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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

Jeffrey A. Meyers
Commissioner

Christine Tappan
Interim Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451
Fax: 603-271-4729 TDD Access: 1-800-735-2964
www.dhhs.nh.gov/dcyf

August 30, 2017

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families (DCYF) to enter into an agreement with The Rowley Agency, Vendor # 154464, 45 Constitution Avenue, Concord, New Hampshire 03301, for the provision of general liability coverage for foster parents, in an amount not to exceed \$75,817.51, effective October 11, 2017 or upon Governor and Council approval, through October 11, 2018. 30% Federal Funds, 70% General Funds.

Funds are available in the following account for SFY 2018.

05-95-42-421010-29580000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS, DEPT OF HHS: HUMAN SERVICES, CHILD – FAMILY SERVICES

Fiscal Year	Class/Account	Class Title	Activity/Job Number Code	Amount
2018	638-504182	Title IV-E Foster Care Other	42105847	\$75,817.51
			Total:	\$75,817.51

EXPLANATION

The purpose of this request is to provide mandated general liability coverage for foster parents who care for children who are in the custody of the Division for Children, Youth and Families (DCYF). Per RSA 170-G:3, VI, the Commissioner of Health and Human Services shall have the authority, after consultation with the Department of Insurance and the Department of Administrative Services, Risk Management Unit, to purchase insurance coverage for the benefit of individuals providing foster care to children within the jurisdiction of DCYF.

The Risk Management Unit coordinated with the Department's management to secure the same coverage terms and conditions as in the previous fiscal year. DCYF reports an eight percent (8%) increase in the number of families participating in the program from 650 to 700. Following the Risk Management Unit's direction, The Rowley Agency arranged for this purchase in accordance with the State contract for *Producer Services for Property and Casualty Insurance* in effect from July 1, 2015 through June 30, 2018.

The Rowley Agency made inquiries to several insurance carriers to gauge interest in providing insurance coverage for the foster parent program. They received one quote from the incumbent, Western World Insurance Group (Western World) through Tudor Insurance Company (Tudor), for \$75,817.51. Tudor operates as a wholly owned subsidiary of Western World. The other carriers

approached either indicated they do not insure this type of risk, declined to submit proposals based on the general liability, social services exposure and claim activity or were unwilling to replicate the unique manuscripted terms, conditions and coverage endorsements in the policy which include sexual abuse coverage. The policy provides specialized liability coverage for damage caused by foster children to their foster families' homes due to behavioral and emotional issues and also provides a legal defense to foster parents accused of sexual abuse. Most insurers do not want to assume these types of risk because it does not meet their internally established guidelines. In these cases, a specially licensed agent or broker, called a surplus line producer, gets involved. Surplus line producers have a special license allowing them to procure a policy from an insurer that is not licensed in this state.

The total contract price of \$75,817.51 is void of producer/agency fees or commissions and includes \$73,517.00 in premium and \$2,300.51 for required policy taxes/fees. Tudor has offered a renewal with the same rates as the expiring contract. Under RSA 405:29, a surplus line producer is required to remit a three percent (3%) premium tax to the state for all insurance contracts written under their license. While this quote represents an eight percent (8%) increase in premium, the rate remained the same and the increase is directly related to the eight percent (8%) increase in participating families. Western World has been providing this coverage since 1997 and the Department is satisfied with their insurance coverage and claim services.

The Rowley Agency recommends that coverage be secured through Tudor Insurance Company as they were the only market which presented competitive and comprehensive terms. The Risk Management Unit agrees with Rowley's recommendation.

Should Governor and Executive Council not approve this request, the Department may not have the insurance coverage for the benefit of individuals providing foster care to children within the jurisdiction of the Department.

Area Served: Statewide

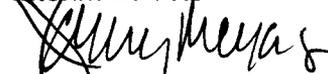
Source of Funds: 30% Federal (CFDA #93.658, FAIN #1701NHFOST); 70% General Funds. Based on Title IV-E eligibility of children in foster care, 30% of the costs will be billable to Federal Health and Human Services Title IV-E funds, and 70% to General Funds.

