



State of New Hampshire  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
OFFICE OF THE COMMISSIONER  
25 Capitol Street – Room 120  
Concord, New Hampshire 03301

70 *dm*

JOSEPH B. BOUCHARD  
Assistant Commissioner  
(603)-271-3204

April 16, 2015

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

**REQUESTED ACTION**

Authorize the Department of Administrative Services, Risk Management Unit, to enter into a one year contract with Ferdinando Insurance Associates, Inc. (FIAI), d/b/a Cross Insurance, Manchester, New Hampshire (Vendor #169834) for a total amount not to exceed \$29,910 for insurance coverage on state owned watercraft effective upon Governor and Executive Council approval, from June 4, 2015 through June 4, 2016.

Funding will be through individual agency expenditures, contingent upon availability and appropriations for all fiscal years.

**EXPLANATION**

Liability insurance coverage for state owned watercraft is required in accordance with RSA 21-I:7-c (V) and as a part of a strategic risk management plan to limit the State's exposure to financial loss. The State's Risk Management Unit worked with FIAI, in accordance with its contract with the State for Producer Services, to secure coverage under the same terms and conditions as the prior policy year. This policy provides coverage for a total of four hundred and ninety six (496) vessels and services six (6) State agencies.

FIAI approached nine markets for a quotation. International Marine Underwriters provided a quote without an increase to the prior year's premium rate. Four carriers indicated they could not compete with the target pricing given; one carrier required a larger hull to protection & indemnity ratio; three markets were unable to quote as they do not have a watercraft product at this time and one market did not respond in time for the contract deadline. International Marine Underwriters quoted an annual premium of \$24,910 which is void of agency fee or commission. There is a \$1,821 increase in premium from the prior policy year because of a number of newly acquired watercraft added since the last contract term. The insurance coverage offered includes both liability and hull insurance. Liability insurance coverage is provided for all state owned watercraft, including non-motorized vessels that do not require registration, such as kayaks and canoes, and offers specific protection against third party claims for damage caused by our vessel to any other vessel, hull to hull, or to property, vessel to object. The policy's liability coverage limits are \$1 million per occurrence

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April 16, 2014

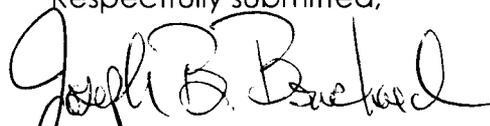
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and \$1 million aggregate. Hull insurance covers physical damage to the vessel itself. Agencies obtain hull coverage for their higher value and/or specialty vessels upon request. Hull insurance is currently provided for eight vessels from three agencies.

The total contract price of \$29,910 for the term of the agreement includes the quoted premium of \$24,910 for existing watercraft and \$5,000 in contingency funds to allow coverage for newly acquired watercraft or additional requests for hull coverage.

The Department of Administrative Services respectively recommends approval of the contract as submitted.

Respectfully submitted,



Joseph B. Bouchard  
Assistant Commissioner

## MARKETING RESULTS

FIAI, Inc dba Cross Insurance arranged for this insurance purchase in accordance with its contract with the State for Producer Services for Watercraft Insurance. Meredith L. Hendershot, the account executive from FIAI, Inc made inquiries to specific insurance markets about the program. One (1) market was interested and provided quote. Four (4) markets could not compete with target pricing given, One (1) market required a larger hull to P&I ratio; three (3) markets were unable to quote as they do not have a watercraft product at this time and one (1) market did not respond in time for contract deadline.

Market Approached	RESULTS
<b>International Marine Underwriters (IMU)</b>	<b>\$24,910 plus optional Terrorism Insurance</b>
Acadia Insurance	Declined – Cannot compete with target pricing In 2014, Acadia quoted \$25,413 plus Terrorism Insurance Coverage \$254 with a two Year option with a guaranteed premium that is adjustable only when the annual Loss/ALAE ratio exceeds 45% and/or any rating exposure changes
Travelers Insurance	Declined – Cannot compete with target pricing In 2014, Acadia quoted \$84,424
Hartford Insurance	Declined – Cannot compete with target In 2014, Hartford quoted \$122,650
Zurich	Declined – Cannot compete with target pricing
Liberty Mutual	Declined – Primarily P&I Exposure with very little hull exposure
Hanover Insurance	Unable to quote – They do not have a watercraft product at this time but are hoping to have the forms available for 2016
Arbella	Unable to quote – Does not have a watercraft product at this time
AmTrust	Unable to quote – Does not have a watercraft product at this time
CNA	Did not respond by deadline

### PREMIUM SUMMARY

Subject	International Marine Underwriters
Watercraft Hull and P&I Insurance	\$24,910.00

### OPTIONAL TERRORISM INSURANCE

Subject	International Marine Underwriters
Terrorism Insurance	\$868.00
Revised Annual Premium	\$25,778.00

Mrs. Hendershot recommends securing insurance coverage International Marine Underwriters as they were the only market which presented competitive and comprehensive terms in comparison to other markets approached. The Risk Management Unit agrees with Mrs Hendershot's recommendation.

