

**AGREEMENT BETWEEN
LAKE COUNTY, FLORIDA AND
MINNESOTA LIFE INSURANCE COMPANY
FOR GROUP LIFE AND
ACCIDENTAL DEATH &
DISMEMBERMENT INSURANCE**

RFP 08-0013

This is an Agreement between Lake County, Florida, a political subdivision of the State of Florida, hereinafter referred to as the COUNTY, by and through its Board of County Commissioners, and Minnesota Life Insurance Company, a foreign corporation authorized to do business in the State of Florida, its successors and assigns, hereinafter referred to as the CONSULTANT.

Recitals

WHEREAS, the COUNTY has publicly submitted a Request for Proposal (RFP), #08-0013, for procurement of services from qualified firms, organizations or individuals to furnish group life and accidental death & dismemberment insurance; and

WHEREAS, the CONSULTANT desires to perform such services subject to the terms of this Agreement; and

WHEREAS, the COUNTY did hold negotiation meetings in which the COUNTY and the CONSULTANT did reach mutual agreement as to the terms and conditions of such services; and

NOW, THEREFORE, IN CONSIDERATION of the mutual terms, understandings, conditions, premises, covenants and payment hereinafter set forth, and intending to be legally bound, the parties hereby agree as follows:

Article 1. Recitals

1.1 The foregoing recitals are true and correct and incorporated herein by reference.

Article 2. Purpose

2.1 The purpose of this Agreement is for CONSULTANT to provide group life and accidental death and dismemberment insurance to the COUNTY.

Article 3. Scope of Professional Services

3.1 On the terms and conditions set forth in this Agreement, COUNTY hereby engages CONSULTANT to perform the following in accordance with the Scope of Services and the proposed plan attached hereto and incorporated herein as **Exhibit A**. The plan shall be modified by the Clarification Items set forth in **Exhibit C**, attached hereto and incorporated herein by reference. The items in **Exhibit C** shall supersede any conflicting items in the sample and/or final policy.

3.2 This Agreement shall be effective for the thirty six month (36) month period immediately following the date of execution of the Agreement by the COUNTY. The COUNTY reserves the sole right to renew this Agreement for two (2) additional twelve (12) month periods. Continuation of this agreement beyond the initial term will be renewed annually on October 1st, if agreed to by both parties.

3.3 The CONSULTANT shall coordinate and work with any other consultants retained by the COUNTY. CONSULTANT acknowledges that nothing herein shall be deemed to preclude the COUNTY from retaining the services of other persons or entities undertaking the same or similar services as those undertaken by the CONSULTANT or from independently developing or acquiring materials or programs that are similar to, or competitive with, the services provided under this Agreement.

3.4 CONSULTANT shall not solicit individual employees to sign up for services unless such solicitation is pre-approved by COUNTY.

Article 4. Payment

4.1 CONSULTANT agrees to provide group life and accidental death and dismemberment insurance in accordance with this agreement to individual employees at the rates detailed in **Exhibit B**, attached hereto and incorporated herein by reference.

The rates agreed to herein shall include all expenses. The COUNTY shall not be responsible for any cost or fee other than those agreed upon herein. The monthly fees for supplemental coverages shall be paid by the individual employee.

4.2 Invoices shall be submitted in duplicate to Susan Irby, Manager, Employee Services, P.O. Box 7800, Tavares, Florida 32778 on a monthly basis. Each invoice shall contain the RFP

number and a detailed description of services and fees. The COUNTY shall make payment on all invoices as required in accordance with the Florida Prompt Payment Act, sections 218.70 through 218.79, Florida Statutes.

Article 5. County Responsibilities

5.1 COUNTY shall promptly review the deliverables and other materials submitted by CONSULTANT and provide direction to CONSULTANT as needed. COUNTY shall designate one County staff member to act as COUNTY'S Project Administrator and/or Spokesperson.

5.2 COUNTY shall pay CONSULTANT in accordance with Article 4 above.

Article 6. Special Terms and Conditions

6.1 Qualifications. The CONSULTANT shall have obtained at least the minimum thresholds of education and professional experience required by the Florida Statutes.

6.2 Termination. This Agreement may be terminated by the COUNTY upon thirty (30) days advance written notice to the other party; but if any work or service/Task hereunder is in progress but not completed as of the date of termination, then this Agreement may be extended upon written approval of the COUNTY until said work or service(s)/Task(s) is completed and accepted.

A. Termination for Convenience. In the event this Agreement is terminated or cancelled upon the request and for the convenience of COUNTY with the required 30 day advance written notice, COUNTY shall reimburse CONSULTANT for actual work satisfactorily completed.

B. Termination for Cause. Termination by County for cause, default, or negligence on the part of CONSULTANT shall be excluded from the foregoing provision. Termination costs, if any, shall not apply. The 30-day advance notice requirement is waived in the event of termination for cause.

C. Termination Due to Unavailability of Funds in Succeeding Fiscal Years - When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, this Agreement shall be canceled and the CONSULTANT shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services/Tasks delivered under this Agreement.

6.3 Subletting of Contract. This Agreement shall not be sublet except with the written consent of the COUNTY'S Procurement Services Director. No such consent shall be construed as making the COUNTY a party to the subcontract or subjecting the COUNTY to liability of any

kind to any subcontractor. No subcontract shall under any circumstances relieve the CONSULTANT of liability and obligations under this Agreement and all transactions with the COUNTY must be through the CONSULTANT.