In the event that the Federal funds are no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,

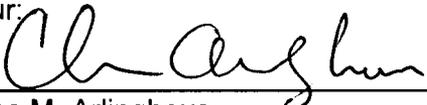


for Christine Tappan
Interim Director



Approved by:
Jeffrey A. Meyers
Commissioner

Concur:



Charles M. Arlinghaus
Commissioner, Administrative Services

State of NH Marketing Results

For: Foster Parents of the State of NH
Policy Effective Date: 10/11/17 – 10/11/18

The Rowley Agency, Inc. has arranged for this insurance purchase in accordance with its contract with the State of NH for Producer Services. Robert Simpson, the Producer, has made inquiries to specific insurance markets about this program. The results of our marketing efforts are below.

Market Approached	Results
Acadia	Declined due to general liability exposure and would not write sexual abuse coverage
Travelers	Declined – do not have an “appetite” for social services exposures/risks
Hanover	Declined due to general liability exposure
Philadelphia Insurance	Declined due to general liability exposure and claim activity

Our Recommendation/comments:

We approached several other markets and were declined because they do not insure this type of risk.

Tudor Insurance offered a renewal with a flat rate. Exposure basis increased from 650 to 700. We recommend renewing with Tudor Insurance again.

INSURANCE PROPOSAL

Presented By



THE ROWLEY AGENCY INC.

INSURANCE • BONDS • BENEFITS

...an Assurex Global Partner

For

Foster Parents of the State of NH
Dept of HHHS
C/O Risk Management Unit
25 Capitol St, Room 412
Concord NH 03301
10/11/17 – 10/11/18

Renewal Quote

Account Executive: Robert C. Simpson, II
Vice President
Account Manager: Chtristine H. Holman, CPCU, CIC
Address: 45 Constitution Ave, PO Box 511
Concord, NH 03302-0511
Phone: (603) 224-2562 or 1-800-238-3840
Date: 08/16/17

This proposal is intended to be a general overview of the policies and coverages provided. It is merely descriptive and should be used for reference purposes only. You should refer to the actual policy for its terms, conditions, definitions and exclusions. Your Account Executive or Account Manager will be more than pleased to assist you in reviewing your coverages

The Rowley Agency, Inc Staff

We are pleased to introduce the following staff members to handle your account:

Robert C. Simpson II, MHS
Vice President
Voice mail extension 1647
rsimpson@rowleyagency.com

Christine H. Holman, CPCU, CIC,
Vice President
Voice Mail Extension 1658
cholman@rowleyagency.com

Ann Tracy
Claims Consultant
Voice Mail Extension 1627
atracy@rowleyagency.com

General Liability

Named Insured: Foster Parents of the State of NH, Dept. of Health & Human Services, Division for Children, Youth & Families and Foster Parents as per file maintained & kept on file with Foster Parents for the State of New Hampshire

Company Name: Tudor Insurance Company* Non-admitted – A Rated

Policy Term: 10/11/17 to 10/11/18

Limits	Coverage Description
\$ 300,000	Each Occurrence – Bodily Injury and Property Damage
Not covered	Products and Completed Operations Aggregate
\$ 100,000	Damage to Rented Premises (each occurrence)
\$ 300,000	Personal and Advertising Injury
\$ 300,000	General Aggregate
\$ 250	Deductible – BI/PD claims

Schedule of Exposures

Loc	Class	Classification	16/17 Exposure	17-18 Exposure
NH	91583	Foster parents	650	700

Includes:

Sexual Molestation-Defense coverage only: \$25,000 Each claim/Aggregate

Property Damage to Foster parents' property - \$5,000 per home/claim; \$300,000 Aggregate

25% minimum earned premium

Notable Exclusions:

**new exclusion added eff 10/11/15 –Access or disclosure of confidential or personal information & data-related liability Exclusion (form# CG2107 05/14)

****Coverage is with a “non-admitted Carrier”, which means if the Carrier were to become insolvent, they are not backed by the NH Guaranty fund.**

Please refer to your policy for all exclusions and coverage limitations

Premium Summary

Named Insured: Foster Parents of the State of NH, Dept. of Health & Human Services, Division for Children, Youth & Families and Foster Parents as per file maintained & kept on file with Foster Parents for the State of New Hampshire

Company Name: Tudor Insurance Company

Policy Term: 10/11/17 to 10/11/18

Coverage	16/17 Renewal Premium	17/18 Renewal Premium
General liability @ renewal exposures	\$68,265 73,516	\$73,517
Policy fee (charged by Tudor for administrative/policy issuance expenses)	\$95	\$95
Surplus Lines Tax @ renewal exposures	\$2,047.95 2,205.48	\$2,205.51
Totals: @ renewal exposures	\$70,407.95 75,816.48	\$75,817.51

If you'd like to reject terrorism, please sign the terrorism rejection form. Premium for Terrorism is \$ 3,676 (plus tax) and is not included in the above quote.

