, 2023 - DECEMBER 31, 2023	JANUARY 1, 2024 - DECEMBER 31, 2024	JANUARY 1, 2025 - DECEMBER 31, 2025
Contractor Fees	\$250,000.00	\$140,000.00	\$140,000.00	\$140,000.00
Media Campaign Costs	\$215,000.00	\$500,000.00	\$300,000.00	\$250,000.00
Total Projected Cost Each Year	\$465,000.00	\$640,000.00	\$440,000.00	\$390,000.00
Total Costs for contract term	\$1,935,000.00			

**2.1.2. Mass Media Campaign Annual Costs**

2.1.2.1. The Contractor agrees to the annual mass media campaign costs, as specified in Table 2.1.2.

2.1.2.1.1. Mass media campaign costs are pass-through costs limited to the placement of the media listed in Table 2.1.2;

2.1.2.1.2. Mass media campaign costs will not exceed the amounts specified for each medium for each timeframe defined, as specified in Table 2.1.2, subject to agreement to adjust costs between media campaign activities and calendar and fiscal years.

**Table 2.1.2: Mass Media Campaign Annual Costs**

MASS MEDIA CAMPAIGN ANNUAL COST BREAKDOWN		FROM EFFECTIVE DATE TO DECEMBER 31, 2022	YEAR 1 JANUARY 1, 2023 – DECEMBER 31, 2023	YEAR 2 JANUARY 1, 2024 – DECEMBER 31, 2024	YEAR 3 JANUARY 1, 2025 – DECEMBER 31, 2025	TOTAL
Television Impressions		\$32,300.00	\$64,600.00	\$50,000.00	\$40,000.00	\$186,900.00
Magazine Impressions		-	-	-	-	-
Radio Impressions (see flowchart for paid/bonus breakouts in Contractor's proposal)		\$52,700.00	\$82,925.00	\$55,000.00	\$45,000.00	\$235,625.00
Newspaper Impressions (provided as bonus – see flowcharts in Contractor's proposal)		-	-	-	-	-
Social Impressions	Facebook/Instagram	\$52,500.00	\$56,100.00	\$45,000.00	\$35,000.00	\$188,600.00
	LinkedIn	-	-	-	-	-
	Other (Snapchat)	\$17,500.00	\$28,900.00	\$20,000.00	\$15,000.00	\$81,400.00
	Other (Youtube)	-	\$25,000.00	\$20,000.00	\$20,000.00	\$65,000.00
	Other	-	-	-	-	-
Other (Streaming/Digital Audio)		\$25,600.00	\$60,000.00	\$25,000.00	\$20,000.00	\$130,600.00
Other (Podcasts)		\$21,500.00	-	-	-	\$21,500.00
Other (Targeted Email)		\$7,900.00	-	-	-	\$7,900.00
Other (Connected TV)		-	\$50,000.00	\$30,000.00	\$30,000.00	\$110,000.00
Other (Targeted Digital Display)		-	\$55,000.00	\$30,000.00	\$25,000.00	\$110,000.00
Other (Out of Home)		-	\$77,475.00	\$25,000.00	\$20,000.00	\$122,475.00
Mass Media Campaign Costs Total		\$210,000.00	\$500,000.00	\$300,000.00	\$250,000.00	\$1,260,000.00

**2.2. Contractor Fees**

**2.2.1. Fee Schedule**

2.2.1.1. The Contractor agrees to the fee schedule as specified in Table 2.2:

- 2.2.1.1.1. Contractor Fees represent labor costs computed at the Contractor's blended hourly rate of \$160/hr times total hours to perform the deliverables/services in Table 2.2, plus production costs incurred during audio, video and print production;
- 2.2.1.1.2. Contractor Fees will not exceed the amount identified for each deliverable/service for each timeframe defined, as specified in Table 2.2, subject to agreement to adjust costs between deliverables/services and calendar and fiscal years.

