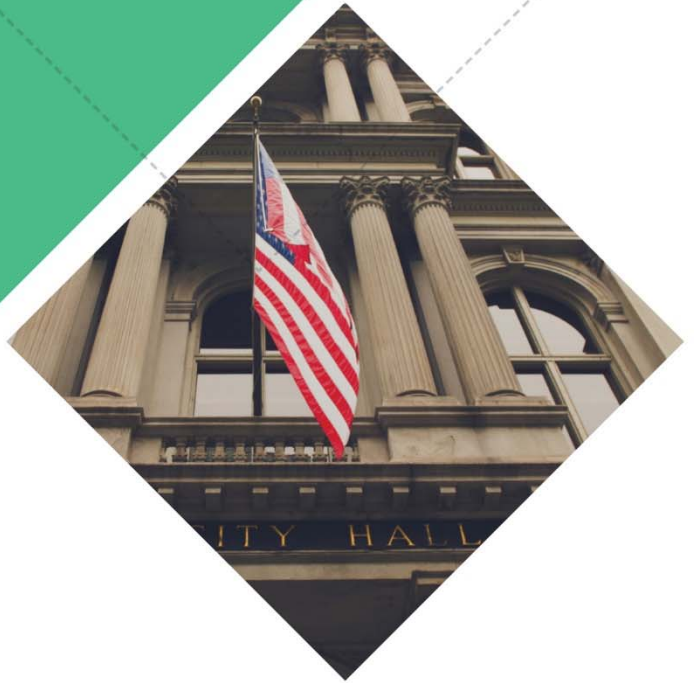




Public Entity



## City of Ann Arbor

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RFP No.993 – Insurance Brokerage Services and Risk Management Consulting

Hylant – Ann Arbor Office  
24 Frank Lloyd Wright Dr.  
Suite J4100  
Ann Arbor, MI 48105

[hylant.com](http://hylant.com)

Wednesday, January 18, 2017



City of Ann Arbor  
RFP No.993 – Insurance  
Brokerage Services and Risk  
Management Consulting

**PRESENTED BY:**

Hylant – Ann Arbor Office  
24 Frank Lloyd Wright Dr.  
Suite J4100  
Ann Arbor, MI 48105

January 18, 2017

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**Appendix Items**

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## EXECUTIVE SUMMARY

We appreciate the opportunity to respond to the request for proposal for the City of Ann Arbor. Our hope is that after review of this document you will conclude that Hylant remains uniquely qualified and well positioned to continue to provide the City of Ann Arbor the best insurance and risk management counsel available. We are proud of our affiliation and partnership over the past five years and pledge to continue to deliver exception results, a high level of service and make a concerted effort to exceed expectations.

Hylant's principal mission in serving the City is to achieve three key objectives. They are as follows:

1. Reduce costs
2. Reduce City staff time spent on the administration of insurance and risk management
3. Protect the assets of the City and the personal assets of City staff

To accomplish these objectives, Hylant will leverage our proprietary and proactive client service platform called the Client Engagement Strategy, our Public Entity specialty practice group, our specialty risk practice groups, the Hylant service team and Hylant's extensive experience administering the insurance and risk management strategy for the public sector.

Hylant provides insurance brokerage and risk management services to over 1,100 public sector clients totaling over \$47 million in program premiums. Within Hylant's Public Sector practice is Hylant Administrative Services, the leading public entity program manager in the Midwest and the current third party administrator for the City of Ann Arbor. Key to the City of Ann Arbor is also Hylant's position as the insurance and risk advisor to the University of Michigan. A city on to itself, the University encounters many of the same risks as the City of Ann Arbor. Introducing opportunities to share risk knowledge and experience between these entities should prove to be of mutual benefit.

The Hylant history in Ann Arbor reaches back over 100 years. Hylant and the individuals that are part of our Ann Arbor team are an active part of the community. Our team members are trustees on local business association boards, non-profit community organization boards and leaders in area economic business accelerator organizations. Hylant employees are residents in the City and interact on a daily basis with the multitude of city services. The team's engagement locally and understanding of the exceptional and dynamic environment in and around the City of Ann Arbor positions Hylant to more proactively address the City's insurance and risk needs.

Thank you for your business. We hope to have the opportunity to continue to work with the City of Ann Arbor. Your time and consideration of this document and our partnership is appreciated.

JPaul Dixon  
Senior Vice President, Client Executive

Christine Rue  
Client Service Executive

## SCOPE OF SERVICES

### Risk Management Duties and Responsibilities

#### A. Administration

1. **Review and analyze operational activities and make recommendations to accomplish desired Risk Management goals.**

Hylant’s approach to risk does not end with an insurance placement. Hylant views risk as an enterprise-wide process using a team approach involving the client and Hylant service team members as well as selected members of our industry and risk specialty practices. Hylant has a formal process for addressing the risk management needs of the City. A summary of that process is shown below:



#### **Risk Identification and Analysis**

There are many actionable items that go into risk management, but it all starts with a comprehensive understanding of the City’s risks. It is critical to work within the scope of available resources and present solutions that are actually viable for the City. Before doing so, key risks need to be understood. Over the last five years, Hylant has worked with the City to implement an ongoing process to identify and prioritize risk. Risks are identified through checklists, physical inspection, contract review, claim and litigation review, regular dialogue with City staff, emerging risk review and leveraging the expertise of Hylant’s Public Entity practice. For the City, many risks have been addressed with insurance and others have been captured in meeting documents for review and discussion. The proposed plan would be to expand on our current knowledge of the City’s risk by providing continued analysis of those risks with benchmarking and risk prioritization analysis. The Hylant team will also leverage its local knowledge and presence in Ann Arbor to continue to have dialogue regarding new and emerging issues unique to the area.



### **Risk Control**

Over the past five years, as the broker for the City, Hylant helped to formalize organizational Health and Safety strategy. Some examples are:

- Safety management system assessment
- Needs assessment for the safety management role
- Consultation on OSHA matters

Going forward, Hylant’s Risk Control Practice will provide a supplementary resource to Steven Schantz and his team. Hylant’s subject matter experts led by Travis Thompson, Director of Risk Management – Municipal Programs, have past interactions with Human Resources, and the Environmental, Health, and Safety department. Steve and his team will be available to provide items such as on-site safety inspections, certifications, fire system testing and maintenance, OSHA compliance, ADA compliance, safety equipment recommendations, development of standard operating procedures, active shooter program, hot work program, and hazardous waste disposal, among others.

### **Risk Finance**

It is Hylant’s mission to design the optimal program structure, researching viable risk financing alternatives, and presenting those that are sustainable and cost-effective without sacrificing coverage terms and conditions. During the renewal process, Hylant will audit the program through peer reviews, analytics, and benchmarking against similar risk profiles to determine appropriate levels of insurance. Hylant involves subject matter experts, Risk Practices and the City during this process. Hylant has actuarial expertise in completing these studies.

### **Risk Administration**

Hylant will leverage its standard protocol for client service as the backbone of the administration of both the insurance and risk management program. The client engagement strategy allows Hylant to implement and monitor the entire risk management program for the City. The Client Engagement Strategy provides a defined process by which Hylant will schedule periodic meetings throughout the year to prepare for renewals and collectively establish goals and objectives. Below is a graphic illustration of this process.



Established goals and objectives are incorporated into a Written Service Timeline (WSTL) which defines what will be accomplished and the target dates for completion. The WSTL keeps all parties on track and ensures that deadlines are met. An example is in Appendix A.

**2. Participate in long-term planning with City staff, on request.**

Hylant anticipates continued regular meetings with the City of Ann Arbor as outlined above. As we potentially enter into a new professional services agreement together, Hylant would like to propose the addition of an annual stewardship meeting to take place prior to the end of the second quarter. The purpose of the meeting would be to review Hylant performance relative to the professional services agreement and the written service timeline. The meeting will include key members of the Hylant service team and Linda Koos, President, Hylant Ann Arbor. Any modifications in scope of work, performance and team composition can be addressed. This potentially serves as an opportunity to establish any long term planning projects. These projects can also be addressed at any time upon the City's request.

**3. Provide review, research and analysis on special projects and initiatives.**

Following are some examples of recent special projects that Hylant has performed for the City:

- Assisted in developing a loss control and safety strategy (2012 and 2013)
- Assisted the City with an incident/claim summary dashboard solution (2016)
- Assisted City in developing protocol for insurance specifications for City contracts (2014)
- Addressed dioxane plume risk issues (2016)
- Assisted city with property appraisal services project for which we identified potential appraisal companies, analyzed their qualifications and provided commentary on potential solutions (2016)

Hylant will leverage both risk and industry specialty practice resources to effectively manage special projects like those listed above. For example, Don Bryant, Hylant Environmental Risk Practice Leader, was engaged to review the current dioxane plume facts, historic details and read through the current pollution liability insurance policies. Don was included in a call to discuss insurer notification of an incident. This story highlights the importance of both a local service team that is aware of current matters impacting the City and a risk issue expert able to help provide insight and direction.

**4. Produce certificates of insurance for the City of Ann Arbor upon demand.**

The Hylant internal standard for responding to routine service requests such as certificates of insurance is within the same business day. Over the term of the five year professional services agreement between Hylant and the City, Hylant has consistently exceeded this standard.

**5. Advise the City Attorney and other City staff on levels of insurance that are or may be required of contractors and service providers to the City.**

In 2014, Hylant created a matrix for Abigail Elias, Chief Assistant City Attorney, which provides the recommended insurance requirements for various contracted vendor services. Hylant is currently working with Abby to provide an update to this document and potentially find a solution to make the reference tool electronic. Upon request, the Hylant service team is available to address contract requirements of the City as well as guide the City in insurance and indemnification provisions that should be requested from those parties providing contract services. Hylant has established a deep bench of qualified individuals on the service teams so someone is always available to help review and consult on contract issues and proofs of insurance for the City.

**6. Attend all Board of Insurance Administration Meetings, and selected City Council Meetings, as required.**

JPaul Dixon, the Hylant Client Executive and Christine Rue, the Hylant Client Service Executive are committed to attending all meetings, including all Board of Insurance Administration meetings and City Council meetings. Hylant service team members and practice leaders will also be available to attend these meetings as needed. In preparation for past insurance board meetings JPPaul and Christine have reviewed the agendas provided by Sarah Singleton in advance to be fully prepared for appeals and related discussions. Since many of the matters that are brought before the insurance board are related to personal insurance coverage, JPPaul and Christine will review the matters with Hylant Private Client practice members (when necessary) prior to the meetings. Hylant Private Client practice, based in the Ann Arbor office, is one of the largest independent home and auto insurance agencies in the State of Michigan.

**7. Establish and maintain contact network for City staff.**

JPPaul Dixon and Christine Rue will be the point people for the City to access all of Hylant's applicable corporate resources. Please see Appendix B for the Hylant Service Team Chart.

- **Designate and staff a “first call” contact number and email address to respond to questions and provide advice to Contract Administrator, Service Area Administrators, Unit Managers, and other staff. Inquiries should be responded to within 24 hours of City contact.**

Your day-to-day contact number will be the main phone number to the Ann Arbor office: (734) 741-0044. Please ask for JPPaul Dixon. If he is unavailable, the call can be directed to the appropriate party. We are committed to respond within 24 hours to any calls.

**Your day-to-day “first call” Hylant Service Team contacts will be:**

**JPaul Dixon, SVP Client Executive**  
(734) 662-1368 (direct)  
(734) 330-9311 (cell)  
[JPaul.Dixon@hylant.com](mailto:JPaul.Dixon@hylant.com)

**Christine Rue, Client Executive**  
(248) 822-2241 (direct)  
(248) 605-5519 (cell)  
[Christine.Rue@hylant.com](mailto:Christine.Rue@hylant.com)

- **Provide a 24/7 emergency contact number and email address, and assign an employee who shall be responsible for coordinating insurance information in the case of a local emergency or disaster with the City Emergency Management Director and the City Administrator.**

**Emergency contact person:**

**Robyn Campbell, SEMI Claim Manager**  
248-822-2242 (direct)  
586-942-3650 (cell)  
[Robyn.Campbell@hylant.com](mailto:Robyn.Campbell@hylant.com)

In addition to your assigned team member, Hylant has a 24/7 claim service number supported by local Hylant team members that may be reached after business hours: (734) 645-4880.

During regular business hours, any member of our claim team may be reached at:  
(248) 643-8750.

- **Be available to meet with City staff upon request.**

Your account team is based in our Ann Arbor office and will have the ability to meet personally and quickly when you need us. Although electronic communication may be handled quickly and promptly by any broker, many situations are best handled with face-to-face discussions. See Appendix B, Service Team Chart.

- 8. Report to Board of Insurance Administration on a periodic basis any trends, relevant data from City service areas, changes in the legal environment and/or insurance industry that relates to current or potential risk assumptions by the City.**

Hylant is experienced in working with large, complex organizations and municipalities as well as staffed with resources to serve the home and auto insurance needs of individuals in and around Ann Arbor (Hylant Private Client practice). Hylant is equipped to bring data to the insurance board meeting related to both the risks of the City and those associated with the general insurance consumer in Ann Arbor (Ann Arbor residents home and auto insurance matters). Should the City need benchmark data, emerging risk trends or other related data for the City itself or its customers, Hylant has that resource available upon request.

- 9. Prepare an annual report for the City including a complete accounting of commissions and/or fees earned and a three-year premium and loss record.**

Hylant is experienced in preparing an annual stewardship report. This report would include a complete accounting/disclosure of commissions and/or fees earned, as well as a three-year premium and loss record. Stewardship is a key component of our Client Engagement Strategy process (referenced in item 1 above). It is typically an annual meeting, mid-year (often at the time to renew the broker services agreement), but can be performed as frequently as the City requests. Hylant is proposing adopting a formal stewardship meeting with the City to occur annually in the second quarter of the year. Premium analysis and claims are also reviewed as part of the regular cadence of the Client Engagement Strategy. Those items are addressed in two meetings in the course of the year (the Renewal Strategy Meeting and the Renewal Meeting).

## **B. Claims**

- 1. Monitor current Third Party Administrator (TPA) and conduct quarterly claims review with TPA.**

As the current broker for the City of Ann Arbor, Hylant works extensively with your current third party administrators (Hylant Administrative Services & Comp One). Hylant has established a formal procedure for monitoring claim activity through quarterly claim reviews that our team organizes and attends and provides proactive feedback for claim resolution. Hylant can also assist the City with selecting other TPA providers if the City feels it is necessary to review options.

- 2. Review and analyze claims and losses for trends and frequencies and make recommendations for improvements.**

Hylant currently works in conjunction with the City of Ann Arbor and the TPA providers to review and analyze claim activity/losses to identify trends and frequencies. Members of Hylant's Claim Practice meet quarterly with City staff (Human Resources, Safety) to review open claims, claim reserves and advocate on behalf of the City in working with both TPAs and related insurers. Hylant also provides detailed claim summaries on a monthly basis allowing for specific analysis and the development of risk control strategy.

Hylant recently worked with Steve Schantz, Safety Manager and Kyle Spade, Senior Application Specialist to attempt to offer a Hylant solution for a real-time claim and incident data dashboard. In the end, a solution from an outside contractor (Aclaimant) was most effective and cost efficient. Hylant proposes to support Steve Schantz on an as-needed basis to implement the new system and provide risk control resources as a result of analysis of the new data. Hylant will leverage Travis Thompson, Director of Risk Management – Municipal Programs and his team to support the City. Any additional claim data analytics can be arranged when needed by Cynthia Pulford of the Hylant Claim practice.

**3. Assist in the reporting of all claims and work with TPA or insurance carrier to assure timely filing and resolution of claims.**

Hylant currently works with the City of Ann Arbor's TPA providers. Hylant reviews the current reporting procedures annually and will make any necessary recommendations to assure timely filing and resolution of the claims. Robyn Campbell, our Southeast Michigan Claim Manager and your dedicated claim team member, has worked in the past to provide the quarterly claim review meetings with the City of Ann Arbor's Human Resources and Safety teams, the TPA and Hylant. Updated Claim Kits are provided annually with relevant instruction on reporting claims. Hylant participates as part of the Insurance Board during its monthly meetings to discuss new, open and complex litigated matters as well. Hylant's presence, as part of the Ann Arbor community for over 100 years, affords Hylant the opportunity to proactively recognize and address the risk issues that could impact the City and might give rise to a claim.

**4. Monitor and investigate all claims and work with the City Attorney to ensure proper claims handling and defense strategies are in place.**

Hylant proposes to continue to work with the City Attorney, TPA providers and insurance carriers to monitor and investigate all claims handling and defense strategies and support the City attorneys in management of claims. Quarterly claim review meetings and monthly Insurance Board meetings have been the venue to address claim matters. Below are Hylant's key contributions to claim management for the City.

- Help the City establish claim reporting protocols.
- Receive and notify appropriate carrier of all claims.
- Review insurance policy claim reporting requirements.
- Follow up to make sure a claim has been received and accepted.
- Add claim expertise and support where necessary.
- Continuously advocate for the City on all claims until settlement.
- Present analysis reports as requested.
- Coordinate communication between client and insurance company.
- Interface with the City and interested parties to monitor/coordinate adjustments and legal defense.
- Assist in settlement negotiations and attend meetings with carriers and loss adjusters as necessary.
- Help secure partial loss payments as appropriate.
- Monitor the claim process for continuous improvement and cost containment.
- Respond to claim-related questions from the City and its legal department; perform research, as necessary, to provide solutions.
- Perform claim review discussions as a part of our pre-renewal strategy meeting.
- Follow up on subrogation opportunities throughout recovery.



5. **Review loss statements for the City’s Workers’ Compensation, General Liability, Property and Auto losses. Make recommendations for improvements in processes and procedures.**

Your Hylant Service Team, in conjunction with the Hylant Claim practice, will review loss statements for all lines of coverage and make recommendations based on frequency and severity. Hylant will also plan to suggest appropriate risk financing adjustments and additional risk control practices as a result of the analysis of losses. As addressed previously, the City plans to revise the claim summary and incident reporting procedure. Hylant proposes to support the City in its efforts to implement a third party system and provide supporting services as requested.

### C. Loss Prevention

1. **Coordinate loss prevention program working with City Safety Manager and other loss control personnel.**

Hylant’s Risk Control Practice will provide a supplementary resource to Steven Schantz and his team. Hylant’s subject matter experts led by Travis Thompson, Director of Risk Management – Municipal Programs, will support Human Resources and Safety as needed. Services to the City can include on-site safety inspections, certifications, fire system testing and maintenance, OSHA compliance, ADA compliance, safety equipment recommendations, development of standard operating procedures, hazardous waste disposal, active shooter, terrorism, hot work program, driver safety, law enforcement, emergency response, recreation, sports and event management, among others.

2. **Provide loss control resources to City staff to address specific loss control and prevention projects and activities, upon request of the Contract Administrator.**

Travis Thompson, one of the City’s service team members referenced above, is supported by a team of public entity staff consultants that Hylant has available to the City of Ann Arbor. Travis and his team are available to provide City staff safety and loss control related instruction and coaching. As Steve Schantz continues to add team members to the Safety department at the City, Travis and his team can be available to provide education, training or supplementary resources.

3. **Maintain systems and records that provide for proper evaluation, control and documentation of assigned functions in accordance with City record retention policies.**

Hylant’s Records Management Policy and its associated Records Retention Schedules demonstrate Hylant’s commitment to managing the life cycle of all company records in a way that effectively complies with our legal obligations. Your Hylant team will review both the City record retention policy and Hylant’s to ensure our policy meets the City of Ann Arbor’s requirements.

### D. Insurance Brokerage Services

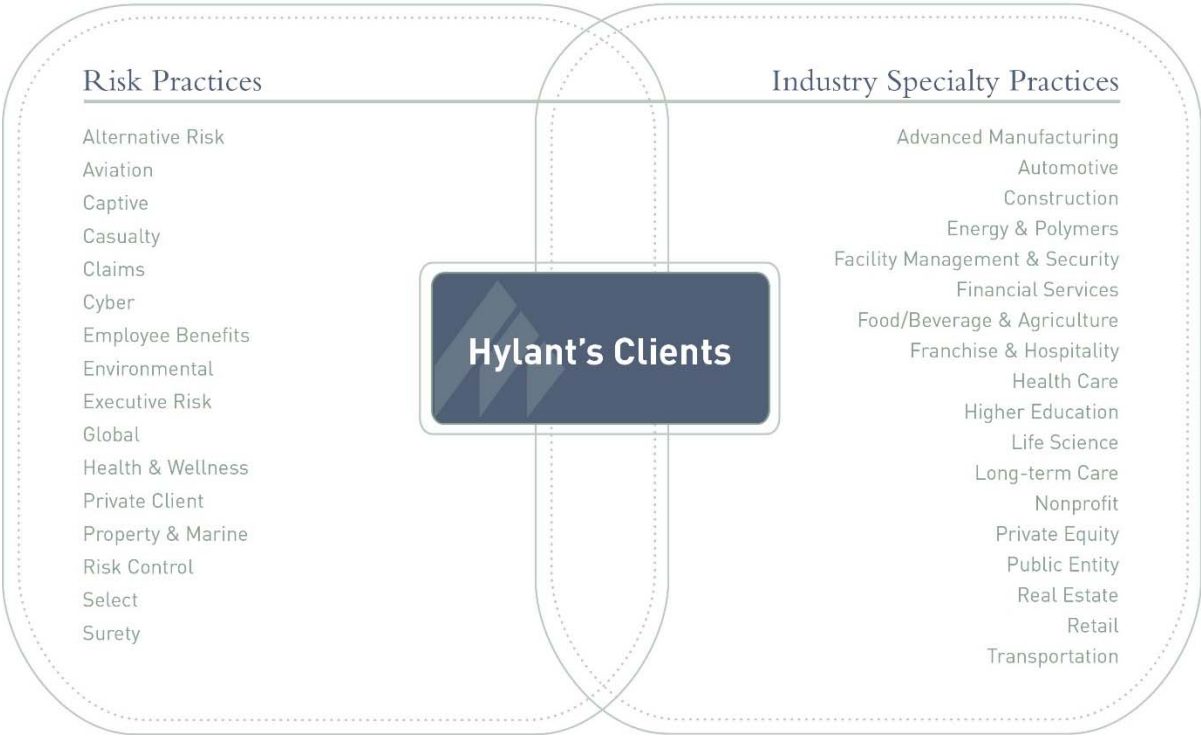
1. These services include the marketing and placement of property, liability and workers compensation coverage. This includes but is not limited to the items listed below.

