

4/6/22

**CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
COUNTY OF GLOUCESTER
AND
WILLIAM R. CAREY & COMPANY, INC.**

THIS CONTRACT is effective the **6th** day of **April, 2022**, by and between the **COUNTY OF GLOUCESTER**, a body politic and corporate of the State of New Jersey, with administrative offices at 2 South Broad Street, Woodbury, New Jersey, 08096, hereinafter referred to as "**County**", and **WILLIAM R. CAREY & COMPANY, INC.**, with offices at 140 West Allendale Avenue, Allendale, NJ 07401, hereinafter referred to as "**Contractor**".

RECITALS

WHEREAS, there exists a need by the County to contract for professional services regarding the provision of individual and aggregate excess loss medical insurance coverage for inmates on behalf of the Department of Correctional Services; and

WHEREAS, Contractor represents that it is qualified to perform the said required services, and desires to so perform pursuant to the terms and provisions of this Contract; and

WHEREAS, this Contract is awarded pursuant to, and consistent with, the County's Fair and Open Procurement Process and the terms and provisions of N.J.S.A. 19:44A-20.4; and

NOW, THEREFORE, in consideration of the mutual promises, agreements, and other considerations made by and between the parties, the County and the Contractor do hereby agree as follows:

TERMS OF AGREEMENT

1. TERM OF SERVICES. The term of the Contract shall be from March 1, 2022 to February 28, 2023.

2. COMPENSATION. Contractor shall be compensated in a total contract amount of \$110,000.00, with an initial payment of \$55,000.00 due upon execution of the Contract, and the balance of \$55,000.00 due on May 1, 2022 as per premium payment terms, contingent upon final adoption of the 2022 County budget.

Contactor shall be paid in accordance with this Contract document upon receipt of an invoice and a properly executed voucher. After approval by the County, the payment voucher shall be placed in line for prompt payment.

Each invoice shall contain an itemized, detailed description of all work performed during the billing period. Failure to provide sufficient specificity shall be cause for rejection of the invoice until the necessary details are provided.

It is also agreed and understood that the acceptance of the final payment by Contractor shall be considered a release in full of all claims against the County arising out of, or by reason of, the work done and materials furnished under this Contract.

3. DUTIES OF CONTRACTOR. The specific duties of the Contractor shall be for the provision of specific and aggregate excess loss medical insurance coverage for inmates on behalf of the Department of Correctional Services as per the policy terms set forth in UMR: B0572NA21C587, which is incorporated by reference in its entirety and made a part of this Contract.

Contractor agrees that it has or will comply with, and where applicable shall continue throughout the period of the Contract to comply with, all requirements set out in RFP-22-023.

4. FURTHER OBLIGATIONS OF THE CONTRACTOR. During the performance of this Contract, the Contractor agrees as follows:

a. The Contractor will not discriminate against any employee or applicant for employment, and will ensure that equal employment opportunity is afforded to all applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, sex, veteran status or military service. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

c. The Contractor will send to each labor union with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the vendor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Contractor, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

e. The Contractor agrees to make good faith efforts to meet targeted County employment goals established in accordance with N.J.A.C. 17:27-5.2.

f. Contractor shall notify County immediately in the event of suspension, revocation or any change in status (or in the event of the initiation of any action to accomplish such suspension, revocation and/or change in status) of license or certification held by Contractor or its agents.

5. LICENSING. If the Contractor, or any of its subcontractors, is required to maintain a license in order to perform the services which are the subject of this Contract, then prior to the effective date of this Contract, and as a condition precedent to its taking effect, Contractor shall provide to the County a copy of all current licenses to operate in the State of New Jersey, which license shall be in good standing and shall not be subject to any current action to revoke or suspend, and shall remain so throughout the term of this Contract.

Contractor shall notify the County immediately in the event of suspension, revocation or any change in status (or in the event of the initiation of any action to accomplish such suspension, revocation and/or change in status) of license or certification held by Contractor, or its agents and/or subcontractors.