**Table 2.2: Fee Schedule**

DELIVERABLE(S)/SERVICE(S)	FROM EFFECTIVE DATE TO DECEMBER 31, 2022	YEAR 1	YEAR 2	YEAR 3
		JANUARY 1, 2023 – DECEMBER 31, 2023	JANUARY 1, 2024 – DECEMBER 31, 2024	JANUARY 1, 2025 – DECEMBER 31, 2025
A. Development of logo and brand framework	\$15,000	-	-	-
B. Generation of online content for the State's microsite	\$20,000	\$5,000	\$5,000	\$5,000
C. Development of a strategic outreach and marketing plan	\$10,000	\$5,000	\$5,000	\$5,000
D. Creation, production and launch of educational and promotional content and campaigns	\$97,000	\$52,500	\$52,500	\$52,500
E. Execution of media planning and buying, social and consumer engagement, video and other production services in accordance with the strategic outreach and marketing plan	\$70,000	\$40,000	\$40,000	\$40,000
F. Collaboration with the State as an Employer to educate Permanent State Employees	\$10,000	\$7,500	\$7,500	\$7,500
G. Provision of regularly scheduled and ad hoc reports and metrics on outreach effectiveness	\$6,000	\$12,000	\$12,000	\$12,000
H. Day to day account management (client liaison, scoping, budgeting, scheduling, meeting attendance, staff oversight)	\$22,000	\$18,000	\$18,000	\$18,000
<b>FEE TOTAL</b>	<b>\$250,000.00</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>

2.3. Hourly Rates

2.3.1. The Contractor will charge the following hourly rates:

**Table 2.3 Hourly Rates**

From contract approval to December 31, 2022	
Staff Position	Rate Per Hour
CEO - Strategist	\$160.00
Co-President - Strategist/Principal in charge	\$160.00
Co-President - Strategist/Public Relations	\$160.00
VP - Creative Director	\$160.00
Media Director & Analytics	\$160.00
Account Director - Social & Public Relations	\$160.00
Copywriter	\$160.00
Art Director	\$160.00
Account Manager	\$160.00
Video production	\$160.00
Year 1: January 1, 2023 - December 31, 2023	
Staff Position	Rate Per Hour
CEO - Strategist	\$160.00
Co-President - Strategist/Principal in charge	\$160.00
Co-President - Strategist/Public Relations	\$160.00
VP - Creative Director	\$160.00
Media Director & Analytics	\$160.00
Account Director - Social & Public Relations	\$160.00
Copywriter	\$160.00
Art Director	\$160.00
Account Manager	\$160.00
Video production	\$160.00
Year 2: January 1, 2024 - December 31, 2024	
Staff Position	Rate Per Hour
CEO - Strategist	\$160.00
Co-President - Strategist/Principal in charge	\$160.00
Co-President - Strategist/Public Relations	\$160.00
VP - Creative Director	\$160.00
Media Director & Analytics	\$160.00
Account Director - Social & Public Relations	\$160.00
Copywriter	\$160.00
Art Director	\$160.00
Account Manager	\$160.00
Video production	\$160.00

Year 3: January 1, 2025 - December 31, 2025	
Staff Position	Rate Per Hour
CEO - Strategist	\$160.00
Co-President - Strategist/Principal in charge	\$160.00
Co-President - Strategist/Public Relations	\$160.00
VP - Creative Director	\$160.00
Media Director & Analytics	\$160.00
Account Director - Social & Public Relations	\$160.00
Copywriter	\$160.00
Art Director	\$160.00
Account Manager	\$160.00

