



STATE OF TENNESSEE
TREASURY DEPARTMENT

**REQUEST FOR PROPOSALS
FOR
PROPERTY AND CYBER LIABILITY INSURANCE
ADJUSTING SERVICES**

RFP # 30901-59024

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1. INTRODUCTION

The State of Tennessee, Treasury Department, hereinafter referred to as “the State,” issues this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State’s process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified respondents, including those that are owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

1.1. Statement of Procurement Purpose

Background and Overview

The State is seeking claims adjusting services for the State’s property and cyber liability insurance programs. The State oversees all property and cyber liability claims for the executive, legislative and judicial branches of Tennessee state government, including, but not limited to, Tennessee public institutions of higher education (Claimant Agencies) and reimburses property losses and cyber liabilities through the State of Tennessee’s self-retention program (which is composed of a combination of the Risk Management Fund (RMF) and the State of Tennessee Captive Insurance Company (Captive)). The State has \$3.1 billion of total insured values. The State of Tennessee is self-insured for property losses up to \$25 million and is self-insured for liabilities resulting from cyber incidents involving a data breach of personal identifiable information, health information, business account information, and educational information of up to \$2.5 million. RFP Attachment 6.7 provides the structure of the State’s property and cyber liability insurance programs, which depicts when the RMF pays and when the Captive begins to pay.

The State purchases multiple blanket commercial insurance policies that provide coverage in excess of its self-insurance retentions of up to \$600 million. The premiums for those policies are paid out of the RMF. The State uses the services of a property/casualty broker of record to assist the State in acquiring the policies. The broker of record is required to take all steps necessary to place the insurance coverage and to otherwise maintain those policies. A summary of the current insurance policies is attached hereto as RFP Attachment 6.8. Also attached for informational purposes are the current Property Claim Reporting Procedures (RFP Attachment 6.9); Emergency Services Restoration Usage Instructions (RFP Attachment 6.10); Restoration and Finishing Usage Instructions (RFP Attachment 6.11); BELFOR Procedures for Emergency Services Cleanup (RFP Attachment 6.12); SOT Loss Run Markets (Collective RFP Attachment 6.13); and April 2024 Monthly Data Report (RFP Attachment 6.14).

The day-to-day operations of the Captive have been contracted to a captive management firm solicited through the State of Tennessee’s competitive bidding process. The current captive management firm is Aon Insurance Managers (USA) Inc., which also currently serves as the State’s broker of record. The fiscal year of the Captive (like any other Tennessee state governmental entity) runs from July 1 to June 30 of each year.

Services Sought

The State seeks to procure claims adjusting services for the State’s property and cyber liability insurance programs. The services are requested to ensure expert and thorough adjusting of property and cyber liability insurance claims and are more detailed in Section A of the *Pro Forma* Contract (RFP Attachment 6.6). The high-level services covered by this RFP include, but are not limited to, the following:

- Investigate, evaluate, process, manage and resolve both first and third-party property and cyber liability insurance claims premised upon allegations of negligent or careless acts or omissions and potential claims for money damages or losses to a Claimant Agency.
- Establish and maintain a network of experts that are deemed necessary or desirable for investigating qualified claims or losses that includes engineers, forensic accountants (outside

firms), industrial hygienists, fire investigators, etc. for the benefit of the State as provided in Section A.2.b.(10) of the *Pro Forma* Contract (RFP Attachment 6.6).

- Provide property and cyber liability claim administration and advisory services as described in Section A.5 of the *Pro Forma* Contract (RFP Attachment 6.6).
- For restoration or construction projects reserved at \$1 million or more, prepare initial claim reports, proof of loss reports, loss runs, and memorandum of coverage for the Tennessee State Building Commission as provided in Section A.2.f.(2)(B) of the *Pro Forma* Contract (RFP Attachment 6.6).
- Assist the State with developing a Claim's Procedure Manual and Subrogation Litigation Management Guidelines.
- Adhere to excess carrier reporting requirements for all qualified claims and provide electronic generated loss information.
- Identify coverage issues.
- Set reserves.
- Issue reservation of rights letters where appropriate.
- Review and detail summary of scope of work of each project to ensure reasonable reserves are accurate with industry standards.

It will be the responsibility of the successful Respondent to adjust both property and cyber liability insurance claims starting July 1, 2024, and to adjust all property Take-Over Claims. "Take-Over Claims" mean claims already received by the State prior to the commencement date of any contract resulting from this RFP for which a decision as to compensability has not been made or for which a decision as to compensability has been made but which is still open. It will also be the successful Respondent's responsibility to adjust all cyber liability Take-Over Claims received by the State after July 1, 2022. Cyber liability claims received by the State prior to July 1, 2022 will be adjusted by the previous carriers.

1.2. **Scope of Service, Contract Period, & Required Terms and Conditions**

The RFP Attachment 6.6., *Pro Forma* Contract details the State's requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

1.3. **Nondiscrimination**

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. **RFP Communications**

1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 30901-59024

1.4.2. Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.

1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Dawn Rochelle, Solicitation Coordinator
Tennessee Treasury Department
Telephone: (615) 253-8770
Email: dawn.rochelle@tn.gov

1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, service-disabled veteran-owned, businesses owned by persons with disabilities, and small businesses as well as general, public information relating to this RFP (visit <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/governor-s-office-of-diversity-business-enterprise--godbe--/godbe-general-contacts.html> for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

Jamie Formont
Director of Human Resources
Telephone: (615) 734-2245
Email: jamie.formont@tn.gov

1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.

1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events. Any written questions or comments must be e-mailed to the Solicitation Coordinator at dawn.rochelle@tn.gov.

1.4.5. Respondents must assume the risk of dispatching any communication or response to the State. The State assumes no responsibility for delays in the State's receipt of any communication or response from Respondents due to technical or other filing delays.

1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8).

1.4.7. The State will convey official, written responses and communications related to this RFP through electronic mail to the prospective Respondents from whom the State has received a Notice of Intent to Respond. The State may also convey such communications by Internet posting. For internet posting, please refer to the following website:
<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>.

- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State. The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.6. **Respondent Required Review & Waiver of Objections**

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

1.7. **Pre-Response Teleconference**

A Pre-response Teleconference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-response Teleconference attendance is not mandatory.

To participate in the teleconference, contact the Solicitation Coordinator, Dawn Rochelle, at (615) 253-8770 or via e-mail at Dawn.Rochelle@tn.gov for further instructions.

The purpose of the Teleconference is to discuss the RFP scope of goods or services. The State will entertain questions, however prospective Respondents must understand that the State's oral response to any question at the Pre-response Teleconference shall be unofficial and non-binding. Prospective Respondents must submit all questions, comments, or other concerns regarding the RFP in writing prior to the Written Questions & Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to Respond as indicated in RFP Section 1.8 and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events, prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail). Such notice should include the following information:

- the business or individual's name (as appropriate);

- a contact person's name and title; and
- the contact person's mailing address, telephone number, facsimile number, and e-mail address.

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. Response Deadline

A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. Respondents should be mindful of any potential delays due to technical, or other filing delays whether foreseeable or unforeseeable.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State’s best estimate for this RFP.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		May 10, 2024
2. Disability Accommodation Request Deadline	2:00 p.m.	May 15, 2024
3. Pre-response TeleConference	10:00 a.m.	May 16, 2024
4. Notice of Intent to Respond Deadline	2:00 p.m.	May 17, 2024
5. Written “Questions & Comments” Deadline	2:00 p.m.	May 22, 2024
6. State Response to Written “Questions & Comments”		May 28, 2024
7. Response Deadline	2:00 p.m.	June 4, 2024
8. State Completion of Technical Response Evaluations		June 10, 2024
9. State Opening & Scoring of Cost Proposals		June 11, 2024
10. Negotiations (Optional to the State)		June 12, 2024 – June 13, 2024
11. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection		June 20, 2024
12. End of Open File Period		June 27, 2024
13. State sends contract to Contractor for signature		June 28, 2024
14. Contractor Signature Deadline	2:00 p.m.	June 29, 2024

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to Section 1.8).

