



CITY of NOVI CITY COUNCIL

Agenda Item E
April 9, 2018

SUBJECT: Approval of a three-year Benefit Plan Consulting agreement with Gallagher Benefit Services with two (2) one-year options to renew.

SUBMITTING DEPARTMENT: Human Resources

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Gallagher Benefit Services has provided benefit plan consultant services to the City since 2002. We receive services and consulting in the following areas:

- Competitive quotes for health care and ancillary benefits (short-term, long-term, life and AD&D) annually,
- Assist in the negotiation process for fair and competitive pricing for employee health care and ancillary benefits;
- Prepare annual Employee health care Open Enrollment materials;
- Assist Human Resources staff with employee specific health care claims and billing concerns;
- Provide communications and updates on legislative changes that affect health care, Fair Labor Standards (FLSA) and other benefit-related matters.

The Gallagher team that assists Human Resources in the above areas has consistently provided timely, knowledgeable and professional services. The City of Novi does not pay a fee directly to Gallagher for the above services. As is the industry standard, Gallagher receives commissions based upon a percentage of the gross premium, which is part of the carriers administrative cost, which are paid directly by the insurance company. That commission is between 0.5% - 4.65% depending upon the line of coverage.

RECOMMENDED ACTION: Approval of a three-year Benefit Plan Consulting agreement with Gallagher Benefit Services with two (2) one-year options to renew.

CONTRACT FOR BENEFIT PLAN CONSULTING AND AGENT SERVICES

THIS CONTRACT FOR SERVICES ("Contract") shall be considered as made and entered into as of the date of the last signature ("Effective Date"), and is between the City of Novi, a Michigan municipal corporation, whose address is 45175 W. Ten Mile Road, Novi Michigan, 48375 (hereinafter referred to as "Client"), and Gallagher Benefit Services, Inc., whose address is 30150 Telegraph Road, Suite 408, Bingham Farms, MI 48025 (hereinafter referred to as "Contractor").

THE CLIENT AND CONTRACTOR AGREE AS FOLLOWS:

Article I. Statement and Performance of Work.

For payment by the Client as provided under this Contract, Contractor shall provide the materials and perform the services described on and in Schedule A (the "Work"), which is attached hereto and made a part of this Contract by this reference, in a competent, accurate, efficient, timely, good, professional, thorough, complete and responsible manner, and in compliance with the terms and conditions set forth below.

Article II. Timing of Performance.

Performance of this Contract shall commence immediately upon execution by both parties. The initial contract period will be three (3) years. Upon mutual consent of the Client and the Contractor, the contract may be renewed two (2) additional years, in one (1) year increments, at the same prices, terms, and conditions of the original contract.

Article III. Contract Price and Payment.

Subject to the terms and conditions of this Contract, the Client agrees to pay Contractor an amount services and materials as specifically set forth in the completed Proposal attached which is part of the attached Schedule A. Such payments are in exchange for and consideration of the timely and satisfactory performance and completion of the work required under and pursuant to this Contract. The Client agrees to pay Contractor amounts due within thirty (30) days of receipt of an itemized billing/invoice from Contractor detailing all work performed in connection with the billing and the hours and charges applicable to each such item. Such itemized billings shall be submitted and shall be paid only upon satisfactory completion of the work itemized in the billing.

All costs and expenses incurred by Contractor under this Contract are deemed to be included in the amounts set forth in Schedule A. Contractor will obtain written approval of the Client prior to proceeding with any work that is not stated on Schedule A; otherwise, the Client will not be billed for such extra/additional work.

Payments shall be made upon verification of invoices received by the Client. All payments to Contractor shall be submitted by mail at Contractor's address first listed above, unless Contractor provides written notice of a change in the address to which such payments are to be sent.

Article IV: Termination.

