

STATE OF TEXAS §
 §
 COUNTY OF FORT BEND §

**AGREEMENT FOR PROPERTY AND CASUALTY INSURANCE PROGRAM
 THIRD PARTY ADMINISTRATION SERVICES
 PURSUANT TO RFP 24-005**

This **AGREEMENT** ("Agreement") is entered into between Fort Bend County ("County"), a body corporate and politic under the laws of the State of Texas, and Davies US, LLC ("Contractor"), a company authorized to conduct business in the State of Texas (hereinafter each referred to as a "party" or collectively as the "parties").

WITNESSETH

WHEREAS, County desires that Contractor provide Third Party Administration Services for County's Property and Casualty Insurance Programs (hereinafter "Services"), which complies with all requirements and specifications outlined in the County's Request for Proposals ("RFP") 24-005; and

WHEREAS, County desires that Contractor provide Services are will be more specifically described in this Agreement pursuant to RFP 24-005; and

WHEREAS, Contractor represents that it is qualified and desires to perform such Services; and

WHEREAS, RFP 24-005, including Addendum 2, are incorporated fully by reference for all purposes as if set forth verbatim below and is attached as Exhibit "A" and

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

Section One. Scope of Services.

- A. Contractor will render Services to County that meet or exceed the specifications and requirements listed in the advertised specifications of RFP 24-005; Contractor's Response to RFP 24-005, which is attached as Exhibit "B"; and Contractor's Best Practices (attached within Exhibit B as Appendix E), all of which are incorporated by reference herein.
- B. County hereby appoints Contractor and Contractor hereby agrees to serve, as Third Party Administrator of the County's Property and Casualty Insurance Programs created

and existing under the State of Texas Self-Insurance Regulations.

- C. Subrogation. Contractor will monitor claims for subrogation.
- D. Provision of Reports. Contractor agrees to provide reports to the County as upon request.
- E. Contractor represents that Appendix E of Exhibit B contains industry best standards, which County has relied on in selecting Contractor. Contractor shall ensure that these policies are updated if law or industry standards mandate stricter requirements. A copy of any updated policies will be provided to County without delay. Contractor shall also ensure all employees are trained to adhere to the requirements of their current policies and as may be updated during the course of the Agreement.
- F. Contractor's performance of Services shall comply with all applicable rules, orders, and interpretations issued by any applicable regulatory authorities as of the date hereof and as may be amended during the course of this Agreement.
- G. Contractor acknowledges that all of the Claims files in its possession are the property of County and agrees to promptly provide access to or deliver any such file to County, at County's expense, at any time upon County's request. In exchange for County's absolute right to obtain the Claims files, County agrees that it shall not have the right to set off any sums claimed due from Contractor against fees due Contractor under this Agreement. "Claim" or "Claims" shall mean claims, arising under the Third Party Administration Services for County's Property and Casualty Insurance Programs and which are referred to Contractor for adjusting during the term of this Agreement.
- H. Contractor acknowledges that execution of this Agreement does not mean that Contractor will be assigned any particular number of Claims by County.
- I. Contractor will investigate, evaluate, negotiate, settle, or deny Claims within the standing authority, as has been granted in writing, to Contractor from time to time by the County Director of Risk Management. Contractor may settle Claims in excess of its standing authority limits only with prior written approval of County, which the County shall, in writing, promptly grant or deny upon Contractor's request for authority.
- J. Contractor expressly agrees to hold all funds and assets of County that come into its control or possession during the term of this Agreement subject to the regulatory limitations of deposits insured by FDIC.
- K. During the Term of this Agreement and at all times that there are open Claims being handled by Contractor, Contractor will fully cooperate with County.

- L. Contractor will notify County's insurer of all claims, which may affect the insurer's coverage in excess of County's self-insured retention layer in accordance with the instructions of County's insurer.
- M. Contractor acknowledges that all attorney services, except for worker's compensation, are provided by the County Attorney's Office unless County specifically requests that Contractor assist County in its selection of other counsel. County's preferred legal counsel is Dean Pappas Law Firm and any references to other preferred counsel are hereby deleted. Contractor acknowledges that other counsel are only appropriate if County determines that the nature of the representation requires specialized knowledge and experience that outside counsel be secured. Any statements made by Contractor in any attached Exhibit involving representation by outside attorneys only apply when County requests this assistance in writing. In all cases in which the County Attorney represents the County, Contractor shall cooperate with County and the County Attorney fully and assist with case preparation and presentation in the same manner as if Contractor had selected its choice of counsel.

Section Two. Personnel

- A. Contractor represents that it presently has, or is able to obtain, adequate qualified personnel in its employment for the timely performance of Services required under this Agreement and that Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel, in the opinion of County, to perform the Services when and as required and without delays.
- B. Any employee of Contractor who, in the opinion of County, is incompetent or by his conduct becomes detrimental to the project shall, upon request of County, immediately be removed from providing Services to County. Adjusters assigned to the Claims shall have an average case load of 150 files for workers compensation and liability case loads, an average of 80 cases for property claims.
- C. Contractor will utilize only licensed adjusters and licensed private investigators, where applicable, and such adjusters and investigators shall in the rendering of their services conform to the provisions of all applicable laws, rules, orders, or written interpretations issued by the applicable regulatory authorities.

Section Three. Warranty of Contractor Capability

Contractor covenants, represents and warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Agreement and that Contractor is financially capable of fulfilling all requirements of this Agreement.

Section Four. Corporate Good Standing

Contractor covenants, represents and warrants that Contractor: (a) is a corporation duly incorporated, validly existing, and in good standing; (b) has all requisite corporate power and authority to execute, deliver, and perform its obligations herein; (c) is duly licensed, authorized, or qualified to do business and is in good standing in every jurisdiction in which a license, authorization, or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized, or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations herein.

Section Five. Duties of County

A. County agrees to the following actions:

1. Report all claims, incidents, reports or correspondence relating to potential claims in a timely manner.
2. Reasonably cooperate in the disposition of all claims.
3. Provide adequate funds to pay all claims and expenses in a timely manner.
4. Respond to reasonable information requests in a timely manner.
5. Identify in writing all insurance carriers applicable to Contractor's claim handling responsibilities contemplated in this Agreement that Contractor will have claim or data reporting requirements. In this regard, County agrees to provide Contractor with a complete copy of the current excess or other insurance policies, including applicable endorsements and audits, applicable to County's insurance program and this Agreement. Contractor assumes no responsibility of any kind for not reporting an otherwise reportable claim to any carrier that County has failed to disclose to Contractor and/or provide Contractor with a copy of the applicable insurance policy and reporting instructions relative to that carrier.
6. Pay any fees or costs charged by any carrier or prior Third Party Administrator of County for the conversion of data associated with Contractor handling run off claims for County, or for the general transfer of data to Contractor's operating systems.
7. Promptly pay Contractor's fees.

B. County agrees to be responsible for and pay all of its own operating expenses other than service obligations of Contractor.

1. All costs associated with County meeting its State security and licensing requirements;
2. Certified Public Accountants;
3. Attorneys, other than provided for in this Agreement;
4. Outside consultants, actuarial services or studies and State audits;
5. Independent payroll audits;
6. Allocated Claims Expenses incurred pursuant to this Agreement;

7. All applicable regulatory fees and taxes;
8. Educational and/or promotional material, industry-specific loss control material, customized forms and/or stationery, supplies and extraordinary postage, such as bulk mailing, express mail or messenger service;
9. National Council on Compensation Insurance, NCCI, charges;
10. Excess and other insurance premiums;
11. Costs associated with the development, record keeping and filing of fraud statistics and plans, but only if required by any State or regulatory authority having jurisdiction over County; and
12. Other operating costs as normally incurred by the County.

Section Six. Compensation and Payment

- A. The Maximum Compensation for capitated fees during the Term of the Agreement is Two Hundred Forty Thousand dollars and 00/100 (\$240,000.00) annually, and is more specifically identified as “all lines of coverage flat fee” or the “guaranteed annual flat fee” within Exhibit C. In no case shall the amount paid by County under this Agreement for capitated fees exceed this Maximum Compensation without an amendment executed by the parties.
- B. The Maximum Compensation for RMIS System and Services is Two Thousand Five Hundred dollars and 00/100 (\$2,500.00) annually, and is more specifically identified as “RMIS System and Services – Annual Administration Fee (Interfaces and other fees)” within Exhibit C. In no case shall the amount paid by County under this Agreement for RMIS System and Services exceed this Maximum Compensation without an amendment executed by the parties.
- C. The County will pay Contractor a one-time data conversion fee of Eight Thousand dollars and 00/100 (\$8,000.00), as referenced with Exhibit C as “Data Conversion.” In no case shall the amount paid by County under this Agreement for any data conversion services exceed this amount without an amendment executed by the parties.
- D. Contractor’s remaining fees shall be calculated at the rates set forth in the attached Exhibit C, which is incorporated fully by reference. If there is not a fee listed for a particular service, the Contractor shall not charge County any fee for that Service.
- E. Services shall be performed as described herein. Any changes to the Services and revision of work satisfactorily performed will be performed only when approved in advance and authorized by the County Director of Risk Management
- F. County will pay Contractor based on the following procedures: Upon completion of the Services, Contractor shall submit to County two (2) original copies of invoices showing the amounts due for services performed in a form acceptable to County. County shall review such invoices and approve them within 30 calendar days with such modifications as are consistent with this Agreement and forward same to the Auditor for processing. County

shall pay each such approved invoice within thirty (30) calendar days. County reserves the right to withhold payment pending verification of satisfactory work performed and to withhold payment for any disputed charge.

- G. Travel and mileage expenses incurred in the performance of required Services will be compensated only when approved in advanced by the County Director of Risk Management and provided that expenses do not exceed the amounts stated in the County's Travel Policy, a copy of which is attached as Exhibit D to this Agreement.
- H. It is specifically understood and agreed that in the event no funds or insufficient funds are appropriated by Fort Bend County under this Agreement, Fort Bend County shall notify all necessary parties that this Agreement shall thereafter terminate and be null and void on the last day of the fiscal period for which appropriations were made without penalty, liability or expense to Fort Bend County.

Section Seven. Limit of Appropriation

- A. It is expressly understood and agreed that County has available the total maximum sum of funds hereinafter certified available by the County Auditor of Fort Bend County for the purpose of satisfying County's obligations under the terms and provisions of this Agreement; that notwithstanding anything to the contrary, or that may be construed to the contrary, the liability of County as to payment under the terms and provisions of this Agreement is limited to this sum, plus additional amounts of funds from time to time certified available pursuant to Sections 111.061 through 111.073 of the Local Government Code, as amended, for the purpose of satisfying County's obligations under the terms and provisions of this Agreement; and that when and if all the funds so certified are expended for the purpose of satisfying County's obligations under the terms and provisions of this Agreement, the sole and exclusive remedy of Contractor is to terminate this Agreement. Contractor does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum compensation that Contractor may become entitled to and the total maximum sum that County may become liable to pay to Contractor shall not under any conditions, circumstances, or interpretations thereof exceed the funding certified as available by the Auditor as of the date so certified.
- B. Contractor does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum compensation that Contractor may become entitled to and the total maximum sum that County may become liable to pay to Contractor shall not under any conditions, circumstances, or interpretations thereof exceed the funds certified by the County Auditor to be available.

Section Eight. Modifications and Waivers

- A. The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.

- B. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition.
- C. The rights and remedies of the parties set forth in this Agreement are not exclusive of, but are cumulative to, any rights or remedies now or subsequently existing at law, in equity, or by statute.

Section Ten. Term and Termination

- A. The term of this Agreement shall commence on February 1, 2024 and shall continue until and through December 31, 2025 (the "Term") and may be renewed in accordance with § 29 of RFP 24-005 (attached within Exhibit A). Upon termination of this Agreement for any reason and in accordance with Section Ten, all hard copy and electronic Claims files will be transferred to County at County's expense.
- B. Termination for Convenience: Either Party may terminate this Agreement at any time upon thirty (30) days written notice issued by the terminating Party.
- C. Termination for Default
 - 1. County may terminate the whole or any part of this Agreement. If Contractor materially breaches any of the covenants or terms and conditions set forth in this Agreement or fails to perform any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in any of these circumstances does not cure such breach or failure to County's reasonable satisfaction within a period of ten (10) calendar days after receipt of notice from County specifying such breach or failure.
 - 2. If, after termination, it is determined by County that for any reason whatsoever that Contractor was not in default, or that the default was excusable, services may continue in accordance with the terms and conditions of this Agreement or the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the County in accordance with this Section.
- D. Upon termination of this Agreement, County shall compensate Contractor in accordance with the *Compensation and Payment Section* above, for those Services which were provided under this Agreement prior to its termination and which have not been previously invoiced to County. Contractor's final invoice for said services will be presented to and paid by County in the same manner set forth in Section 6 above.
- E. If County terminates this Agreement as provided in this Section, no fees of any type, other than fees due and payable at the Termination Date, shall thereafter be paid to Contractor. If County terminates this Agreement prior to the termination date, County shall not be subject to any early termination fee or other penalty.

Section Ten. Ownership and Reuse of Documents

All documents, data, reports, research, graphic presentation materials, etc., developed by Contractor as a part of its work under this Agreement, shall become the property of County upon completion of this Agreement, or in the event of termination or cancellation thereof, at the time of payment under Section 6 for work performed. Contractor shall promptly furnish all such data and material to County on request.

Section Eleven. Inspection of Books and Records

Contractor will permit County, or any duly authorized agent of County, to inspect and examine the books and records of Contractor for the purpose of verifying the performance the Services. County's right to inspect survives the termination of this Agreement for a period of four years.

Section Twelve. Insurance

- A. Prior to commencement of the Services, Contractor shall furnish County with properly executed certificates of insurance which shall evidence all insurance required. Such insurance shall not be canceled, except on 60 days' prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:
1. Workers Compensation insurance with statutory limits. Substitutes to genuine Workers' Compensation Insurance will not be allowed.
 2. Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
 3. Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policy holder.
 4. Professional Liability (Errors & Omissions) Insurance with limits of not less than \$1,000,000 each occurrence, \$2,000,000 aggregate. Such insurance will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. No Professional Liability policy written on an occurrence form will include

a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.

- B. County and the members of Commissioners Court shall be named as additional insured on a Primary and Non-Contributory basis to all required coverage except for Workers' Compensation and Professional Liability (Medical Malpractice) Insurance. All Liability policies written on behalf of Contractor shall contain a waiver of subrogation in favor of County and members of Commissioners Court.
- C. If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Agreement and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time the work under this Agreement is completed.
- D. Contractor shall not commence any portion of the work under this Agreement until it has obtained the insurance required herein and certificates of such insurance have been filed with and approved by County.
- E. No cancellation of or changes to the certificates, or the policies, may be made without sixty (60) days prior, written notification to County.

Section Thirteen. Indemnity

- A. **CONTRACTOR SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING FROM ACTIVITIES OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF CONTRACTOR OR ANY OF CONTRACTOR'S AGENTS, SERVANTS OR EMPLOYEES.**
- B. Contractor shall timely report all such matters to County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of County required by Contractor in the defense of each matter.
- C. Contractor's duty to defend, indemnify and hold County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by County in writing. The provisions of this section shall survive the termination of the Agreement and shall remain in full force and effect with respect to all such matters no matter when they arise.

- D. In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Contractor, Contractor shall nevertheless fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Contractor are not at issue in the matter.
- E. The provision by Contractor of insurance shall not limit the liability of Contractor under an agreement.
- F. Loss Deduction Clause - 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 deductibles shall be the sole responsibility of Contractor and/or trade Contractor providing such insurance.

Section Fourteen. Confidential and Proprietary Information

- A. Contractor acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is confidential to County. Any and all information of any form obtained by Contractor or its employees or agents from County in the performance of this Agreement shall be deemed to be confidential information of County ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (a) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (b) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; or (c) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.
- B. Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to County hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use its best efforts to assist County in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limitation of the foregoing, Contractor shall advise County immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to

violate the terms of this Agreement and Contractor will at its expense cooperate with County in seeking injunctive or other equitable relief in the name of County or Contractor against any such person. Contractor agrees that, except as directed by County, Contractor will not at any time during or after the term of this Agreement disclose, directly or indirectly, any Confidential Information to any person, and that upon termination of this Agreement or at County's request, Contractor will promptly turn over to County all documents, papers, and other matter in Contractor's possession which embody Confidential Information.

- C. Contractor acknowledges that a breach of this Section, including disclosure of any Confidential Information, or disclosure of other information that, at law or in equity, ought to remain confidential, will give rise to irreparable injury to County that is inadequately compensable in damages. Accordingly, County may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interest of County and are reasonable in scope and content.
- D. Contractor in providing all services hereunder agrees to abide by the provisions of any applicable Federal or State Data Privacy Act.
- E. Contractor expressly acknowledges that County is subject to the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 et seq., as amended, and notwithstanding any provision in the Agreement to the contrary, County will make any information related to the Agreement, or otherwise, available to third parties in accordance with the Texas Public Information Act. Any proprietary or confidential information marked as such provided to County by Consultant shall not be disclosed to any third party, except as directed by the Texas Attorney General in response to a request for such under the Texas Public Information Act, which provides for notice to the owner of such marked information and the opportunity for the owner of such information to notify the Attorney General of the reasons why such information should not be disclosed. The terms and conditions of the Agreement are not proprietary or confidential information.

Section Fifteen. Systems and Data Processing

- A. Although Contractor authorizes County to use or have access to its Systems in performance of Claims Administration Services enumerated in this Agreement, this does not license Contractor's system to County nor shall County have, or assert, any property interest whatsoever in the Systems or any improvements or additions Contractor makes to its Systems during and/or in the course of Contractor's performance under this Agreement, whether or not such improvements or additions were made at the suggestions, request or direction of County. Notwithstanding the foregoing, Contractor expressly agrees that Claim-related data generated and/or maintained in connection with this Agreement or any Exhibit hereto shall be and remain the sole property of County and

Contractor shall have no right, title, or interest in such data other than such rights necessary to perform Claim Administration Services. Contractor shall use anonymized, aggregated data for auditing, compliance, internal assessments, process improvement and related analytics. "Systems" shall mean severally or collectively, Contractor's claims handling system.

- B. This Agreement grants to County no right to possess or reproduce all or any part of the Systems used, owned or controlled by Contractor performing all or any part of Claims Administration Services and County covenants that it shall not do so.
- C. Contractor warrants any System furnished against malfunctions, errors or loss of data which are due solely to errors on its part. If County notifies Contractor in writing and furnishes adequate documentation of any such malfunction, error or loss of data, then:
 - 1. In the event of a malfunction, error or loss of data, upon notice by County within twenty (20) days of the malfunction, Contractor will without an additional fee re-create the reports designated by County, using data as of the recreation date; and
 - 2. The maximum and only liability of Contractor for such malfunction, error or loss of data shall be its obligation to reprocess reports or regenerate data as described above.

Section Sixteen. Independent Contractor

- A. In the performance of work or services hereunder, Contractor shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of contractor or, where permitted, of its subcontractors.
- B. Contractor and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of County and shall not be entitled to any of the privileges or benefits of County employment.

Section Seventeen. Notices

- A. Each party giving any notice or making any request, demand, or other communication (each, a "Notice") pursuant to this Agreement shall do so in writing and shall use one of the following methods of delivery, each of which, for purposes of this Agreement, is a writing: personal delivery, registered or certified mail (in each case, return receipt requested and postage prepaid), or nationally recognized overnight courier (with all fees prepaid).
- B. Each party giving a Notice shall address the Notice to the receiving party at the address listed below or to another address designated by a party in a Notice pursuant to this Section:

County: Fort Bend County
Attn: County Judge
401 Jackson Street
Richmond, Texas 77469

With a copy to: Fort Bend County Risk Management
Attn: Director
301 Jackson Street, Suite 224
Richmond, Texas 77469

Contractor: Davies US, LLC
Attn: _____
26 Century Boulevard, Suite NT 350
P.O. Box 305148
Nashville, Tennessee 37214

C. Notice is effective only if the party giving or making the Notice has complied with the requirements of this Section and if the addressee has received the Notice. A Notice is deemed received as follows:

1. If the Notice is delivered in person, or sent by registered or certified mail or a nationally recognized overnight courier, upon receipt as indicated by the date on the signed receipt.
2. If the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no Notice was given, then upon the rejection, refusal, or inability to deliver.

Section Eighteen. Compliance with Laws

Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required by County, Contractor shall furnish County with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

Section Nineteen. Performance Warranty

- A. Contractor warrants to County that Contractor has the skill and knowledge ordinarily possessed by well-informed members of its trade or profession practicing in the greater Houston metropolitan area and Contractor will apply that skill and knowledge with care and diligence to ensure that the Services provided hereunder will be performed and delivered in accordance with the highest professional standards.

- B. Contractor warrants to County that the Services will be free from material errors and will materially conform to all requirements and specifications contained in the attached Exhibits.

Section Twenty. Assignment and Delegation

- A. Neither party may assign any of its rights under this Agreement, except with the prior written consent of the other party. That party shall not unreasonably withhold its consent. All assignments of rights by Contractor are prohibited under this subsection, whether they are voluntarily or involuntarily, without first obtaining written consent from County.
- B. Neither party may delegate any performance under this Agreement.
- C. Any purported assignment of rights or delegation of performance in violation of this Section is void.

Section Twenty One. Applicable Law

The laws of the State of Texas govern all disputes arising out of or relating to this Agreement. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere. Nothing in the Agreement shall be construed to waive the County's sovereign immunity. County does not agree to submit disputes arising out of the Agreement to binding arbitration. Therefore, any references to binding arbitration or the waiver of a right to litigate a dispute are hereby deleted.

Contractor acknowledges that County is subject to the requirements of the Texas Open Meetings Act, TEX. GOV'T CODE ANN. §§ 551.001 *et seq.*, as amended, and notwithstanding any provision in the Agreement to the contrary, the County will comply with the provisions of the Open Meetings Act.