6.4 Insurance CONSULTANT shall provide and maintain during the entire term of this Agreement insurance in the following types and limits with a company or companies authorized to do business in the State of Florida. CONSULTANT shall not commence work under the Agreement until COUNTY has received an acceptable certificate or certificates of insurance evidencing the required insurance, which is as follows:

- (X) General Liability
 - (X) Each Occurrence/General Aggregate \$1,000,000
 - (X) Products-Completed Operations \$1,000,000
 - (X) Personal & Adv. Injury \$1,000,000
 - (X) Fire Damage \$50,000
 - (X) Medical Expense \$5,000
 - (X) Contractual Liability \$300,000

- (X) Automobile liability insurance, including owned, non-owned and hired autos with the following minimum limits and coverage:

Combined Single Limit	\$300,000
or	
Bodily Injury (per person)	\$100,000 (per accident)
Property Damage	\$100,000

- (X) Lake County, A Political Subdivision Of The State Of Florida, And The Board Of County Commissioners, shall be name as additional insured as their interest may appear on the general liability policy.

- (X) Workers' compensation insurance in accordance with Florida Statute, Chapter 440, and/or any other applicable law requiring workers' compensation (Federal, maritime, etc). If not required by law to obtain workers compensation insurance, the CONSULTANT must provide a notarized statement that if they are injured, they will not hold the Lake County Board of County Commissioners responsible for any payment or compensation.

- (X) Professional Liability and/or specialty insurance (medical malpractice, engineers, architect, consultant, environmental, pollution, errors and omissions, etc.) insurance as applicable, with minimum limits of \$100,000 and annual aggregate of \$2,000,000.

(X) Certificates of insurance shall provide for a minimum of thirty (30) days prior written notice to the COUNTY of any change or cancellation of the required insurance.

(X) Certificates of insurance shall identify the RFP number in the Description of Operations section of the Certificate.

(X) CONSULTANT shall be responsible for subcontractors and their insurance.

(X) The Certificate holder shall be: LAKE COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, AND THE BOARD OF COUNTY COMMISSIONERS, P.O. BOX 7800, TAVARES, FL 32778-7800

The COUNTY shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the CONSULTANT and/or subcontractors providing such insurance.

6.5 Indemnity. CONSULTANT shall indemnify and hold COUNTY and its agents, officers, commissioners or employees harmless for any damages resulting from failure of CONSULTANT to take out and maintain the above insurance. Additionally, CONSULTANT agrees for good and valuable consideration in the amount of ten dollars (\$10.00) to indemnify, and hold the Board of County Commissioners, Lake County, Florida, and its officers, commissions, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities resulting from the negligent act, error or omission of CONSULTANT, its agents, employees or representative, in the performance of CONSULTANT'S duties set forth in this Agreement.

6.6 Independent Contractor.

A. CONSULTANT shall provide the services required herein strictly under a contractual relationship with the COUNTY and is not, nor shall be, construed to be an agent, employee, joint venturer, or partner of the COUNTY. As an independent contractor the CONSULTANT shall pay any and all applicable taxes required by law; shall comply with all Federal, State and local statutes, including but not limited to, the Fair Labor Standards Act, the Americans with Disabilities Act, the Federal Civil Rights Act, and any and all relevant employment laws. The CONSULTANT shall be responsible for all income tax, FICA, and any other withholdings from its employees' or subcontractors' wages or salaries. Benefits for same shall be the responsibility of the CONSULTANT including, but not limited to, health and life insurance, mandatory social security, retirement, liability/risk coverage, and worker's and unemployment compensation.

B. CONSULTANT shall hire, compensate, supervise and terminate members of its work force. The CONSULTANT shall direct and control the manner in which work is

performed including conditions under which the individuals will be assigned duties, how individuals report, and the hours individuals will work.

C. CONSULTANT acknowledges and agrees that CONSULTANT shall not be provided special space, facilities or equipment by the COUNTY to perform any of the duties required by this Agreement nor shall the COUNTY pay for any business, travel, or any other contract performance expenses not specifically set forth in this Agreement.

D. CONSULTANT shall not be exclusively bound to the COUNTY and may provide services to other private and public entities as long as it is not in conflict and does not provide a conflict of interest with the services to be performed for the COUNTY.

6.7 Retaining Other Consultants. Nothing herein shall be deemed to preclude the COUNTY from retaining the services of other persons or entities undertaking the same or similar services as those undertaken by the CONSULTANT or from independently developing or acquiring materials or programs that are similar to, or competitive with, the services provided under this Agreement.

6.8 Accuracy. The CONSULTANT is responsible for the professional quality, technical accuracy, timely completion and coordination of all the services furnished hereunder. The CONSULTANT shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in its designs, drawings, reports or other services.

6.9 Public Records. All electronic files, audio and/or video recordings, and all papers pertaining to any activity performed by the provider for or on behalf of the COUNTY shall be the property of the COUNTY and will be turned over to the COUNTY upon request. In accordance with Florida "Public Records" law, Chapter 119, Florida Statutes, each file and all papers pertaining to any activities performed for or on behalf of the COUNTY are public records available for inspection by any person even if the file or paper resides in the CONSULTANT'S office or facility. The CONSULTANT shall maintain the files and papers for not less than three (3) complete calendar years after the project has been completed or terminated, or in accordance with the State Housing Initiative Partnership requirements, whichever is longer.

6.10 Public Entity Crimes. A person or affiliate who has been placed on the convicted vendor list following a conviction of a public entity crime may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity in excess of the threshold amount provided in Florida Statutes, section 287.017 for Category Two for a period of thirty-six (36) months from the date of being placed on the convicted vendor list. CONSULTANT certifies that it is not now on the convicted vendor list, and acknowledges that if CONSULTANT is later placed on such list, the COUNTY shall have the option to terminate this Agreement.