- A. 1. For cause: In the event that either party shall breach the terms and conditions of this Contract, the aggrieved party may notify the other party, in writing via certified mail, of such breach and demand that the same be remedied within ten (10) days. If the defaulting party fails to remedy the breach as demanded, the aggrieved party shall then have the right to terminate by giving the defaulting party thirty (30) days written notice. In addition, if at any time a voluntary petition in bankruptcy shall be filed against either party and shall not be dismissed within thirty (30) days, or if either party shall take advantage of any insolvency law, or if a receiver or trustee of any of a party's property shall be appointed and such appointments shall not be vacated within thirty (30) days, the other party shall have the right, in addition to any other rights of whatsoever nature that it may have at law or in equity, to terminate by giving thirty (30) days' notice in writing of such termination.
2. For convenience: The Client may terminate the agreement, in whole or in part, without showing cause upon giving thirty (30) days written notice to the Contractor. The Client shall pay all reasonable costs incurred by the Contractor up to the date of notice of termination. The Contractor will not be reimbursed for any anticipatory profits that have not been earned up to the date of notice of termination.
- B. In the event this Contract is terminated before completion, the Client shall not be responsible to make any further payments for work performed after the effective date of such termination, and shall pay Contractor for such materials as have been delivered and for such work as has been completed and is eligible for payment under the terms of this Contract through the date of such termination. In all events, the Client shall only be responsible to make the payments described in the preceding sentence if, at the Client's request, Contractor continues to fully perform its duties and obligations in full compliance with the terms of this Contract through the effective date of the termination.

Article V: Independent Contractor/Vendor Relationship.

- A. In the performance of this Contract, the relationship of Contractor to the Client shall be that of an independent contractor and/or vendor and not that of an employee or agent of Client. Contractor is and shall perform under this Contract as an independent contractor and/or vendor, and no liability or responsibility with respect to benefits of any kind, including without limitation, medical benefits, worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party as a result of the performance of this Contract.

Contractor, as an independent contractor and/or vendor, is not authorized to enter into or sign any agreements on behalf of the Client or to make any representations to third parties that are binding upon the Client.

- B. Contractor represents that it will dedicate sufficient resources and provide all necessary personnel required to perform the work described in Schedule A in accordance with the terms and conditions of this Contract. Except as may be specifically stated and agreed to in Schedule A, Contractor shall perform all of the

work under this Contract and no other person or entity shall be assigned or sub-contracted to perform the work, or any part thereof, unless approved by the Client in advance.

Article VI: Liability and Insurance.

- A. Contractor agrees to indemnify and hold harmless the Client, its elected and appointed officials and employees, from and against any and all claims, demands, suits, losses and settlements, including actual attorney fees incurred and all costs connected therewith, for any damages which may be asserted, claimed or recovered against the Client by reason of (i) personal injury, death and/or property damages which arises out of or is in any way connected or associated with the actions or inactions of Contractor in performing or failing to perform the work; or (ii) civil damages which arise out of any dispute between Contractor and its subcontractors, affiliates, employees or other private third parties in connection with this Contract. Contractor specifically agrees that it is Contractor's responsibility, and not the responsibility of the Client, to safeguard the property and materials used in performing this Contract. Contractor agrees to hold the City harmless from any loss of or damage to such property and materials used in connection with Contractor's performance of this Contract.

- B. Contractor shall provide evidence of adequate insurance coverage in the types and amounts set forth on Schedule B, which is attached hereto and incorporated herein by this reference. Such insurance shall be maintained at the specified level of coverage throughout the term of this Contract, including any extension of such term, and will cover all work, acts and omissions by and on behalf of Contractor in connection with this Contract, with the Client as named additional insureds, but with such coverage being primary and non-contributory as described in the attached Schedule B.

Article VII: Information.

It is expressly acknowledged and agreed that all reports, opinions, compilations, research work, studies, data, materials, artifacts, samples, documents, plans, drawings, specifications, correspondence, ledgers, permits, manuals, applications, contracts, accountings, schedules, maps, logs, invoices, billings, photographs, videotapes and all other materials generated by and/or coming into the possession of Contractor during the term of this Contract, and any extension thereof, that in any way relate to the performance of work by Contractor under this Contract or that are otherwise related or relevant to the work, belong exclusively to the Client and shall be promptly delivered to the Client upon the termination of this Contract or, at any time, upon the Client's request.

