



457-4712 Pk 3127 DW

TV 19

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

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

Nicholas A. Toumpas  
 Commissioner

Lorraine Bartlett  
 Director

September 17, 2015

Her Excellency, Governor Margaret Wood Hassan  
 and the Honorable Council  
 State House  
 Concord, NH 03301

**REQUESTED ACTION**

Authorize the Department of Health and Human Services (DHHS), Division for Children, Youth and Families (DCYF) to enter into a contract with The Rowley Agency, Concord, NH (Vendor # 154464) to purchase general liability coverage for foster parents for a total cost not to exceed \$69,090.15, effective as of October 11, 2015 through October 11, 2016, upon Governor and Council approval. (Source of funds: 30% Federal; 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, General funds will not be requested to support this program.

Funds are anticipated to be available in the following account for State Fiscal Year 2016:

05-95-42-421010-2958 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HUMAN SERVICES, CHILD – FAMILY SERVICES

<u>Class/Object</u>	<u>Title</u>	Activity Code	SFY 2016
533-502512	Foster Care Srives	42105847	\$69,090.15

**EXPLANATION**

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 DCYF. Per RSA 170-G:3, VI, the Commissioner of DHHS shall have the authority, after consultation with the Department of Insurance 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 the DHHS. This policy serves the statewide geographic area.

The RMU coordinated with DCYF's management to secure the same coverage terms and conditions as in the previous fiscal year. DCYF's management completed the application and reported an increase in the number of families participating in the program from 550 to 638, or approximately 15.7%. Following the RMU's direction, The Rowley Agency (Rowley) arranged for this purchase in accordance with its contract with the State for *Producer Services for Property and Casualty Insurance* in effect from July 1, 2015 through June 30, 2018.

Rowley made inquiries to seven insurance carriers to gauge interest in providing insurance coverage for the foster parent program. Rowley received one quote from the incumbent, Western World Insurance Group (Western World) through Tudor Insurance Company (Tudor), for \$69,090.15. Tudor operates as a wholly owned subsidiary of Western World. The other carriers approached either indicated they could not compete with the target premium, declined to submit proposals based on prior claims activity, or were unwilling to replicate the unique manuscripted terms, conditions and coverage endorsements in the policy. 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 producer called a surplus line producer gets involved.

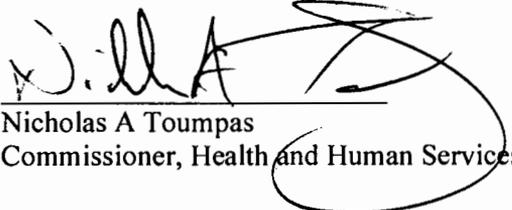
The total contract price of \$69,090.15 is void of producer/agency fees or commissions and includes \$67,005.00 in premium and \$2,085.15 for required policy taxes/fees. Under RSA 405:29, a surplus line producer is required to remit a 3% premium tax to the state for all insurance contracts written under their license. While this quote represents a 15.7% increase in premium, the rate remained the same and the increase is directly related to the 15.7% increase in participating families. The program also experienced an above-average increase in claims activity over the prior two policy years. Western World has been providing this coverage since 1997 and DHHS is satisfied with their insurance coverage and claim services.

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

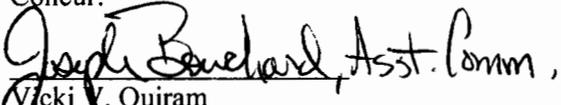
We respectfully request your approval.

Approved by:

  
Lorraine Bartlett  
Director

  
Nicholas A Toumpas  
Commissioner, Health and Human Services

Concur:

  
Vicki V. Quiram  
Commissioner, Administrative Services

for

## State of NH Marketing Results

For: Foster Parents of the State of NH  
Policy Effective Date: 10/11/15 – 10/11/16

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
Arch	Declined - Does not fit their risk appetite
Colony	Declined, they entertain covering foster placement agencies only, no coverage for the foster parents
James River	Declined –they write property packages, not general liability only
Merit Specialty	Declined as it does not fit their current Appetite
Verus	Do not have a market for Foster Parents' liability
Kinsale	Could not offer same coverage options and would only insure the Agency

Our Recommendation/comments:

09/15/15

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

We were able to negotiate with the expiring Carrier, Tudor Insurance, to renew with the same rates as expiring. The premium increase is strictly due to the rated exposure increase (current # of foster families increased by 88). At first Tudor wanted to renew with a 2% increase due to an "uptick in claims". After review of the claims, there has been an "above-average" amount of claims in the past year; however, the severity of the claims has been low. As of 7/15/15, there were 12 claims on the current term; the expiring term only had 7.