Pay plan: Agency billed, full pay

****Coverage is with a "non-admitted Carrier", which means if the Carrier were to become insolvent, they are not backed by the NH Guaranty fund****

State of NH Marketing Results

For: Foster Parents of the State of NH
Policy Effective Date: 10/11/17 – 10/11/18

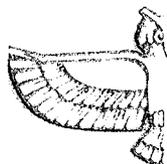
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THE ROWLEY AGENCY INC

INSURANCE • BONDS • BENEFITS

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Risk Assessment for:

Foster Parents of the State of NH (10/1/17-10/1/18)

8/16/17

What we are insuring:

\$300,000 GL

\$25,000 – Sexual Molestation – defense only

\$5,000 per home/claim– property damage to Foster parent's property (300,000 AGG)

Agency Risks:

Damage to Foster parents' property and bodily injury or property damage caused by foster children. Even as the number of children and foster parents increase, the limits of \$300,000 per occurrence has been maintained. The vast majority of claims have been limited to damage to Foster parents homes which has a limit of \$5,000 per occurrence and \$300,000 aggregate. It may be wise to see if we can increase that limit to \$10,000 per as there is really no way of knowing how much exposure is at each home. The risk of the behavior of the child is an unknown risk so that is up to the agency to decide how much is enough.

There is \$25,000 per claim/home for defense only for Sexual molestation. This is again very tough to determine adequate limits. While there is a screening process that takes place when placing children with the Foster parents; only having \$25,000 for defense is minimal coverage.

Carriers:

Tudor has been the carrier since 2006 as best as I can see. This is very unique coverage and only a few markets would consider it. Tudor knows what they have and experienced numerous claims since 2006 so I do not expect any carrier jumping on this and hope Tudor always wants this account.

Premium for insurance:

\$75,817.51

Terrorism Form - WW405D

**WESTERN WORLD INSURANCE GROUP
POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States -to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

I hereby elect to purchase Terrorism coverage for a prospective premium of 5% (\$3,676.00 plus tax) of the quoted policy premium subject to a \$100 minimum.

I hereby decline to purchase Terrorism coverage. I understand that I will have no coverage for losses resulting from acts of terrorism.

Foster Parents of the State of NH, Department of Health and Human Services, Division for Children, Youth and Families and Foster Parents as Per File Maintained and Kept on File with Foster Parents for the State of New Hampshire		
Policyholder/Applicant's Signature		Account Name
Print Name	Date	Policy Number

Telephone: (201) 847-8600

Subject: General Liability Insurance for Foster Parents FY 2018

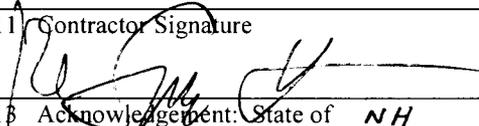
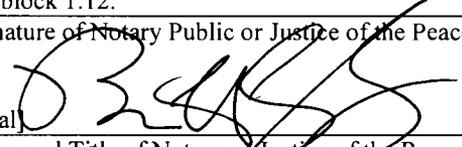
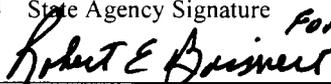
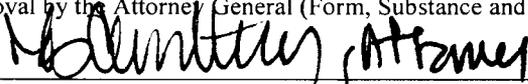
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name The Rowley Agency, Inc (Vendor #154464)		1.4 Contractor Address 45 Constitution Ave Concord, NH 03301	
1.5 Contractor Phone Number 603-224-2562	1.6 Account Number 05-95-421010-2958-638-504082 42105847	1.7 Completion Date October 11, 2018	1.8 Price Limitation \$75,817.51
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Robert C. Simpson, II Vice President	
1.13 Acknowledgment: State of NH , County of MERRIMACK On AUG 28, 2017 , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary Public or Justice of the Peace BRUCE H. LANGLEY, Notary Public State of New Hampshire My Commission Expires November 14, 2017			
1.14 State Agency Signature  Date: 08/30/2017		1.15 Name and Title of State Agency Signatory ROBERT E. BOISVERT DEPUTY DIRECTOR	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  Attorney On: 9/7/17			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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 1.18, 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 1.14 (“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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 (“Equal Employment Opportunity”), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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

Contractor Initials RCF
Date 8/20/17

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.

