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Chief Deputy Treasurer

MARYLAND STATE TREASURER'S OFFICE

**Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401**

REQUEST FOR PROPOSALS

FOR

INSURANCE BROKER SERVICES FOR AUTO COVERAGES

RFP #AUTO-09202017

Due Date: October 11, 2017

Issued: September 20, 2017

KEY INFORMATION SUMMARY SHEET

**Maryland State Treasurer's Office
Request for Proposals
For
Insurance Broker Services for
RFP # AUTO-09202017**

Procurement Officer: Anne Jewell
Tel.: (410)260-7903
Fax: (410)974-3530
Email: procurement@treasurer.state.md.us

Submit Proposals to: Maryland State Treasurer's Office
Attn: Procurement Officer
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

Solicitation Issue Date: September 20, 2017

Deadline for Receipt of Questions: October 2, 2017 by 2:00 p.m. local time

Proposal Due Date and Time: October 11, 2017 by 2:00 p.m. local time

Tentative Contract Award: October 30, 2017

Notice: Prospective offerors (the "Offerors") who received this document from <https://emaryland.buyspeed.com/bsa>, or from a source other than the Issuing Office, should immediately contact the Procurement Officer and provide their name and mailing address in order that amendments to this Request for Proposals or other communications can be sent to them. Any prospective Offeror who fails to notify the Issuing Office with this information assumes complete responsibility in the event that they do not receive amendments or other communications from the Issuing Office prior to the closing date.

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The Maryland State Treasurer's Office, the issuer of this Request for Proposals (“RFP” or “solicitation”), is requesting proposals to select a broker to market, manage and service insurance policies and related documents for Auto insurance coverages for the State of Maryland. The term “Offeror” as used in this RFP includes any broker submitting a proposal.

SECTION I. PROCUREMENT OBJECTIVE

1.01 Procurement Method

The Maryland State Treasurer’s Office (the “Office”) will conduct this solicitation in accordance with the competitive sealed proposals process under COMAR 21.05.03 and will award a single contract arising out of this RFP (the “Contract”).

1.02 Issuing Office and Procurement Officer

Maryland State Treasurer’s Office
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

Procurement Officer: Anne Jewell
Phone: (410) 260-7903
E-mail: procurement@treasurer.state.md.us

The sole point of contact for purposes of this procurement is the Procurement Officer. The Procurement Officer may designate others to act on her behalf. The Office may change the Procurement Officer or the limits of her authority at its discretion.

1.03 Contract Officer

The Contract Officer monitors the daily activities of the Contract and provides technical guidance to the Contractor. The State Contract Officer is:

Joyce Miller
Director of Insurance
Maryland State Treasurer’s Office
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401
Tel: (410)260-7929

1.04 Use of “eMaryland Marketplace”

eMaryland Marketplace (<https://emaryland.buyspeed.com/bs0>) is a free electronic commerce system administered by the Maryland Department of General Services. The RFP, associated materials, and all other solicitation-related material will be provided via eMaryland Marketplace.

This means that all such information is immediately available to subscribers of eMaryland Marketplace. All subscribers will receive solicitation notifications as well as solicitation update/change order notifications. Because of the instant access afforded by eMaryland Marketplace, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to eMaryland Marketplace. The successful Offeror will be required to subscribe to eMaryland Marketplace upon Contract award.

1.05 Schedule of Events

<u>Event</u>	<u>Date</u>
Solicitation Issue Date	09/20/2017
Deadline for Receipt of Questions	10/02/2017 by 2:00 p.m. Local Time
Proposal Due Date	10/11/2017 by 2:00 p.m. Local Time
Tentative Date of Contract Award	10/30/2017

1.06 Pre-proposal Conference

The Office will not hold a pre-proposal conference.

1.07 Questions and Inquiries

All Offerors should direct their questions and inquiries to the Procurement Officer identified in Section 1.02 above. **Questions must be submitted in writing by mail or via email and received by the Issuing Office no later than 2:00 p.m. local time on Monday, October 2, 2017.** Oral questions will not be permitted. If the questions or inquiries pertain to a specific section of the RFP, Offerors must reference the relevant page and section number(s).

1.08 Submission Requirements and Deadline

To be considered for award, Offerors must submit to the Procurement Officer a package containing one (1) written original and 3 copies (total of 4) of the Technical Proposal and the Price Proposal, each in separate sealed envelopes. All submissions shall indicate the RFP Title and number, and the Offeror’s name and address. **Proposals must be received by the Procurement Officer at the Issuing Office no later than 2:00 p.m. local time on Wednesday, October 11, 2017.** Additionally, each Offeror must provide to the Procurement Officer on compact disk one electronic copy of the Technical and Price Proposals submitted. As with the written submission, the electronic copy submission of the

Technical Proposal and the Price Proposal must be provided in separate sealed envelopes. Refer to Section IV. Proposal Format for two-volume submission.

The Office will not grant requests for extension of the submission date or time. Offerors mailing proposals should allow sufficient mail and internal delivery time to ensure timely receipt of the proposals by the Procurement Officer at the Issuing Office. Except as permitted under COMAR 21.05.02.10, the Office will not consider proposals or unsolicited amendments to proposals arriving in the Issuing Office or received by the Procurement Officer after the closing date and time, regardless of the method of their transmission. The Office will not consider proposals submitted by electronic means only (facsimile or e-mail).

1.09 False Statements

Offerors are advised that State Finance and Procurement Article §11-205.1, Annotated Code of Maryland provides as follows:

(a) *In general.* - In connection with a procurement contract a person may not willfully:

- (1) falsify, conceal, or suppress a material fact by any scheme or device;
- (2) make a false or fraudulent statement or representation of a material fact;
- or
- (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

(b) *Aiding or conspiring with others.* - A person may not aid or conspire with another person to commit an act under subsection (a) of this section.

(c) *Penalty.* - A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

1.10 Duration of Offer

Proposals submitted in response to this solicitation are irrevocable for 120 days following the later of the proposal due date or the date the Procurement Officer receives final best and final offers, if any. At the request of the Procurement Officer, the Offeror may agree in writing to extend this period.

SECTION II. GENERAL INFORMATION

2.01 Electronic Distribution

This RFP is published on *eMaryland Marketplace*, posted on the websites for the National Association of State Treasurers and the Office, and emailed to insurance brokerage firms known to be interested in receiving RFPs. Potential Offerors wishing to receive copies of the written document should contact the Procurement Officer identified in Section 1.02 above.

2.02 Revisions to the RFP

The Office reserves the right to amend this RFP at any time prior to the proposal due date and time. If it becomes necessary to revise this RFP at any time prior to the proposal due date and time, the Office will provide amendments to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Offerors will be required to acknowledge in writing the receipt of all amendments. In addition, the Office will post amendments to the RFP on the Office's Web Page at www.treasurer.state.md.us, (select "Procurement" and then "RFP for Insurance Broker Services for Auto Coverages"), and through eMaryland Marketplace at: <https://emaryland.buyspeed.com/bs0>. The Office will send amendments made after the due date for proposals only to those Offerors who submitted a timely proposal.

Failure to acknowledge receipt of amendments does not relieve the Offeror from complying with all terms of any such amendment.

2.03 Cancellation of the RFP; Rejection of All Proposals

The Office may cancel this RFP, in whole or in part, or may reject all proposals submitted in response whenever this action is determined to be fiscally advantageous to the State or otherwise in its best interests.