3. RESPONSE REQUIREMENTS

3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.

- 3.1.1.1. A Respondent should duplicate and use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversized exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should correspond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
 - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal. An electronic or facsimile signature, as applicable, is acceptable.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a separate email from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

3.2. Response Delivery

- 3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP, as may be amended.
- 3.2.2. A Respondent must submit its Technical Response and Cost Proposal documents as specified below.

- 3.2.2.1. Technical Response:

The Technical Response document should be in the form of one (1) digital document in “PDF” format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should both be clearly identified as follows:

“RFP # 30901-59024 TECHNICAL RESPONSE ORIGINAL”

The customer references should be delivered by each reference in accordance with RFP Attachment 6.4. Reference Questionnaire.

- 3.2.2.2. Cost Proposal:

The Cost Proposal should be in the form of one (1) digital document in “PDF” or “XLS” format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should both be clearly identified as follows:

An electronic or facsimile signature, as applicable, on the Cost Proposal is acceptable.

“RFP # 30901-59024 COST PROPOSAL ORIGINAL”

- 3.2.3. The Technical Response and Cost Proposal documents must be dispatched to the Solicitation Coordinator in separate e-mail messages.
- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The Response must be delivered to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. In the event a Respondent's Response with all attachments and supporting documentation will exceed 15 megabytes in total, the Respondent must place the documents in a zip file or make two or more submissions such that the documents per e-mail submission do not exceed 15 megabytes.

3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.

- 3.3.2. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.3. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.4. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.5. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.6. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.
- 3.3.7. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part of their responses (provided that the subcontractor does not also submit a response as a prime contractor).
- 3.3.8. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:
 - 3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;
 - 3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and
 - 3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.
- 3.3.9. This RFP is also subject to Tenn. Code Ann. § 12-4-101—105.

3.4. Response Errors & Revisions

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.5. Response Withdrawal

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

3.6. **Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8). A response must address the final RFP (including its attachments) as amended.

4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations.

4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all responses.

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.14.).

4.4.3. Subcontractors identified within a response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. Insurance

The State will require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

4.7. Professional Licensure and Department of Revenue Registration

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. To register, please visit the Department of Revenue's Tennessee Taxpayer Access Point (TNTAP) website for Online Registration and the Vendor Contract Questionnaire. These resources are available at the following:
<https://tntap.tn.gov/eservices/#1>

4.8. Disclosure of Response Contents

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Respondents are cautioned not to provide any materials in response to this RFP that are trade secrets, as defined under Tenn. Code Ann. § 47-25-1702 and any other applicable law. By submitting a response to this RFP, the respondent acknowledges and agrees that the State shall have no liability whatsoever for disclosure of a trade secret under the Uniform Trade Secrets Act, as provided at Tenn. Code Ann. § 47-25-1701-1709, or under any other applicable law. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

4.9. Contract Approval and Contract Payments

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award shall commence only after the Contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.

4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.

4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract Effective Date or after the Contract Term.

4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma* Contract, Section C).

4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. **Contract Amendment**

After Contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the Contract and this RFP, but beyond the specified Scope, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals.

4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

4.13. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked Respondent should the State cease doing business with any Respondent selected via this RFP process.

5. EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	10
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	60
Cost Proposal (refer to RFP Attachment 6.3.)	30

5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. ("Responsive Respondent" is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. "Responsible Respondent" is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.

5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A— Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Solicitation Coordinator will review the response and determine whether:

- a. the response adequately meets RFP requirements for further evaluation;
- b. the State will request clarifications or corrections for consideration prior to further evaluation; or,
- c. the State will determine the response to be non-responsive to the RFP and reject it.

5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP,

and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.

5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response section.

5.2.1.6. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Response Evaluation record and any other available information pertinent to whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team identifies any Respondent that does not meet the responsive and responsible thresholds such that the team would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.

5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

5.2.3. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

5.3. **Contract Award Process**

5.3.1 The Solicitation Coordinator will review the Proposal Evaluation Team determinations and scores for consideration along with any other relevant information that might be available and pertinent to contract award.

5.3.2. The Solicitation Coordinator will determine the apparent best-evaluated Response using the scoring provided by the Proposal Evaluation Team. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the Solicitation Coordinator must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.

5.3.3. The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.

5.3.4. The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The Contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed Contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.

5.3.5. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited terms and conditions or pricing negotiations prior to Contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, **PROVIDED THAT** such revision of terms and conditions or performance requirements shall **NOT** materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.

- 5.3.6. If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

RFP # 30901-59024 STATEMENT OF CERTIFICATIONS AND ASSURANCES

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.). An electronic or facsimile signature, as applicable, is acceptable.

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFP.
2. The Respondent will provide all services as defined in the Scope of the RFP Attachment 6.6., *Pro Forma* Contract for the total Contract Term.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma* Contract.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the Contract.
5. The Respondent will comply with:
 - (a) the laws of the State of Tennessee;
 - (b) Title VI of the federal Civil Rights Act of 1964;
 - (c) Title IX of the federal Education Amendments Act of 1972;
 - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
 - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.
10. The Respondent affirms the following statement, as required by the Iran Divestment Act Tenn. Code Ann. § 12-12-111: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to §12-12-106." For reference purposes, the list is currently available online at: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-/public-information-library.html>.

By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT

SIGNATURE:

PRINTED NAME & TITLE:

DATE:

**RESPONDENT LEGAL ENTITY
NAME:**

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION A: MANDATORY REQUIREMENTS. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Solicitation Coordinator must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documents were dispatched to the Solicitation Coordinator in separate e-mail messages (refer to RFP Section 3.2.3).	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a subcontractor) (refer to RFP Section 3.3.).	
	A.1.	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest (<i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent maintains a satisfactory business relationship with the financial institution. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide a written statement confirming that the Respondent has been operating adjusting services for a minimum of five (5) years.	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.5.	Provide a written statement confirming the Respondent has at least three clients with total insured values over \$25 billion and has more than 20,000 employees currently receiving adjusting services from the Respondent.	
	A.6.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will maintain at least one office in the State of Tennessee whereby the Respondent's staff can perform services under the contract as required in Section A.4. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.7.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will have a Statement on Standards for Attestation Engagement No. 16 (SSAE16 or SOC1 and/or the SSAE16 SOC2), Type II independent service auditor's report prepared on at least an annual basis for its service organization, and provide copies of each such report to the State as provided for in Section A.11 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.8.	Provide a statement that the claims adjusters who will be assigned to any contract awarded pursuant to this RFP shall maintain office hours from 7:00 a.m. CS(D)T until 5:00 p.m. CS(D)T of each day except Saturdays, Sundays and legal holidays on which State offices are closed and as required in Section A.4 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.9.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will travel throughout the State of Tennessee to inspect property losses, attend meetings regarding property losses and cyber losses, dispute resolution proceedings (such as arbitration and mediation hearings, etc.) and, upon request, to participate in employer/employee education, training and customer service meetings relative to the State's property and cyber liability insurance programs as provided in Sections A.2.i and A.4 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.10.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will establish and maintain a network of experts that are deemed necessary or desirable for investigating qualified claims or losses that includes engineers, forensic accountants (outside firms), industrial hygienists, fire investigators, etc. for the benefit of the State as provided in Section A.2.b.(10) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.11.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will provide a team to the State's property and cyber liability insurance programs, which includes adjusters, supervisors, and managers.	
	A.12.	Provide a statement that if any subcontractors you intend to use in performing the requested services within this RFP maintain their own separate information system that the data will be shared/stored within your system so that all information concerning a claim resides in one imaged environment.	
State Use – Solicitation Coordinator Signature, Printed Name & Date:			