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive 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 ; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 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 thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

Contractor Initials PCS
Date 8/20/12

**Insurance Coverage for Foster Parents of DCYF Children
State of New Hampshire, Department of Health and Human Services
and The Rowley Agency, Inc.**

Exhibit A - Scope of Services

ARTICLE 1. SCOPE OF SERVICES

This EXHIBIT A, Scope of Services, is made a part of the P-37 Agreement (the "Agreement") and is made according to the terms of paragraph 2 of the Form P-37. This EXHIBIT A to the Agreement is between the State of New Hampshire Department of Health and Human Services, Division for Children, Youth and Families (the "State") and The Rowley Agency, Inc. ("Rowley"). The purpose of this request is to provide mandated general liability coverage for foster parents who care for children who are in custody of the Division for Children, Youth and Families ("DCYF"). Per RSA 170-G:3, VI, the Commissioner of Department of Health and Human Services shall have the authority, after consultation with the Department of Insurance (DOI) and the Department of Administrative Services' Risk Management Unit (RMU) to purchase insurance coverage for the benefit of individuals providing foster care to children within the jurisdiction of DCYF.

ARTICLE 2. EFFECTIVE DATE

Effective Date of Agreement: October 11, 2017
 Expiration Date of Agreement: October 11, 2018, 12:01 AM Standard Time at the address of the State stated herein.

The State shall have the right to terminate the contract, if a contract is awarded; at any time by giving Rowley thirty (30) days advance written notice.

ARTICLE 3. Administrative Services Provided by Rowley

A. INSURANCE COVERAGE DETAILS

Subject of Insurance	Coverage Limit
General Liability General Aggregate Limit	\$300,000
Products – Completed Operations Aggregate Limit	Excluded
Personal and Advertising Injury Limit	\$300,000 any one person or organization
General Liability Per Occurrence Limit	\$300,000
Damage to Premises Rented to You (each occurrence)	\$100,000 any one premises
Medical Expense Limit	Excluded
Each Professional Incident Limit	Excluded
Sexual Molestation Coverage	\$25,000 each claim \$25,000 aggregate Defense Coverage Only
Property Damage to Foster Parents Property : Coverage applies regardless of negligence	\$5,000 per foster home \$5,000 per claim \$300,000 aggregate
Access or disclosure of confidential or personal information & data-related liability	Excluded

\$250 BI/PD Deductible applies to General Liability

Contractor's Initials: PCS
 Date: 8/24/17

B. CLAIMS ADMINISTRATION

Rowley shall administer all reported claims from October 11, 2017 for the contract period until the claims are closed.

1. Claim Reporting

RMU shall report claims from designated personnel at DCYF to Rowley's designated claims adjuster. The claims adjuster or Rowley shall send a letter of acknowledgment of claim to the RMU electronically or via US mail.

2. Claim Reserving.

Rowley shall establish and maintain timely and adequate reserves. Rowley shall revise reserve estimates whenever developments occur which change the ultimate loss exposure and maintain supporting documentation. Reserves shall be adequately funded by Rowley in a matter consistent with established industry practice.

3. Litigation Management.

Rowley shall ensure that all cases are properly prepared prior to conference, hearing or trial. The RMU shall be notified of any claims that involve legal proceedings, including but not limited to, conferences, hearings or trials. The RMU or DCYF reserves the right to attend any hearing, conference, appeal or trial. If a conference, hearing or trial is to be handled by an attorney, DCYF will work with Rowley to ensure timely delivery of the file material for preparation. Rowley shall document the attorney's receipt of claim file and the attorney's opinion about the merits of the issues to be litigated and the probable outcome of the litigation. If an adverse finding is made, the attorney should comment about the costs and the merits of the appeal, including the potential impact on future claims costs. Rowley shall review attorney bills to ensure that they are accurate and reasonable.