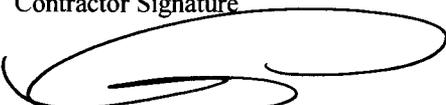
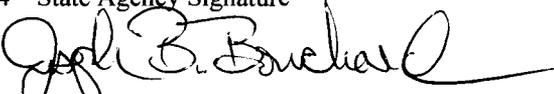
Subject: Insurance Coverage for State Owned Watercraft

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name Department of Administrative Services		1.2 State Agency Address 25 Capitol Street, Concord, NH 03301	
1.3 Contractor Name FIAI, Inc.		1.4 Contractor Address 1100 Elm Street, Manchester, NH 03101	
1.5 Contractor Phone Number 603-669-3218	1.6 Account Number Individual Agency Expenditures	1.7 Completion Date June 4, 2016	1.8 Price Limitation \$29,910
1.9 Contracting Officer for State Agency Catherine A. Keane, Administrator, Risk & Benefits		1.10 State Agency Telephone Number 603 271-2059	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Meredith Hendershot, Senior Account Executive	
1.13 Acknowledgement: State of New Hampshire, County of Hillsboro On <u>April 15</u> , 2015, 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 <del>or Justice of the Peace</del> Kari A. Seesholtz			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Joseph B. Bouchard, Assistant Commissioner	
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) By:  On: 4-27-15			
1.18 Approval by the Governor and Executive Council 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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. 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 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 consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written 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 \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) 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 endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) 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.

**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.

**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 (the "State") and FIAI, Inc. dba Cross Insurance (FIAI) for the insurance coverage for state owned watercraft.

ARTICLE 2. EFFECTIVE DATE

Effective Date of Agreement: 06/04/2015  
Expiration Date of Agreement: 06/04/2016  
12:01 AM Standard Time at the address of the State stated herein.

FIAI hereby agrees to provide insurance coverage for state owned Watercraft as described herein.

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

ARTICLE 3. ADMINISTRATIVE SERVICES PROVIDED BY FIAI

**A. COVERAGE FOR HULL INSURANCE**

Coverage for eight vessels insured for agreed upon values with deductibles of \$2,500 per vessel. Subject to conditions of policy form (or a form with similar language and intent):

- American Institute Coastwise and Inland Hull Clause

**B. COVERAGE FOR PROTECTION AND INDEMNITY INSURANCE**

Coverage is required as follows: 496 vessels for protection and indemnity coverage under the following categories.

<b>LARGE BIN</b>	Watercraft, inboard motor (3)
<b>LARGE BOUT</b>	Watercraft, outboard motor (5)
<b>BIN</b>	watercraft, inboard motor (48)
<b>BOUT</b>	watercraft, outboard motor (232)
<b>BNO</b>	watercraft, no motor (209)

Limits of liability are: \$1,000,000 per occurrence and in the aggregate  
Each vessel is deemed separately insured  
Deductible of \$1,000 for Bodily Injury and \$1,000 property damage  
Details on the vessels can be found in the watercraft inventory.

Subject to conditions of the following policy forms (or forms with similar language and intent):

- AIMU Protection and Indemnity (P&I) Clauses
- Pollution Exclusion clause and buy back endorsement
- Certified terrorism endorsement
- Chemical, Biological, Bio-Chemical and Electromagnetic Weapon Exclusion
- AIMU Extended Radioactive Contamination Exclusion Clause with USA Endorsement (coverage for fire resulting from nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that fire).

### C. CLAIMS ADMINISTRATION

FIAI shall administer all reported claims from June 4, 2015 for the contract period until the claims are closed.