<p><b>LIABILITY</b></p> <ul style="list-style-type: none"> <li>• Umbrella Liability</li> <li>• General Liability</li> <li>• Auto Liability, No-Fault Benefits</li> <li>• Pollution Legal Liability</li> <li>• Law Enforcement Liability</li> <li>• Fiduciary Liability</li> <li>• Employment Practices Liability</li> <li>• Excess Workers' Comp and Employers Liability</li> <li>• Public Officials and Employer Practice Liability</li> <li>• Faithful Performance</li> <li>• Sewer Backup Liability</li> <li>• Employee theft and crime</li> <li>• Underground Storage Tank</li> <li>• Environmental Impairment</li> <li>• Rain Insurance</li> <li>• Transacting Insurance</li> </ul>	<p><b>PROPERTY</b></p> <ul style="list-style-type: none"> <li>• Real/Personal Property <ul style="list-style-type: none"> <li>◦ Buildings</li> <li>◦ Airport</li> <li>◦ Contents</li> <li>◦ Supplies and Equipment</li> <li>◦ Mobile Equipment</li> <li>◦ Bridges</li> <li>◦ Sewer Lift Stations, Water Pump Stations</li> <li>◦ Elevated Water Storage Tanks</li> <li>◦ Radio Towers</li> <li>◦ Traffic Signal Systems</li> <li>◦ Cellular Towers</li> <li>◦ Parking Structures</li> <li>◦ Power Plant</li> <li>◦ Elevators</li> <li>◦ Valuable Papers and Records</li> <li>◦ Landlords Protective Liability</li> <li>◦ Power Interruption</li> <li>◦ Radioactive Contamination</li> <li>◦ Sprinkler Leakage</li> <li>◦ Underground Property Damage</li> </ul> </li> <li>• Builders Risk</li> <li>• Information Technology Services</li> <li>• Auto Physical Damage <ul style="list-style-type: none"> <li>◦ Actual Cash Value</li> <li>◦ Replacement Cost for Fire Engines and Fire Emergency Response Vehicles</li> </ul> </li> <li>• Boiler and Machinery</li> <li>• Crime</li> <li>• War Risk</li> <li>• Flood</li> <li>• Business Interruption</li> </ul>
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Your Hylant Service Team is staffed by a select group of highly skilled specialists from our individual risk and industry specialty practices. These professionals have established records managing risk programs for the public entity sector and complex multinational corporations. As authorities in their specialization, they have provided the knowledge and technical expertise needed to design and develop the City of Ann Arbor's current programs and will continue to work with the City to monitor and enhance as appropriate.

Please see Appendix C for individual bios on each team member including our specialty team members.

As you have come to expect, the City of Ann Arbor will continue to receive support from Hylant’s Casualty, Claim, Environmental, Executive Risk, Property & Marine, Risk Control, Surety, Hylant Administrative Services (HAS), and Public Entity Practice Groups. The diagram below depicts the breadth of our risk and industry specialty practices for your reference.



## PROPOSALS

1. **Proposals MUST address the provision of services as described in Section II, Scope of Services, and the items listed below. Responses should include supporting documentation where appropriate. Responses need not reflect an identical work plan but should identify ways in which the Consultant would meet the City's needs.**

Hylant is prepared to continue to develop, implement and administer risk management activities for the City of Ann Arbor. Hylant's responsibilities include brokerage services and claim management. Consulting services can include a supporting role in the City's loss prevention and risk control program.

Hylant acknowledges and agrees to provide the scope of services required in Section III of RFP #993. The details have been provided on the preceding pages. The scope of services requested are as follows:

- Administration
- Claims
- Loss Prevention
- Insurance Brokerage Services

Hylant's work plan is formalized and documented in a Written Service Timeline which outlines the key action items and dates associated with risk management consulting, renewal planning and placement of the City of Ann Arbor's insurance program. Our proposed Written Service Timeline is included in Appendix A.

2. **Explain how you will become familiar with the City of Ann Arbor, its risk management program, its contractual relationships, and its processes for developing contracts.**

Hylant is the current advisor for the City of Ann Arbor and has forged a solid working relationship with the City of Ann Arbor's insurance team. Hylant has helped shape the current risk management program. Hylant brings several years of experience in the insurance marketplace representing public entity clients with exposures and business risks similar to the City of Ann Arbor. The servicing office for the City is located in Ann Arbor, fostering regular engagement with staff of the City. Over the last five years we have served several departments in the City: legal, safety, human resources and finance, as well as the City Council. Many of our team members live in the City and are actively involved in local schools and volunteer their time with community non-profit organizations. As such, Hylant has a broad based understanding of the unique needs and issues of the local community. Over the course of the professional services agreement, Hylant has been exposed to a variety of City contracts, legal matters, employment issues and management changes. Upon request, the Hylant service team is available to address both contract requirements of the City as well as guide the City in insurance and indemnification provisions that should be requested from those parties providing

contract services. Hylant has established a deep bench of qualified individuals on the service team so someone is always available to help review and consult on contract issues and proofs of insurance for the City.

**3. Explain your experience in providing insurance brokerage and risk management consulting services of a similar nature to the ones outlined in this RFP to other public entities of comparable size and complexity.**

Details of Hylant’s experience providing insurance and risk management consulting to public entities are as follows:

- Hylant services more than 1,100 Public Entity clients throughout the firm.
- Hylant services municipalities, townships, counties, cities, airport authorities, public universities, libraries, turnpikes, port authorities, metro parks, zoos, etc.
- Hylant maintains over \$18,000,000 in public entity premium volume in Michigan and over \$47,000,000 throughout the organization.

**4. Describe how insurance companies providing coverage are evaluated for selection (i.e. due diligence procedures) as part of brokerage services.**

In the Renewal Strategy Meeting (part of the aforementioned Hylant Client Engagement Strategy), with the City insurance team, the insurance program marketing strategy is discussed. Hylant will come to the Renewal Strategy Meeting prepared with industry rate trends, vetted expectations for renewal rates with the current mix of underwriters, claim summaries and the history of past program marketing. A mutual decision between the City and Hylant is made regarding the evaluation of other insurance carriers. If the decision is made to evaluate other insurers, the Public Entity practice group knowledge will be leveraged to determine which insurers should be approached for renewal. Specific details of that process are included in the response below (item 5).

Hylant maintains an internal insurance Market Security Committee to monitor, evaluate, and act on issues pertaining to carrier updates, including financial security. Members from our senior management and client executives meet regularly to discuss carrier financial and service issues. Two of the members monitor insurer solvency on a daily basis and immediately report any warnings from the financial rating bureaus (A.M. Best, Moody’s and S&P) to the Market Security Committee. The information is then immediately dispersed via email throughout our organization, outlining an appropriate course of action that can range from client advisories to recommendations to change insurers. The Hylant standard is to place insurance coverage with insurers who maintain an A.M. Best A- VII rating or better unless we are directed otherwise by the client. If an insurer is downgraded below A- VII during the policy term, we communicate directly with our client on possible courses of action. In addition to immediate updates on changes to incumbent carriers, as a

part of our Client Engagement Strategy, Hylant incorporates carrier updates and solvency discussions into our annual pre-renewal strategy planning meeting.

- 5. Explain your experience working with insurance carrier(s) to design coverage that meet the needs of public entities similar to the City of Ann Arbor. Your response should include specifics as to resources, models or other design services, market targets, and any other information reflective of your ability to be responsive to insurance coverage objectives unique to municipalities.**

The Hylant team members for the City have several years of experience in working with insurance carriers to design coverage for entities such as the City of Ann Arbor. Resources leveraged to do so are Hylant Administrative Services, Hylant Public Entity practice, comprehensive public entity insurer representation and the Public Entity Risk Managers Association. The details are described below:

- Hylant Administrative Services (HAS) - a unit solely focused on providing insurance program administration to the public entity sector. HAS provides public entity clients with a complete array of insurance services including marketing, underwriting, policy issuance, claim administration, risk management consulting, risk control, accounting, reinsurance placement and administration services. HAS is the current third party administrator for the City of Ann Arbor.
- Hylant Public Entity Practice - a specialty practice group concentrating technical knowledge in municipal risk issues and coverage lines. The members of the practice have specific experience, knowledge and training to serve the insurance and risk management needs of public entities. The practice has regular calls and meetings to stay updated and informed on emerging issues and opportunities.
- Comprehensive Public Entity Insurer Representation - Hylant represents over 200 insurance carriers and has direct access to all viable specialty carriers common to municipality insurance programs. This allows Hylant access to those insurers best suited to public entity risks and leverage them to obtain the best available terms and conditions.
- Public Risk Managers Association – two members of the Hylant City of Ann Arbor service team are members involved in the Public Risk Managers Association: Kim Cassey and Christine Rue. Involvement in the organization provides a resource for continuing education, updates on recent trends/issues and increased knowledge to better serve municipalities.



The information below describes the specifics of Hylant’s renewal process for working with the City to evaluate potential insurance carriers.

### 1. Pre-Renewal Account Review

Approximately 150 days prior to program renewal, your account team will conduct an internal review of your insurance programs. The intent is to develop concepts and ideas to discuss at the City of Ann Arbor / Hylant Renewal Strategy Meeting.

This internal review may consist of a formal “peer review.” Several individuals who manage clients similar to the City, but have not been involved with the City in the past, are selected to provide a fresh perspective. Once the review is complete, a meeting is held with the current team to review the findings, discuss observations made during the review and address current marketplace conditions. The team strategizes on topics that will carry forward to the renewal strategy meeting with the City. Hylant finds this process not only keeps our teams sharp (i.e., eliminates a complacency that can develop after years of client relationship), but also drives proactive thinking, producing valuable ideas to our clients by taking advantage of the depth of expertise throughout Hylant.

Hylant believes that designing the most competitive program for our client begins with communication with our colleagues and global partners. Beyond the core account team, Hylant will solicit additional input from our risk and industry specialty practices as well as wholesale brokerage partners in the U.S., London and Bermuda. To research current market intelligence, Hylant will rely on the extended team members to share their experiences gained from renewal negotiations and access market intelligence reports in addition to available risk management publications.

These collective resources focus on the following elements:

- Review of the existing program
- Internal audit of insurance contract language (unplanned cash flow analysis)
- Changes to your risk profile
- Historical claim experience
- Benchmarking
- Analysis of current market conditions and trends
- Market forecast
- Program design options
- Development of suggested goals
- Strategy to achieve suggested goals
- Risk and loss control practices

The account team will also have preliminary discussions with the incumbent markets participating in the City’s insurance programs. From that discussion, Hylant will have a better understanding of how current market trends may affect carriers’ appetite and/or risk transfer position.

As part of the pre-renewal account review, the Hylant service team will confer with City of Ann Arbor risk management staff to determine the current state of your risk profile and organizational strategies. Elements of the discussion include critical loss control issues that could affect renewal, new concerns and trends arising in the legal and legislative environment, and action plans for future improvements.

Hylant and our brokerage partners develop meaningful benchmarking data used to measure insurance programs against market trends and your peers. To gain a wider perspective, Hylant benchmarks client exposures in tandem with our global property and casualty account base.

Loss forecasting and reserve analysis are Hylant strengths. Although we do not provide actuarial-certified work product, Hylant maintains a strong ability to provide technical analysis and guidance.

Hylant's modeling provides a reasonable and accurate estimate as to the ultimate future costs of retained liabilities. The software programs used by Hylant are actuarially-based and provide us with the ability to not only analyze customers' exposures from an industry-perspective, but also with the ability to contemplate each customer's own experience through utilizing client-specific loss development factors. In addition to Hylant software modeling, Hylant will also rely on National Council on Compensation Insurance (NCCI), Insurance Services Offices (ISO), International Risk Management Institute (IRMI), and Insurance Information Institute (III) data when completing these analyses.

Two key modeling services utilized by Hylant are ReservePro and LossForecaster. The loss forecasting includes confidence intervals, net present value program cost analysis, loss triangulation, historic reserve analysis, cash flow analysis and projection, incurred but not reported analysis, collateral calculations and reviews, premium allocation development, cash flow analysis and projection, loss stratification reports, aggregate loss monitoring, captive financial coordination, due diligence valuation for mergers, acquisitions and divestitures, and workers' compensation experience modification modeling. These independent modeling programs are respectively supported by Milliman and Sigma Actuarial – both strong and credible actuarial firms.

Information acquired through the pre-renewal account review process will be addressed in detail at the renewal strategy meeting, where tailored solutions to overcome challenges and maximize opportunities are discussed. We believe this advanced preparation will enable the City to make informed decisions during the renewal strategy stage.

Working as your partner, Hylant strategy begins with communication between colleagues and global partners – and then with direct communication with City of Ann Arbor. All information acquired through the pre-renewal account review process will be addressed in

detail at the renewal strategy meeting. We believe this advanced preparation will enable City of Ann Arbor to make informed decisions during the renewal strategy stage.

2. Renewal Strategy Meeting

The renewal strategy meeting between City of Ann Arbor and Hylant defines the desired goals and the strategy needed to achieve them. During this meeting, Hylant provides the City of Ann Arbor with information such as a program review, risk profile, market updates, benchmarking, any applicable legal trends and uninsured exposures. This information will enable the City of Ann Arbor to make informed decisions about the overall renewal strategy for its insurance programs.

The renewal strategy meeting will also establish a customized action plan, the Written Service Timeline (WSTL). The WSTL reflects the City's specific needs and outlines all key program processes and timeframes associated with the marketing, implementation, and servicing of your insurance and risk management programs.

At this time we will also discuss creative alternative risk financing options, new products available in the marketplace, and other industry trends that may be of interest or could have an impact on the City of Ann Arbor.

The goal in the renewal strategy meeting is to accurately portray the concepts and ideas in a clear and concise format, so that in collaboration with the City of Ann Arbor, we are best positioned to agree on goals and finalize the renewal strategy.

3. Submission Development

Hylant has been instrumental in setting an industry standard for both submission format and content, and we continue to improve those standards. As mentioned earlier, Hylant's experience in the marketplace has shown that underwriters are more likely to focus their time on responding to the submissions which best exemplify and communicate the client's operations, program structure and design, loss activity and goals.

**Submission Content**

**Section I: General Information**

- Confidentiality Statement: The confidentiality statement is included to reinforce the proprietary nature of some information contained within the submission documents.
- Account Service Team: The service team is included as an introduction to the key contact points within Hylant and to facilitate a level of comfort with underwriters based on established relationships.
- Introduction and Timeline: The timeline for program implementation is included to set a clear schedule for task completion by all parties.

## **Section II: Company Overview**

Hylant will see this as an opportunity to advertise the City to the underwriting community. We believe that a detailed overview affords us a better opportunity to connect with underwriters, and increases interest in exploring and evaluating the account on a high priority and competitive basis.

## **Section III: Casualty or Executive Risk Program Overview and Details**

In this section, we identify key objectives for the renewal strategy, summarize renewal insurance coverages and present an overview of critical elements. This last component, in our experience, has proven to be a valuable tool to streamline the evaluation and decision-making process for the underwriters. Detailed summaries of key policy extensions are presented for underwriter review.

## **Section IV: Exposure**

This section includes a statement detailing the methodology used to gather exposure data, which is critical to validate the integrity of the information. After analyzing the exposure data, we present the information in various sorts to assist the underwriting process. This information is also supplied to underwriters in an electronic format to allow for additional manipulation should an individual underwriter desire to perform additional analysis.

## **Section V: Loss History**

This section of the submission will contain the loss history in tabular or spreadsheet form. Loss history provided to carriers contains both an aggregate summary of losses as well as a detailed description of large losses. As needed, this section of the submission will also contain a forecast of expected losses to assist in providing the underwriter with expectations and support for the renewal strategy.

## **Section VI: Loss Prevention Information**

This section serves two purposes: to inform underwriters of the City's loss-prevention philosophy and practices and to present detailed loss-prevention information specific to your risk profile. Examples of contents include the following:

- Loss prevention overview
- Internal loss prevention standards
- External certifications
- Emergency response
- Maintenance, inspection and security information
- Incident investigation and mitigation
- Use of loss prevention service provider resources
- Loss prevention reports
- Loss prevention controls for anticipated exposure concerns

The consistent message throughout this section will be your proactive approach to identify hazards and manage risk, going well beyond regulatory requirements. We will highlight specific examples drawn from discussions with your risk management department as appropriate.

#### 4. Market Execution - Negotiation / Marketing Process

The negotiation / marketing process focuses on adhering to and achieving the goals and objectives developed in the renewal planning meeting. The successful execution of our negotiation strategies hinges on communication and engagement with the City from the beginning of the renewal cycle to its conclusion. It's also critical that our entire team work in concert and collaboration. There are NO silos among team leadership, brokering, and service team members. Hylant works as ONE unit, and this will become evident to you from the moment you begin to work with us.

Hylant's direct placement model is the centerpiece of our marketing process. The individual specialists who provide City of Ann Arbor with advice and counsel are the same individuals who represent and negotiate the terms and conditions of your insurance placements in the marketplace. This approach ensures delivery of your clear, undiluted message directly to the underwriters. Our experience has shown that the most successful outcomes occur because of face-to-face meetings with clients, carriers and Hylant. It's critical the entire brokerage and carrier team establish a complete and comprehensive understanding of the City and its culture, as well as its business and risk objectives.

Hylant will document and track the progress of marketing and negotiations efforts and keep clients apprised throughout the entire process. Periodic updates to the City of Ann Arbor take place to document and maintain clear and consistent communication on the renewal status. As the negotiation process accelerates, updates will increase in frequency to allow the opportunity to measure progress and respond to critical matters that require your input as they arise. These updates will include review of the collective market responses, our evaluation, possible options, and our position and recommendation for each item.

Hylant has a proactive approach to the negotiation of policy terms and conditions, carrier services and risk transfer pricing. The negotiation process begins with expectation setting through advance discussions with markets and is completed once the desired and agreed-upon renewal strategy has been achieved, approximately 30 days prior to inception. During negotiations, Hylant aims to achieve a contract that is consistent with the renewal strategy as developed during the renewal strategy discussions with the City of Ann Arbor. The City's agreement will be sought for any deviation from the agreed-upon strategy that may arise during the marketing process.

5. Formal Renewal Proposal

Upon completion of the renewal negotiations, Hylant prepares a comprehensive proposal detailing responses from all insurers that were approached. We will establish a meeting date with you, approximately 10-20 days prior to the renewal date, to present the program. In order to assist the City of Ann Arbor in the decision making process, Hylant will provide a final market status report, marketing summary, a comparative analysis of all quotations received and our binding recommendations for final placement. Based on these recommendations, we will provide a program premium summary for the individual carriers and the entire placement.

6. Binders and Premium Allocations

Hylant's Client Service Best Practices require that all binders and invoices are delivered prior to or on program effective date. Should premium allocations be required, they are calculated, reviewed with you and finalized within 10 days of program renewal.

All of the above steps are crucial in developing the best program for the City of Ann Arbor.

**6. Explain your experience and ability to identify and/or review new exposures based on developments in the market, make recommendations as to the types, availability and extent of coverages including self-insured retention (SIR) that should be considered, and assist with analysis of insurance or self-insurance of these exposures, providing the best balance between coverage and cost. Your response should include response time, experience of response team, and any other information reflective of your ability to be responsive to insurance coverage objectives unique to municipalities.**

New Exposures Identification and Review: Please see Hylant's detailed answer to this question above in question #5; specifically how Hylant addresses benchmarking, peer review, loss forecasting and renewal strategy.

Renewal Response Time: Hylant's internal protocol is to respond to day-to-day issues within 24 hours. The entire renewal process, which includes input from both the City and Hylant, is initiated approximately 180 days prior to renewal dates.

Experience of Response/Service Team: Please see Appendix C for Service Team Bios showing the experience of the Hylant team.



**7. Explain your experience and ability to review and analyze all reservation of rights letters and coverage denials from any carrier and in writing recommend action the City should take in response to the carrier.**

The City of Ann Arbor will have access to specialized claim resources within our Claim Practice, with considerable experience and knowledge dealing with Reservation of Rights and Coverage Denials. JPaul Dixon, Client Executive and the service team assigned to work with you (including Robyn Campbell, the Southeast Michigan Claims Manager) will be working with the City of Ann Arbor to make sure the Reservation of Rights is addressed appropriately.

Robyn has many contacts with our major insurance carriers, and is also a member of several national and regional claim advisory councils. An advantage of these relationships is direct access to upper level claim management at your insurance carrier partners. Your team at Hylant, including Robyn, will actively review, analyze and pursue full investigation as your advocate in responding to any Reservations of Rights or Coverage Denial letters.

Hylant distinguishes itself from many of our competitors by having the ability to utilize many resources to support the efforts in claim advocacy, including Reservation of Rights and Coverage Denials. The opportunity to work alongside the City's team for over five years has provided us a better understanding of their needs and expectations around appropriate responses on these matters.

**8. Explain your ability to prepare an annual report for the City of Ann Arbor including but not limited to a complete accounting of premiums and fees paid, losses that have been reported to the excess carriers, and plans for the future handling of the account. Describe your experience providing similar reports, and provide an example, if possible.**

Stewardship is a key component of our Client Engagement Strategy process. Hylant now provides clients a formal stewardship report on an annual basis. Outside of the insurance renewal cycle, Hylant proposes to review the stewardship report in the second quarter of the year. Stewardship reports typically include:

- Review of service team members' roles at renewal
- Recap of last renewal period regarding outcomes, service performance, achievements and shortfalls and losses
- Summary of current programs including premiums and fees paid
- Written Service Timeline review for current accuracy
- Assessment of service team performance and client compatibility
- Fee remuneration - performance based adjustments, new projects, etc.
- Summary of agreed-upon future actions

Please see Appendix D for a Sample Stewardship Report.

**9. Describe in general the nature, structure, and flexibility of your recordkeeping system and the services it will provide in connection with preparation of an annual report. Include any procedures you have or will put in place to ensure the security of the records.**

Hylant's Record Management and Record Retention Schedules specifically prescribe the timetable for retaining and disposing of company records and is based on applicable legal and business requirements. We intend the retention periods to permit Hylant, in part, to comply with legal retention requirements while also allowing us to respond to information requests from our clients. This includes investigations, reviews, audits, and litigation, and to use historical information for current client business.

Hylant has an extensive record retention policy that is internet-based with varying levels of security. We can run periodic reports at the clients' request, outlining many different parameters as to data the client requests.