6.11 Right to Audit. The County reserves the right to require CONSULTANT to submit to an audit by any auditor of the COUNTY'S choosing. CONSULTANT shall provide access to all of its records, which relate directly or indirectly to this Agreement at its place of business during regular business hours. CONSULTANT shall retain all records pertaining to this Agreement and upon request make them available to the COUNTY for three (3) years following expiration of the Agreement. CONSULTANT agrees to provide such assistance as may be necessary to facilitate the review or audit by the COUNTY to ensure compliance with applicable accounting and financial standards.

Article 7. General Conditions

7.1 This Agreement is made under, and in all respects shall be interpreted, construed, and governed by and in accordance with, the laws of the State of Florida. Venue for any legal action resulting from this Agreement shall lie in Lake County, Florida.

7.2 Neither Party may assign any rights or obligations under this Agreement to any other party unless specific written permission from the other party is obtained.

7.3 The captions utilized in this Agreement are for the purposes of identification only and do not control or affect the meaning or construction of any of the provisions hereof.

7.4 This Agreement shall be binding upon and shall inure to the benefit of each of the parties and of their respective successors and permitted assigns.

7.5 This Agreement may not be amended, released, discharged, rescinded or abandoned, except by a written instrument duly executed by each of the parties hereto. However, change orders may be executed in accordance with the COUNTY'S purchasing policies and procedures.

7.6 The failure of any party hereto at any time to enforce any of the provisions of this Agreement will in no way constitute or be construed as a waiver of such provision or of any other provision hereof, nor in any way affect the validity of, or the right thereafter to enforce, each and every provision of this Agreement.

7.7 During the term of this Agreement CONSULTANT assures COUNTY that it is in compliance with Title VII of the 1964 Civil Rights Act, as amended, and the Florida Civil Rights Act of 1992, in that CONSULTANT does not on the grounds of race, color, national origin, religion, sex, age, disability or marital status, discriminate in any form or manner against CONSULTANT employees or applicants for employment. CONSULTANT understands and agrees that this Agreement is conditioned upon the veracity of this statement of assurance.

7.8 CONSULTANT shall at all times comply with all Federal, State and local laws, rules and regulations.

7.9 The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

7.10 Wherever provision is made in this Agreement for the giving, service or delivery of any notice, statement or other instrument, such notice shall be in writing and shall be deemed to have been duly given, served and delivered, if delivered by hand or mailed by United States registered or certified mail or sent by facsimile, addressed as follows:

If to CONSULTANT:

Marie Hunt O'Phelan
~~Barbara Forsman~~
400 Robert Street North
Saint Paul, Minnesota 55101

If to COUNTY:

County Manager
P.O. Box 7800
Tavares, Florida 32778-7800

cc: Sharon Wall, Director
P.O. Box 7800
Tavares, Florida 32778

Each party hereto may change its mailing address by giving to the other party hereto, by hand delivery, United States registered or certified mail notice of election to change such address.

Article 8. Scope of Agreement

8.1 This Agreement is intended by the parties hereto to be the final expression of their Agreement, and it constitutes the full and entire understanding between the parties with respect to the subject hereof, notwithstanding any representations, statements, or agreements to the contrary heretofore made.

8.2 This Agreement contains the following Exhibits:

Exhibit A	Plan Services
Exhibit B	Rate Sheet
Exhibit C	Clarifications

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: COUNTY through its Board of County Commissioners, signing by and through its Chairman, authorized to execute same by Board Action on the _____ day of _____, 2008 and by CONSULTANT through duly authorized representative.

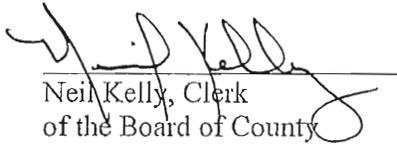
CONSULTANT


Name: MARIA HUNT O'PHELAN
Title: 2nd Vice President

COUNTY

LAKE COUNTY, through its
BOARD OF COUNTY COMMISSIONERS

ATTEST:


Neil Kelly, Clerk
of the Board of County
Commissioners of Lake
County, Florida


Welton Cadwell
Chairman

This 7th day of August, 2008

Approved as to form and legality:

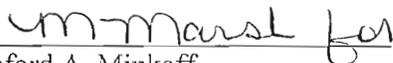

Sanford A. Minkoff
County Attorney

EXHIBIT A: PLAN SUMMARY

LAKE COUNTY, FLORIDA
GROUP LIFE INSURANCE PROPOSAL

May 30, 2008

A Securian Company

LAKE COUNTY, FLORIDA PLAN DESIGN — TABLE OF CONTENTS

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BASIC LIFE AND AD&D

Classes: 1: Eligible employees

Plan Design Description	
Product	• Term Life
Benefit Summary	• One times salary, rounded to next higher \$1,000
Plan Maximum	• \$200,000
Guaranteed Issue Limit	• All basic life coverage guaranteed • Coverage increases due to salary changes guaranteed to the plan maximum

Plan Details		
Effective Date	• October 1, 2008	
Financial Basis	• Nonparticipating	
Funding	• Employer-paid (non-contributory)	
Eligibility	• Regular full-time employees actively working a minimum of 30 hours per week at the employer's normal place of business	
Waiting Period	• 1 st of the month following 30 days	
Age Reductions	Age	Reduces to
	65	65%
	70	50%

Additional Plan Benefits	
AD&D	<ul style="list-style-type: none"> • Matches life amount for death, with benefit schedule for dismemberment; does not terminate due to age. Age reductions apply. Includes benefits for: <ul style="list-style-type: none"> • Seatbelt – 10% to \$25,000 • Airbag – 5% to \$10,000 • Common Carrier – 100% (excludes chartered or other privately arranged transportation, taxis, and limousines) • Brain Damage – 100% • Coma – 1% for 60 months
Waiver of Premium	• Available for employees disabled prior to age 60 and continues until retirement, recovery or age 65; provision includes a 9 month elimination period and is not available with ported coverage.
Accelerated Death Benefit	• Allows terminally ill insureds with a life expectancy of 12 months or less to accelerate up to 100% of the face amount.
Conversion	• Allows insureds to convert terminated coverage to an individual life insurance policy.
Portability	• Portability is available at no additional charge - Allows insureds to continue coverage if they terminate employment or retire from Lake County. Please refer to page 6 for more details.