6. TERMINATION. This Contract may be terminated as follows:

a. Pursuant to the termination provisions set forth in the Bid Specifications or in the Request for Proposals, if any, as the case may be, which are specifically referred to and incorporated herein by reference.

b. If Contractor is required to be licensed in order to perform the services which are the subject of this Contract, then this Contract may be terminated by County in the event that the appropriate governmental entity with jurisdiction has instituted an action to have the Contractor's license suspended, or in the event that such entity has revoked or suspended said license. Notice of termination pursuant to this subparagraph shall be effective immediately upon the giving of said notice.

c. If, through any cause, the Contractor shall fail to fulfill in timely and proper manner his obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the County shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Contractor under this Contract, shall be forthwith delivered to the County.

d. The County may terminate this Contract for public convenience at any time by a notice in writing from the County to the Contractor. If the Contract is terminated by the County as provided herein, the Contractor will be paid for the services rendered to the time of termination.

e. Notwithstanding the above, the Contractor shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Contract by the Contractor, and the County may withhold any payments to the Contractor for the purpose of set off until such time as the exact amount of damages due the County from the Contractor is determined.

f. Termination shall not affect the validity of the indemnification provisions of this Contract, nor prevent the County from pursuing any other relief or damages to which it may be entitled, either at law or in equity.

7. NO ASSIGNMENT OR SUBCONTRACT. This Contract may not be assigned, nor subcontracted by the Contractor, except as otherwise agreed in writing by both parties. Any attempted assignment or subcontract without such written consent shall be void with respect to the County, and no obligation on the County's part to such subcontractor or assignee shall arise, unless the County shall elect to accept, and consent to, such assignment or subcontract.

8. INDEMNIFICATION. The Contractor shall be responsible for, shall keep save and hold the County harmless from, and shall indemnify the County against, any claim, loss, liability, expense (specifically including but not limited to costs, counsel fees and/or experts' fees), or damage resulting from all mental or physical injuries or disability, including death, to employees or recipients of the Contractor's services or to any other persons, or from any damage to any property sustained in connection with this contract which results from any acts or omissions, including negligence or malpractice, of any of its officers, directors, employees, agents, servants, or independent contractors, or from the Contractor's failure to provide for the safety and protection of its employees, or from Contractor's performance or failure to perform pursuant to the terms and provisions of this Contract, whether or not due to negligence, fault, or default of the Contractor. The Contractor's liability under this Contract shall continue after the termination of this Contract with respect to any liability, loss, expense or damage resulting from acts occurring prior to termination.

9. INSURANCE. Contractor shall, if applicable to the services to be provided, maintain general liability, automobile liability, business operations, builders and Workers' Compensation insurance in amounts and with companies deemed satisfactory by the County. Said policies shall be in compliance with any applicable requirements of the State of New Jersey and of the United States. Contractor shall, simultaneously with the execution of this Contract, deliver certifications of said insurance to County, naming the County as an additional insured.

If Contractor is a member of a profession which is subject to suit for professional malpractice, then Contractor shall maintain and continue in full force and effect, an insurance policy for professional liability/malpractice with limits of liability acceptable to the County. Contractor shall, simultaneously with the execution of this Contract, and as a condition precedent to its taking effect, provide to County a copy of a certificate of insurance, verifying that said insurance is and will be in effect during the term of this Contract.

The County shall review the certificate for sufficiency and compliance with this paragraph and approval of said certificate and policy shall be necessary prior to this Contract

taking effect. Contractor also hereby agrees to continue said policy in force and effect for the period of the applicable statute of limitations following the termination of this Contract, and shall provide the County with copies of certificates of insurance as the certificates may be renewed during that period of time.

10. SET-OFF. Should Contractor either refuse or neglect to perform the services which Contractor is required to perform in accordance with the terms of this Contract, and if expense is incurred by County by reason of Contractor's failure to perform, then and in that event, such expenses shall be deducted from any payment due to Contractor. Exercise of such set-off shall not operate to prevent County from pursuing any other remedy to which it may be entitled.

11. PREVENTION OF PERFORMANCE BY COUNTY. In the event that the County is prevented from performing this Contract by circumstances beyond its control, then any obligations owing by the County to the Contractor shall be suspended without liability for the period during which the County is so prevented.