Hylant has processes and procedures in place at all levels to address the security and confidentiality of our clients' data. These processes and procedures include documentation of Record Management, Records Creation, Records Retention and Records Destruction/Disposal. An annual audit review is done by Hylant's corporate counsel and our chief information officer.

**10. Describe your response system to inquiries. Describe any other communication tools you have to interact with and educate the Risk Management staff and City Administration and how you would propose to use them. Identify any technological resources and/or innovations available to service the City account.**

JPaul Dixon will continue to lead the City of Ann Arbor's Hylant Service Team. JPPaul will oversee the overall client/broker relationship, including the deployment of resources valuable to the City of Ann Arbor, direct communication with the City of Ann Arbor, developing an annual service plan and providing a stewardship report. Christine Rue, Client Service Executive, works with JPPaul to ensure the City's insurance needs are met.

In addition to the services outlined in this proposal, the City of Ann Arbor will have access to Hylant's IT staff, dedicated to developing innovative, technology-based solutions tailored to each client's particular need. Below are a few examples of the technology solutions that Hylant has available to the City of Ann Arbor.

### Client Portal

This platform is currently being used by the City of Ann Arbor with great success. By simply logging on to [www.hylant.com](http://www.hylant.com) approved City of Ann Arbor users can access a secure page (HIPAA compliant with a secure user name and password) where they can access many parts of the City of Ann Arbor's insurance program 24 hours a day. The screen shot here shows an example of a client portal.

#### Advantages:

- Immediate access to your insurance policies, coverage summaries and other related information
- Efficient certificate tracking, ordering, and issuance process
- Document Library for document storage such as applications, loss history, reporting forms, loss control reports, and presentations
- Easy electronic file transfer for large files; eliminates e-mail congestion
- Resource center providing customized links to various industry information sources including Hylant's customized data collection system
- Customizable to meet the client's needs
- Storing renewal data (i.e. applications, statement of values, etc.)



### Data Collection

Hylant's IT professionals design and implement web-based data collection systems to assist clients in the collection, management, and distribution of information. Our systems are developed to organize, streamline, and standardize the collection of underwriting information and statistical exhibits.

We make navigation and data entry easy and straightforward. With individual user names and password protection, the information is retrievable from any location with internet access. Multi-level security will enable the City of Ann Arbor to control who has access to what information, at any level.

Although there are many benefits of these systems, the most significant is the reduction in the time and effort required to compile and review exposure information. The system provides the flexibility to modify the data points collected and generate custom reports. It also functions as a document warehouse and builds historical year-over-year records to ease the renewal process in subsequent policy periods. Prior years' data is stored in the system for future comparison and analysis, simplifying the generation of customized reports. This is an advantage in the renewal or new business marketing process by quickly producing complete historical underwriting and claims experience information. The feedback we have received from clients, underwriters, and actuaries has been overwhelmingly positive.

**MacLean Industries Data Collection System - DEMO**

Plant: SAL - Location 1 - S. Africa (Africa)

**Property Questionnaire for 2007**

- Facility
  - General Information
  - Facility Information
  - Report of Property Values
  - Facility Property Values
  - Report of Business Interruption Values
  - Business Interruption Values
  - Report of Extra Expense Values
  - Extra Expense Values
  - Interdependent Business Interruption Report Values
  - Interdep. Business Interruption Values
  - Interdep. Business Interruption Facilities
  - Off Premises Property Report Form
  - Off Premises Values
- Questionnaire Completion
  - Completion Steps
  - Submit Questionnaire

**Facility Property Values**

Purpose: To determine the replacement cost value of your building, machinery & equipment and in assets, as well as leased assets that we are required to insure. With regard to inventory only to raw materials. Work in process is valued at cost plus labor and overhead. Finished discounts that may apply.

Replacement Cost: Cost to repair, rebuild, replace with new materials of like kind & quality.

Note: You can go to our [website](#) to find a form to assist you with the calculation of your Replacement Cost Calculation Report. Keep in mind that the additions and deletions are to be the replacement cost value.

**Indicates required information**

	Year 2006 (LC)	Year 2007 (LC)	Year 2007 (US\$)
<b>Building Value</b>			
Current Insured Value (replacement cost):	10,000,000	12,500,000	1,627,500
Add: Additions (replacement cost):	2,500,000	3,000,000	390,000
Subtract: Deletions (replacement cost):	240,000	750,000	97,650
Projected Insured Value (replacement cost):	12,260,000	14,750,000	1,920,450
<b>Machinery and Equipment</b>			
Current Insured Value (replacement cost):	78,000,000	85,000,000	11,067,000
Add: Additions (replacement cost):	1,250,000	500,000	65,100
Subtract: Deletions (replacement cost):	800,000	147,000	19,139
EDP Equip. Data & Media (replacement cost):	0	0	0
Projected Insured Value (replacement cost):	78,450,000	85,353,000	11,112,961
<b>Inventory/Stock</b>			
Raw Materials (replacement cost):	4,725,000	6,900,000	898,380
Work in Progress (cost, labor & overhead):	400,000	567,000	73,823
Finished Goods:	906,000	1,250,000	162,750
Total Inventory/Stock:	6,031,000	8,717,000	1,134,953

**Property Off Premises**

We have successfully implemented web-based data collection systems for global accounts including property, auto, workers' compensation and other product lines. These functions are delivered via our Client Internet Portal.

### **Certificates Generated by the City of Ann Arbor**

Hylant has created an on-line certificate issuing system designed around the need to issue standardized certificates to numerous certificate holders with varying needs. It uses a standard certificate of insurance form and allows you to fill it out and send it to multiple recipients, using a variety of configuration options to make this faster per recipient. Our clients can select specific coverages, policies, limits and deductibles needed to satisfy an individual certificate request. They are able to attach certain standard endorsements such as additional insured vendors, additional insured lessors of premises or equipment, and waiver of subrogation, among others. The system has the capability to create and store any type of special wording or endorsement forms with underwriting approval to attach to a certificate. You will have the ability to generate a certificate at a moment's notice from anywhere around the country or the world. Should a request fall outside the pre-approved standard guidelines, the client can simply contact their account team member and quickly receive a certificate with those specialized requirements. The system maintains a copy of each certificate and all attachments issued during the policy period. Issuing the renewal certificates can be accomplished in a matter of minutes, simply by updating the basic policy information at renewal.

### **Certificate Management, Tracking and Compliance**

Hylant's Information Technology (IT) group has developed an internet-based insurance tracking system to assist clients with managing a significant amount of incoming certificates by identifying deficient or unacceptable certificates not meeting the client's insurance requirements.

The client specifies the requirements the certificates need to satisfy. These requirements can be the same for all certificates requested by the client or customized to fit individual situations, i.e. property only requirements, liability requirements or special projects. If a compliant certificate is not received within the specified period, the system generates an automatic letter until the appropriate certificate is received or the matter is turned over to the client for resolution. The system automatically tracks and documents all steps within the process.

Management reports are generated based upon the client's needs. Examples include a monthly deficiency report, monthly expiration list, monthly compliance by city, state or other client identified parameters if needed, and a monthly compliance status by line of coverage.

### **Evidence of Insurance**

When clients need to issue a large number of standard certificates during the year, we can significantly reduce those numbers through the implementation of a web-based Evidence of Insurance (EOI), an online resource that readily provides pertinent information about your insurance program to authorized third parties.

### **Open Items List**

Hylant currently maintains an open items list with the City of Ann Arbor. This captures all outstanding and open items so that everything is addressed with the City within its chosen time frame.

**11. Describe any additional services available through your company, such as actuarial, loss control, program design, counseling, property valuation, claims management, risk management audits, etc. and how the availability of these services can be beneficial to a municipality.**

Hylant has many services available to the City of Ann Arbor. Hylant will work closely with the City to determine which of these services would be of benefit. A few of the services are as follows:

### **Loss Control Services**

Hylant's risk control staff averages more than 30 years of experience in loss prevention. Additionally, its professionals identify information that insurance providers need to properly underwrite your risks. Through risk assessments and data analysis, the information is compiled and provided to you and your insurance carrier, if needed, during the insurance placement process. Hylant partners with you to help reduce risks inherent to City of Ann Arbor. Hylant can assess

current safety efforts, determine how to make them more effective, and develop a comprehensive plan for improvement. Examples of our Property and Casualty loss control areas in which our services are often utilized include:

### **Property Loss Control Services**

- Identify risks and evaluate controls currently in place, and recommend actions to mitigate exposures
- Fire protection specifications for new construction and expansions
- Property risk analysis surveys and reports
- Modeling of catastrophic exposures using RMS analysis tools
- Review and analysis of insurance carrier loss control reports including recommendations
- COPE and exposure data management
- Updating and developing corporate fire protection and property loss prevention standards/guidelines
- Design, procurement, implementation and pricing of loss control services from insurance carriers or unbundled providers

### **Casualty Loss Control Services**

- Identify risks and evaluate controls currently in place, and recommend actions to mitigate exposures
- Leadership coaching/train-the-trainer sessions
- Business continuity and recovery planning
- Cyber risk assessment
- Crisis communication management
- Transportation/Fleet Safety
- Travel, medical, and security assistance.

In addition to Hylant internal loss control services, Hylant has a network of capable, qualified external partners that are ready to support City of Ann Arbor's safety initiatives. Hylant Loss Control Practice works hard at leveraging all available resources in order to bring the best in service to our clients and the outsourced services are available at reduced rates from those commercially available.



### **Loss Forecasting and Reserve Analysis**

Loss forecasting and reserve analysis are Hylant strengths. Although Hylant will not provide actuarial-certified work product, Hylant maintains a strong ability to provide technical analysis and guidance.

Hylant's modeling provides a reasonable and accurate estimate as to the ultimate future costs of retained liabilities. The software programs used by Hylant are actuarially-based and provide us with the ability to not only analyze our customers' exposures from an industry perspective, but also with the ability to contemplate each customer's own experience through utilizing client-specific loss development factors. In addition to Hylant's software modeling, we also rely on National Council on Compensation Insurance (NCCI), Insurance Services Offices (ISO), International Risk Management Institute (IRMI), and Insurance Information Institute (III) data when completing these analyses. Two key modeling services utilized by Hylant are ReservePro and LossForecaster. The loss forecasting includes confidence intervals, net present value program cost analysis, loss triangulation, historic reserve analysis, cash flow analysis and projection, incurred but not reported analysis, collateral calculations and reviews, premium allocation development, cash flow analysis and projection, loss stratification reports, aggregate loss monitoring, captive financial coordination, due diligence valuation for mergers, acquisitions and divestitures, and workers' compensation experience modification modeling. These independent modeling programs are respectively supported by Milliman and Sigma Actuarial – both strong and credible actuarial firms.

### **Claim Management**

Hylant recognizes the importance and critical nature of claim support for our clients. Hylant offers an experienced staff of claim specialists and a dedicated claim practice, which have a proven record of reducing our clients' overall cost of risk over all lines of business, including property, casualty and specialty lines such as environmental, executive risk and cyber.

Hylant believes that effective collaboration with the City of Ann Arbor and its TPA/carrier to analyze, identify, and implement cost-effective methods to reduce your loss costs is essential. We engage our claim professionals to be partners with our clients to ensure you always have us in your corner when it matters most, be it as an advocate or consultant. Hylant places a premium on the efficient and successful resolution of all claim issues, and potential insurance coverage disputes, to the benefit of our clients. The expertise of our specialists, combined with market relationships, enables us to help you resolve, effectively and efficiently, even the most complex and potentially contentious claims.

When a claim becomes contentious, we consult with you and determine the appropriate time to approach the senior management of the insurer in an effort to resolve the issues and achieve the most desirable outcome. You are involved in every step of the process and we do not take action without your knowledge and approval. Following are examples of Hylant's claim reporting, claim advocacy and workers' compensation claim assistance:

### **Claim Reporting and Administration**

- Prompt reporting of claims to the appropriate insurance carrier
- Coordinate communication between client and insurance company
- Maintenance of claim documentation electronically or in paper format
- Regularly conduct a detailed review of all open claims, including an action plan for resolution
- Establish reporting protocols for newly placed programs
- Respond to questions from City of Ann Arbor Risk Management and/or legal counsel
- Interface with City of Ann Arbor and interested parties to monitor and coordinate adjustments
- In cooperation with your loss adjuster, assist in the settlement negotiations and attend meetings with carriers and loss adjusters as necessary
- Help secure partial loss payments as appropriate

### **Claim Advocacy**

Effective and efficient management of claims is an important component of managing risks. Below are Hylant's key objectives in claim management. They are as follows:

- Help the City establish claim reporting protocols
- Receive and notify appropriate carrier of all claims
- Review insurance policy claim reporting requirements
- Follow up to make sure a claim has been received and accepted
- Add claim expertise and support where necessary
- Continuously advocate for the City on all claims until settlement
- Present analysis reports as requested
- Coordinate communication between client and insurance company
- Interface with the City and interested parties to monitor/coordinate adjustments and legal defense
- Assist in the settlement negotiations and attend meetings with carriers and loss adjusters as necessary
- Help secure partial loss payments as appropriate
- Monitor the claim process for continuous improvement and cost containment
- Respond to claim-related questions from the City and its legal department; perform research, as necessary, to provide solutions
- Perform claim review discussions as a part of our pre-renewal strategy meeting
- Follow up on subrogation opportunities throughout recovery

Hylant regards claims as the ultimate test of any insurance policy. Since its appointment five years ago, Hylant has successfully assisted with multiple claims. It is our responsibility to provide the same

level of commitment and expertise in response to a claim as is displayed in the placement of the coverage. The service team responsible for negotiating claims for the City of Ann Arbor is outlined in the team chart provided. Hylant stands ready to be the City's advocate and advisor on all claims.

### **Workers' Compensation Claim Consulting**

- Identify potential high cost claims by evaluating medical and socio-economic issues which are typically overlooked
- Assist City of Ann Arbor with expediting the claim resolution process
- Develop a restricted duty program; identifying internal and external positions
- Work with established core workers' compensation team
- Provide training to core team members, as needed
- Participate in monthly team meetings
- Participate in quarterly claim review meetings with the insurance carrier
- Monitor medical specialist referral network
- Develop a strategy for the resolution of legacy claims
- Expedite the reporting process to ensure timely referrals to nurse case management, medical specialists, and legal counsel

### **Contract Review**

While Hylant does not provide legal advice, we do assist in the identification and provision of solutions to risk management issues raised by customer/supplier contract language. Your client executive and client service manager can obtain input from our in-house counsel. Hylant will confirm that the City of Ann Arbor's or its vendor's insurance coverage aligns with indemnification clause(s), identify where it may not and provide suggested solutions. Where there are special insurance coverage requirements that may extend beyond the scope of current City of Ann Arbor or vendor coverage, Hylant advises and provides options, including estimated cost for compliance. All required coverage terms, such as additional insured, waiver of subrogation, pricing/non-contributory and other conditions are reviewed to confirm that the organization or its vendors either meet the requirements or that satisfactory solutions are reached.

### **Environmental Risk**

Environmental issues require complex technical and regulatory understanding. The Hylant Environmental Risk Practice staff has over 80 years of combined professional environmental experience serving manufacturing, transportation, real estate development, construction, and acquisition or divestiture of commercial and industrial assets.

Coverages are available to manage exposures related to the following environmental risks:

- Known and unknown pre-existing (historical) pollution conditions from prior operations or land uses
- Indoor air quality and waterborne illnesses
- Infectious and biological (e.g. Legionella)
- Pollution that migrates from an offsite source (e.g., contaminated floodwater)
- Illicit abandonment (“midnight dumpers”)

Covered Expenses:

- First-Party Clean-up
- Third-Party Bodily Injury and Property Damage
- Legal Defense
- Emergency Response – Catastrophe Management
- Evacuation – Business Interruption Expense

Managing environmental risk is a key component to the bottom line of every organization. Hylant’s Environmental Risk Practice has extensive environmental industry experience and provides comprehensive client support services.

**Enterprise Risk Management Process - Software Based System**

ERM will improve the City’s risk profile by allowing you to assess threats to your operating performance and to formulate strategies to address and finance those risks in creative ways. Hylant’s R3™ is a proprietary online software solution Hylant developed to identify enterprise-wide risks (strategic, financial, human capital and hazard risks).

**Asset Optimization**

Consulting on efficient use of high value equipment

**Maintenance Value Plan**

High value equipment maintenance contract consolidation

**Tenergy**

Energy service contract audit and consolidation

12. Provide a complete description of your organizational structure and experience of key personnel that will be providing services to the City, including professional qualifications, specialization, etc. Include the account executive primarily responsible, his/her assistant who will have daily contact with the City and the person who will manage any other activities. Indicate level of education and professional designations including CPCU, ARM, LIC, etc. Identify whether key personnel are capable of rating GCL and other ISO rated insurance coverage. Please include biographies for all key personnel identified.

Hylant's flat corporate structure allows easy access to our resource professionals who are prepared and ready to respond quickly to the needs of the City. Our culture and business model, focused on delivering service excellence and reflecting Hylant's corporate integrity and personal accountability, enables our service teams to pursue the right action plans to achieve the desired goals. This produces Hylant's team approach and our "client first" philosophy, where there are no internal conflicts that prevent us from accessing the right people and resources at the right time.

Please see Appendix E for the Hylant Corporate Organizational Chart.

Appendix B shows the Hylant Service Team Chart and Appendix C shows the Service Team Bios which indicate education levels. The following is your current Hylant team:

**JPaul Dixon – Senior Vice President, Client Executive** JPaul has the ultimate responsibility for Hylant's ability to meet and exceed our service commitments to the City of Ann Arbor. He will continue to serve as the point person to access all applicable corporate Hylant resources and will make sure that the Hylant team is accountable to the City's needs.

**Christine Rue - Client Service Executive** Christine will be working with JPaul to ensure that the City's needs are met.

**Linda Koos – President of Ann Arbor Office** Linda will provide executive leadership and consultation to the City of Ann Arbor and has primary responsibility for senior level market relationships and all related issues. Linda will always be available to make immediate executive decisions in the best interest of the City of Ann Arbor.

**Kim Cassey – Vice President, Client Service Executive** Kim will continue to work with the City to develop the best insurance program. She works directly with the markets to secure the most favorable terms and conditions for the casualty program.

**Nikole Moore – Senior Client Service Manager** Nikole is also currently on the team that provides service to the City. She works directly with the markets to secure the most favorable terms and conditions for the property, environmental, crime, fiduciary, cyber, etc. programs.

**Debbie Neff – Senior Service Assistant** Debbie will support the City of Ann Arbor with timely issuance of certificates, policy reviews and subsequent review of endorsements. She will also be responsible for the accuracy of endorsements, audits, and policy analysis for the City of Ann Arbor. Debbie is capable of rating GCL and other ISO rated insurance coverage.

**Robyn Campbell – Southeast Michigan Claim Manager** Robyn is responsible for monitoring and investigating all claim handling and defense strategies as well as being the City's advocate in claim situations.

**Kathy Bailey – Vice President, Workers' Compensation Consultant** Kathy consults with the City to mitigate complicated Workers' Compensation claims.

**Travis Thompson – Director of Risk Management – Municipal Programs** Travis is experienced with regulatory compliance assessments and training, management system development, implementation and assessment, risk assessment, risk reduction strategies, and incident investigation root cause analysis. Travis will oversee field consultants to ensure all programs are properly executed so that the City realizes the full benefit of risk control.

**13. Describe your overall corporate philosophy and unique strengths in providing insurance coverage to municipalities in the field of insurance management and risk assessment, including but not limited to your marketing approach for municipalities.**

A key component of our Core Operating Principles is teamwork – both internally and externally. Hylant's service objective is to go above and beyond acting as a mere intermediary between the City of Ann Arbor and the marketplace. Instead, we strive to function as an integral member of your risk management team by learning about you, your organization and culture, and understanding your unique risk management needs. We strive to create a mutually beneficial partnership rooted in the foundations of our Core Operating Principles. Those principals guide our relationships with clients, insurers and our colleagues. Below you will find highlights of our corporate philosophy in providing insurance to municipalities.



- **Hylant's Operating Principles.** Integrity, excellence, respect, responsibility and teamwork - that's how we serve our clients, colleagues and stakeholders.
- **Hylant's People.** Our unique structure and culture, which puts our clients first, is why we've been able to attract and keep many of the industry's most skilled professionals. You can be certain you will be working with the best, most qualified people.
- **Public Entity Practice.** Because our practice resources are not individual profit centers, our team members have every incentive to work together with just one goal in mind: your success. The

team at the City of Ann Arbor will have direct access to this expertise. They have intense knowledge of exposures and a wealth of experience in working in the market, because it's all they do.

- **Direct Placement Model.** Hylant has proven protocols and best practices for handling large and complex accounts in order to meet the service needs of these clients. It's worth noting that the individuals who will service the City of Ann Arbor will be the same individuals who are responsible for negotiating the terms and conditions of the insurance placement in the marketplace. Your message is never diluted. We do not use a service center or centralized brokering model.
- **Strong Market Relationships.** At Hylant, our market leverage is based on relationships that have grown from decades of accurate and honest dealings with the largest insurance carriers in the world. Our strong carrier relationships reveal themselves every day in advantageous pricing, coverage terms, service, and claim handling. Most importantly, Hylant has direct, rapid access to key insurance carrier decision-makers, including the City's current insurance carriers.
- **Senior Management Involvement.** Hylant's senior management is actively involved in our key client relationships. Linda Koos, President of the Hylant Ann Arbor office, will be engaged in our relationship with the City of Ann Arbor. Linda's primary responsibility is to ensure that Hylant has assembled the right people and technical resources to fulfill our service commitments to you. We believe this strengthens our understanding of your organization, assists us in promoting the City of Ann Arbor within the insurance marketplace and affords us the opportunity to be more responsive to your changing needs.
- **Customized Technology.** Hylant continues to invest in and develop the latest client-facing technology to ensure we are leaders in delivering solutions to our clients. Hylant's Information Technology staff is dedicated to meeting the needs of our clients.
- **Your Hometown.** The Hylant team is located in Ann Arbor. Many of our team members and colleagues live in the city and are actively involved in the local schools and volunteer their time with local non-profit organizations. We are familiar with your local challenges and requirements to do business in the city.

As a privately held firm, Hylant has the flexibility to make long term decision without regard to external pressures. Hylant is not accountable to Wall Street expectations – we are accountable to clients first and foremost. We create customized, innovative approaches to servicing clients' needs.