Nothing in this Agreement will be construed to waive the requirements of § 205.009 of the Texas Local Government Code. Nothing in this Agreement will be construed to waive the requirements of any record retention laws applicable to County.

Section Twenty Two. Successors and Assigns

County and Contractor bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Agreement.

Section Twenty Three. Third Party Beneficiaries

This Agreement does not confer any enforceable rights or remedies upon any person other than the parties.

Section Twenty Four. Severability

If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions remain in full force, if the essential terms and conditions of this Agreement for each party remain valid, binding, and enforceable.

Section Twenty Five. Publicity

Contact with citizens of Fort Bend County, media outlets, or governmental agencies shall be the sole responsibility of County. Under no circumstances whatsoever, shall Contractor release any material or information developed or received in the performance of the Services hereunder without the express written permission of County, except where required to do so by law.

Section Twenty Six. Captions

The section captions used in this Agreement are for convenience of reference only and do not affect the interpretation or construction of this Agreement.

Section Twenty Seven. Human Trafficking

BY ACCEPTANCE OF CONTRACT, CONTRACTOR ACKNOWLEDGES THAT FORT BEND COUNTY IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS.

Section Twenty Eight. Certain State Law Requirements for Contracts For purposes of section 2252.152, 2271.002, and 2274.002, Texas Government Code, as amended, Contractor hereby verifies that Contractor and any parent company, wholly owned subsidiary, majority-owned subsidiary, and affiliate:

- A. Unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization, is not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 806.051, 807.051, or 2252.153 of the Texas Government Code.
- B. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Contractor does not boycott Israel and is authorized to agree in such contracts not to boycott Israel during the term of such contracts. "Boycott Israel" has the meaning provided in section 808.001 of the Texas Government Code.

- C. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Contractor does not boycott energy companies and is authorized to agree in such contracts not to boycott energy companies during the term of such contracts. "Boycott energy company" has the meaning provided in section 809.001 of the Texas Government Code.
- D. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and is authorized to agree in such contracts not to discriminate against a firearm entity or firearm trade association during the term of such contracts. "Discriminate against a firearm entity or firearm trade association" has the meaning provided in section 2274.001(3) of the Texas Government Code. "Firearm entity" and "firearm trade association" have the meanings provided in section 2274.001(6) and (7) of the Texas Government Code.

Section Twenty Nine. Entire Agreement

This Agreement contains the entire Agreement among the parties and supersedes all other negotiations and agreements, whether written or oral. Attached hereto are the following documents: Exhibit A: County's RFP 24-005, including Addendum 2; Exhibit B: Contractor's Response to RFP 24-005; Exhibit C: Pricing; and Exhibit D: County Travel Policy.

Section Thirty. Conflict

In the event there is a conflict, the following have priority with regard to the conflict: first: this document titled, "AGREEMENT FOR PROPERTY AND CASUALTY INSURANCE PROGRAM THIRD PARTY ADMINISTRATION SERVICES PURSUANT TO RFP 24-005;" second: Exhibit D: "County Travel Policy;" third: Exhibit C: "Pricing;" fourth: County's RFP 24-005; and fifth: Exhibit B: "Contractor's Response to RFP 24-005."

(Execution Page Follows)

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, this Agreement is signed, accepted, and agreed to by all parties by and through the parties or their agents or authorized representatives. All parties hereby acknowledge that they have read and understood this Agreement and the attachments and exhibits hereto. All parties further acknowledge that they have executed this legal document voluntarily and of their own free will.

FORT BEND COUNTY



KP George, County Judge

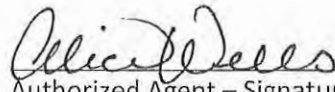


ATTEST:



Laura Richard, County Clerk

DAVIES US, LLC



Authorized Agent – Signature

Senior Vice President

Title

January 2, 2024

Date

APPROVED:



Wyatt Scott
Fort Bend County Risk Management Director

(Auditor Certifications enclosed on following page)

Exhibits:

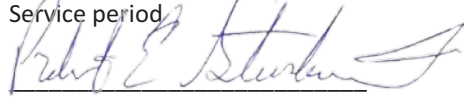
- Exhibit A: County's RFP 24-005, including Addendum 2;
- Exhibit B: Contractor's Response to RFP 24-005;
- Exhibit C: Pricing; and
- Exhibit D: County Travel Policy

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ 253,000.00 to accomplish and pay the obligation of Fort Bend County under this contract for services provided by **Contractor** for the below time period:

01/09/2024-12/31/2024

Service period



Robert Ed Sturdivant, County Auditor

January 10, 2024

Date Certified

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ _____ to accomplish and pay the obligation of Fort Bend County under this contract for services provided by **Contractor** for the below time period:

Service period

Robert Ed Sturdivant, County Auditor

Date Certified

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ _____ to accomplish and pay the obligation of Fort Bend County under this contract for services provided by **Contractor** for the below time period:

Service period

Robert Ed Sturdivant, County Auditor

Date Certified

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ _____ to accomplish and pay the obligation of Fort Bend County under this contract for services provided by **Contractor** for the below time period:

Service period

Robert Ed Sturdivant, County Auditor

Date Certified

Exhibit A

COUNTY PURCHASING AGENT

Fort Bend County, Texas



Jaime Kovar
County Purchasing Agent

(281) 341-8640
Fax (281) 341-8645

September 7, 2023

TO: All Prospective Bidders

RE: Addendum No. 2 – Fort Bend County RFP 24-005 – Property and Casualty Claims Third Party Administration Services

Addendum 2:

Addendum 2 has been posted to the County's website. Vendors are to use Addendum 2 documents while preparing their proposal. Submission due date and tentative schedule have been updated. See additional spreadsheets posted to website.

Immediately upon your receipt of this addendum, please fill out the following information and email this page to Olivia Rios at Olivia.Rios@fortbendcountytexas.gov.

Company Name

Signature of person receiving addendum

Date

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cheryl Krejci".

Cheryl Krejci
Senior Buyer

**** Addendum 2, 9/7/23, *Addendum 1, 8/28/23**

***Fort Bend County, Texas
Request for Proposals***



***Property and Casualty Claims Third Party Administration Services
RFP 24-005***

SUBMIT SEALED PROPOSALS TO:

Fort Bend County
Purchasing Department
Travis Annex
301 Jackson, Suite 201
Richmond, TX 77469

Note: All correspondence must include the term
“Purchasing Department” in address to assist in
proper delivery

SUBMIT NO LATER THAN:

****Tuesday, September 19 ~~12~~ 5, 2023**
2:00 PM (Central)

LABEL SEALED ENVELOPE/BOX:

RFP 24-005
Property & Casualty 3rd Party Admin
Srvs

***ALL RFPs MUST BE RECEIVED IN AND TIME/DATE STAMPED BY THE PURCHASING OFFICE
OF FORT BEND COUNTY ON OR BEFORE THE SPECIFIED TIME/DATE STATED ABOVE.***

RFPs RECEIVED AS REQUIRED WILL THEN BE OPENED AND NAMES PUBLICLY READ.

RFPs RECEIVED AFTER THE SPECIFIED TIME, WILL BE RETURNED UNOPENED.

Result will be provide, upon request,
after final agreement is approved by
Commissioners Court.

Requests for information must be in
writing and directed to:
Cheryl Krejci, CPPB
Assistant County Purchasing Agent
Cheryl.Krejci@fortbendcountytexas.gov

Vendor Responsibilities:

- Download and complete any addendums. (Addendums will be posted on the Fort Bend County website no
Later than 48 hours prior to bid opening)
- Submit response in accordance with requirements stated on the cover of this document.
- DO NOT submit responses via email or fax.



COUNTY PURCHASING AGENT

Fort Bend County, Texas

Vendor Information

Jaime Kovar
Purchasing Agent

Office (281-341-8640)

Legal Company Name (top line of W9)														
Business Name (if different from legal name)														
Federal ID # or S.S. #			DUNS #											
Type of Business	___ Corporation/LLC ___ Partnership ___ Sole Proprietor/Individual ___ Tax Exempt Organization		Age in Business?											
Publicly Traded Business	___ No ___ Yes Ticker Symbol _____													
Remittance Address														
City/State/Zip														
Physical Address														
City/State/Zip														
Phone/Fax Number	Phone: _____ Fax: _____													
Contact Person														
E-mail														
Check all that apply to the company listed above and provide certification number.	DBE-Disadvantaged Business Enterprise <input type="checkbox"/> SBE-Small Business Enterprise <input type="checkbox"/> HUB-Texas Historically Underutilized Business <input type="checkbox"/> WBE-Women's Business Enterprise <input type="checkbox"/>		Certification # _____ Certification # _____ Certification # _____ Certification # _____	<table border="1"><thead><tr><th>Cert Date</th><th>Exp Date</th></tr></thead><tbody><tr><td>_____</td><td>_____</td></tr><tr><td>_____</td><td>_____</td></tr><tr><td>_____</td><td>_____</td></tr><tr><td>_____</td><td>_____</td></tr></tbody></table>	Cert Date	Exp Date	_____	_____	_____	_____	_____	_____	_____	_____
Cert Date	Exp Date													
_____	_____													
_____	_____													
_____	_____													
_____	_____													
Company's gross annual receipts	<\$500,000 _____		\$500,000-\$4,999,999 _____											
	\$5,000,000-\$16,999,999 _____		\$17,000,000-\$22,399,999 _____											
	>\$22,400,000 _____													
NAICs codes (Please enter all that apply)														
Signature of Authorized Representative														
Printed Name														
Title														
Date														

THIS FORM MUST BE SUBMITTED WITH THE SOLICITATION RESPONSE

1.0 INTRODUCTION:

Fort Bend County, Texas (hereafter referred to as the (“County”)) seeks sealed Proposals (“Proposals” or “RFP”) for selection of firm (“Respondent”) to provide Third Party Administration Services for the Fort Bend County Property and Casualty Insurance Program (“Project”) in accordance with the terms, conditions and requirements set forth in this RFP.

2.0 GUIDELINES:

By virtue of submitting a proposal, interested parties are acknowledging:

- 2.1 The County reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP. The County reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select Respondents at any time to gather additional information. Furthermore, the County reserves the right to delete or add scope up until the final contract signing.
- 2.2 All Respondents submitting proposals agree that their pricing is valid for a minimum of ninety (90) days after proposal submission to the County. Furthermore, the County is by statute exempt from the State Sales Tax and Federal Excise Tax; therefore, proposal prices shall not include taxes.
- 2.3 This Proposal does not commit the County to award nor does it constitute an offer of employment or a contract for services. Costs incurred in the submission of this proposal, or in making necessary studies or designs for the preparation thereof, are the sole responsibility of the Respondents. Further, no reimbursable cost may be incurred in the anticipation of award. Proposals containing elaborate artwork, expensive paper and binding and expensive visual or other presentations are neither necessary nor desired.
- 2.4 In an effort to maintain fairness in the process, all inquiries concerning this procurement are to be directed only to the County’s Purchasing Agent in writing. Attempts to contact any members of the County’s Commissioners’ Court or any other County employee to influence the procurement decision may lead to immediate elimination from further consideration.
- 2.5 When responding to this Proposal, follow all instructions carefully. Submit proposal contents according to the outline specified and submit all hard copy and electronic documents according to the instructions. Failure to follow these instructions may be considered a non-responsive proposal and may result in immediate elimination from further consideration.

3.0 PROPOSAL CONTACT:

This Proposal is being issued by the County Purchasing Agent on behalf of Fort Bend County, Texas. Thus, responses should be directed to the Assistant Purchasing Agent, as outlined below. **Respondents are specifically directed NOT to contact any County personnel for meetings, conferences or technical discussions that are related to this Proposal other than specified herein. Unauthorized contact of any County personnel will likely be cause for rejection of the Respondent's proposal. All communications regarding the Proposal shall be directed to the County's Proposal Contact.** Communication with the Proposal Contact is permitted via email, facsimile, or written correspondence.

PROPOSAL CONTACT:

Cheryl Krejci, CPPB
Assistant County Purchasing Agent
Fort Bend County Travis Annex
301 Jackson, Suite 201
Richmond, Texas 77469
Cheryl.Krejci@fortbendcountytexas.gov

**4.0 SUBMISSION REQUIREMENTS:

- **4.1** Submission requirements: one (1) original proposal, seven (7) paper copies, and one (1) electronic response on a labeled flash drive are required by RFP opening time of **2:00 PM on Tuesday, September 19 4 5, 2023**. Flash drive must contain only one (1) file in PDF format and must match written/original/paper response identically. Failure to provide proper flash drive is cause for disqualification. Proposal shall be submitted to the address shown below. Proposal shall be signed by a person having the authority to bind the firm in a contract.

Fort Bend County
Purchasing Department
301 Jackson, Suite 201
Richmond, Texas 77469

Proposal Number: R24-005
****Due Date: Tuesday, September 19 4 5, 2023**
Time: 2:00 PM (CST)
For: Property and Casualty Insurance Program
Third Party Administration

- 4.2** Respondents may submit their proposal any time prior to the Opening Date and time. The Respondent's name and address as well as a distinct reference to the Proposal number above shall be marked clearly on the submission. All proposals are time-stamped upon receipt and are securely kept, unopened, until the Opening Date. No responsibility will attach to the County, or any official or employee thereof, for the pre-opening of, post-opening of, or the failure to open a proposal not properly addressed and identified. No oral, telegraphic, telephonic, or facsimile proposals will be considered.

- 4.3 Proposals may be modified or withdrawn prior to the established opening date by delivering written notice to the proposal contact. Any alteration made prior to opening date and time shall be initialed by the signer of the proposal, guaranteeing authenticity.
- 4.4 Proposals time-stamped after the due date and time will not be considered and will be returned to the Respondent unopened. Regardless of the method used for delivery, respondents shall be wholly responsible for the timely delivery of submitted proposals.
- 4.5 The Respondent's name and address shall be clearly marked on all copies of the proposal.

5.0 INCURRED COSTS:

Those submitting proposals do so entirely at their expense. There is no expressed or implied obligation by the County to reimburse any individual or firm for any costs incurred in preparing or submitting proposals, for providing additional information when requested by the County or for participating in any selection interviews, including discovery (pre-contract negotiations) and contract negotiations.

6.0 ACCEPTANCE:

- 6.1 Submission of any proposal indicates a Respondent's acceptance of the conditions contained in this Proposal unless clearly and specifically noted otherwise in their proposal.
- 6.2 Furthermore, the County is not bound to accept a proposal on the basis of lowest price, and further, the County has the sole discretion and reserves the right to cancel this Proposal, to reject any and all proposals, to waive any and all informalities and or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in the County's best interests. The County reserves the right to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual Respondents if it is deemed in the County's best interest.
- 6.3 Although Fort Bend County desires to negotiate toward a contract with a selected Respondent, the Commissioners' Court may award the contract on the basis of the initial proposals received, without discussions. Therefore, each initial proposal should contain the Respondent's best terms.

7.0 INTERPRETATIONS, DISCREPANCIES, AND OMISSIONS:

- 7.1 It is incumbent upon each potential Respondent to carefully examine these specifications, terms, and conditions. Should any potential Respondent find discrepancies, omissions or ambiguities in this Proposal, the Respondent shall at

once request in writing an interpretation from the County's Proposal Contact. Any inquiries, suggestions, or requests concerning interpretation, clarification or additional information shall be made in writing via e-mail only to the County's Proposal Contact, as specified in Section 3.0. Deadline for submission of questions and/or clarification is no later than **Tuesday, August 22, 2023 at 10:00 AM. (central)**. Requests received after the deadline will not be responded to due to the time constraints of this Proposal process.

- 7.2 The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the County. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarification will be without legal effect. If it becomes necessary to revise or amend any part of this Proposal, notice will be given by the County Purchasing Agent to all prospective Respondents who were sent a Proposal. The Respondent in their proposal shall acknowledge receipts of amendments. Each Respondent shall ensure that they have received all addenda and amendments to this Proposal before submitting their proposals.

8.0 CONTRACTUAL OBLIGATIONS:

This Request for Proposal, response and associated documentation, any negotiations and final contract, when properly accepted by Fort Bend County, shall constitute a contract equally binding between the contractor and Fort Bend County.

9.0 RETENTION OF RESPONDENT'S MATERIAL:

The County reserves the right to retain all proposals regardless of which response is selected. All proposals and accompanying documents become the property of the County.

10.0 ASSIGNMENT:

The Respondent may not sell, assign, transfer or convey the contract resulting from this Proposal, in whole or in part, without the prior written approval from Fort Bend County Commissioners' Court.

11.0 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION:

By submission of a proposal, each Respondent certifies, that in connection with this procurement:

- 11.1 The prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Respondent; with any competitor; or with any County employee(s) or consultant(s) for the purpose of restricting competition on any matter relating to this Proposal.
- 11.2 Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the Respondent and will not

knowingly be disclosed by the Respondent prior to award directly or indirectly to any other Respondent or to any competitor; and;

- 11.3 No attempt has been made or will be made by the Respondent to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

12.0 CONFIDENTIAL MATTERS:

- 12.1 All data and information gathered by the Respondent and its agents, including this Proposal and all reports, recommendations, specifications, and data shall be treated by the Respondent and its agents as confidential. The Respondent and its agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, publicity, propaganda, and/or in another job or jobs, unless written consent is obtained from the County.
- 12.2 Proposals will only be publicly received and acknowledged only so as to avoid disclosure of the contents to competing Respondents and kept secret during negotiation. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and any material that is considered to be confidential information contained in the proposal and identified by Respondent as such will be treated as confidential to the extent allowable in the Open Records Act.

13.0 LIMITS OF SUBCONTRACTORS:

- 13.1 The County has approval rights over the use and/or removal of all subcontractors and/or vendor(s). Subcontractors shall conform to all County policies.
- 13.2 Any dispute between the Respondent and subcontractors, including any payment dispute, will be promptly remedied by the Respondent. Failure to promptly remedy or to make prompt payment to subcontractor may result in the withholding of funds from the Respondent by the County for any payments owed to the subcontractor.

14.0 JURISDICTION, VENUE, CHOICE OF LAW:

This Proposal and any contract resulting there from shall be governed by and construed according to the laws of the State of Texas. Should any portion of any contract be in conflict with the laws of the State of Texas, the State laws shall invalidate only that portion. The remaining portion of the contract(s) shall remain in effect. Any lawsuit shall be governed by Texas law and Fort Bend County, Texas shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Proposal process and resulting Agreements.

15.0 INDEPENDENT CONTRACTOR:

The Respondent is an independent contractor and no employee or agent of the Respondent shall be deemed for any reason to be an employee or agent of the County.

16.0 AMERICANS WITH DISABILITIES ACT (ADA)

Proposals shall comply with all federal, state, county, and local laws concerning this type of products/service/equipment/project and the fulfillment of all ADA requirements.

17.0 DRUG-FREE WORKPLACE:

All Respondents shall provide any and all notices as may be required under the Drug-Free Workplace Act of 1988, 28 CFR Part 67, Subpart F, to their employees and all sub-contractors to insure that the County maintains a drug-free workplace.

18.0 PERFORMANCE AND PAYMENT BOND:

No performance nor payment bond is required for this project.

19.0 POWER OF ATTORNEY:

An attorney-in-fact who signs a bid bond, performance bond or payment bond must file with each bond a certified and effectively dated copy of his or her power of attorney.

20.0 TEXAS ETHICS COMMISSION FORM 1295:

20.1 Effective January 1, 2016 all contracts executed by Commissioners Court, regardless of the dollar amount, will require completion of Form 1295 "Certificate of Interested Parties", per the new Government Code Statute §2252.908. All firms submitting a response to a formal Bid, RFP, SOQ or any contracts, contract amendments, renewals or change orders are required to complete the Form 1295 online through the State of Texas Ethics Commission website. Please visit:

<https://www.ethics.state.tx.us/File/>

20.2 On-line instructions:

20.2.1 Name of governmental entity is to read: Fort Bend County.

20.2.2 Identification number use: RFP 24-005.

20.2.3 Description is: Property & Casualty Insurance Program Third Party Administration Services.

20.3 Highest evaluated vendor will be required to provide the Form 1295 within three (3) calendar days from notification; however, if your company is publicly traded you are not required to complete this form.

21.0 INSURANCE:

- 21.1 All respondents shall submit, with RFP, a current certificate of insurance indicating coverage in the amounts stated below. In lieu of submitting a certificate of insurance, respondents may submit, with RFP, a notarized statement from an Insurance company, authorized to conduct business in the State of Texas, and acceptable to Fort Bend County, guaranteeing the issuance of an insurance policy, with the coverage stated below, to the firm named therein, if successful, upon award of this Contract.
- 21.2 At contract execution, contractor shall furnish County with properly executed certificates of insurance, which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form (or a Claims Made form for Professional Liability insurance) from such companies having Best's rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:
- 21.2.1 Workers' Compensation insurance. Substitutes to genuine Workers' Compensation Insurance will not be allowed.
- 21.2.2 Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
- 21.2.3 Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.
- 21.2.4 Professional Liability (Errors & Omissions) Insurance with limits of not less than \$1,000,000 each occurrence, \$2,000,000 aggregate. Such insurance will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. No Professional Liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.

- 21.3 County and the members of Commissioners Court shall be named as additional insured on a Primary and Non-Contributory basis to all required coverage except for Workers' Compensation and Professional Liability (Medical Malpractice) Insurance. All Liability policies including Workers' Compensation written on behalf of contractor, shall contain a waiver of subrogation in favor of County and members of Commissioners Court.
- 21.4 If required coverage is written on a claims-made basis, contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time that work under the agreement is completed.

22.0 INDEMNIFICATION:

Respondent shall save harmless County from and against all claims, liability, and expenses, including reasonable attorney's fees, arising from activities of Respondent, its agents, servants or employees, performed under this agreement that result from the negligent act, error, or omission of Respondent or any of Respondent's agents, servants or employees.

