

**THE STATE OF TEXAS     §**  
**§**  
**COUNTY OF COLLIN     §**

**CONTRACT**

This Contract (the “Contract”) is by and between the City of Allen, Texas (the “City”), and Standard Insurance Company, an Oregon corporation (the “Contractor”) (herein collectively referred to as “Parties” and individually as “Party”), acting by and through their authorized officers and representatives.

**RECITALS:**

**WHEREAS**, the City advertised and solicited Responses pursuant to Request for Proposal #2020-3-87, “Life and Disability Insurance Benefits (GROUP LIFE/AD&D, VOL. LIFE/VOL. AD&D, SHORT AND LONG TERM DISABILITY)”, which is incorporated herein by reference (hereinafter the “RFP”), for proposals for various insurance policies as part of the employee benefits program, including: Group Life, Accidental Death and Dismemberment, Voluntary Life/Voluntary Accidental Death & Dismemberment, Short and Long Term Disability; and

**WHEREAS**, City received a response to the RFP from the Contractor, which is incorporated herein by reference (hereinafter the “Response”); and

**NOW, THEREFORE**, for good and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**Article I**  
**Term; Termination**

1.1 The initial term of this Contract shall begin on the last date of execution (“the Effective Date”) and shall continue for a period of five (5) years (the “Initial Term”). The Initial Term of this Contract may be extended for up to four (4) additional periods of one (1) year each, if both the City and Contractor mutually agree to such extension (each an “Extension Term”) (“Initial Term” and any “Extension Term” shall be referred to as the “Term”). The City shall provide written notice of its intention to exercise the option for an Extension Term to the Contractor ninety (90) days prior to the expiration of the then current Term. The fees for services to be provided by Contractor for any Extension Term shall be fixed in accordance with the Response.

1.2 Either Party may terminate this Contract by giving thirty (30) days prior written notice to the other Party. Contractor shall be entitled to compensation for any services completed to the reasonable satisfaction of the City in accordance with this Contract prior to such termination.

1.3 Either Party may upon written notice to the other Party terminate this Contract if the other Party is in breach of this Contract and such breach is not cured within thirty (30) days after receipt of written notice thereof.

## **Article II Contract Documents**

2.1 The documents below are incorporated into this Contract by reference. The documents referenced below are in descending order of precedence. Except with respect to Contractor's group insurance policies with respect to eligibility for insurance and benefits and Contractor's rights to modify, terminate and re-rate such policies, any conflict between or among any of the documents shall be resolved in favor of the document with higher precedence. These documents shall be referred to collectively as "Contract Documents".

- (a) This Contract;
- (b) Contractor's group insurance policies issued to the City as Policyholder;
- (c) RFP with the exceptions and modifications noted thereon in "blue-print" by Contractor; and
- (d) Response.

## **Article III Scope of Service**

The Contractor agrees, except as otherwise provided herein, to provide the various insurance policies as part of the employee benefits program in accordance with the RFP and Response, which are incorporated herein and are on file in the office of the City Purchasing Office.

## **Article IV Schedule of Work**

The Contractor agrees to provide and complete the required services in accordance with the schedule outlined in the Contract Documents.

## **Compensation and Method of Payment**

5.1 Contractor will be compensated in accordance with the payment schedule and amounts set forth in the Contract Documents. Unless otherwise provided herein, payment to the Contractor shall be monthly based on the Contractor's monthly itemized statement for services, in a form reasonably acceptable to the City. The City shall pay such monthly statements within thirty (30) days after receipt unless otherwise provided herein.

5.2 Rates set forth in the Contract Documents shall remain in effect for the Initial Term. Any changes to established rates beyond the Initial Term will be after written approval between Contractor and City. City agrees that it will not offset the amounts owed to the Contractor. The Parties agree that Contractor's compensation may be adjusted due to factors beyond its reasonable control, including but not limited to, increases to local, state and/or federal government mandated wage/health and welfare increases, or union mandated wage/health and welfare increases and

associated payroll costs; payroll taxes; union pension increases where applicable, insurance rates; materials costs or subcontracting costs, if any, as of the date incurred.