BASIC LIFE AND AD&D (continued)

LifeSuite: Value Added Services	
Beneficiary Financial Counseling	<ul style="list-style-type: none"> Provides independent and objective financial counseling at a time when it is needed most. The voluntary service, provided by PricewaterhouseCoopers LLP (PwC), is available at no additional cost to beneficiaries who receive a benefit of \$25,000 or more. PwC financial counselors are experienced Certified Financial Planners, Certified Public Accountants, attorneys, and personal financial specialists who do not and cannot sell any products. They provide objective counseling on topics such as estate settlement, budgeting, and taxes.
Will Preparation Service	<ul style="list-style-type: none"> Gives employees peace of mind knowing their estate will pass to the right people. The program, provided by Ceridian LifeWorks, offers active employees, retirees and their families a free 30-minute initial consultation with an attorney, drafting of online wills and other legal documents and a vast online library of legal information and resources.
Travel Assistance Program	<ul style="list-style-type: none"> Provides a safety net for employees while traveling, helping to reduce the worry and stress of travel. Travel assistance, provided by Europ Assistance USA covers all US-based employees, spouses and dependents while they are traveling 100 miles or more from home on business or pleasure. Dependents do not have to be traveling with employees to be covered.

SUPPLEMENTAL LIFE AND AD&D

Classes: 1: Eligible employees

Plan Design Description	
Product	<ul style="list-style-type: none"> Term Life
Benefit Summary	<ul style="list-style-type: none"> \$10,000 increments
Plan Maximum	<ul style="list-style-type: none"> The lesser of five times annual earnings, multiplied and then rounded or \$300,000
Guaranteed Issue Limit	<ul style="list-style-type: none"> All current supplemental coverage guaranteed \$100,000 guaranteed for new employees if elected within 30 days of initial eligibility

Plan Details	
Effective Date	<ul style="list-style-type: none"> October 1, 2008
Financial Basis	<ul style="list-style-type: none"> Nonparticipating
Funding	<ul style="list-style-type: none"> Employee-paid (contributory)
Eligibility	<ul style="list-style-type: none"> Regular full-time employees actively working a minimum of 30 hours per week at the employer's normal place of business
Waiting Period	<ul style="list-style-type: none"> 1st of the month following 30 days
Age Reductions	<ul style="list-style-type: none"> None

Additional Plan Benefits	
AD&D	<ul style="list-style-type: none"> A separate election from supplemental life in \$10,000 increments, subject to a maximum of the lesser of five times annual earnings, multiplied then rounded or \$300,000. The amount of supplemental AD&D cannot exceed the amount of elected supplemental life. The benefit schedule for dismemberment; does not terminate due to age. Includes benefits for: <ul style="list-style-type: none"> Seatbelt – 10% to \$25,000 Airbag – 5% to \$10,000 Child Care - \$5,000 for up to 4 consecutive years, overall maximum of 12% Child Education - \$10,000 for up to 4 consecutive years, overall maximum of 20% Spouse Retraining – 3% to \$5,000 Hospital Confinement – 1% to \$2,500 Common Carrier – 100% (excludes chartered or other privately arranged transportation, taxis, and limousines) Brain Damage – 100% Coma – 1% for 60 months
Waiver of Premium	<ul style="list-style-type: none"> Available for employees disabled prior to age 60 and continues until retirement, recovery or age 65; provision includes a 9 month elimination period and is not available with ported coverage.
Accelerated Death Benefit	<ul style="list-style-type: none"> Allows terminally ill insureds with a life expectancy of 12 months or less to accelerate up to 100% of the face amount,:

LAKE COUNTY, FLORIDA

Conversion	<ul style="list-style-type: none">Allows insureds to convert terminated coverage to an individual life insurance policy.
Portability	<ul style="list-style-type: none">Portability is available at no additional charge - Allows insureds to continue coverage if they terminate employment or retire from Lake County. Please refer to page 6 for more details.

DEPENDENT LIFE AND AD&D

Plan Design Description

	Spouse	Child
Product	<ul style="list-style-type: none"> Term Life 	<ul style="list-style-type: none"> Term Life
Benefit Summary	<ul style="list-style-type: none"> \$5,000 increments 	<ul style="list-style-type: none"> \$2,500 increments
Plan Maximum	<ul style="list-style-type: none"> The lesser of \$150,000 or 50% of the employee's basic & supplemental coverage combined 	<ul style="list-style-type: none"> The lesser of \$10,000 or 50% of the employee's basic & supplemental coverage combined
Guaranteed Issue Limit	<ul style="list-style-type: none"> \$25,000 guaranteed without EOI if elected within 30 days of initial eligibility 	<ul style="list-style-type: none"> All coverage guaranteed

Plan Details

Effective Date	<ul style="list-style-type: none"> October 1, 2008
Financial Basis	<ul style="list-style-type: none"> Nonparticipating
Funding	<ul style="list-style-type: none"> Supplemental; Employee-paid (contributory)
Spouse Eligibility	<ul style="list-style-type: none"> A spouse is not eligible if they are also eligible for employee coverage.
Child Eligibility	<ul style="list-style-type: none"> Eligible children are 15 days to 19 years, or 25 if a full-time student at an accredited postsecondary school. Children ages 15 days to 6 months are provided 10% of the coverage amount. A child may only be covered by one parent. Includes handicapped children
Employee Participation	<ul style="list-style-type: none"> An employee must be participating in the supplemental life plan to elect dependent coverage.
Spouse Age Reductions	<ul style="list-style-type: none"> Coverage terminates at age 70; Includes life and AD&D.