- 22.1 Respondent shall timely report all such matters to Fort Bend County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide Fort Bend County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of Fort Bend County required by Respondent in the defense of each matter.
- 22.2 Respondent's duty to defend, indemnify and hold Fort Bend County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by Fort Bend County in writing. The provisions of this section shall survive the termination of the contract and shall remain in full force and effect with respect to all such matters no matter when they arise.
- 22.3 In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Respondent, Respondent shall never-the-less fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Respondent are not at issue in the matter.
- 22.4 Respondent's indemnification shall cover, and Respondent agrees to indemnify Fort Bend County, in the event Fort Bend County is found to have been negligent for having selected Respondent to perform the work described in this request.

- 22.5 The provision by Respondent of insurance shall not limit the liability of Respondent under an agreement.
- 22.6 Respondent shall cause all trade contractors and any other contractor who may have a contract to perform construction or installation work in the area where work will be performed under this request, to agree to indemnify Fort Bend County and to hold it harmless from all claims for bodily injury and property damage that arise may from said Respondent's operations. Such provisions shall be in form satisfactory to Fort Bend County.
- 22.7 Loss Deduction Clause - Fort Bend 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 deductibles shall be the sole responsibility of Respondent and/or trade contractor providing such insurance.

23.0 STATE LAW REQUIREMENTS FOR CONTRACTS:

The contents of this section are required by Texas Law and are included by County regardless of content.

- 23.1 Agreement to Not Boycott Israel Chapter 2271 Texas Government Code: Contractor verifies that if Contractor employs ten (10) or more full-time employees and this Agreement has a value of \$100,000 or more, Contractor does not boycott Israel and will not boycott Israel during the term of this Agreement.
- 23.2 Texas Government Code Section 2251.152 Acknowledgment: By signature on vendor form, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153.

24.0 HUMAN TRAFFICKING:

By acceptance of this contract, Contractor acknowledges that Fort Bend County is opposed to human trafficking and that no County funds will be used in support of services or activities that violate human trafficking laws.

****25.0 TENTATIVE SCHEDULE:**

Release of RFP:	August 13, 2023
Deadline for Questions:	August 22, 2023
**Submission Due Date:	**September 19 12 5, 2023
**Evaluation of Submissions:	**Week of September 25 18 11 th , 2023
**Commissioners Court Permission to Negotiate:	** October 10 September 26 , 2023
**Negotiations:	** Begin October 11 September 27 , 2023
Final Contract Approval Commissioners Court:	November 14, 2023

26.0 PRE-RFP CONFERENCE:

There is no Pre-RFP meeting for this solicitation.

***27.0 EVALUATION CRITERIA:**

In order to facilitate the analysis of responses to this Proposal, Respondents are required to prepare their proposals in accordance with the instructions outlined in this part. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements of the Proposal. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled.

- 27.1 Respondents are required to follow the outline below when preparing their proposals:

Tab	Title
	Title Page
	Table of Contents
	Executive Summary
1	Understanding Requirements
2	Qualifications/Experience/References
3	Price
4	Required forms and overall completeness of submission

- 27.2 Any exceptions to the Proposal requirements shall be identified in the applicable section.

- *27.3 Executive Summary - This section should be limited to a brief narrative highlighting the company's background and experience. Narrative should clearly demonstrate compliance with Respondent's qualifications listed in the RFP specifications. Include length of time the company has been in business and provide examples of past/current projects. Provide a list of newly awarded contracts and pending contracts.

- 27.4 Respondents will be evaluated utilizing the factors, as weighted below:

Tab 1

Understanding Requirements (weight factor = 25%)

- Provide written response to all questions in Attachment 1.

Tab 2

Qualifications/Experience/References (weight factor = 35%)

- Provide the following information: Length of time respondent has been in the business of Third Party Administration; current and recent history of past performance by the Respondent of a similar nature to the performance offered in response to the RFP; any evidence submitted (letters of reference) or readily attainable regarding the quality of past performance and the reliability of responsiveness of the Respondent; the apparent capabilities of the Respondent to perform well in the execution of its obligations under a contract with the County as evidenced by its leadership and management personnel, size of organization, length of time in business, past performance, and other current contractual obligations defining the Respondents capability to undertake and successfully fulfill the obligations proposed to be undertaken by its submission of a proposal in response to this RFP. Respondent should outline experience with clients of the same size and/or same vicinity/state as this County.

Tab 3

Price (weight factor = 35%)

- Complete Attachment 2.

Tab 4

Required forms and overall completeness of submission (weight factor = 5%)

- Proof of Insurance
- Completed Respondent forms
- Completed W9 form
- Completed debt form

28.0 AWARD:

RFP will be evaluated by a committee comprised of County staff. The committee will review Request for Qualifications submitted and may develop a short list of not more than four (4) firms. These firms may be requested to submit additional information and may be invited for a presentation with the Committee. Based on further review after the interviews, the committee will forward their recommendations to the Fort Bend County Commissioners Court.

29.0 TERM OF CONTRACT:

The term of this contract is for a period of twenty-four (24) months, commencing on January 1, 2024, and ending at the close of business on December 31, 2025, with three (3) additional one-year renewal options under the same terms and conditions if mutually agreeable to both parties. Either party for any reason may terminate this contract by giving thirty (30) days written notice of the intent to terminate.

30.0 REQUIRED FORMS:

All respondents submitting are required to complete the attached/included and return with submission:

- 30.1 Vendor Form
- 30.2 W9 Form
- 30.3 Tax Form/Debt/Residence Certification
- 30.4 Proof of Insurance

31.0 ATTACHMENTS:

- 31.1 Attachment 1: General Questionnaire
- 31.2 Attachment 2: Pricing

RFP 24-005
ATTACHMENT 1: GENERAL QUESTIONNAIRE

A. Location and Personnel

1. List the location of your firm's main office and the locations of offices in the State of Texas. Provide the address of the office location that will service the County.
2. Identify the person directly responsible as the Account Coordinator on behalf of the County and provide contact information for that person and include a brief description of the representative's background, experience and qualification, as well as an explanation of the representative's role and responsibilities for the firm.
 - a. What are the responsibilities of this position?
 - b. What additional duties may be required of this individual besides that of account coordinator?
 - c. What authority does this individual have to affect action and changes on behalf of the County?
 - d. How is the account coordinator monitored and evaluated? By whom and how frequently?
 - e. Is the account coordinator's compensation related to performance?
 - f. Please provide a resume of the Account Coordinator recommended for the County's program. Please include prior experience in this position.
 - g. From which office is this person based?

B. Designated Adjusters

1. If you designate an adjuster, or a team, will this person handle more than one jurisdiction? If so, how many jurisdictions and which ones?
2. What training or development is provided to adjusters who manage claims for multiple jurisdictions?
3. Please provide resumes of the adjusters who are recommended to be assigned to the County account. Please include the jurisdictions with which they currently work and length of experience with each jurisdiction.
4. What are adjuster turnover rates, nationally and by branch?
5. What are adjuster caseloads, nationally and by branch?
6. What is the maximum adjuster caseload allowed?
7. Will adjusters work from a company office or from home?

C. Firm Overview

1. Provide an overview of the firm, including the full legal name of the institution, state of organization and supervisory and regulatory authorities that oversee the institution.
2. Provide a summary of the ownership and management of the firm. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months?
3. Provide an annual report or other information describing your business, its scope, size and structure.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

4. When was your business started and how long has it provided claims administration services?
5. How many clients do you support and what is the average size of the clients business?
6. Does your firm carry Errors and Omissions coverage for its staff? Who is covered?

D. Claim Office Structure

1. What is the structure of each claim office?
2. What is the supervisor to adjuster ratio? What are the specific supervisory duties and responsibilities? Do supervisors supervise any staff other than adjusters?
3. Do supervisors manage claims? If so, what is their caseload?
4. How are supervisors monitored and evaluated, how frequently and by whom? Is compensation related to performance?
5. What internal audit functions does your company perform, either at the home office or claim office level?

E. Volume of Business.

1. Provide a summary of the firm's claim volume for each of the past three years by the following categories: commercial property, general liability, commercial umbrella and commercial automobile, public official liability and bond, and workers' compensation.
2. If the office that will service the County's account is a branch or subsidiary of a national or regional firm, the above information should be provided for both the office providing services to the County and the entire firm.

F. References.

1. Provide a list of at least three clients with insurance adjusting needs similar to the County which may include public schools, city, county or state governmental entities.
2. Describe your firm's specific experience providing services to each of those clients.
3. Describe your experience, if any, providing third party claims administration services to counties in the State of Texas
4. Describe any issues or problems that have impacted any of the client accounts described in this section.
5. Identify ways in which you added unique value or problem solving to any of the client accounts.
6. Provide contact information to enable the County to contact those accounts as references.
7. Identify any new accounts for governmental entities obtained in the past three years and any such accounts that the firm has lost. Provide an explanation for the lost accounts.

G. Customer Support.

1. Describe and discuss your staff available to support the County.

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ATTACHMENT 1: GENERAL QUESTIONNAIRE

2. How much of that staff is located in the state of Texas?
3. How many dedicated claims support staff does the firm maintain?
4. What portion of the claims support staff is located in the state of Texas?
5. How many claims support staff are located in the office that will service the County?
6. Identify the average number of claims support staff per customer account and the average number of claims handled by each claims support staff member each year.
7. Identify any technology or related tools available from your firm and describe the advantages those tools offer the County.
8. What are your internal quality assurance processes? Please provide your company's service standards or best practices?
9. How are adjusters monitored and/or compensated to ensure compliance with your internal service standards or best practices with the County's client service instructions?
10. Describe your risk management information system (RMIS). What controls are in place to ensure data integrity?
11. Describe what type of access and training you will be offering the County to your RMIS

H. Claim Notes

1. What information is required to be included in the claim notes?
2. What are the supervisory file review criteria? What supervisory note documentation is required?
3. Are medical case manager notes included?
4. Who else enters claim notes?

I. Reserving Practices

1. What is your company's reserving philosophy?
2. When are initial reserves established?
3. When and how do you communicate reserve information to the client?
4. When do supervisors review initial reserves, reserve changes and conduct periodic reserve reviews?
5. What subjective information and/or objective tools are used by your company to establish reserves?
6. Does your company use an automated reserving program to establish reserves?

J. Diary System

1. What automatic system diary notices are provided, to whom and when?
2. How frequently do supervisors monitor/review claims?
3. How frequently are adjusters expected to review a claim? Other diary notices.

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ATTACHMENT 1: GENERAL QUESTIONNAIRE

K. Subrogation

1. The County does not allow subrogation to be pursued without County approval.
2. Describe your subrogation services. What criteria are used for exploring cases with potential subrogation? Do you use resources from outside your organization for this service? How does this affect pricing?
3. Please discuss in detail any additional fees required for these services.

L. Litigation Management Strategies

1. What are your litigation management practices?
2. What is the procedure for assigning defense counsel to a claim?
3. What is the adjuster and supervisor involvement in a litigated claim?
4. Describe your process for coordinating with County counsel.
5. Do you have an approved outside counsel list? Will you add our preferred attorneys to the list?

M. Allocated Loss Adjustment Expenses (ALAE)

1. What do you define as ALAE?
2. What are the adjuster's responsibilities?

N. Client Instructions

1. How are client service instructions made available to adjusters?
2. Is there a gate-keeping system that will require the adjuster to complete or comply with all items of the client special handling instructions?
3. How do supervisors ensure adjuster's compliance with client service instructions?

O. Claim Review Meetings

1. Claim review meetings will be conducted with the County on a quarterly basis.
2. What are your recommendations for scheduling and accomplishing the quarterly claim review meetings?
3. What fees are assessed for this service, if any?

P. Claim Reporting Options

1. What options are available to the County for reporting new losses to your company?
2. How are new losses disbursed to claim offices? What is the guaranteed time frame?
3. What are the internal service standards for establishing a claim file for a new loss?

ATTACHMENT 1: GENERAL QUESTIONNAIRE

4. County currently has a proprietary incident reporting system. After September (2023) incident reporting will be available through Origami. Can County system or Origami interface with your RMIS to upload incident reports to you? Is there a cost for this service?
5. Please provide pricing options.

Q. Centralized Medical Only Claim Handling

1. Please provide a detailed description of your capabilities relative to the administration of medical only claims.
2. If so, please provide details of locations, personnel, and best practices.

R. Billing/Funding

1. What billing options are available to the County? How are fees estimated if billed on a per-claim basis?
2. What banking arrangements are available to the County?
3. How is the imprest/escrow fund determined?
4. Please outline your internal procedures to ensure security of claim checks.
5. Are benefit checks issued from the claim office or from a central facility?

S. Carrier Protocols

1. How is claim data transferred to an excess insurance carrier? Is there a cost associated with this service?
2. How are claims with excess insurance potential identified?
3. How are claims with excess insurance potential reported?
4. When, and how, is the client notified of these types of claims?
5. The County is self-insured and has its' own RMIS for internally-handled claims, to review third party administered claims and to run combined reports of internally/externally handled claims. Does your system have the ability to interface with the County's RMIS (Origami) to include notes, reserves, financial transactions, photos, accident investigative reports, incident reports, etc.? Is there a cost for this interface or data transfer service? If, please include pricing in your quote.

T. Implementation Plan

1. Please provide a management plan and timeline for the implementation of the County's program.
2. Please include who will be responsible for each activity.

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ATTACHMENT 1: GENERAL QUESTIONNAIRE

U. Cost Reduction Results

1. Please provide your average cost per claim for workers' compensation medical only and lost time claims, auto liability bodily injury and general liability bodily injury claims.
2. Please provide the average number of days a workers' compensation medical only and lost time, auto liability bodily injury and general liability bodily injury claim is in an open status.
3. Please provide the average number of days your claimants are on temporary total disability.
4. Please provide details on your temporary transitional assignment (modified duty) process for compensable injured employees on workers compensation.
5. Please provide additional information that reflects your company's cost reduction outcomes.

V. Legal, Regulatory and Ethics Actions

1. Provide a summary of any litigation, arbitration and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as a third party claims administrator.
2. Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements or damage claims.

W. Licenses

1. Provide evidence that the third party administrator and persons performing the work for the County maintain all Texas licenses in order to provide the service insurance sought pursuant to this RFP/Q relating to third party administration.

X. OTHER

1. What are your standard procedures with regard to the termination of an account? Describe your procedures for moving both physical files and electronic data. Specifically address your position on transfer of adjuster notes in the electronic information. Provide details on fees associated with transfer of both paper and electronic files. Include information on pricing and terms for claims handling after termination. Finally, include your policy on access to electronic system upon termination of account – including pricing.
2. Discuss your procedures for participation in workers' compensation hearings. Please define roles and responsibilities of in-house resources versus outside representatives – including legal counsel. What is the experience level of hearing representatives?
3. Please describe in detail the various banking options for bill payment that are available

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ATTACHMENT 1: GENERAL QUESTIONNAIRE

to Client. Be sure to include information on any paid loss deposit or claim service fee fund requirements, large loss funding thresholds and wire transfer payment options. Include information on the process of actually producing checks including information on checkstock, options or procedure relating to creating, maintenance, and funding of the necessary bank accounts and other related items. Describe the process of managing and reconciling these accounts.

4. Please provide a sample contract.

Print Name and Title of person completing this form: _____.

Name of Agency/Company: _____.

Signature: _____.

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ATTACHMENT 2: PRICING

Please fill in a rate or dollar amount and check mark where applicable in the appropriate column. Please fill in your estimate of claims. Only fill in areas that apply to your proposal. Should you need to explain a fee/charge that was not addressed, use the bottom of the page, and you may go into greater detail in your individual proposal. Please attach this page to the section of your proposal including pricing.

		Estimate of the number of annual claims (based on CY 2022 experience)	COVID Claims					
Workers Compensation		394	205/394					
Medical only		168	16/168					
Indemnity		226	189/226					
AL/GL		67						
Property Damage Non litigated		47						
Bodily Injury Non litigated		8						
Bodily Injury Litigated		18						
Law Enforcement Liability Litigated (Civil Rights)		13						
Employment Practices Liability Litigated		10						
Subrogation for Property Damage		0						
Subrogation for Workers' Compensation		36						
Subrogation for GL/AL		0						
			Life of file	Life of contract				
All lines of Coverage Flat Fee								
	Flat Fee	Fee per Claim	Fee per Hour	T/E mileage				
Attending TDI Hearings Other								

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ATTACHMENT 2: PRICING

Data Conversion								
On-Line Computer Services (Incident Reporting)								
RMIS System and Services – Annual Administration Fee (Interfaces and other fees)								
Run-Off Costs								
Run IN costs								
Field Services/Investigation								
Designated Doctor review								
RME Coordination								

**INSURANCE COMPANY ADMINISTRATION, THIRD PARTY ADMINISTRATION
AND COST CONTAINMENT ADMINISTRATION**

	Flat Fee	Fee per Review	Fee per Hour	Fee per Bill	T/E mileage				
Hospital Bill Audit									
Physician Peer-Review									
Chiropractic Peer-Review									
Pre-Authorization									
Utilization Review									
Medical/Rx Bill Audits									
Use of PPO Networks									
Rehabilitation Services									
Vocational Case Management									
Impairment Rating review									
	Other Charges/Fees Explanation:								

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ATTACHMENT 2: PRICING

	Other Charges/Fees Explanation:
	Other Charges/ Fees Explanation:
	Other Charges/Fees Explanation:
	Do you require any deposits? Y / N If yes, please explain purpose and dollar amounts:
	Does your proposal offer multi-year pricing? Y / N If yes, explain how long pricing is in effect:
	State your guaranteed annual flat fee:
	State your estimated annual fee including all charges:
	Name/Signature:
	Company/Agency:

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ATTACHMENT 2: PRICING

Full Legal Name of
Firm/Entity:

Name of Person(s)
Completing this form:

Physical Address of
Firm/Entity:

City, State, Zip:

Mailing Address:

(if different from above)

City, State, Zip:

Phone Number:

Fax Number:

Name and Email Address for the Individual acting as the Primary Contact:

Name:

Email Address:

Website of Firm/Entity:

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check <u>only one</u> of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number									
				-				-	
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Job No.: _____

TAX FORM/DEBT/ RESIDENCE CERTIFICATION
(for Advertised Projects)

Taxpayer Identification Number (T.I.N.): _____

Company Name submitting Bid/Proposal: _____

Mailing Address: _____

Are you registered to do business in the State of Texas? Yes No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.*

Property address or location**

* This is the property account identification number assigned by the Fort Bend County Appraisal District.

** For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.

II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

Yes No If yes, attach a separate page explaining the debt.

III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

I certify that _____ is a Resident Bidder of Texas as defined in Government Code §2252.001.
[Company Name]

I certify that _____ is a Nonresident Bidder as defined in Government Code §2252.001 and our principal place of business is _____.
[City and State]

Exhibit B

P&C Claims TPA Services

RFP 24-005



Davies

1250 S. Capital of Texas Highway
Building 1 Suite 460
Austin, Texas 78746



+ Davies

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Executive Summary

Davies is delighted to submit our response for the opportunity to serve as the TPA for Fort Bend County. With a proven ability to deliver customized solutions for our clients and the scale and depth of resource you need, Davies is prepared to become a true extension of your team. We believe that we have a clear understanding of your objectives and are confident in our ability to improve your claims performance, reduce spend and deliver superior service.

This confidence originates from the fact that Davies has >40 years of relevant TPA experience as workers' compensation and liability specialists, working with hundreds of diverse clients, including municipalities, which comprise 60% of our client base. Our average client relationship is 14 years, with some exceeding 30 years. We have an excellent track record of achieving positive claim outcomes for our clients. Our recent new and pending contracts include providing TPA services to the City of Gainesville, Hamilton Company, Palm Beach County Schools, and Caspers. We have vast experience handling claims in Texas, including current clients Alvin Independent School District, Texas City Independent School District, Port Neches-Groves Independent School District, Nederland Independent School District (ISD), and previously Galveston County. Your claims team will all be based in Texas with vast knowledge of all relevant state laws, statutes, and state regulations. Texas-based, The Littleton Group, was acquired by Davies in 2021, which added a wealth of experience and technical expertise to our growing Property and Casualty claims capability in the US. Together Davies/Littleton have unparalleled experience providing service to Texas clients, understanding the unique needs specific to the state.

We specialize in delivering an end-to-end range of comprehensive claims solutions with flexible service and pricing models tailored to each client. From process flows and reporting styles, every aspect of our adjusting solution is customized to each client. This personalized approach coupled with our best practices in claims handling ensures a targeted focus on reducing the overall cost of claims, optimizing the customer experience, and eliminating avoidable litigation. Our user-friendly claims system provides all the tools, accessibility, data security, and flexibility to successfully manage your claims. Fort Bend can select as many users as they wish to access the system.

Our highly experienced team is supported by a combination of sophisticated, flexible managed care solutions and a scientific approach to data analytics. These components work together seamlessly to return injured workers back to work in the quickest possible time. Our vast managed care capabilities include desk and field nurse case management and triage, medical bill review, pharmacy benefit management, telemedicine, as well as utilization and peer review. We are also skilled at providing healthcare networks and 504 plans in the state of Texas as needed. Data analytics is critical to achieving optimum claim outcomes in workers' compensation.

Davies fully complies with the terms and conditions set forth by the County and is enthusiastic about the opportunity to demonstrate our capabilities. We welcome the opportunity to discuss our proposal further with you.



Alice Wells
Senior Vice President, Claims Solutions
Davies North America
P: (877) 208-8372
E: alice.wells@us.davies-group.com



>40 years
of relevant TPA experience



14 years
average client relationship

Tab 1:

Understanding Requirements

Attachment 1 - General Questionnaire

A. Location and Personnel

- 1** List the location of your firm's main office and the locations of offices in the State of Texas. Provide the address of the office location that will service the County.