### 3. INVOICING AND PAYMENT

#### 3.1. Invoicing

- 3.1.1. The Contractor shall prepare and send to the State invoices according to an invoicing schedule and format agreed to by the State.
- 3.1.2. The invoice shall include a detailed description of billed costs, plus:
  - 3.1.2.1. A description of the work performed, the Cost Category, the Deliverable/Service completed, a breakout of the cost of materials and out-of-pocket expenses, the hours worked, and the position title and name of the employee who performed the work;
  - 3.1.2.2. A description of the media costs associated with the execution of media buys.
- 3.1.3. The Contractor shall bill the State one time only for the creation of artwork or media that is used in multiple mediums. The prohibition of multiple charges shall not apply to charges to modify or re-size existing artwork or media. Any duplication of charges for the creation of artwork or media will be rejected.
- 3.1.4. The Contractor shall not charge the State for mark-up on costs on out of pocket expenses; all costs must be net to the State.
- 3.1.5. The Contractor shall bill the State for mass media buys only upon the execution of scheduled media buy; all pass-through costs shall be documented by the provision of invoices for media buys.
- 3.1.6. The Contractor shall provide a monthly budget summary breakdown against the Fee Schedule and as approved by the State.

#### 3.2. Payment

- 3.2.1. Payments shall be made to the Contractor by the State via ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury>.
- 3.2.2. The Contractor shall be paid within 30 days after receipt of an undisputed invoice and acceptance of the work to the State's satisfaction.

**4. PERFORMANCE GUARANTEES**

- 4.1. The Contractor agrees to the performance guarantees specified in Table 4.1 Performance Guarantees:
- 4.1.1. The Contractor will provide performance metrics to the State, per the Category and Standard in Table 4.1, each quarter on a calendar year basis;
  - 4.1.2. The Contractor will remit any penalties due to the State, per the Percentage of Fees at Risk in Table 4.1, by a separate check and not as an invoice credit no later than sixty (60) days after the close of the year.

**Table 4.1 Performance Guarantees**

Category	Standard	Percentage of Fees at Risk
Quality of work	All materials and products will be free of error regarding, spelling, punctuation, grammar, and syntax.	2%
Meeting Deadlines	All deliverables are completed in their final form and presented to the State on or before the mutually agreed upon completion date.	1.5%
Response time for returned calls	Calls from the State will be returned within four (4) business hours 95% of the time.	1.5%
Invoicing	Invoices are delivered to the State in accordance with the mutually agreed upon invoicing deadlines.	1.5%
Consistent Staffing	Account team members will remain constant for a least the first 18 months of the contract period excluding changes due to resignations, terminations and promotions.	1.5%
Account team Satisfaction	Extremely or very satisfied ranking measured by a mutually agreed upon survey conducted 30 days after the end of each calendar year.	2%
	Total Fees at Risk	10%

**EXHIBIT D**

RFP #2577-22 is incorporated here within.

Contractor Initials AT  
Date 6/3/22



**EXHIBIT E**

The Contractor's proposal is incorporated by reference into this contract.

Contractor Initials AT  
Date 6/3/22

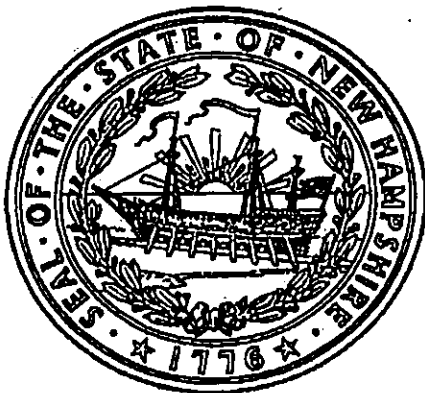
**State of New Hampshire**  
**Department of State**

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that MASON, INC. is a Connecticut Profit Corporation registered to transact business in New Hampshire on May 03, 2022. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 900590

Certificate Number : 0005770578

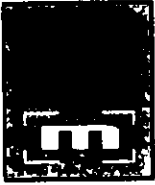


IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 3rd day of May A.D. 2022.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan  
Secretary of State



Mason, Inc.  
23 Amity Road  
Bethany, CT 06524

T: 203-393-1101  
W: mason23.com

## Board Resolution

May 31, 2022

### RE: Appointing Stephen D. Hayes as Signatory

Be it resolved through a duly convened meeting of the Board of Directors of Mason, Inc. that for the purpose of doing business in the State of New Hampshire that our President, Stephen D Hayes has been appointed signatory for all matters. This appointment is valid through May 31, 2024.

A handwritten signature in black ink, appearing to read 'Charles T. Mason, Jr.', is written over a horizontal line.