1. *Forms:* Claims forms and accident reporting instructions shall be distributed to RMU and designated agency employees no later than two weeks prior to the policy effective date of June 4, 2015.
2. *Claim Reporting:* Designated State employees will report claims to FIAI's designated claims adjuster. FIAI shall send a letter of acknowledgment of claim to the RMU electronically or via US mail.
3. *Claim Reserving:* FIAI shall establish and maintain timely and adequate reserves. FIAI shall revise reserve estimates whenever developments occur which change the ultimate loss exposure and maintain supporting documentation. Reserves shall be adequately funded by FIAI in a matter consistent with established industry practice.
4. *Litigation Management:* FIAI 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 reserves the right to attend any hearing, conference, appeal or trial. If a conference, hearing or trial is to be handled by an attorney, ensure timely delivery of the file material for preparation. FIAI 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. FIAI shall review attorney bills to ensure that they are accurate and reasonable.
5. *Payment Control:* All claim payments shall be made by FIAI 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.
6. *Claims Settlements and Loss Runs:* FIAI shall advise RMU of any settlement of twenty thousand dollars (\$20,000) or greater. FIAI shall issue loss run reports within thirty days of RMU's request.

### D. ACCOUNT MANAGEMENT

FIAI shall provide the following administration services including but not limited to:

- issue certificates of insurance
- timely delivery of binders, policies and endorsements
- verify the accuracy of policy language, coverage endorsements, exclusions and other terms and conditions consistent with the bid specifications

FIAI shall at its own expense provide all personnel, materials and resources necessary to perform the services under the contract. FIAI shall warrant that all personnel engaged in the contract services are qualified to perform the services and are properly licensed and otherwise authorized to perform services under all applicable laws. FIAI personnel shall have a strong dedication to excellent customer service in all aspects of its dealings with the State. FIAI personnel shall return telephone calls promptly, be professional and maintain confidentiality when communicating with State employees.

The State reserves the right to require FIAI to remove and/or reassign any employee, including the lead staff member, from the State account due to unacceptable job performance. The State retains the right to approve any replacement employee(s).

**EXHIBIT B  
CONTRACT PRICE AND PAYMENT TERMS**

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:** FIAI 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 \$29,910 which includes \$5,000 contingency funds to allow for the acquisition of insurance for any newly acquired watercraft or additional requests for hull coverage.

<b>Description</b>	<b>One Year 6/4/15 – 6/4/2016</b>
Hull coverage for DES 2003 Winninghof with an agreed upon value of \$164,648	\$ 1,866
Hull coverage for DES 2006 Eastern Bay with an agreed upon value of \$189,103	\$ 2,081
Hull coverage for DES 2003 Skimmer with an agreed upon value of \$202,400	\$ 2,200
Hull coverage for DES 1995 Skimmer with an agreed upon value of \$70,081	\$ 708
Hull coverage for F&G 2004 Osmond with an agreed upon value of \$214,387	\$ 2,682
Hull coverage for Port Authority 2008 Munson with an agreed upon value of \$214,387	\$ 3,097
Hull coverage for Port Authority 2013 Zodiac with an agreed upon value of \$21,179	\$ 233
Hull coverage for Port Authority 1998 McKee Craft with agreed upon value of \$39,995	\$ 440
Protection and indemnity insurance for 2003 Winninghof Little Bay II – Responder	\$ 36.33
Protection and indemnity insurance for 2006 35' Eastern Casco Bay Boat	\$ 36.33
Protection and indemnity insurance for 2003 JBF Skimmer Hull JBF 420	\$ 36.25
Protection and indemnity insurance for 1995 JBF Skimmer Hull JBF 420	\$ 36.25
Protection and indemnity insurance for 2004 Osmond	\$ 36.33
Protection and indemnity insurance for 2008 30' Munson PackCat	\$ 36.25
Protection and indemnity insurance for 2013 Zodiac	\$ 36.25
Protection and indemnity insurance for 1998 McKee Craft 23'	\$ 36.25
Protection and indemnity insurance for 48 BIN Rate of \$36.27 times 48 (number of vessels), equals a premium of	\$ 1,741
Protection and indemnity insurance for 232 BOUT Rate of \$36.30 times 232 (number of vessels) equals a premium of	\$ 8,422
Protection and indemnity insurance for 209 BNO Rate of \$ 5.50 times 209 number of vessels, equals a premium of	\$ 1,150
<b>Contract Price</b>	<b>\$ 24,910</b>

**Terrorism can be purchased for an additional \$868.00**

<b>Type</b>	<b>Description</b>
BIN	<b>Watercraft with inboard motor</b>
BOUT	<b>Watercraft with outboard motor</b>
BNO	<b>Watercraft with no motor</b>

**EXHIBIT B**  
**CONTRACT PRICE AND PAYMENT TERMS CONTINUED**

**B. INVOICING**

FIAI shall submit a separate annual invoice to each agency based upon its watercraft inventory. Copies of all invoices shall be mailed 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: [diane.caldon@nh.gov](mailto:diane.caldon@nh.gov)

The State shall not make payments to FIAI prior to the Agreement effective date of June 4, 2015.