12. NON-WAIVER. The failure by the County to enforce any particular provision of this Contract, or to act upon a breach of this Contract by Contractor, shall not operate as or be construed as a waiver of any subsequent breach, nor a bar to any subsequent enforcement

13. PARTIAL INVALIDITY. In the event that any provisions of this Contract shall be, or become, invalid under any law or applicable regulation, such invalidity shall not affect the validity or enforceability of any other provisions of this Contract.

14. NOTICES. Notices required by this Contract shall be effective upon mailing of notice by regular and certified mail to the addresses set forth above, or by personal service, or if such notice cannot be delivered or personally served, then by any procedure for notice pursuant to the Rules of Court of the State of New Jersey.

15. INDEPENDENT CONTRACTOR STATUS. The parties acknowledge that Contractor is an independent contractor, and is not an employee, or agent of the County.

16. BINDING EFFECT. This Contract shall be binding on the undersigned, and their successors and assigns.

17. GOVERNING LAW, JURISDICTION AND VENUE. This agreement and all questions relating to its validity, interpretation, performance or enforcement shall be governed by and construed in accordance with the laws of the State of New Jersey. The parties each irrevocably agree that any dispute arising under, relating to, or in connection with, directly or indirectly, this agreement or related to any matter which is the subject of or incidental to this agreement (whether or not such claim is based upon breach of contract or tort) shall be subject to the exclusive jurisdiction and venue of the state and/or federal courts located in Gloucester County, New Jersey or the United States District Court, District of New Jersey, Camden, New Jersey. This provision is intended to be a "mandatory" forum selection clause and governed by and interpreted consistent with New Jersey law and each waives any objection based on forum non conveniens.

18. CONTRACT PARTS. This Contract consists of this Contract document and policy number UMR: B0572NA21C587RFP-21-055.

THIS CONTRACT is dated this 6th day of April, 2022.

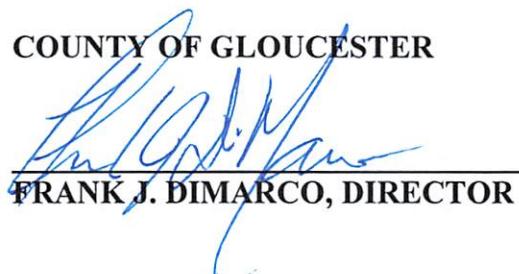
IN WITNESS WHEREOF, the County has caused this instrument to be signed by its Director and attested by its Clerk of the Board, pursuant to a Resolution of the Board of County Commissioners passed for that purpose, and Contractor has caused this instrument to be signed by its properly authorized representative and its corporate seal affixed the day and year first above written.

ATTEST:



LAURIE J. BURNS,
CLERK OF THE BOARD

COUNTY OF GLOUCESTER



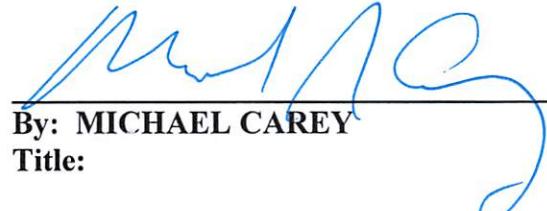
FRANK J. DIMARCO, DIRECTOR

ATTEST:



Peter Wozniak

WILLIAM R. CAREY & COMPANY, INC.



By: MICHAEL CAREY
Title:

RISK DETAILS

**UNIQUE MARKET
REFERENCE:** B0572NA21C587

TYPE: SPECIFIC AND AGGREGATE MEDICAL EXCESS OF LOSS

ASSURED: Gloucester County Jail

ADDRESS: 2 South Broad Street, Woodbury, NJ 08096, U.S.A.

PERIOD: From: 1st March, 2022
To: 28th February, 2023
Both days inclusive at Local Standard Time at the address of the Assured.

INTEREST: Reimbursement of Medical Expenses paid in respect of inmates at both in and out of network.

**SUM
INSURED:**

A) SPECIFIC: USD 955,000 any one person in Excess of USD 45,000 deductible any person, USD 60,000 deductible any one person for claims arising from Covid-19

B) AGGREGATE: USD 1,000,000 for the location in excess of 100% of attachment factor or USD 500,000 whichever the greater. Attachment factor USD 7 per inmate per day

SITUATION: U.S.A and/or territories and possessions.