Article VIII: General Provisions.

- A. Entire Agreement. This instrument, together with the attached Schedules, contains the entire Contract between the Client and Contractor. No verbal agreement, conversation, or representation by or between any officer, agent, or employee of the parties hereto, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.

- B. Compliance with Laws. This Contract and all of Contractor's work and practices shall be subject to all applicable state, federal and local laws, ordinances, rules or regulations, including without limitation, those which apply because Client is a public governmental agency or body. Contractor represents that it is in compliance with all such laws and eligible and qualified to enter into this Contract.
- C. Governing Law. This Contract shall be governed by the laws of the State of Michigan.
- D. Assignment. Contractor shall not assign this Contract or any part thereof without the written consent of the Client. This Contract shall be binding on the parties, their successors, assigns and legal representatives.
- E. Dispute Resolution/Arbitration. The parties agree that any disputes regarding a claimed violation of this agreement shall first be submitted in writing to the other party in an attempt to settle the matter before pursuing other legal actions or notices provided for in this agreement. Such written communication shall clearly state the problem or concern, allow sufficient time for a written response from the other party, and culminate in a face-to-face meeting to determine if a remedial action is possible. In no event shall this process take more than thirty (30) days, unless a specific extended period of time is agreed to by both parties in writing as being necessary. The aforementioned initial written communications between the parties also shall indicate whether the party is willing to submit the dispute to binding arbitration, non-binding mediation or other form of alternate dispute resolution, and share equally the costs for same. Upon the parties agreeing to any such method of dispute resolution and a timetable for doing so, pursuit of other legal actions shall be deferred until the process has been completed. In any binding arbitration, the arbitrator shall provide a written statement of the reasons and basis for an award or decision, a judgment of the Oakland County Circuit Court may be entered based on the arbitration award or decision, and each party shall be responsible for their own costs and attorney fees.
- F. Third Parties. It is the intention of the parties hereto that this Agreement is not made for the benefit of any private third party. It is acknowledged that Client may receive a portion of the funding for the payments under this Contract from one or more private sources, and it is understood by Contractor that it is hired by Client to work exclusively for Client (and by extension for the Client should the work be accepted and implemented by the Client) and Contractor agrees that no private party or parties will be allowed to hold sway or influence, in any way, over Contractor's performance of the work.
- G. Notices. Written notices under this Contract shall be given to the parties at their addresses contained in this Contract by personal or registered mail delivery to the attention of the following persons:
- Client: City Manager Pete Auger and City Clerk Cortney Hanson
Contractor: Bryan Hirn, Area President
- H. Changes. Any changes in the provisions of this Contract must be in writing and signed by the Client and Contractor.

- I. Waivers. No waiver of any term or condition of this Contract shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.
- J. Jurisdiction and Venue of Contract. This Contract shall be considered for all purposes, including the establishment of jurisdiction and venue in any court action between the parties, as having been entered into and consummated in the City of Novi, Oakland County, Michigan.
- K. Conflict. In the event of any conflict or inconsistency between the above provisions of this Contract and either or both of the attached Schedules, the provisions in the above text shall govern.

IN WITNESS WHEREOF, the Client and the Contractor have executed this Contract in Oakland County, Michigan, as of the date first listed above.

WITNESS:

City of Novi ("Client"):

WITNESS AND DATES
OF SIGNATURES:

CITY OF NOVI

Date: _____

By: Pete Auger
Its: City Manager

Date: _____

By: Cortney Hanson
Its: Clerk

WITNESS:

**Gallagher Benefit Services, Inc.
"Contractor")**

Date: _____

By: Bryan Hirn
Its: Area President



**CITY OF NOVI
BENEFIT PLAN CONSULTING AND AGENT SERVICES**

**PROPOSAL FORM
(Please submit in a separate sealed envelope)**

We, the undersigned, propose to furnish to the City of Novi, according to the specifications, terms, conditions and instructions attached hereto and made a part thereof:

Form of payment accepted:

- Commissions accepted as a form of payment for services rendered
- Other, please explain below

Commission

See attached for current %

Comments _____
 BCBSM, HAP and Priority Health commissions are based on a standard scale and are built into the administrative fee portion of each carrier's premium structure.