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number, if applicable, of the person the State should contact regarding the response.
	B.2.	Describe the Respondent’s form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	B.5.	Describe the Respondent’s number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent’s knowledge, any of the Respondent’s employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent’s financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent’s performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent’s performance in a contract pursuant to this RFP.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail: <ul style="list-style-type: none"> (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.
	B.15.	Provide documentation of the Respondent's commitment to diversity as represented by the following: <ul style="list-style-type: none"> (a) <u>Business Strategy</u>. Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable. (b) <u>Business Relationships</u>. Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information: <ul style="list-style-type: none"> (i) contract description; (ii) contractor name and ownership characteristics (i.e., ethnicity, gender, service-disabled veteran-owned or persons with disabilities); (iii) contractor contact name and telephone number. (c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information: <ul style="list-style-type: none"> (i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS); (ii) anticipated goods or services contract descriptions; (iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor’s Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent’s total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.</p>
	B.16.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract’s scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p>
	B.17.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <p>(a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency;</p> <p>(b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;</p> <p>(c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and</p> <p>(d) has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
	B.18.	<p>Provide a statement of whether anyone has terminated your company’s services in the past two years. If so, please identify the client(s) and include an explanation. Please indicate the percentage this represents of your company’s client count. Do not include terminations due to mergers/acquisitions</p>
	B.19.	<p>Describe your company’s historic turnover rate of staff by year for the past three years (at all levels) and any sub-contractors being proposed to the State?</p>
	B.20.	<p>Provide a statement as to the number of state governments for which your company provides property and/or cyber liability insurance adjusting services.</p>

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
<p align="center">SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 10)</p>		
<p><i>State Use – Evaluator Identification:</i></p>		

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item’s Raw Weighted Score for purposes of calculating the section score as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.1.	Provide a narrative that illustrates the Respondent’s understanding of the State’s requirements and project schedule.		1	
	C.2.	Explain the type of technology and techniques you use to assist with setting reserves for property claims. Include within your response the estimating system the Respondent will use in determining cost estimates, i.e., Xactimate, unit cost method, etc.		1	
	C.3.	Based on the Respondent’s claims management process, describe the circumstances under which property loss claims are assigned to an outside expert for additional review. Include within the description as to whether the Respondent has any specialized in-house adjusting capabilities or expertise, i.e., engineers, fire investigation specialists, catastrophe response team, etc.		5	
	C.4.	Provide a detailed description of relevant corporate experience with state government and private sectors. The experience of all proposed subcontractors must be separately described. The descriptions requested in this Item C.4 must thoroughly explain how the Respondent has supplied expertise for similar services requested in this RFP and must include the extent of the experience, expertise and knowledge as a provider of property and cyber liability insurance claims administration services. Include within your description the strengths of your adjusting services that differentiate your company from the competitors. Where applicable, provide case studies to illustrate your answer.		25	
	C.5.	Briefly summarize how the Respondent’s services will meet or exceed the requirements of the Scope of Services in Section A of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)). Without limiting the generality of this question, include within your summary:		25	

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> when and how your company will integrate claims data from the State's current adjusting firm if awarded a contract pursuant to this RFP. What resources do you propose to ensure a smooth integration? The processes used by your adjusting team when receiving an initial claim, determining the accuracy of the scope of work, and setting a reserve. 			
	C.6.	What other additional services not mentioned in Section A of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) does the Respondent provide to its clients for similar services requested under this RFP, which will be provided to the State at no additional cost? Provide a description of those services.		4	
	C.7.	What performance standards have you set for your adjusters/claim examiners? How are they measured? What results are shared each month? Each Quarter? Annually? Are results shared with the adjusters and your clients?		4	
	C.8.	Explain any special resources, procedures, or approaches that make the services you provide unique and advantageous to the State.		5	
	C.9.	Describe your business continuity plan and how it will counteract the effects of a major breach, failure, or disaster, and mitigate the impact of interruptions to your business activities. Provide a description of the plan and scope, systems used, etc., and if the plan is tested/drilled on a routine basis to verify plan accuracy and effectiveness. Include within the description your data backup procedures and disaster recovery plan. Does your planning for continuity of operations include plans for the claims adjusting staff and also for restoring telecommunications capability? Is there an existing contractual or fail-over arrangement for processing at another site in the event of a disaster at your primary site?		10	
	C.10.	Provide in an Appendix to your RFP Response samples of monthly, quarterly, and annual claims management/summary reports (i.e., claim summary and status reports, claims opened and closed monthly reports, loss run report, etc.) Describe the types of reports that are available in Excel.		20	
<p><i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i></p>					<p>Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i></p>
<p>Total Raw Weighted Score</p> <hr/> <p>Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i></p>			<p>X 60 <i>(maximum possible score)</i></p>	<p>= SCORE:</p>	

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
<i>State Use – Evaluator Identification:</i>					
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>					

COST PROPOSAL & SCORING GUIDE

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for providing goods or services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract, for the entire contract period. The Cost Proposal shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

NOTICE: The Evaluation Factor associated with each compensable unit is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract, Section C.1. (refer to RFP Attachment 6.6.), the State is under no obligation to request any goods or services from the Contractor in any specific dollar amounts or to request any goods or services at all from the Contractor during any period of this Contract.

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the Respondent to the provisions of this RFP and any contract awarded pursuant to this RFP. If the individual signing this Cost Proposal is not the *President* or *Chief Executive Officer*, the Respondent must attach evidence to the Cost Proposal showing the individual's authority to legally bind the Respondent. An electronic or facsimile signature, as applicable, is acceptable.

RESPONDENT SIGNATURE:								
PRINTED NAME & TITLE:								
DATE:								
RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use ONLY		
	July 1, 2024 — June 30, 2025	July 1, 2025 — June 30, 2026	July 1, 2026 — June 30, 2027	July 1, 2027 — June 30, 2028 (If the State exercises its right under Section B.2 above to extend the Contract Term)	July 1, 2028 — June 30, 2029 (If the State exercises its right under Section B.2 above to extend the Contract Term)	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Executive General Adjuster Note: An Executive General Adjuster is defined as an adjuster who handles losses internationally of any size or complex national account.	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		675	

<p>National General Adjuster</p> <p>Note: A National General Adjuster is defined as an adjuster who handles losses nationally regardless of size, including having the ability to address any complex adjustment issue.</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		185	
<p>Regional General Adjuster</p> <p>Note: A Regional General Adjuster is defined as an adjuster who handles losses regionally (generally statewide) unassisted up to \$10M, including having the ability to address the most complex adjustment issues pertaining to damages and coverage and assist on even larger losses.</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		575	
<p>General Adjuster</p> <p>Note: A General Adjuster is defined as an adjuster who handles complex losses locally unassisted up to \$1M and assists on larger losses, including the ability to handle accounting-based losses (business interruption and stock).</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		800	
<p>Senior Adjuster/Adjuster</p> <p>Note: A Senior Adjuster is defined as an adjuster who handles full adjustment losses of limited complexity locally unsupervised. An Adjuster is defined as an adjuster who handles losses under the general supervision of a regional manager or a designated mentor.</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		175	
<p>Staff Accountant</p> <p>Note: A Staff Accountant is defined as a person who has a degree in accounting, finance or related field and who verifies submitted documentation on property damage losses to validate unit costs, labor hours, materials and sub-contractor data. A Staff Accountant also evaluates business interruption and extra expense claims and works with the adjustment team.</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour		448	

<p>Executive Building Consultant</p> <p>Note: An Executive Building Consultant is defined as an individual who assists in scope development, cost validation and analysis, apply engineering findings, coordinates with the adjustment team and facilitates contractor accountability on losses of any size.</p>	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	650	
<p>TOTAL EVALUATION COST AMOUNT (sum of evaluation costs above):</p> <p>The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.</p>								
<p>lowest evaluation cost amount from <u>all</u> proposals</p> <hr style="width: 50%; margin: 0 auto;"/> <p>evaluation cost amount being evaluated</p>						<p>x 30 (maximum possible score)</p>	<p>= SCORE:</p>	
<p><i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i></p>								

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment should be completed by all individuals offering a reference for the Respondent.

The Respondent will be solely responsible for obtaining completed reference questionnaires as detailed below. Provide references from individuals who are not current State employees of the procuring State Agency for projects similar to the goods or services sought under this RFP and which represent:

- two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and
- three (3) completed contracts that are similar in size and scope to the services required by this RFP.