2.04 Insurance Market Contact

At this time, Offerors are not authorized to approach insurers or other underwriting sources on behalf of the State. The Office specifically requests that no insurance market contact be made on behalf of the State, and that no market reservations or commitments be made for any purpose with respect to any insurance or reinsurance to be provided for the State of Maryland. Selection of an insurance broker will not preclude the State from securing proposals from direct writing insurance companies at any time, if the Office deems it is in the State's best interest to do so.

2.05 Proposal Acceptance; Discussions

The Office reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified Offerors in any manner necessary to serve the best interests of the State of Maryland. The Office also reserves the right, in its sole discretion, to award the Contract based upon the written proposals received without prior discussions or negotiations.

2.06 Oral Presentation

In support of their proposals, Offerors may be required to make an oral presentation, or conduct a demonstration, or both, not more than two calendar weeks after the Office has requested an Offeror to do so. Failure to be prepared to make an oral presentation or conduct a demonstration within this time period may prevent the Offeror's proposal from receiving further consideration. All written representations will become part of the Offeror's proposal and are binding if a Contract is awarded to the Offeror.

2.07 Incurred Expenses

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal in response to this RFP, including costs incurred in making an oral presentation, if required.

2.08 Proposal Form

Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's proposal for meeting the requirements of this procurement. The Office will not accept oral, telegraphic, facsimile, mailgram, or electronically transmitted proposals.

2.09 Multiple or Alternate Proposals

The Office will not accept multiple or alternative proposals.

2.10 Access to Public Records Act Notice

An Offeror should give specific attention to the identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, General Provisions Article, Title 4, Annotated Code of Maryland. The Office may charge a fee for copies and search and preparation time, in accordance with COMAR 25.01.04.09. The Office may require payment of such fees before releasing the requested information.

2.11 Protests

Any protest or dispute related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies). Offerors must file in writing any protest regarding this solicitation with the Procurement Officer only. If the reason for the protest is apparent before the proposal opening, the Offeror must file the protest before the proposal opening. In all other cases, the Offeror must file the protest within 7 calendar days after the reason for the protest is known or should have been known.

The term “filed” means receipt by the Procurement Officer who has issued this solicitation.

The protest must be in writing and must contain (1) the name and address of the protester; (2) the appropriate identification of the solicitation and, if a Contract has been awarded, the Contract number if it is known; (3) a statement of the reasons for the protest; and (4) any supporting exhibits, evidence, or documents to substantiate any claims unless the documents are not available within the filing time, in which case the date by which the supporting documents are expected to be available is to be noted.

2.12 Proposal Opening

Proposals will not be opened publicly.

2.13 Bid/Proposal Affidavit

Any proposal submitted by an Offeror must be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as Appendix B to this RFP.

2.14 Contract Affidavit

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as Appendix C to this RFP. This Affidavit should not be submitted with an Offeror’s proposal.

2.15 Representations

By submitting a proposal in response to this RFP, the Offeror represents that (a) it is not in arrears in the payment of any obligation due and owing the State or any department or unit thereof, including but not limited to the payment of taxes and employee benefits (the “State Obligations”), and (b) it is in compliance with all federal, State and local laws applicable to its activities and obligations under the Contract. Further, if selected for award, the Offeror agrees that these representations will continue in effect during the term of the Contract.

2.16 Minority Business Enterprises

The Office has not established a minority business enterprise subcontractor participation goal for this solicitation, but Offerors are encouraged to work with certified MBE subcontractors. A directory of certified MBEs is maintained by the Maryland State Department of Transportation Office of Minority Business Enterprise. The directory is available online at www.mdot.maryla.gov/newMDOT/MBE/Index.html. Select the "Directory of Certified Firms" label.

2.17 Veteran-Owned Small Business Enterprise

The Office has not established a veteran-owned small business enterprise ("VSBE") subcontractor participation goal for this solicitation, but Offerors are encouraged to work with certified VSBE subcontractors. A VSBE must be verified by the Center for Veterans Enterprise of the United States Department of Veterans Affairs. The VSBE list is at: <http://www.vetbiz.gov>.

2.18 No Guarantee of Work

No contractor is guaranteed any minimum amount of work or compensation.

2.19 Order of Precedence

The Contract between the parties will be embodied in the Contract documents which will consist of the following, listed in their order of precedence:

1. the executed Contract;
2. the RFP; and
3. the Offeror's proposal.

The Office will not accept any modifications to the order of precedence provision of this solicitation. If the Offeror proposes any terms and conditions inconsistent with the requirements of the solicitation, the Offeror must clearly state those terms and conditions in its proposal.

SECTION III. SCOPE OF SERVICES AND REQUIREMENTS

3.01 Introduction

The Office is seeking an insurance broker to represent the State's insurance needs in the areas of auto coverages. The selected insurance broker will market the existing coverages, as well as any coverages added in the future, present the Office with competitive quotes and recommendations, place the coverage, and service the coverage each year. This will include any related coverage additions and services or replacements thereto. Related coverages and services may be added at any time during the Contract period.

3.02 Insurance Broker Services

With respect to the coverages identified in Section 3.05 below, as well as any related coverages requested by the Office to be added in the future, the selected insurance broker shall be responsible for providing the following services to the office:

1. Marketing and obtaining quotations for each policy, reporting on an insurer's financial status, and placing and servicing the desired insurance coverages.
2. Provide annual loss runs for three years on each policy a minimum of 60 days before expiration, including any prior year with open losses.
3. Acting as an advocate for the Office in communications with the insurers, intermediaries, and any other subcontractors. Insurance broker is expected to negotiate with insurance brokers and intermediaries to obtain the lowest possible fees.
4. Offer creative solutions and innovative suggestions for the Office to consider.
5. Submitting a semi-annual stewardship report to include auto coverages. The report should outline intended activities on behalf of the State for the upcoming six months and include the status of all items in the prior reports. Reports are due two weeks after the end of each six month calendar year period.
6. Reviewing and verifying insurance documents received from insurers for accuracy, requesting any needed corrections and ensuring receipt of any corrections from the insurance company.
7. Acting as a liaison with insurers on loss control inspections and recommendations, if any.
8. Providing an original paper copy and an electronic copy of all policies.
9. Obtaining endorsements as requested. The Office needs both an electronic copy and a paper copy of each endorsement (carrier or broker provided).

10. Preparing and mailing original certificates of insurance and providing an electronic copy to the office and the applicable State agency as requested.
11. Assist the Office if it requests that other related coverages be added during the term of the Contract. The Office will not be charged an insurance broker services fee for quotes for new coverage unless and until the coverage is purchased. If a renewal quote is offered and a decision is made not to renew the coverage for any reason, no insurance broker fee will be paid. This is an unusual occurrence.
12. Develop a strategy for upcoming renewal to be presented in writing to the Office a minimum of 90 days before expiration. Including and identifying any intended intermediaries (who will be considered subcontractors under the Contract) used in the quote process and disclosing, where available, the full commission rate and the anticipated negotiated rate of commission. When commission rates are not available, the insurance broker must provide an explanation to the State for the reason the commission rate is not available.
13. Coordinating the collection of underwriting data for the policies placed on behalf of the State, including complete loss statistics and other underwriting data. The loss data should include a brief description of losses valued over \$25,000.
14. Providing renewal quotes including copies of the carrier quotes, on all policies, preferably **30 days before expiration**. If a carrier only offers an "indication" of their premium quote, a copy of the carrier's indication must be included in the broker's renewal (or new) submission, and is acceptable as a documentation of a quote. All quotes must include the insurance broker's recommendation, including the supporting reasons for that recommendation, and the final intermediary used, if any, and the final negotiated intermediary compensation if available. Where there are an adequate number of markets to do so, provide multiple quotes (a minimum of two) for competitive purposes. If a broker has been delegated authority by an insurance carrier to provide quotes on the carrier's behalf, then the broker's quote letter is acceptable. In the event that this requirement is not possible or recommended, the insurance broker must submit a letter of explanation/recommendation to the Contract Officer on or before 90 days prior to the coverage expiration to obtain acceptance or denial of the recommendation. Where a carrier declines to offer a quote on coverage, the insurance broker must provide documentation from each carrier indicating why they chose not to quote.
15. Considering all qualified carriers for quotes. Carriers may contact the insurance broker to quote on a coverage. The insurance broker must document all contacts from qualified and non-qualified carriers and must provide information to the Office on the results.