We have extensive experience handling claims in Texas, with resources including seven physical office locations in Texas (i.e., Abilene, Austin, Coppell, Houston, Irving, San Antonio(x2)) and over 16 virtual office locations (see map below). Davies corporate headquarters is in Nashville, TN (26 Century Blvd. Suite NT350, Nashville, TN 37214).

Davies Texas Office Locations



Our Austin office would service Fort Bend's program, including Workers' compensation, GL and AL claims:

1250 S. Capital of Texas Highway, Building 1 Suite 460. Austin, Texas 78746

- 2** Identify the person directly responsible as the Account Coordinator on behalf of the County and provide contact information for that person and include a brief description of the representative's background, experience and qualification, as well as an explanation of the representative's role and responsibilities for the firm.

Patricia Piper

AVP/Fort Bend County Account Coordinator

P: (800) 322-1276 ext. 2089

M: (615) 571-5351

E: patricia.piper@us.davies-group.com

Ms. Piper is a senior member of the Davies US casualty leadership team and will be the executive leader providing regular support for the County's account. She has over 40 years of industry experience, including over 20 years of supervisory and management experience in various roles. She has been with Davies since 2007 and has vast experience overseeing client accounts, managing adjusting staff, and handling claims. She attended El Centro Community College in Dallas, TX and maintains a multi-Lines license for Texas and a workers' compensation license for Oklahoma. Her experience includes serving as account manager for our Texas accounts and she currently oversees a team of claims managers, supervisors, adjusters, administrators, and assistants. She is based in Texas and has extensive experience overseeing claims programs for Texas municipalities.

a. What are the responsibilities of this position?

Ms. Piper will coordinate the transition, including staff training and interacting with the County to draft special handling guidelines; and identify key outcome-based measurements, goals/objectives, and other policies/procedures. She will provide overall program oversight/compliance and serve as point of contact to resolve service-related and staffing concerns to ensure claims services consistently meet your needs. The account manager will also oversee performance to ensure the highest level of customer service is achieved, remaining readily available via phone, email and/or in-person as needed to promptly handle requests, answer questions, and share information (e.g., reports, marketing insights, claims information). Ms. Piper will also arrange quarterly claim reviews with the County, key claims staff and all other relevant parties, providing supporting reports and data. Annually, a comprehensive stewardship report will be delivered and presented to the County to monitor trends, discuss the program, and make any recommendations for improvement.

b. What additional duties may be required of this individual besides that of account coordinator?

If there are other duties you would like the account coordinator to perform, we are happy to discuss them with you and assign them to the account coordinator or another appropriate individual.

Another role of the account coordinator will be to proactively recommend innovative ideas, new products, and services to ensure that the County is always aware of technology and other offerings that could reduce costs and enhance service.

c. What authority does this individual have to affect action and changes on behalf of the County?

The account coordinator can respond to inquiries and make routine decisions. She maintains a direct line of communication with Davies leadership team in the event an issue must be escalated.

d. How is the account coordinator monitored and evaluated? By whom and how frequently?

The Senior Vice President of Claims supervises the Account Coordinator on an ongoing basis and a formal evaluation is conducted annually.

e. Is the account coordinator's compensation related to performance?

Yes

f. Please provide a resume of the Account Coordinator recommended for the County's program. Please include prior experience in this position.

Please see Appendix B for Patricia Piper's resume. She has served as account manager/coordinator for our client accounts for over eight years.

g. From which office is this person based?

Ms. Piper is based in Texas and will be overseeing the team based out of our Austin office.

B. Designated Adjusters

1 If you designate an adjuster, or a team, will this person handle more than one jurisdiction? If so, how many jurisdictions and which ones?

Proposed workers' compensation adjuster, Marsha Thweatt, primarily handles Texas workers' compensation claims, but also handles New Mexico workers' compensation claims. Kristen O'Sullivan primarily handles Texas claims, but also handles claims in the following jurisdictions: Alabama, Florida, Georgia, Kentucky, Louisiana, Massachusetts, North Carolina, Oklahoma, South Carolina, Virginia, and Wyoming.

2 What training or development is provided to adjusters who manage claims for multiple jurisdictions?

All adjusters assigned to Fort Bend County will be based in Texas, well versed in Texas laws and statutes, and licensed as required. Assigned adjuster, Marsha Thweatt is an expert in handling Texas workers' compensation claims and Kristen O'Sullivan is an expert in Texas liability claims. Both Marsha and Kristen participate in ongoing training.

Our comprehensive training program is described below.

Davies offers advanced training solutions, including new hire training, ongoing training initiatives and Davies Virtual Reality training platform. Davies VR training platform, developed by Davies as part of our Innovation lab, immerses claim users into a fully simulated environment for realistic claims scenarios, giving adjusters first-hand experience of a policyholder's loss, and is designed to increase user engagement, empathy and understanding of a claim. Each new employee completes formal and thorough orientation training on our procedures and expectations and all adjusters are also given account-specific training before working with a new client.

Training and continuing education is an ongoing process, which improves professional/personal development and benefits clients. Continuing education opportunities include, but are not limited to, training on the following topics: fraud and red flag indicators, investigation techniques, statement taking, reserving, reporting, subrogation, return to work strategies, litigation, and state/federal regulatory updates. Training can also be customized based on client needs (e.g., disaster response, stress claims administration, catastrophic injuries). RMIS training is ongoing, and Davies often provides monthly or quarterly training sessions on a variety of medical and legal topics, which are usually conducted by vendor subject matter experts. Additionally, Davies Thrive platform allows our staff to access a wide array of both personal and professional development resources, videos, and lessons to develop new skills and explore topics of interest at their own pace.

Davies assumes the cost of professional designations, attendance of seminars, and work-related courses for our adjusters to obtain necessary CEUs to maintain their state license requirements annually. Davies senior management also encourages membership in local professional associations and claims groups to remain abreast of industry updates and changes, such as legislation and litigation trends. Local offices subscribe to industry newsletters, including the AIA Claims Administration Digest and the ALFA State by State Workers' Compensation Analysis. Each claim manager is responsible for disseminating information concerning changes in the jurisdiction covered by their office.

3 Please provide resumes of the adjusters who are recommended to be assigned to the County account. Please include the jurisdictions with which they currently work and length of experience with each jurisdiction.

Marsha Thweatt, Sr. Workers' Claims Adjuster

Ms. Thweatt resides in Texas and has worked with Davies/The Littleton Group for over nine years and has over 20 years of industry experience as a workers' compensation adjuster. She maintains a Texas workers' compensation license and has experience handling Texas municipal claims. She has over 20 years' experience handling Texas claims and two years' experience handling New Mexico claims. Her experience includes handling workers' compensation claims for the following self-funded accounts: Alvin Independent School District (ISD), Galveston County, and the Texas City Independent School District (ISD). As a workers' compensation expert, she is well versed in handling all aspects of workers' compensation claims, including lost time and medical only. Because Ms. Thweatt understands how cities/counties are structured, she understands the importance of establishing working relationships with different department heads and administrators and is very skilled at efficiently communicating with all necessary stakeholders.

**Please see Appendix B for her full resume and Appendix C for her workers' compensation license.*

Kristen O'Sullivan, Sr. Liability Adjuster

Ms. O'Sullivan is based in Texas and has 24 years' experience handling Texas liability claims and has been with Davies for over six years., including auto liability, general liability, commercial liability, bodily injury, and litigated claims. She has a thorough knowledge of coverages; risk and exposure; and the ability to quickly identify loss trends and monitor claim reserves throughout the claim's life. She maintains a Texas workers' P&C Adjuster License and has experience handling Texas municipal claims. Her expertise also includes handling litigated claims. Her previous experience includes serving as a Liability Claims Manager for Santa Fe Auto Insurance, a Claims Supervisor for Geico, and a Claims Examiner for Progressive, USAA, and AMCO Insurance.

***Please see Attachment B for her full resume and Appendix C for her Texas adjusting license.**

Ms. Thweatt and Ms. O'Sullivan will handle claims from initial notice through resolution, performing three-point contact on claims, as required. Responsibilities include serving as a liaison with the client; investigating claims; evaluating coverages, exposures, and settlement values; establishing/maintaining appropriate reserves; reviewing/approving bills; ensuring appropriate state notice and reporting requirements are met; overseeing subrogation and collection issues; reporting findings and conclusions; collaborating with all parties to move claims to timely resolution; and negotiating/ concluding claims.

4 What are adjuster turnover rates, nationally and by branch?

Davies average adjuster turnover rate is approximately 8%, both nationally and by division.

5 What are adjuster caseloads, nationally and by branch?

We are committed to maintaining manageable caseloads to allow our adjusters to efficiently bring their claims to conclusion, resulting in lower claim durations and lower overall costs. The national and branch level caseloads limits are the same.

+ Lost Time: 130-140 claims

+ Medical Only: 260-275 claims

+ Liability: 150 claims

The average can vary slightly by experience level and complexity of claims.

6 What is the maximum adjuster caseload allowed?

+ Lost Time: 140 claims

+ Medical Only: 275 claims

+ Liability: 150 claims

7 Will adjusters work from a company office or from home?

Davies allows for flexible work arrangements for employees, including remote/hybrid/in-office work, unless a particular client requires an onsite, dedicated adjusting unit. We are happy to discuss any preferences with the County.

C. Firm Overview

1 Provide an overview of the firm, including the full legal name of the institution, state of organization and supervisory and regulatory authorities that oversee the institution.

Davies is a multi-award-winning professional services and technology business, established in 1968. We have over 50 years of expertise serving highly regulated markets via core operations in claims, insurance services, consulting, technology, and legal solutions. In addition to our core third party administration service, Davies provides a full range of first-class tech-enabled claims solutions including desk-led technical claims handling, field adjusting, appraisals, and subrogation. to insurers, brokers, MGAs

(Managing General Agents), corporations, and public entities.

Davies US, LLC is the parent company of various entities, including The Littleton Group (dba Davies Claims Solutions), the legal name of the Davies business that will serve as the TPA for Fort Bend County. Texas is the state of formation for The Littleton Group. The Departments of Insurance in every state in which Davies is licensed and the Secretaries of State where the entity is registered have oversight of the contracting entity.

Davies has established and expanded its operations in the US over the last few years through a combination of organic growth and strategic acquisitions to develop specialized claims handling divisions that span workers' compensation, property and casualty, transportation and life and health across all 50 states. Davies US now employs >1,800 professionals in the US and manages >300,000 claims annually. Davies and our clients benefit from having resources available throughout our regional offices located across the country, including our headquarters in Nashville, TN. Texas-based The Littleton Group, now part of Davies, expanded Davies existing experience and expertise in handling Texas claims.

2 Provide a summary of the ownership and management of the firm. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months?

In August 2021, BC Partners, a leading international investment firm acquired a majority stake in Davies. This new partnership has diversified and strengthened Davies shareholder base, as we seek to drive further global expansion, increase investment in technology and digital transformation and continue to partner with complementary businesses via M&A. Existing investors HGGC and AIMCO continue to hold minority ownership stakes in the business, alongside the Davies leadership team and employees.

Over the last three years, Davies has acquired numerous businesses, including Alternative Service Concept (ASC) in 2019, The Littleton Group in 2021 and Johns Eastern in 2022. These businesses now collectively comprise our workers' compensation, GL and AL claims capabilities.

Our expansion drive will see us continue to acquire like-minded tech enabled insurance focused businesses to support strategic partnerships with our clients across the full spectrum of their supply needs.

3 Provide an annual report or other information describing your business, its scope, size and structure.

Please see Appendix I for the 2022 annual report for the Davies Group.

4 When was your business started and how long has it provided claims administration services?

The Davies Group has been in business since 1968. Davies has been handling claims in the US for over 45 years via integrated organizations. For example, The Littleton Group has provided claims administration services since 1979, Alternative Service Concepts (ASC) since 1975 and Johns Eastern since 1946.

5 How many clients do you support and what is the average size of the clients business?

Davies has over 900 governmental entity clients, including individual members of our group clients and four Texas political subdivisions who self-insure their workers' compensation programs. We serve small, medium, and large entities, ranging in size from 50 employees in some of the smaller counties and villages to over 11,000 in Metropolitan Nashville.

6 Does your firm carry Errors and Omissions coverage for its staff? Who is covered?

Yes, we carry Errors and Omissions coverage for our staff. All employees are covered.

D. Claim Office Structure

1 What is the structure of each claim office?

Our COO, Beverly Adkins, is responsible for the overall operation of the TPA across offices. She will serve as a resource and provide insight, direction and support for the program as needed. Our Senior VP, Alice Wells, supervises the VPs and AVPs who serve as account managers/executives for our client accounts for different offices. AVP, Patricia Piper, is the executive leader based out of our Austin office. She oversees claim supervisors, assistants, and other individuals comprising client claims teams. Claim supervisors oversee adjusters. For the County this will be Ray Luedke.

**See Appendix A for our executive organizational chart.*

2 What is the supervisor to adjuster ratio? What are the specific supervisory duties and responsibilities? Do supervisors supervise any staff other than adjusters?

Davies strives to adhere to a supervisor to adjuster ratio of one to five (1:5) to allow the manager ample time to adequately review files and coach employees on the direction of individual claims.

Typical duties of the claim supervisor include:

- + Reviews and assigns all new claims with recommendations for handling
- + Reviews claims on an ongoing basis to ensure compliance with special handling guidelines and adherence to state notice and reporting requirements
- + Reviews and approves reserve adjustments exceeding adjusters' authority level
- + Ensures appropriate, proactive plans of action are in place to move claims to resolution
- + Ensures potential subrogation is handled appropriately and timely
- + Ensures verbal and written inquiries are responded to in a timely manner
- + Maintains a 90-day supervisor diary
- + Performs regular audits and ongoing quality control to ensure delivery of superior service

Supervisors do not supervise any staff besides adjusters.

3 Do supervisors manage claims? If so, what is their caseload?

No, Supervisors do not manage claims.

4 How are supervisors monitored and evaluated, how frequently and by whom? Is compensation related to performance?

Supervisor performance is monitored on an ongoing basis by the Assistant Vice President/Account Coordinator. We believe in providing real time feedback on performance. A formal performance appraisal is conducted annually, and compensation is tied to performance.

5 What internal audit functions does your company perform, either at the home office or claim office level?

Claim files are subject to periodic audit by the quality and professional standards personnel and clients. Claim audits are scheduled every 12 months, in which 10% of open pending claims are reviewed per office. Claim audits include review of the following:

- | | |
|----------------------|-------------------------|
| + Coverage | + Litigation Management |
| + File Documentation | + Investigations |
| + Contact | + Supervision |
| + Claims Diary | + Follow up/control |
| + Reserves | |

E. Volume of Business

1 Provide a summary of the firm's claim volume for each of the past three years by the following categories: commercial property, general liability, commercial umbrella and commercial automobile, public official liability and bond, and workers' compensation.

Claim Volume	WC	GL	E/O (PO LB)	Property	Vehicle/Auto
5/1/20-21	32,682	5,856	853	7468	18,559
5/1/21-22	31,638	7,136	896	4506	19,438
5/1/22-23	30,564	7,423	656	7088	18,971

Fig. 2

2 If the office that will service the County's account is a branch or subsidiary of a national or regional firm, the above information should be provided for both the office providing services to the County and the entire firm.

N/A

F. References

1 Provide a list of at least three clients with insurance needs similar to the County which may include public schools, city, county, or state governmental entities.

We have included the following list of municipal clients as references with similar insurance needs to the County:

- + Alvin Independent School District (ISD), Texas
- + Texas City Independent School District (ISD), Texas
- + Port Neches-Groves Independent School District (ISD), Texas
- + Nederland Independent School District (ISD), Texas
- + Gwinnett County, Georgia
- + Hamilton County, Indiana

2 Describe your firm's specific experience providing services to each of those clients.

- + Alvin Independent School District (ISD), Texas: workers' compensation claims administration services since 2008
- + Texas City Independent School District (ISD), Texas: workers' compensation claims administration services since 2005
- + Port Neches-Groves Independent School District (ISD), Texas: workers' compensation claims administration services since 2003
- + Nederland Independent School District (ISD), Texas: workers' compensation claims administration since 2003
- + Gwinnett County, Georgia: workers' compensation claims administration services since 2009
- + Hamilton County, Indiana: workers' compensation and liability claims administration since 2004

3 Describe your experience, if any, providing third party claims administration services to counties in the State of Texas.

Davies has worked with numerous Texas public entity clients, such as Alvin Independent School District (ISD), Texas City Independent School District (ISD) Port Neches-Groves Independent School District (ISD), Nederland Independent School District

(ISD), as well as numerous counties, cities, and school districts across the country. The assigned account coordinator, Patricia Piper, and claims supervisor, Ray Luedke, have a long history of overseeing diverse accounts in the field.

Davies/The Littleton Group managed the self-funded workers' compensation program for the County of Galveston from 2007 - 2022. Our staff has experience handling the diverse types of claims associated with Texas counties such as those from the Sheriff's Department and Corrections, Road and Bridge, Parks as well as the claims that occur in an office setting such as the Tax Office.

4 Describe any issues or problems that have impacted any of the client accounts described in this section.

We have not had any issue or problems that impacted the accounts described in this section.

5 Identify ways in which you added unique value or problem solving to any of the client accounts.

Through data collection and analysis, we assist our clients in identifying areas for improvement, then make recommendations to effect positive change. For example, if we see issues with claim reporting delays, we may recommend utilizing a 24/7 claim reporting hotline. We recently worked with a long-time client to implement a nurse triage program which has reduced emergency room visits by 25% by directing injured employees to self-treat when possible and visit local clinics when non-emergent treatment is needed. We assist our clients with establishing relationships with local medical providers to facilitate the treatment and care of their injured employees with a focus on an early return to work and referrals to preferred specialists.

Our collection and reporting of claims data provides a valuable tool for the Risk Management Department in identifying and addressing problems areas to reduce the frequency and severity of claims.

6 Provide contact information to enable the County to contact those accounts as references.

Alvin Independent School District (ISD)

Contact: Donnie Marek, Executive Director of Risk Management

P: (281) 245-2488

E: dbmarek@alvinisd.net

Texas City Independent School District (ISD)

Contact: Na'Taja Jones, MBA, Human Resource Coordinator

P: (409) 916-0181

E: njones@tcisd.org

Port Neches-Groves Independent School District (ISD)

Contact: Tracy Reinholt, Employee Benefits Specialist

P: (409) 722-4244 x 1715

E: treinholt@pngisd.org

Nederland Independent School District (ISD), Texas

Contact: Amoreena Cabrera, Secretary to the Assistant Superintendent

P: (409) 724-2391 x 1228

E: acabrera@nederlandisd.org

Gwinnett County, Georgia

Contact: Carol Vermilya, Human Resources Section Manager

P: (770) 822-7916

E: Carol.Vermilya@gwinnettcountry.com

Hamilton County, Indiana

Contact: Steven Rushforth, Safety & Risk Manager

WP: (317) 770-1976

CP: (317) 764-0417

E: Steven.Rushforth@hamiltoncounty.in.gov

7 Identify any new accounts for governmental entities obtained in the past three years and any such accounts that the firm has lost. Provide an explanation for the lost accounts.

New Governmental Accounts:

- | | |
|---------------------------------|---------------------------------|
| + City of Gainesville, FL | + City of Palm Bay, FL |
| + City of North Miami- FL | + City of Plantation, FL |
| + Charles County Government, MD | + Pinellas County BOCC, FL |
| + Harnett County, NC | + City of St. Cloud, FL |
| + Pennsylvania Turnpike | + Palm Beach County Schools, FL |

Lost Clients

- + City of Marco Island, FL - decided to move the program to their excess carrier's TPA
- + Hillsborough Area Regional Transit, FL - lost during the routine RFP process
- + Oklahoma School Insurance Group (OSIG) - decided to move the program in-house
- + County of Galveston, TX - lost during the routine RFP process

G. Customer Support

1 Describe and discuss your staff available to support the County.

Davies will assign a designated account coordinator, claims supervisor, workers' compensation adjuster and liability adjuster, as well claims assistants and administrative support personnel to support the County's program. We also have a full team of IT/IS personnel to ensure full data security, and our internal Business Services Group (BSG) to assist with the transition of services, data conversion, customization and all your technology and data needs. You will also benefit from our finance/accounting professionals.

2 How much of that staff is in the state of Texas?

All key staff members besides our in-house Business Services Group (BSG) will be based in Texas. However, the County will also benefit from resources available at our Nashville headquarters and other regional offices as needed.

3 How many dedicated claims support staff does the firm maintain?

Davies US has over 1,800 employees across the country, with over 300 total claims professionals located in Texas.

Davies has over 350 team members dedicated to account and claim management services for workers' compensation and liability claims.

4 What portion of the claims support staff is located in the state of Texas?

Most the County's claims support staff will be in Texas, with the exception of some functions handled out of our Nashville and other regional offices.

5 How many claims support staff are located in the office that will service the County?

Managers/supervisors, adjusters and administrative support staff are located at our Austin office. Ray Luedke will be assigned as the claims supervisor, and Marsha Thweatt and Kristen O'Sullivan will serve as the claims adjusters. Ray, Marsha and Kristen are based out of the Austin office, as well as Patricia Piper, AVP/account coordinator. 1.5 additional admin/support staff based out of the office will be available to support the County as well.

6 Identify the average number of claims support staff per customer account and the average number of claims handled by each claims support staff member each year.

In addition to the account coordinator, supervisor and adjusters, each customer typically has 1.5 additional claim support staff. Our claims support staff do not handle claims.

7 Identify any technology or related tools available from your firm and describe the advantages those tools offer the County.