Charles T. Mason, Jr.  
Chairman of the Board





MASOINC-01

CDELA

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/28/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

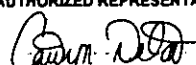
PRODUCER MBI Company Group LLC. 280 State Street North Haven, CT 06473	CONTACT NAME: Carolyn Delahunt	
	PHONE (A/C, No, Ext): (203) 288-3401 FAX (A/C, No): (203) 281-0414	
	E-MAIL ADDRESS: Carolyn.Delahunt@mbi-ins.com	
INSURED  Mason Inc. 23 Amity Rd Bethany, CT 06525	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Massachusetts Bay Insurance Co.	22306
	INSURER B: Allmerica Fin Benefits	41840
	INSURER C: Hanover	22292
	INSURER D: USLI	25895
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL (INS)	SUBR (WVD)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	X	X	ZZE8904497	11/1/2021	11/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			AWE8906634	11/1/2021	11/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	X	X	UHE8906948	11/1/2021	11/1/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.I. EACH ACCIDENT \$ E.I. DISEASE - EA EMPLOYEE \$ E.I. DISEASE - POLICY LIMIT \$
C	E & O			LHED73414903	10/8/2021	10/8/2022	Each Occ & Aggregate \$ 1,000,000
D	Privacy & Security Lia			EPL1564591C	11/1/2020	11/1/2021	Each Claim/Aggregate \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
The certificate holder is included as additional insured as required by written contract or agreement.

<b>CERTIFICATE HOLDER</b>  State of New Hampshire Department of Administrative Services 25 Capitol Street #120 Concord, NH 03301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMERCIAL GENERAL LIABILITY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SUMMARY OF COVERAGES

1.	Additional Insured by Contract, Agreement or Permit	Included
2.	Additional Insured – Primary and Non-Contributory	Included
3.	Blanket Waiver of Subrogation	Included
4.	Bodily Injury Redefined	Included
5.	Broad Form Property Damage – Borrowed Equipment, Customers Goods & Use of Elevators	Included
6.	Knowledge of Occurrence	Included
7.	Liberalization Clause	Included
8.	Medical Payments	Included
9.	Newly Acquired or Formed Organizations - Covered until end of policy period	Included
10.	Non-owned Watercraft	51 ft.
11.	Supplementary Payments Increased Limits	
	- Bail Bonds	\$2,500
	- Loss of Earnings	\$1000
12.	Unintentional Failure to Disclose Hazards	Included
13.	Unintentional Failure to Notify	Included

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

**1. Additional Insured by Contract, Agreement or Permit**

The following is added to **SECTION II – WHO IS AN INSURED:**

**Additional Insured by Contract, Agreement or Permit**

- a. Any person or organization with whom you agreed in a written contract, written agreement or permit that such person or organization to add an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

(1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;

(2) Premises you own, rent, lease or occupy; or

(3) Your maintenance, operation or use of equipment leased to you.

b. The insurance afforded to such additional insured described above:

(1) Only applies to the extent permitted by law; and

(2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

- (3) Applies on a primary basis if that is required by the written contract, written agreement or permit.
- (4) Will not be broader than coverage provided to any other insured.
- (5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.

c. This provision does not apply:

- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".
- (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
- (3) To any lessor of equipment:
  - (a) After the equipment lease expires; or
  - (b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor
- (4) To any:
  - (a) Owners or other interests from whom land has been leased which takes place after the lease for the land expires; or
  - (b) Managers or lessors of premises if:
    - (i) The occurrence takes place after you cease to be a tenant in that premises; or
    - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

- (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and

advertising injury" involved the rendering of or failure to render any professional services by or for you.