Plan Benefits

AD&D Spouse	<ul style="list-style-type: none"> A separate election from spouse dependent life in \$5,000 increments, subject to a maximum of the lesser of \$150,000 or 50% of the employee's basic and supplemental coverage combined. Amount of spouse dependent AD&D cannot exceed amount of elected spouse dependent life coverage. The benefit schedule for dismemberment; terminates at age 70. Includes benefits for: <ul style="list-style-type: none"> Seatbelt – 10% to \$25,000 Airbag – 5% to \$10,000 Common Carrier – 100% (excludes chartered or other privately arranged transportation, taxis, and limousines) Brain Damage – 100% Coma – 1% for 60 months
AD&D Child	<ul style="list-style-type: none"> A separate election from child dependent life in \$2,500 increments, subject to a maximum of the lesser of \$10,000 or 50% of the employee's basic and supplemental coverage combined. Amount of child dependent AD&D cannot exceed amount of elected child dependent life coverage. The benefit schedule for dismemberment

LAKE COUNTY, FLORIDA

	<p>includes:</p> <ul style="list-style-type: none"> • Seatbelt – 10% to \$25,000 • Airbag – 5% to \$10,000 • Common Carrier – 100% (excludes chartered or other privately arranged transportation, taxis, and limousines) • Brain Damage – 100% • Coma – 1% for 60 months
Accelerated Death Benefit	<ul style="list-style-type: none"> • Allows terminally ill insureds with a life expectancy of 12 months or less to accelerate up to 100% of the face amount.
Conversion	<ul style="list-style-type: none"> • Allows insureds to convert terminated coverage to an individual life insurance policy.
Portability	<ul style="list-style-type: none"> • Portability is available at no additional charge - Allows insureds to continue coverage if they terminate employment or retire from Lake County. Please refer to page 6 for more details.

PORTABILITY PROVISION

Term Life		
Availability	<ul style="list-style-type: none"> Basic Life /AD&D-- Available at no additional charge Supplemental Life/AD&D -- Available at no additional charge Dependent Life/AD&D (employee must port supplemental life for dependents to be eligible) -- Available at no additional charge 	
Maximum Age to Elect	Insured	Age
	• Employee	• Age 69
	• Spouse	• Spouses Age 69
	• Child	• Qualifying age limit or employee's age 69
Minimum Amount	Insured	Amount
	• Employee	• \$10,000
	• Spouse/Child	• \$5,000
	• Child	• \$2,500
Maximum Amount	Insured	Amount
	• Employee	• Previous amount in force to maximum of \$500,000 (\$325,000 if 65 or older)
	• Spouse	• Previous amount in force to maximum of \$150,000
	• Child	• Previous amount in force
Reductions	<ul style="list-style-type: none"> Coverage reduces to 65% at age 65 	
Termination	<ul style="list-style-type: none"> Coverage terminates when the employee attains age 70 Previously ported coverage can continue at group contract termination 	
Events Allowing Portability	<ul style="list-style-type: none"> Retirement Termination of employment Layoff or leave — if not still eligible under active plan Loss of eligibility 	
Events Not Allowing Portability	<ul style="list-style-type: none"> Termination of group policy Employee not actively at work due to sickness or injury 	
Increases in Coverage	<ul style="list-style-type: none"> Not available 	
Decreases in Coverage	<ul style="list-style-type: none"> Available at anytime 	
Conversion	<ul style="list-style-type: none"> Available at anytime 	
Guaranteed Issue	<ul style="list-style-type: none"> All ported coverage is provided on a guaranteed basis — no evidence of Insurability required 	
Value-added services and additional features	<ul style="list-style-type: none"> All value-added services and additional benefits will terminate when porting coverage 	
Administration Charge	<ul style="list-style-type: none"> A \$2.00 administration fee will be charged for each paper billing statement; there will be no charge for electronic funds transfer. 	

GUARANTEED ISSUE OPPORTUNITIES AND EOI REQUIREMENTS

Employee – Supplemental Life	
Current Insureds	<ul style="list-style-type: none"> All current amounts grandfathered
Newly Eligible	<ul style="list-style-type: none"> \$100,000 guaranteed without EOI if elected within 30 days of initial eligibility
Annual Enrollments	<ul style="list-style-type: none"> Current supplemental life participants will be eligible to increase coverage one level (\$10,000) without EOI up to the GI limit of \$100,000. Employees not currently enrolled for supplemental life coverage and employees previously declined coverage are not eligible for this guaranteed issue offer.
Qualifying Event (birth, marriage or adoption)	<ul style="list-style-type: none"> Within 30 days of a qualifying event,, employees will be able to increase coverage one level (\$10,000) up to the \$100,000 GI limit without EOI. This offer is available for both employees currently enrolled in the supplemental life plan and employees enrolling in the supplemental life plan for the first time. Employees who previously declined coverage are not eligible for this guaranteed issue offer.

Spouse – Dependent Life	
Current Insureds	<ul style="list-style-type: none"> All current amounts grandfathered
Newly Eligible	<ul style="list-style-type: none"> \$25,000 guaranteed without EOI, if elected within 30 days of initial eligibility.
Annual Enrollments	<ul style="list-style-type: none"> Current spouse life participants will be eligible to increase coverage one level (\$5,000) without EOI up to the GI limit of \$25,000. Spouses who are not enrolled for spouse life coverage and spouses previously declined coverage are not eligible for this guaranteed issue offer.