4. Payment Control.

Rowley shall ensure all claims payments are made in accordance with New Hampshire statutory provisions and regulations. See Insurance Rules 1002. Documentation detailing the payee, type of payment and payment amount shall be provided to the RMU.

5. Claims Settlements and Loss Runs

Rowley shall advise RMU of any settlement of twenty thousand dollars (\$20,000) or greater. Rowley shall issue loss run reports within thirty days of RMU's request.

C. ACCOUNT MANAGEMENT

Rowley shall manage this policy in accordance with the terms and conditions of the Producer Services for Property and Casualty Insurance for the State, effective July 1, 2015.

**Insurance Coverage for Foster Parents of DCYF Children
State of New Hampshire, Department of Health and Human Services
and The Rowley Agency Inc.**

Exhibit B – Price and Method of Payment

This EXHIBIT B, Contract Price, Limitation on Price, Payment is made a part of the Agreement and is made according to the terms of paragraph 5 of the Form P-37.

A. CONTRACT PRICE.

Rowley hereby agrees to provide the services in complete compliance with the terms and conditions specified in Exhibit A at the price below for the term of the contract ("contract price"). The total Contract Price for the term of the Agreement as shown in block 1.8 of the P-37 is \$75,817.51

B. INVOICING

Rowley shall submit one invoice to be paid in full at the beginning of the contract term in the amount of \$75,817.51.

ROWLEY shall submit an invoice to:

The State of New Hampshire
Department of Administrative Services
Risk Management Unit
25 Capitol Street, Rm 412
Concord, NH 03301

Or via email to: jason.dexter@nh.gov

The State shall not make payments to ROWLEY prior to the Agreement effective date of October 11, 2017.

C. PAYMENT

The State shall make payment to Rowley via ACH. Use the following link to enroll with the State Treasury: <https://www.nh.gov/treasury/>. Payment terms are net thirty days subject to approval of the submitted invoice.

Contractor's Initials: RD
Date: 8/28/17

**Insurance Coverage for Foster Parents of DCYF Children
State of New Hampshire, Department of Health and Human Services
and The Rowley Agency Inc.**

Exhibit C – Special Provisions

This EXHIBIT C, Special Provisions, is made a part of the Agreement and is made according to the terms of paragraph 22 of the Form P-37.

A. INSURANCE. Delete Paragraph 14.1.1 and substitute the following:

1. General Liability coverage with limits of \$1,000,000 per occurrence/\$2,000,000 in the aggregate
2. Automobile Insurance coverage with combined single limits of \$1,000,000 per accident
3. Excess/umbrella insurance coverage with limits of \$10,000,000 per occurrence and in the aggregate
4. Errors and Omission insurance coverage with limits of \$25,000,000

B. There are no other special provisions for this contract.

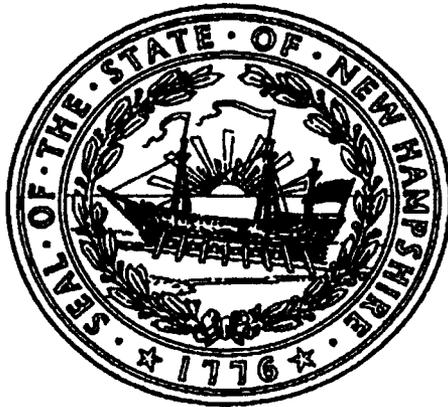
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE ROWLEY AGENCY, INC. is a New Hampshire Profit Corporation registered to transact business in New Hampshire on December 07, 1966. 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: 14763



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 27th day of June A.D. 2017.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE/AUTHORITY

CORPORATE RESOLUTION

I, Bruce H. Langley, Assistant Secretary and Treasurer of The Rowley Agency, Inc. a corporation organized and existing under the laws of the State of New Hampshire (the Company), do hereby certify that the following is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of the Company duly held and convened on August 28, 2017, at which meeting a duly constituted quorum of the Board of Directors was present and acting throughout, and that such resolution has not been modified, rescinded or revoked, and is at present in full force and effect:

Resolved: That Robert C. Simpson II, Vice President of The Rowley Agency, Inc. is empowered and authorized to execute contracts related to the State of New Hampshire (DHHS) insurance coverage for Foster Parents of DCYF Children.