**14. Provide a complete overview of any educational programs, including specialized subjects and company-sponsored seminars, conducted by or made available by your company and available to City staff.**

Understanding the complexity of risks to a public entity is a challenge; that is, keeping abreast of constantly changing trends, laws and other regulations. The Hylant team will afford the City of Ann Arbor staff an opportunity to be up-to-date on these challenges by providing the following:

- eBlasts ~ emails containing timely topics and links to additional information
- Electronic legislative updates
- Webinars and seminars
- Monthly electronic newsletters
- Access to proprietary Client Portal & Resource Center – an internet-based client center where employers have access to legislative guides, resource library, employee communications, newsletters and document postings
- Customized training and education sessions for City staff

## MINIMUM INFORMATION REQUIRED

### **A. Professional Qualifications**

1. **State the full name and address of your organization and, if applicable, the branch office or other subsidiary element that will perform, or assist in performing, the work hereunder. Indicate whether it operates as an individual, partnership, or corporation. If as a corporation, include whether it is licensed to operate in the State of Michigan.**

The Hylant offices below operate as a corporation and are licensed to operate in the State of Michigan:

**Hylant – Ann Arbor Office**

24 Frank Lloyd Wright Drive, Suite J4100  
Ann Arbor, MI 48105  
Phone: (734) 741-0044

**Hylant – Toledo Office and Headquarters**

811 Madison Avenue  
Toledo, OH 43604  
Phone: (419) 255-1020

2. **Include the name of executive and professional personnel by skill and qualification that will be employed in the work. Show where these personnel will be physically located during the time they are engaged in the work. Indicate which of these individuals you consider key to the successful completion of the project. Identify only individuals who will do the work on this project by name and title. Resumes and qualifications are required for all proposed project personnel, including all subcontractors. Qualifications and capabilities of any subcontractors must also be included.**

Following are the Hylant employees who have been and will continue to work on the City of Ann Arbor's account as well as their office location:

1. JPaul Dixon, Client Executive, SVP – Ann Arbor, MI
2. Christine Rue, Client Service Executive – Troy, MI
3. Kim Cassey, Client Service Executive, VP – Troy, MI
4. Nikole Moore, Senior Client Service Manager – Troy, MI
5. Travis Thompson, Director Risk Management - Municipal Programs – Toledo, OH
6. Robyn Campbell, Southeast Michigan Claim Manager – Troy, MI
7. Kathy Bailey, VP Workers' Compensation Consultant – Grand Rapids, MI

8. Deborah Neff, Senior Client Service Specialist – Ann Arbor, MI
9. Linda Koos, President Ann Arbor – Ann Arbor, MI
10. Doug Miller, Vice President, Executive Risk Practice Leader – Ann Arbor, MI
11. Don Bryant, Vice President, Environmental Risk Practice Leader – Cleveland, OH
12. Shawn Gratsch, Vice President, Aviation Practice Leader – Ann Arbor, MI
13. Ryan King, Client Service Executive - Property Practice – Troy, MI

Please see Appendix C for the Service Team resumes.

**3. State history of the firm, in terms of lengths or existence, types of services provided, etc. Identify the technical details that make the firm uniquely qualified for this work.**

Established in 1935 in Toledo, Ohio, Hylant is a fourth generation, privately-held family firm with a network of 14 offices throughout the Midwest and South. Enjoying over 80 years of continuous operation and growth, Hylant currently places over \$1.6 billion of property, casualty and employee benefits premium annually, serving a client base that ranges from main street and middle market accounts to global Fortune 250 companies. Hylant currently employs over 650 professionals and is, growing to become one of the largest privately held brokers in the United States.

Florida | Jacksonville, Orlando  
Illinois | Chicago  
Indiana | Bloomington, Fort Wayne, Indianapolis  
Michigan | Ann Arbor, Detroit, Grand Rapids  
Ohio | Cleveland, Cincinnati, Columbus, Toledo  
Tennessee | Nashville

Hylant has extensive experience in insurance and risk management, as well as specific experience in dealing with risk and insurance issues specific to the public entity sector, and extensive experience and established relationships with the global marketplace. This allows us to provide expert, efficient, effective, and reliable services, as well as superior insurance alternatives that meet the City's needs.

Hylant has experience advising multinational enterprises. A short list of these representative clients include Sherwin Williams, American Greetings, Steris Corporation, Myers Industries, A. Schulman, Marathon Petroleum, and Carter Lumber. Hylant also has staff and resources available to serve small and middle market businesses along with a variety of not-for-profit organizations. Hylant serves the insurance needs of over 100 nonprofit organizations and over 1,000 businesses in the Ann Arbor area. Hylant has the resources and capability to work with large complex organizations and still be a key part of serving and supporting the local Ann Arbor economy.

**B. Past Involvement with Similar Projects**

The written proposal must include a list of specific experience in the project area and indicate proven ability in implementing similar projects for the firm and the individuals to be involved in the project. A complete list of client references must be provided for similar projects recently completed. It shall include the firm/agency name, address, telephone number, project title, and contact person.

**Entity:** Cuyahoga County  
**Contact:** Darlene White, Deputy Director, Risk Management  
**Address:** 2079 East Ninth Street  
8<sup>th</sup> Floor  
Cleveland, OH 44115  
**Phone:** (216) 698-3043  
**Project:** Insurance and Risk Management Services

**Entity:** City of Cleveland  
**Contact:** Edward McDonald III, Deputy Chief  
**Address:** 5300 Riverside Drive  
Cleveland, OH 44181  
**Phone:** (216) 857-7594  
**Project:** Department of Port Control & Cleveland Airport Insurance and Risk Management Services

**Entity:** Domino's Farms Corporation  
**Contact:** Paul Roney, President  
**Address:** 24 Frank Lloyd Wright Dr.  
Ann Arbor, MI 48103  
**Phone:** (734) 930-3173  
**Project:** Insurance and Risk Management Services

### C. Proposed Work Plan

Provide a detailed and comprehensive description of how the Consultant intends to provide the services requested in this RFP. This discussion shall include, but not be limited to: how the project(s) will be managed and scheduled, how and when data will be delivered to the City, communication and coordination, the working relationship between the consultant and City staff, and the company's general philosophy in regards to providing the requested services.

Consultants shall be evaluated on the clarity, thoroughness, and content of their responses to the above items.

As previously mentioned in the Executive Summary of this document, the primary objectives of Hylant's service to the City of Ann Arbor are as follows:

1. Reduce costs
2. Reduce City staff time spent on the administration of insurance and risk management
3. Protect the assets of the City and the personal assets of City staff

To do so effectively, Hylant will leverage its proprietary and proactive processes for providing insurance and risk management services. The aim is to develop a consistent, sustainable approach to managing our clients' insurance renewals and improving their risk profile through risk management consulting. The Hylant processes for managing the insurance program renewal and providing proactive risk management consulting are outlined below:

#### A. Renewal Management

**Step 1: Internal Renewal Strategy Meeting (IRSM)** – 120 to 180 days in advance of renewal  
IRSM is an internal planning session organized and lead by your service team. Hylant participants include our risk and industry practice specialists where the "status quo" is challenged through peer review studies, benchmarking analytics (claim experience, insurance limits, deductibles, and premiums), risk control assessments, market evaluations, historical achievements, and other related topics. The major question round-tabled and answered is "How can we improve from the previous year in all aspects of program design, cost, and risk management services?"

**Step 2: Client Renewal Strategy Meeting (CRSM)** – 90 to 120 days in advance of renewal  
The purpose is to engage the City in a collaborative discussion about the current insurance program assessing sustainability, presenting new ideas to provide further solutions, and aligning with goals and objectives. Key objectives are identified, strategies are developed, and areas of improvement are confirmed. The primary outcome is to establish a plan of action, including timelines, all of which are confirmed to the City in writing.

CRSM agenda items include:

- Discuss potential coverage adjustments for implementation at the next anniversary
- Review exposures for current or expected changes and any additional coverages
- Report on current financial stability of the City's insurance carriers
- Discuss claim history
- Discuss market trends and appropriate insurance markets
- Benchmark coverage, limits, and program structure and pricing
- Discuss new technology and opportunities
- Discuss options and alternative risk financing structures
- Address risks outside of insurance program
- Action items, next steps and timeline

### **Step 3: Confirmation and Validation**

This step is important, ensuring that the agreed upon strategies developed during CRSM are documented and all parties are aligned on action items.

### **Step 4: Renewal Process**

With the completion and confirmation of a well-designed renewal strategy via Hylant's IRSM and our client-facing CRSM, a roadmap to execute the renewal process is developed. Hylant's best-in-class submissions are prepared and presented to the market place. Written Service Timelines (WSTL) spell out actions and accountability of each deliverable. Upon Hylant's receipt and review of quotations, we present to the City our insurance proposal, describing in detail the coverage, related cost-benefit analysis, and Hylant's recommendations. This process concludes with the City providing Hylant with confirmation to bind coverage, and the Hylant team handling post-binding administration duties including invoicing premium, allocating premiums, issuing Certificates of Insurance and Automobile ID cards, and carrying out policy quality control and delivery.

### **Step 5: Stewardship Reports**

The purpose of this report is to summarize the renewal process, document any improvements to address for next renewal, and strategize on risk management efforts and projects. In detail, this report addresses the following items:

- Review of service team members roles in the renewal process
- Recap what was accomplished
- Provide brief overview of insurance programs
- Compare renewal results with agreed-upon objectives and market results
- Review Written Service Timeline
- Evaluate information needs and data collection process improvements
- Assess Hylant's performance and compensation
- Review open items list

**B. Risk Management Consultation**



**Step 1 & 2 - Risk Identification and Analysis**

There are many actionable items that go into risk management, but it all starts with a comprehensive understanding of the City's risks. It is critical to work within the scope of available resources and present solutions that are actually viable for the City. Before doing so, key risks need to be understood. Over the last five years, Hylant has worked with the City to implement an ongoing process to identify and prioritize risk. The proposed plan would be to expand on our current knowledge of the City's risk and continued analysis.

Hylant will draw on the experiences of our team, as well as those within the Public Entity Practice, to partner with the City of Ann Arbor, to continue our current plan.

**Step 3 - Risk Control**

Hylant will continue to partner with the City of Ann Arbor to support and enhance risk management strategies. Over the past five years, as the broker for the City, Hylant helped to formalize organizational health and safety strategy. Some examples are:

- Safety management system assessment
- Needs assessment for the safety management role
- Consultation on OHSA matters



Hylant’s risk management advice will focus on, but not be limited to, the following areas:

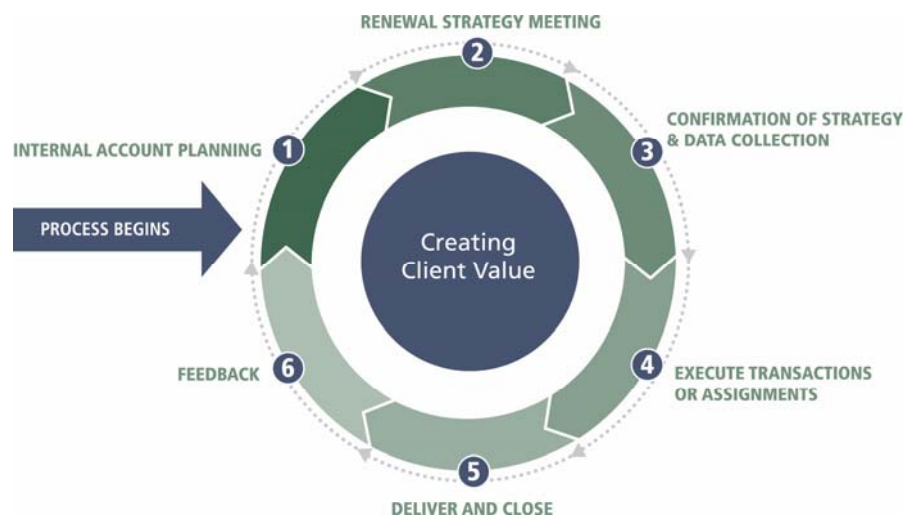
**Loss Control Assessment and Services** – Hylant’s Risk Control Practice will provide a supplementary resource to Steven Schantz and his team. Hylant’s subject matter experts led by Travis Thompson, Director of Risk Management – Municipal Programs, will work side by side with the Risk Department, Public Works, Human Resources, and the Environmental, Health, and Safety Department. Their focus will be on training, on-site safety inspections, certifications, fire system testing and maintenance, OSHA compliance, ADA compliance, safety equipment recommendations, development of standard operating procedures, active shooter program, hot work program, and hazardous waste disposal, among others.

### **Step 4 - Risk Finance**

It is Hylant’s mission to design the optimal program structure, researching viable risk financing alternatives, and presenting those that are sustainable and cost-effective without sacrificing coverage terms and conditions. During the renewal process, we audit the program through peer reviews, analytics, and benchmarking against similar risk profiles to determine appropriate levels of insurance. Hylant involves subject matter experts, Risk Practices and the City during this process. Hylant has actuarial expertise in completing these studies.

### **Step 5 - Risk Administration**

Hylant will leverage its standard protocol for client service as the backbone of the administration of both the insurance and risk management program. The client engagement strategy allows Hylant to implement and monitor the entire risk management program for the City. The Client Engagement Strategy provides a defined process by which Hylant will schedule periodic meetings throughout the year to prepare for renewals, collectively establish goals and objectives. Below is a graphic illustration of this process.



Established goals and objectives are incorporated into a Written Service Timeline (WSTL) which defines what will be accomplished and the target dates for completion. The WSTL keeps all parties on track and ensures that deadlines are met. An example is in Appendix A.

#### **D. Fee Proposal**

Fee schedules shall be submitted in a separate, sealed, envelope as part of the proposal. Fee quotations are to include the names, title, hourly rates, overhead factors, and any other relevant details. The proposal should highlight key staff and positions that would likely be involved with projects. Consultants shall be capable of justifying the details of the fee proposal relative to personnel costs, overhead, how the overhead rate is derived, material and time.

Please see the separate fee envelope which includes this information.

#### **E. Authorized Negotiator**

Include the name, phone number, and e-mail address of person(s) in your organization authorized to negotiate the agreement with the City.

Linda Koos, President - Ann Arbor Office  
(734) 662-1629 (direct)  
[Linda.Koos@hylant.com](mailto:Linda.Koos@hylant.com)

#### **F. Attachments**

Legal Status of Consultant, Conflict of Interest Form, Living Wage Compliance Form, and the Non-Discrimination Form must be completed and returned with the proposal. These elements should be included as attachments to the proposal submission.

The Legal Status of Consultant, Conflict of Interest Form, Living Wage Compliance Form, and the Non-Discrimination Form are attached in Appendix F.

## MINIMUM QUALIFICATIONS OF CONSULTANT (Attachment A)

**1. Licensed in the State of Michigan.**

Hylant and the individuals who will be assigned to the City of Ann Arbor meet the State of Michigan licensing requirements.

**2. Five years continuous operation in the local area.**

Organized in 1935, Hylant has been a successful insurance firm for over 80 years. In 2005, Hylant acquired the former Dobson-McOmber Agency in Ann Arbor, which had been in operation for over 100 years in the City of Ann Arbor.

**3. Five years of experience in insurance brokerage and risk management consulting with public entities.**

Hylant has significant public entity experience with a large number of public entity clients. Hylant's experience in this market was formalized with the establishment of its Public Entity Practice and Hylant Administrative Services, its in-house third party administrator. Both resource groups are available to Hylant's clients. Hylant Administrative Services is currently the third party administrator for the City of Ann Arbor. Almost everyone listed on the City of Ann Arbor's team has at least five years' experience with public entities and they are all qualified individuals.

**4. Annual Public Entity property and liability premium volume within the State of Michigan in excess of \$5,000,000**

In the State of Michigan, Hylant currently has written premium volumes of \$18,687,588. The total premium volume in Hylant's Public Entity Practice, companywide, is in excess of \$47,000,000.

**5. Key personnel assigned to the City's account. The proposal must include the professional qualifications and experience of at least two (2) non-clerical individuals. Indicate level of education and any professional designations held.**

JPaul Dixon, Senior Vice President, Client Executive and Christine Rue, Client Service Executive will lead the team for the City of Ann Arbor. Please see Appendix C for the bios and level of education for the entire team for the City of Ann Arbor.

6. **Ability to provide loss control and claims management services. If you do not provide these services, but are recommending other firm(s) to provide these services, please support your reason for the recommendation and relationship history.**

**Loss Control**

Five years ago, Hylant developed a customized service plan for the City of Ann Arbor designed to meet the City's requirements. Hylant will continue to provide loss control and claim management services as evidenced in the above answers to the RFP questions.

Loss Control Team Leader: Travis Thompson, Director of Risk Management – Municipal Programs was specifically chosen for the City of Ann Arbor team because of his extensive experience in working with municipalities, counties, educational and other public entities. Travis performs operational risk management reviews, which includes analyzing existing risk management policies, procedures and practices as well as on-site visits. Following are some of the services conducted by the Hylant Risk Control Department:

- Risk management profile
  - Current policy coverage review
  - Loss data trends
  - Contract reviews
- Recommendations
- Technical assistance
- Police / Fire emergency response
- Policy and procedure review
- Transportation/Fleet safety
- Workers' Compensation predictive modeling
- Cyber risk assessment
- Crisis communication management
- Ergonomic assessments

**Claims**

Hylant Claim Practice consists of three tiers: claim reporting and administration, claim consulting, and claim advocacy. All three levels of Hylant's claim professionals work together to ensure that we meet clients' claim service needs and expectations.

Timely and productive claim service is a basic expectation of all clients. Hylant believes it's imperative to go above and beyond by providing superior claim consulting and client advocacy. One of the ways in which Hylant goes above and beyond is by offering claim support 24 hours a day, seven days a week to our clients.

Robyn Campbell, Southeast Michigan Claim Manager, leads Hylant's Michigan Claim Department. Robyn serves as a claim advocate for the City of Ann Arbor on insurance coverage issues and disputes.

The following are the administrative steps Hylant would employ to ensure satisfaction in the claim handling process:

- Receive and notify appropriate carrier of all claims
- Follow up to make sure a claim has been received and accepted
- Add claim expertise and support where necessary
- Continuously advocate for the City on all claims until settlement
- Present analysis reports as requested
- Coordinate communication between client and insurance company
- Interface with the City and interested parties to monitor/coordinate adjustments and legal defense
- Assist in the settlement negotiations and attend meetings with carriers and loss adjusters as necessary
- Help secure partial loss payments as appropriate
- Monitor the claim process for continuous improvement and cost containment
- Interface with all parties to analyze pre-settlement terms on major cases
- Respond to claim-related questions from the City and its legal department; perform research, as necessary, to provide solutions
- Perform claim review discussions as a part of our pre-renewal strategy meeting

**7. A list of clients (including name of contact, address, phone numbers and description of work performed) for which similar projects have been performed by the key personnel identified above.**

**Entity:** City of Canton, Ohio  
**Contact:** Kevin L’Hommedieu, Chief Counsel  
**Address:** 218 Cleveland Avenue S.W.  
8<sup>th</sup> Floor  
Canton, OH 44702  
**Phone:** (330) 438-4337  
**Email:** [kevin.lhommedieu@contonohio.gov](mailto:kevin.lhommedieu@contonohio.gov)  
**Work Performed:** Exposure assessments for operations departments  
Law enforcement policy and procedure  
Playground and park inspections for 67 parks

**Entity:** City of Wooster, Ohio  
**Contact:** Joel Montgomery, Director of Administration  
**Address:** 1761 Beall Avenue  
Wooster, OH 44691  
**Phone:** (330) 263-5244  
**Email:** [jmontgomery@woosteroh.com](mailto:jmontgomery@woosteroh.com)  
**Work Performed:** OSHA Safety Compliance Training  
Exposure assessments for all operating departments  
ADA transition plan

**Entity:** City of Norwalk, Ohio  
**Contact:** Diane Eschen, Finance Director  
**Address:** 38 Whittelsey Avenue  
Norwalk, OH 44857  
**Phone:** (419) 663-6710  
**Email:** [financedirector@norwalkoh.com](mailto:financedirector@norwalkoh.com)  
**Work Performed:** Facilitated orientation for two new Safety Service Directors  
Safety Inspection for all parks and playgrounds  
Provided sample materials and final review for fire department operations  
procedure manual

A complete list of Hylant Ann Arbor clients is available upon request.

**8. Ability to recognize and report conditions in the insurance market that are pertinent to the City and suggest alternative risk management and loss control techniques.**

In order to stay abreast of new products, industry issues, market changes, case law, and other issues, Hylant utilizes a number of tools to gather and disseminate pertinent information. Each member of your Hylant team is directly responsible for maintaining relationships in the marketplace and communicating information. Additionally, Hylant obtains, analyzes and shares information with you, our client, from every level of our organization, including:

- **Hylant Senior Management** – Members of Hylant’s senior management team meets regularly with insurance company senior management to discuss market conditions, strategic planning and industry trends. Due to our flat organizational model, information flows quickly and efficiently to the client.

- **Information Technology Related Information** – Hylant subscribes to Advisen, FC&S, IRMI, ODEN and other on-line services that provide automatic electronic notification of regulatory changes regarding all lines of coverage. We constantly monitor these services and our procedure is to advise clients regarding pertinent regulatory changes that may affect them. These services provide useful information about the marketplace, including pricing trends and coverages, carrier information, unique coverage issues, court decisions and other vital matters.
- **Seminars on Current Industry Topics** – Hylant provides targeted and tailored presentations and training seminars. These events cover many topics such as: safety programs, disaster recovery, enterprise risk management and employment practices. These events are tailored to the specific issues and objectives of our clients. In addition to the client events, we also present industry-specific topic training at national and local risk management organizational functions.

The Hylant team for the City is located in Ann Arbor, thus making face-to-face meetings easily available. Hylant will communicate directly with you in a variety of ways:

- Direct communication with each member of your account team
- Regular e-Newsletters or e-News Briefs
- Educational webinars and seminars conducted periodically throughout the year
- Regular visits with your team to conduct pre-renewal strategy meetings, underwriting meetings and renewal meetings as well as the City of Ann Arbor monthly board meetings
- Postings on our website

**9. Ability and commitment to provide continuous professional daily service.**

Hylant's service objective is to go beyond acting as a mere intermediary between the City of Ann Arbor and the insurance and risk management marketplace. Hylant strives to function as an integral member of your risk management team. Hylant Client Care Best Practices is our method for delivering superior service. It provides an overview of our brokering responsibilities and timeliness, which includes our marketing process, annual coverage analysis, insurance review and strategies.