CONDITIONS: Coverage is in respect of Inmates only, as per Self-Funded Medical and Hospitalisation Benefit. (Specific and Aggregate Excess) insurance wording attached.

Cover in respect of Covid-19, as defined herein, is limited to specific only with a USD 60,000 deductible any one person. There is contribution towards the aggregate for claims arising from Covid-19

Including Gloucester inmates whilst housed at the following locations and any medical treatment managed by the named organisations.

Burlington County - Managed by AmeriHealth
Camden County - Self Insured with discounts
Middlesex County - Managed by CFG Health Services
Essex County Jail - Managed by CFG Health Services
Mercer County Prison - Managed by CFG Health Services
Salem County Correctional Facility - Managed by AmeriHealth
Community Education Center
"Bo" Robinson Assessment and Treatment Center

**CONDITIONS
CONTINUED:**

Including juvenile inmates whilst housed at the following locations and any medical treatment managed by the named organisations.

Burlington County - Managed by AmeriHealth
Camden County – Self Insured with discounts
Middlesex County – Managed by CFG Health Services

Including female inmates whilst housed at the following locations and any medical treatment managed by the named organisations.

Camden County – Self Insured with discounts
Salem County – Managed by AmeriHealth..

Costs incurred during the period of insurance and invoiced and advised to Underwriters during the period of insurance or the six months immediately thereafter.

Sanction Limitation and Exclusion Clause as attached.

Cyber Risks endorsement – personal accident only LMA5422 (amended) as attached

Change of Contractors

In the event of a change in contractor named above and assuming a replacement contractor is appointed, Underwriters will maintain cover as is for 30 days as they review the new contractor. After the 30 days, new terms will be offered, and client will have an opportunity to cancel prorate if they do not accept the new terms, unless claims have occurred.

Profit Commission

There shall be allowed to the Assured a Profit Commission amounting to 32.50% of the Gross Premium paid by the Assured less 45% and less the amount of claims paid and/or outstanding. The Profit Commission will be payable only if coverage is renewed with William R. Carey & Co., Inc. At the close of the period of Insurance the Assured shall produce a statement detailing the above.

In the event of the statement showing claim(s) paid or outstanding and a Profit Commission not being allowable, such claim(s) shall be brought into the year end statement(s) for the ensuing Period(s) of Insurance but not beyond the Statement for the third annual Period of Insurance beyond which the claim(s) occurred.

In the event of a claim, or claims, being settled after a Profit Commission has been paid in respect of the Period of Insurance to which such claim or claims, attach, the Profit Commission shall be immediately adjusted and any additional Profit Commission paid to the Assured, or any amount due to the Underwriters repaid, as applicable.

NOTICES:

None.

EXPRESS

WARRANTIES: None, other than may appear in the standard attached policy wording.

CONDITIONS

PRECEDENT: None, other than may appear in the standard attached policy wording.

SUBJECTIVITIES:

This policy is subject to confirmation within 14 days of inception that claim reference 2019080013038 has been duplicated in error. Failure to comply with this subjectivity will entitle underwriters to reconsider terms and conditions.

CHOICE OF LAW**& JURISDICTION:**

This insurance shall be governed by and construed in accordance with the laws of the state of New Jersey.

SERVICE OF SUIT CLAUSE (U.S.A.) as per ITEM 7 of the attached wording

PREMIUM:**Specific and Aggregate Premium - MINIMUM AND DEPOSIT**

USD 110,000.00

Adjustable at expiry at the rate USD 1.40 per inmate, per day payable as an additional premium.

PREMIUM

PAYMENT TERMS: Payable USD 55,000 at inception and USD 55,000 on 1st May, 2022, as Additional Premium. 

**TAXES PAYABLE
BY ASSURED AND
ADMINISTERED BY**

INSURERS: None

**TAXES PAYABLE BY
INSURERS AND
ADMINISTERED BY
ASSURED OR THEIR
AGENT:**

None applicable

**RECORDING,
TRANSMITTING
AND STORING
INFORMATION:**

Where Tysers maintains risk and claim data / information / documents, Tysers may store data / information / documents electronically.

INSURER**CONTRACT**

DOCUMENTATION: This document details the contract terms entered into by the insurer(s), and constitutes the contract document.