16. Provide risk management and professional services directly or indirectly, including, but not limited to, minimizing loss potential, and transfer of risk techniques, if applicable.
17. When requested by the Office, providing detailed rating worksheets on insurance proposals, either a full set or a sampling that reflects the pricing detail used is required.
18. Assist the Office with training classes for State agency personnel as needed.
19. When requested by the Office, providing periodic benchmarking information on limits, deductibles, and coverages.
20. When requested by the Office, offering guidance on State Agency RFP insurance requirements.
21. Provide a chart (preferably in Excel) in **each renewal** proposal to exhibit expiring coverages, limits, deductibles, rate, and premiums as compared with all of the renewal quotes being offered.
22. Providing answers to the Office and obtain clarification from insurers, underwriters or adjusters regarding coverage or claims questions.
23. Providing a Binder of Insurance, electronically, prior to the effective date for all policies and/or coverages.

3.03 Minimum Qualifications

To be considered for a Contract, the insurance broker must:

1. Designate an employee to handle our coverage that has a minimum of 10 years experience.
2. Provide evidence of Professional Errors and Omissions Liability insurance (current certificate of insurance) with a limit of liability of at least \$5,000,000 per occurrence, and maintain such insurance at all times during the term of the Contract. Such insurance coverage shall be with an insurance company with a Best's Rating of "A" or greater. If the Errors and Omissions insurance carrier is Lloyd's of London, include the Lloyd's of London syndicate(s) Best Rating also.
3. Confirm it has and will maintain all necessary permits and licenses required by local, State, and /or Federal laws.

3.04 **Auditing**

Offeror must have its financial statements audited annually by an independent certified public accounting firm and receive an unqualified opinion from the auditor. Upon request, over the term of the Contract, Offeror must provide the Office with current audited financial statements.

At the Office's discretion, the State may audit or subcontract an audit of the Offeror's procedures to ensure Contract compliance.

3.05 **Summary of Auto Insurance Required**

Summary of Coverage needs (full details to be provided to selected broker).

I. Maryland Port Administration - Auto Fleet Effective: January 1, 2018

Insureds: State of Maryland
Maryland Port Administration
Maryland Department of Transportation

A. Scope of Operations:

The Maryland Port Administration (MPA) is an agency of the Maryland Department of Transportation, and is responsible for the maintenance, development, and promotion of the Port of Baltimore. There are approximately 219 vehicles, including automobiles (private passenger types, light, medium, heavy and dump trucks) and mobile equipment that are used to support the service activities of the Port. Most of the vehicles are used within the terminal confines, but there is one fuel truck (diesel) that goes off the Port premises within a 20 mile radius for the purpose of fueling generators and cranes. No Port vehicles carry hazardous waste. Physical damage coverage is self-insured.

B. Summary of Insurance and Limits:

\$1,000,000	liability (any auto including hired and non-owned)
Statutory	personal injury protection for any auto required by law to be covered (MD, NJ, and PA)
\$ 75,000	uninsured motorists - Maryland
\$ 50,000	uninsured motorists - Pennsylvania
\$1,000,000	uninsured motorists - New Jersey
\$ 50,000	underinsured motorists - Pennsylvania

C. Carriers and Losses:

Selective Insurance Co.	1-1-2017/18	\$ TBD
Selective Insurance Co.	1-1-2016/17	\$0
Selective Insurance Co.	1-1-2015/16	\$0
Selective Insurance Co.	1-1-2014/15	\$0

**II. Maryland Transit Administration – Bus/Mobility Vehicle Fleet
Effective: July 1, 2018**

Insureds: State of Maryland
Maryland Transit Administration
Maryland Department of Transportation

A. Scope of Operations:

The Bus Division of the Maryland Transit Administration (MTA) originally started in the 1920s. The MTA was originally known as the Baltimore Metropolitan Transit Authority, then the Mass Transit Administration before it changed to its current name, the Maryland Transit Administration. The MTA took over the operations of the old Baltimore Transit Company on April 30, 1970. Many of the routes of most of the agency's current bus lines are based on the original streetcars operated by the Baltimore Transit Company and its parent companies from the 1890s to the 1960s. All these routes were ultimately converted to rubber tire bus operations, and many of them were consolidated, extended into newly developed areas, or otherwise reconfigured to keep up with the ridership demands of the times. The core of MTAs transit system as with most transit systems is the bus system that feeds into the other transit modes. The MTA bus system currently operates approximately 750 buses.

The Mobility Division of the MTA began offering non-fixed-route paratransit services to persons with disabilities in 1978. These services are provided within $\frac{3}{4}$ of a mile of any MTA fixed route service in Baltimore City and Baltimore and Anne Arundel Counties. The mobility services consist of over 500 owned vans and passenger vehicles operated by MTA with some subcontracted services.

The MTA is in the beginning stages of implementing the new BaltimoreLink system. BaltimoreLink is a complete overhaul and rebranding of the core transit system operating within the city and throughout the greater Baltimore region. The BaltimoreLink system will deliver a unified transit network and includes renaming existing Maryland Transit Administration (MTA) modes: LocalLink (Local Bus), Light RailLink, Metro SubwayLink and MobilityLink to create an interconnected transit system. Other key elements of the BaltimoreLink system include transitways, transit hubs and transit signal priority. In Baltimore City, new CityLink routes will run every 10 minutes during peak periods and every 15 minutes during the midday. The

new CityLink buses will be specially branded and travel on color-coded routes with easy-to-read signage and detailed maps that will make the system easier to use.

To achieve MTA's overarching mission of providing safe, efficient and reliable transit across Maryland with world-class customer service, BaltimoreLink has five major goals:

- Improve service quality and reliability;
- Maximize access to high-frequency transit;
- Strengthen connections between the MTA's bus and rail routes;
- Align the network with existing and emerging job centers; and
- Involve riders, employees, communities, and elected officials in the planning process.

Currently, the target completion for the BaltimoreLink system is June 2017.

B. Summary of Insurance and Limits:

Blanket all-risk coverage for direct loss or physical damage including collision, fire, theft, flood and earthquake for buses and mobility vehicles owned or in the care, custody or control of the MTA. The term "bus" or "mobility/paratransit" vehicles include tires, vaults/fare boxes, and radios.