- d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION III - LIMITS OF INSURANCE**:

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

- 1. Required by the contract, agreement or permit described in Paragraph a.; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

## 2. Additional Insured - Primary and Non-Contributory

The following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. Other insurance:

### Additional Insured - Primary and Non-Contributory

If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II - WHO IS AN INSURED**, is primary and non-contributory, the following applies:

If other valid and collectible insurance is available to the Additional Insured for a loss covered under Coverages A or B of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary to other insurance that is available to the Additional Insured which covers the

Additional Insured as a Named Insured. We will not seek contribution from any other insurance available to the Additional Insured except:

- (1) For the sole negligence of the Additional Insured;
- (2) When the Additional Insured is an Additional Insured under another primary liability policy; or
- (3) when b. below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

**b. Excess Insurance**

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
- (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (b) That is Fire insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;
  - (c) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner; or
  - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - (b) The total of all deductible and self insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each

insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers

**3. Blanket Waiver of Subrogation**

The following is added to SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damage under this coverage form. The damage must arise out of your activities under a written contract with that person or organization. This waiver applies only to the extent that subrogation is waived under a written contract executed prior to the "occurrence" or offense giving rise to such payments.

**4. Bodily Injury Redefined**

SECTION V – DEFINITIONS, Definition 3. "bodily injury" is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

**5. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators**

- a. SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. Exclusions subparagraph j. is amended as follows:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor do they apply to the use of elevators at premises you own, rent, lease or occupy.

- b. The following is added to SECTION V – DEFINITIONS:

24. "Customers goods" means property of your customer on your premises for the purpose of being:

- a. worked on; or
- b. used in your manufacturing process.
- c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent

**6. Knowledge of Occurrence**

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

- e. Notice of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured if reported to an individual named insured, partner, executive officer or an "employee" designated by you to give us such a notice.

**7. Liberalization Clause**

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

**Liberalization Clause**

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium, within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**8. Medical Payments**

- a. **SECTION I – COVERAGES, COVERAGE C – MEDICAL PAYMENTS**, Paragraph 1. **Insuring Agreement**, subparagraph a.(3)(b) is replaced by the following:

- (b) The expenses are incurred and reported to us within three years of the date of the accident; and

- b. This coverage does not apply if **COVERAGE C – MEDICAL PAYMENTS** is excluded either by the provisions of the Coverage Part or by endorsement.

**9. Newly Acquired Or Formed Organizations**

**SECTION II – WHO IS AN INSURED**, Paragraph 3.a. is replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.

**10. Non-Owned Watercraft**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions**, subparagraph g.(2) is replaced by the following:

**g. Aircraft, Auto Or Watercraft**

- (2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person who, with your consent, either uses or is responsible for the use of a watercraft.

**11. Supplementary Payments Increased Limits**

**SECTION I – SUPPLEMENTARY PAYMENTS COVERAGES A AND B**, Paragraphs 1.b. and 1.d. are replaced by the following:

- 1.b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- 1.d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1000 a day because of time off from work.

**12. Unintentional Failure to Disclose Hazards**

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 6. **Representations:**

We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

**13. Unintentional Failure to Notify**

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMERCIAL GENERAL LIABILITY ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### SUMMARY OF COVERAGES

1.	Additional Insured – Broad Form Vendors	Included
2.	Aggregate Limit per Location	Included
3.	Alienated Premises	Included
4.	Broad Form Named Insured	Included
5.	Extended Property Damage	Included
6.	Incidental Malpractice (Employed nurses, EMT's & paramedics)	Included
7.	Mobile Equipment Redefined	Included
8.	Personal Injury – Broad Form	Included
9.	Product Recall Expense	
	- Product Recall Expense Each Occurrence Limit	\$25,000
	- Product Recall Expense Aggregate Limit	\$50,000
	- Product Recall Deductible	\$500
10.	Property Damage Legal Liability – Broad Form	
	- Fire, Lightning, Explosion, Smoke and Leakage from Fire Protective Systems Damage Limit	\$1,000,000

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

#### 1. Additional Insured – Broad Form Vendors

The following is added to **SECTION II – WHO IS AN INSURED**:

