

# **AGREEMENT**

## **Insurance Agency Services**

This agreement made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between Bearence Management Group hereinafter called the Agent, and the City of Ramsey, a Minnesota Municipal Corporation, hereinafter called the City.

The City hereby engages the services of the Agent as its insurance servicing agent of record with respect to all insurance of the City within the scope of insurance and bond policies/coverages, including but not limited to fire; general liability, casualty, public official and law enforcement liability, marine, fidelity and surety bonds and other miscellaneous coverages as may be required by the City but will not include employee fringe benefits such as health, life, dental, disability insurance, or pensions. In consideration of the following covenants and agreements, it is mutually agreed by and between the parties hereto as follows:

### **TERM**

This agreement will be in effect for the January 1, 2012—December 31, 2013, for the insurance coverage policy year of January 1<sup>st</sup> to December 31<sup>st</sup>.

### **COMPENSATION**

The term "Total Compensation" as used in this agreement shall mean and be the sum of:

- All compensation received by the Agent from any insurance underwriter for the placement of property casualty insurance required or obtained by the City except workers compensation. Workers compensation will be on a standard commission basis.
- All compensation or reimbursement received by the Agent from the City pursuant to the provisions of this agreement.

It is also hereby agreed and understood:

- The fee for agent services is in addition to the premiums charged.
- The premiums charged do not include commission to the Agent, except workers compensation. The City hereby directs the League of Minnesota Cities Insurance Trust (L.M.C.I.T.) not to include any allowance for an agent's fee in quoting and billing the City's premium for property, liability and automotive coverage.
- Said compensation shall be payable upon execution of the contract.

Wherever possible insurance policies will be placed to allow payment of premium to be made by the City directly to the insurance company.

As total compensation for the services provided to the City as described below, the City will pay to the Agent a fee of \$6000 for the 2012 contract year and \$ 6200 for the 2013 contract year.

## SERVICES

The agent will perform for the City the following services:

- Advise and assist the City in assembling and accurately reporting underwriting data. Update property values for rating purposes.
- Advise and assist the City in evaluating and selecting among coverage alternatives, such as deductibles, limits, optional coverages, alternative coverage forms, etc.
- Review coverage documents and invoices to assure coverage has been correctly issued and billed. Advise the City on potential gaps or overlaps in coverages.
- Assist the City as requested in submitting claims and interpreting coverage as applied to particular claims.
- Review loss reports for correct reporting, appropriate reserves, etc.
- Assist the City in identifying risk exposures and developing appropriate strategies to address those exposures.

## TERMINATION

This agreement may be terminated by either party upon (60) sixty days written notice to the other party.

Bearence Management Group

City of Ramsey

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_