MARSH

October 25, 2017

Part II – Cost Proposal	
RFQ Title:	Property and Casualty Brokers
RFQ:	3495
Vendor Name:	Marsh USA Inc.
Address:	2325 E Camelback Rd., Suite 600 Phoenix, AZ 85016-4542
Opening Date:	October 25, 2017
Opening Time:	2:00 PM

RESPONSE TO RFQ

State of Nevada

COST PROPOSAL

SOLUTIONS...DEFINED, DESIGNED, AND DELIVERED.

MARSH & McLENNAN COMPANIES

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SECTION ONE

▷ COST PROPOSAL

Brokers can be paid a fee or by commission for insurance policy placements and other insurance program services. What method does your firm prefer and why?

We do not have a preference between fee and commission. We let our client advise how they would like to compensate us. If it's on commission, then we'll earn the commission % that the insurers are paying for that line of coverage. If it's a fee, we'll agree on a fee with you. We put in the typical commission percentages in the table below, as a starting point for our compensation discussion.

Please provide the cost of service fee or percentage of commission that would be expected for each type of insurance policy.

INSURANCE PROGRAM	COST BASIS (fee or commission)	COST
All Risk Property including Boiler & Machinery	Commission	15%
Fine Arts/Museum Collections Floater	Commission	15%
Cyber (Primary/Excess)	Commission	15%
General/Excess Liability	Commission	15%
Aviation Liability/Hull Insurance	Commission	15%
Crime(Employee Dishonesty)	Commission	15%
Other (Please describe)		

Please provide describe other program services (bundled or unbundled) offered in conjunction with the insurance policies shown above and provide approximate cost range for those services below.

Below is a list of unbundled risk management services that are available for an additional fee. The approximate cost range is between $5,000 up to $150,000, depending on the specific engagement and the Statement of Work provided by us.

Additional Services are available for separate compensation and shall be agreed upon in advance. Such additional services include, but are not limited to:

- Actuarial analysis of Workers' Compensation, General Liability, and Automobile Liability claims, or other lines of insurance;
- Consulting relating to workers' compensation cost containment, including behavioral risk management, absence management, cumulative injury management, lean ergonomics, financial diagnostics, claims inventory workout, vendor selection, return-to-work, PastPerformer diagnostics, managed care, claim audits and custom cost containment solutions;
- Financial Advisory Services (FAS) and financial damages measurement services performed by Marsh's Forensic Accounting and Claims Services (FACS) and Construction Consulting Services (CCS) sub practices including, but not limited to, business interruption and other claim valuation services;
- Environmental risk consulting services;
- Specialty consulting, including business continuity management, supply chain risk management, strategic risk assessments, and other MRC specialty practices;
- Specialized/customized property risk consulting solutions, including business interruption, boiler and machinery specialized consulting, loss estimate studies, emergency response management solutions, fire protection engineering services, and property risk site evaluation and assessment services;

Claims services other than those specified under Section 1, if any, including, without limitation:

- Claims management services, claims reporting as to lines of coverage or claims not included under Section 1, and all catastrophic claim response;
- Complex liability claims consulting, including, but not limited to, claims involving:· Multiple policy periods, Multiple lines of coverage, Disputes over the number of occurrences or events at issue, Sexual misconduct or other personal injury related allegations;
- Mass tort (including but not limited to, asbestos, pollution, health hazards or class actions) claims consulting; and
- Insurance archaeology research;
- Risk Financing Optimization (RFO), Catastrophic (CAT) Modeling and Enterprise Risk Management (ERM), including Dynamic Risk Mapping, services;
- Services in connection with loss portfolio transfers and alternative risk financing, including placements made in connection with such services;

- Captive insurance company feasibility studies;
- Establishment and administration of captive insurers;
- Placement of non-recurring insurance, including, but not limited to:· "one-time" placements for construction projects, · "one-time" placements for marine/cargo risks, "one-time" placements for surety
- Placements for specific financial risks, such as trade credit,
- Placements involving significant quantitative or actuarial analysis or modeling,
- Placement of risks with financial institutions other than insurance carriers, and
- Placements of risks not customarily accepted by insurers;

Provision of the following services:

- Identification and assessment, in general terms, of potential insurance regulatory and insurance tax issues relating to your insurance program;
- Recommendations concerning insurers in light of such regulatory and tax issues;
- Obtaining from your current and proposed insurers their views regarding potential insurance regulatory and insurance tax issues relating to your insurance, and the collection and settlement of local premium taxes and claims payment;
- Review of and commentary on your internal premium allocation methodology in light of insurance regulatory and tax issues;
- Recommendations regarding a premium allocation model, taking into account factors relevant to your operations and in light of specific insurance regulatory and tax issues;
- Recommendations concerning modifications to your insurance program in light of the insurance regulations of the countries in which your insurable risks are located;
- Review of your past insurance arrangements for specified periods with respect to insurance regulatory and premium-related tax issues;
- Information regarding premium-related taxes payable by you in the countries in which you have operations;
- Where a captive is involved in your insurance program, information and advice regarding the insurance regulatory and premium-related tax issues impacting on the captive;
- Employee benefits services;
- Pension plan consulting;
- Compensation consulting;
- Executive deferred compensation services;
- Risk management claims information systems, including Marsh ClearSight LLC software programs, and related services;

- Strategic Risk Assessment;
- Provision of Marsh personnel on an out-sourced basis;
- Security Consulting;
- Insurance-related mergers and acquisition due diligence services and transactional solutions;
- Placement and servicing of owner controlled insurance programs; and
- Interactive on-line client services.

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