Any further documentation changing this contract, agreed in accordance with the contract provisions set out in this contract, shall form the evidence of such change.

INFORMATION

SCHEDULE

SELF FUNDED AND MEDICAL HOSPITALISATION BENEFIT (SPECIFIC AND AGGREGATE EXCESS) INSURANCE

ITEM 1: ASSURED -	Gloucester County Jail	
ITEM 2: ADDRESS -	2 South Broad Street, Woodbury, NJ 08096, U.S.A.	
ITEM 3: PERIOD -	From: 1 st March, 2022 To: 28 th February, 2023 Both days inclusive at Local Standard Time at the address of the Assured.	
ITEM 4: RETENTION BY ASSURED -	A) SPECIFIC: Per Person: USD 45,000 Cover in respect of Covid-19, as defined herein, is limited to specific only with a USD 60,000 deductible any one person. There is contribution towards the aggregate for claims arising from Covid-19	
ITEM 5: LIMIT-	B) AGGREGATE Either 100% of Attachment Factor or USD 500,000 whichever the greater.	A) SPECIFIC: USD 955,000 any one person in Excess of USD 45,000 deductible any one person. B) AGGREGATE: USD 1,000,000 for the location in excess of 100% of attachment factor or USD 500,000 whichever the greater. Attachment factor USD 7 per inmate per day
ITEM 6: MAXIMUM BENEFIT ANY ONE COVERED INMATE -	A) USD 955,000.00	
ITEM 7: ATTACHMENT FACTOR -	B) USD 7 per inmate per day	
ITEM 8: MINIMUM AND DEPOSIT PREMIUM -	A) USD 99,000.00 B) USD 11,000.00	

UMR: B0572NA21C587

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USD 55,000 at inception and USD 55,000 on 1st May 2022, as Additional Premium.

**ITEM 9: ADJUSTABLE PREMIUM
RATES PER INMATE PER
DAY -** USD 1.40

Final adjustment calculation due to underwriters 1st September 2023.

ITEM 10: CLAIMS ADMINISTRATOR –

Including Gloucester inmates whilst housed at the following locations and any medical treatment managed by the named organizations.

Burlington County - Managed by AmeriHealth
Camden County – Self Insured with discounts
Middlesex County – Managed by CFG Health Services
Salem County Correctional Facility– Managed by AmeriHealth
Essex County Jail – Managed by CFG Health Services
Mercer County Prison – Managed by CFG Health Service Community
Education Center
"Bo" Robinson Assessment and Treatment Center

Including juvenile inmates whilst housed at the following locations and any medical treatment managed by the named organizations.

Burlington County - Managed by AmeriHealth
Camden County – Self Insured with discounts
Middlesex County – Managed by CFG Health Services
Including female inmates whilst housed at the following locations and any medical treatment managed by the named organizations.

Camden County – Self Insured with discounts
Salem County – Managed by AmeriHealth.

ITEM 11: ORDER HEREON 100% of 100%

**ITEM 12: PERSONS UPON WHOM
SERVICE OF PROCESS
MAY BE SERVED -**

Lloyd's America, Inc.
Attention: Legal Department
280 Park Avenue,
East Tower, 25th Floor
New York,
NY 10017

SELF FUNDED AND MEDICAL HOSPITALISATION BENEFIT (SPECIFIC AND AGGREGATE EXCESS) INSURANCE**INSURING CLAUSE:**

In consideration of the premium being paid Underwriters agree, in accordance with and subject to the terms, conditions, warranties and exclusions contained herein, to reimburse the Assured named in item 1 of the schedule hereof for that portion of Eligible Medical Expenses claims in accordance with the terms and provisions of the Assured's Self-Funded Medical and Hospitalisation plan (herein after referred to as "the Program") which are incurred, as defined herein, by Covered Inmates, as defined herein, during the Period of Insurance, as specified in Item 3 of the Schedule, and invoiced, as defined herein, during the Period of Insurance, or the 6 months immediately thereafter, which exceed the Retention by the Assured specified in item 4 of the Schedule, up to but not exceeding the Limit of Underwriters' Liability specified in item 5 of the schedule. Final adjustment at 1st September 2022.