Children – Dependent Life	
Current Insureds	<ul style="list-style-type: none"> All current amounts grandfathered
Newly Eligible	<ul style="list-style-type: none"> All coverage guaranteed
Annual Enrollment	<ul style="list-style-type: none"> All coverage guaranteed

ADDITIONAL INFORMATION

Assumptions Used

- Quote is valid for 90 days and is based on census data submitted. If actual enrollment or plan design differs materially, we reserve the right to review and modify the rates as necessary.
- Individuals may be covered only once under the group policy. Employees cannot also be insured as a spouse or child, a child can only be insured by one parent, and an individual cannot be insured as both an ex-employee and a current employee.
- Assumes replacement of existing supplemental life plan(s) and that this will be the only supplemental life plan offered.
- Assumes three year rate guarantee.
- Assumes renewal notification will be provided by 120 days before the renewal date.
- Our proposal assumes that all lives will be transferred according to the chart below and that coverage will be provided on a no loss/no gain basis.

Status of Employee on October 1, 2008	Responsible Party
Disabled and on approved waiver of premium	Incumbent Carrier
Disabled and not yet approved waiver of premium	Incumbent Carrier/Minnesota Life*
Disabled and satisfying elimination period	Incumbent Carrier/Minnesota Life*
Absent due to disabling ailment	Incumbent Carrier/Minnesota Life*
Absent due to nondisabling ailment	Minnesota Life
On vacation	Minnesota Life
On leave of absence	Minnesota Life
On excused absence (funeral, etc.)	Minnesota Life
At work	Minnesota Life

*Our proposal assumes that employees on approved waiver of premium on the effective date will stay with the incumbent carrier under the current waiver of premium provision. If an employee is absent due to disability but not yet eligible or approved for waiver of premium, we recommend that premiums be paid to Minnesota Life. If the employee returns to work or otherwise does not satisfy the requirements for approved waiver of premium, Minnesota Life will be responsible for the ongoing life insurance coverage. If the employee remains disabled and satisfies the requirements for a waiver of premium claim, the claim should be filed with the incumbent carrier. Similarly, if the employee dies while totally disabled but before satisfying the waiting period for a waiver of premium claim, the death claim should be filed with the incumbent carrier. In any event, either Minnesota Life or the incumbent carrier will provide coverage for every insured employee.

Termination

Term Life	<ul style="list-style-type: none"> • Terminates at retirement, loss of eligibility, or termination of employment
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Life Exclusions

Basic	<ul style="list-style-type: none"> • No exclusions
Supplemental	<ul style="list-style-type: none"> • Suicide exclusion applies. This exclusion limits our liability to an amount equal to the premiums paid for an insured if the insured, whether sane or insane, dies by suicide within two years of the effective date of his or her insurance. <i>For existing amounts transferred to our policy, the time insurance was in force under the prior policy(ies) will count toward this two year limitation.</i>

ADDITIONAL INFORMATION (continued)

Excluded AD&D Exclusions (subject to situs state exclusions)

In no event will we pay the accidental death or dismemberment benefit where the insured's death or dismemberment is caused directly or indirectly by, results from, or where there is a contribution from, any of the following:

- Self-inflicted injury or self destruction, whether sane or insane; or
- Suicide or attempted suicide, whether sane or insane; or
- The insured's participation in or attempt to commit a crime, assault, felony, or any illegal activity, regardless of any legal proceedings, or the absence of any legal proceedings, thereto; or
- Bodily or mental infirmity, illness or disease; or
- The use of alcohol, drugs, medications, poisons, gases, fumes or other substances taken, absorbed, inhaled, ingested or injected, unless taken upon the advice of a licensed physician in the verifiable prescribed manner and dosage; or
- Motor vehicle collision or accident where the insured is the operator of the motor vehicle and this insured's blood alcohol level meets or exceeds the level at which intoxication is defined in the state where the collision or accident occurred, regardless of any legal proceedings, or the absence of any legal proceedings, thereto; or
- Infection, other than infection occurring simultaneously with, and as a direct result of, the accidental injury; or
- Medical or surgical treatment or diagnostic procedures or any resulting complications; or
- Travel in or descent from any aircraft, except as a fare-paying passenger on a regularly scheduled commercial flight on a licensed passenger aircraft carrier; or
- War or any act of war, whether declared or undeclared; or
- Service in the military of any nation, except as shown under the Reserve-National Guard benefit.

Proposal Considerations

- We relied on information provided with the initial RFP and subsequent information after the RFP release to develop our proposal. If any information was incorrect or incomplete we reserve the right to review and adjust rates.
- Proposed rates assume Lake County, Florida will administer the plan, maintain records, and distribute certificates. If you would like a quote assuming Minnesota Life will administer the plan, we will be happy to provide you with revised pricing.
- Issued policies will comply with applicable state insurance laws and coverage restrictions or limits may apply.
- It is the employer's obligation to determine the applicability of and compliance with any ERISA or DOL rules. Under Department of Labor rules, certain employee-pay-all group plans may not be subject to ERISA rules. However, the employer should consult counsel to determine if this plan falls within the exemption.

BENEFICIARY FINANCIAL COUNSELING

Beneficiary Financial Counseling services, provided by PricewaterhouseCoopers LLP (PwC), provide objective financial counseling to beneficiaries at a time when it's needed most.