##### Additional Insured – Broad Form Vendors

- a. Any person or organization that is a vendor with whom you agreed in a written contract or written agreement to include as an additional insured under this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.
- b. The insurance afforded to such vendor described above:
  - (1) Only applies to the extent permitted by law;
  - (2) Will not be broader than the insurance which you are required by the contract or agreement to provide for such vendor;
  - (3) Will not be broader than coverage provided to any other insured; and

- (4) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto

- c. With respect to insurance afforded to such vendors, the following additional exclusions apply:

The insurance afforded to the vendor does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reasons of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration,

testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;

- (5) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;
  - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
  - (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (a) The exceptions contained within the exclusion in subparagraphs (4) or (6) above; or
    - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
  - (9) "Bodily injury" or "property damage" arising out of an "occurrence" that took place before you have signed the contract or agreement with the vendor.
  - (10) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
  - (11) Any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
- d. With respect to the insurance afforded to these vendors, the following is added to **SECTION III – LIMITS OF INSURANCE**:
- The most we will pay on behalf of the vendor for a covered claim is the lesser of the amount of insurance:

1. Required by the contract or agreement described in Paragraph a.; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

## 2. Aggregate Limit Per Location

- a. **SECTION III – LIMITS OF INSURANCE**, the General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

- b. For purpose of this coverage only, the following is added to **SECTION V – DEFINITIONS**:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

## 3. Alienated Premises

**SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. Exclusions, subparagraph j.(2) is replaced by the following:

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

## 4. Broad Form Named Insured

If you are designated in the Declarations as anything other than an individual, then any organization:

- a. Over which you maintained a combined ownership interest of more than 50% on the effective date of this policy;
- b. That is not a partnership, joint venture or limited liability company; and
- c. That is not excluded by any endorsement to this policy, will qualify as a Named Insured if there is no other similar insurance available to that organization, or that would be available but for exhaustion of its limits.

Any such organization will cease to qualify as a Named Insured as of the date during the policy period when the combined ownership interest of the Named Insureds in the organization equals or falls below 50%.

## 5. Extended Property Damage

**SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. Exclusions, subparagraph a. is replaced by the following:

**a. Expected Or Intended Injury**

Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**6. Incidental Malpractice – Employed Nurses, EMT's and Paramedics**

**SECTION II – WHO IS AN INSURED**, paragraph 2.a.(1)(d) does not apply to a nurse, emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

**7. Mobile Equipment Redefined**

**SECTION V – DEFINITIONS**, Definition 12. "Mobile Equipment", paragraph f.(1) does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

**8. Personal Injury – Broad Form**

**a. SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. Exclusions, subparagraph e. is deleted.

**b. SECTION V – DEFINITIONS**, Definition 14, "Personal and advertising injury" subparagraph b. is replaced by the following:

**b. Malicious prosecution or abuse of process.**

**c. The following is added to SECTION V – DEFINITIONS**, Definition 14. "Personal and advertising injury":

"Discrimination" (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such "discrimination" is:

(1) Not done intentionally by or at the direction of:

(a) The insured;

(b) Any officer of the corporation, director, stockholder, partner or member of the insured; and

(2) Not directly or indirectly related to an "employee", not to the employment, prospective employment or termination of any person or persons by an insured.

**d. The following is added to SECTION V – DEFINITIONS:**

"Discrimination" means the unlawful treatment of individuals based upon race, color, ethnic origin, gender, religion, age, or sexual preference. "Discrimination" does not

include the unlawful treatment of individuals based upon developmental, physical, cognitive, mental, sensory or emotional impairment or any combination of these.

**e. This coverage does not apply if COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY is excluded either by the provisions of the Coverage Form or by endorsement.**

**9. Product Recall Expense**

**a. SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. Exclusions, subparagraph n. is replaced by the following:

**n. Recall of Products, Work or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it, but this exclusion does not apply to "product recall expenses" that you incur for the "covered recall" of "your product".

However, this exception to the exclusion does not apply to "product recall expenses" resulting solely from:

- (4) Failure of any products to accomplish their intended purpose;
- (5) Breach of warranties of fitness, quality, durability or performance;
- (6) Loss of customer approval, or any cost incurred to regain customer approval;
- (7) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (8) Caprice or whim of the insured;
- (9) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance;

(10) Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials;

(11) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.

b. The following is added to **SECTION II – WHO IS AN INSURED**, Paragraph 3.