Davies pursues innovation that will reduce cost either through process efficiency or claim spend. Our investment in innovative technology is unrivalled in today's global claims market. We are a pioneer in the technology space with a dedicated technology division, in-house software developers and data scientists. In addition to our vast automation and reporting capabilities, we are supported by Davies global team of over 700 consulting and technology colleagues, including over 200 developers. Our full technology stack, developed in partnership with Davies team of consulting and technology specialists, is available to our customers and includes automation of routine elements of the claims process to allow our handlers to focus on critical value adding handling activity.

Davies offers ODG analytics by MCG as a value-added service. One of the major benefits of the ODG Comorbidity and Reserve Calculators is the Risk Assessment Score (RAS), used for interventional triage at the claims desk. The RAS leverages predictive analytics to assess claim risk, helping claims assessors identify problematic claims for early intervention.

The ODG Risk Assessment Scoring mechanism uses medical codes (ICD diagnosis, National Drug Codes, CPT procedure, DME, HCPCS, and FNOL Nature and Body Part codes) plus claim demographics to quantify relative risk level in a workers' compensation population. A score from 0 to 100 is generated and updated in real-time, ensuring claims adjusters never miss a warning sign, putting the right resources on problematic claims early, while not engaging complex and costly referrals unnecessarily.

Claims are scored using inputs (diagnosis codes, demographics, etc.), with ODG predicting claim risk, disability duration, and total medical/indemnity costs. Two internal scores are generated, which are averaged into an overall ODG Risk Assessment Score (the input scores can also be used individually). The first is a Magnitude Score, which measures the total claim duration/cost relative to other claims. The second is a Volatility Score, which measures the difference between a good outcome and a bad outcome.

Truly catastrophic claims have high Magnitude, but lower Volatility. "Creeper claims," or those that develop into high-dollar claims but are innocuous at intake, will have high Magnitude and Volatility. They will score very high on the ODG scale. Maximum benefit can be obtained from early intervention to prevent these claims from becoming outliers. Using the Risk Assessment Score, adjusters/supervisors can target these claims early, putting resources on high-risk claims first.

The outcomes speak for themselves. Adoption of ODG has led to:

- + Medical cost-savings of 25%-60% (by state and payer)
- + Average disability duration down 34%-66%, median duration down 30%
- + Treatment delay (from date of injury to initial treatment) down 77%
- + Access to care up 42% (more treating providers accepting patients under ODG)
- + Improved health outcomes

8 What are your internal quality assurance processes? Please provide your company's service standards or best practices?

Quality checks and balances are incorporated into each aspect of our functions. To be certain we will achieve the level of service required by our clients throughout the year, we have internal procedures in place to measure and ensure the quality of our adjusters' performance and file outcomes. These procedures include the adjuster report card and claim audits. In question 9 below, we describe our adjuster report card program and in Section D, question 5 we describe our internal claim audits.

***Please see Appendix E for our claims handling best practice guidelines.**

9 How are adjusters monitored and/or compensated to ensure compliance with your internal service standards or best practices with the County's client service instructions?

Davies believes in ongoing performance evaluations to provide continuous coaching, proactively identify areas for improvement, share feedback, and develop action plans. Performance evaluations include regular supervision, monthly adjuster report cards and formal annual reviews.

In addition to annual reviews, the adjuster report card is a monthly review of all open claim files by claim adjusters against a set of pre-defined criteria designed to translate into best handling practices. The following includes a list of claims service standards our adjusters are required to meet and are typically graded on as part of the monthly adjuster report card. The criteria can be modified with our clients to ensure that we are achieving all standards and expectations set by our clients. Adjusters must score at least 95% on each performance benchmark on the report card.

- + Timely claim entry within one (1) day of receipt.
- + Three-point contact with client/member and claimant within 24 hours, as required.
- + Timely initial reserves established within ten (10) days or by the end of the month.
- + Detailed diary set within approved limits for the claim type and a supervisory diary set with proper span based on claim type and severity.
- + Maintenance of diary, including number of days worked in diary. Unworked days should not exceed ten (10) or more. This applies to the diary span score, and this assures that the diary span is current and that there is a proper diary span set for the claim type and severity.
- + Updated activity current with approved limits for claim type and status.
- + A timely captioned report in accordance with claim type and adherence to carrier guidelines and reporting criteria.
- + Development of an action plan within approved standards for claim type and status. Every file should contain an action plan outlining the status of the claim and the next steps to bring the claim to resolution.

10 Describe your risk management information system (RMIS). What controls are in place to ensure data integrity?

Our state-of-the-art, web-based claims system stores all the dates, descriptions and other facts associated with a claim. But beyond that, it is a tool that actively assists the adjuster in working that claim. Its many user-friendly features include:

- + Web-based claims system developed using Microsoft C# and ASP.NET
- + Claims information organized into tables and stored in an encrypted SQL database
- + "Alerts" that can be set on a claim to help the adjuster remain aware of certain situations
- + "Warnings" which display if a claim reaches certain conditions
- + "Reminders" that can be set to trigger on a particular date
- + Advanced diary system to ensure each claim is examined periodically at a customizable interval
- + Tool to assist in properly setting the reserves on a claim, including integration with ODG
- + Tools for calculating any potential recoveries
- + Litigation module which tracks legal expenses and all upcoming depositions, mediations, and hearings in the litigation calendar
- + Imaged documents in paperless environment sorted by category
- + Medicare Screens to document the status of the Query and identify Medicare recipients
- + Limits which can be set to allow supervisors to monitor the progression of each claim's resolution
- + Email capabilities within the claim file
- + Client-customizable dashboards to view pertinent program metrics
- + Instant messaging within the system

Our claims system also includes:

Built-in Dashboards and Report Designer

Our system will transform your company's data into rich visuals built and defined by you. User-customizable screens, layouts, and reports allow you to modify the look and feel to meet your business's needs and export those images and files into a wide range of file extensions including MS Word, Excel, PDF, JPG and PNG.

As another value-added feature, we utilize an analytics tool powered by Microsoft Power BI that is available to our clients. This tool allows clients to visualize data using a unified, scalable platform for business intelligence (BI) that is easy to use and helps you gain deeper insight into your data. It also allows for fast, AI-powered answers to your business questions — even when asking with conversational language. Our programmers are ready to assist with the creation of your custom BI environment.

Enhanced Business Rules

Attach business rules to virtually any button in the system and automatically generate emails, letters, reports, diaries, or notes on the completion of a task.

Seamless Third-Party Integrations

Our software integrates effortlessly with third parties. For example: EDI, ISO, Medicare, Medical Bill Review, Pharmacy Bill Review, OFAC, ODG and more.

Browser Independent

The system is HTML 5 and CSS3 compliant, which also provides more freedom to use your favorite web browser, while also eliminating the need for Active X controls. This ensures a more personalized user experience as well as the ability to utilize mobile devices.

We have procedures in place to ensure data integrity, including to identify duplicate payment. Our system uses the payment history feature to prevent duplicate payments. The system automatically checks for possible duplicate payments based on claim number, payee name and social security number, tax number, dates of service and other duplicate detection fields. An automated alert is issued for the adjuster if a possible duplicate payment is attempted, or if a claim assistant tries to save a duplicate claim in error. Our Business Services Group (BSG) can also view pending data integrity through monthly reports broken down by notice date, adjuster, claims litigated, subrogation, reserves, and all active claims. These are detailed Excel reports that determine if there is any data mismatch or discrepancy.

11 Describe what type of access and training you will be offering the County to your RMIS.

Authorized client users can access the RMIS 24/7/365 remotely via the Internet, with no special hardware required. An intricate security module prevents access by unauthorized personnel. The RMIS offers web access to deliver fast, secure, real-time information through an easy-to-use interface.

With proper password access, the client can examine:

- | | |
|---|-------------------------------------|
| + Claim detail, including dates and descriptions | + Reserve current levels |
| + Diary notes | + Attorney information |
| + Payment summary and details of individual payment | + Recoveries (actual and potential) |
| + Doctor information | + Litigation Calendar |

The client can filter and summarize the list of payments based on:

- | | |
|-------------------------------|---------------------------|
| + Check issuance dates | + Pay types (one or more) |
| + Reserve types (one or more) | |

The client can filter the list of diary notes based on:

- | | |
|--------------------------------|-------------------------------|
| + Date note entered | + Text string within the note |
| + The class of the note author | + Note type |
| + Note author | |

We have an in-house Business Services Group (BSG) available to provide RMIS training and technical support for our team and clients, ensuring customization required to provide the RMIS experience you desire.

H. Claim Notes

1 What information is required to be included in the claim notes?

Documentation must be adequate, including what was done, by whom, when, to what result, analysis of the information, and the basis for any decision. Adjusters also document an action plan for each claim and payments made on that claim. The diary log contains diary date, account number, claim number, loss date, diary type, claimant/description and claim status.

2 What are the supervisory file review criteria? What supervisory note documentation is required?

Supervisors review claims at all levels to confirm:

- + A thorough investigation has been carried out
- + State filings have been issued in a timely manner
- + Reserves are at appropriate levels based on available information
- + The potential for subrogation has been evaluated
- + Issues of compensability have been addressed
- + Proper coverage is documented
- + A plan of action for proactive claims resolution is in place
- + Proper documentation of litigation
- + Red flags for potentially fraudulent claims have been noted and investigated
- + Appropriate documentation is recorded in the claim notes

3 Are medical case manager notes included?

Yes

4 Who else enters claim notes?

The AVP/account coordinator, supervisor, adjuster, and administrative staff can enter claim notes.

I. Reserving Practices

1 What is your company's reserving philosophy?

Our reserving philosophy is to set realistic reserves, based on the current information available, and to reserve at ultimate probable exposure. Initial reserves are established within 10 business days of receipt of the claim, and in accordance with the anticipated value of the claim based on the investigation to date.

The claim adjuster addresses reserve adequacy at each diary or whenever significant changes occur. All reserve evaluations are then documented in the electronic claim file. Reserve adjustments will be based on information known and/or available and will be adjusted promptly or at a minimum within 30 days of the date the claim handler knew of a change in the realistic, probable exposure of the claim. With each increase or decrease in reserves, claim adjusters document a detailed reserve rationale in the electronic file notes. This documentation must also include the various aspects of exposure such as liability/compensability, injury/damages, permanency, specials/ medical/indemnity, legal/other expense, etc., as appropriate based on lines of coverage. Reserves are continuously monitored as the claim develops.

2 When are initial reserves established?

Timely initial reserves established within ten (10) days or by the end of the month.

3 When and how do you communicate reserve information to the client?

Davies can communicate recommended reserve adjustments according to the client's preferred method. Typically, we email the reserve rationale to clients for amounts over the authority levels approved by the client. Then, it is up to the client whether to approve the reserve change or discuss further. We recognize that the County shall authorize reserves over a set dollar limit.

4 When do supervisors review initial reserves, reserve changes and conduct periodic reserve reviews?

Claims are reviewed upon receipt by the supervisor, conducting additional reviews within the first 30 days of the claim being received. These initial reviews include reviewing the reserves. Claim supervisors review reserves at each diary to ensure adequacy. In addition, the claim supervisor will review and approve reserve adjustments that exceed the adjuster's authority level. Our claim system contains pre-set reserve authority levels and triggers to ensure reserve approvals follow the proper hierarchy.

5 What subjective information and/or objective tools are used by your company to establish reserves?

While Davies has access to reserve estimating tools such as ODG, litigation plans, and triage programs, we believe that real world claim handling experience is the best tool for establishing realistic reserves, and this is our primary method of reserve setting.

6 Does your company use an automated reserving program to establish reserves?

We utilize analytics offered by ODG by MCG to assist in setting an accurate reserve early on in the claims process.

J. Diary System

1 What automatic system diary notices are provided, to whom and when?

Davies utilizes an automated diary for every claim, with automatic triggers to ensure timely entry according to Davies best practices and the County's standards. When a new claim is added in the RMIS, three diary tasks are automatically created:

- + Claim Diary – 1 Day claim task notifying adjuster of the new claim so they can begin contact
- + Claim Diary – 28 Day claim task diary for the adjuster to follow up on the claim
- + Supervisor Diary – 30 Day claim task diary for the supervisor to make sure timely contact was made

If an existing diary date is cleared and no future date is set, the system flags the user and sets a diary date for the following day. Also, our in-house business services Group (BSG) is available to help set up the level of customization needed in coordination with the County.

2 How frequently do supervisors monitor/review claims?

All claims are reviewed upon receipt by the supervisor. Claim supervisors initially review the claim within 30 days of receipt. This initial review focuses on the investigation, documentation, reserving and action plan. The supervisor thoroughly documents their findings in the claim system, provides instruction, and determines whether the file needs additional oversight based on the circumstances of the claim and the expertise of the adjuster, and sets a subsequent diary (30-60-90-day as appropriate) to monitor the development of the claim if required.

Circumstances that trigger continued supervision include all catastrophic cases, questionable claims, all excess reportable claims, and high dollar claims. The supervisor produces periodic reports for all claims with reserves approaching 50% of the SIR/ deductible. All claims reportable to the excess carrier based on the total incurred (50% of SIR/ deductible) are carried on the

supervisor's diary. Likewise, any claim reportable for nature/degree of injury, type of loss, or coverage issues is carried on the supervisor's diary. A report is also produced based on the description of the claim to capture claims reportable for those criteria. Litigated claims that involve a carrier are carried on the supervisor's diary.

3 How frequently are adjusters expected to review a claim? Other diary notices.

Adjusters will review claims on a maximum of a 30-day diary. Once the adjuster completes an activity, they document details within 24 hours. All open claim files must carry an open diary date for the adjuster/supervisor primarily responsible for handling the claim. The diary must be worked on a timely basis (i.e., within ten business days of the diary date). Additional diaries are established on each claim to ensure that state-mandated procedures and/or notices, statutes of limitation, and excess reporting deadlines are appropriately met. The system requires a future diary date on all open claims. If an existing diary date is cleared and no future date is set, the system flags the user and sets a diary date for the following day. At each diary, they will follow up on their prior action plan and prepare an updated and revised action plan outlining steps for claims resolution.

K. Subrogation

1 The County does not allow subrogation to be pursued without corporate approval.

Davies will seek approval from the County before pursuing subrogation.

2 Describe your subrogation services. What criteria are used for exploring cases with potential subrogation? Do you resource from outside your organization for this service? How does this affect pricing?

Our adjusters evaluate the possibility of subrogation on each claim. Using all available resources, the adjuster will investigate claims and apply rules and statutes to identify resources on which to base a demand for reimbursement from third parties. This includes reviewing and evaluating accident or incident reports, medical reports, and other documents. Basic adjuster investigative techniques identify subrogation possibilities. For example, circumstances that indicate the potential for subrogation recovery include accidents involving a third party (i.e., an auto accident, or accidents involving machinery and/or equipment) or claims occurring off the client's premises.

With the client's approval, Davies will proactively pursue subrogation and assist legal counsel when the voluntary collection is unsuccessful. Pursuit will be performed in accordance with the client's guidelines. Subrogation and recoveries can be tracked through flags and reports in the claims system. If recovery is not realistic, Davies will ensure client approval and provide a documented explanation in the file notes. If the potential for subrogation exists, the adjuster and supervisor maintain a double diary to ensure that all efforts are utilized to make a successful recovery. Recurring quarterly subrogation reports can be automated and included among items delivered to the County regularly. We can work with you to provide specific information to track and include in the report.

Subrogation services are performed in house. Also, within our insurance services division, we have our own specialist subrogation management company available to our clients. It has over 30 years of experience providing subrogation services to self-insured's, TPAs, managed care programs, municipal pools, and Lloyd's syndicates, etc.

3 Please discuss in detail any additional fees required for these services.

15% of recovery.

L. Litigation Management Strategies

1 What are your litigation management practices?

Legal services will be subject to the County's approval, and we will give notice of all litigation related dates including hearings, trials, and settlement conferences. We typically consult legal counsel on disputed claims to ensure that we carefully outline all areas to support denial. With the changes in rules/statutes, the adjuster may consult counsel to assess if the denial is supported by the investigative facts or if additional investigation is warranted. The adjuster coordinates and works with counsel in handling litigated claims.

Our data system provides capabilities to track and monitor litigation and controverted cases through online diary, litigated manager work list, litigation indicator, attorney tracking, jurisdiction and resolution tracking. The legal screens include dates to track the timeliness of action taken throughout the litigation process through the litigation screens, which allow us to continually monitor a case. Each field is available through ad hoc reports, and we regularly monitor progress through status reports that can be provided to the client. We will continuously review all pending legislation, and any case law that may affect the County's self-insurance program and advise the County of impact and options.

2 What is the procedure for assigning defense counsel to a claim?

Legal services will be subject to County approval. Once legal services are approved by the client, we will use our approved attorney list/client's preferred vendors and assign to counsel.

3 What is the adjuster and supervisor involvement in a litigated claim?

The adjuster's goal is to prevent litigation through prompt and thorough investigation and aggressive claim handling. Despite their best efforts, some claims do result in litigation. When a suit is filed, the adjuster will be prepared to deal directly with claimants' attorneys and utilize outside or in-house legal counsel only as necessary.

We are a strong advocate of maintaining adjuster presence and involvement in the management of legal files. Our adjusters will remain involved with defense counsel in preparation for defense or settlement of the case. This means defense counsel could utilize the adjuster for additional investigation, interviewing more witnesses, and negotiating settlements with the claimant or their attorney, as well as other tasks. Adjuster management of legal files has demonstrated significant defense cost savings to the client.

We expect to be involved in decisions involving discovery, surveillance, engagement of expert witnesses, and scheduling of mediations. Throughout the litigation process, our adjusters make recommendations for action and will act as advocates for the client to keep the case on track.

Supervisors maintain involvement and a supervisory diary to closely monitor and advise on the handling of litigated claims.

4 Describe your process for coordinating with County counsel.

For litigated cases, we will work closely with legal counsel by attending depositions, testifying; and performing other tasks as required. Once defense counsel is assigned, the adjuster will work with the Risk Management Department and the attorney to develop a litigation plan. This plan will include a cost/ benefit analysis. In litigated claims, our adjusters will provide regular reports to the client and copy defense counsel and will communicate with counsel as necessary to the investigation and litigation strategy. It is our goal to forward complete, litigation-ready files to defense attorneys in time for them to properly prepare to defend a case.

5 Do you have an approved outside counsel list? Will you add our preferred attorneys to the list?

Davies maintains an approved list of attorneys to handle the defense of our clients' claims. However, we can add Fort Bend's preferred attorneys to the list. We can use counsel selected by our client based on their relationships and preferences. Attorney selection can also be carrier driven. We have approved panels from various carriers that we are required to utilize. In Austin, Texas, our preferred DWC representative is White Espey, PLLC. We also work with Brandi Prejean with The Thornton Firm, FOL in Austin, TX and Downs & Stanford in Austin, TX.

M. Allocated Loss Adjustment Expenses (ALAE)

1 What do you define as ALAE?

Our standard list of ALAE's include the following:

- + Court costs and fees for service of process;
- + Attorneys and hearing representatives;
- + Independent medical exams and medical records/reports;
- + Medical case management services including, but not limited to, medical network providers, rehabilitation counselors, medical management providers, bill re-pricing activities and other related services;
- + All outside activities where personal contact, investigation or litigation involvement is necessary;
- + Investigation services including background activity checks, surveillance, and other similar such services;
- + Fraud detection, investigation, and related services ("SIU");
- + Outside experts and subcontractors;
- + Transcripts and public records;
- + Depositions, court reporters, video statements, private investigators;
- + Attendance at alternative dispute resolution forums including arbitrations, mediations, hearings or similar such activities or attendance at depositions;
- + Expenses chargeable to the defense of a specific claim;
- + Protection and pursuit of all third party/recovery rights including second injury recovery claims, indemnification and contribution claims, and subrogation actions;
- + Index system filing services;
- + State Mandated EDI reporting
- + Medical records;
- + Medicare set aside fees
- + Accident reconstruction;
- + Architects, contractors, engineers, chemists;
- + Police, fire, coroner, weather, or other such reports;
- + Property damage appraisals;
- + Extraordinary costs for witness statements;
- + Pre and post judgment interest paid;
- + Other extraordinary expenses including, but not limited to, photocopying, statement transcriptions, photographs, travel, express mail, public records, and similar expenses as may be incurred by CONTRACTOR in fulfilling its obligations; and
- + Any other similar cost, fee, or expense chargeable to the investigation, negotiation, settlement or defense of a claim.

2 What are the adjuster's responsibilities?

The adjusters' responsibilities include:

- + Prompt and thorough evaluation and investigation of each claim
- + Reviewing and confirming coverage
- + Complying with best practice claim handling standards to fairly adjudicate the claim in accordance with applicable statutes

- + Maintaining a plan of action
- + Issuing state filings
- + Setting realistic reserves in accordance with the information available
- + Evaluating and pursuing subrogation
- + Documenting all claim activity
- + Managing and directing medical treatment
- + Managing subrogation and litigation
- + Proactively bringing the claim to a timely resolution

N. Client Instructions

1 How are client service instructions made available to adjusters?

Account instructions are developed during the implementation phase. The account coordinator will train the claims team on these instructions, which will be securely housed in a shared drive on the system for the claims team to refer to as needed.

2 Is there a gate system that will not allow the adjuster to proceed without completing or complying with all items of the client instructions?

Each adjuster has set reserve and payment authority levels that cannot be bypassed without an additional layer of approval. Supervisors monitor compliance with client special handling instructions.

3 How do supervisors ensure adjuster's compliance with client service instructions?

Upon implementation, the designated account coordinator, Patricia Piper, will work with you to establish special handling guidelines, and implement initial and ongoing training to ensure all assigned claims staff fully understand the County's specific service instructions. The Special Account Handling guidelines are given to all assigned adjusting staff as a resource, including all key contacts, authority levels, reporting procedures, step by step tasks, workflows, etc.

