

**FIRST AMENDMENT TO THE
PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
MAYOR AND CITY COUNCIL OF BALTIMORE
AND
WILLIS TOWERS WATSON SOUTHEAST, INC.**

THIS FIRST AMENDMENT (this “Amendment”) is entered into as of the Amendment Effective Date (defined below), by and between the **MAYOR AND CITY COUNCIL OF BALTIMORE**, a municipal corporation of the State of Maryland, acting by and through the Department of Finance (the “City”), and **WILLIS TOWERS WATSON SOUTHEAST, INC.**, a foreign corporation registered and in good standing with the State of Maryland (“Consultant”). The City and Consultant are sometimes hereinafter referred to individually as a “Party” and collectively as the “Parties.”

WHEREAS, the City and Willis of Maryland, Inc. entered into a Professional Services Agreement, awarded by the Board of Estimates of Baltimore City (the “Board”) on August 15, 2018 (the “Original Agreement”), wherein Willis of Maryland, Inc. agreed to provide marketing and risk management consulting services for the City, as well as assist with the placement of the City’s insurance policies with various property and casualty insurance companies;

WHEREAS, on December 16, 2020, the Board approved Willis of Maryland, Inc.’s assignment of the Original Agreement to Consultant (the “Assignment”, and collectively with the Original Agreement, the “Agreement”);

WHEREAS, the Agreement’s initial term currently expires on August 15, 2018 and has two (2) additional three-year (3-year) renewal terms available;

WHEREAS, the Parties wish to amend the Agreement to (i) exercise the first three (3) year renewal term; (ii) increase the total amount of compensation paid to Consultant; (iii) modify the payment terms of the Agreement beginning on renewal period; and (iv) replace Schedule A to reflect the City’s current policies and coverages.

NOW, THEREFORE, THIS AMENDMENT WITNESSTH that in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. Upon the approval of the Board, this Amendment shall commence as of **August 15, 2021** (the “Amendment Effective Date”).

II. The City hereby exercises the first renewal period set forth in Section 5.1 of the Agreement, thereby changing the termination date of the Agreement to **August 15, 2024**, with a remaining option to renew the Agreement for one (1) additional three-year (3-year) renewal term, to be exercised at the sole discretion of the City. Consultant hereby agrees to waive the sixty (60) day notice requirement set forth in Section 5.1 of the Agreement for purposes of this term renewal.

III. The Parties agree that any and all references in the Agreement to Willis Towers Watson shall refer to Consultant.

IV. As of the Amendment Effective Date, Sections 3.1 through 3.5 of the Agreement is deleted in its entirety and replaced with the following new Sections 3.1 through 3.5:

3.1 Annual Fee. You agree that during the Term (as defined in Section 5.1 below) our compensation for the services provided under the Agreement shall be an annual fee (the “Annual Fee”) of Three Hundred Forty-Six Thousand Eight Hundred Dollars (\$346,800.00). The City will pay this Annual Fee in Twelve (12) Monthly Installments at Twenty-Eight Thousand Nine Hundred Dollars (\$28,900.00) each.

3.2 Agency Bill; Commission Rebate. In insurance placements known as “Agency Bill” we place insurance and also invoice the City for the policy premiums. If there are any commissions included in the premiums, our invoice to the City will include a credit for the full amount of the received commissions to the maximum extent allowed by applicable law.

3.3 Direct Bill; No Commission Rebate. In insurance placements known as “Direct Bill” the insurance carrier invoices the City directly and the insurance premium includes commission. The insurance carrier will remit the commission to Willis Towers Watson and we cannot return or credit that commission to the City as this would be considered rebating and is not permitted. We will disclose any commission on Direct Bill insurance policies. The amount of the commissions will vary from year to year as insurance rates and the City’s exposure change.

Direct Bill Commissions are currently as follows:

A commission of 19.0% for each carrier for the Direct Bill Federal Flood Insurance line of coverage;

A commission of 10.0% for each carrier for the Direct Bill Office of Economic Development Workers Compensation line of coverage; and

A commission of 30.0% for each carrier for the Direct Bill Surety and public Official Bond lines of coverage.

3.4 Commissions on New Placements. The Annual Fee has been determined based upon the insurance policy list of placements currently in force for the City. If Willis Towers Watson places a new line of insurance (a “New Placement”) during the Term (for example, Cyber), Willis Towers Watson would be entitled to receive the commission payable for that New Placement. We will disclose any commission payable for that New Placement. At the end of the Term, or any renewal term, the commission payable on any New Placement will be taken into consideration in determining the Annual Fee.