LifeSuite: Beneficiary Financial Counseling Services

- Objective and independent financial counseling
 - ✓ For beneficiaries who receive benefit of \$25,000 or more, based on all coverage with Minnesota Life
 - ✓ There is no additional cost to beneficiary and participation is optional
 - ✓ Individual, but not institutional, guardians are covered

- PwC Resources
 - ✓ Beneficiary guide that delivers easy-to-follow guidance on estate settlement matters, survivor benefits, financial planning and nonfinancial issues
 - ✓ PwC eAdvisor, an integrated planning tool that provides beneficiaries access to online financial calculators, life event guides, news, articles and online financial planning courses
 - ✓ 12-month subscription to *Your Money, Your Future*, a bimonthly electronic financial planning newsletter accessible through PwC eAdvisor
 - ✓ Additional resources such as personalized financial analysis and counseling services are available to those beneficiaries receiving more than \$100,000 in proceeds

- PwC Counselors
 - ✓ Certified Financial Planners
 - ✓ Certified Public Accountants
 - ✓ Attorneys
 - ✓ Personal financial specialists
 - ✓ Counselors do not sell or endorse any investment or insurance products

Beneficiary financial counseling services are provided by and are the sole responsibility of PricewaterhouseCoopers LLP. These services are not affiliated with Minnesota Life or its policyholders and may be discontinued at any time. Coverage is available to US based employees.

LifeSuite

WILL PREPARATION SERVICES

Will preparation services, provided by Ceridian LifeWorks, give employees peace of mind knowing their estate will pass to the right people.

LifeSuite: Will Preparation Program Features

- Initial 30-minute consultation
 - ✓ Free 30-minute initial consultation with attorney in state of residence
 - ✓ In-person or over the telephone
 - ✓ Attorney selected from network of over 22,000 nationwide
 - ✓ Discuss pre-existing or future legal matters, or have documents reviewed
- Creation of online legal documents
 - ✓ Wills, financial power of attorney, living will or final arrangements
 - ✓ Documents legally valid if executed correctly
 - ✓ May complete in less than one hour
- Referrals to local attorneys
 - ✓ Receive referrals to local attorneys and mediators
- Access to legal forms
 - ✓ Download variety of forms online, such as collection, family and personal, real estate, etc. forms
- Access to online legal library
 - ✓ Vast online library of legal information and resources for general legal questions
- Discount for retention of attorney
 - ✓ 25 percent discount off normal hourly rate when retain attorney after initial consultation
 - ✓ Ceridian network attorney
 - ✓ No obligation to retain attorney
 - ✓ May request additional referrals

Will preparation services are provided by and are the sole responsibility of Ceridian LifeWorks. These services are not affiliated with Minnesota Life or its policyholders and may be discontinued at any time. Coverage is available to US based employees.



LifeSuite

TRAVEL ASSISTANCE PROGRAM

The travel assistance program provided by Europ Assistance USA (EA) covers all active US based employees, spouses, and eligible dependents while they are traveling 100 miles from home (including in the US), on business or pleasure. The dependents' coverage does not require travel with the employee. Pre-trip informational services are available at any time.

The following is an outline of the services provided:

LifeSuite: Emergency Medical Assistance

Evacuation	<ul style="list-style-type: none"> Covers the cost and arrangement of medical transport to the closest adequate medical facility based on the member's medical condition.
Medical Referrals	<ul style="list-style-type: none"> Are available nationally and internationally and are provided to the member through the use of EA's worldwide network of providers.
Monitoring of Medical Conditions	<ul style="list-style-type: none"> This benefit is available to any member worldwide; a EA physician will stay in close contact with the member's attending physician(s) to follow the progress of recovery and intervene when necessary.
Repatriation	<ul style="list-style-type: none"> Covers the cost and arrangement of medical transport from place of hospitalization to the member's home.
Return of Dependent Children	<ul style="list-style-type: none"> If the member cannot take care of his/her dependent children due to a medical problem EA will arrange and pay for their safe return to their home. This may include a qualified escort if necessary.
Return of Mortal Remains	<ul style="list-style-type: none"> If the member passes away during a trip, EA will arrange for the return of the remains or ashes to the member's home.
Return of Travelling Companion	<ul style="list-style-type: none"> If the member's traveling companion cannot continue on their scheduled trip due to the member's medical emergency EA will arrange and pay for the travelling companion's return home (economy ticket).
Transport Escort Benefit	<ul style="list-style-type: none"> EA can arrange for a family member or other travelling companion to continue to accompany the member during evacuation, repatriation or return of remains if it is reasonably possible for that person to accompany the member.
Visit by Family Member/Friend	<ul style="list-style-type: none"> EA will arrange bedside visit by a family member or friend if the member will be hospitalized (for a specified length of time).
Payment Advances to Obtain Treatment or Hospital Admission	<ul style="list-style-type: none"> If treatment or hospital admission is contingent on pre-payment of charges in local currency, EA will advance the payment with a proper reimbursement guarantee. Maximum is \$5,000.

Other Travel Assistance Services

- Advance of Cash • EA will provide an emergency cash advance with a proper guarantee of reimbursement. Available nationally and internationally.
- Cultural Information • Destination, weather, visa and inoculation requirements, exchange rates, and travel advisories.
- Embassy/Consular Referrals • Referral to a nearby embassy/consulate.
- Emergency Message Relay • The member can contact EA via toll free or collect call and leave urgent messages for a family member or business associate which EA will relay to the designated party.
- Legal Referral • EA will provide a referral to an attorney if needed. Available nationally and internationally.
- Lost Baggage/Items • Assistance with lost luggage and personal items.
- Vehicle Return • Should the member, subsequent to a medical emergency, be unable to drive his (rental) vehicle, EA will make arrangements to have a designated person or provider return the vehicle to the member's home (or the closest rental agency).
- Pet Return • Should the member be unable to take care of his/her pet due to a medical emergency, EA will make all necessary arrangements to have the pet taken care of and returned home.
- Phone Interpretation and Translation Services • EA may assist with simple translations or interpretations or refer members to a suitable interpreter.
- Prescription Transfer • Should the member lose or forget or run out of his/her medication while traveling, EA will, when possible, replace it or ship a refill to the member's location. The cost of the medication is the member's responsibility.