## 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:** 10/11/15 to 10/11/16

Coverage	14/15 Expiring Premium	15/16 Renewal Premium
<b>General liability</b>	\$57,905	\$67,005
<b>Policy fee</b> (charged by Tudor for administrative/policy issuance expenses)	\$65	\$75
<b>Surplus Lines Tax</b>	\$1,737.15	\$2,010.15
<b>Totals:</b>	<b>\$59,707.15</b>	<b>\$69,090.15</b>

If you'd like to reject terrorism, please sign the terrorism rejection form. Premium for Terrorism is \$3,409 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\*\***



**NEW HAMPSHIRE UNDERWRITERS INSURANCE AGENCY**  
*(a division of Connecticut Underwriters, Inc.)*

14 Dixon Ave., Ste. 203  
 Concord, NH 03301-3957  
 Toll Free: 800-660-2937  
 Fax: 800-694-9177  
 Email: [Info@nhunderwriters.com](mailto:Info@nhunderwriters.com)  
 Website: [nhunderwriters.com](http://nhunderwriters.com)

To: **The Rowley Agency**  
 Attn: **Jennifer Porter**  
 From: **Terry Tomasetti**  
 Applicant: **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**  
 State: **NH**  
 Policy Type: **Commercial General Liability**  
 Policy Period: **10/11/2015 - 10/11/2016**  
 Renewal Of: **NPP8230000**

PLEASE BIND EFFECTIVE

Circle Desired Premium Option(s)  
 Below. No coverage is bound until confirmed by our office! Quote is Valid for 60 DAYS.

Signature

**Premium Summary**

General Liability	<u>\$67,005.00</u>
Total Premium	<u>\$67,005.00</u>
Total Fees	\$75.00
Total Taxes	<u>\$2,010.15</u>
Grand Total	<u>\$69,090.15</u>

**Fees & Taxes**

Policy Fee	\$75.00
SL Tax	\$2,010.15
Commission	0%

**Quoted By**

Tudor Insurance Company (BEST RATING: A Excellent)

\*\*\*AS PER RENEWAL APPLICATION REC'D 8/14/15\*\*\*\*

We offer the following quote subject to:

SIGNED WW TRIA- WITHIN 5 DAYS

**Location Information**

Location	Address
P1/B1	Various, CONCORD, NH 03301

**General Liability Limits of Insurance**

General Aggregate Limit (Other Than Products-Completed Ops)	\$300,000
Products-Completed Ops Aggregate Limit	Not Covered
Personal and Advertising Injury Limit	\$300,000
Each Occurrence Limit	\$300,000
Damage To Premises Rented To You	\$100,000

Medical Expense Limit Not Covered Any One Person  
 Each Professional Incident Limit (if applicable) Not Covered  
 Deductible \$250 BI/PD

**Exposure**

Code	Class Name	Basis	Exposure	Pr/Co Rate	Pr/Co Premium	All Other Rate	All Other Premium
91583	Contractors - subcontracted work - In connection with building construction, reconstruction, repair or erection - one or two family dwellings (NH P1/B1)	Total	if any	Not Covered	Not Covered	1.888	0.00 MP
99999	Foster Parents Program including Food Products (NH P1/B1)	Each	638	Not Covered	Not Covered	92.738	59,167.00
99999	Sexual Molestation (NH P1/B1)	Each	638			12.285	7,838.00

**Additional Coverage Notes****WW100A (12/12) Sexual Molestation Insurance**

Each Claim Limit \$ : 25,000

Coverage E Aggregate Limit \$ : 25,000

**WW10B (10/05) Schedule of Named Insureds**

Insured Name (Line 1) : Foster Parents of the State of NH, Department of Health and Human Ser

Insured Name (Line 2) : vices, Division for Children, Youth and Families and Foster Parents as

Insured Name (Line 3) : Per File Maintained and Kept on File with Foster Parents for the Stat