The account coordinator will work closely with the County to revise/update, as necessary. The account coordinator and claims supervisor will work together to ensure the claims service consistently meet your needs and that all special handling instructions are followed. Oversight from the account coordinator and claims supervisor includes continuous supervision, initial and ongoing review of all files through supervisory diaries and monitoring of adjuster's performance. The monthly adjuster report card program is a formal process in which adjuster's performance is assessed according to established Davies and client benchmarks/metrics. These practices ensure that our best practices and client-specific instructions are being followed.

Additionally, Davies has automated workflows utilizing an automated diary for every claim with triggers in place to ensure adjusters are following established client protocols and adhering to set standards. Once the claims adjuster completes an activity on the claim, he or she documents the details within 24 hours. Compliance reports can be run weekly, monthly, quarterly, or yearly, including FROI/SROI compliance reports, or diary reports, overdue diary reports, etc. to ensure the claims are being serviced timely and appropriately by the County's claims team.

O. Claim Review Meetings

1 Claim review meetings will be conducted with the County on a quarterly basis.

Yes, Davies will work with you to schedule quarterly claim review meetings.

2 What are your recommendations for scheduling and accomplishing the quarterly claim review meetings?

The account coordinator will work with you to schedule claim reviews, which are designed to review critical files, processes, and overall claim handling performance. Davies will set goals, in conjunction with the County, to make sure we are positively impacting your total cost of risk. We will work with you to select files and will promptly provide supporting reports and data prior to and after the review.

3 What fees are assessed for this service?

There are no fees associated with this service. It is included as part of our claim's services to the County.

P. Claim Reporting Options

1 What options are available to the County for reporting new losses to your company?

Davies can offer multiple claims reporting options to customers. Reporting options include a dedicated phone number, email address, fax number, and online claims intake process, which is available 24/7/365.

All new injuries may be reported by any method convenient to the client. The online claim intake process is a web-based solution accessible from any device, including mobile. The client will select a claim type upon entry and a specific claim intake questionnaire will be displayed with an intuitive and user-friendly interface to report information. Certain questions will be required as denoted with an asterisk. Once the required information is saved and submitted, a claim number will be assigned, and the claimant will receive a notification with the number and appropriate claim contact information for future needs.

2 How are new losses disbursed to claim offices? What is the guaranteed time frame?

New losses are set up and assigned as received through an email box designed for claim intake or by one of our other methods of reporting. New losses are assigned to an admin team that sets up new losses. The guaranteed time frame is within 24 hours.

3 What are the internal service standards for establishing a claim file for a new loss?

New losses are processed as they are received. Our standard is to have claim files established and assigned within 24 business hours of receipt. A supervisor will review and assign each new loss to the adjusting team based on the nature and complexity of the loss. Our standards require adjusters to initiate claims contacts within 24 hours of assignment and maintain ongoing, proactive communication.

4 County currently has a proprietary incident reporting system. After September (2023) incident reporting will be available through Origami. Can County system or Origami interface with your RMIS to upload incident reports to you? Is there a cost for this service?

We have successfully performed data exports with Origami for other clients. Our claim system also has an Application Program Interface (API) that allows interfacing with other systems. An API allows interactions between multiple software intermediaries. It defines the kinds of calls or requests that can be made, how to make them and the data formats that should be used. We will provide documentation to the County outlining how data can be submitted directly to our claims system. Please note, this integration could require additional programming to complete depending on the scope of work. The cost will be determined by the scope of work and programming needs.

4 Please provide pricing options.

There is no additional charge for the data exchange.

Q. Centralized Medical Only Claim Handling

1 Please provide a detailed description of your capabilities relative to the administration of medical only claims.

Davies has designated medical only adjusters who focus on smaller losses. We define medical only claims as work-related claims that require medical benefits only, do not exceed \$3,000 in total payments, and do not involve disability benefits.

2 If so, please provide details of locations, personnel, and best practices.

We can administer medical only claims from our Austin office. We can either have one adjuster to handle lost time and medical only claims or offer a designated medical only adjuster.

Per our best practices, two-point contact is performed on all medical-only claims, in which the adjuster proactively contacts the client and claimant within 48 hours of receipt.

R. Billing/Funding

1 What billing options are available to the County? How are fees estimated if billed on a per claim basis?

Fees are calculated differently based on the client/claim types. We currently bill monthly, quarterly, semi-annually, and annually. We also bill some contracts in arrears. Davies will work with the County to develop a reasonable billing plan that meets the needs of both parties.

2 What banking arrangements are available to the County?

Davies offers two banking/loss funding options: Davies management or client management. It is the client's responsibility to maintain sufficient funds in the claim bank account to cover claim payments. This applies whether the client manages the bank account or when Davies manages the bank account.

*These options are discussed in detail Section X, Question 3.

3 How is the imprest/escrow fund determined?

The client will open an account with an escrow balance. At setup and throughout the year, the escrow required will be reviewed to determine if additional escrow is needed or if it can be lowered.

4 Please outline your internal procedures to ensure security of claim checks.

Checks are printed at Zelis on blank security check stock that is maintained under multi-level security. Signatures are also retained in a secured area and printed during check production. Davies also offers local check printing from select local offices. Checks are subject to the same security measures required for check printing at Zelis. When a check is written, we can print the check locally or through Zelis. Unless otherwise required by statute, non-emergency checks are printed at Zelis.

Davies requires positive pay service on all accounts we manage. Positive pay enables us to prevent unauthorized checks from clearing the account and is especially important in fighting fraud. Davies checks for exceptions every banking day to ensure checks that clear are correct. Davies designated employee signatures must be used on checks for these accounts.

5 Are benefit checks issued from the claim office or from a central facility?

Checks are issued from a central office in Nashville, TN.

S. Carrier Protocols

1 How is claim data transferred to an excess insurance carrier? Is there a cost associated with this service?

Claims data is transferred by way of a custom interface. Yes, there is an extra cost associated.

2 How are claims with excess insurance potential identified?

Davies is familiar with excess reporting requirements, and claims are reviewed on an ongoing basis to identify reporting triggers and ensure claims are reported timely. We will review the County's specific excess carrier's policy and requirements and comply with the provisions therein.

3 How are claims with excess insurance potential reported?

Davies reports all claims, serious incidents and losses to the excess carrier based upon the carrier's reporting guidelines along with submitting written status reports at periodic intervals based again on the incurred value of the claim and the carrier's criteria. Reports are submitted in accordance with the County and its excess carrier's standards to include an initial full caption report reviewing past activity and status.

4 When, and how, is the client notified of these types of claims?

The client is notified of excess reportable claims in real time and can be copied on correspondence with the carrier if desired.

5 The County is self-insured and has its' own RMIS for internally-handled claims, to review third party administered claims and to run combined reports of internally/externally handled claims. Does your system have the ability to interface with the County's RMIS (Origami) to include notes, reserves, financial transactions, photos, accident investigative reports, incident reports, etc.? Is there a cost for this interface or data transfer service? If, please include pricing in your quote.

Yes, our system has the ability to interface with the County's RMIS, Origami, to include notes, reserves, financial transactions, photos, accident investigative reports, incident reports, etc. The cost will be determined by the scope of work and programming needs.

T. Implementation Plan

1 Please provide a management plan and timeline for the implementation of the County's program.

Please see the implementation timeline below.

2 Please include who will be responsible for each activity.

Please see our proposed implementation plan below, which includes typical start up tasks, timeframes for completion and teams involved. This can be tailored and revised as needed based on future conversations with Fort Bend County.

Implementation Timeline			
On-Site Kick-off Meeting with Key Personnel	ASAP	11/15/23	Davies AVP/Account Coordinator, Designated Adjusters, the County
Train and onboard Fort Bend County's implementation team (introduction in-person or teleconference, create directory of contacts)	ASAP	12/8/23	Davies AVP/Account Coordinator, Adjusters, BSG, The County
Identify preferred vendors	ASAP	11/20/23	Davies AVP/Account Coordinator, The County
Contract discussions	ASAP	11/14/23	County Accounting, Davies AVP/Account Coordinator, The County
Review the County's current program (run-in claims, new claims, your expectations, claim intake procedures)	ASAP	11/15/23	Davies AVP/Account Coordinator, Designated Adjusters, The County
Establish metrics for stewardship review and goal setting	ASAP	12/8/23	Davies AVP/Account Coordinator Designated Adjusters, The County
Develop detailed claim handling procedures (investigation/fraud, reserving practices, settlement authority, subrogation/recovery, claim intake procedures) or use current model	ASAP	12/8/23	Davies AVP/Account Coordinator, Designated Adjusters, The County
Systems			
County New Client Data Sheet Review	ASAP	11/15/23	Davies AVP/Account Coordinator, BSG, The County
Familiarize County with Davies contacts	ASAP	11/15/23	Davies AVP/Account Coordinator, BSG, The County
Discuss report generation (provide sample reports, confirm the County's needs, identify dates, provide technical support contact)	ASAP	11/15/23	Davies AVP/Account Coordinator, BSG, The County
Review RMIS features (remote access to claims data, report generation tools, etc.)	ASAP	11/15/23	Davies AVP/Account Coordinator, BSG, The County
Arrange settlement authority levels	ASAP	11/15/23	Davies AVP/Account Coordinator, BSG, The County
Design carrier reporting guidelines	ASAP	11/30/23	Davies AVP/Account Coordinator, BSG, The County
Identify authorized users for security	ASAP	11/20/23	Davies AVP/Account Coordinator, BSG, The County
Develop training for authorized County users	ASAP	11/20/23	Davies AVP/Account Coordinator, BSG, The County
Loss Funding/Banking Arrangements			

Implementation Timeline			
Establish payment agreement on accounting procedures	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, the County
Reconciliation	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, The County
Designate signing authority	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, the County
Initiate programming & special check/ voucher printing	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, The County
Establish a check register	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, The County
Explain check printing procedures	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, The County
Capture Fed ID Number(s)	ASAP	11/20/23	Davies AVP/Account Coordinator, County Accounting, the County
Make Change of Service Contact w/ All Appropriate Parties			
Insurance Carrier(s)	ASAP	11/30/23	Davies AVP/Account Coordinator, County Accounting, The County
State Agencies	ASAP	11/30/23	Davies AVP/Account Coordinator, County Accounting, The County
Claimants	ASAP	11/30/23	Davies AVP/Account Coordinator, Davies Adjusters, the County
Fort Bend County Attorney(s)	ASAP	11/30/23	Davies AVP/Account Coordinator, Fort Bend County
Current Third-Party Administrator	ASAP	11/30/23	Fort Bend County
Systems & Loss Report Set-Up			
Data Conversion (if applicable)	ASAP	Start date	Davies AVP/Account Coordinator, BSG
System Interface	ASAP	12/8/23	Davies AVP/Account Coordinator, BSG, RMIS
Class Codes	ASAP	12/8/23	Davies AVP/Account Coordinator, BSG, The County
Department Levels	ASAP	12/8/23	Davies AVP/Account Coordinator, The County

Implementation Timeline			
1099's & Sort Sequence	ASAP	12/8/23	Davies AVP/Account Coordinator, BSG
Complete User Access forms	ASAP	12/8/23	Davies AVP/Account Coordinator, BSG
File Data Transition/Conversion Phases/Interface			
1. Receive record layouts, test data & control total reports 2. Receive data, analyze quality & ask necessary questions 3. Set up County in system: Location Hierarchy, Policy Information, Coverage Codes, etc. 4. Map incoming data fields * Normal time for this phase of the project is one (1) week but can vary depending on number of data files received and number of data elements required. This phase cannot begin until the data is received from former TPA.	Phase 1	3 weeks	BSG, AVP/Account Coordinator, Current TPA
1. Write programs to process each data file received 2. Format data into record formats required for upload into the system	Phase 2	3 to 4 weeks	BSG
1. Process test data through conversion programs 2. Create test files 3. Load test files into test database 4. Claim staff file review 5. Schedule conversion date	Phase 3	2 to 3 weeks	BSG, AVP/Account Coordinator
1. Schedule date for current TPA production cut-off 2. Final data submitted to the County with balancing reports & control totals	Phase 4	TPA Cooperation Required	BSG, Current TPA
1. Receive all data and reports from TPA 2. Data processed through conversion programs 3. Production files created for production database upload	Phase 5	TPA Cooperation Required; 1 week thereafter	BSG, Current TPA
1. Load Conversion Data into Production Database (over a weekend typically)	Phase 6	Days to 1 week	BSG
1. BSG reviews data and runs reports for balancing 2. Resolve issues (if necessary) before releasing to claims staff to work claims	Phase 7	2-3 weeks	BSG
1. Positive Pay banking arrangements (if any) 2. Identify month end carrier or the Davies's data format or reporting requirements (if any) 3. Produce data file or report (if necessary)	Added Steps	Timing varies	BSG, Davies AVP/Account Coordinator

Fig. 3

U. Cost Reduction Results

1 Please provide your average cost per claim for workers' compensation medical only and lost time claims, auto liability bodily injury and general liability bodily injury claims.

+ Workers' Compensation (lost time): \$13,076

+ Auto Liability: \$3,688

+ Workers' Compensation (medical only): \$1,370

+ General Liability: \$4,472

2 Please provide the average number of days a workers' compensation medical only and lost time, auto liability bodily injury and general liability bodily injury claim is in an open status.

+ Workers' Compensation (lost time): 120

+ Auto Liability Bodily Injury: 174

+ Workers' Compensation (medical only): 85

+ General Liability Bodily Injury: 238

3 Please provide the average number of days your claimants are on temporary total disability.

The average is 71 Days based on 2022 workers' compensation claims data.

4 Please provide details on your temporary transitional assignment (modified duty) process for compensable injured employees on workers compensation.

Davies believes that one of the most critical components of a successful workers' compensation program is its stay at work/modified duty program. We work with our individual clients to help develop a program that meets the needs of the employer and its injured workers. It is also critical that all areas of the program, from work site supervisors to treating physicians, be educated in the program and understand the commitment to stay at work.

Identifying modified/light duty positions is another important aspect of the stay at work program. In concert with client supervisors and department heads, the location of light duty positions that can be utilized throughout the workplace will reduce disability time. Intra-departmental cooperation will enhance the ability to utilize these jobs. A thorough job description should be available for all light duty positions. This enables physicians to confidently assign appropriate work restrictions and encourage supervisors to utilize injured workers in these positions. Job availability should be monitored and updated weekly.

Your TPA claims team will closely monitor physician return to work slips to ensure that no work status is addressed immediately. Physicians who place injured workers off work inappropriately will be identified and educated about the County's stay at work program. It is also important to recognize the lack of light duty positions and make every effort to locate additional positions.

Physicians utilized by the County should be educated about the stay at work and light duty programs. Expectations of the utilization of the program and the use of clear light duty restrictions will be explained. Job descriptions will be passed to providers for their review.

Work Task Analysis

A Work Task Analysis (WTA) is a physical demands assessment that objectively measures the frequency, force, height, distance and duration of the material handling (lift, carry, push or pull) and positional tolerance functions of a job. It provides a framework for improved communication among all team members for maximum effectiveness and timely case resolution. The WTA determines the essential functions, physical demands, environmental conditions and other factors necessary for the safe and productive performance of a particular job. The assessment is performed by professionals trained in on-site job analysis, EEOC compliance, ADA guidelines and OSHA regulations.

The WTA can be utilized effectively in:

+ **Modified/Light Duty Return to Work:** Assists in the objective determination of defining modified and/or light duty essential job functions and physical demands (lifting, carrying, pushing and pulling). An employee's ability to return to work in a modified or light duty capacity can be matched to the appropriate essential job functions and physical demands for a safe return-to-work.

- + **Return-to-Work:** The physical demand requirements of the full-time/full-duty job position must be clearly identified for the physician and medical team to determine if the employee can safely return to work. A well-defined WTA can help the physician and medical team determine return-to-work capability or the need to establish medical restriction(s) or job modification(s) for a reasonable accommodation. The physician, therapist and case manager have the advantage of a clear and objective understanding of the job position to which the employee is returning. There is a delineation of the physical capacities necessary to complete the job safely and effectively, which helps guide return-to-work goals.
- + **Work Conditioning:** Used when returning an employee to work after meeting the defined essential job functions, physical demands and rehabilitation goals. The WTA can assist in case closure when a plateau in rehabilitation occurs by documenting essential job functions and comparing the ability level of the employee to the job.
- + **Post-Offer Employment Testing (POET):** Serves as the foundation and baseline for an employment test in order to ensure the new hire applicant is safe and capable of meeting or not meeting the essential job functions. The employee understands the essential job functions and the expectations of the employer when they are hired.
- + **Fitness-For-Duty Testing:** Assists with ADA-compliant annual testing procedures that determine if employees are capable of meeting the essential job functions and physical demands. The employer has objective data regarding the essential functions of the job. This data can be utilized for compliance with The Americans with Disabilities Act (ADA), improve ergonomic awareness, compliance with OSHA standards, litigation substantiation and used as a tool for the workers' compensation administrator in monitoring injury management.

5 Please provide additional information that reflects your company's cost reduction outcomes.

Davies is committed to the success of our clients by maximizing cost savings. Our proposal highlights our ability to provide high-quality services that will exceed the minimum standards outlined within the RFP. Davies customizes each program to match the specific requirements of our clients. By selecting our services, Fort Bend County will realize significant savings in the following areas:

- + We minimize the number of claims going into litigation
- + We control and reduce allocated expenses
- + We audit medical and expense bills to contracted rates
- + We pursue subrogation recoveries at no additional cost and recover millions of dollars for our clients each year
- + We offer non-traditional sources of prescriptions at the lowest cost through re-directed billing
- + We contract with a legal bill review company, if so desired, to examine defense counsel invoices for any unreasonable fees and/or inappropriate or questionable expenses
- + To prevent overbilling, our QA Bill Reviewer reviews re-considerations and conducts interdepartmental audits of processed bills
- + Our nurse case managers pursue and track medical cost savings (MCS), which is input directly into the claims system

Additionally, our Certified managed care helps bring a cooperative team approach to health care delivery in the workers' compensation environment. The Genex Certified Health Care Network (HCN) Program allows you to leverage the benefits of a certified HCN program while utilizing our proven expertise in disability management. This program was designed to meet all of the criteria of Texas Administrative Rules.

TX Managed Care Savings	Number	Savings	
Bill Review	941,854	68.7% Bill Review	74.6% Total Reduction including PPO
UR	67,948	\$462.77 AVG	ROI 4.4
FCM	7040	\$11,037.44 AVG	ROI 2.7
TCM	7610	\$5,702.85 AVG	ROI 6.3

Fig. 4

Our management philosophy leads to a better claim product. This, in turn, leads to reduced claims dollars spent, which means that less of the client's dollars are spent. Because the claim dollars are the major cost of a self-funded program, this is where real savings can be realized.

V. Legal, Regulatory and Ethics Actions

1 Provide a summary of any litigation, arbitration, and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as a third-party claims administrator.

Davies Third-Party Administration (TPA) unit has not been involved in any litigation, arbitration or regulatory proceedings over the past three years involving our services. There is no civil or criminal litigation or investigation pending against our company, nor have we received any findings of guilt or liability.

2 Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements, or damage claims.

N/A

W. Licenses

1 Provide evidence that the third-party administrator and persons performing the work for the County maintain all Texas licenses to provide the service insurance sought pursuant to this RFP/Q relating to third party relating to third party administration.

Please see Appendix D for our Texas TPA license and Appendix C for Marsha Thweatt's Texas Workers' Compensation license and Kristen O'Sullivan's adjuster license..

X. Other

1 What are your standard procedures with regard to the termination of an account? Describe your procedures for moving both physical files and electronic data. Specifically address your position on transfer of adjuster notes in the electronic information. Provide details on fees associated with transfer of both paper and electronic files. Include information on pricing and terms for claims handling after termination. Finally, include your policy on access to electronic system upon termination of account – including pricing.

Davies will handle all claims received whose date of loss is within the terms of the contract. If the County wishes the claims to be handled beyond the end of the contract, fees will be negotiated at that time. We agree to return all data, electronic images and paper files to the County or its new TPA within 10 days of contract end. We will continue to provide support for at least 120 days after the contract end date or until all data has been successfully transferred. We will cooperate with the new TPA or the County with the mapping and migration of your data, which will be provided either by email messages containing zip files which can be password protected or via CD-ROM. If the claim files are stored as images in a document-retrieval system, they will be provided via CD-ROM or the most current means of providing data, at Davies option. Fort Bend County will be billed for any additional programming required to complete the data transfer. The cost for this will be no greater than \$3,500.

2 Discuss your procedures for participation in workers' compensation hearings. Please define roles and responsibilities of in-house resources versus outside representatives – including legal counsel. What is the experience level of hearing representatives?

We recommend utilizing outside counsel who are familiar with the Texas Worker's Compensation system and the hearing officers at the local office of the DWC. Having counsel present allows them to hear the employee's version of events at the informal Benefit Review Conference (BRC) prior to their formal testimony at a Contested Case Hearing (CCH).

This also provides an opportunity to reach an DWC 24 Agreement, should that prove to be beneficial to the self-insured. Experience of hearing representatives vary by law firm and attorneys. Davies is willing to work with any firm or attorney that is recommended by the County of Fort Bend.

Should the County choose representation by a member from the County Attorney's staff, Davies will work the County Attorney in preparation for all BRC's and CCH's in sharing our evidence obtained in order to support any disputes that we have filed on the behalf of the County. Our adjusters remain available to counsel to conduct additional investigation, interview more witnesses, and negotiate settlements with the claimant or their attorney, as well as other tasks. We expect to be involved in decisions involving discovery, surveillance, engagement of expert witnesses, and scheduling of mediations. Throughout the litigation process, our adjusters make recommendations for action and will act as advocates for the client to keep the case on track.

Furthermore, Davies agrees to share any proposed language to be used on PLN 1 or PLN 11 disputes in order to best state the reason for the dispute in the most defensible terms.