**C. PAYMENT**

The State shall make payment to FIAI 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.

**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: comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence and no less than \$1,000,000 in excess/umbrella liability each occurrence; and errors and omissions liability insurance coverage with limits of \$5 (five) million per claim and \$10 (ten) million in the aggregate.
- 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 FIAI, Inc. a(n) Maine corporation, is authorized to transact business in New Hampshire and qualified on January 12, 2007. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 16<sup>th</sup> day of April, A.D. 2015

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

William M. Gardner  
Secretary of State

FIAI, INC.

**CERTIFICATE OF CLERK**

I, Sarah S. Zmistowski, Clerk of FIAI, Inc. (the "Corporation"), do hereby certify as follows:

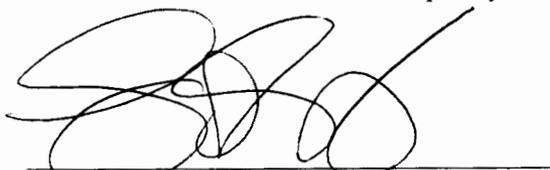
1. I am the duly elected Clerk of the Corporation.
2. The following is a true and correct copy of resolutions duly adopted by the board of directors of the Corporation on April 15, 2015, and such resolutions have not been rescinded, modified or amended and remain in full force and effect as of the date hereof:

**RESOLVED:** That Meredith L. Hendershot, the Senior Account Executive for FIAI, Inc., acting singly, is duly authorized and directed to enter into an Agreement for Liability Insurance Coverage for State Owned Watercraft (the "Agreement") with the State of New Hampshire and is further authorized to execute any documents which may in her judgment be desirable or necessary in order to effect the purpose of this vote.

**RESOLVED:** That Meredith L. Hendershot, in her capacity as Senior Account Executive of the Corporation, hereby is duly authorized and directed to act as the Corporation's agent for the limited purpose of executing and delivering the Agreement and all documents contemplated thereunder or otherwise authorized by these resolutions.

**RESOLVED:** That the Clerk of the Corporation hereby is authorized to execute and deliver one or more Certificates certifying as to the adoption of the foregoing resolutions and as to the authority of Meredith L. Hendershot to act on behalf of the Corporation for the purposes specified above.

The undersigned has executed and delivered this certificate in her capacity as Clerk of FIAI, Inc. this 15<sup>th</sup> day of April, 2015.



Sarah S. Zmistowski, Clerk

**FIAI, INC.**

**ACTION TAKEN BY UNANIMOUS WRITTEN CONSENT OF DIRECTORS**

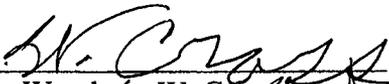
Pursuant to 13-C M.R.S.A., Section 822, the undersigned, being all of the directors of FIAI, Inc., hereby consent to the following actions, without holding a meeting, such actions being stated in the form of, and to be as fully effective as if taken by, unanimous resolutions of the directors at a meeting duly called and held on the date hereof at which all of the undersigned directors were present and acting throughout:

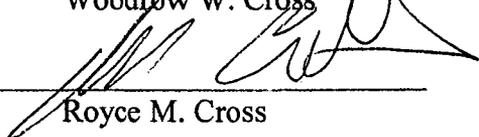
**RESOLVED:** That Meredith L. Hendershot, the Senior Account Executive for FIAI, Inc., acting singly, is duly authorized and directed to enter into an Agreement for Insurance Coverage for State Owned Watercraft (the "Agreement") with the State of New Hampshire and is further authorized to execute any documents which may in her judgment be desirable or necessary in order to effect the purpose of this vote.

**RESOLVED:** That Meredith L. Hendershot, in her capacity as Senior Account Executive of the Corporation, hereby is duly authorized and directed to act as the Corporation's agent for the limited purpose of executing and delivering the Agreement and all documents contemplated thereunder or otherwise authorized by these resolutions.

**RESOLVED:** That the Clerk of the Corporation hereby is authorized to execute and deliver one or more Certificates certifying as to the adoption of the foregoing resolutions and as to the authority of Meredith L. Hendershot to act on behalf of the Corporation for the purposes specified above.

Dated: April 15, 2015

  
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Woodrow W. Cross

  
\_\_\_\_\_  
Royce M. Cross