I. SPECIFIC EXCESS OF LOSS

Underwriters agree to reimburse the Assured in respect of any one covered inmate for incurred Claims paid by the Assured in respect of such covered inmate during the Period of Insurance which exceed the Retention by Assured specified in item 4 (a) of the Schedule, up to, but not exceeding, the Limit of Underwriters' Liability specified in item 5 (a) of the Schedule.

II. AGGREGATE EXCESS LOSS

Underwriters agree to reimburse the Assured for incurred Claims paid by the Assured during the Period of Insurance, less any amounts paid in respect of any one covered Inmate in excess of the amount specified in item 4 (a) of the schedule which exceed the Retention by the Assured specified in Item 4 (b) of the Schedule, up to, but not exceeding the Limit of Underwriters Liability specified in Item 5 (b) of the Schedule.

DEFINITIONS:

INCURRED: A claim is incurred on the date a medical service is rendered or supply is purchased by or on behalf of a Covered Inmate.

INVOICED: A claim is invoiced on the date the medical supplier issues its invoice.

PAID: A claim is paid on the date the Assured issues its payable check, provided such check is promptly transmitted to the payee and is paid upon presentment.

COVERED INMATE: A Covered Inmate is an inmate who is over the age of 18 who is under the direct supervision, custody and control of the Assured.

COVID-19: a) Coronavirus disease (COVID-19);
b) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
c) any mutation or variation of SARS-CoV-2;

EXCLUSIONS:

The following shall be excluded and shall not apply to the satisfaction of the Retention by Assured or any claim hereunder:

- a. Any and all charges which are not specifically included as Eligible Medical Expenses claims in the Program.

- b. Any and all charges which are specifically excluded in the Program.
- c. Any and all charges which are incurred prior to or subsequent to the Period of Insurance.
- d. Any and all charges which are invoiced after 6 months immediately following the Period of Insurance and have not been previously advised to Underwriters hereunder.
- e. Any and all charges which are incurred after the covered Inmate has been released from the custody and control of the Assured.
- f. Any and all charges which the Assured is not legally obligated to pay.
- g. Any and all charges arising out of or caused by or contributed to or in consequence of War, Hostilities (whether war be declared or not), Invasion or Civil War.
- h. Any and all charges which are recoverable from, or attributable to, any other medical or hospitalisation benefit plan or insurance.
- i. Any and all charges arising from injuries or illness arising out of or in the course of any occupation or employment for wage or profit or for which the covered person is entitled to benefits under any Workers Compensation or Occupational Disease law, but this exclusion does not apply to injuries or illness arising from prison supervised work details.
- j. Any and all costs for treatment carried out in any prison facility.
- k. Any payment of, or on account of, punitive or exemplary damages.

CONDITIONS PRECEDENT:

The following are conditions precedent to Underwriters liability under this Insurance:

1. PREMIUM:

- A) Payment - The Assured shall pay to Underwriters the Deposit Premium on the Due Date(s) and in the amount specified in Item 8 of the Schedule. The Actual Premium payable by the Assured is to be calculated at the Adjustable Premium Rate specified in Item 9 of the Schedule. If, as of the expiration of this Insurance the actual Premium so calculated exceeds the Deposit Premium paid by the Assured, the Assured will remit the difference to Underwriters on or before the Due Date(s) of Adjustment specified in Item 9 of the Schedule. If, as of the expiration of this insurance, the Deposit Premium paid by the Assured exceeds the actual Premium due, Underwriters will promptly refund the difference to the Assured; however, in no event shall the actual Premium be less than the Minimum Premium specified in Item 8 of the Schedule.
- B) Overdue instalment - In consideration of the concession by Underwriters that the Premium for this Insurance may be paid in instalments and/or may be adjustable as detailed herein, it is hereby agreed by the Assured that in the event of the failure by the Assured or their authorised representative to pay any such Premium instalment or such additional Premium which may be due in accordance with the premium adjustment provisions herein within 30 days of the due date then this Insurance may be cancelled by the Underwriters as at the due date of said delinquent Premium instalment or additional Premium as the case may be, in accordance with the provisions of **General Conditions** **4 – Cancellation of Insurance**

2. ADMINISTRATION OF CLAIMS:

Payments of Eligible Medical Expense claims shall be administered by the person or persons designated as claims Administrator in Item 10 of the schedule. Costs of the services so provided shall be borne by the Assured.