- | | | | |
|----|-------------|--------------|-----------------|
| 1. | Limit: | \$20,000,000 | physical damage |
| 2. | Deductible: | \$ 500,000 | per occurrence |

C. Carriers and Losses:

Evanston	7-1-2017/18	\$ TBD
Philadelphia Insurance Co.	7-1-2016/17	\$ 0
Philadelphia Insurance Co.	7-1-2015/16	\$0
Philadelphia Insurance Co.	7-1-2014/15	\$0

**III. Maryland Environmental Service – Recycling Trucks
Effective: July 29, 2018**

Insureds: State of Maryland
Maryland Environmental Service

A. Scope of Operations:

This policy covers vehicle(s) (there are currently two vehicles insured) owned by Montgomery County, but operated by the Maryland Environmental Service (MES) as part of a program to enable Montgomery County to increase response time to its citizens who phone in complaints of missed solid waste

collection by the County's contractors. MES is provided a daily list of complaints which are at least 24 hours old. MES provides drivers/laborers that operate the County furnished pickup trucks and respond to the complaints. Each morning, the MES supervisor distributes the complaints and designates areas to be covered by each driver. MES also responds to the quarterly misses of larger items such as furniture, and bulk waste. Collection of this material is done using two one-ton dump trucks. All vehicles operate within a local radius. Montgomery County provides all routine maintenance and repairs on the County owned vehicles used in the performance of this project. Montgomery County, Maryland is to be included as an additional insured on the policy.

B. Summary of Insurance and Limits:

1. \$1,000,000 auto liability (symbol 67), PIP, UM, and comprehensive and collision coverage (symbol 67)
2. Deductibles:
 - \$ 0 liability
 - \$ 1,000 comprehensive
 - \$ 1,000 collision

C. Carriers and Losses:

TBD	7-29-2017/18	\$TBD
National Casualty Company	7-29-2016/17	\$0
National Casualty Company	7-29-2015/16	\$0
National Casualty Company	7-29-2014/15	\$0

3.06 General Terms for all Policies

- Policy Cancellation: 90 day cancellation clause required from carrier for non-renewal.
- The policy and any endorsement may not be modified except by mutual agreement and written instrument.

3.07 Term

The term of the Contract for Insurance Broker Services for Auto Insurance will be November 1, 2017 through October 31, 2020, with up to two consecutive one-year renewal options, exercisable at the sole discretion of the Office.

Insurance Broker Services provided under this Contract shall continue for any policy placed within the term of the Contract until the expiration of the policy.

3.08 Compensation

For each coverage obtained on behalf of the State by the Contractor, the Office shall be responsible for paying the insurance broker services fee for each policy as well as the premiums relating to any coverage placed under the Contract. The Office will not pay any insurance broker services fee for quotes for new coverage unless and until the coverage is purchased, or for any renewal quotes where a decision is made not to renew the coverage for any reason. A decision not to renew coverage would be an unusual occurrence.

Generally, the Contractor will be responsible for submitting invoices for payment of broker services fees and premiums; however, in certain limited circumstances when payment of premiums may not be made directly to Contractor in order to comply with certain regulatory requirements, invoices for premiums may be submitted by a subcontractor approved by the Office. Approved subcontractors to whom such payment must be made directly will typically be intermediaries operating in foreign countries and are sometimes referred to as "Billing Subcontractors." All Billing Subcontractors must be identified on Exhibit G to the Contract (Appendix E to the RFP), which may be amended from time to time. In all cases, properly submitted invoices will be paid within 30 days of receipt by the Office.

For coverages in existence at the time of this RFP, the broker services fee shall be as specified in the Contract (or in the case of any multi-year policy, **one** broker services fee will apply for that entire coverage term, and be invoiced only at inception). For new or added policies, the Contractor agrees to negotiate with the Office in good faith to determine a reasonable broker services fee for such coverage to be in effect for the remainder of the Contract term.

Each invoice for services rendered and/or for premiums to be paid must reflect the federal tax identification number of the Contractor or approved Billing Subcontractor. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited.

When insurance broker services fees specified in the Contract (or as negotiated for multi-year, new or added policies) and/or premiums are paid directly to the Contractor, the Contractor must agree to return to the State of Maryland, within 30 days of receipt, any and all commission income, overrides, contingencies or bonuses earned as a result of the State's coverage(s). If for any reason a policy for which the premium is paid directly to the Contractor cannot be written net of commission, any earned commission in excess of the insurance broker fee must be returned to the State. Notwithstanding anything to the contrary contained in the RFP or Contractor's Price Proposal, in the event that payment of a premium is made to a Billing Subcontractor instead of the Contractor in order ensure compliance with regulatory requirements, the Contractor shall not be obligated to return to the State any commission that is paid to such Billing Subcontractor.

Insurance broker services fees are all inclusive. The Office will not pay travel expenses or express mail or other administrative expenses of the Contractor.

By submitting a response to this solicitation, the Offeror agrees to accept any payments from the State by electronic funds transfer unless the State Comptroller's Office grants an exemption. The Contractor shall register using form COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form may be downloaded from:

<http://comptroller.marylandtaxes.com/>, select "Government Services," then "Electronic File Transfer," and then "GAD X-10." Any approved Billing Subcontractor to whom direct payment of premiums may be made must also comply with these requirements

3.08 Staffing Requirements

The Office expects that personnel will be assigned to the account as described in Section 4.03.3 and of the Offeror's Technical Proposal. If one or more of the proposed personnel become unavailable for continuation of the work assignment, the Contractor shall replace said individual(s) with personnel of substantially equal ability and qualifications. However, any changes to designated personnel will require the prior written approval of the Office.

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SECTION IV. PROPOSAL FORMAT

4.01 Transmittal Letter

The Offeror must include a brief transmittal letter prepared on the Offeror's business stationery to accompany the original and required copies of the two-volume proposal. The transmittal letter must be signed by an individual authorized to bind the Offeror to all statements, including services and prices, contained in the proposal. This transmittal letter should also indicate that, if selected, the Offeror will execute a Contract with materially the same terms as the form of Contract included as Appendix D.

4.02 Two -Volume Submission

The selection procedure for this procurement requires that the initial technical evaluation of each proposal be completed before consideration of an Offeror's price proposal. Consequently, each proposal must be submitted in two volumes as indicated below.

4.03 Volume I - Technical Proposal

The volume containing the technical proposal shall be labeled "Maryland State Treasurer's Office RFP for Insurance Broker Services for Auto Coverages - Technical." The technical proposal volume shall contain the transmittal letter (Section 4.01), and the completed Bid/Proposal Affidavit. The proposal must include responses to the Minimum Qualifications in Section III, 3.03.

The technical proposal volume should be prepared in a clear and concise manner. Offerors submitting proposals for Insurance Broker Services for Auto Coverages need to address the information requested in sections 1 through 8 below.

1. General Information

- A. Name of firm;
- B. Mailing address of the office from which the proposal is being submitted;
- C. Name of individual who will represent firm as primary contact person on matters relating to the proposal; and
- D. Telephone number, email address, and fax number.

2. Offeror's Qualifications

- A. Each Offeror shall specifically and clearly provide brief supporting statements describing how the Offeror meets the Minimum Qualifications cited in Section 3.03.
- B. Each Offeror shall provide Professional Errors and Omissions Liability carrier's current Best's Rating. If the errors and omissions insurance carrier

is Lloyd's of London, or partly Lloyd's of London, include the Lloyd's of London syndicate(s) Best Rating also.

3. Proposed Personnel

Indicate the manner in which you would organize your firm's resources to provide the appropriate assistance to the Office by including responses to the following:

- A.
 - (i) Identify the individual(s) who will be assigned as the principal broker(s) to the account and define their position(s) with the firm;
 - (ii) How many years experience does each individual have in providing insurance broker services for the relevant coverage (see Section 3.03 Minimum Qualifications);
 - (iii) What is each individual's availability to work on this account; and
 - (iv) What is the nature of their expertise and roles with respect to the relevant coverage.
- B. Identify other personnel that will be assigned to the relevant account, their availability to work on this account, and their expertise in the relevant coverage.
- C. In a chart format, indicate how you expect to assign the services listed in Section 3.02 to the firm's personnel assigned to the Contract.
- D. Identify any other personnel that you might propose to be assigned to this account in the event that the individual(s) listed above are not available.
- E. Provide resumes of the individuals listed in 3. A and B.