In Witness Whereof, the undersigned has affixed his signature and the corporate seal of the Company this 28th of August, 2017


Bruce H. Langley
Assistant Secretary and Treasurer



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/29/2017

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 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 THE ROWLEY AGENCY INC. 45 Constitution Avenue P.O. Box 511 Concord NH 03302-0511		CONTACT NAME: Peggy Johnson PHONE (A/C, No, Ext): (603) 224-2562 FAX (A/C, No): (603) 224-8012 E-MAIL ADDRESS: pjohnson@rowleyagency.com															
INSURED The Rowley Agency Inc 45 Constitution Ave. P.O. Box 511 Concord NH 03302-0511		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Continental Western Insurance</td> <td></td> </tr> <tr> <td>INSURER B: Acadia Insurance Company</td> <td>31325</td> </tr> <tr> <td>INSURER C: MEMIC Indemnity Company</td> <td>11030</td> </tr> <tr> <td>INSURER D: Travelers Cas & Sur Co of Amer</td> <td>31194</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Continental Western Insurance		INSURER B: Acadia Insurance Company	31325	INSURER C: MEMIC Indemnity Company	11030	INSURER D: Travelers Cas & Sur Co of Amer	31194	INSURER E:		INSURER F:	
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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	ADDL INSD	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 type="checkbox"/> LOC OTHER:			CPA003817929-NH	2/1/2017	2/1/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			CAA003817529	2/1/2017	2/1/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			CUA003818329	2/1/2017	2/1/2018	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	3A States: NH, VT, ME 3102802541	2/1/2017	2/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
D	Employee Dishonesty - Crime			105882645	2/1/2016	2/1/2019	\$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
General Liability Insurance for the NH Foster Parents Program

CERTIFICATE HOLDER State of NH - DHHS Division of Children, Youth & Families c/o NH DAS - Risk Management Unit 25 Capitol St., Rm 412 Concord, NH 03301	CANCELLATION 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 Peggy Johnson/PAJ <i>Peggy A Johnson</i>
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WESTPORT INSURANCE CORPORATION

**CERTIFICATE OF INSURANCE
(Claims First Made)**

Issue Date: 8/29/2017

Certificate Holder:
STATE OF NH - DHHS - DIVISION OF
CHILDREN, YOUTH & FAMILIES
C/O NH DAS-RISK MANAGEMENT UNIT
25 CAPITOL STREET, RM 412
CONCORD, NH 03301

This is to certify that the Named Insured is covered by the insurance policy described below issued by Westport Insurance Corporation of Overland Park, Kansas. Coverage afforded the Named Insured is subject to all terms, exclusions, limitations and conditions of such policy. Limits shown may have been reduced by paid claims. This certificate of insurance is issued as a matter of information only and confers no rights upon the certificate holder. This certificate of insurance does not affirmatively or negatively amend, extend, or alter the coverage afforded by the insurance policy.

TYPE OF INSURANCE: Insurance Agents Errors & Omissions Liability

POLICY NUMBER: WED4NH005998211

NAMED INSURED: THE ROWLEY AGENCY, INC.

DESCRIPTION OF OPERATIONS: GENERAL LIABILITY INSURANCE FOR THE
NH FOSTER PARENTS PROGRAM

CLAIMS EXPENSES ARE IN ADDITION TO THE LIMIT OF LIABILITY FOR THE COVERAGES PROVIDED BY THE ABOVE POLICY NUMBER

CLAIMS EXPENSES ARE INCLUDED WITHIN THE LIMIT OF LIABILITY FOR THE COVERAGES PROVIDED BY THE ABOVE POLICY NUMBER

Limits of Liability: \$30,000,000 Per Claim
\$30,000,000 Aggregate for the Policy Period

Sublimit of Liability for BREACH OF PERSONAL DATA: NO COVERAGE Per Claim
NO COVERAGE Aggregate for the Policy Period

Deductible: \$ 25,000 Per Claim
\$ 75,000 Aggregate for the Policy Period

Retroactive Date: Full Prior Acts

EFFECTIVE DATE: FROM: February 01, 2017 TO: February 01, 2018

By the issuance of this Certificate, Westport Insurance Corporation assumes no obligation to provide notice of change in or cancellation of the policy.

WESTPORT INSURANCE CORPORATION



Authorized Representative