The Assured shall appoint the Claims Administrator designated in Item 10 of the Schedule to:

- a. Supervise the administration and adjustment of all claims and verify their validity accuracy and computation; and
- b. Maintain accurate records of all claim payments; and
- c. Submit reports to Underwriters, within 90 days of the close of the a) third calendar quarter and b) within 150 days of forth calendar quarter giving details of:
 1. The total claims paid during the respective periods;
 2. The total number of Covered Inmates during each month;
 3. All claims where the total aggregate sum paid in respect of the Covered Inmate exceeds 100.00% of the Retention by the Assured. Details must include the name or unique identifying Inmate number of the Covered Inmate, the date such person became a Covered Inmate the date of the accident or the date or illness and illness first manifested itself, the nature of the injury the estimated likely total cost of the claim

The Assured shall be responsible at their own cost and expense for the investigations, settlements or defence of any claims made or suit brought or proceedings instituted against the Assured.

Underwriters, at their own election and expense, shall have the right to participate with the Assured in the defence or appeal of any action, suit or proceedings as a result of which they may in their sole judgement, become liable for payment under this Insurance.

3. NOTIFICATION OF CLAIMS:

The Assured shall notify the Claims Administrator named in Item 10 of the Schedule prior to the transfer of any Covered Inmate to any Hospital. In the case of an emergency, where prior notification is not practical or possible, the Assured shall provide notification within 48 hours of the transfer or any Covered Inmate.

It is understood and agreed that the Assured hereby waives any rights to recovery from Underwriters for any reimbursement of any payment otherwise recoverable from them where notification to the Claims Administrator has not been tendered within the stated agreed time frame.

GENERAL CONDITIONS**1. LOSS PAYMENTS**

In the event of any reimbursement being claimed under this insurance:

- a. The Assured shall submit full details of the incurred Eligible Medical Expenses which have resulted in reimbursement being claimed hereunder to Underwriters for their agreement. Further, the Assured shall co-operate in every reasonable respect with the Underwriters and the Claims Administrator in the adjustment and computation of any claim for reimbursement made against Underwriters.
- b. The Underwriters shall reimburse the Assured promptly for such valid amounts due.

2. SUBROGATION

The Assured undertakes to co-operate with Underwriters in the prosecution of any and all valid claims that they may have against third parties arising out of any occurrence which results or may result in a loss payment by the Assured or Underwriters and to account for any amounts recovered on the basis that Underwriters shall be entitled to recover first in full any sums paid by them before the Assured shares in any amount so recovered.

Should the Assured fail to prosecute any valid claims against third parties and Underwriters hereupon become liable to make payments to the Assured under the terms and conditions of this insurance then Underwriters shall be subrogated to all rights of the Assured. Any amount recovered by Underwriters shall be used to pay the expenses of collection and reimbursement of Underwriters for any amount that they may have paid or become liable to pay to the Assured. Any remaining amounts shall be paid to the Assured.

3. OTHER INSURANCE

Underwriters shall not reimburse the Assured if, at the time of payment of any claim, there is other insurance which would, or would but for the existence of this insurance, reimburse the Assured or the covered inmate except in respect of any excess beyond the amount payable under such other insurance had this insurance not been effected.

4. CANCELLATION OF INSURANCE

It is understood that, in addition to any cancellation pursuant to Conditions Precedent 1.B, this insurance may be cancelled by Underwriters in the event that the Assured is in breach of any other Warranty or condition, by giving 30 days written notice of such cancellation to the Assured or their authorised representative. If this insurance is cancelled it is agreed that:

- a) The effective date of cancellation shall then automatically become the new effective expiry date of the Period of Insurance.
- b) The Sums specified under Item 4 (Retention by Assured) and Item 5 (Limit of Underwriters' Liability) remains as specified.
- c) The Assured shall pay to Underwriters any Deposit Premium or Premium instalment due but not paid at the effective date of cancellation.

5. INSPECTION AND AUDIT

Underwriters or their duly authorised representatives shall be permitted at all reasonable times during usual business hours during the Period of Insurance and up to two years after the termination of this Insurance, to examine and audit the books and/or records of the Assured and the Claims Administrator so far as they relate to this insurance and Underwriters' Liability and Premium.