4. Firm's Insurance Broker Services Experience

- A. List the names of at least two public entity customers (preferably state), for which your firm has served as a primary insurance broker since January 1, 2012 of relevant auto coverages and indicate how they are similar to the State of Maryland.
- B. For each of the public entity customers listed above, discuss how the experience gained from working for these customers relates to the services requested by the Office. Be sure to indicate any unusual or exceptional problems, conditions, or situations that your firm faced and solved.

5. Firm Capabilities

- A. Each Offeror shall provide in its proposal confirmation of their ability to perform each of the services listed in Section 3.02 Insurance Broker Services;
- B. Describe your firm, including when organized, corporate structure, and type of ownership.
- C. If the Office will be required to make direct payment of premiums as a result of regulatory requirements to subcontractors, including intermediaries, please describe the regulatory requirements necessitating this arrangement.
- D. Provide any further information considered pertinent in describing your firm's capabilities.

6. Client References

- A. Provide at least two client references for relevant coverages for which the Offeror provides broker services. The list must include coverages you currently write that are **similar** to the auto coverages requested in the RFP.
- B. Furnish company name, contact name and title, email address and telephone number for each client reference.

The State reserves the right to contact any previous client whether or not provided as a reference.

7. Economic Benefits to the State of Maryland

Describe the benefits that will accrue to the Maryland economy as a direct result of the Offeror's performance of the Contract resulting from the solicitation. Economic benefits include:

- A. The Contract dollars to be recycled into Maryland's economy in support of the Contract, through the use of Maryland subcontractors, suppliers, and joint venture partners. Offerors should be as specific as possible and provide a breakdown of expenditures in this category. Do not provide actual dollars for each category. Include percent of the total budget requested.
- B. The numbers and types of jobs for Maryland residents resulting from the Contract. Indicate job classifications, number of employees in each classification, and the aggregate payroll to which the contractor has committed at both prime, and if applicable, subcontract levels. Do not provide actual dollars for each category. Include percent of the total budget requested.

- C. Tax revenues to be generated for Maryland and its political subdivisions as a result of this Contract. Indicate the tax category (sales tax, payroll taxes, inventory taxes, and estimated personal income taxes for new employee). Provide a forecast of the total tax revenues resulting from the Contract. Do not provide actual dollars for each category. Include percent of the total budget requested.
- D. Subcontract dollars committed to Maryland Small Business and Minority Business Enterprises. Do not provide actual dollars for each category. Include percent of the total budget requested.
- E. In addition to the factors listed above, the Offeror should explain any other economic benefits to the State of Maryland that would result from the Offeror's proposal.

8. Rationale for Appointment

Present the case for Offeror's appointment as the insurance broker. The Offeror may include in this section any additional material it deems relevant or appropriate.

4.04 Volume II - Price Proposal

The volume containing the price proposal shall be labeled "Maryland State Treasurer's Office RFP for Insurance Broker Services for Auto Coverages – Price," The Offeror's price proposal must be in a separate sealed envelope from the corresponding technical proposal. The price proposal must consist of a completed and signed Price Proposal which provides the proposed annual fee for insurance broker services. This Price Proposal form is included as Appendix A to this RFP.

The insurance broker services fees are inclusive of all expenses. The Office will not pay Offeror's travel expenses or express mail or other administrative expenses.

Note: The Price Proposals are evaluated following the evaluation of the Technical Proposals. Therefore, no reference to price may be identified within the Technical Proposal. See Section V for Evaluation and Selection Procedure.

4.05 Disclosures

Provide a written statement disclosing any relationships with persons or entities that may create a conflict of interest, or the appearance of a conflict of interest. Disclose specific details of any pending legal proceedings (criminal or civil), or regulatory or disciplinary actions by any state or federal regulatory agency, involving the firm or members of the firm; or any convictions, judgments or settlements resulting from such proceedings or actions within the past five years.

SECTION V. EVALUATION AND SELECTION PROCEDURE

5.01 Qualifying Proposals

The Procurement Officer first will review each proposal for completeness of response to the requirements contained in Section IV, Proposal Format. Failure to respond to the appropriate questions or in the manner required may disqualify an Offeror's proposal from consideration by the Evaluation Committee.

5.02 Evaluation Committee and Evaluation Criteria

An Evaluation Committee appointed by the Treasurer or the Treasurer's designee will evaluate all qualifying proposals (those proposals that are reasonably susceptible to selection for Contract award) received by the submission deadline. The Evaluation Committee will rank the proposals and make a recommendation for award based on (1) technical merit (see Section 5.03 below), as demonstrated in the technical proposal and oral presentations, if any, and (2) price, both as presented in the best and final offer, if any. Technical merit will be given more weight than price in determining the Evaluation Committee's final ranking.

5.03 Technical Evaluation

After the Procurement Officer identifies the qualifying proposals the Evaluation Committee will conduct an initial evaluation of the technical merit of each qualifying proposal based on the information provided in the proposal in response to subsection 4.03 Volume I – Technical Proposal, above. The Evaluation Committee's final technical evaluation may include information obtained during oral presentations, if any.

For the technical evaluation, the Evaluation Committee will take into consideration the following factors, in order of importance (greatest first):

1. Proposed Personnel;
2. Firm's Insurance Broker Services Experience;
3. Firm Capabilities;
4. Client References;
5. Economic Benefits to the State of Maryland; and
6. Rationale for Appointment.

5.04 Price Evaluation

Following completion of the initial technical evaluation, the Evaluation Committee will conduct an initial evaluation of the pricing of each proposal and will establish a financial ranking of all proposals.

5.05 Best and Final Offer

When deemed in the best interest of the State, the Procurement Officer may permit qualified Offerors to revise their initial proposals by submitting best and final offers. The Procurement Officer shall notify each qualified Offeror of the scope of the requested best and final offer, and shall establish a date and time for the submission. The Procurement Officer may require more than one series of best and final offers and discussions, if determined that it is in the State's best interest to do so. If more than one best and final offer is requested, an Offeror's immediate previous offer shall be construed as its best and final offer unless the Offeror submits a timely notice of withdrawal or another best and final offer. The Procurement Officer may consult with and seek the recommendation of the Evaluation Committee during the best and final offer process.

5.06 Final Evaluation and Recommendation for Award

Following oral presentations, reference checks and submissions of best and final offers, if any, the Evaluation Committee will perform its final evaluations and will make a recommendation to the Procurement Officer for award of the Contract to that responsible Offeror or Offerors whose proposals is determined to be the most advantageous to the State based on the results of the final technical and price evaluations. Contract award, if any, is subject to the approval of the State Treasurer or the Treasurer's designee upon the recommendation of the Procurement Officer.

5.07 Debriefing of Unsuccessful Offerors

The Office will conduct a debriefing for an unsuccessful Offerors, provided the Procurement Officer receives a written request within a reasonable period of time after sending notice of a final determination of award. The Office shall honor requests for debriefings at the earliest feasible time after the request has been received. The Office shall hold debriefings in accordance with COMAR 21.05.03.06.