## **Article VI Devotion of Time; Personnel; and Equipment**

6.1 The Contractor shall devote such time as reasonably necessary for the satisfactory performance of the services under this Contract. Should the City require additional services not included under this Contract, subject to its ordinary underwriting practices, the Contractor shall make reasonable effort to provide such additional services within the time schedule without decreasing the effectiveness of the performance of services required under this Contract and shall be compensated for such additional services on a time and materials basis, in accordance with Contractor's standard hourly rate schedule, or as otherwise agreed between the Parties.

6.2 The Contractor shall furnish the facilities, equipment and personnel necessary to perform the services required under this Contract unless otherwise provided herein.

## **Article VII Miscellaneous**

7.1 Entire Agreement. This Contract embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Contract.

7.2 Assignment. The Contractor may not assign this Contract without the prior written consent of City Manager.

7.3 Successors and Assigns. Subject to the provisions regarding assignment, this Contract shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

7.4 Governing Law. The laws of the State of Texas shall govern this Contract without regard to any conflict of law rules; and venue for any action concerning this Contract shall be in the State District Court of Collin County, Texas; provided, however the venue requirements of this Section shall not apply to litigation arising from claims decisions under Contractor's group insurance policies. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

7.5 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, courier, or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery or on the day actually received if sent by courier or otherwise hand delivered:

Attn: Eric Ellwanger  
City Manager  
City of Allen, Texas  
3rd Floor, Allen City Hall  
305 Century Parkway  
Allen, Texas 75013  
214.509.4110 - telephone  
214.509.4118 - facsimile

Attn: Peter G. Smith  
City Attorney  
Nichols, Jackson, Dillard,  
Hager & Smith, L.L.P.  
1800 Ross Tower  
500 N. Akard Street  
Dallas, Texas 75201  
214.965.9900 – telephone  
214.965.0010 - facsimile

Attn: Graeme Queen  
2<sup>nd</sup> VP, Strategic Account Services  
Standard Insurance Company  
P.O. Box 6367  
Portland, Oregon 97228-6367  
800.348.3226 – telephone  
971.321.5737 - facsimile

7.6 Indemnification. CONTRACTOR DOES HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS CITY COUNCIL, OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL LIABILITY, CAUSES OF ACTION, CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES OR SUITS, CAUSED BY OR RESULTING FROM THE NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE CONTRACTOR, ITS AGENT, ITS CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE CONTRACTOR EXERCISES.

INDEMNIFIED ITEMS SHALL INCLUDE REASONABLE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS IN PROPORTION TO THE CONTRACTOR'S LIABILITY.

THE CONTRACTOR'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY CONTRACTOR UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

7.7 Severability. In the event any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

7.8 Recitals. The determinations recited and declared in the preambles to this Contract are hereby incorporated herein as part of this Contract.

7.9 Exhibits. All exhibits to this Contract are incorporated herein by reference for all purposes wherever reference is made to the same.

7.10 Amendments. This Contract may be amended by the mutual written agreement of the Parties.

7.11 Authorization. By executing this Contract, each Party represents that they have full capacity and authority to grant all rights and assume all obligations that they have granted and assumed under this Contract and that this Contract has been authorized by the respective Party.

7.12 Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

7.13 Prohibition of Boycott Israel. Contractor verifies that it does not Boycott Israel and agrees that during the term of this Contract will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended. This section does not apply if Contractor is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i) the Contractor has ten (10) or more fulltime employees and (ii) this Contractor has a value of \$100,000.00 or more to be paid under the terms of this Contract.

*(Signatures on Following Page)*

**SIGNED AND AGREED** this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**CITY OF ALLEN, TEXAS**

By: \_\_\_\_\_  
Eric Ellwanger, City Manager

**ATTEST:**

By: \_\_\_\_\_  
Shelley George, City Secretary

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Peter G. Smith, City Attorney

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Peter G. Smith, City Attorney

**SIGNED AND AGREED** this the Ninth day of July, 2020.

**STANDARD INSURANCE COMPANY,  
AN OREGON CORPORATION**

By: Graeme Queen  
Graeme Queen,  
2<sup>nd</sup> VP, Strategic Account Services