## QUALIFICATION QUESTIONNAIRE

**1. Name of Firm**

Hylant Group, Inc.

**2. Website Address**

www.hylant.com

**3. Servicing Office Address**

24 Frank Lloyd Wright Drive, Suite J4100, Ann Arbor, Michigan 48105

**4. Telephone/Fax Numbers**

Phone: (734) 741-0044

Fax: (734) 741-1850

**5. E-mail**

JPaul.Dixon@hylant.com

**6. Organization structure e.g. corporation, partnership, etc.**

Organized under the laws of the State of Ohio, Hylant is organized as a Sub-S Corporation.

A copy of our Hylant Corporate Organizational Structure Chart is provided in Appendix E.

**7. How long has your agency been in the insurance business?**

Organized in 1935, Hylant has been a successful insurance firm for over 80 years. In 2005, Hylant acquired the former Dobson-McOmber Agency in Ann Arbor, which had been in operation for over 100 years in the City of Ann Arbor.

**8. Do you maintain an office in Southeastern Michigan (local office)**

Our office, located at 24 Frank Lloyd Wright Drive, Ann Arbor, MI 48105 will be the primary servicing office for the City.

**9. Number of Licensed Agents within local office**

Hylant's Ann Arbor office has 43 licensed agents.

**10. Number of Licensed Insurance Counselors**

There are two licensed insurance counselors in Hylant's Ann Arbor office.

**11. Do you have insurance agents/brokers errors and omissions insurance with a minimum limit of \$1,000,000 per occurrence? If you are selected to provide quotation you must provide evidence of this coverage.**

Yes – Please refer to Appendix G for a copy of a current certificate of insurance.

**12. List your three largest public entity accounts in Michigan, and describe the scope of each relationship. May the City of Ann Arbor contact these accounts? If so, please list the contact persons and their telephone number: If not, state reason.**

**Entity:** University of Michigan

**Contact:** Chip Hartke, Risk Analyst Lead

**Phone:** (734) 763-3006

**Scope:** Brokerage and consulting services. Management of the property and casualty insurance program. Yes, it is okay to contact Mr. Hartke.

**Entity:** City of Warren

**Contact:** Phil Easter, Director of Risk Management

**Phone:** (586) 574-4654

**Scope:** Brokerage and consulting services. Management of the property and casualty insurance program. Yes, it is okay to contact Mr. Easter.

**Entity:** City of Grosse Ile

**Contact:** Ann Darzniek, Director of Finance

**Phone:** (734) 676-4422 x 224

**Scope:** Brokerage and consulting services. Management of the Township's employee benefit programs. Yes, it is okay to contact Ms. Darzniek.

13. State your annual public entity property and liability premium volume within the State of Michigan in 2014, 2015, and 2016:

2014	2015	2016
\$21,365,494	\$20,225,661	\$18,687,588

Linda Koos, President – Ann Arbor Office

Name and Title of individual  
completing this questionnaire

\_\_\_\_\_  
Signature

(734) 662-1629

Phone

linda.koos@hylant.com

Email

\_\_\_\_\_  
Date Signed

# Appendix A

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## Written Service Timeline

PROPERTY & CASUALTY RENEWAL		Due Date	Comments	Proposed Start Date	Actual		Responsibility		
March 1, 2017					Start	Complete	Hylant	Carrier	Client
Action									
1. INTERNAL ACCOUNT PLANNING - NEW BUSINESS AND EACH ANNUAL CYCLE		9/2/2016	180 Days prior to Renewal						
Organize information and analyze client need						X			
Identify issues, exposures and possbile solutions						X			
Benchmark program to industry best practices						X			
Review relationship at all levels						X			
Evaluate compensation requirements						X			
Outline proposed set of solutions and opportunity to bring value						X			
2. WITH CLIENT DECISION MAKERS AND USERS		10/2/2016	150 Days prior to Renewal						
Understand client future business strategies						X		X	
Review: - Issues/solutions identified at internal account planning meeting - Insurance market conditions - Last year's achievements - Insured and underinsured exposures - Acquisitions, divestitures - New business ventures - New exposures						X		X	
Discuss client's objectives for upcoming renewals						X		X	
Review total cost of risk						X		X	
Discuss risk control and claim service needs						X		X	
Present market strategy for each line of coverage						X		X	
Review exposure information requirements						X		X	
Review open items, timeline, key deliverables						X		X	
Review compensation						X		X	

PROPERTY & CASUALTY RENEWAL March 1, 2017		Due Date	Comments	Proposed Start Date	Actual		Responsibility		
					Start	Complete	Hylant	Carrier	Client
Action									
3. CONFIRMATION OF STRATEGY AND DATA COLLECTION		10/2/2016 to 11/1/2016	150-120 Days prior to Renewal						
Confirm in writing to client RSM outcomes, including: - Market strategy - Compensation - Key deliverables - Scope of service - Established timeline							X		
Gather/receive underwriting data							X		X
4. EXECUTIVE TRANSACTIONS OR ASSIGNMENTS (RISK PLACEMENT)		11/1/2016 to 1/30/2017	120-30 Days prior to Renewal						
Prepare and submit specifications							X		
Manage carrier inspections and client/carrier meetings							X	X	X
Negotiate terms and conditions							X	X	
Receive formal quotations							X	X	
5. DELIVER AND CLOSE		1/30/2017 to 2/24/2017	30-5 Days prior to Renewal						
Finalize quotes, prepare and deliver proposal							X		
Document open items for follow-up							X		X
Close open items							X		X
Secure order from client									X
Issue binders, certificates, auto identification card, address subjectives, invoice/billling							X		

PROPERTY & CASUALTY RENEWAL March 1, 2017	Due Date	Comments	Proposed Start Date	Actual		Responsibility		
				Start	Complete	Hylant	Carrier	Client
Action								
6. POLICY DELIVERY AND FEEDBACK	3/31/2017 to 5/6/2017	30-60 Days after Renewal						
Policy delivery						X		
Client dialogue, feedback, satisfaction						X		X
Senior Relationship Officer dialogue						X		X
7. STEWARDSHIP REPORT	5/30/2017 to 8/28/2017	90-180 Days after Renewal						
Stewardship Report Meeting						X		

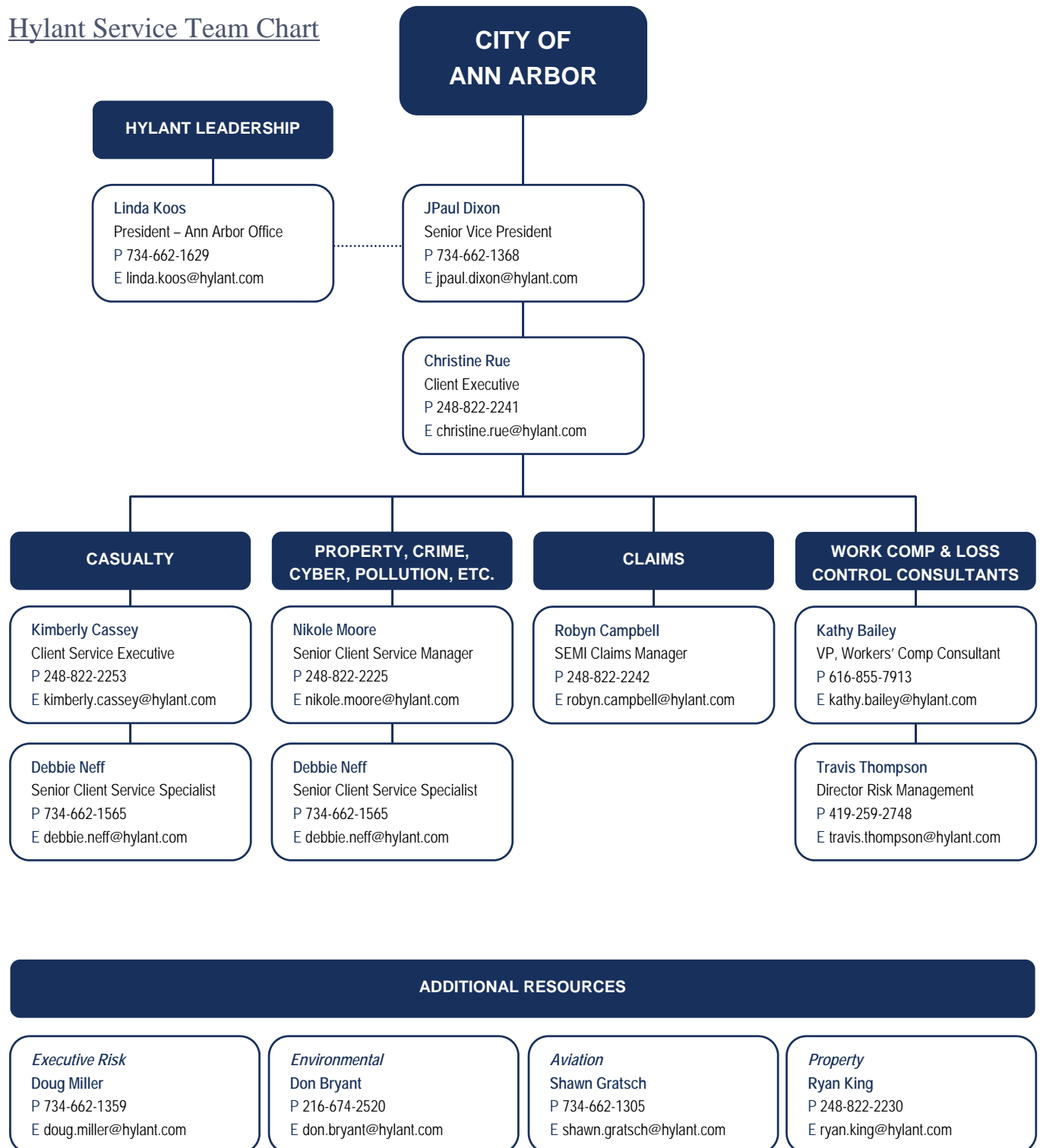


# Appendix B

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## Service Team Chart

## Hylant Service Team Chart



# Appendix C

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## Service Team Bios

**JPaul Dixon – CIC, AAI**

Senior Vice President

Client Executive

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Founded in 1935, Hylant is a full-service insurance brokerage with 14 offices in Ohio, Michigan, Illinois, Indiana, Florida and Tennessee. As a member of the Worldwide Broker Network, Hylant offers complete risk management services, employee benefits consultation, loss control, healthcare management and insurance solutions for businesses and individuals. Hylant is one of the largest privately held brokerage firms in the United States and serves a wide variety of clients locally, nationally, and internationally.

**Ann Arbor Office**

24 Frank Lloyd Wright Dr.

Suite J4100

Ann Arbor, MI 48105

**JPaul Dixon – Senior Vice President****INDUSTRY EXPERIENCE**

JPaul Dixon is an authority in operational insurance and risk management strategy contributing to Hylant's specialization in the automotive, life science, technology and advanced manufacturing industries. JPaul advises many of the largest clients in the Ann Arbor office, helping them to achieve their strategic goals and objectives.

JPaul works closely with the Hylant team to help clients bring new products to market, expand globally and close complex mergers and acquisitions. JPaul has a unique ability to thoroughly understand clients and lead highly qualified teams to deliver an exceptional level of service and risk management advice. JPaul concentrates on Hylant's ability to protect client's assets, lower overall costs and create administrative efficiencies.

JPaul has worked for Hylant for 25 years and is an excellent example of the very high level of client service Hylant provides to all of its clients. He combines extensive insurance knowledge with people skills and a true concern for the community.

**PROFESSIONAL/COMMUNITY INVOLVEMENT**

Packard Health – Board Chair

Ann Arbor Area Chamber – Board, Marketing Committee Chair

Ele's Place – Community Board Member

Ann Arbor Club – Board President

MichBio and the National BIO Association - Preferred Service Provider: Insurance and Risk Management

Ross School of Business – Business Structure Workshop, Leadership Training

United Way – Corporate Campaign Development, Leadership Giving

Ann Arbor Hands-On Museum – Past Board Chair &amp; Development Committee Chair

Ann Arbor Art Center – Past Board Member

Trailblazers of Washtenaw – Past Board Member

Hylant New Client Executive Program Mentor and Leader

Hylant Chairman's Circle

Hylant Client Executive Council

**EDUCATION AND ACCREDITATIONS**

Hillsdale College – Bachelor's Degree

Partnership Producer Program

Leadership Ann Arbor

Accredited Advisor in Insurance



**Christine Rue**

Client Service Executive

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## ABOUT HYLANT

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### Detroit Office

2401 West Big Beaver Road  
Suite 400  
Troy, MI 48084

## Christine Rue – Client Service Executive

### INDUSTRY EXPERIENCE

With over 20 years of industry experience, Christine specializes in identifying and managing the unique risks associated with large complex organizations in the automotive and manufacturing sectors. As a former Risk Manager, Christine understands our clients' needs for an advisory team focused on delivering prompt and reliable information and ideas.

Prior to joining Hylant's Detroit office in 2010, Christine served in the Risk Management department at Delphi Corporation. She ultimately assumed the responsibilities of Corporate Risk Manager, directing the Risk Management and Insurance procurement process for Delphi. Prior to Delphi, Chris worked at both Marsh USA and Aon Risk Services in their Risk Management/Middle Market departments focused primarily on automotive and manufacturing clients. In addition to her brokerage work, Chris worked at General Motors Corporation as a Risk Analyst.

At Hylant, Chris primarily oversees property, casualty and executive risk placement for clients in the automotive and manufacturing industries. She deals with clients both in the US and abroad answering questions and ensuring that their insurance needs are met.

### CLIENTS

During her brokerage career, Christine has worked on several large automotive and manufacturing clients including General Motors, Delphi Corporation and Guardian Industries. In addition to her automotive experience Chris has worked on a number of complex accounts for clients in the chemical, food, communications, and trucking sectors. Some examples include PVS Chemicals, Inc., Kellogg Company, Crain Communications, and Guardian Industries. Chris also has developed public entity experience while she has been at Hylant.

### EDUCATION AND ACCREDITATIONS

Christine received her bachelor's degree in Psychology and Political Science with a minor in Business from the University of Michigan, Dearborn. She holds a resident producer license from the State of Michigan. She is currently working to achieve the Associate of Risk Management designation.



**Linda M.A. Koos**  
President – Ann Arbor Office

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**Ann Arbor Office**  
24 Frank Lloyd Wright Dr.  
P.O. Box 541 Suite J4100  
Ann Arbor, MI 48106

## Linda Koos – President, Ann Arbor Office

### INDUSTRY EXPERIENCE

Leading the day-to-day operation of the Ann Arbor office, Linda is responsible for client development as well as account expansion and office growth for each market segment. Linda focuses on leveraging the strengths of her team by building on their talent, subject-matter expertise and industry specialization. Having an extensive background in multi-level marketing platforms and integrated marketing strategies, her focus is on client expansion and executive oversight for the office's employee benefits offerings in addition to its property and casualty business.

Prior to joining Hylant, Linda was Managing Director – Great Lakes Territory for AIG. She also served as branch manager of the company's Michigan office.

### COMMUNITY INVOLVEMENT

An active and visible member of the communities in which she lives and serves, Linda was recently named to the board of directors for Coalition on Temporary Shelter (COTS) and Big Brothers Big Sisters of Washtenaw County. She is an active volunteer with Humane Society of Huron Valley, United Way of Washtenaw County, Meals on Wheels, the American Red Cross of Washtenaw County, and Inforum of Michigan Affinity Groups. Linda recently was asked to present at the United Way Emerging Leader's group on the topic of "Brand Development and Mentoring" as well as to the Young Leaders Group of the Skyline Club Morning Speakers Session.

### EDUCATION AND ACCREDITATIONS

Linda earned her bachelor's degree in English/Business and Technical Communications from Oakland University in Rochester, Michigan. She completed graduate work in executive leadership development at Case Western Reserve University – Weatherhead School of Management in Cleveland, Ohio.





**Kimberly J. Cassey – CPCU, ARM, AU**  
Vice President  
Client Service Executive  
Casualty Risk Practice

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## ABOUT HYLANT

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**Detroit Office**  
2401 West Big Beaver Road  
Suite 400  
Troy, MI 48084

## Kimberly Cassey – Vice President

### INDUSTRY EXPERIENCE

Kimberly joined Hylant in 2011 bringing over twenty years of industry knowledge and experience servicing a variety of clients. As a member of the Casualty Practice, she is responsible for the design, implementation, and servicing of large casualty risk management programs. Kim's expertise in large casualty program structure allows her to function as an integral member of a client's risk management team, offering expertise in crafting and executing plans that are consistent with the specific business goals and objectives of each client.

Prior to joining Hylant, Kimberly spent eighteen years working for Marsh and Gallagher in their large account risk management groups. She has extensive experience serving clients in the manufacturing, retail, distribution, transportation, and public entity industries.

### INDUSTRY ASSOCIATIONS

Kimberly is a member of the Chartered Property Casualty Underwriter (CPCU) Society, MI Public Risk Management Association (MIPRIMA) and Risk and Insurance Management Society (RIMS). She also holds a resident producer license from the State of Michigan.

### EDUCATION AND ACCREDITATIONS

Kimberly received her bachelor's degree in finance from the University of Nebraska. She is a Certified Property Casualty Underwriter (CPCU), holds her Associate in Risk Management (ARM), and Associate in Underwriting (AU).



**Nikole S. Moore – CIC**  
Senior Client Service Manager

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## ABOUT HYLANT

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**Detroit Office**  
2401 W. Big Beaver Road  
Suite 400  
Troy, MI 48084

## Nikole Moore – Senior Client Service Manager

### INDUSTRY EXPERIENCE

Nikole has over 14 years of industry experience in which she has established strong relationships with clients and insurers. She has expertise in the placement and servicing of manufacturing, retail, construction, trucking and group captives. She has a solid property and casualty background in domestic as well as international placements.

As a Client Service Manager in our Detroit office, Nikole is responsible for the daily administration of her client programs including design and preparation of submission, negotiation of client programs through the proposal, policy, endorsement and contract review.

Prior to joining Hylant in 2013, Nikole was a Client Manager with Marsh (Marsh & McLennan Companies) in Detroit, Michigan. Nikole began her career at Liberty Mutual as a Workers' Compensation claims adjuster where she was quickly promoted to a Senior Case Manager leading a team of 4 people. In 2003, Nikole joined Marsh as a commercial client service representative on the Group Captive team and gained the title of Assistant Vice President and progressed to a group captive Client Manager.

### CLIENTS

Nikole works with clients such as West Side Trucking, Dunham's Athleisure Corp, The City of Warren and National Coney Island Inc..

### EDUCATION AND ACCREDITATIONS

Nikole has a Bachelor of Arts in International Business from Adrian College and a Masters in Business Administration from Wayne State University. Nikole also holds INS and CIC designations. Nikole is a licensed Property and Casualty agent in the State of Michigan.





**Deborah A. Neff**  
Client Service Assistant

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## ABOUT HYLANT

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**Ann Arbor Office**  
24 Frank Lloyd Wright Dr.  
Suite J4100  
Ann Arbor, MI 48105

## Deborah A. Neff – Client Service Assistant

### INDUSTRY EXPERIENCE

With over 30 years of experience, Debbie brings a wealth of expertise to the team. As a Client Service Assistant her activities include processing new business and renewals, checking the accuracy of endorsements, audits and policies, preparing binders, issuing certificates of insurance, invoicing premiums and proposal preparation.

### CLIENTS

Debbie's clients include Hyundai America Technical, Ann Arbor Public Schools, North American Bancard, Ave Maria Foundation, Kyungshin-Lear, City of Ann Arbor and Zingermans.

### EDUCATION AND ACCREDITATIONS

Debbie is licensed as an insurance agent in Property and Casualty for the State of Michigan.

### PROFESSIONAL SPECIALTIES

Construction Insurance  
Educational Institutions  
Human Services



**Robyn Campbell**  
Claims Manager

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## ABOUT HYLANT

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**Detroit Office**  
2401 West Big Beaver Road  
Suite 400  
Troy, MI 48084

## Robyn Campbell – Claims Manager

### INDUSTRY EXPERIENCE

Robyn has over thirty years of experience in the industry. She serves as a claims advocate for our Detroit and Chicago clients working closely in coordinating and facilitating successful carrier claim service relationships and seeing that the clients' needs are met.

Robyn's experience as a claims adjuster makes her successful in working with carrier adjusters towards claim resolution/closure and reserve reductions, which can ultimately help to reduce claim frequency and premiums.

Robyn coordinates and attends carrier/client claim review meetings and prepares to address claim handling and/or financial concerns. Should the carrier not provide this service, Robyn will prepare and administer claim reviews for large accounts.

Developing a proactive approach to reduce claim frequency and severity involves educating clients on the importance of timely claim reporting, safety, and return to work programs. Robyn consults with clients on these issues and helps to develop programs as necessary.

Prior to joining Hylant, Robyn was a Claims Adjuster for GAB Robins North American, Inc. handling automobile tort claims and a large account Claims Adjuster for St. Paul Insurance Company with the responsibility of servicing and performing claim reviews.

### EDUCATION AND ACCREDITATIONS

Robyn has completed basic claims and casualty claims courses at Lawrence Technology in Southfield, Michigan.



## **Kathy Bailey – CWCP**

Vice President

Workers Compensations Consultant

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## **ABOUT HYLANT**

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## **Grand Rapids Office**

85 Campau Ave NW

Suite 100

Grand Rapids, MI 49503

## **Kathy Bailey – Vice President**

### **INDUSTRY EXPERIENCE**

As a claims consultant in Hylant's Grand Rapids office, Kathy provides post-loss workers' compensation consulting. She specializes in workers' compensation cost containment and has been successful in helping clients identify and reduce medical, indemnity and litigation costs associated with workers' compensation. She also has expertise in establishing medical referral networks, establishing and administering disability management programs, third party administrator selection and performance management, occupational physician selection and employee/management training.

Prior to joining Hylant, Kathy served as claims consultant for the former Johnson and Higgins. She was also a workers' compensation consultant with Varnum, Riddering, Schmidt, & Howlett LLP, a major law firm based in western Michigan, where she is credited with starting its successful workers' compensation practice. She also served as workers' compensation administrator for a Michigan-based manufacturer.

### **CLIENTS**

Kathy has worked with midsize to Fortune 100 clients, including multi-location and multi-state companies. She has experience working with manufacturers, retailers, wholesalers and temporary employment firms.