References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The individual contact reference provided for each contract or project shall not be a current State employee of the procuring State agency. Procuring State agencies that accept references from another State agency shall document, in writing, a plan to ensure that no contact is made between the procuring State agency and a referring State agency. The standard reference questionnaire, should be used and completed, and is provided on the next page of this RFP Attachment 6.4.

In order to obtain and submit the completed reference questionnaires follow the process below.

- (a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.
- (b) Either (i) send a reference questionnaire to each reference or (ii) e-mail the reference with a copy of the standard reference questionnaire.
- (c) Instruct the reference to:
 - (i) complete the reference questionnaire;
 - (ii) sign and date the completed reference questionnaire;
 - (iii) E-mail the reference directly to the Solicitation Coordinator by the RFP Technical Response Deadline with the Subject line of the e-mail as "[Respondent's Name] Reference for RFP #30901-59024".

NOTES:

- The State will not accept late references or references submitted by any means other than as described above, and each reference questionnaire submitted must be completed as required.
- The State will not review more than the number of required references indicated above.
- While the State will base its reference check on the contents of the reference e-mails, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references.
- The State is under no obligation to clarify any reference information.

RFP # 30901-59024 REFERENCE QUESTIONNAIRE

REFERENCE SUBJECT: RESPONDENT NAME (completed by Respondent before reference is requested)

The “reference subject” specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
 - sign and date the completed questionnaire. An electronic signature is acceptable; and
 - e-mail the completed questionnaire to Dawn Rochelle whose e-mail address is dawn.rochelle@tn.gov.
-

(1) What is the name of the individual, company, organization, or entity responding to this reference questionnaire?

(2) Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) What goods or services does/did the reference subject provide to your company or organization?

(4) If the goods or services that the reference subject provided to your company or organization are completed, were the goods or services provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.

(5) **If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.**

(6) **How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?**

REFERENCE SIGNATURE:

(by the individual completing this request for reference information)

DATE:

SCORE SUMMARY MATRIX

	<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>	
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 10)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 60)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
COST PROPOSAL (maximum: 30)	SCORE:		SCORE:		SCORE:	
TOTAL RESPONSE EVALUATION SCORE: (maximum: 100)						
<i>Solicitation Coordinator Signature, Printed Name & Date:</i>						

RFP # 30901-59024 *PRO FORMA* CONTRACT

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
TREASURY DEPARTMENT
AND
[CONTRACTOR NAME]**

This Contract, by and between State of Tennessee, Treasury Department ("State") and [CONTRACTOR LEGAL ENTITY NAME] ("Contractor"), is for the provision of claims adjusting services for the State of Tennessee's property and cyber liability insurance programs, as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is [A/AN INDIVIDUAL, FOR-PROFIT CORPORATION, NON-PROFIT CORPORATION, SPECIAL PURPOSE CORPORATION OR ASSOCIATION, PARTNERSHIP, JOINT VENTURE, OR LIMITED LIABILITY COMPANY].

Contractor Place of Incorporation or Organization: [LOCATION]

Contractor Edison Registration ID # [NUMBER]

A. SCOPE:

- A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. Adjustment of Property and Cyber Liability Insurance Claims Services.
- a. In General. The Contractor's responsibilities under this Contract with respect to the State's property and cyber liability insurance programs include, but are not limited to, adhering to excess carrier reporting requirements for all qualified claims and provide electronic generated loss information; claims investigation and determination of compensability; identifying coverage issues; ongoing claims management; subrogation recoveries; reserving; issuing reservation of rights letters where appropriate; traveling throughout the State of Tennessee to inspect property losses; reviewing and detailing summary of scope of work of each project to ensure reasonable reserves are accurate with industry standards; attending meetings regarding property losses and cyber losses, dispute resolution proceedings and, upon request, participating in employer/employee education, training and customer service meetings relative to the State's property and cyber liability insurance programs.
- b. Claims Adjusting.
- (1) The Contractor shall review and adjust all of the State's first and third-party property and cyber liability insurance claims premised upon allegations of negligent or careless acts or omissions and potential claims for money damages or losses to a Claimant Agency and process each such claim in accordance with the Contractor's Proposal, and the Claim Handling Requirements described in Section A.2.d below. The services shall entail expert and thorough adjusting of property loss and cyber loss claims by any Claimant Agency arising during the Contract Term (as defined in Section B of this Contract below). For purposes of this Contract, "Claimant Agency" shall mean the agency or department within the executive, legislative, or judicial branch of Tennessee state government, including, but not limited to, Tennessee public institution of higher education that sustained the property loss or cyber loss. The services shall also include the adjustment of all cyber liability Take-Over Claims received by the State after July 1, 2022 and the adjustment of all property Take-Over Claims regardless of receipt date. "Take-Over Claims" mean claims already received by the State prior to the commencement date of this Contract for which a decision as to compensability has not been made or for which a decision as to compensability has been made but which is still open. Cyber liability claims received by the State prior to July 1, 2022 will be adjusted by the previous carriers.
- (2) The Contractor shall aggressively manage and adjust claims in coordination with the State and the Claimant Agency with the objective of resolving claims in a proactive, expeditious, and cost-effective manner. The Contractor shall investigate, evaluate, process, manage and resolve all relevant aspects of a first or third-party property or cyber liability claim, as outlined more fully below, which shall include an evaluation of the scope of all building, equipment and other

losses, a determination of liability, an assessment of claim cause/origin, and a cost estimate for all repairs. Once a claim is received by the Contractor, the Contractor shall provide the State with direct access to the field representative handling the claim, and the field representative must be available to the State for regular consultation via both telephone and email.

- (3) The Contractor shall verify coverage and notify excess insurers of all qualified claims or losses with respect to which potential losses may exceed the State's self-insured retention (both the Risk Management Fund and the State of Tennessee Captive Insurance Company) and, if requested, provide such insurers with necessary information on the status of those claims or losses. Any fines or penalties assessed by the excess insurers due to late reporting is the responsibility of the Contractor. The Contractor shall inform the State's broker of record in writing, and carbon copy the State's Division of Claims and Risk Management Director, concerning all claims reported to the excess carrier(s) and seek advice or coverage guidance on large or complex claims.
- (4) The Contractor must appropriately and accurately delineate the specific portion of the property at issue in the claim, which includes clearly marking where the loss event occurred on a photograph, plan, or other drawing. The Contractor shall take measurements of the subject property as necessary and appropriate, using a ruler or other similar measurement instrument, to show measurements of depth, height, width, etc.
- (5) The Contractor shall immediately identify and conduct interviews of all participants and stakeholders, obtain contact information for same, and take written statements, as appropriate.
- (6) The Contractor shall acquire all documentation necessary to properly evaluate the claim from all relevant parties, including the Claimant Agency, fire, law enforcement or other governmental officials, witnesses, agents, and any other implicated party. Such necessary documentation includes, but is not limited to, records, damages documentation, police reports, other governmental agency reports, outside agency reports, etc.
- (7) The Contractor shall investigate and assess any subrogation and salvage recovery potential for the claimed loss. The Contractor shall request and obtain, directly from the Claimant Agency, any and all documentation necessary to make an appropriate subrogation assessment, including but not limited to, any applicable contracts, leases, hold harmless agreements, etc. The Contractor shall identify subrogation items that need to be preserved and take or recommend measures to preserve same.
- (8) The Contractor shall utilize the estimating system described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM C.2 of RFP ATTACHMENT 6.2] in determining cost estimates.
- (9) The Contractor shall secure written estimates for all repairs and mitigation efforts from contractors that are reputable, reliable and otherwise acceptable to the State.
- (10) The Contractor shall establish and maintain a network of experts that are deemed necessary or desirable for investigating qualified claims or losses that includes engineers, forensic accountants (outside firms), industrial hygienists, fire investigators, etc. for the benefit of the State. It is expected that the Contractor will enter into an agreement with each expert that sets forth the specific conditions and obligations required for the expert's participation in the network, including the rates the expert may charge for its services. The Contractor shall be responsible for the experts' compliance with the rates by repricing all billings and for monitoring the experts to assure they provide quality service. The rates charged by the experts for work performed will be paid as a part of the claim file.
- (11) The Contractor shall have resources available to address unique property or cyber liability circumstances and shall recommend consultations with other professionals, as appropriate.
- (12) The Contractor must be sufficiently familiar with the State's property and equipment breakdown policies and the State's cyber liability policies, including their terms, conditions, and exclusions,

to be able to speak knowledgeably about them, as necessary, when interacting with Claimant Agencies. The Contractor shall also alert the State of any potential coverage issues identified during its evaluation of a claim.