6. ASSIGNMENT CHANGE OF WAIVER

No assignment of the Assured's interests hereunder shall be binding on Underwriters. The terms of this insurance shall not be waived or changed except by the express written agreement of Underwriters.

7. SERVICE OF SUIT

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such a suit may be made upon the person specified in Item 12 of the Schedule, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

It is further agreed that service of process in such suit may be made upon Lloyd's America, Inc. Attention: Legal Department 280 Park Avenue, East Tower, 25th Floor New York, NY 10017 and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above mentioned are authorised and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designated the above-named as the person to whom the said officer is authorised to mail such process or a true copy thereof.

8. MISREPRESENTATION

This insurance shall provide no indemnity if the Assured makes any misstatement or concealment or commits fraud, either in the application which forms a part of this policy or in relation to any statement, warranty or declaration made by the Assured or their authorised representative, whether in writing or otherwise to Underwriters or their representatives, or in connection with the making of any claim hereunder.

9. INSOLVENCY

The insolvency, bankruptcy, financial impairment, receivership, voluntary plan of arrangement with creditors, or dissolution of the Assured or the Claims Administrator shall not impose upon Underwriters any liability other than the liability in excess of the amount of the Retention by the Assured specified in Item 4 of the amount of the Retention by the Assured specified in Item 4 of the Schedule and not greater than the Limit of Underwriters' Liability specified in Item 5 of the Schedule

10. INTERMEDIARIES CLAUSE

WILLIAM R CAREY & CO., INC, 140 West Allendale Avenue, Allendale, NJ 07401, are recognised as the Brokers negotiating this insurance through whom all transactions and communications between the parties hereto shall be transmitted.

11. ERRORS AND OMISSIONS CLAUSE

It is hereby declared and agreed that any inadvertent delays, omissions or errors made in connection with this insurance shall not be held to relieve either of the parties hereto from any liability which would have attached to them hereunder if such delay, omissions or error had not been made, provided rectification be made upon discovery, and it is further agreed that in all things coming within the scope of this insurance the insurers shall share to the extent of their interest the fortunes of the Assured.

12. ARBITRATION CLAUSE (LLOYD'S)

If any dispute shall arise between the Assured and the insurers with reference to the interpretation of this insurance or the rights with respect to any transaction involved, the dispute shall be referred to two Arbitrators, one to be chosen by each party and such Arbitrators shall first choose an Umpire. If they are unable to agree upon an Umpire, they shall appeal to the Chairman of the Committee of Lloyd's to nominate him and in the event of the said Arbitrators not agreeing, the decision of the said Umpire shall be final and binding upon all parties. The Arbitrators and the Umpire shall interpret this insurance as an honourable engagement and they shall make their award with a view to affecting the general purpose of this insurance in a reasonable manner rather than in accordance with a literal interpretation of the language. Said Arbitration shall take place in London and the costs thereof shall be in the discretion of the Court of Arbitration.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Cyber Risks Endorsement (Personal Accident only)

Any benefits for Medical Expenses caused by or arising out of a **Cyber Act** or a **Cyber Incident** are payable, subject to the terms, conditions, limitations and exclusions of this policy.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident means:

- 1.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- 1.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

LMA5422
28 February 2020 (amended)

SECURITY DETAILS**INSURER'S****LIABILITY:** LMA3333 - (Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

**ORDER
HEREON:** 100% of 100%

**BASIS OF
WRITTEN LINES:** Percentage of Whole

**SIGNING
PROVISIONS:** In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the (re)insurers.

However:

- a) in the event that the placement of the order is not completed by the commencement date of the period of insurance then all lines written by that date will be signed in full;
- b) the signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of insurance, by the documented agreement of the (re)Assured and all (re)insurers whose lines are to be varied. The variation to the contracts will take effect only when all such (re)insurers have agreed, with the resulting variation in signed lines commencing from the date set out in that agreement.

A handwritten signature in black ink, appearing to read "Michael J. Casper". The signature is fluid and cursive, with a large, stylized 'J' in the middle.

Authorized Representative

March 1, 2022

Policy Number: (UMR) B0572NA21C587