3.5 Fees for Ancillary Services. In addition to the above, the following schedule of hourly rate applies for the services listed below. The City estimates that it may require Two Hundred

Twenty-Six Thousand Two Hundred Fifty Dollars (\$226,250.00) per year for ancillary services, however, there is no minimum or maximum number of hours for any of these services.

Services	Hourly Rate
Brokerage Placement Consulting (Consultant)	\$250.00
Loss Control (Consultant)	\$225.00
Claims Services (Consultant)	\$250.00
Administrative Services	\$100.00
Other Services, including but not limited to:	
Actuarial	\$350.00
ERM Consulting	\$500.00
Custom Build Analytical Services	\$250.00
Miscellaneous / All Other	\$175.00

V. Beginning on the Amendment Effective Date, the Parties hereby agree to delete the **Schedule A** of the Agreement, and replace it with the **Revised Schedule A**, attached hereto and incorporated herein. Beginning on the Amendment Effective Date, any and all references in the Agreement to **Schedule A** shall hereby be replaced with **Revised Schedule A**.

VI. Except as expressly modified in this Amendment or otherwise changed in writing, the terms and conditions of the Agreement remain unchanged and in full force and effect. All other provisions of the Agreement will remain in full force and effect; provided, however, that in the event of a conflict between the Agreement and this Amendment, the terms of this Amendment shall be controlling.

VII. This Amendment shall not be construed against the Party preparing it but shall be construed as if the Parties jointly prepared it and any uncertainty or ambiguity shall not be interpreted against any Party. In the event any provision of this Amendment is found to be invalid or otherwise unenforceable, the remainder of this Amendment shall remain fully valid and enforceable.

VIII. Consultant represents and warrants that it has read and understands the terms of this Amendment and has been represented or had the opportunity to be represented by legal counsel of its own choice prior to the execution of this Amendment. Further, the person executing this Amendment on behalf of Consultant warrants that he/she/they has the authority to legally bind Consultant.

IX. The Recitals are incorporated herein.

X. Time is of the essence in the performance of the Agreement and this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the Amendment Effective Date.

ATTEST

MAYOR AND CITY COUNCIL OF
BALTIMORE

Custodian of the City Seal

By: H Raymond
Henry Raymond, Director
Department of Finance

WITNESS

WILLIS TOWERS WATSON SOUTHEAST,
INC.

 Andrew D. Ciccardi

By: K.G. Smith
Name: Kenneth G. Smith
Title: Managing Partner - CRB Metro DC/Chesapeake Market Leader

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED BY THE BOARD OF
ESTIMATES

 [Signature] 7/29/2021
Chief Solicitor

Clerk Date

Exhibits:
Revised Schedule A – Policies/Coverages

Revised Schedule A – Policies/Coverages

AGENCY (Fee) POLICIES			
P&C	Property	Terrorism	7/1
P&C	Property	Master Placement (incl. BM, Pier Six, Zoo)	7/1
P&C	Marine	Master Marine Hull	7/1
P&C	Aviation	Master Aircraft Hull & Liability	7/1
P&C	Finex	Government Crime	7/1
P&C	CGL	CGL (HNOA & Liquor Liability) - Convention Center / Arena Only	7/1
P&C	Marine	Master Marine Hull	7/1
P&C	Cyber	Master Cyber Liability (x BCPSS and as identified per schedule)	7/1
P&C	Marine	Medical Professional (Students)	12/31
HCB	Benefits	Auxiliary Police	4/18
HCB	Benefits	Early Head Start	5/4
HCB	Benefits	Interscholastic Sports Accident	8/15
HCB	Benefits	Catastrophic Student Accident	8/15
HCB	Benefits	Recreation & Parks	8/15
DIRECT (Commission) POLICIES			
P&C	Flood	Wahl Building	1/23
P&C	Flood	Old Culinary Arts Bldg	1/23
P&C	Flood	National Aquarium	1/23
P&C	Flood	Charles H Doresey Jr Building Parking Garage	1/23
P&C	Flood	Flying Fruit Fantasy	1/23
P&C	Flood	Storage Shed (Street Car Museum)	1/23
P&C	Flood	Museum of Industry	1/23
P&C	Flood	Abandoned Vehicle Yard - Guard Booth	3/11
P&C	Flood	Star-Spangled Banner Flag House - Maryland House	3/11
P&C	Flood	Star-Spangled Banner Flag House - Hofmeister Museum	3/11
P&C	Flood	Women's Civic League	3/11
P&C	Flood	Civil War Museum	3/11
P&C	Flood	Eastern Avenue Pumping Station Tool Shed	3/11
P&C	Flood	Eastern Ave Pump Station Generator Bldg	3/11
P&C	APD	Ujima Van (Performance Trailer)	4/15
P&C	Flood	Star-Spangled Banner Flag House - Historic House	4/17
P&C	Flood	Patapsco WWT Plant PSPS/Screen Bldg	4/17
P&C	Flood	Public Works Museum	4/17
P&C	Flood	Colgate Sewer Water Pump Station	4/17
P&C	Flood	Dundalk Pumping Station	4/17
P&C	Flood	Locust Point Pumping Station	4/17
P&C	Flood	Policy HQ	4/22
P&C	Flood	Baltimore City Police Annex	4/22