Insured Name (Line 4) : e of New Hampshire

**WW183 (05/12) Minimum-Earned Premium**

% : 25

**WW204A (12/13) Standard Provisions Endorsement**

Minimum and Deposit Premium % : 100

**WW426 (01/13) Subcontractors - Definition of Adequately Insured**

General Aggregate Limit : 300,000

Products-Completed Operations Aggregate Limit : excl

Each Occurrence Limit : 300,000

**WWME001 (04/10) Manuscript Endorsement 001**

Form Title (Line 1) : SEXUAL MOLESTATION INSURANCE-DEFENSE COVERAGE ONLY

Form Text : The sexual Molestation Insurance, WW100A, is amended as follows:

Form Text : Paragraph A.1. Insuring Agreement is deleted and replace with:

Form Text : 1. Insuring Agreement

Form Text : a) we will defend the insured for "suits" or claims alleging

Form Text : "molestation" to which this insurance applies.

Form Text : b) We will pay, with respect to any claim or "Suit" we defend:

Form Text : 1. All expenses we incur.

Form Text : 2. All reasonable expenses incurred by the insured at our request

Form Text : To assist us in the investigation or defense of the claim or "suit"

Form Text : including actual loss or earnings up to \$100. a day because of time of

Form Text : Up to the Limits shown for each claim and aggregate shown in the

Form Text : schedule of this form.

Form Text : Paragraph B. Supplementary Payments-Coverages A and B are

Form Text : deleted. Any applicable supplementary payments coverage is now

Form Text : included

Form Text : above on 1. insuring agreement.

Form Text : Paragraph D. Section III-Limits of Insurance is deleted and

Form Text : replaced with the following:

Form Text : D. Section III-Limits of Insurance is amended with the

Form Text : following additions:

Form Text : The "each claim" limit shown in the schedule of coverage E is the

Form Text : most we will pay because of all covered claims and "suits" due to

Form Text : "molestation"

Form Text : The aggregate limit shown in the schedule of coverage E is the most we

Form Text : will pay because of all covered claims and "suits" due to "molestation"

**WWME002 (04/10) Manuscript Endorsement 002**

Form Title (Line 1) : AMENDATORY ENDORSEMENT TO

Form Title (Line 2) : PROPERTY DAMAGE TO FOSTER PARENTS PROPERTY

Form Text : I. It is agreed that this policy shall cover damage to the foster

Form Text : parent's own property caused by a foster child and occurring while

Form Text : the foster child is in the care and custody of the foster parent;

Form Text : regardless of negligence on the part of the named insured.

Form Text : II. Limit of Liability

Form Text : \$5,000. per foster home

Form Text : \$5,000 per claim

Form Text : \$300,000 aggregate

Form Text : The limit of liability stated as "per claim" shall apply separately to

Form Text : each foster home. The limit of liability stated as "aggregate" is the

Form Text : total limit the company's liability hereunder for all damages.

Form Text : Signature of Insured

Form Text : \_\_\_\_\_

Additional Premium for Certified Acts of Terrorism Coverage: \$3,350.00 plus tax.

**Form List**

Subject to the following Endorsements:

Form No	ED Date	Form Name
<u>CG0001</u>	12/07	Commercial General Liability Coverage Form
<u>CG0068</u>	05/09	Recording And Distribution Of Material Or Information In Violation Of Law Exclusion
<u>CG2104</u>	11/85	Exclusion - Products-Completed Operations Hazard