Travel assistance services are provided by and are the sole responsibility of Europ Assistance USA. These services are not affiliated with Minnesota Life or its policyholders and may be discontinued at any time. Coverage is available to US based employees.



LifeSuite

EXHIBIT B: RATE STRUCTURE

1. Policyholder: Lake County, Florida
2. Policy Number(s): 33654-G
3. Insurance Product(s): Basic Term Life and AD&D, Supplemental Term Life and AD&D, Dependent Term Life and AD&D
4. The insurance rates included in this rate confirmation are net of commissions.
5. Rate Guarantee Period: October 1, 2008 through September 30, 2011

Basic Life		\$0.121
Basic AD&D		\$0.030
Supplemental Life	<u>Age</u>	<u>Rate</u>
	Under	\$0.060
	30	
	30 – 34	\$0.090
	35 – 39	\$0.100
	40 – 44	\$0.130
	45 – 49	\$0.200
	50 – 54	\$0.330
	55 – 59	\$0.590
	60 – 64	\$0.790
	65 – 69	\$1.390
	70 – 74	\$2.250
	75 &	\$3.650
	Over	
Spouse Life	<u>Age</u>	<u>Rate</u>
	Under	\$0.050
	25	
	25 – 29	\$0.060
	30 – 34	\$0.070
	35 – 39	\$0.090
	40 – 44	\$0.110
	45 – 49	\$0.160

50 – 54	\$0.270
55 – 59	\$0.430
60 – 64	\$0.750
65 – 69	\$1.240

Child	\$0.120
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Supplemental AD&D

Employee	\$0.050
Spouse	\$0.030
Child	\$0.050

EXHIBIT C: CLARIFICATION ITEMS

Clarification Items
Group Life and Accidental Death and Dismemberment
Minnesota Life

1. Ensure that all current employee and dependent coverages are grandfathered in, many voluntary life and AD&D amount do not match, and that statement of health (evidence of insurability) will not be required.

Correct, however anyone who is disabled would need to file a waiver of premium with the current carrier.

2. Guarantee that all currently covered employees will be covered, including those on approved FMLA or medical leave.

Yes, however it would depend on the date of disability for those employees who are on leave and determined to be disabled. See number 1.

3. Explain how or when a statement of health (evidence of insurability) will be required and administered?

New hires electing optional coverage within the initial 31 days would not be required to complete the evidence of insurability process, so long as they are requesting coverage within the guarantee issue amount; \$100,000. Current employees are permitted to increase 1 level (\$10,000) in optional coverage each year, up to the GI amount of \$100,000, without evidence of insurability.

4. Clarify Portability/Conversion Availability and applicable charge, if any. (According to the response included on the questionnaire regarding whether or not Lake County would be charged for life conversion policies, Minnesota Life indicated "yes." Please explain. Would this be charged to the County or the employee electing to convert Basic Life, Voluntary Employee Life or Voluntary Dependent Life?)

- Basic Life – Conversion and Portability being available. How are they different?
- Basic AD&D – Portability being available.
- Voluntary Employee Life – Conversion and portability being available.
- Voluntary Employee AD&D – Portability is available.
- Voluntary Dependent Life – Conversion and Portability being available.
- Voluntary Dependent AD&D – Portability being available.

There is no cost to the County for conversion, however converted policies will appear on the claims report; \$60.00 per \$1000 of coverage converted. Portability options are available on all the coverage types at no charge to the County.

5. Confirm there is not a suicide exclusion for basic employee life insurance.

Correct

6. Confirm that voluntary life and AD&D coverages are to be bundled; therefore are to be purchased in equal amounts.

The coverage can be bundled or unbundled. The County can determine which way it would like to go on this during the implementation process.

7. Agree that Lake County will continue to be self-billed and administer and maintain applicable records.

The County would like to remain self-billed. This can be further discussed during implementation. Minnesota Life can take on as much responsibility that the County wants them to.

8. Explain process for receiving quarterly reports.

Yes, the County can receive quarterly reports or at any other frequency as requested by the County. During implementation Minnesota Life will come out and train personnel on "Life Benefits Extra" and report builder. These products provide online access to claims data, forms, and custom reports.

9. Performance guarantees – Minnesota Life to monitor and provide quarterly progress reports to the County.

Minnesota Life would monitor the performance guarantees, however it would be on an annual basis.

10. Web access – Is there an employer website for online administrative functions such as generating invoices, obtaining approval status of statement of health documents, etc.?

Yes, see items 7 and 8. Minnesota Life can mirror the County's current billing/invoicing process.

11. Review General Plan Provisions:

1. Guarantee Issue (GI) – For new hires and for current employees during open enrollment. – *Correct*
2. There are no Group Eligibility and/or Participation Requirements – *Correct*
3. Rate Guarantee for (3) years – *Correct*

12. Confirm contract duration of 3 years with two 1-year renewals, and renewal rates to be presented the County by June 1 (per RFP within 120 days of the renewal).

Yes, the rates can be provided by June 1 or possibly a couple months prior to June 1.

13. Representatives will be available for open enrollment meetings held with County employees; July 14 through August 12 with approximately 24 meetings to be held.

A representative from Minnesota Life will be available for some of the meetings, primarily the larger/auditorium style meetings.

14. If necessary, review response to some of the items on the questionnaire, plan design, etc. Reiterate that the County has based the review primarily on the responses provided in the Excel spreadsheets. Confirm that all answers are accurate.

Correct