P&C	Flood	Caroline Street Garage	6/22
P&C	Work Comp	Office Economic Development (OED)	7/1
P&C	CGL	One West Pratt St	7/2
P&C	Flood	Leahy Street	8/27
P&C	Flood	Carroll Mansion	9/2
Bond	License/Permit	COB / MD Aviation	9/5
Bond	License/Permit	COB / Verizon (Pole)	9/5
Bond	License/Permit	Conduit (Verizon)	9/20
Bond	License/Permit	Anderson (Sheriff)	9/30
P&C	Flood	Baltimore Animal Rescue and Care Shelter	10/24
P&C	Flood	Little Italy Parking Garage	10/24
P&C	Flood	Department of Transportation Building	10/24
P&C	Flood	Academy of Success	10/24
P&C	Flood	Living Classroom Weinberg Ed Center	10/24
P&C	Flood	Edward St John Teaching Center / Crossroads School	10/24
P&C	Flood	Living Classroom Maritime Institute	10/24
P&C	Flood	Fire Department Repair Shop	10/24
P&C	Flood	Street Lighting Maintenance Facility	10/24
P&C	Flood	Front Gate / Guard House	10/24
P&C	Flood	DOT Maintenance - DGS Fleet Hvy Equip Mech Shop	10/24
P&C	Flood	Vietnam Veterans of America	10/24
P&C	Flood	Dept Transportation Impound Facility - Main Office	10/24
P&C	Flood	Baltimore Visitor Center	10/24
P&C	Flood	Reginald F. Lewis Museum	10/24
P&C	Flood	Living Classroom Mikulski	10/24
P&C	Flood	City Hall	10/27
P&C	Flood	Baltimore City Fire Marshall Office	10/27
P&C	Flood	Charlie L Benton Jr Building	10/27
P&C	Flood	P.S. 246 Beechfield Elementary / Middle Building 1	10/27
P&C	Flood	Baltimore City Mounted Police Unit	10/27
P&C	Flood	National Aquarium Pier 4 Dolphin Arena	10/27
P&C	Flood	DGS Public Maintenance Shop	10/27
P&C	Flood	Dept of Transportation Survey and Records Office	10/27
P&C	Flood	DOT Fallsway Offices	10/27
P&C	Flood	The Weinberg Housing & Resource Center	10/27
P&C	Flood	Baltimore Street Car Museum Trolley Car House	10/27
P&C	Flood	Baltimore City Police Central District	10/27
P&C	Flood	War Memorial Building	10/27
P&C	Flood	Fallsway Substation	10/27
P&C	Flood	210 Guilford Ave (x Signet Bank Building)	10/27
P&C	Flood	Guilford Avenue Parking Garage	10/27
P&C	Flood	Peale Museum	10/27
P&C	Flood	Fire Station Engine 45, Medic 14	10/27

P&C	Flood	PS 247 Cross Country Elem / Middle School	10/27
P&C	Flood	The Brokerage Annex Building	10/27
P&C	Flood	Abe Wolman Building	12/25
P&C	Flood	PS 246 - Beechfield Elem / Modular B	12/25
P&C	Flood	Fallsway Impound Lot	12/25
P&C	Flood	Fallsway Fueling Station	12/25
P&C	Flood	Rita's Italian Ice - Inner Harbor	12/25
P&C	Flood	Spirit Cruise Ticket Office	12/25
P&C	Flood	Warehouse Buidling (Main Office)	12/25
P&C	Flood	District Court of MD Peoples Court	12/25
P&C	Flood	PS 246 - Beechfield Elem / Bldg 2 - Mod A	12/25