**COVERAGE A** does not apply to "product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.

c. For the purposes of this endorsement only, the following is added to **SECTION III – LIMITS OF INSURANCE**:

**Product Recall Expense Limits of Insurance**

1. The Limits of Insurance shown in the **SUMMARY OF COVERAGES** of this endorsement and rules stated below fix the most we will pay under this Product Recall Expense Coverage regardless of the number of:

- a. Insureds;
- b. "Covered Recalls" initiated; or
- c. Number of "your products" withdrawn.

2. The Product Recall Expense Aggregate Limit is the most we will reimburse you for the sum of all "product recall expenses" incurred for all "covered recalls" initiated during the policy period.

3. The Product Recall Expense Each Occurrence Limit is the most we will pay in connection with any one defect or deficiency.

4. All "product recall expenses" in connection with substantially the same general harmful condition, will be deemed to arise out of the same defect or deficiency and considered one "occurrence".

5. Any amount reimbursed for "product recall expenses" in connection with any one "occurrence" will reduce the amount of the Product Recall Expense Aggregate Limit available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

6. If the Product Recall Expense Aggregate Limit has been reduced by reimbursement of "product recall

expenses" to an amount that is less than the Product Recall Expense Each Occurrence Limit, the remaining Product Recall Expense Aggregate Limit is the most that will be available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

**7. Product Recall Deductible**

We will only pay for the amount of "product recall expenses" which are in excess of the \$500 Product Recall Deductible. The Product Recall Deductible applies separately to each "covered recall". The limits of insurance will not be reduced by the amount of this deductible.

We may, or will if required by law, pay all or any part of any deductible amount, if applicable. Upon notice of our payment of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

The Product Recall Expense Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

d. The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

You must take the following actions in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

- (1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled, including a description of "your product" and the reason for the withdrawal or recall; and
- (2) Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance

- e. The following definitions are added to **SECTION V – DEFINITIONS**:

"Covered recall," means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

"Product recall expense" means:

- a. Necessary and reasonable expenses for:
- (1) Communications, including radio or television announcements or printed advertisements including stationery, envelopes and postage;
  - (2) Shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;
  - (3) Remuneration paid to your regular "employees" for necessary overtime;
  - (4) Hiring additional persons, other than your regular "employees";
  - (5) Expenses incurred by "employees" including transportation and accommodations;
  - (6) Expenses to rent additional warehouse or storage space;
  - (7) Disposal of "your product", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal;

You incur exclusively for the purpose of recalling "your product"; and

- b. Your lost profit resulting from such "covered recall".

#### 10. Property Damage Legal Liability – Broad Form

- a. **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, the last paragraph (after the exclusions) is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with the permission of the

owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

- b. **SECTION III – LIMITS OF INSURANCE**, Paragraph 6. is replaced by the following:

6. Subject to Paragraph 5. above, The Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A** for damages because of "property damage" to any one premises from fire, lightning, explosion, smoke and leakage from fire protective systems to premises, while rented to you or temporarily occupied by you with permission of the owner.

The Damage to Premises Rented to You Limit is the higher of:

- a. \$1,000,000; or
- b. The Damage to Premises Rented to You Limit shown in the Declarations.

This limit will apply to all damage caused by the same event, whether such damage results from fire, lightning, explosion, smoke, leakage from fire protective systems or any combination of any of these.

- c. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. Other Insurance, subparagraph b. Excess Insurance, item (a)(ii) is replaced by the following:

(ii) That is fire, lightning, explosion, smoke or leakage from fire protective systems insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

- d. **SECTION V – DEFINITIONS**, Definition 9. "Insured contract", Paragraph a. is replaced by the following:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".

- e. This coverage does not apply if Damage to Premises Rented to You is excluded either by the provisions of the Coverage Part or by endorsement.

**ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.**