### **INDUSTRY RECOGNITION**

She has been a featured speaker on the topic of workers' compensation management for local and regional conferences including Michigan Safety Conference and Exposition, Chamber of Commerce, The Council on Education and Management and various trade associations.

### **EDUCATION AND ACCREDITATIONS**

Kathy received her education in business administration from Davenport University in Grand Rapids, MI and her Certified Workers' Compensation Professional (CWCP) accreditation from Michigan State University.



## Travis Thompson

Risk Management Representative  
Hylant Administrative Services

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## ABOUT HYLANT

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## Toledo Office

811 Madison Avenue  
Toledo, OH 43604

## Travis Thompson – Risk Management Representative

### INDUSTRY EXPERIENCE

Travis has over 13 years of experience and expertise in risk control consulting. He is responsible for regulatory compliance assessments and training, management system development, implementation and assessment, risk assessment, risk reduction strategies, and incident investigation root cause analysis. Travis also oversees Hylant's field consultants to ensure all programs are properly executed so that clients realize the full benefit of risk control.

Prior to joining Hylant, Travis was a Corporate Safety Leader at Owens Corning in Toledo, Ohio.

### EDUCATION AND ACCREDITATIONS

Travis received his bachelor's degree in biology from Heidelberg College. He is also a Certified Playground Safety Inspector (CPSI), and a Certified School Risk Manager (CSRM).

### PROFESSIONAL SPECIALTIES

- Process Engineering
- Machine Guarding
- Robotics Controls
- Hazard Assessment Process
- Management Systems Assessment
- Training and Mentoring



**Doug Miller**  
Vice President  
Executive Risk

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## ABOUT HYLANT

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**Ann Arbor Office**  
24 Frank Lloyd Wright Dr.  
Suite J4100  
Ann Arbor, MI 48105

## Doug Miller – Vice President Executive Risk

### INDUSTRY EXPERIENCE

Doug joined Hylant in 2007 as a Practice Specialist within the company focusing on professional liability coverage lines for publicly traded, financial institution and large privately-held organizations. Doug brings almost 25 years of invaluable experience working in areas of coverage analysis, financial risk modeling and insurance merger and acquisition due diligence. In addition to serving many Fortune 500, middle market, public, private and non-profit companies with their management liability insurance needs, Doug is considered an industry expert having been published and quoted in Business Insurance, Crittenden Research and National Underwriter, among others. He is also a frequent panelist and presenter on Executive Risk related topics and coverage.

During the previous 13 years Doug worked for Marsh USA in Detroit, Michigan where he most recently served as a Senior Vice President and Marsh FINPRO Practice Leader for Michigan. Prior to that, he also served as the Executive Protection Department Manager for the Chubb Group of Insurance Companies in Milwaukee, Wis. where he was responsible for underwriting management of all of the company's management liability lines of coverage.

### INDUSTRY ASSOCIATIONS

He is a member of the Professional Liability Underwriting Society (PLUS) and the Detroit Chapter Association for Corporate Growth.

### EDUCATION AND ACCREDITATIONS

Doug received his bachelor's degree from Kenyon College in Gambier, Ohio and has done graduate work at Case Western Reserve University in Cleveland, Ohio.

### PROFESSIONAL SPECIALTIES

Directors' and Officers' Liability  
Employment Practices Liability  
Fiduciary Liability & Crime  
Kidnap & Ransom  
Data Security & Privacy  
Professional Liability  
Transactional Risk



**Don Bryant, Jr., CHMM**  
Vice President  
Client Executive  
Environmental Practice Leader

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## ABOUT HYLANT

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**Cleveland Office**  
6000 Freedom Square Drive  
Suite 400  
Cleveland, OH 44131

## Don Bryant, Jr. – Vice President

### INDUSTRY EXPERIENCE

Don leads the Environmental Practice, located in Cleveland, Ohio, and has been in the insurance industry with Hylant since 2004. In his current position he provides innovative insurance-based solutions to clients seeking to mitigate environmental liabilities. Don also provides environmental risk management technical assistance to the Hylant network of thirteen offices across five states. Hylant serves a national market utilizing environmental insurance to facilitate transactions and to protect a wide spectrum of public and corporate assets. The Environmental Practice has expertise evaluating risk and exposure in:

- Retail Operations and Commercial Real Estate
- Energy Development, Distribution, and Services
- Industrial & Manufacturing Facilities
- Agricultural Operations and Facilities
- Brownfield Redevelopment
- Schools, Hospitals, and Extended Care Facilities
- Environmental and General Contracting Services

Don's prior professional experience includes more than 20 years of management in environmental remediation and emergency response, hazardous waste management and compliance, and project development. His broad industry experience includes working knowledge of EPA, OSHA, and DOT regulations, development and implementation of Site Health and Safety Plans (HASPS), and consultation in the proper handling, storage, and disposal of hazardous and non-hazardous waste. Prior to entering the environmental profession, Don worked as a wellsite geologist ("mudlogger") in the oil and gas exploration industry.

He has been a panelist at Ohio EPA sponsored conferences, and has presented on the transactional function of environmental insurance at Real Estate seminars.

He was re-appointed in 2015 to the State of Ohio Petroleum Underground Storage Tank Release Compensation Board (PUSTRCB)

### EDUCATION AND ACCREDITATIONS

Don earned his bachelor's degree from Kent State University in Kent, Ohio and is a Certified Hazardous Materials Manager (CHMM).



**Shawn Gratsch**

Aviation Practice Leader

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## ABOUT HYLANT

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### Ann Arbor Office

24 Frank Lloyd Wright Dr.

Suite J4100

Ann Arbor, MI 48105

## Shawn Gratsch – Aviation Practice Leader

### INDUSTRY EXPERIENCE

As a member of Hylant's Large Account and Aviation Practices, Shawn has over 20 years of diverse aviation insurance experience. Her expertise is in Fortune 100 corporate industrial aid aircraft, commercial aircraft, airports, FBOs and MROs, and aviation products liability exposures. She has spent the majority of her career engaged with large aviation accounts.

Prior to joining Hylant, Shawn was a vice president in the National Aviation Practice with Wachovia Insurance Services. She also worked in the Aviation Practices at Palmer & Cay, Marsh, and Aon working on accounts such as Ford Motor Company, Daimler Chrysler Corporation, General Motors Corporation, Alticor, Motorola, Inc., Aeroframe Services, LLC, and Tug Manufacturing Corporation.

### CLIENTS

Shawn's client roster includes Cleveland Hopkins International Airport, National Flight Services, Inc., Masco Corporation, Owens Illinois, and Dana Corporation.

### INDUSTRY ASSOCIATIONS

Shawn is a member of the Aviation Insurance Association and Women in Aviation International.

### EDUCATION AND ACCREDITATIONS

Shawn is a licensed property and casualty insurance broker in more than 15 states and holds a Federal Aviation Association Student Pilot Certificate.





## Ryan King – ARM

Client Service Executive  
Property & Marine Risk Practice

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P 248-822-2230

## ABOUT HYLANT

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### Detroit Office

2401 West Big Beaver Road  
Suite 400  
Troy, MI 48084

## Ryan King – Client Service Executive

### INDUSTRY EXPERIENCE

Ryan primarily oversees property, boiler & machinery, and terrorism placements for clients in various industries. He has extensive experience with layered and shared programs that are placed with the domestic and overseas markets. Ryan also has experience in education, healthcare, manufacturing, retail, real estate, hospitality, and financial industries. Prior to joining Hylant, Ryan worked at Marsh in Chicago, Illinois.

### CLIENTS

Some of Ryan's notable clients he has worked with include 3M, Woodward Inc, Foremost Farms USA, Federal-Mogul Corporation, Midwestern Higher Education Compact (Master Property Program), BorgWarner, Walgreens, Express, Jo-Ann Stores, and Brown Shoe.

### EDUCATION AND ACCREDITATIONS

Ryan has a Bachelor of Arts in Finance from Michigan State University. He also holds the professional designation of Associate in Risk Management (ARM).



# Appendix D

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## Sample Stewardship Report

# HYLANT



## Stewardship Report



► CES, Inc.

August 25, 2016



[hylant.com](http://hylant.com)

Hylant - Toledo  
811 Madison Ave.  
Toledo, OH 43604

# AGENDA

Attendees: CES Team  
John Doe – Vice President

Hylant Team  
Tony Packo – Client Executive  
Nick Macek – Client Service Specialist

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Service Team ..... 18

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## How We Did – Results vs. Objectives

### **PROPERTY**

#### **State of the Market**

- Rates continue on a downward trend
- CIAB Second Quarter Market Survey shows an average 6% rate reduction for large accounts

#### **2016 Strategy – Per Renewal Strategy Meeting**

- Approach existing markets along with a few potential markets
- Maintain current structure if sustainable
  - Restructure as necessary to maximize capacity
  - Maintain current policy limit, deductibles, terms and conditions with some potential coverage enhancements
  - Maintain expiring policy form and reinsurance agreement
  - Pursue coverage additions and enhancements to the policy form based on newly introduced terms and conditions being offered in the marketplace
- Maintain current fronting carrier, AIG
  - Fronting in both US and overseas
  - Fronting the full policy limit
- Maintain concurrent policy terms and conditions with all markets
  - Bind coverage prior to July 1, 2016
- Seek a 10% rate reduction; expect anywhere between -5% and flat rate

#### **2016 Renewal Recap**

- We were able to achieve a 6.6% rate reduction with incumbent markets
- Maintained program structure with AIG (\$500M policy limit on both US and foreign policies)
- Maintained policy form, limit, deductibles, terms and conditions along several coverage enhancements

## How We Did – Results vs. Objectives

### **GENERAL LIABILITY**

#### **State of the Market**

- Market remains stable
- Cyber exclusions are common
- Second Quarter CIAB Market Survey shows an average 3.6% rate reduction for large accounts

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year unless we did not get a firm and timely commitment from ACE/Chubb
- Continue the same structure (\$1M x \$200K)
- Seek same or better coverage terms and conditions
- Ask for a rate reduction, accept flat

#### **2016 Renewal Recap**

- We were able to get a firm commitment from ACE/Chubb; therefore we did not seek alternative markets
- We were able to secure a 4.5% rate reduction
- Overall premium was up 6.7% due to the 11.5% increase in exposures
- Coverage terms and conditions remained per expiring

## How We Did – Results vs. Objectives

### **AUTOMOBILE LIABILITY**

#### **State of the Market**

- Rates have been increasing since the third quarter of 2011
- Rates are up 2.4% according to the CIAB Second Quarter Market Survey for large accounts
- Even insureds with no losses experienced increases

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year unless we did not get a firm and timely commitment from Travelers
- Continue the same structure (guaranteed cost)
- Seek same or better coverage terms and conditions
- Ask for a flat rate, accept up to a 5% increase

#### **2016 Renewal Recap**

- We were able to get a firm commitment from Travelers; therefore we did not seek alternative markets
- Coverage terms and conditions remained per expiring
- We received a 12.3% rate increase. However, this was negotiated so we could take a decrease on the supporting Insured Workers' Compensation line (a larger premium bearing coverage line)
- Overall premium is up 14%

## How We Did – Results vs. Objectives

### **INSURED WORKERS' COMPENSATION**

#### **State of the Market**

- Rates are down 4.3% per the CIAB Second Quarter Market Survey for large accounts
- Continued emphasis on medical management techniques
- Interest in repatriation and endemic disease cover increasing due to proliferation of Zika

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year unless we were unable to get a firm and timely commitment from Travelers
- Continue the same structure (guaranteed cost)
- Seek same or better coverage terms and conditions
- Ask for a flat rate, accept up to a 5% increase

#### **2016 Renewal Recap**

- We were able to get a firm and timely commitment from Travelers; therefore we did not seek alternative markets
- Coverage terms and conditions remained per expiring
- We were able to negotiate a 4% rate reduction
- Overall deposit premium was down 9.7% due to both the rate reduction and 6% decrease in payroll estimates

## How We Did – Results vs. Objectives

### **SELF-INSURED WORKERS' COMPENSATION**

#### **State of the Market**

- Excess Workers' Compensation remains challenging
- Continued emphasis on medical management techniques

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the coverage this year if we could get a timely acceptable quote from Safety National
- Seek same coverage terms and conditions
- Continue with Gallagher Bassett as the TPA
- Get the renewal application done early
- Ask for flat rate, accept up to a 5% increase

#### **2016 Renewal Recap**

- We were able to secure a firm and timely commitment from Safety National; therefore we did not seek any alternative markets
- Coverage terms and conditions remained per expiring
- We were able to secure a 4.9% rate increase meeting our target
- Overall premium is up 8.6% due to both the rate increase and the 3.3% increase in payroll estimates



## How We Did – Results vs. Objectives

### **FOREIGN LIABILITY**

#### **State of the Market**

- Market remains stable
- Capacity is readily available
- Second Quarter CIAB Market Survey shows a 3.6% rate reduction for large accounts

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year unless we were unable to secure a firm and timely commitment from ACE/Chubb
- Continue structure (guaranteed cost)
- Seek same or enhanced coverage terms and conditions
- Ask for a flat rate, accept up to a 5% increase

#### **2016 Renewal Recap**

- We were able to secure a firm and timely commitment from ACE/Chubb; therefore we did not seek any alternative markets
- Coverage terms and conditions remained per expiring
- We were able to secure a 4.7% rate increase meeting our target
- Overall premium was down 7.5% mostly due to the 11.8% exposure decrease

## How We Did – Results vs. Objectives

### **UMBRELLA/EXCESS LIABILITY**

#### **State of the Market**

- Market capacity remains readily available
- Although some lead umbrella carriers are seeking single-digit rate increases, Second Quarter CIAB Market Survey shows rates are down an average of 2.8% for large accounts
- Excess lines are remaining flat or some reductions

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year unless we were unable to secure a firm and timely commitment from our carriers
- Continue current structure (\$100M x Primary)
- Seek same or enhanced coverage terms and conditions
- Ask for a 5% rate reduction

#### **2016 Renewal Recap**

- We were able to secure a firm and timely commitment from our 3 carriers; therefore we did not seek any alternative markets
- Coverage terms and conditions remained per expiring
- We were able to secure a flat rate renewal
- Overall premium is up 1.4% due to a 1.4% increase in exposures

## How We Did – Results vs. Objectives

### **OCEAN CARGO**

#### **State of the Market**

- Unexpected changes in political landscape should always be considered
- Rates remain generally flat

#### **2016 Strategy – Per Renewal Strategy Meeting**

- We recommended not marketing the program this year
- Continue the same structure (\$3M x \$1K)
- Confirm no changes in coverage or rates
- Seek a flat rate renewal

#### **2016 Renewal Recap**

- We did not market the program due to receiving a firm and timely commitment from Allianz
- Coverage terms and conditions remained per expiring
- We were able to secure a flat rate renewal
- Overall premium is up 2% due to the 2% increase in exposures

## How We Did – Results vs. Objectives

### **DIRECTORS' & OFFICERS' LIABILITY**

#### **State of the Market**

- Public company rates are down an average of .3% per the Second Quarter Market Survey for large accounts
- A-Side pricing has stabilized and is now generally flat

#### **2016 Strategy – Per Renewal Strategy Meeting**

- Maintain current limit and retention structures
- Obtain non-premium bearing enhancements as available
- Expect a flat rate renewal based on the expiring retention

#### **2016 Renewal Recap**

- Premium remained flat for the expiring \$35M limit and \$500K retention
- Primary AIG coverage was improved as follows:
  - Amended the definition of Loss to include Plaintiff Attorney's Fees
  - Amended the definition of Derivative Investigation Costs to include Books and Records Costs
- Beazley added A-Side Enhancement Endorsement which replaces several of the expiring endorsements



## How We Did – Results vs. Objectives

### **FIDUCIARY LIABILITY**

#### **State of the Market**

- Capacity remains stable but fewer markets than D&O
- Primary underwriters looking to increase rates 0-5%

#### **2016 Strategy – Per Renewal Strategy Meeting**

- Possible reduction of current limit; maintain current retention
- Obtain non-premium bearing enhancements as available
- Expect a flat to +5% rate for the renewal

#### **2016 Renewal Recap**

- Premium remained flat for the new \$40M limit and expiring retention
- No changes to coverage terms and conditions

## How We Did – Results vs. Objectives

### **EMPLOYMENT PRACTICES LIABILITY**

#### **State of the Market**

- Exposure changes and loss history remain the driving factor behind rate increases
- Second Quarter CIAB Market Survey shows an average .8% rate decrease for large accounts
- Supreme Court involvement continues to affect the market

#### **2016 Strategy – Per Renewal Strategy Meeting**

- Maintain current limit and retention structures
- Obtain non-premium bearing enhancements as available
- Expect a flat to +5% rate for the renewal (not counting changes in exposure)

#### **2016 Renewal Recap**

- Premium remained flat for the \$10M limit and expiring retention
- No changes to coverage terms and conditions



## How We Did – Results vs. Objectives

### **CRIME**

#### **State of the Market**

- Rates continue to remain flat not counting exposure changes

#### **2016 Strategy – Per Renewal Strategy Meeting**

- Maintain current limit and retention structures
- Obtain non-premium bearing enhancements as available
- Expect a flat renewal (not counting exposure changes)

#### **2016 Renewal Recap**

- Premium remained flat for the \$15M limit and expiring retention
- No changes to coverage terms and conditions

## How We Did – Results vs. Objectives

### **STOP LOSS**

#### **2016 Plan Performance**

- As of claims paid from January – June 2016, there is 1 person who is at the 50% of the specific deductible of \$300K. In addition, there are a couple additional people who are close to being at 50% without RX claims included. We are working with CVS Caremark & Aetna to identify the dollar amount of RX claims paid for these individuals
  - One person at \$159,580 without RX claims included
  - One person at \$129,900 without RX claims included
  - One person at \$117,880 without RX claims included
- Current loss ratio under the aggregate contract is 48% including RX claims over \$10K per individual
- \$329,700 paid in premium & consulting fees from Jan-June 2016

#### **Hylant is:**

- Providing monthly claims tracking reports to compare with stop loss contracts
- Coordinating the upcoming renewal; planning a meeting in mid-September to review renewal strategy
- Monitoring the medical conditions to provide awareness of potential catastrophic claims



## Renewal Process – Underwriting Information/Data Collection

### **Renewal Strategy Meeting and Timeline Execution**

- Did the timing of the Renewal Strategy Meeting allow for timely notification of others involved with the process?
- Were the established timelines reasonable?

### **Data Collection Process**

- Do you feel the data collection process went smoothly?
- Did we request the data from the appropriate individuals?
  - Are there any individuals that should be copied on the request (e.g. regional managers)?
- If an online data collection system was used, were the instructions clear?
- How can we make the process easier for you?

### **Underwriting Information and Follow Up**

- Do you believe the initial data request document was complete?
  - Did we request additional information after the fact?
  - Are there additional questions and/or sections that could be added to the questionnaire?
- Did the data collection process reveal any unknown exposures?
- Based upon the follow up questions that were asked post data collection, we recommend adding the following fields to the data collection:
  - Example A
  - Example B
- Do you have any recommendations for information that can be requested that would help you in the administration of your Risk Management program?

### **Renewal Proposal**

- Did the timing of the Renewal proposal allow you to notify all internal parties affected in a timely manner?
- Did the format of the Renewal Proposal provide you with the necessary information to properly evaluate the coverage terms and conditions?
- Did the proposal allow you to make a confident decision in regards to your coverage?
- What information would you like to see added to the proposal to enhance your confidence in the final outcomes?