5.08 Responsibility

1. General

- (a) The procurement regulations in COMAR Title 21 define a "responsible" Offeror as one "...who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability that shall assure good faith performance."
- (b) COMAR Title 21 also requires that the Procurement Officer determine before awarding a contract to an Offeror whether the Offeror is responsible. The determination of responsibility is based on the subjective judgment of the Procurement Officer about whether the Offeror meets the definition of a "responsible" Offeror.

In addition, the unreasonable failure of an Offeror to supply information promptly in connection with the determination of responsibility shall be grounds for a determination that the Offeror is not responsible.

2. Discussions

The Office reserves the right to discuss and negotiate the terms of an Offeror's proposal with qualified Offerors or potentially qualified Offerors, (i.e., which are reasonably susceptible of being selected for award). If conducted, discussions or negotiations will be conducted with all qualified Offerors. The Office, however, is not obligated to conduct any discussions or negotiations. Each Offeror should be aware that the Office can select a proposal without first discussing the proposal with the selected Offeror.

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APPENDIX A

PRICE PROPOSAL FORM INSTRUCTIONS

1. Offerors must submit their price proposals on Price Proposal Form for Insurance Broker Services for Auto Coverages – Appendix A in accordance with these instructions and as specified on the form. The price proposal must be separately sealed as directed in Section 1.08. Submission Requirements and Deadline and Section 4.04, Volume II – Price Proposal.
2. The price proposal submitted needs to be completed and signed by an individual who is authorized to bind the firm to all rates offered.
3. All data and information included on the price proposal form is for price evaluation purposes. The State reserves the right, at its sole discretion, to purchase more or less, or not to purchase any services for which offers are solicited under this RFP.
4. The fees must be recorded with whole dollars and cents, e.g., \$24.15. Fractional prices are not acceptable (e.g., \$24.15333) for each entry on the price proposal form.
5. Nothing shall be entered on any price proposal form that alters or proposes conditions or contingencies on the proposed prices.

**APPENDIX A
PRICE PROPOSAL**

**RFP for Insurance Broker Services for Auto Coverages
RFP #AUTO-09202017**

Firm Name

Address

City, State, Zip

ANNUAL insurance broker fee (all inclusive) for insurance broker services for the State of Maryland Auto Coverages for the initial term and for all subsequent annual terms. A broker fee must be provided for each of the three coverages below:

- I. Maryland Port Administration Auto Fleet \$ _____

- II. Maryland Transportation Authority
 Bus/Mobility Vehicle Fleet \$ _____

- III. Maryland Environmental Service
 Recycling Trucks \$ _____

For each policy obtained on behalf of the State under the Contract, the Office shall be responsible for paying the insurance broker services fee listed above as well as the applicable premiums. The insurance broker shall not be entitled to accept any other form of compensation in connection with the services provided under the Contract other than the insurance broker services fees listed above (or as negotiated for multi-year, new or added policies).

When insurance broker services fees specified in the Contract (or as negotiated for multi-year, new or added policies) and/or premiums are paid directly to the Contractor, the insurance broker must agree to return to the State of Maryland, within 30 days of receipt, any and all commission income, overrides, contingencies or bonuses earned as a result of the State's policy(s). If for any reason a policy for which the premium is paid directly to the Contractor cannot be written net of commission, any earned commission in excess of the insurance broker fee must be returned to the State.

Notwithstanding anything to the contrary contained in this RFP or Contractor's Price Proposal, in the event that payment of a premium is made to a Billing Subcontractor (as defined in the RFP) instead of the Contractor in order ensure compliance with regulatory requirements, as permitted under the Contract and specified in Appendix A of the Contract,

Appendix A – Price Proposal
Insurance Broker Services for Auto Coverages,
RFP #AUTO-09202017 (continued)

which may be amended, the Contractor shall not be obligated to return to the State any commission that is paid to such Billing Subcontractor.

Insurance broker services fees are all inclusive. The Office will not pay travel expenses or express mail or other administrative expenses of the Offeror. The Office will not pay any insurance broker services fee relating to quotes for new coverage unless and until the coverage is purchased. If the Offeror provides a renewal quote, and the Office decides not to renew the coverage for any reason, the Office will not pay any insurance broker services fee.

Notwithstanding this proposal, for any multi-year policy or any new or added policy, the Offeror agrees to negotiate with the Office an appropriate insurance broker services fee for that policy.

In compliance with the RFP and with all terms and conditions set forth therein, the undersigned represents that he/she has full authority to submit the above insurance broker services fees.

Signature of Authorized Official

Name and Title of Authorized Official

Date

APPENDIX B

BID/PROPOSAL AFFIDAVIT (To be submitted with the Technical Proposal)

A. Authority

I HEREBY AFFIRM THAT:

I (print name) _____ possess the legal authority to make this Affidavit.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

B-1. Certification Regarding Minority Business Enterprises.

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

(1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;

(2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;

(3) Fail to use the certified minority business enterprise in the performance of the contract; or

(4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

B-2. Certification Regarding Veteran-Owned Small Business Enterprises. The undersigned bidder hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, §14-605, Annotated Code of Maryland, which provides that a person may not:

(1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;

(2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a bid preference or a procurement contract;

(3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;

(4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;

(5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.12; or

(6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of §B-2(1)—(5) of this regulation.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate

the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

(1) Been convicted under state or federal statute of:

(a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or

(b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;

(2) Been convicted of any criminal violation of a state or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract;

(9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:

(a) §7201, Attempt to Evade or Defeat Tax;

(b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,

(c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information,

(d) §7206, Fraud and False Statements, or

(e) §7207 Fraudulent Returns, Statements, or Other Documents;

(10) Been convicted of a violation of 18 U.S.C. §286 Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;

(11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;

(12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review;

(13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review;

(14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review; or

(15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(14) of this regulation, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

_____.

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

_____.

G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. CERTIFICATION OF TAX PAYMENT

I FURTHER AFFIRM THAT: Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

J. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

K. CERTIFICATION REGARDING INVESTMENTS IN IRAN

(1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:

(a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and

(b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.

2. The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities: _____.

L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)

I FURTHER AFFIRM THAT:

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

M. I FURTHER AFFIRM THAT:

Any claims of environmental attributes made relating to a product or service included in the bid or proposal are consistent with the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims as provided in 16 CFR §260, that apply to claims about the environmental

attributes of a product, package, or service in connection with the marketing, offering for sale, or sale of such item or service.

N. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____
(print name of Authorized Representative and Affiant)

(signature of Authorized Representative and Affiant)

APPENDIX C
CONTRACT AFFIDAVIT
(To be submitted with awarded Contract)

A. AUTHORITY

I HEREBY AFFIRM THAT:

I, (print name) _____ possess the legal authority to make this Affidavit.

B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

I FURTHER AFFIRM THAT:

The business named above is a (check applicable items):

- (1) Corporation — domestic or foreign;
- (2) Limited Liability Company — domestic or foreign;
- (3) Partnership — domestic or foreign;
- (4) Statutory Trust — domestic or foreign;
- (5) Sole Proprietorship

and is registered or qualified as required under Maryland Law.

I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID : _____, Number: _____

Address: _____

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: _____

Address: _____

C. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a procurement contract with the State, a county, a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31.

E. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the

business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

(i) The dangers of drug and alcohol abuse in the workplace;

(ii) The business's policy of maintaining a drug and alcohol free workplace;

(iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), of this regulation;

(h) Notify its employees in the statement required by §E(2)(b), of this regulation, that as a condition of continued employment on the contract, the employee shall:

(i) Abide by the terms of the statement; and

(ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), of this regulation, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), of this regulation, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

(i) Take appropriate personnel action against an employee, up to and including termination; or

(ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), of this regulation.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), of this regulation, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated _____, 2017, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____
(print name of Authorized Representative and Affiant)

(signature of Authorized Representative and Affiant)

APPENDIX D

FORM OF

CONTRACT FOR

**INSURANCE BROKER SERVICES FOR
AUTO COVERAGES**

BETWEEN

MARYLAND STATE TREASURER'S OFFICE

AND

[FIRM NAME]

CONTRACT

THIS CONTRACT (the "Contract") is made as of the ___ day of _____, 2017, by and between [Firm Name and Address] (the "Contractor"), and the **MARYLAND STATE TREASURER'S OFFICE**, 80 Calvert Street, Annapolis, Maryland 21401 (the "Office"), an office of the **STATE OF MARYLAND** (the "State").

IN CONSIDERATION OF the premises and the covenants herein contained, the parties agree as follows:

ARTICLE I - SCOPE OF SERVICES

The Office hereby engages the Contractor to perform the services set forth below:

- 1.1. General Services. The Contractor shall provide insurance broker services (the "Broker Services") for auto coverages as described in this Contract, which includes the following exhibits:

Exhibit : The Office Request for Proposals ("RFP") for Insurance Broker Services for Auto Coverages, RFP #Auto-09202017;
Exhibit : Questions and Answers in reference to the RFP dated ____;
Exhibit : Contractor's Proposal for _____ coverage dated ____;
Exhibit : Contractor's Price Proposal for _____ coverage dated ____;
Exhibit : Contractor's Oral Presentation dated ____;
Exhibit : Bid/Proposal Affidavit and Contract Affidavit; and
Exhibit : Approved Billing Subcontractors/Intermediaries as completed and signed.

- 1.2. If there are any inconsistencies between this Contract and the Exhibits, the terms of this Contract, shall control. If there is any conflict among the Exhibits, Exhibit A, [if amended, also use "as amended by Exhibit _"], shall control.

- 1.3 The Procurement Officer unilaterally may, at any time, make changes in the work within the general scope of the Contract by written order designated or indicated to be a change order. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract.

Failure to agree to an adjustment under this section shall be a dispute under Section 4.5., Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

ARTICLE II - TERM

- 2.1. The initial term of this Contract shall be for a period beginning November 1, 2017 and ending October 31, 2020. Insurance Broker services shall continue for any policy placed within the term of the Contract until the expiration of that policy.
- 2.2 In addition there shall be two subsequent one-year renewal options, which may be exercised at the sole discretion of the Treasurer or the Treasurer's Designee.
- 2.3 Insurance Broker Services shall continue for any Coverages placed within the term of the Contract until the expiration of those Coverages and all of the provisions of this Contract shall continue to apply with respect to the Broker Services relating to such coverages.
- 2.4 The provisions of Sections 4.1 (Liability), 4.5 (Disputes), 4.6 (Maryland Law Prevails), 4.21 (Retention of Records/Audit), 4.25 (Ownership of Documents and Materials), and 4.26 (Patents, Copyrights and Trade Secrets) of this Contract shall survive termination of this Contract for any reason.
- 2.5 After the end of the Contract term, the Contractor shall continue to perform any Contract services that were in process on the expiration date of the Contract and shall receive the payment specified in the Contract for such services. Contractor shall cooperate and assist the Office during any transition period to a new contractor and provide all necessary information and data to any subsequent contractor.

ARTICLE III - CONSIDERATION, PAYMENT AND PERFORMANCE

- 3.1.1 The Office shall be responsible for paying the fees set forth in the attached Contractor's Price Proposal [Best and Final] in Exhibit __, which shall not be adjusted during the term of the Contract including any renewal option periods. Further, the Office shall be responsible for paying the premiums relating to any coverage placed under the Contract.
- 3.1.2 Notwithstanding anything to the contrary contained in the RFP or Contractor's Price Proposal [Best and Final], in the event that payment of a premium is required to be made directly to a Billing Subcontractor (as defined below) instead of the Contractor in order ensure compliance with regulatory requirements, the Contractor shall not be obligated to return to the State any commission that is paid to Billing Subcontractor.

- 3.2.1 Except as provided in Section 3.3. below, payments to the Contractor pursuant to this Contract will be made no later than 30 days after receipt by the Office's Accounts Payable Division of a properly payable invoice, as described below. The Office may be required to pay policy premiums in less than 30 days from the receipt of an invoice in order to comply with coverage dates.
- 3.2.2. Generally, the Contractor will submit invoices for payment of broker services fees and premiums to the Office for payment to the Contractor; however, where applicable regulatory requirements necessitate direct payment of premiums to any Subcontractor(s) identified on Exhibit G (each, a "Billing Subcontractor"), Billing Subcontractor will submit an invoice to the Office for payment to Billing Subcontractor. Contractor agrees that payment by the Office of any invoice for premiums submitted to the Office by a Billing Subcontractor shall relieve Office from any obligation or liability to the Contractor for premiums referenced on such invoice. Further, Contractor agrees to release, indemnify, defend and hold harmless the State against any claims, expenses or losses arising out of the Office's payment of such invoice to Billing Subcontractor.
- 3.2.3. All invoices submitted for payment must clearly indicate the specific type of service provided and reflect the federal tax identification number of the party submitting the invoice for payment. The Contractor's federal tax identification number is _____. The federal tax identification numbers of each of the Billing Subcontractors, if any, are listed on Exhibit G.
- 3.2.4 All invoices for goods and services shall be submitted to:
- Maryland State Treasurer's Office
Accounts Payable
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401
- 3.2.5. Invoices must be submitted either:
- (a) For ongoing services, on a monthly basis for goods or services rendered in the preceding month; or
 - (b) For one-time or periodic services, with 30 days of delivery or completion of the goods or services.
- 3.3. Payments to the Contractor may be withheld, without interest or penalty, when in the sole discretion of the Office, the Contractor's performance of any of the services under this Contract is unsatisfactory, or does not meet generally accepted industry standards. Notice of such withholding of payment and the reasons therefor shall be promptly provided to the Contractor, who shall be afforded an opportunity to cure any performance deficiencies. Charges for late payment of invoices, other than as

prescribed by Title 15, Subtitle 1 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited.

ARTICLE IV – GENERAL CONDITIONS

4.1. Liability

The Contractor agrees to assume full responsibility for any and all damage to the property of the Office, both real and personal, which results from or arises in connection with, the performance of this Contract.

The Contractor hereby agrees to indemnify and save harmless the Office against all claims, damages, costs, losses and liabilities whatsoever, for any and all injury to persons and property that may arise out of the performance of this Contract.

The Contractor agrees to maintain adequate insurance coverage in order to fulfill responsibility under this section.

4.2. Tax Exemption

The Office is generally exempt from Federal Excise Taxes, Maryland Sales and Use Taxes, District of Columbia Sales Tax and Transportation Taxes. Exemption certificates shall be completed upon request.

4.3. Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the State, nor may the Contractor sell, transfer, or otherwise assign its obligations under this Contract, or any portion thereof, or any of its rights or obligations hereunder, without the prior written approval of the State; provided, however, that the Contractor may subcontract services under or make an assignment of this Contract to an affiliate of the Contractor that is fully capable of performing such services if the Contractor retains full responsibility for the Contract. Any such subcontract or assignment shall be subject to any terms and conditions that the Office deems necessary to protect the interest of the State. The Office shall not be responsible for the fulfillment of the Contractor's obligations to subcontractors.