- (13) If, while on site and evaluating a claim, new information is uncovered that would require additional inquiry or investigation that was not originally requested by the State but would uncover additional information relevant to the claim, the Contractor shall complete any such additional inquiries/investigation and communicate the same to the State.

c. Claim Adjudication Decisions.

- (1) The Contractor shall make recommendations to the State on the property and cyber liability insurance claims. Such recommendations include, but are not limited to:
 - (A) approvals of the compensability of a claim;
 - (B) denials of the compensability of a claim;
 - (C) discontinuance of subrogation collection efforts; and
 - (D) prior to entering into settlement discussions with an excess insurance carrier, the Contractor shall obtain the State's approval of the settlement conditions to be proposed.
- (2) If the Contractor recommends approval or denial of a claim, the Contractor shall notify the State and inform the State of the reasons for the proposed approval or denial. The State shall have final authority to determine whether a claim should be approved or denied. If the State approves the denial recommendation, the Contractor shall timely notify the Claimant Agency through a reservation of rights letter. If the State agrees with an approval recommendation, the Contractor shall notify the Claimant Agency of the approval by letter. Any approval letter shall further be sent to the State and to the State's captive management firm who, as of the effective date of this Contract, is Aon Insurance Managers (USA), Inc. The Contractor shall thereafter, without further authorization, process all approved claims as provided in this Contract (which includes the Claim Handling Requirements developed pursuant to Section A.2.d. below).
- (3) The files of claims closed by the Contractor shall be archived by the Contractor in an industry standard electronic manner, format and frequency as shall be mutually agreed to by the Parties. The integrity of each file shall be maintained during archiving and shall include all documents, papers, letters, and other material made or received by the Contractor in connection with the particular claim. All file documents, papers, letters and other material shall be archived in the order of their occurrence, with the most recent material appearing first. Prior to archiving, the Contractor shall ensure that the claim number assigned to the file is marked at the top of each page.
- (4) The Contractor assumes entire responsibility for any loss occasioned by reason of misplaced, lost, damaged, destroyed or stolen files while such files are in the possession or custody of the Contractor, or while such files are in the possession of any carrier en route from the Contractor to the State.

- d. Claim Handling Requirements and Subrogation Litigation Management Guidelines. The Contractor shall develop, in consultation with the State and for the State's approval, Claim Handling Requirements and Subrogation Litigation Management Guidelines for property and cyber liability claims assigned by the State to the Contractor. Once developed, the Claim Handling Requirements and the Subrogation Litigation Management Guidelines shall be considered a part of this Contract as though fully set forth herein and the Contractor shall perform such services in accordance with the Claim Handling Requirements, the Subrogation Litigation Management Guidelines, this Contract and the documents described in Section D.30 below. The Claim Handling Requirements and Subrogation Litigation Management Guidelines may be amended in writing from time to time by mutual agreement of the Parties.

- e. Telephonic 24/7 and Electronic Claims Intake Services. The Contractor shall provide 24/7 electronic claims intake services, which allow the filing of claims with the Contractor over the telephone and electronically. The Contractor shall make such services available twenty-four (24) hours a day, seven

(7) days a week. The Contractor shall provide notification of each such telephonic and electronic filing to the State in accordance with the Claim Handling Requirements.

f. Communications Between Contractor and State.

(1) Meetings. At the State's request, the Contractor shall meet with the State on a monthly basis to discuss such issues as strategies on open claims, reserve changes, general claims administration and other issues as determined by the State. Claim adjudication decisions subject to State approval shall also be discussed at these meetings. If a claim decision requiring State approval should not be delayed until the next monthly meeting, the Contractor shall notify the State. The meetings will be held at the State's facilities in Nashville, Tennessee or, with the State's approval, via telephone or web-based conference.

(2) Reports.

(A) Initial Report. The Contractor shall provide the State with an initial report no more than thirty (30) calendar days after receipt of the claim. The initial report must contain the following information:

- (i) A complete investigative breakdown, including the dates and times the subject location was visited, what buildings/rooms/spaces were investigated, what was observed on each visit, the names and contact information of all persons who were spoken to or interviewed on each visit, and a summary of the information obtained from all such persons;
- (ii) Color photographs of the subject location, showing all building and other losses, as well as any requisite measurements. Each photo shall be accompanied by a brief description of what is depicted therein;
- (iii) Measurements of the subject property, using a ruler or other similar instrument, to show depth, height, width, etc.;
- (iv) An investigation and assessment of claim cause/origin, which shall include an opinion on possible fraud or arson if same is suspected;
- (v) An investigation and assessment of any subrogation potential, attaching any and all documentation necessary to make an appropriate subrogation assessment;
- (vi) An assessment of any equipment breakdown;
- (vii) An opinion of what, if any, expert reports may be required to fully assess the claim. Such experts include, but are not limited to, engineers, cause and origin experts, technical experts, fire or fraud investigators, etc.;
- (viii) If consultation with a particular expert or other professional is recommended, the Contractor shall provide information on the expert or professional's credentials and qualifications, as well as other information requested by the State;
- (ix) A cost estimate of any and all necessary repairs or remediation efforts; and
- (x) A recommendation as to an appropriate case reserve for the entire claim. This shall be broken down by contents/building/sub-limits (i.e., asbestos/mold, etc.), and shall include the total estimated fee for expert and other professional services. The Contractor shall detail summary of scope of work of each project to ensure reasonable reserves are accurate with industry standards.

The Contractor shall attach to the report all documentation obtained in investigating the claim, including any written statements, police reports, other governmental agency reports, outside agency reports, records, contracts, leases, etc.

- (B) Reports of Restoration or Construction Projects Reserved at \$1 Million or More. For restoration or construction projects reserved at \$1 million or more, the Contractor shall prepare initial claim reports, proof of loss reports, loss runs, and memorandum of coverage for the Tennessee State Building Commission. The reports, loss runs, and memorandum of coverage shall be submitted to the State by the deadline date provided by the State.
- (C) Interim Reports: The Contractor shall submit to the State interim reports, which contain the same or similar information to that contained in the initial report, whenever there is a material change from the previous report, i.e., a recommendation to increase the case reserve, a change or update in coverage (e.g., to include equipment breakdown), etc. The interim report shall detail the reasons for the change from the previous report.

The Contractor shall submit additional interim reports to the State, which contain the same or similar information to that contained in the initial report, at the request of the State.

- (D) Final Report: The Contractor shall submit a final report to the State no more than thirty (30) calendar days following the completion of the investigation. The final report must contain a final assessment of all of the information required in the initial report, as well as the following:
 - (i) Written estimates for all repairs and remediation efforts from contractors that are reputable, reliable and otherwise acceptable to the State; and
 - (ii) A final recommendation as to an appropriate case reserve for the entire claim. If the reserve recommendation has increased or decreased from the reserve recommendation contained in the initial report, the Contractor shall detail the reasons for the change.
- (E) Monthly. The Contractor shall further provide to the State monthly electronic reports containing the following information: (i) loss run information summarizing the number of claims opened, closed and pending; (ii) the amounts below or above the State's self-insurance retentions; (iii) the amounts paid and reserved; (iv) loss analysis by Claimant Agency showing number of claims, amount paid, amount incurred, type of claim, location and etc.; (v) caseload count by adjuster; and (vi) subrogation recoveries and refunds. The monthly report shall be due on the last Business Day of the month and shall cover the information described in this paragraph as of the previous month end. These same monthly electronic reports shall be provided to the applicable Claimant Agency, the State's broker of record, the State's captive manager vendor (if different from the State's broker of record) and to the Tennessee Comptroller's Office.
- (F) Miscellaneous. Upon the State's request, the Contractor shall further provide written status reports to the State for all claims. The reports shall include the date of loss, claims adjuster, claim number, Claimant Agency location, date claim reported, next diary review date, description of incident, nature of loss, adjuster's most recent status report (i.e., what actions/tasks are pending and the estimated timeframe for completion of the claim, etc.), supervisor's most recent comments, subrogation, litigation and such additional information as shall be mutually agreed to by the Parties.