Other form of payment accepted:

Comments/Description Gallagher Benefit Services will work on a negotiated fee basis in lieu of accepting commissions. We would propose to offset fees by any commission dollars that are already built into carrier pricing. These fees can be billed on any mutually agreed upon schedule.

Please attach a complete list of fees for all additional services or materials your firm offers beyond the scope of work described in the specifications.

Exceptions/Deviations from Yes _____ No

If yes, what? _____

We acknowledge the following addenda: N/A

This proposal submitted by:

Company (Legal Registration) Gallagher Benefit Services, Inc.

Address 30150 Telegraph Road, Suite 408

City Bingham Farms State MI Zip 48025

Telephone 248-203-0626 Fax 248-540-6015

Agent's Name W. Bryan Hirn

Agent's Title Area President

Agent's Signature _____

E-mail Bryan_Hirn@ajg.com

Date _____



CLIENT COVERAGE ACKNOWLEDGMENT AND COMPENSATION DISCLOSURE STATEMENT FOR CITY OF NOVI

This form documents that Gallagher Benefit Services, Inc. (Gallagher) will apply its professional judgment to access those insurance companies it believes are best suited to insure the Client’s risks. The final decision to choose any insurance company has been made by the Client in its sole and absolute discretion. The Client understands and agrees that Gallagher does not take risk, and that Gallagher does not guarantee the financial solvency or security of any insurance company. The Client is responsible for immediate payment of premiums for all insurance placed by Gallagher on Client’s behalf. If any premium amounts are not paid in full when due, the applicable insurance company for the Client’s risks may cancel any applicable policies in accordance with the terms of such policies.

The following is the disclosure of fees and/or commissions to be paid to Gallagher as a result of its Broker of Record relationship to Client’s Group Health and Welfare Plan and any relationships, or agreements Gallagher has with any insurance companies selected by Client as noted above. Gallagher, as Broker of Record, will receive the following initial and renewal sale commissions expressed as percentage of gross premium payments, or fees as agreed upon by Client:

Line of Coverage/Services	Insurance Company	Commission ¹ / Supplemental Compensation ²	Third Party Compensation	Direct Fees ³	Effective Date
Group Medical/Rx	Blue Cross Blue Shield of Michigan	4.65% of premium for group plan \$100 per enrolled person per year for group Medicare Advantage plan/ \$0-\$12	N/A	N/A	01/01/2018
Group Medical/Rx	Health Alliance Plan	2% of first \$25,000 premium 5% \$25,001-\$100,000 5.5% \$100,001 - \$250,000 4.5% \$250,001 - \$400,000 1% \$400,001 - \$1,000,000 0.5% \$1,000,001+/ 0-1.0%	N/A	N/A	01/01/2018
Group Medical/Rx	Priority Health	3% of premium/\$0 - \$40	N/A	N/A	01/01/2018
Group Life/Disability	Lincoln Financial	7% of premium/1-4.5%	N/A	N/A	01/01/2018

It should also be noted that:

- **Gallagher** is not an affiliate of the insurer whose contract is recommended. This means the insurer whose contract is recommended does not directly or indirectly have the power to exercise a controlling

¹ Commissions include all commissions/fees paid to Gallagher that are attributable to a contract or policy between a plan and an insurance company, or insurance service. This includes indirect fees that are paid to Gallagher paid by a third party, and includes, among other things, the payment of “finders’ fees” or other fees to Gallagher for a transaction or service involving the plan.

² Gallagher companies may receive supplemental compensation referred to in a variety of terms and definitions, such as contingent commissions, additional commissions and supplemental commission.

³ Direct Fees include compensation to Gallagher paid for directly by the plan sponsor/Client.



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influence over the management or policies of **Gallagher**. **Gallagher's** ability to recommend other insurance contracts is not limited by an agreement with the insurance company.