## Current State of the Program

- Stability
  - Policy Delivery
  - 15-16 Audits
- Fiduciary Limits
  - Reduced to \$40M
- Stop Loss
- Cyber Liability
- Hylant Enterprise Risk Planning Team
  - Hylant Alternative Risk consultants utilize an advanced actuarial and financial technique to create a decision support framework which defines and prioritizes key risk issues and addresses risk financing challenges. Through this analytical process, our clients are able to structure and implement unique risk financing arrangements in the most cost effective manner
  - Strategy – Identification – Optimization
    - 1) Strategy
      - By utilizing core foundations of your Risk Profile and managements willingness to leverage risk-bearing capacity, our team aims to improve the long-term risk financing economics through program structure variables corresponding to:
        - a) Loss, frictional and opportunity costs
        - b) Cash flow considerations
        - c) Insurance, reinsurance, and capital market capabilities
        - d) Accounting, finance, and tax considerations
    - 2) Identification
      - Development and thorough understanding of Risk Profile
      - Baseline knowledge that the rate and volatility in today's business climate is producing:
        - a) Risks that are more diverse
        - b) Risk Management processes that can be fragmented and not uniformly Measured
        - c) Greater financial scrutiny and expectations
      - Goal is to identify, assess, and mitigate risk exposures throughout the enterprise. From a risk paradigm standpoint, our group designates all potential risks as belonging to one of the "Four Quadrants of Risk"
        - a) Hazard
        - b) Occupational
        - c) Strategic
        - d) Financial
      - Our goal with this consistent language and characterization of risk is to explain and craft solutions. Hylant uses a unique tool, "Risk Recon" to help identify and quantify the risks of your organization from within these 4 quadrants



## Current State of the Program (continued)

### 3) Optimization

- Value creation through Risk Management developing a multi-year, risk finance plan that supports the corporations business and growth plans

## Service Team

### **Team Leadership**

- Tony Packo – Client Executive
- Dwight Wittenberg – Senior Vice President/Client Executive
- Scott Stewart – Executive Vice President/Client Liaison

### **Executive Risk**

- Doug Miller – Vice President/Client Service Executive
- Melissa Laine – Client Service Executive

### **Property**

- Basima Rumman – Vice President/Client Service Executive
- Connie Heinlin – Client Service Manager

### **Casualty/Ocean Cargo**

- Brian Sullivan – Vice President/Client Service Executive
- Nick Macek – Client Service Specialist

### **Benefits**

- Becky Stewart – Vice President/Client Executive
- Pam Eckel – Senior Client Service Specialist
- Michelle Willard – Client Services Executive/Department Leader (Stop Loss)

### **Claims & Service Support**

- Janet Mallory – Senior Client Service Assistant (Property, Casualty, Ocean Cargo)
- Patty Dabrowski – Claims Supervisor (Property, Casualty, Ocean Cargo)

### **Hylant Resources**

- Steve Groos – Property Loss Control Consultant
- Kevin O'Donnell – Senior Vice President Risk Practices
- Michelle Lafferty – Corporate Counsel/Claims Advocacy
- Dan Dimas – Risk Control Practice Leader

## Fee Analysis

Service Team Member	Estimated Chargeable Hours
Tony Packo Client Executive	50
Brian Sullivan / Casualty Client Service Executive	185
Bess Rumman / Property CSE Vice President	165
Connie Heinlin / Property Client Service Manager	285
Steve Groos Sr. Property Loss Prevention Consultant	20
Terry Menna / Cargo Client Service Executive	1
Nick Macek Client Service Specialist	125
Courtney Cox Service Assistant	70
Janet Mallory Senior Service Assistant	25
Douglas Miller / Executive Risk CSE Vice President	20
Melissa Laine / Executive Risk Client Service Executive	30
Vicki Duncan / Bond Program Client Service Executive	5
CLAIMS	N/A -- Included in Staff Billing Rates
<b>TOTAL</b>	<b>981</b>

**Proposed Fee: \$ 183,000**

## Current Program Summaries

### PROPERTY

July 1, 2016 to July 1, 2017

Lexington Insurance Company

Policy Number:

Limits of Liability:

- \$ 500,000,000 – Any one occurrence including Boiler & Machinery, except
- \$ 100,000,000 – Earthquake in the annual aggregate, except:
  - \$ 20,000,000 – Property located in Other Critical Zones
  - \$ 10,000,000 – California EQ
  - \$ 5,000,000 – Service Interruption PD & TE
  - \$ 1,000,000 – Newly Acquired, E&O, Exhibitions, Fairs or Trade Shows, and Misc Unnamed Locations
- \$ 100,000,000 – Flood in the annual aggregate, except:
  - \$ 20,000,000 – Flood Zones A, V and Sub-Zones or equivalent
  - \$ 1,000,000 – Newly Acquired, E&O, Exhibitions, Expositions, Fairs or Trade Shows, and Misc Unnamed Locations (Thailand Flood excluded)
- \$ 50,000,000 – Automatic Coverage; Demolition and ICC; Expediting Costs; Extra Expense
- \$ 25,000,000 – Accounts Receivable; Coinsurance Deficiency and Currency Devaluation; Civil Authority; E&O; Dependent Time Element; Ingress/Egress; Neighbor's Recourse and Tenant's Liability; Off Premises Storage for Property Under Construction; Service Interruption PD & TE combined; Soft Costs; Misc Unnamed Locations; Non-admitted Increased Liability; Valuable Papers & Records; Property in the Course of Construction
- \$ 10,000,000 – Fine Arts, Deferred Payments, Transportation
- \$ 5,000,000 – Data, Programs or Software and Computer Systems – Non-physical Damage combined; Debris Removal, or 25% whichever is greater; Green Coverage; Crisis Management
- \$ 1,000,000 – Land & Water Contamination or Pollutant Cleanup, Removal and Disposal in the annual aggregate; Railroad Rolling Stock; Professional Fees; Precious Metals; Communicable Disease

## Current Program Summaries

### **PROPERTY (continued)**

Deductible:               \$ 250,000 – combined all coverages, except:  
Glass Furnace Operations:  
\$ 250,000 – PD and 5 day equivalent TE-minimum \$500,000 combined all coverages  
\$ 50,000 – Railroad Rolling Stock  
\$ 100,000 – Transportation

Premium:               \$ 1,500,000

Rate:                       .234

Premium is based on TIV or \$1,932,933,977 allocated by country as follows:

United States – TIV \$979,560,157; Premium: \$510,180

China – TIV \$117,486,896; Premium: \$119,495

Mexico – TIV \$484,422,307; Premium: \$507,462

Netherlands – TIV \$224,184,376; Premium: \$231,412

Portugal – TIV \$127,280,241; Premium: \$131,451

## Current Program Summaries

### **GENERAL LIABILITY**

July 1, 2016 to July 1, 2017

ACE American Insurance Company

Policy Number:

Limits of Liability:	\$ 10,000,000 – General Aggregate Limit
	\$ 2,000,000 – Designated Location Aggregate Limit
	\$ 2,000,000 – Products & Completed Operations Aggregate Limit
	\$ 1,000,000 – Each Occurrence Limit
	\$ 10,000 – Damage to Premises Rented to You Limit
	\$ 250,000 – Catastrophe Management Limit Each Occurrence

Self-Insured Retention:	\$ 200,000
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#### Employee Benefits

Liability:	\$ 1,000,000 – Each Employee Limit
	\$ 1,000,000 – Aggregate Limit
	\$ 1,000 – Deductible

Premium:	\$ 120,565
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Rate:	.234
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Premium is based on domestic sales values of \$515,235,000 and is payable at inception. Actual sales values will be reported at audit and premium will be adjusted accordingly.



## Current Program Summaries

### **AUTOMOBILE LIABILITY**

July 1, 2016 to July 1, 2017

Phoenix Insurance Company (Travelers)

Policy Number:

Limits of Liability:       \$ 1,000,000 – Combined Single Limit (Bodily Injury and Property Damage)  
                                      \$ 10,000 – Medical Payments  
                                      \$ 500,000 - Uninsured/Underinsured Motorists Coverage  
  ACV – Hired Auto Physical Damage Limit

Deductibles:               \$ 1,000 – Hired Auto Physical Damage (Comp and Collision)

Premium:                 \$ 22,563

Rate:                       Varies per vehicle type

Premium is subject to annual reporting and premium adjustment.

## Current Program Summaries

### **INSURED WORKERS' COMPENSATION**

July 1, 2016 to July 1, 2017

Travelers Property Casualty Co. of America

Policy Number:

Limits of Liability: Statutory for Workers' Compensation

Employers Liability:

\$ 1,000,000 – Each Accident

\$ 1,000,000 – Each Employee

\$ 1,000,000 – Policy Limit

Premium: \$ 44,087

Rate: Various (per state and employee classification)

Premium is based on estimated payroll values of \$7,656,597 and is payable at inception. CES, Inc. to report actual payrolls at end of policy term and premium will be adjusted accordingly.

## Current Program Summaries

### **SELF-INSURED WORKERS' COMPENSATION (Louisiana and Ohio)**

July 1, 2016 to July 1, 2017

Safety National Casualty Corporation

Policy Number:

Limits of Liability: Statutory for Workers' Compensation

Employers Liability:

\$ 1,000,000 – Per Occurrence

\$ 1,000,000 – Annual Aggregate

Self-Insured Retentions: \$ 2,000,000 – Per Occurrence for Asbestos related losses

\$ 1,000,000 – Per Occurrence for all other occurrences

Premium: \$ 190,313

Rate: .203

Premium is based on estimated payrolls (per \$100 of payroll) of \$93,750,333 and is due at inception. CES, Inc. to report actual payrolls at end of policy term and premium will be adjusted accordingly.

## Current Program Summaries

### **FOREIGN LIABILITY**

July 1, 2016 to July 1, 2017

ACE American Insurance Company

Policy Number:

#### General Liability:

Limits of Liability:

- \$ 4,000,000 – Master Control Program Aggregate Limit
- \$ 1,000,000 – Each Occurrence Limit
- \$ 2,000,000 – Products/Completed Operations Aggregate Limit
- \$ 1,000,000 – Advertising Injury and Personal Injury Aggregate Limit
- \$ 1,000,000 – Damage to Rented Premises Limit
- \$ 1,000,000 – Employee Benefits E&O (Each Claim and Aggregate)
- \$ 25,000 – Medical Expense Coverage Each Accident Limit
- \$ 2,000,000 – General Aggregate Limit

Non-Admitted Master Policy to act as DIC/DIL over underlying locally placed policies

Admitted Local Policies issued with a \$1,000,000 each occurrence and in the aggregate in the following countries:  
China, Mexico, Netherlands, and Portugal

Premiums based upon estimated foreign sales (excluding the US and Canada) of: China - \$14,048,000, Mexico - \$156,112,000, Netherlands - \$83,171,000, Portugal - \$56,886,000

#### Automobile Liability:

Limits of Liability:

- \$ 1,000,000 – BI & PD Each Accident
- \$ 50,000 – Medical Expense Coverage – Each Accident
- \$ 50,000 – Hired Car Physical Damage – Each Occurrence & Aggregate

## Current Program Summaries

### **FOREIGN LIABILITY (continued)**

#### Workers' Compensation & Employers Liability

Limits of Liability: Statutory/State of Hire/ Country of Origin for Foreign Voluntary Compensation

Employers Liability:

- \$ 1,000,000 – BI per Accident
- \$ 1,000,000 – BI by Disease Policy Limit
- \$ 1,000,000 – BI by Disease Limit Each Employee
- \$ 1,000,000 – Executive Assistance Services Policy Limit

Coverage is Excess / DIC over local statutory coverage

#### Accidental Death and Dismemberment

Limits of Liability:      \$     50,000 – Employee Accidental Death and Dismemberment  
                                     \$ 1,500,000 – Aggregate Policy Limit

#### Corporate Kidnap and Extortion

Limits of Liability:      \$    250,000 - Extortion/Ransom Monies Payment Each Covered Loss  
                                     \$    250,000 – In-Transit Extortion/Ransom Monies Loss Expense Each Covered Loss  
                                     \$    250,000 – Expenses Each Covered Loss  
                                     \$    250,000 – Legal Costs Each Covered Loss  
                                     \$     10,000 – Sub-Limit Each Life – Medical, Death, or Dismemberment  
                                     \$    100,000 – Sub-Limit Each Incident – Medical, Death, or Dismemberment  
                                     \$    250,000 – Incident Response Each Covered Loss

## Current Program Summaries

### **FOREIGN LIABILITY (continued)**

#### Retained Limits Pollution Liability Coverage

Limits of Liability:       \$ 1,000,000 – Each Claim Limit  
                                      \$ 1,000,000 – Aggregate Limit

Retained Limit:           \$     25,000

Retroactive Date:         7/1/2014

Territory:                 Anywhere in the world but excluding the United States of America (including its territories and possessions), Puerto Rico, and except as otherwise limited or extended by this insurance

Premium:	General Liability	\$ 22,956
	Pollution	\$ 5,749
	Auto Liability	\$ 2,907
	Employers Liability	\$ 23,665
	China CGL	\$ 4,917
	Mexico CGL	\$ 15,611
	Netherlands CGL	\$ 8,317
	<u>Portugal CGL</u>	<u>\$ 5,689</u>
	Total:	\$ 89,811

Rate:                       Various



## Current Program Summaries

### **UMBRELLA/EXCESS LIABILITY**

July 1, 2016 to July 1, 2017

Travelers Property Casualty Company of America

Policy Number:

Limits of Liability:       \$ 25,000,000 – Each Occurrence Limit  
                                     \$ 25,000,000 – Annual Aggregate Limit  
                                     \$ 25,000,000 – Products/Completed Operations Aggregate Limit

Retention:                   \$ 0

Premium:                   \$     69,965

Coverage is excess of scheduled underlying coverage

Premium is based on estimated domestic and foreign sales values of \$857,734,000 and is payable at inception.

Policy is not auditable.

## Current Program Summaries

### **UMBRELLA/EXCESS LIABILITY**

July 1, 2016 to July 1, 2017

Federal Insurance Company (Chubb)

Policy Number:

Limits of Liability:       \$ 25,000,000  
                                    Part of  
                                    \$ 75,000,000 – Each Occurrence Limit

                                    \$ 25,000,000  
                                    Part of  
                                    \$ 75,000,000 – Products / Completed Operations Aggregate Limit

                                    \$ 25,000,000  
                                    Part of  
                                    \$ 75,000,000 – Aggregate Limit

Applying Excess of the Travelers \$25,000,000 Lead Policy

Premium:                   \$     26,620





## Current Program Summaries

### **UMBRELLA/EXCESS LIABILITY**

July 1, 2016 to July 1, 2017

National Surety Corporation (Fireman's Fund)

Policy Number:

Limits of Liability:       \$ 50,000,000

Part of

\$ 75,000,000 – BI, Personal Injury and PD Liability Per Occurrence and Aggregate

Applying Excess of the Travelers \$25,000,000 Lead Policy

Premium:                   \$     54,500

## Current Program Summaries

### **OCEAN CARGO**

July 1, 2016 to July 1, 2017

AGCS Marine Insurance Company

Policy Number:

Limits of Liability:       \$ 3,000,000 – Any one vessel or connecting conveyance  
                                     \$ 3,000,000 – Any one aircraft or connecting conveyance  
                                     \$ 3,000,000 – Any one metal barge or any one tow  
                                     \$ 500,000 – Any one package shipped by government or private mail or parcel post  
                                     \$ 3,000,000 – Any one truck or rail car for international shipments  
                                     \$ 100,000 – Any one owned and/or leased vehicle

Deductible:                 \$ 1,000 – Per Occurrence

Premium:                 \$ 21,744

Rate:                         .022 per \$100 shipment values, estimated at \$98,836,000

## Current Program Summaries

### **DIRECTORS' & OFFICERS' LIABILITY**

August 1, 2016 to August 1, 2017

National Union Fire Insurance Company (AIG) – Primary \$10M

Endurance American Insurance Company - \$10M x \$10M

Zurich American Insurance Company - \$5M x \$20M

Beazley Insurance Company - \$10M x \$25M A-Side DIC

Limits of Liability:       \$ 35,000,000

Retention Per Claim:   \$           0 – Non-Indemnifiable Loss  
                                  \$    500,000 – All Other Loss  
                                  \$   1,000,000 – M&A Loss

Prior & Pending

Litigation Dates:       June 24, 1993  
                                  July 1, 2002 – A-Side DIC

Premiums:               \$   150,280 – Primary \$10M  
                                  \$     82,500 - \$10M x \$10M  
                                  \$     30,000 - \$5M x \$20M  
                                  \$    48,680 - \$10M x \$25M A-Side DIC  
                                  \$    311,460

## Current Program Summaries

### **FIDUCIARY LIABILITY**

#### August 1, 2016 to August 1, 2017

Illinois National Insurance Company (AIG) – Primary \$10M

Continental Casualty Company - \$10M x \$10M

AXIS Insurance Company - \$10M x \$20M

Federal Insurance Company - \$10M x \$30M

Limits of Liability:       \$ 40,000,000

Retention Per Claim:   \$ 500,000 – All Other Claims  
\$ 1,000,000 – Securities Claims

#### Prior and Pending

Litigation Date:       June 24, 1993 – Primary \$10M and \$10M x \$10M  
July 1, 2002 - \$10M x \$20M and \$10M x \$30M

Premiums:               \$ 75,000 – Primary \$10M  
\$ 54,000 - \$10M x \$10M  
\$ 38,900 - \$10M x \$20M  
\$ 28,950 - \$10M x \$30M  
\$ 196,850



## Current Program Summaries

### **EMPLOYMENT PRACTICES LIABILITY**

August 1, 2016 to August 1, 2017

AXIS Insurance Company

Limits of Liability:       \$ 10,000,000

Retention Per Claim:     \$     250,000

Prior and Pending  
Litigation Date:         August 1, 2009

Premium:                 \$       68,452

## Current Program Summaries

### **CRIME**

August 1, 2016 to August 1, 2017

Federal Insurance Company – Primary \$10M

National Union Fire Insurance Company (AIG) - \$5M x \$10M

Limits of Liability Per Claim:	\$ 10,000,000 – Employee Dishonesty
	\$ 10,000,000 – Premises
	\$ 10,000,000 – Transit
	\$ 10,000,000 – Forgery
	\$ 10,000,000 – Computer Fraud
	\$ 10,000,000 – Funds Transfer Fraud
	\$ 10,000,000 – Money Orders/Counterfeit Currency
	\$ 10,000,000 – Credit Card Fraud
	\$ 1,000,000 – Client Coverage
	\$ 100,000 – Expense Coverage

Deductible Per Claim:	\$ 250,000
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Premiums:	\$ 60,699 – Primary \$10M
	\$ <u>20,284</u> - \$5M x \$10M
	\$ 80,983

## Current Program Summaries

### **SPECIAL RISK (KIDNAP & RANSOM)**

August 1, 2014 to August 1, 2017

National Union Fire Insurance Company (AIG)

Limits of Liability:	\$ 25,000,000 – Ransom Each Insured Event
	\$ 25,000,000 – In-Transit/Delivery Each Insured Event
	\$ 25,000,000 – Expenses Each Insured Event
	\$ Unlimited – Consultant Expenses
	\$ 25,000,000 – Judgements, Settlements, and Defense Each Insured Event
	\$ 250,000 – Death or Dismemberment Each Insured Person
	\$ 1,000,000 – Death or Dismemberment Each Insured Event
	\$ 75,000 – Disappearance Each Insured Person
	\$ 75,000 – Disappearance Each Insured Event
	\$ 250,000 – Hostage Crisis Each Insured Person
	\$ 250,000 – Hostage Crisis Each Insured Event
	\$ 50,000 – Threat Each Insured Event
Retention:	\$ 0
Insured Person(s):	All directors, officers and employees of the Insured
Premium:	\$ 29,530

# Appendix E

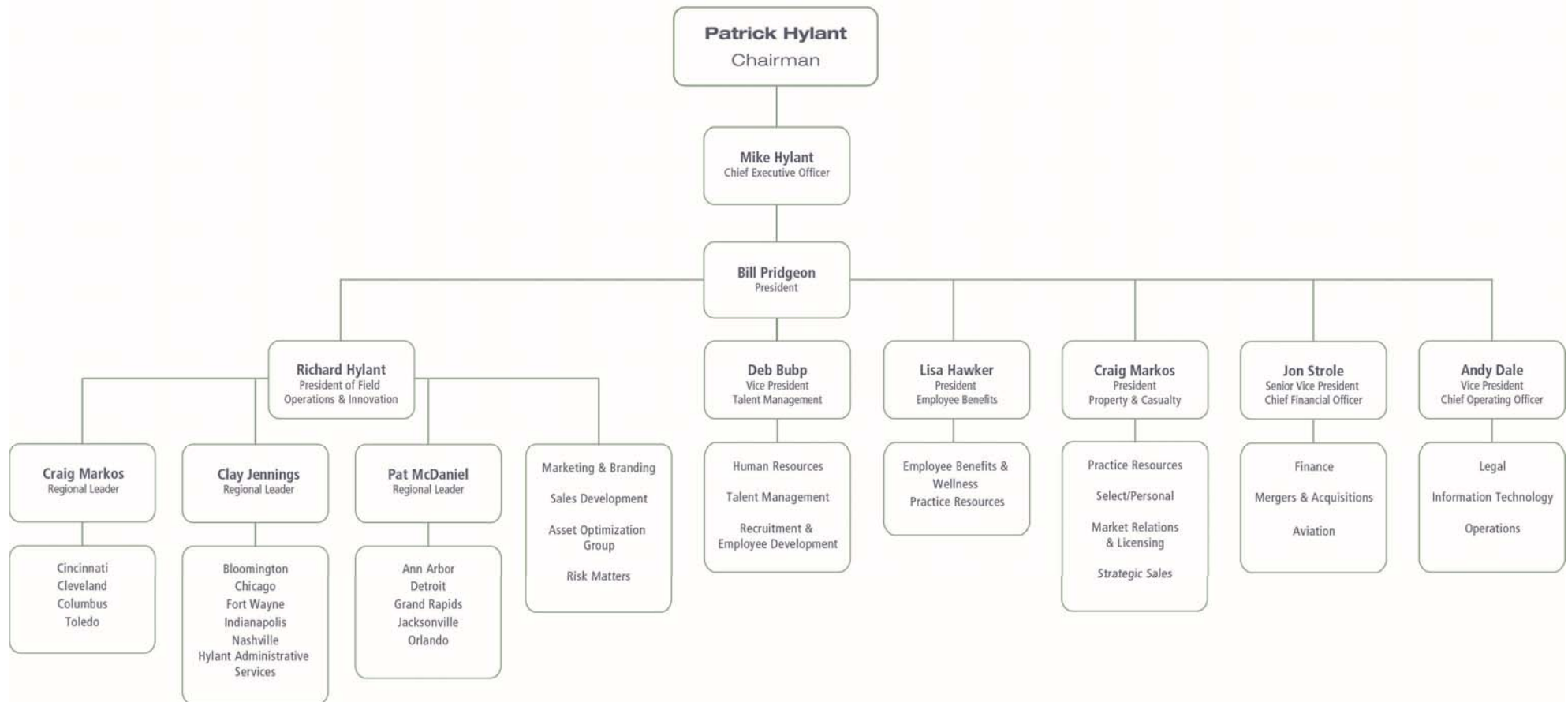
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## Corporate Organizational Chart



# HYLANT

## Corporate Organizational Chart



# Appendix F

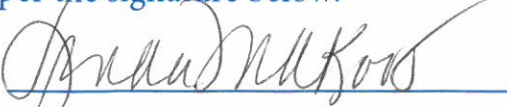
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## Required Attachments

- Addendum #1
- Legal Status of Consultant
- Conflict of Interest Form
- Living Wage Compliance Form
- Non-Discrimination Form

Hylant acknowledges the receipt of Addendum No. 1 per the signature below:

**ADDENDUM No. 1**

  
Linda Koos, President - Ann Arbor Office

**RFP No. 993**

**Insurance Brokerage Services and Risk Management Consulting**

**Updated Due Date and Time: January 18, 2017 at 2:00 P.M. (local time)**

The following adjustments shall be made to the Request for Proposal for Insurance Brokerage Services and Risk Management Consulting, No. 993 on which proposals were originally to be received on/or before January 16, 2017 by 2:00 p.m. (local time) and now extended to be received on/or before January 18, 2017 by 2:00 p.m. (local time).

The information contained herein shall take precedence over the original documents and all previous addenda (if any), and is appended thereto. **This Addendum includes 3 page(s).**

**Offeror is to acknowledge receipt of this Addendum No. 1, including all attachments in its Proposal by so indicating in the proposal that the addendum has been received. Proposals submitted without acknowledgement of receipt of this addendum may be considered nonconforming.**

**The following forms provided within the RFP Document must be included in submitted proposal:**

- City of Ann Arbor Non-Discrimination Ordinance Declaration of Compliance
- City of Ann Arbor Living Wage Ordinance Declaration of Compliance
- Vendor Conflict of Interest Disclosure Form

**Proposals that fail to provide these completed forms listed above upon proposal opening will be deemed non-responsive and will not be considered for award.**

**I. CORRECTIONS/ADDITIONS/DELETIONS**

Changes to the RFP documents which are outlined below are referenced to a page or Section in which they appear conspicuously. The Bidder is to take note in its review of the documents and include these changes as they may affect work or details in other areas not specifically referenced here.

