

AGENCY FEE AGREEMENT

This Agreement is entered into as of the 1st day of January, 2007, by and between the City of West Allis, Wisconsin, a Wisconsin municipal corporation (the "City") and Frank F. Haack & Associates, Inc., a Hilb, Rogal & Hobbs Company, a Wisconsin corporation ("HRH").

RECITALS

WHEREAS, the Purchasing/Central Services Division has reported that it duly advertised a request for proposal for furnishing Employee Health Benefit Consulting Services for the City in June 2001 and that the initial award was made to Frank Haack & Associates, Inc./HRH; and,

WHEREAS, by Resolution Number R-2006-0110, the Mayor and Common Council of the City of West Allis approved and extended the proposal and agreement submitted by Frank Haack & Associates, Inc./HRH for providing employee health benefit consulting services in accordance with City of West Allis Request for Proposal #689, through December 31, 2006; and,

WHEREAS, it is necessary to extend the agreement for said services.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and for the mutual benefits to be derived from this Agreement, the parties hereby agree as follows:

1. The Services. HRH acts as an agent of various insurance companies to procure the type of insurance listed in Attachment A. Upon request, HRH will disclose to the City all quotes sought, all quotes received, and all terms relevant thereto in connection with the City's insurance placement. The City is under no obligation to procure insurance through HRH. The insurance services provided by HRH to the City will include, but not be limited to, those outlined in Attachment B.

2. Compensation and Terms of Payment.

(a) Ordinarily, HRH's compensation would be paid by insurance companies in the form of commissions; however, HRH will not receive any commissions (except as disclosed in Attachment A) from the City's insurance carrier for the placement of the City's policy(ies).

(b) For the services provided pursuant to this Agreement, the City shall pay HRH annual fees as follows:

January 1, 2007 through December 31, 2007	-	\$33,000
January 1, 2008 through December 31, 2008	-	\$36,000
January 1, 2009 through December 31, 2009	-	\$40,000

(c) HRH's fee is not part of the City's insurance premiums. The fee is based upon the services to be performed by HRH and does not cover specialized services. HRH's fee shall be payable quarterly.

(d) In addition to the fee set forth above, HRH may also receive additional compensation, under agreements with one or more insurers and/or insurance intermediaries, typically in the form of contingent commissions based on some combination of lines of new coverage, renewal persistency, new premium dollars, covered lives, or other factors. HRH may be a party to other compensatory agreements with one or more of the insurers or insurance intermediaries with or through which HRH places the City's insurance. At the City's request, HRH will supply further details of any such compensation plan that relates to the City's account.

3. Term. The term of this Agreement shall commence on January 1, 2007 and shall end December 31, 2009. Each party may terminate this Agreement with ninety (90) days prior written notice.

4. Indemnification. HRH shall indemnify and hold harmless the City and its employees from and against any and all losses, claims, damages, and expenses, including legal fees for defense or liabilities, collectively, "Damages," caused by any wrongful, intentional, or negligent act, error, or omission of HRH, its agents or employees. Neither party will indemnify the other from or against damages by reason of changed events and conditions beyond the control of either or errors of judgment reasonably made.

5. Insurance.

(a) HRH shall, at its own expense and from carriers acceptable to the City, secure and maintain in full force and effect during the term of this Agreement at least the following insurance coverage (which policies shall have a form and content acceptable to the City Attorney):

(i) An employer's liability insurance policy in an amount not less than One Million Dollars (\$1,000,000).

(ii) Worker's Compensation insurance as required by law.

(iii) A commercial general liability insurance policy in an amount not less than One Million Dollars (\$1,000,000).

(iv) An automobile liability insurance policy with limits of no less than One Million Dollars (\$1,000,000).

(v) An errors and omissions insurance policy with an aggregate limit of not less than One Million Dollars (\$1,000,000).

(b) HRH shall provide the City with certificates evidencing such insurance and naming the City as an additional insured. The certificates shall provide that the insurance shall not

be canceled or modified except upon at least thirty (30) days prior written notice to the City. Further, the insurance must be primary coverage without the right of contribution from any parent corporation insurance. Insurance maintained by the City is for its exclusive benefit and shall not inure to the benefit of HRH. These certificates shall be provided within ten (10) days of execution of this Agreement. Notwithstanding the City's payment obligations described herein, in the event HRH fails to provide the City with the certificates of insurance as set forth herein, the City may withhold payment until receipt.

6. Independent Contractor. The relationship of HRH to the City is that of an independent contractor with respect to all services performed under this Agreement. HRH represents that it has, or will secure, at its own expense, all personnel required in performing services under this Agreement. No employee of HRH, while engaged in performing any work or services required under this Agreement, shall have a contractual relationship with the City, nor shall such persons be considered employees of the City.

7. Assignment. HRH shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of the City, which may be withheld for any or no reason.

8. Governing Law. This Agreement shall be interpreted and constructed in accordance with the laws of the State of Wisconsin. Any action or procedure involving this Agreement shall be commenced and maintained in Milwaukee County, State of Wisconsin.

9. Miscellaneous.

(a) This Agreement contains all the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or be binding upon any of the parties. If any provision of this Agreement is held for any reason to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall, nevertheless, remain in full force and effect.

(b) No modification, amendment, waiver or release of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the party against whom the same is asserted.

(c) This Agreement shall be binding upon the parties and upon the successors and permitted assigns of such parties.

(d) The captions, headings and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the intent of such paragraphs of this Agreement or in any way affect this Agreement.

(e) Neither party to this Agreement is empowered to bind another with respect to any contracts, arrangements, or understandings with any third party. Neither party shall make any representations to any third parties that are inconsistent with this Paragraph.

(f) The failure of either party to insist in any instance upon the strict performance of any provision of this Agreement or to exercise any election contained herein shall not be construed as a waiver or relinquishment for the future of such provision or election. No waiver or modification by any party shall have been deemed to be made unless expressed in writing by such party.

(g) Each individual executing this Agreement on behalf of the City and HRH represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of the City and HRH and that this Agreement is binding upon said parties in accordance with its terms without the joinder or approval of any other person or governmental entity.

10. Construction. The City and HRH acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments, attachments or exhibits hereto.

IN WITNESS WHEREOF, the parties have signed this contract as of the date first above-referenced.

CITY OF WEST ALLIS, WISCONSIN

FRANK F. HAACK & ASSOCIATES, INC.
A HILB, ROGAL & HOBBS COMPANY (HRH)

Jeannette Bell,
Mayor

Paul M. Ziehler,
City Administrative Officer,
Clerk/Treasurer