- **Gallagher** is effecting the transaction for the Plan(s) in the ordinary course of **Gallagher** business. The transaction set forth is at least as favorable to the Plan(s) as an arm's length transaction with an unrelated party.
- **Gallagher** is not a trustee of the Plan(s) and is neither the Plan Administrator of the Plan(s), a named fiduciary of the Plan(s), nor an employer which has employees in the Plan(s). **Gallagher** shall not exercise discretionary authority or control with respect to plan management, the disposition of plan assets or plan administration.
- **Gallagher's** liability to Client, or any party claiming by or through Client, on account of or relating to the provision of services to Client during the period of the relationship between Gallagher and Client shall not exceed \$20 million in the aggregate. Without limiting the foregoing, Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, consequential or punitive damages.

For Employers and Plan Sponsors Subject to ERISA: This Disclosure Statement is being given to the Client (1) to make sure Client knows about Gallagher's and Gallagher affiliates' income before purchasing the insurance product and (2) for plans subject to ERISA, to comply with the disclosure, acknowledgment and approval requirement of Prohibited Transaction Class Exemption No. 84-24⁴, which protects both Client and Gallagher⁵. Disclosure must be made to an independent plan fiduciary for the ERISA Plan(s), and Client acknowledges and confirms that this is a reasonable transaction in the best interest of participants in its ERISA Plan(s).

For more information on Gallagher's compensation arrangements, please visit www.ajg.com/compensation. In the event a Client wishes to register a formal complaint regarding compensation Gallagher receives, please send an email to Compensation_Complaints@ajg.com.

Thank you for your business and continued confidence in the services Gallagher provides to you and your employees. We sincerely appreciate the opportunity to serve City of Novi. Please let us know if you have any questions regarding this information or would like more detail.

⁴ Which allows an exemption from a prohibited transaction under Section 408(a) of the **Employee Retirement Income Security Act of 1974 (ERISA)**.

⁵ In making these disclosures, no position is taken, nor is one to be inferred, regarding the use of assets of a plan subject to ERISA to purchase such insurance.



Gallagher

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Accepted by: CITY OF NOVI

GALLAGHER BENEFIT SERVICES, INC.

By: _____
Name _____
Title _____
Date: _____

By: _____
Name W. Bryan Hirn
Title Area President
Date: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/29/2018

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

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

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 300 S. Riverside Plaza, Suite 1500 Chicago IL 60606	CONTACT NAME: Direct All Inquiries to Email PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: Chi_Certificates@ajg.com
	INSURER(S) AFFORDING COVERAGE INSURER A: Arch Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED ARTHJGA113 Gallagher Benefit Services, Inc. 30150 Telegraph Rd., Suite 408 Bingham Farms, MI 48025	

COVERAGES **CERTIFICATE NUMBER:** 1930598015 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y		41GPP4938410	10/1/2017	10/1/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			41CAB4938310 (AOS) 41CAB4939010 (MA)	10/1/2017 10/1/2017	10/1/2018 10/1/2018	COMBINED SINGLE LIMIT (Ea accident) \$3,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	41WCI4938110 (AOS) 44WCI0501910 (NY, TX, CA, KY, MO)	10/1/2017 10/1/2017	10/1/2018 10/1/2018	<input checked="" type="checkbox"/> PER-STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000


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

General Liability:
General Aggregate Per Location Subject to \$10 Mil Policy aggregate.

The City of Novi, their officers, agents, employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof are shown as additional insured on the General Liability policy per form 00 GL0596 00 04 10 as required by written contract pursuant to and subject to the policy's terms, definitions, conditions and exclusions.

CERTIFICATE HOLDER

CANCELLATION

City of Novi 45175 W. Ten Mile Road Novi MI 48375	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

SECTION II – WHO IS AN INSURED is amended to include as an additional insured the person or organization who is required under a written contract with you to be included as an insured under this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you.

All other terms and conditions of this policy remain unchanged.

Endorsement Number:

Policy Number: 41GPP4938410

Named Insured: ARTHUR J GALLAGHER & COMPANY

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: 10/1/2017