- g. Subrogation. The Contractor shall identify claims wherein subrogation opportunities may arise requiring follow-up by the Contractor and shall assist the State in obtaining subrogation. In the event the Contractor determines that investigative techniques may be useful with respect to any claim, the Contractor shall notify the State of such claims and recommend the applicable investigative techniques. Upon the State's approval, the Contractor shall initiate the applicable investigative techniques on the identified claims as provided in the Claim Handling Requirements, which may be modified or supplemented from time to time.

- h. Reserving. The Contractor shall establish reserves on open claims in accordance with approved insurance standards, or as otherwise agreed to by the Parties, and forecast to the ultimate cost of each open claim and likely outcomes. At the State's request, the Contractor shall furnish the reserve information to the State's self-retention program actuarial vendor to enable the vendor to determine the funding required for the State's Risk Management Fund and for the State of Tennessee Captive Insurance Company.
- i. Inspection of Property Losses; Attendance at Meetings; Attendance at Dispute Resolutions, Etc. The Contractor shall travel throughout the State of Tennessee to inspect property losses, attend meetings regarding property losses and cyber losses, dispute resolution proceedings (such as arbitration and mediation hearings, etc.) and, upon request, to participate in employer/employee education, training and customer service meetings relative to the State's property and cyber liability programs.
- j. Toll-Free Telephone Number. The Contractor, at its own expense, shall maintain a toll-free telephone number to respond to inquiries from the State, Claimant Agencies and insurance carriers concerning the status of claims. The toll-free telephone number shall be available on the commencement date of this Contract as defined in Section B of this Contract. Upon proper identification, the Contractor agrees to answer and respond to such calls during the hours of 7:00 a.m. CS(D)T until 5:00 p.m. CS(D)T of each day except Saturdays, Sundays and legal holidays on which State offices are closed.

A.3. Assignment of Key Personnel. The Contractor agrees to assign the individuals named on pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM B.13 of RFP ATTACHMENT 6.2] of the Contractor's Proposal as the key staff members to perform the services under this Contract. Except upon the State's prior written consent, which consent may be withheld in the State's sole discretion, the Contractor shall not remove or temporarily reassign any of the named individuals until such time as the Contractor has completed the services under this Contract. Should the State consent to such removal or reassignment, the State reserves the right to approve the candidates proposed by the Contractor as a replacement.

Notwithstanding the foregoing, the Contractor shall have the right to remove or reassign such personnel upon notice to the State if such removal or reassignment is required due to termination of employment, extended illness, or death. In such event, the State reserves the right to approve the candidates proposed by the Contractor as a replacement.

A.4. Offices and Personnel. The Contractor shall maintain at least one (1) claims management office in Tennessee. All claims adjusters assigned by the Contractor to this Contract shall maintain office hours from 7:00 a.m. CS(D)T until 5:00 p.m. CS(D)T of each day except Saturdays, Sundays and legal holidays on which State offices are closed. Notwithstanding the number of offices maintained by the Contractor in Tennessee, the Contractor shall travel to any place deemed necessary by the Contractor to perform the services outlined in this Contract. The Contractor shall maintain sufficient personnel to enable the Contractor to fulfill its responsibilities under this Contract. The State retains the right to interview and approve the adjusters and to request changes in adjusters when, in the State's sole judgment, service standards and requirements are not being met.

Notwithstanding the foregoing, the Contractor shall not exceed the following maximum adjuster caseloads without the State's prior approval: 150 for property/cyber liability, 100 for property only.

A.5. Advisory Services. At the State's direction, the Contractor shall provide property and cyber liability claim advisory services to Tennessee state government personnel who are directly or indirectly involved in the processing of property and/or cyber liability claims. Such services shall include conducting on-site or other requested training and education of such personnel regarding reporting and handling claims; update, if necessary, claim procedure manuals; advising of the method(s) by which to close a property claim; ways to negotiate with the insurance carries to come to a consensus of what should be paid as a total loss for reimbursement; and to otherwise counsel any such personnel regarding property and cyber liability claim policies and procedures to meet the needs of the State.

A.6. Other Professional Adjusting Services and/or Consulting Services. At the State's request, the Contractor shall provide to the State the additional professional adjusting services and/or consulting services described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM

C.6. OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal. The services and any resulting deliverables shall be provided to the State in the manner and within the timeframes as shall be mutually agreed to in writing by the Parties.

- A.7. Back-Up Procedures and Disaster Recovery Plan; Business Continuity Plan. The Contractor shall maintain contingency plans for systems back-up in the event of disaster or malfunction. Such plans shall be as described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM C.9 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal and comply with Section E.4 of this Contract. At a minimum, this shall be accomplished by the Contractor backing-up all claims data nightly and maintaining at least two (2) back-up cycles off-site in a commercial business storage facility. The Contractor shall provide notification of an incident to both the State's Division of Claims and Risk Management Director and to the State's information systems operations group within two (2) hours after the beginning of operation of the Contractor's emergency operations command post. Further, the Contractor shall maintain a business continuity plan that complies with Section E.4 of this Contract and as described in [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM C.9 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal.
- A.8. Conversion Project Management Plan. The Contractor shall transition Take-Over Claims and perform post-implementation review services in accordance with [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO ITEM C.5 OF ATTACHMENT 6.2 OF THE RFP] of the Contractor's Proposal. At the request of either Party, the Contractor and the State shall meet to discuss the status of such services, and to resolve any issues in consummating the services. Any such meeting shall take place at a time mutually agreed to by the Parties and shall be held at the State's facilities in Nashville, Tennessee, or, with the State's approval, via telephone or web-based conference. The Party requesting the meeting shall set the meeting agenda and prepare a brief report summarizing the issues raised at the meeting and the decisions made in addressing those issues.
- A.9. Cooperation in Litigation and Annual Claims Audit. The Contractor shall fully cooperate with the State in any hearing or trial involving a property or cyber liability claim. Such cooperation shall include assisting the State, if requested, in preparing the defense of litigated cases, negotiating settlements, pursuing subrogation or contribution actions and the presentation at trial of factual information concerning the activities of particular individuals and entities or any other information possessed by the Contractor while performing the services under this Contract that may be useful in the resolution of any related dispute. The Contractor shall further cooperate with an annual claims audit performed by an independent claims auditing company selected by the State.
- A.10. Ownership of Materials. All records, reports, documents and other material delivered or transmitted to the Contractor by any Tennessee state governmental entity in connection with the performance of the services hereunder shall remain the property of the State and shall be returned by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract, or at such earlier time as the State may request. All records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services hereunder shall become the property of the State, and shall, upon request be transmitted by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract or at such earlier time as the State may request.
- A.11. Statement on Standards for Attestation Engagements. On at least an annual basis, the Contractor shall have a Statement on Standards for Attestation Engagement No. 16 (SSAE16 or SOC1 and/or the SSAE16 SOC2), Type II independent service auditor's report prepared for its service organization and provide copies of each such report to the State during the term of this Contract. The audit must detail, at a minimum, that the Contractor's processes, procedures and controls pertaining to the management of the State's property and cyber liability claims have been formally evaluated and tested. The Contractor will provide or cause to be provided the reports required by this section without requiring the State to execute any other agreements or agree to any additional confidentiality obligations.
- A.12. Non-Solicitation. During the term of this Contract and for a period of twelve (12) months after the date that Contractor last provides services to the State under this Contract, neither party shall knowingly and directly solicit for employment or as an independent contractor any person employed by the other, if such person was directly involved in the performance of this Contract, without the express consent of the other Party. This provision shall not apply to any individual whose employment has been terminated for a

period of three (3) months or longer before any such solicitation occurs or to any offers of employment initiated by either Party prior to the execution of this Contract.