<u>CG2107</u>	05/14	Exclusion-Access or Disclosure of Confidential or Personal Information and Data-Related Liability - Limited Bodily Injury Exception Not Included
<u>CG2116</u>	07/98	Exclusion - Designated Professional Services
<u>CG2139</u>	10/93	Contractual Liability Limitation
<u>CG2147</u>	12/07	Employment-Related Practices Exclusion
<u>CG2167</u>	12/04	Fungi or Bacteria Exclusion
<u>CG2186</u>	12/04	Exclusion - Exterior Insulation and Finish Systems
<u>CG2243</u>	07/98	Exclusion - Engineers, Architects or Surveyors Professional Liability
<u>IL0017</u>	11/98	Common Policy Conditions
<u>IL0021</u>	09/08	Nuclear Energy Exclusion Endorsement (Broad Form)
<u>WW1</u>	06/12	Deductible Endorsement
<u>WW100A</u>	12/12	Sexual Molestation Insurance
<u>WW10B</u>	10/05	Schedule of Named Insureds
<u>WW13</u>	06/12	Classification Limitation
<u>WW161</u>	01/97	Alienation of Affection & Adoption Exclusion
<u>WW171A</u>	01/97	Sexual Action Exclusion
<u>WW172</u>	03/88	Communicable Disease Exclusion
<u>WW183</u>	05/12	Minimum-Earned Premium
<u>WW192</u>	04/13	Premium Basis Endorsement
<u>WW204A</u>	12/13	Standard Provisions Endorsement
<u>WW205</u>	03/10	Exclusion - Medical Expense
<u>WW22</u>	10/14	Service of Suit
<u>WW230</u>	01/15	Common Policy Declarations
<u>WW232</u>	01/12	Commercial Liability Coverage Part Declarations
<u>WW252</u>	09/12	Lead Contamination Exclusion (Contracting)
<u>WW254</u>	06/12	When Other Insurance Applies
<u>WW258A</u>	06/12	Non-Cumulation of Policy Limits
<u>WW266</u>	01/96	Cross Suits Exclusion
<u>WW268</u>	03/10	Continuous and Progressive Advertising etc
<u>WW269</u>	09/12	Continuous And Progressive Injury Or Damage Exclusion
<u>WW401</u>	06/12	Total Asbestos Exclusion
<u>WW424</u>	09/10	Exclusion of Nuclear, Biological and Chemical Injury or Damage
<u>WW426</u>	01/13	Subcontractors - Definition of Adequately Insured
<u>WWME001</u>	04/10	Manuscript Endorsement 001
<u>WWME002</u>	04/10	Manuscript Endorsement 002

**Renewal Form List**

The following highlights the form changes between this year's quote and last year's policy.

Form No	ED Date	Form Name	Change
<u>CG2107</u>	05/14	Exclusion-Access or Disclosure of Confidential or Personal Information and Data-Related Liability - Limited Bodily Injury Exception Not Included	Added
<u>CG2173</u>	01/08	Exclusion of Certified Acts of Terrorism	Removed

<u>CG2187</u>	01/07	Conditional Exclusion of Terrorism (Relating To Disposition of Federal Terrorism Risk Insurance Act)	Removed
<u>WW22</u>	10/14	Service of Sult	Changed
<u>WW230</u>	01/15	Common Policy Declarations	Changed
<u>WW453</u>	10/11	General Change Endorsement	Removed

If the insured accepts Certified Acts of Terrorism Coverage for General Liability and pays the appropriate premium the following endorsements apply:

- o CG2184 - Exclusion Of Certified Nuclear, Biological, Chemical Or Radiological Acts Of Terrorism; Cap On Losses From Certified Acts Of Terrorism

If the insured rejects Certified Acts of Terrorism Coverage for General Liability and does not pay the appropriate premium the following endorsements apply:

- o CG2173 - Exclusion of Certified Acts of Terrorism

These rates, terms and conditions are valid for 60 days from the date of this Quote.

We are pleased to offer the preceding quotation which should be reviewed carefully as the terms and conditions of coverage may differ from those requested on your application / submission.

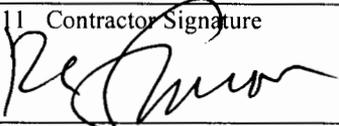
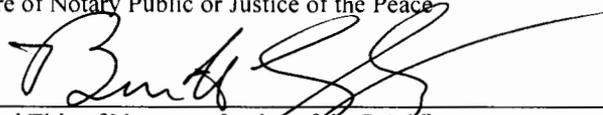
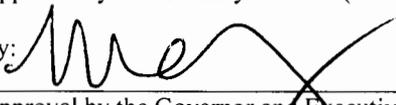
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**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 Health & Human Services, Division for Children, Youth & Families		1.2 State Agency Address  129 Pleasant Street, Concord, NH	
1.3 Contractor Name  The Rowley Agency Inc. (Vendor #154464)		1.4 Contractor Address  139 Loudon Road, Concord, NH 03302	
1.5 Contractor Phone Number  603-224-2562/800-238-3840	1.6 Account Number  05-95-42-421010-2958-533-500373-42105847	1.7 Completion Date  October 11, 2016	1.8 Price Limitation  \$69,090.15
1.9 Contracting Officer for State Agency Eric D. Borrin, Contracts & Procurement		1.10 State Agency Telephone Number 603-271-0945	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory  Robert C. Simpson, III, Vice President	
1.13 Acknowledgement: State of New Hampshire, County of Merrimack  On <u>September 18, 2015</u> , 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 BRUCE H. LANGLEY, Notary Public My Commission Expires November 14, 2017			
1.14 State Agency Signature   Date: <u>9/18/15</u>		1.15 Name and Title of State Agency Signatory  Lorraine Bartlett, Director, DCYF	
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:  On: <u>Megan A. Cole Attorney 9/21/15</u>			
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 RCS  
Date 9/18/05