<b><u>Section/Page(s)</u></b>	<b><u>Change</u></b>
All mentions	As provided in RFP Document: Proposal Due Date: January 16, 2017 by 2:00 p.m. (local time)
	As updated herein: Proposal Due Date: January 18, 2017 at 2:00 p.m. (local time)

*Comment: The Due Date and Time for responses to this RFP has been extended to Wednesday, January 18, 2017 at 2:00 p.m. Note that all other dates are unchanged.*

## **II. QUESTIONS AND ANSWERS**

**Question #1:** Please advise of current insurance profile—carriers at risk

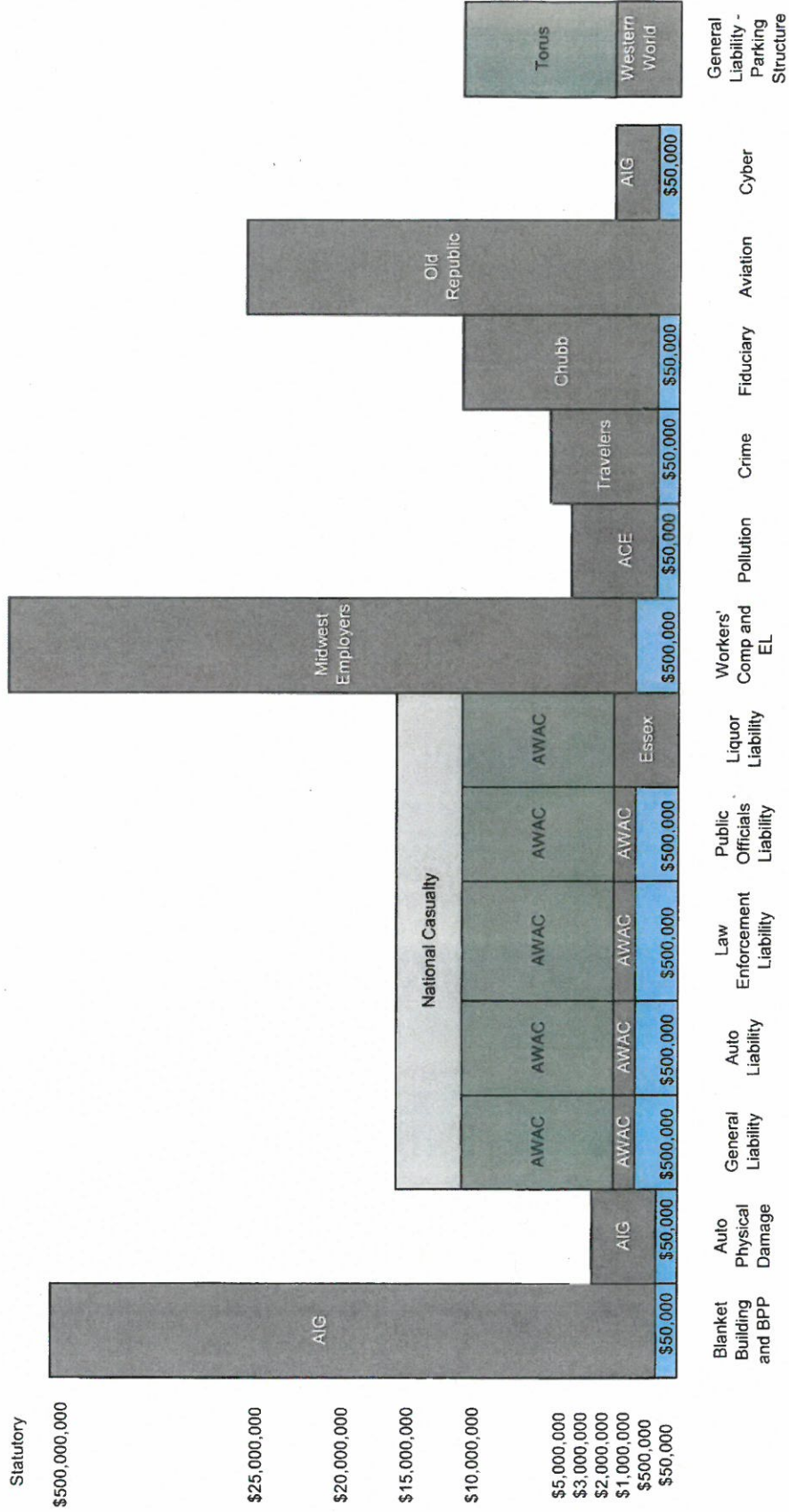
**Answer #1:** See attached.

**Question #2:** Please advise of current insurance broker / consultant

**Answer #2:** Hylant is the City's current insurance broker / consultant.

Respondents are responsible for any conclusions that they may draw from the information contained in the Addendum.

CITY OF ANN ARBOR INSURANCE PROGRAM





**ATTACHMENT A**  
**MINIMUM QUALIFICATIONS OF CONSULTANT & QUALIFICATION QUESTIONNAIRE**

MINIMUM QUALIFICATIONS OF CONSULTANT

*Respondents to this RFP are required to provide explanatory or illustrative information demonstrating the qualifications listed below.*

1. Licensed in the State of Michigan.
2. Five years of continuous operation in the local area.
3. Five Years of experience in insurance brokerage and risk management consulting with public entities.
4. Annual public entity property and liability premium volume within the State of Michigan in excess of \$5,000,000
5. Key personnel assigned to the City's account. The proposal must include the professional qualifications and experience of at least two (2) non-clerical individuals. Indicate level of education and any professional designations held.
6. Ability to provide loss control and claims management services. If you do not provide these services, but are recommending other firm(s) to provide these services, please support your reason for the recommendation and relationship history.
7. A list of clients (including name of contact, address, phone numbers and description of work performed) for which similar projects have been performed by the key personnel identified above.
8. Ability to recognize and report conditions in the insurance market that are pertinent to the City and suggest alternative risk management and loss control techniques.
9. Ability and commitment to provide continuous professional daily service.

Due to limited space, we have included the answers to the Minimum Qualifications of Consultant questions on pages 43 through 47 of our RFP Response.

## QUALIFICATION QUESTIONNAIRE

*Respondents to this RFP are required to respond to the following questions. In order to provide the City with the most complete response to the questions possible the Consultant should attach/provide explanatory or illustrative information, where appropriate.*

1. Name of Firm
2. Website Address
3. Servicing Office Address
4. Telephone/Fax Numbers
5. E-mail
6. Organization structure e.g. corporation, partnership, etc.
7. How long has your agency been in the insurance business?
8. Do you maintain an office in Southeastern Michigan (local office)?
9. Number of Licensed Agents within local office
10. Number of Licensed Insurance Counselors
11. Do you have insurance agents/brokers errors and omissions insurance with a minimum limit of \$1,000,000 per occurrence? If you are selected to provide quotation you must provide evidence of this coverage.
12. List your three largest public entity accounts in Michigan, and describe the scope of each relationship. May the City of Ann Arbor contact these accounts?

Due to limited space, we have included the answers to the Qualification Questionnaire on pages 48 through 50 of our RFP Response.

If so, please list the contact persons and their telephone number: If not, state reason.

13. State your annual public entity property and liability premium volume within the State of Michigan in 2014, 2015, and 2016:

Linda M. A. Koos / President

**Name and Title of individual  
completing this questionnaire**

Linda M. A. Koos

**Signature**

734. 662. 1629

**Phone**

1.12.17

**Date Signed**

The signed version of this form is included as page 50 within our RFP Response.



**ATTACHMENT B  
LEGAL STATUS OF RESPONDENT**

(The Respondent shall fill out the provision and strike out the remaining ones.)

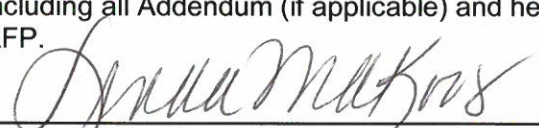
The Respondent is:

- A corporation organized and doing business under the laws of the state of Michigan, for whom Linda Koos bearing the office title of President, whose signature is affixed to this proposal, is authorized to execute contracts on behalf of respondent.\*

\*If not incorporated in Michigan, please attach the corporation's Certificate of Authority

- ~~• A limited liability company doing business under the laws of the State of \_\_\_\_\_, whom \_\_\_\_\_ bearing the title of \_\_\_\_\_, whose signature is affixed to this proposal, is authorized to execute contract on behalf of the LLC.~~
- ~~• A partnership organized under the laws of the State of \_\_\_\_\_ and \_\_\_\_\_ filed with the County of \_\_\_\_\_, whose members are (attach list including street and mailing address for each.)~~
- ~~• An individual, whose signature with address, is affixed to this RFP.~~

Respondent has examined the basic requirements of this RFP and its scope of services, including all Addendum (if applicable) and hereby agrees to offer the services as specified in the RFP.

 Date: 1.12.17  
Signature

(Print) Name Linda Koos Title President - Ann Arbor Office

Firm: Hylant Group, Inc.

Address: 24 Frank Lloyd Wright Dr., Suite J4100, Ann Arbor, MI 48105

Contact Phone (734) 662-1629

Fax (734) 741-1850

Email Linda.Koos@hylant.com

**ATTACHMENT C  
CITY OF ANN ARBOR DECLARATION OF COMPLIANCE**

**Non-Discrimination Ordinance**

The "non discrimination by city contractors" provision of the City of Ann Arbor Non-Discrimination Ordinance (Ann Arbor City Code Chapter 112, Section 9:158) requires all contractors proposing to do business with the City to treat employees in a manner which provides equal employment opportunity and does not discriminate against any of their employees, any City employee working with them, or any applicant for employment on the basis of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight. It also requires that the contractors include a similar provision in all subcontracts that they execute for City work or programs.

In addition the City Non-Discrimination Ordinance requires that all contractors proposing to do business with the City of Ann Arbor must satisfy the contract compliance administrative policy adopted by the City Administrator. A copy of that policy may be obtained from the Purchasing Manager

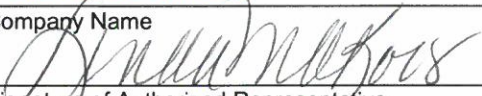
The Contractor agrees:

- (a) To comply with the terms of the City of Ann Arbor's Non-Discrimination Ordinance and contract compliance administrative policy.
- (b) To post the City of Ann Arbor's Non-Discrimination Ordinance Notice in every work place or other location in which employees or other persons are contracted to provide services under a contract with the City.
- (c) To provide documentation within the specified time frame in connection with any workforce verification, compliance review or complaint investigation.
- (d) To permit access to employees and work sites to City representatives for the purposes of monitoring compliance, or investigating complaints of non-compliance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services in accordance with the terms of the Ann Arbor Non-Discrimination Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Non-Discrimination Ordinance, obligates the Contractor to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract.

Hylant Group, Inc.

Company Name

  
Signature of Authorized Representative

1.12.17  
Date

Linda Koos, President - Ann Arbor Office

Print Name and Title

24 Frank Lloyd Wright Dr., Suite J4100, Ann Arbor, MI 48105

Address, City, State, Zip

(734) 662-1629 Linda.Koos@hylant.com

Phone/Email address

**Questions about the Notice or the City Administrative Policy, Please contact:**

Procurement Office of the City of Ann Arbor  
(734) 794-6500

Revised 3/31/15 Rev. 0

NDO-2



**ATTACHMENT D  
CITY OF ANN ARBOR  
LIVING WAGE ORDINANCE DECLARATION OF COMPLIANCE**

The Ann Arbor Living Wage Ordinance (Section 1:811-1:821 of Chapter 23 of Title I of the Code) requires that an employer who is (a) a contractor providing services to or for the City for a value greater than \$10,000 for any twelve-month contract term, or (b) a recipient of federal, state, or local grant funding administered by the City for a value greater than \$10,000, or (c) a recipient of financial assistance awarded by the City for a value greater than \$10,000, shall pay its employees a prescribed minimum level of compensation (i.e., Living Wage) for the time those employees perform work on the contract or in connection with the grant or financial assistance. The Living Wage must be paid to these employees for the length of the contract/program.

*Companies employing fewer than 5 persons and non-profits employing fewer than 10 persons are exempt from compliance with the Living Wage Ordinance. If this exemption applies to your company/non-profit agency please check here [ ] No. of employees \_\_\_\_*  
The Contractor or Grantee agrees:

- (a) To pay each of its employees whose wage level is not required to comply with federal, state or local prevailing wage law, for work covered or funded by a contract with or grant from the City, no less than the Living Wage. The current Living Wage is defined as \$12.93/hour for those employers that provide employee health care (as defined in the Ordinance at Section 1:815 Sec. 1 (a)), or no less than \$14.43/hour for those employers that do not provide health care. The Contractor or Grantor understands that the Living Wage is adjusted and established annually on April 30 in accordance with the Ordinance and covered employers shall be required to pay the adjusted amount thereafter to be in compliance (Section 1:815(3)).

***Check the applicable box below which applies to your workforce***

- [ ] Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage without health benefits
- [ ] Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage with health benefits
- (b) To post a notice approved by the City regarding the applicability of the Living Wage Ordinance in every work place or other location in which employees or other persons contracting for employment are working:
- (c) To provide to the City payroll records or other documentation within ten (10) business days from the receipt of a request by the City.
- (d) To permit access to work sites to City representatives for the purposes of monitoring compliance, and investigating complaints or non-compliance.
- (e) To take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee covered by the Living Wage Ordinance or any person contracted for employment and covered by the Living Wage Ordinance in order to pay the living wage required by the Living Wage Ordinance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services or agrees to accept financial assistance in accordance with the terms of the Living Wage Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Living Wage Ordinance, obligates the Employer/Grantee to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract or grant of financial assistance.

Hylant Group, Inc.

Company Name

Linda Koos

Signature of Authorized Representative

1.12.17

Date

Linda Koos, President - Ann Arbor Office

Print Name and Title

24 Frank Lloyd Wright Dr., Suite J4100, Ann Arbor, MI 48105

Address, City, State, Zip

(734) 662-1629 Linda.Koos@hylant.com

Phone/Email address

Questions about this form? Contact Procurement Office City of Ann Arbor Phone: 734/794-6500

Revised 2/17/16 Rev 0

LW-2



## ATTACHMENT E

### VENDOR CONFLICT OF INTEREST DISCLOSURE FORM

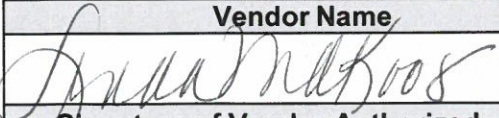
All vendors interested in conducting business with the City of Ann Arbor must complete and return the Vendor Conflict of Interest Disclosure Form in order to be eligible to be awarded a contract. Please note that all vendors are subject to comply with the City of Ann Arbor's conflict of interest policies as stated within the certification section below.

If a vendor has a relationship with a City of Ann Arbor official or employee, an immediate family member of a City of Ann Arbor official or employee, the vendor shall disclose the information required below.

1. No City official or employee or City employee's immediate family member has an ownership interest in vendor's company or is deriving personal financial gain from this contract.
2. No retired or separated City official or employee who has been retired or separated from the City for less than one (1) year has an ownership interest in vendor's Company.
3. No City employee is contemporaneously employed or prospectively to be employed with the vendor.
4. Vendor hereby declares it has not and will not provide gifts or hospitality of any dollar value or any other gratuities to any City employee or elected official to obtain or maintain a contract.
5. Please note any exceptions below:

Conflict of Interest Disclosure*	
Name of City of Ann Arbor employees, elected officials or immediate family members with whom there may be a potential conflict of interest.	<input type="checkbox"/> Relationship to employee
	<input type="checkbox"/> Interest in vendor's company
	<input type="checkbox"/> Other (please describe in box below)

\*Disclosing a potential conflict of interest does not disqualify vendors. In the event vendors do not disclose potential conflicts of interest and they are detected by the City, vendor will be exempt from doing business with the City.

I certify that this Conflict of Interest Disclosure has been examined by me and that its contents are true and correct to my knowledge and belief and I have the authority to so certify on behalf of the Vendor by my signature below:		
Hylant Group, Inc.		(734) 662-1629
Vendor Name		Vendor Phone Number
	1.12.17	Linda Koos, President - Ann Arbor Office
Signature of Vendor Authorized Representative	Date	Printed Name of Vendor Authorized Representative



**ATTACHMENT F**  
**CITY OF ANN ARBOR NON-DISCRIMINATION ORDINANCE**

Relevant provisions of Chapter 112, Nondiscrimination, of the Ann Arbor City Code are included below. You can review the entire ordinance at [www.a2gov.org/departments/city-clerk](http://www.a2gov.org/departments/city-clerk)

**Intent:** It is the intent of the city that no individual be denied equal protection of the laws; nor shall any individual be denied the enjoyment of his or her civil or political rights or be discriminated against because of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight.

**Discriminatory Employment Practices:** No person shall discriminate in the hire, employment, compensation, work classifications, conditions or terms, promotion or demotion, or termination of employment of any individual. No person shall discriminate in limiting membership, conditions of membership or termination of membership in any labor union or apprenticeship program.

**Discriminatory Effects:** No person shall adopt, enforce or employ any policy or requirement which has the effect of creating unequal opportunities according to actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight for an individual to obtain housing, employment or public accommodation, except for a bona fide business necessity. Such a necessity does not arise due to a mere inconvenience or because of suspected objection to such a person by neighbors, customers or other persons.

**Nondiscrimination by City Contractors:** All contractors proposing to do business with the City of Ann Arbor shall satisfy the contract compliance administrative policy adopted by the City Administrator in accordance with the guidelines of this section. All city contractors shall ensure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate inequality based upon any classification protected by this chapter. All contractors shall agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of any applicable protected classification. All contractors shall be required to post a copy of Ann Arbor's Non-Discrimination Ordinance at all work locations where its employees provide services under a contract with the city.

**Complaint Procedure:** If any individual has a grievance alleging a violation of this chapter, he/she has 180 calendar days from the date of the individual's knowledge of the allegedly discriminatory action or 180 calendar days from the date when the individual should have known of the alleged discriminatory action to file a complaint with the city's Human Rights Commission. If an individual fails to file a complaint alleging a violation of this chapter within the specified time frame, the complaint will not be considered by the Human Rights Commission. The complaint should be made in writing to the Human Rights Commission. The complaint may be filed in person with the City Clerk, by e-mail ([hrc@a2gov.org](mailto:hrc@a2gov.org)), by phone (734-794-6141) or by mail (Ann Arbor Human Rights Commission, PO Box 8647, Ann Arbor, MI 48107). The complaint must contain information about the alleged discrimination, such as name, address, phone number of the complainant and location, date and description of the alleged violation of this chapter.

**Private Actions For Damages or Injunctive Relief:** To the extent allowed by law, an individual who is the victim of discriminatory action in violation of this chapter may bring a civil action for appropriate injunctive relief or damages or both against the person(s) who acted in violation of this chapter.



ATTACHMENT G

CITY OF ANN ARBOR LIVING WAGE ORDINANCE

**RATE EFFECTIVE APRIL 30, 2016 - ENDING APRIL 29, 2017**

**\$12.93 per hour**

If the employer provides health care benefits\*

**\$14.43 per hour**

If the employer does **NOT** provide health care benefits\*

Employers providing services to or for the City of Ann Arbor or recipients of grants or financial assistance from the City of Ann Arbor for a value of more than \$10,000 in a twelve-month period of time must pay those employees performing work on a City of Ann Arbor contract or grant, the above living wage.

**ENFORCEMENT**

The City of Ann Arbor may recover back wages either administratively or through court action for the employees that have been underpaid in violation of the law. Persons denied payment of the living wage have the right to bring a civil action for damages in addition to any action taken by the City.

Violation of this Ordinance is punishable by fines of not more than \$500/violation plus costs, with each day being considered a separate violation. Additionally, the City of Ann Arbor has the right to modify, terminate, cancel or suspend a contract in the event of a violation of the Ordinance.

\* Health Care benefits include those paid for by the employer or making an employer contribution toward the purchase of health care. The employee contribution must not exceed \$.50 an hour for an average work week; and the employer cost or contribution must equal no less than \$1/hr for the average work week.

**The Law Requires Employers to Display This Poster Where Employees Can Readily See It.**

**For Additional Information or to File a Complaint Contact  
Colin Spencer at 734/794-6500 or [cspencer@a2gov.org](mailto:cspencer@a2gov.org)**

# Appendix G

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## Certificates of Insurance



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/5/2017

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

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

<b>PRODUCER</b> Hylant Group Inc - Toledo 811 Madison Avenue Toledo OH 43604		<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> 419-255-1020 <b>FAX (A/C, No):</b> 419-255-7557 <b>E-MAIL ADDRESS:</b>	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> Federal Insurance Company	
		<b>INSURER B:</b> Ohio Casualty Insurance Company	
		<b>INSURER C:</b>	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

## COVERAGES

CERTIFICATE NUMBER: 739381888

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:			35792212	12/31/2016	12/31/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$Included \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			73514018	12/31/2016	12/31/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$			UUO1753027258	12/31/2016	12/31/2017	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
A	<input checked="" type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	71704116	12/31/2016	12/31/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Coverage is primary and Waiver of Subrogation as respect General Liability coverage are applicable as required by written contract. Certificate issued as required by RFP #993 Insurance Brokerage Services and Risk Management Consulting.

## CERTIFICATE HOLDER

## CANCELLATION

City of Ann Arbor  
Procurement Unit  
301 E. Huron Street  
Ann Arbor MI 48104

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/5/2017

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

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

<b>PRODUCER</b> Hylant Group Inc - Toledo 811 Madison Ave Toledo OH 43604		<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> 419-255-1020 <b>FAX (A/C, No):</b> 419-255-7557 <b>E-MAIL ADDRESS:</b>	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> XL Specialty Insurance Company	
		<b>NAIC #</b> 37885	
<b>INSURED</b> Hylant Group, Inc. 811 Madison Ave Toledo OH 43604		<b>HYLAGRO-08</b>	
		<b>INSURER B:</b>	
		<b>INSURER C:</b>	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

## COVERAGES

CERTIFICATE NUMBER: 262187648

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Errors & Omissions Professional Liability			ELU145597-16	8/1/2016	8/1/2017	Each Act Total 3,000,000 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

\$500,000 Self Insured Retention - Per Claim

Certificate issued as required by RFP #993 Insurance Brokerage Services and Risk Management Consulting.

## CERTIFICATE HOLDER

## CANCELLATION

City of Ann Arbor Procurement Unit 301 E. Huron Street Ann Arbor MI 48104	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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