4.4. Non-Hiring of Officials and Employees

No official or employee of the State of Maryland, as defined under State Government Article, Section 15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall during the pendency and term of this Contract and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

4.5. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2 of the State Finance and Procurement Article of the Annotated Code of Maryland (Dispute Resolution), and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision.

4.6. Maryland Law Prevails

The provisions of this Contract shall be governed by the Laws of Maryland.

4.7. Amendments

This Contract, including the Exhibits hereto, constitutes the entire agreement between the parties and all other communications prior to its execution, whether written or oral, with reference to the subject matter of this Contract are superseded by this Contract. Any amendment to this Contract must first be approved in writing by the Procurement Officer, subject to any additional approvals required by State law. No amendment to this Contract shall be binding unless so approved and unless it is in writing and signed by the party to be charged.

4.8. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, sexual orientation, gender identification, marital status, national origin, ancestry or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

4.9. Commercial Nondiscrimination Clause

4.9.1. As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting

and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

- 4.9.2. As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that is requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions.

4.10. Contingent Fee Prohibition

The Contractor, architect, or engineer (as applicable) warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Contractor, architect, or engineer, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on the making of this Contract.

4.11. Multi-Year Contracts Contingent Upon Appropriations

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Contract. The State shall

notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

4.12. Termination for Default

If the Contractor fails to fulfill its obligation under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

4.13. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A(2).

4.14. Delays and Extensions of Time

The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

4.15. Variations in Estimated Quantities

No equitable adjustment shall be permitted in favor of either the State or the Contractor in the event that the quantity of any pay item in this Contract is an estimated quantity and the actual quantity of such pay item varies from the estimated quantity stated in the Contract.

4.16. Suspension of Work

The Procurement Officer unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

4.17. Pre-Existing Regulations

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR Title 21) in effect on the date of execution of this Contract are applicable to this Contract.

4.18. Financial Disclosure

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

4.19. Political Contribution Disclosure

The Contractor shall comply with Election Law Article, Sections 14-101—14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State, a county, or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$100,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

4.20. Retention of Records/Audit

The Contractor shall retain and maintain all records and documents relating to this Contract for three years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or designee, at all reasonable times.

4.21. Compliance With Laws

The Contractor hereby represents and warrants that:

4.21.1. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;

4.21.2. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;

4.21.3. It shall comply with all federal, State and local laws, regulations and ordinances applicable to its activities and obligations under this Contract; and

4.21.4. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

4.22. Liability for Loss of Data

In the event of loss of any data or records necessary for the performance of this Contract where such loss is due to the error or negligence of the Contractor, the Contractor shall be responsible, irrespective of cost to the Contractor, for recreating such lost data or records.

4.23. Cost and Price Certification

4.23.1. The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:

- (a) A negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the Procurement Officer; or
- (b) A change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the procurement officer.

4.23.2. The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

4.24. Ownership of Documents and Materials

The Contractor agrees that all documents and materials including, but not limited to, reports, drawings, studies, specifications, estimates, maps, photographs, designs, graphics, mechanical, artwork, and computations prepared by or for it under the terms of this Contract shall at anytime during the performance of the services be made available to the State upon request by the State and shall become and remain the exclusive property of the State upon termination or completion of the services. The State shall have the right to use same without restriction or limitation and without compensation to the Contractor other than that provided by this Contract. The State shall be the owner for purposes or copyright, patent or trademark registration.

4.25. Patents, Copyrights and Trade Secrets

4.25.1. If the Contractor furnishes any design, device, material, process or other item, which is covered by a patent, or copyright or which is proprietary to or a trade secret of another, Contractor shall obtain the necessary permission or license to use such item.

4.25.2. Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by Contractor infringes any patent, trademark, copyright, or trade secret. Contractor also will pay all damages and costs that by final judgment may be assessed against the State due to such infringement and all attorney fees and litigation expenses reasonably incurred by the State to defend against such a claim or suit. The obligations of this paragraph are in addition to those stated in paragraph 4.25.3 below.

4.25.3. If any product(s) furnished by Contractor become, or in Contractor's opinion are likely to become, the subject of a claim of infringement, Contractor will, at its option: (1) procure for the State the right to continue using the applicable item; (2) replace the product with a non-infringing product substantially complying with the item's specifications; or (3) modify the item so it becomes non-infringing and performs in a substantially similar manner to the original item.

4.26. Confidentiality

To the extent permitted by Maryland Law, including the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence

by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law and the confidentiality provisions of the RFP. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

ARTICLE V - NOTICES

5.1. Except as provided in Section 5.2 below, all notices required to be given by one party to the other hereunder shall be in writing and shall be addressed as follows:

If to the Office:

Procurement Officer
State Treasurer's Office
Louis L. Goldstein Treasury Building
80 Calvert Street
Annapolis, Maryland 21401

If to the Contractor:
[Name and Address]

5.2 All invoices and all correspondence and inquiries relating to invoices or payments shall be addressed to:

Maryland State Treasurer's Office
Attn: Accounts Payable
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

ARTICLE VI - ADMINISTRATION

6.1. The work to be accomplished under this Contract shall be performed under the direction of the Contract Officer, Director of Insurance. All matters relating to the administration of this Contract shall be referred to the Procurement Officer for determination.

ARTICLE VII - REPRESENTATIONS

7.1 Each party to this Contract represents and warrants to the other that it has full right, power, and authority to execute this Contract.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date hereinabove set forth.

ATTEST:

[Contractor's Legal Name]

By: _____

[Signatory]

[Title]

WITNESS:

**MARYLAND STATE TREASURER'S
OFFICE**

By: _____

Bernadette T. Benik

Chief Deputy Treasurer

Approved for form and legal sufficiency
for the Maryland State Treasurer's Office:

David P. Chaisson
Assistant Attorney General

APPENDIX E
(to the RFP)

**Exhibit ___ to Contract for Insurance Broker Services for
Auto Coverage, RFP #AUTO-09202017**

Billing Subcontractors

Contractor has requested and the Office has approved the following subcontractors to be used in providing services under the Contract that are Billing Subcontractors under Article III, Section 3.2.2 of the Contract.

Legal Name of Billing Subcontractor(s)	Federal Tax Identification Number

4.3.3. With respect to each of the Billing Subcontractors, Contractor makes the following representations:

- (a) The Billing Subcontractor is designated as such solely as a result of regulatory requirements that prohibit Contractor from receiving payment of premiums for coverages placed under the Contract. To the extent that premiums earned as a result of Billing Subcontractor's efforts may legally be paid to Contractor, Billing Subcontractor will not submit invoices to the Office for payment. In no event will Billing Subcontractor submit invoices to the Office for broker services fees.

- (b) The Billing Subcontractor shall accept any payments from the State by electronic funds transfer unless the State Comptroller's Office grants an exemption, and the Billing Subcontractor has registered or requested and received an exemption using form COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form.

Signatures on following page

Exhibit ___ to Contract for Insurance Broker Services for
Auto Coverages, RFP #AUTO-09202017
Billing Subcontractors (continued)

ATTEST:

[Contractor's Legal Name]

By: _____

[Signatory]

[Title]

WITNESS:

**MARYLAND STATE TREASURER'S
OFFICE**

By: _____

Bernadette T. Benik

Chief Deputy Treasurer

Approved for form and legal sufficiency
for the Maryland State Treasurer's Office:

Assistant Attorney General

Date: _____