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 9/18/2017

**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, 2015  
 Expiration Date of Agreement: October 11, 2016, 12:01AM 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**

<b>Subject of Insurance</b>	<b>Coverage Limit</b>
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	\$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

\$250 BI/PD Deductible applies to General Liability

Contractor's Initials: RWS  
 Date: 9/18/2015

## B. CLAIMS ADMINISTRATION

Rowley shall administer all reported claims from October 11, 2015 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 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 \$69,090.15

**B. INVOICING**

Rowley shall submit one invoice to be paid in full at the beginning of the contract term in the amount of \$69,090.15.

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](mailto:jason.dexter@nh.gov)

The State shall not make payments to ROWLEY prior to the Agreement effective date of October 11, 2015.

**C. PAYMENT**

The State shall make payment to Rowley electronically or by check mailed to the address in Section 1.4 of the P-37. Payment terms are net thirty days subject to approval of the submitted invoice.

Contractor's Initials: 1265  
Date: 9/19/2011

**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 corporation duly incorporated under the laws of the State of New Hampshire on December 7, 1966. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have not been filed.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 18<sup>th</sup> day of September, A.D. 2015

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 September 16, 2015, 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 the State of New Hampshire Producer Services Contract on behalf of the Company.

**In Witness Whereof**, the undersigned has affixed his signature and the corporate seal of the Company this 16th day of September, 2015

  
Bruce H. Langley  
Assistant Secretary and Treasurer



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/28/2015

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).

<b>PRODUCER</b> THE ROWLEY AGENCY INC. 139 Loudon Road P. O. Box 511 Concord NH 03302-0511	<b>CONTACT NAME:</b> Peggy Johnson <b>PHONE (A/C No. Ext):</b> (603) 224-2562 <b>FAX (A/C No.):</b> (603) 224-8012 <b>E-MAIL ADDRESS:</b> pjohnson@rowleyagency.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Continental Western Insurance</td> <td></td> </tr> <tr> <td>INSURER B: Acadia Insurance Company</td> <td></td> </tr> <tr> <td>INSURER C: MEMIC Indemnity Company</td> <td>11030</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Continental Western Insurance		INSURER B: Acadia Insurance Company		INSURER C: MEMIC Indemnity Company	11030	INSURER D:		INSURER E:		INSURER F:
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<b>INSURED</b> The Rowley Agency Inc 139 Loudon Road P. O. Box 511 Concord NH 03302-0511														

**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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <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			CPA003817927	2/1/2015	2/1/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 250,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/POP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b> <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			CAA003817527	2/1/2015	2/1/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
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 \$			CUA003818327	2/1/2015	2/1/2016	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N/A			3102802542 3A States: NH, ME, VT	2/1/2015	2/1/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ 500,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)**  
 WRB G&C Materials

<b>CERTIFICATE HOLDER</b>  State of NH Department of Administrative Services Risk Management Unit 25 Capitol Street, Room 412 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  Peggy Johnson/PAJ <i>Peggy A Johnson</i>
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# 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

*Quote Proposal*

Account Executive: Robert C. Simpson, II  
Vice President  
Account Manager: Jennifer Porter  
Address: 139 Loudon Road, PO Box 511  
Concord, NH 03302-0511  
Phone: (603) 224-2562 or 1-800-238-3840  
Date: 09/15/15

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**

**Jennifer Porter, CIC ACSR**  
**Account Manager**  
Voice Mail Extension 1624  
**jporter@rowleyagency.com**

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