A.13. Transfer of Contractor's Obligations.

- a. The Contractor shall immediately notify the State in writing of a proposed merger, acquisition or sale of its business operation, or the part of its business operation that provides services under this Contract, or that this Contract will be sold to or assumed by another entity. The entity that is proposed to assume the Contractor's duties under this Contract, whether through merger, acquisition, sale or other transaction, will be hereinafter described as the "New Entity."
- b. The Contractor (or, if the Contractor no longer exists as a legal entity, the New Entity) will provide to the State within a reasonable time, information that the State may require about the merger, acquisition or sale, which may include, but not be limited to, the following:
 - i. the date and terms of the merger, acquisition or sale, including specifically, but not limited to, adequate documentation of the financial solvency and adequate capitalization of the proposed New Entity;
 - ii. a complete description of the relationship of any New Entity to any parent company or subsidiary or division resulting from the merger, acquisition or sale of the original Contractor's business or the part of the original Contractor's business that provides services under this Contract or from assumption by, or sale to, another entity of the contract itself, including, but not limited to:
 - (1) the names and positions of corporate or company officers, project managers, other Contractor management staff with responsibilities under the Contract, and numbers and the type of technical or other personnel who will be responsible for fulfilling the obligations of the Contract, and any subcontracts that will be used to provide any personal or other services under the Contract by the New Entity and,
 - (2) an organizational chart clearly describing the organizational structure of the New Entity, parent company, subsidiary, division or other unit of the entity or parent company with which it has merged or by which it, or the Contract, has been acquired; and
 - iii. such additional evidence of financial solvency, adequate capitalization and information regarding corporate organizational and personnel assigned to the Contract as the State determines is necessary to evaluate the status of the proposed or consummated merger, acquisition or sale.
- c. The original Contractor shall immediately notify the State in writing in the event of a change in its legal name and/or Federal Employer Identification Number (FEIN). The Contractor shall comply with State requests for copies of any documents that have been filed with state corporate records officials or other officials in the state of its incorporation that verify the name change and a narrative description of the reasons for the name change. If a New Entity has succeeded to the interest of the original Contractor, it shall immediately provide the State written notification of its Federal Employer Identification Number (FEIN), its complete corporate name, State of incorporation, and other documentation required to effectuate the transfer.
- d. Notwithstanding any other provisions of this Contract to the contrary, the State may immediately terminate this Contract in whole or in stages in the event that it determines that the New Entity
 - i. has been debarred from State or Federal contracting in the past five years; or
 - ii. has had a contract terminated for cause by the State of Tennessee within the past five years.

The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor or New Entity for compensation for any service which has not been rendered. Upon such termination, the Contractor or New Entity shall have no right to any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

- e. The New Entity shall provide to the State within ten (10) business days of the State's request, a notarized statement signed by an individual authorized to bind the New Entity certifying that all liabilities and obligations incurred by the former Contractor are assumed by the New Entity.
- f. If the New Entity owes money to the State of Tennessee, it acknowledges that Tenn. Code Ann. § 9-4-604 requires repayment of these funds and will enter into a legally binding agreement for repayment.
- g. The Contractor shall not be required to disclose to the State any material nonpublic information until such information becomes public unless the information is expressly required under this Section.

A.14. Applicable Gifts and Solicitations Policy. The Contractor shall not offer to give, or give, any gift to any employee of the State or to any member of a Board, Commission or Committee administratively attached to the State that would violate the State's Gifts and Solicitations Policy, included as Contract Attachment 1 to this Contract.

A.15. Transition of Services Upon Termination. Upon the natural expiration of this Contract or in the event of its termination for any reason, the Contractor shall transfer in accordance with the State's instructions all records and data collected on behalf of the State pursuant to this Contract to whomever the State may designate in writing to the Contractor. The Contractor agrees to cooperate with the State, and any subsequent contractor selected by the State to perform the services hereunder, in the transition and conversion of such services. This shall include the Contractor providing a copy of the claims history for claims, and other data and investigative files, which shall be furnished on an electronic data processing tape or such other data processing format as is reasonably compatible with the data processing system maintained by the State. Additionally, the Contractor shall provide all information necessary to properly interpret the data supplied. To ensure continuous operation of the State's property and cyber liability insurance programs and upon thirty (30) calendar days' notice, this information shall be provided to the State or its designated agent at least forty-five (45) calendar days prior to the termination or expiration date of this Contract. Further, the State may require the Contractor to provide this information at various other times prior to or after the termination or expiration date of this Contract. Unless otherwise directed by the State, it shall be the responsibility of the Contractor to adjudicate and otherwise service all claims delivered to it before the termination or expiration of the Contract.

A.16. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty generally offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the

Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A.17. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

B. TERM OF CONTRACT:

B.1. Contract Term. This Contract shall be effective on July 1, 2024 ("Effective Date") and extend for a period of thirty-six (36) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

B.2. Term Extension. The State may extend the Term an additional period of time, not to exceed twenty-four (24) months beyond the expiration date of this Contract, under the same terms and conditions, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty (60) months.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed [WRITTEN DOLLAR AMOUNT (\$NUMBER)] ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.2. Compensation Firm. The payment methodology in Section C.3 shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct or indirect costs incurred or to be incurred by the Contractor.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.

b. The Contractor shall be compensated based upon the following payment methodology:

	July 1, 2024 — June 30, 2025	July 1, 2025 — June 30, 2026	July 1, 2026 — June 30, 2027	July 1, 2027 — June 30, 2028 (If the State exercises its right under Section B.2 above to extend the Contract Term)	July 1, 2028 — June 30, 2029 (If the State exercises its right under Section B.2 above to extend the Contract Term)
Executive General Adjuster Note: An Executive General Adjuster is defined as an adjuster who handles losses internationally of any size or complex national account.	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour

<p>National General Adjuster</p> <p>Note: A National General Adjuster is defined as an adjuster who handles losses nationally regardless of size, including having the ability to address any complex adjustment issue.</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>
<p>Regional General Adjuster</p> <p>Note: A Regional General Adjuster is defined as an adjuster who handles losses regionally (generally statewide) unassisted up to \$10M, including having the ability to address the most complex adjustment issues pertaining to damages and coverage and assist on even larger losses.</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>
<p>General Adjuster</p> <p>Note: A General Adjuster is defined as an adjuster who handles complex losses locally unassisted up to \$1M and assists on larger losses, including the ability to handle accounting-based losses (business interruption and stock).</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>
<p>Senior Adjuster/Adjuster</p> <p>Note: A Senior Adjuster is defined as an adjuster who handles full adjustment losses of limited complexity locally unsupervised. An Adjuster is defined as an adjuster who handles losses under the general supervision of a regional manager or a designated mentor.</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>
<p>Staff Accountant</p> <p>Note: A Staff Accountant is defined as a person who has a degree in accounting, finance or related field and who verifies submitted documentation on property damage losses to validate unit costs, labor hours, materials and sub-contractor data. A Staff Accountant also evaluates business interruption and extra expense claims and works with the adjustment team.</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>

<p>Executive Building Consultant</p> <p>Note: An Executive Building Consultant is defined as an individual who assists in scope development, cost validation and analysis, apply engineering findings, coordinates with the adjustment team and facilitates contractor accountability on losses of any size.</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>	<p>\$ _____ per hour</p>
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- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the following address:

Accounts Payable Section
 Division of Accounting
 Tennessee Treasury Department
 14th Floor, Andrew Jackson State Office Building
 502 Deaderick Street
 Nashville, Tennessee 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
- (1) Invoice number (assigned by the Contractor);
 - (2) Invoice date;
 - (3) Contract number (assigned by the State);
 - (4) Customer account name: Tennessee Treasury Department, Division of Claims and Risk Management;
 - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
 - (6) Contractor name;
 - (7) Contractor Tennessee Edison registration ID number;
 - (8) Contractor contact for invoice questions (name, phone, or email);
 - (9) Contractor remittance address;
 - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
 - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
 - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
 - (13) Amount due for each compensable unit of good or service; and
 - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
- (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
 - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
 - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
 - (4) Include shipping or delivery charges only as authorized in this Contract.

c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
 - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Rodney Escobar, Director
Tennessee Treasury Department
Division of Claims and Risk Management
14th Floor, Andrew Jackson State Office Building
502 Deaderick Street
Nashville, Tennessee 37243
Email Address: rodney.escobar@tn.gov
Telephone # (615) 761-8053

The Contractor:

[CONTRACTOR CONTACT NAME & TITLE]
[CONTRACTOR NAME]
[ADDRESS]

[EMAIL ADDRESS]
Telephone # [NUMBER]

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by

federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation by submitting to the State a completed Attestation (accessible through the Edison Supplier Portal) and included at Contract Attachment 2, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.

- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act (“PPACA”) with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor’s failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State’s Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State’s total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor’s Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor’s liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor’s indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys’ fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Health Information Technology for Economic and Clinical Health (“HITECH”) Act and any other relevant laws and regulations regarding privacy (collectively the “Privacy Rules”). The obligations set forth in this Section shall survive the termination of this Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the

course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT “protected health information” as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System (“TCRS”), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of “employee/employer” and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.

D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

D.24. Force Majeure. “Force Majeure Event” means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing

to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees for the affected obligations until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.

- D.25. State and Federal Compliance. The Contractor shall comply with all State and federal laws and regulations applicable to Contractor in the Contractor's performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Contract Attachments 1 and 2;
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
 - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
 - f. the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran,

shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require complete copies of all required insurance policies, including endorsements required by these specifications, at any time.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

The insurance obligations under this Contract shall be: (1)—all the insurance coverage and policy limits carried by the Contractor; or (2)—the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability (“CGL”) Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers’ Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers’ compensation and employer liability insurance, the Contractor shall maintain:
 - i. Workers’ compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
 - i. The Contractor employs fewer than five (5) employees;
 - ii. The Contractor is a sole proprietor;
 - iii. The Contractor is in the construction business or trades with no employees;
 - iv. The Contractor is in the coal mining industry with no employees;
 - v. The Contractor is a state or local government; or
 - vi. The Contractor self-insures its workers’ compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Professional Liability Insurance

- 1) Professional liability insurance shall be written on an occurrence basis or on a claims-made basis. If this coverage is written on a claims-made basis, then:
 - i. The retroactive date must be shown, and must be on or before the earlier of the Effective Date of the Contract or the beginning of Contract work or provision of goods and services;
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) full years from the date of the final Contract payment; and
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date on or prior to the Contract Effective Date, the Contractor must purchase "extended reporting" or "tail coverage" for a minimum of five (5) full years from the date of the final Contract payment.
- 2) Any professional liability insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the aggregate; and
 - i. If the Contract involves the provision of services by medical professionals, a policy limit not less than three million (\$3,000,000) per claim and three million dollars (\$3,000,000) in the aggregate for medical malpractice insurance.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

D.35. Boycott of Israel. The Contractor certifies that it is not currently engaged in, and covenants that it will not, for the duration of the Contract, engage in a Boycott of Israel, as that term is defined in Tenn. Code Ann. § 12-4-119.

D.36. Prohibited Contract Terms. The prohibited contract terms and conditions enumerated in Tenn. Code Ann. § 12-3-515, shall be a material provision of this Contract. The Contractor acknowledges, understands, and agrees that the inclusion of a term or condition prohibited by Tenn. Code Ann. § 12-3-515, shall be null and void and the Contract shall be enforceable as if the Contract did not contain such term or condition.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's Response to RFP # 30901-59024 (Attachment 6.2, Section B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a monthly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, service-disabled veterans, and persons with disabilities. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the TN Diversity Software available online at: <https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>.

- E.3. Intellectual Property Indemnity. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.
- E.4. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:
- (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:
 - i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: 4 hours.
 - ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: 24 hours.
 - (2) The Contractor and its subcontractor(s), as applicable, shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use actual State Data Sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. The Contractor shall provide written confirmation to the State after each Disaster Recover Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.
- E.5. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible personal property furnished by the State for the Contractor's use under this Contract. Upon termination of this Contract, all property furnished by the State shall be returned to the State in the same condition as when received, less ordinary wear and tear. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the fair market value of the property at the time of loss.

IN WITNESS WHEREOF,

[CONTRACTOR LEGAL ENTITY NAME]:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TREASURY DEPARTMENT:

DAVID H. LILLARD, JR., STATE TREASURER

DATE

TREASURY DEPARTMENT'S GIFTS AND SOLICITATIONS POLICY

No employee or any member of a Board, Commission or Committee administratively attached to the Department shall solicit, accept or agree to accept, directly or indirectly, on behalf themselves or their immediate family, any gift in violation of state law including, but not limited to, any gratuity, service, favor, entertainment, lodging, transportation, loan, loan guarantee rebate, money, any promise, obligation or contract for future awards or compensation or any other thing of monetary value, from any **individual or entity** that:

- Has, or is seeking to obtain, contractual or other business or financial relations with the Treasury Department or the Tennessee Consolidated Retirement System;
- Conducts operations or activities that are regulated by the Treasury Department;
- May bid on future procurement from the Department or a Board, Commission, or Committee administratively attached to the Department based on the employee's reasonable belief that the person or entity intends to submit a bid; or
- Has an interest that may be substantially affected by the performance or nonperformance of the employee's official duties.

Generally, gifts from a lobbyist or an employer of a lobbyist are prohibited; however, the following are exceptions to the general gift prohibition:

- A gift given for nonbusiness purpose and motivated by a close personal friendship and not by the position of the employee, and specifically authorized and defined by the Ethics Commission;
- Informational materials in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
- Sample merchandise, promotional items, and appreciation tokens if they are routinely given to customers, suppliers or potential customers or suppliers in the ordinary course of business;
- Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento, and similar items, provided that any such item shall not be in a form which can readily be converted to cash;
- Benefits resulting from business, employment, or other outside activities of the employee or the employee's immediate family, if such benefits are customarily provided to others in similar circumstances and are not enhanced due to the status of the employee;
- Opportunities and benefits made available to all members of an appropriate class of the general public, including but not limited to, discounts afforded to the general public or prizes and awards given out in public contests;
- Expenses of out-of-state travel, if such expenses are paid for or reimbursed by a governmental entity or an established and recognized organization of elected or appointed state government officials;
- Food, refreshments, amenities, goody bags, entertainment, or beverages provided as part of a meal, reception or similar event including tradeshows and professional meetings; and
- Food, refreshments, meals, foodstuffs, entertainment, beverages that are provided in connection with the following: an event where the employee is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization which regularly meets at in-state

events in which invitations are extended to legislative or executive branch employees. The value of the items shall not exceed fifty dollars (\$50.00) per person, per day.*

* The amount may be increased to reflect the percentage of change in the average consumer price index. The Ethics Commission publishes the increased amount on its website. For other gifts offered which are not included in the exceptions above, the employee must obtain the written approval of the Assistant Treasurer for Legal, Compliance and Audit.

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
EDISON VENDOR IDENTIFICATION NUMBER:	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

POLICY FORM

RFP Attachment 6.7, **Policy Form**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

2023 INSURANCE SUMMARY

RFP Attachment 6.8, **2023 Insurance Summary**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

PROPERTY CLAIM REPORTING PROCEDURES

RFP Attachment 6.9, **Property Claim Reporting Procedures**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

EMERGENCY SERVICES RESTORATION USAGE INSTRUCTIONS

RFP Attachment 6.10, **Emergency Services Restoration Usage Instructions**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

RESTORATION AND FINISHING USAGE INSTRUCTIONS

RFP Attachment 6.11, **Restoration and Finishing Usage Instructions**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

BELFOR PROCEDURES FOR EMERGENCY SERVICES CLEANUP

RFP Attachment 6.12, **BELFOR Procedures for Emergency Services Cleanup**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

SOT LOSS RUN MARKETS

Collective RFP Attachment 6.13, **SOT Loss Run Markets**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

APRIL 2024 MONTHLY DATA REPORT

RFP Attachment 6.14, **April 2024 Monthly Data Report**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>