3 Please describe in detail the various banking options for bill payment that are available to Client. Be sure to include information on any paid loss deposit or claim service fee fund requirements, large loss funding thresholds and wire transfer payment options. Include information on the process of actually producing checks including information on check stock, options or procedure relating to creating, maintenance, and funding of the necessary bank accounts and other related items. Describe the process of managing and reconciling these accounts.

Client Management of Account:

Davies requests banking information from the client, including ABA number, bank account name, and number. A specification sheet for the check layout (provided by the bank) is also needed so that we can format the checks to meet the bank's requirements. Davies also requires instructions on signatures to appear on the checks. We can laser Davies designated employee's signatures on checks, or we can send unsigned checks or vouchers to the client to complete processing.

The client can use one of their existing bank accounts or can set up a new bank account with the bank of their choice. Either two Davies Senior Management signatures can be added to the signature card for electronic signatures, or unsigned checks can be mailed to the client for manual signature. Most of our clients use one of the three following bank options for checks:

- + 1. Have claim checks issued from a zero-balance account: This account set up allows clearing checks to sweep funds from another larger balance account. This prevents the client from having to set aside an escrow balance, which may not earn as much interest as the main account.
- + 2. Have claim checks cut off the main checking account: Check numbering sequence has to be taken into consideration with this method. The client would need to give Davies a beginning check number that would not duplicate other checks clearing the account.
- + 3. Have claim checks issued from a separate checking account: This option would require the client to maintain a cash balance in this account as an escrow balance to sufficiently cover claim checks. Davies recommends the method we use for escrow balances, which is explained in the section below "Davies Management of Account."

The client may choose any type of banking account set up, but it is their responsibility to ensure there are sufficient funds to cover claim checks. The client will obtain check register information from the claims system to help them balance the account. If the account has positive pay services, the client will provide contact information to the appropriate bank individual. This service requires additional time and programming from Davies and our claim system provider. This service may take a month to set up. Below are the procedures used by Davies in managing a client's bank account and can be used as a guideline for how clients could manage their own claim bank account. These procedures are not required if the client is managing the bank account. Davies only requires that sufficient funds remain available as stated in the contract.

If the account has positive pay services, the client will provide contact information to the appropriate bank individual. This service requires additional time and programming from Davies and our claim system provider. This service may take approximately 30 days to set up.

Below are the procedures used by Davies in managing a client's bank account and can be used as a guideline for how clients could manage their own claim bank account. These procedures are not required if the client is managing the bank account. Davies only requires that sufficient funds remain available as stated in the contract.

Davies Management of Account:

Davies requires the following to efficiently manage client bank accounts. Davies has an arrangement with JP Morgan Chase, and any Davies-managed account will be established with this bank. Davies has internet availabilities to monitor the accounts daily, review prior days' transactions, wire funds out, and more such as positive pay features. Because Davies is managing the account, the bank

requires that our FEIN and name be on the resolution document from the bank.

- + The client will open an account with an escrow balance. Throughout the year the escrow required will be reviewed to determine if additional escrow is needed or if it can be lowered.
- + Davies will email the client a monthly check register from the first day of a month to the last day of a month. The check register will arrive by the fifth business day of the following month. The client will transmit funds to replenish the account for the exact amount of the monthly claim payments, less any refund or recovery checks received and deposited into the account. Replenishment should occur within one week after the funding information is sent.
- + If the client does not fund timely and the account lacks adequate funds for claim payments, Davies will notify the client and/or the client's carrier that Davies will cease issuing payments and handle the claims. If the account becomes overdrawn, the bank charges \$32 for each check that is presented when the account is in a negative status. The client is responsible for these fees.

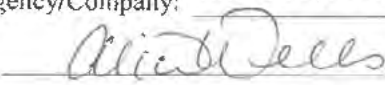
Davies requires positive pay service on all accounts we manage. Positive pay enables us to prevent unauthorized checks from clearing the account and is especially important in fighting fraud. Davies checks for exceptions every banking day to ensure checks that clear are correct. Davies designated employee signatures must be used on checks for these accounts.

4 Please provide a sample contract.

Please see Appendix G for our sample contract.

Print Name and Title of person completing this form: Alice Wells, Sr. Vice President

Name of Agency/Company: Davies US, LLC.

Signature: 

Tab 2:

Qualifications/Experience/References

Qualifications/Experience/References

Davies is a multi-award-winning professional services and technology business, established in 1968, serving highly regulated markets via core operations in claims, insurance services, consulting, technology, and legal solutions. In addition to our core third party administration service, Davies provides a full range of first-class tech-enabled claims solutions including desk-led technical claims handling, field adjusting, appraisals, and subrogation for insurers, brokers, MGAs, corporations, and public entities.

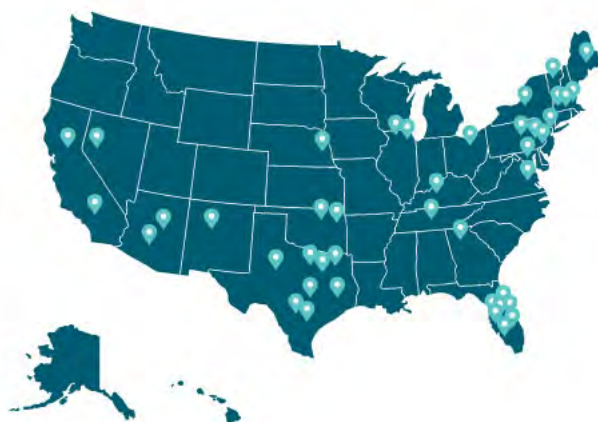
Davies has established and expanded its operations in the US over the last few years through a combination of organic growth and strategic acquisitions to develop specialized claims handling divisions that span workers' compensation, property and casualty, transportation and life and health across all 50 states. Davies now employs more than 1,800 professionals in the US and manages over 300,000 claims annually. Our specialized divisions within our claim solutions unit have the expertise and experience to handle diverse claims and deliver the highest level of customer service to meet the individual needs of our clients.

Davies pursues innovation that will reduce costs either through process efficiency or claim spend. Our investment in innovative technology is unrivalled in today's global claims market. We are a pioneer in the technology space with a dedicated technology division, in-house software developers and data scientists. In addition to our vast automation and reporting capabilities, we are supported by Davies global team of >700 consulting and technology colleagues, including over 200 developers. Our full technology stack, developed in partnership with Davies team of consulting and technology specialists, is available to our customers and includes automation of routine elements of the claims process to allow our handlers to focus on critical handling activity.

Davies benefits from having resources available throughout our regional offices located across the country, including a large concentration of offices and staff located in Texas. This includes >300 total claims professionals located in Texas.

Davies US Office Locations

Fig. 5



✓ **>700**
consulting and tech colleagues

✓ **>200**
developers

Davies is a full service TPA with over 40 years of experience providing relevant services, including handling workers' compensation and liability claims. This includes extensive experience providing TPA and claims services to many local government and public entities across the US over the last three years and beyond. Davies has over 900 governmental entity clients, including individual members of our group clients. We serve small, medium, and large entities, ranging in size from 50 employees in some of the smaller counties and villages to over 11,000 in Metropolitan Nashville. Thousands of new claims are handled annually for public entities, including cities, counties, transportation/transit administrations, school districts, villages, towns, and fire departments. Public entities comprise approximately 60% of Davies' current client base. In the past three years alone, our firm has successfully handled over 50,000 workers' compensation claims, as well as thousands of liability and property claims for our clients.

Our claims administration services include timely filing of all documents required by local, state, and federal regulations; flexible bank account management; data conversions/downloads; annual 1099 reporting; stewardship reports; claim reviews and other client meetings; EDI reporting and Medicare reporting. We also offer a wide array of standard and customized reports, ad hoc reporting capabilities, OSHA reports, electronic transmission of First Report via online entry or fax, and real-time electronic access to the claims system. Our comprehensive management and adjusting services include three-point contact on all indemnity claims and

other claims as required by the County. Our adjusters apply appropriate reserving techniques; investigate, accept, defend and/or settle reportable cases; determine compensability; manage legal activity as required; index injured employees for fraud detection; attend mediations and hearings; recognize and pursue subrogation; facilitate necessary field investigations; report to excess carriers or reinsurance carriers; collect excess and/or reinsurance payments; and ensure timely payment of indemnity benefits. We also can facilitate and provide training and education regarding fraud awareness and other topics to the county if desired. Our team is supported by a combination of sophisticated managed care solutions and a scientific approach to data analytics. These components work together seamlessly to return injured employees back to work quickly. Our vast managed care and ancillary service offerings for workers' compensation include desk and field nurse case management and nurse triage, medical bill review, pharmacy benefit management, telemedicine, health care network access, utilization and peer review as well as diagnostics, fraud investigations, subrogation and 24/7 claim intake services. Other optional and a safety program provided in-house at preferred rates.

For both workers' compensation and liability claims, we are very familiar with the nuances of handling claims for municipalities due to governmental status. We have handled many claims over the years for all types of municipalities in Texas, including counties, cities and school districts. Over the past three years, we have handled over a thousand claims for four Texas political subdivisions who self-insure their workers' compensation program. We have provided workers' compensation TPA services to Alvin Independent School District (ISD) since 2007, Texas City Independent School District (ISD) since 2005, Port Neches-Groves Independent School District (ISD) since 2003, and Nederland Independent School District (ISD) since 2003. We also handle claims for Texas Association of Counties (TAC), Texas Municipal League (TML), and Texas Political Subdivision (TPS), and the associated counties of these pools/associations. Knowledge of the immunities given to these entities are critical in proper handling of these claims.

Davies maintains an excellent reputation for superior claims handling. The following examples demonstrate our experience and market leading status.

Local Government Insurance Pool

Davies provides claims and policy administration, loss control, claim payment and accounting services for nearly 50 member counties in Tennessee across the full range of claim classes including P&C and workers' compensation. As a result of consistently delivering excellent results for this Government pool, we have held our partnership with them since 1986. Over the last five years alone we have delivered an average closing ratio of 101.2%, the number of litigated claims has reduced from 12% to 6% and claims durations have reduced from 277 days to 173 days (38% decrease) in casualty and 116 days to 92 days in property (21% decrease).

Hamilton County, Indiana

Davies has provided workers' compensation and liability claims administration for Hamilton County since 2004. Hamilton County has a population of almost 350,000, and we manage claims for a variety of departments including sheriff, County general, EMS, highways and park and recreation.

Other clients

Other relevant clients include Illinois Municipal Insurance Cooperative (IMIC), including 17 villages and cities in nine IL counties; Nevada Public Agency Insurance Pool PACT (P&C and Workers' Comp for > 130 public entities); and Brit Global Specialty USA (P&C claims for > 350 municipalities across multiple states).

Some of our other key county clients include:

- | | |
|---|------------------------------------|
| + Charles County | + Harlan County Board of Education |
| + Citrus County | + Harnett County |
| + Clark County Water Reclamation District | + Hernando County BOCC |
| + Collier County BOCC | + Indian River County BOCC |
| + Elko County School District | + Madison County |
| + Floyd County Board of Education | + Marion County BOCC |
| + Gwinnett County | + Okaloosa County BOCC |
| + Hamilton County | + Orange County Sheriff's Office |

- | | |
|--------------------------------------|--------------------------|
| + Palm Beach County Sheriff's Office | + Seminole County BOCC |
| + Pinellas County BOCC | + Union County |
| + Pitt County | + Vanderburgh County BOC |
| + Santa Rosa County BOCC | + Washington County |
| + Sarasota County BOCC | |

***We have provided reference contact information in Tab 1 section F and a reference letter in Appendix H.**

You will have unparalleled access to Davies highly experienced executive leadership team, who will be able to provide oversight and support to ensure a smooth transition and delivery of services to the County. Executive leadership, including CEO, Don Lederer, CPCU, AIM, AIC, ARM and COO, Beverly Adkins, AIC, AIM each have been with the company for over 35 years and have over 70 years combined industry experience. Alice Wells, Sr. Vice President, AIC, AIM has over 20 years of industry experience and has been with the company for approximately 18 years.

We have selected account leaders including a designated AVP/account coordinator, Patricia Piper, and claim supervisor, Ray Luedke, who are both experts in Texas claims handling. Ms. Piper has over 40 years of industry experience and over 20 years of supervisory/management experience and Ray Luedke has 34 years of industry experience and 31 years account management experience. Additionally, Patricia maintains a multi-line adjusting license in Texas and Ray is licensed by the Texas Department of Insurance as an All-Lines adjuster and as a Risk Manager. Workers' compensation adjuster, Marsha Thweatt, has over 20 years of industry expertise and maintains a Texas workers' compensation adjusting license. Additionally, dedicated liability adjuster, Kristen O'Sullivan, has 24 years of relevant experience.

***Please see Appendix A for an organizational chart of our leadership team.**

Davies low caseloads allows adjusters to proactively bring claims to conclusion and results in shorter claim durations and lower overall costs. Adjuster workloads are monitored regularly so that they are maintained to client specifications and Davies standards. Our low supervisor to adjuster ratio allows for additional program oversight to ensure that all claims handling guidelines are adhered to each day. This ratio allows the supervisor enough time to adequately review files and coach employees in the direction of individual claims. Quality checks and balances are incorporated into each aspect of our functions. The account manager will share performance data with the County during agreed intervals and as requested. This transparency of information with clients creates a collaborative and productive focus on continuous improvement across claims outcomes.

Our designated approach, with assigned adjusters handling claims from initial notice through resolution, results in our adjusters being fully invested in the success of your program. Adjusters are trained in and measured against best practice benchmarks to quickly address any areas of improvement for immediate resolution. All best practice processes dictate proactive claims handling and return-to-work strategies, including prompt initial and ongoing communication. For workers' compensation claims this includes assuring appropriate medical care is received, frequent follow-up, thorough investigations, maintaining detailed diaries and assertive action plans, and ensuring high employee satisfaction. Reports that show current outcomes and trends over time can be readily run for data tracked in the system, including closing ratios, lag time, claim duration, as well as costs and savings.

Davies maintains relationships with a comprehensive selection of proven vendor partners to deliver the ancillary services needed to optimize savings and quickly return injured employees back to work. Our adjusters will recommend referral to services in accordance with client instructions and on a claim-by-claim basis, with an eye for what services will positively impact the claim and minimize the ultimate costs. Once a referral is made, our adjusters proactively manage those services to ensure positive outcomes and cost saving for our clients. By channeling our overall buying power, we can leverage lower pricing from top providers. While we have preferred vendors that offer volume pricing and electronic interfaces with us to streamline processes and accuracy, we also offer the flexibility to work with our client's preferred vendors.

***Please see Appendix F for sample management and savings reports and dashboards that will be available to the County.**

Tab 3:

Pricing

RFP 24-005

ATTACHMENT 2:PRICING


Please fill in a rate or dollar amount and check mark where applicable in the appropriate column. Please fill in your estimate of claims. Only fill in areas that apply to your proposal. Should you need to explain a fee/charge that was not addressed, use the bottom of the page, and you may go into greater detail in your individual proposal. Please attach this page to the section of your proposal including pricing.

		Estimate of the number of annual claims (based on CY 2022 experience)	COVID Claims					
Workers Compensation		394	205/394					
Medical only		168	16/168					
Indemnity		226	189/226					
AL/GL		67						
Property Damage Non litigated		47						
Bodily Injury Non litigated		8						
Bodily Injury Litigated		18						
Law Enforcement Liability Litigated (Civil Rights)		13						
Employment Practices Liability Litigated		10						
Subrogation for Property Damage		0						
Subrogation for Workers' Compensation		36						
Subrogation for GL/AL		0						
			Life of file	Life of contract				
All lines of Coverage Flat Fee				\$256,000				

	Flat Fee	Fee per Claim	Fee per Hour	T/E mileage				
Attending TDI Hearings Other	N/A							
Data Conversion	\$9,000							
On-Line Computer Services (Incident Reporting)		\$25 per claim; if using 24 hour call-in reporting service						
RMIS System and Services – Annual Administration Fee (Interfaces and other fees)	\$2,500							
Run-Off Costs	\$0.00							
Run IN costs	\$0.00							
Field Services/ Investigation			\$95.00	55/mile 1.00/ photo				
Designated Doctor review	\$425 per review + Provider fee billed directly from the provider							
RME Coordination	\$600 per review + Provider fee billed directly from the provider							

**INSURANCE COMPANY ADMINISTRATION, THIRD PARTY ADMINISTRATION
AND COST CONTAINMENT ADMINISTRATION**

	Flat Fee	Fee per Review	Fee per Hour	Fee per Bill	T/E mileage			
Hospital Bill Audit				33% of savings				
Physician Peer-Review	\$325 per review + provider fee							
Chiropractic Peer-Review	\$325 per review + provider fee							
Pre-Authorization	\$110.00 per initial review \$310 .00 per physician advisor review							

Utilization Review	\$110.00 per initial review \$310.00 per physician advisor review							
Medical/Rx Bill Audits				\$9.00/bill				
Use of PPO Networks				33% of savings				
Rehabilitation Services			\$99.00 per hour		IRS Rates			
Vocational Case Management			\$99.00 per hour		IRS Rates			
Impairment Rating review	\$195 per review + provider fee							
Other Charges/Fees Explanation: Subrogation: 15% of recovery TDI Hearings: Fees are determined by the law firm and paid as an expense to the claim file. Online Computer Service: 5 users are determined in the flat fee rate. Additional users are \$25/month per user. MMSEA Reporting: \$2100 annually								
Other Charges/Fees Explanation: Telephonic Case Management: \$950 per claim Field Case Management: \$99 per hour plus mileage; CAT \$150 per hour								
Other Charges/Fees Explanation: Medical Director Services: \$250 per claim Designated Doctor Analysis Letter Only: \$100 per hour								
Other Charges/ Fees Explanation: MRI Re-Read: \$275 plus physician charges IRO: \$100 per request								
Do you require any deposits? Y <input checked="" type="radio"/> N <input type="radio"/> If yes, please explain purpose and dollar amounts:								
Does your proposal offer multi-year pricing? Y <input checked="" type="radio"/> N <input type="radio"/> If yes, explain how long pricing is in effect: Pricing will be in effect for the first two years of the program and then fees will increase by 4% each year over the prior year's fees.								
State your guaranteed annual flat fee: \$256,000								
State your estimated annual fee including all charges: N/A								
Name/Signature: Alice Wells, SVP 								
Company/Agency: Davies US, LLC								

RFP 24-005
ATTACHMENT 2: PRICING

Full Legal Name of
Firm/Entity:

Davies US, LLC

Name of Person(s)
Completing this form:

Alice Wells, Senior Vice President

Physical Address of
Firm/Entity:

**1250 S. Capital of Texas Highway
Building 1 Suite 460**

City, State, Zip:

Austin, Texas 78746

Mailing Address:

(if different from above)

City, State, Zip:

Phone Number:

(512) 328-4447

Fax Number:

**(512) 328-4447 (main)
(512) 328-2127 (WC)**

Name and Email Address for the Individual acting as the Primary Contact:

Name:

Alice Wells, Senior Vice President

Email Address:

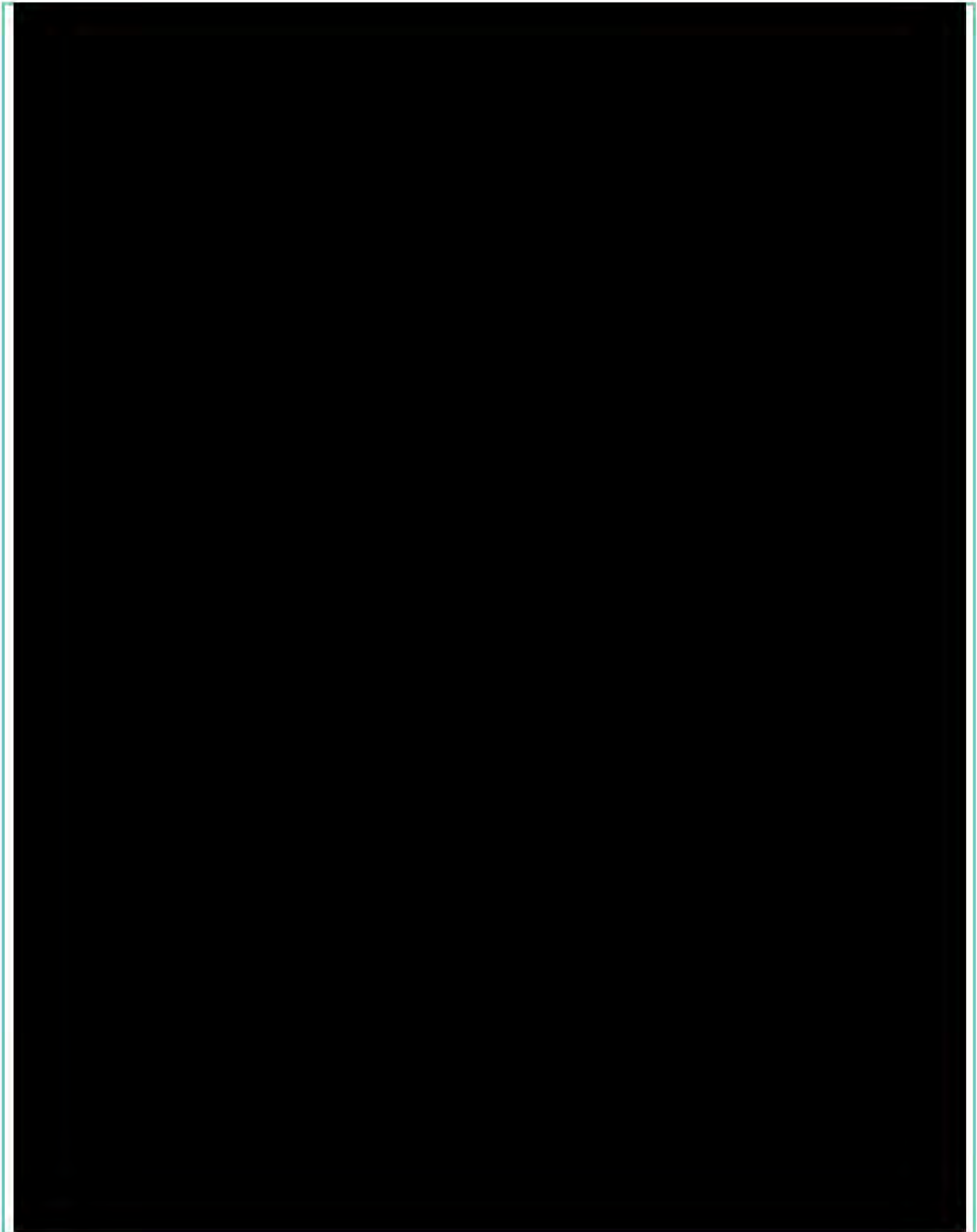
Alice.Wells@us.davies-group.com

Website of Firm/Entity:

<https://davies-group.com/us/>

Tab 4:

Required Forms






COUNTY PURCHASING AGENT

Fort Bend County, Texas

Vendor Information

Jaime Kovar
Purchasing Agent

Office (281-341-8640)

Legal Company Name (top line of W9)	Davies US, LLC												
Business Name (if different from legal name)													
Federal ID # or S.S. #	87-1864215	DUNS #	118711182										
Type of Business	<input checked="" type="checkbox"/> Corporation/LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor/Individual <input type="checkbox"/> Tax Exempt Organization		Age in Business? > 45 years										
Publicly Traded Business	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Ticker Symbol												
Remittance Address	P.O. Box 110259												
City/State/Zip	Lakewood Ranch, FL 34211-004												
Physical Address	1250 S. Capital of Texas Highway, Building 1 Suite 460 (service delivery office for Fort Bend)												
City/State/Zip	Austin, Texas 78746												
Phone/Fax Number	Phone: (512) 328-4447 Fax: (512) 328-2017 (main)/(512) 328-2127 (WC)												
Contact Person	Alice Wells, Senior Vice President												
E-mail	Alice.Wells@us.davies-group.com												
Check all that apply to the company listed above and provide certification number.	DBE-Disadvantaged Business Enterprise <input type="checkbox"/> SBE-Small Business Enterprise <input type="checkbox"/> HUB-Texas Historically Underutilized Business <input type="checkbox"/> WBE-Women's Business Enterprise <input type="checkbox"/>	Certification # _____ Certification # _____ Certification # _____ Certification # _____	<table border="1"> <thead> <tr> <th>Cert Date</th> <th>Exp Date</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Cert Date	Exp Date								
Cert Date	Exp Date												
Company's gross annual receipts	<table border="1"> <tr> <td><\$500,000</td> <td>\$500,000-\$4,999,999</td> </tr> <tr> <td>\$5,000,000-\$16,999,999</td> <td>\$17,000,000-\$22,399,999</td> </tr> <tr> <td>>\$22,400,000 <input checked="" type="checkbox"/></td> <td></td> </tr> </table>			<\$500,000	\$500,000-\$4,999,999	\$5,000,000-\$16,999,999	\$17,000,000-\$22,399,999	>\$22,400,000 <input checked="" type="checkbox"/>					
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\$5,000,000-\$16,999,999	\$17,000,000-\$22,399,999												
>\$22,400,000 <input checked="" type="checkbox"/>													
NAICs codes (Please enter all that apply)	NAIC code: (524292) Third Party Administration of Insurance; SIC code: (6411) Insurance Agents and Service; IRS code: (524290) Other Insurance Related Activities												
Signature of Authorized Representative													
Printed Name	Alice Wells												
Title	Sr. Vice President												
Date	8/22/2023												

THIS FORM MUST BE SUBMITTED WITH THE SOLICITATION RESPONSE

Form W-9 (Rev. October 2018) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification ▶ Go to www.irs.gov/FormW9 for instructions and the latest information.	Give Form to the requester. Do not send to the IRS.																																																		
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Tennessee US Holdco 2, Inc.																																																				
2 Business name/disregarded entity name, if different from above Davies US, LLC																																																				
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.																																																				
<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate																																																				
<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small>																																																				
<input type="checkbox"/> Other (see instructions) ▶ _____																																																				
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>																																																				
5 Address (number, street, and apt. or suite no.) See instructions. 26 Century Boulevard, Suite NT350		Requester's name and address (optional)																																																		
6 City, state, and ZIP code Nashville, TN 37214																																																				
7 List account number(s) here (optional)																																																				
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later. Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.																																																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="10" style="text-align: center;">Social security number</td> </tr> <tr> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> </tr> <tr> <td colspan="10" style="text-align: center;">or</td> </tr> <tr> <td colspan="10" style="text-align: center;">Employer identification number</td> </tr> <tr> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> <td style="width: 30px; height: 20px;"></td> </tr> </table>			Social security number																				or										Employer identification number																			
Social security number																																																				
or																																																				
Employer identification number																																																				
Part II Certification Under penalties of perjury, I certify that:																																																				
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.																																																				
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.																																																				
Sign Here	Signature of U.S. person ▶ <i>Daniel L. Bernegger</i>	Date ▶ 04/20/23																																																		
General Instructions Section references are to the Internal Revenue Code unless otherwise noted. Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9 . Purpose of Form An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.																																																				
<ul style="list-style-type: none"> • Form 1099-DIV (dividends, including those from stocks or mutual funds) • Form 1099-MISC (various types of income, prizes, awards, or gross proceeds) • Form 1099-B (stock or mutual fund sales and certain other transactions by brokers) • Form 1099-S (proceeds from real estate transactions) • Form 1099-K (merchant card and third party network transactions) • Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition) • Form 1099-C (canceled debt) • Form 1099-A (acquisition or abandonment of secured property) Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN. If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.																																																				

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

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Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

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The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

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1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Job No.: _____

TAX FORM/DEBT/RESIDENCE CERTIFICATION
(for Advertised Projects)

Taxpayer Identification Number (T.I.N.): 87-1864215Company Name submitting Bid/Proposal: Davies US, LLCMailing Address: 26 Century Blvd. Suite NT350, Nashville, TN 37215 (US Headquarters)Are you registered to do business in the State of Texas? ☒ Yes ☐ No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

N/A

- I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.*Property address or location**

<u>N/A</u>	_____
_____	_____
_____	_____
_____	_____

* This is the property account identification number assigned by the Fort Bend County Appraisal District.

** For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.

- II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

Yes ☐ No ☒ If yes, attach a separate page explaining the debt.

- III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

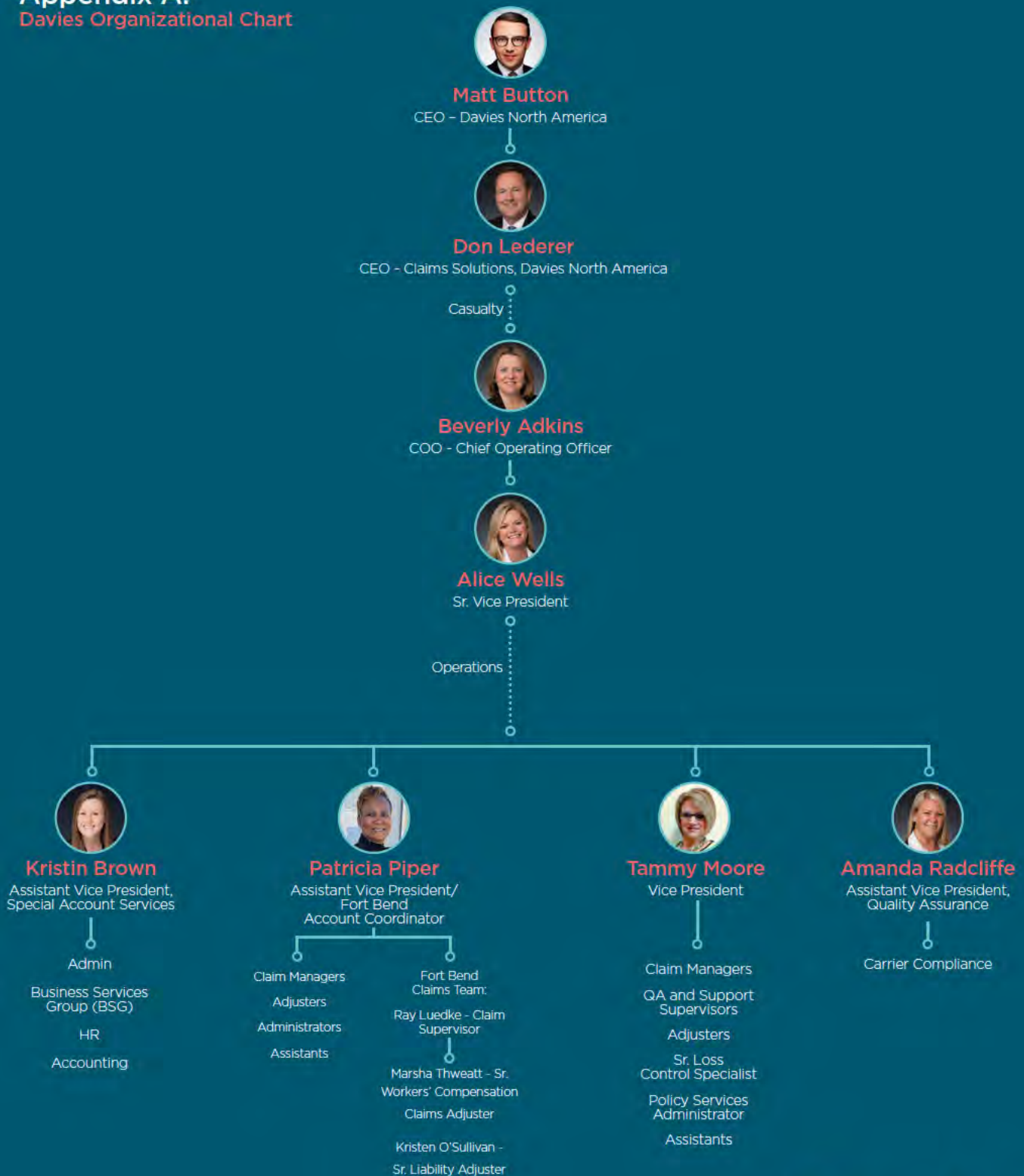
(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

I certify that _____ is a Resident Bidder of Texas as defined in Government Code §2252.001.
[Company Name]I certify that Davies US, LLC is a Nonresident Bidder as defined in Government Code §2252.001 and our principal place of business is Nashville, TN (US Headquarters).
[Company Name] [City and State]

Appendices

Appendix A: Davies Organizational Chart



Appendix B:

Resumes



Patricia Piper AVP/Account Manager

Claims leader with 40+ years of industry experience
20+ years of supervisory and management experience
in various roles. Vast experience overseeing client
accounts in Nevada and other states, managing
adjusting staff, and handling claims in the state of Texas.

EDUCATION:

El Centro Community College, Dallas, TX

Continuing Education Classes for Licensure

License: Multi Lines license for Texas and WC
license for Oklahoma

PROFESSIONAL EXPERIENCE:

**March 2020-Present: Davies Claims Solutions, Nashville,
TN - AVP/Account Manager (based in Irving, TX)**

- + Oversees a team of three claims managers, two supervisors, 22 adjusters, and five administrators and assistants.
- + Manages client staff to ensure quality service is delivered to the client.
- + Ensures overall quality of field offices and staff through efficiency benchmarks, reportable files and CMS reporting compliance.
- + Responsible for approval of payments/reserves within authority level.
- + Key point of contact for client relationships and develops/presents stewardship reports.
- + Assists in the preparation of annual budget and expense controls.
- + Ensures utilization of appropriate preferred vendors.
- + Responsible for annual budgets for assigned field offices.
- + Completes and conducts performance reviews of the manager or supervisor of the assigned field office locations.
- + Responsible for pre-approval of staffing justifications.
- + Responsible for client contract renewals.

**September 2016 -March 2020: Alternative Service
Concepts LLC, Irving TX - Regional Claim Manager**

Responsible for the oversight of assigned field offices to ensure ASC's quality and professional standards were maintained through audits, monitoring of efficiency scores and monitoring the performance of staff. This responsibility also included client relationships.

**August 2007 - September 2016: Alternative Service
Concepts LLC, Duncanville, TX - Regional Claim Manager**

- + Investigated and evaluated losses while developing a plan of action to bring claims to proper resolution in a timely manner.
- + Determined extent of insurance coverage and compensability on each filed claim. This process included investigation into claims, including interviewing employees, employers and witnesses and obtaining the necessary records, including but not limited to, hospital records, police reports, physician records, etc.
- + Maintained control of litigation activities and costs per account requirements.
- + Negotiated settlements for resolutions with claimants and their attorneys.
- + Performed EDI and CMS/Section 111 reporting.
- + Presented thorough and accurate reports to clients and excess carriers on claims investigations/ situations.
- + Responsible for catastrophic losses, complex litigation, and other sensitive issues.
- + Utilized appropriate preferred vendors.
- + Mentored, trained and/or shared expertise with other ASC staff.
- + Served as back up to supervisor or manager when they were unavailable.
- + Attended meetings; conferences; workshops and training sessions.
- + Reviewed written material to maintain current knowledge on principles, practices and new developments in assigned work area.

- + Maintained and met state specific licensing requirements.
- + Responded to client questions and comments in a courteous and timely manner.

February 2000 – May 2007: Standard Financial General Adjustment, Inc., Dallas, TX - Benefit Administration Manager

- + Responsible for the management and supervision of claims handled by other claims adjusters. These responsibilities included all phases of supervision, investigation, adjustments of claims, establishment of proper reserves, and control of medical and legal expenses.
- + Established procedures and controls to ensure that all claims received the prompt and proper attention necessary for good claims handling.
- + Responsible for proper scheduling of personnel to guarantee that we were able to provide excellent customer service to our clients, participants and providers.
- + Developed a formal training plan for new employees as well as a formal training for continuing training for current employees.
- + Responsible for random monitoring and documenting of staff performance.
- + Sought counsel and advice as needed, especially on claims involving questionable coverage, subrogation problems, unusual or grave situations where questions of liability or extent of disability existed, and on all claims where there was uncertainty of procedure or evaluation.
- + Assisted HR with the hiring and firing or all claims personnel as well as all performance evaluations and reviews.

January 1995 – Feb. 2000: Presbyterian Occupational Health Network, Dallas, TX - Workers Compensation Specialist

- + Handled Workers' Compensation claims for employees on-site.
- + Monitored the light-duty program for all employees that were placed in the transitional duty program.
- + Worked directly with the Medical Director on Non-Subscriber clients.
- + Investigated and determined compensability and eligibility on occupational injury claims.
- + Supervised a staff of five employees. May 1989 – January 1995: C.N.A. Insurance Company, Dallas, TX - Claims Specialist Handled workers' compensation claims for the State of Texas.

May 1985 – May 1989: Home Insurance Company, Dallas, TX - Claims Adjuster

Handled Workers' Compensation Claims for the state of Texas, including investigating and determining compensability and handling claims from initial notice until resolution.

May 1980 – May 1985: Fireman's Fund Insurance Company, Dallas, TX - Claims Adjuster

Several positions while employed with Fireman's Fund. Started out performing data entry duties and by the time left the company had been promoted to an adjuster, handling workers' compensation claims for the State of Texas.

SKILLS:

Microsoft Word, Claim Vault, Excel, Ten Key, Davies Claim System, Goldmine, Microsoft Outlook, People Soft, Stars Enterprise, DocuClass and Zebra



Ray Luedke **Director of TPA Programs/ Fort Bend Claims Supervisor**

Claims professional with >34 years' industry experience dedicated to serving self-insured and special handling insured accounts for both captives and carriers. Serves in the Account Management role for clients maintaining constant lines of communication via phone, email and in person while being the program management resource and primary point of contact. Expertise in supervising and handling claims for Texas municipal accounts.

LICENSES:

Texas All Lines Adjuster License, 1988

Texas Risk Managers License, 2007

PROFESSIONAL EXPERIENCE:

December 2007-Present: Davies/The Littleton Group - Austin, Texas - Director of TPA Programs

- + Responsible for the overall management of client's programs, account management, department and staff management, and marketing of TPA services. Business includes self-funded workers' compensation and Texas Non-Subscriber Programs.
- + Responsible for reporting as required to the excess carriers. Management of Captive Programs for the following types of coverage's: Professional, General and Employment Liability including Medical Malpractice. Duties include providing both Claims and Risk Management services to the TPA client base.
- + Responsible for the MMSEA Section 111 Medicare Secondary Payor Mandatory Reporting requirements in the role of Account Manager and assisting clients with the initial registration of their RRE's.

June 2006 - November 2007: Boon-Chapman - Director of Risk Management Services

- + Provided risk management consulting services.
- + Assisted clients with the management of their self-funded programs in terms of claims services provided by the TPA.
- + Coordinated and conducted claims review meetings between TPA and clients.
- + Performed loss review and trending analysis to reduce both the frequency and severity of claims.

- + Served as Consultant for the purpose of developing and reviewing Requests for Proposals for TPA claim services, managed care components, loss prevention services and insurance coverage's for both excess and fully insured plans.

July 2005 - June 2006: American Administrative Group - Director of Workers' Compensation and Occupational Injury Claims

- + Managed the claims staff and responsible for claims investigation and management, medical bill audit, PPO and managed care services which were provided to our self-funded workers' compensation and Texas non-subscriber clients.

September 1991 - July 2005: Health Administration Services, Inc. (HAS) - Director of Workers' Compensation

- + Responsible for the development, management and delivery of services to our self-funded political subdivision accounts. Services included loss prevention, claims adjusting, medical bill audit, utilization review, nurse case management, provider relations and discounts, account management, reporting and marketing.
- + Worked in conjunction with our managed care and plan management services for self-funded ERISA medical plans and developed a quasi-24 hour claims coverage program for clients.

July 1990-August 1991: Texas Employers Insurance Association - Houston, TX - Claims Specialist

- + Workers' Compensation claims adjuster serving large self-funded school districts in north Houston for the TASB workers' compensation accounts.

June 1987-July 1990: Texas Employers Insurance Association - Beaumont, TX - Claims Adjuster/Senior Claims Adjuster

- + Provided claims adjusting services to local political subdivisions and large special handling accounts. Adjusting workers' compensation, general liability, auto and property claims.



Marsha Thweatt **Sr. Claims Adjuster**

Senior workers' compensation adjuster with 20 years of industry experience, including vast experience handling governmental claims in Texas. Her experience includes handling workers' compensation claims for the following self-funded accounts: Alvin Independent School District (ISD), Galveston County, and the Texas City Independent School District (ISD). She maintains a workers' compensation license to handle claims in the state of Texas.

PROFESSIONAL EXPERIENCE:

July 2014-Present: Davies Claims Solutions - Austin Texas, Workers Compensation Adjuster

- + Process new claims, complete investigation to determine if the reported incident is compensable
- + File required forms as outlined by Texas Department of Insurance and Workers Compensation Division to assure there are no administrative violations
- + Interact with clients and claimants to obtain details of the incident, work status, and any concerns either party may have
- + Assure any payments to the client or claimant are made timely
- + Confirm providers are approved to treat workers' compensation under the current rules.
- + •Work with providers to discuss status of the claimant, what the claimants work status is, what their opinion is regarding the injury, and when a full duty release is anticipated
- + •Following up with doctors to assure they are filing required DWC forms in a timely manner and providing all other required medical documentation

September 2013 – March 2014: Service Lloyds Insurance Group. Workers Compensation Adjuster (Contract Assignment)

- + Handled moderate to complex indemnity claims from inception to close in Texas.

October 2012 – December 2012: Zenith Insurance - Texas Workers' Compensation Sr. Adjuster (Contract Assignment)

December 2011 – October 2012: Columbia Insurance Group - Workers Compensation Claims Adjuster (Contract Assignment)

- + Process new claims, complete investigation to determine if the reported incident is compensable
- + File required forms as outlined by Texas Department of Insurance and Workers Compensation Division to assure there are no administrative violations
- + Assure any payments to the client or claimant are made timely
- + In extreme cases, request the assistance of a Field Case Manager (RN) to meet with the claimant and doctors to discuss one on one treatment plan.
- + Confirm providers are approved to treat workers' compensation under the current rules.
- + Following up with doctors to assure they are filing required DWC forms in a timely manner and providing all other required medical documentation

November 2004 -October 2010: JI Companies (York) - Workers' Compensation Claims Adjuster

- + Process new claims, complete investigation to determine if the reported incident is compensable
- + File required forms as outlined by Texas Department of Insurance and Workers Compensation Division to assure there are no administrative violations
- + Assure any payments to the client or claimant are made timely
- + In extreme cases, request the assistance of a Field Case Manager (RN) to meet with the claimant and doctors to discuss one on one treatment plan.
- + Confirm providers are approved to treat workers' compensation under the current rules.
- + Work with providers to discuss status of the claimant, what the claimants work status is, what their opinion is regarding the injury, and when a full duty release is anticipated



Kristen O'Sullivan Sr. Claims Adjuster

Senior liability adjuster with 24 years' experience handling Texas liability claims, including auto liability, general liability, commercial liability, bodily injury, and litigated claims. Thorough knowledge of coverages; risk and exposure; and the ability to quickly identify loss trends and monitor claim reserves throughout the claim's life. Proven record of accomplishments in all areas of claims handling, with an expertise in handling litigated and non-litigated claims.

EDUCATION:

University of Texas at Arlington Bachelor of Arts in Journalism

Licensed by the State Board of Insurance: Texas and New Mexico

Senior Claims Law Association Designation (SCLA), Certified in Supervisor Coaching,

Basic and Advanced Supervisor Certifications, Certified Arbitration Panelist for Arbitration Forums

PROFESSIONAL EXPERIENCE:

2017-Present: Davies Claims Solutions, Grapevine, TX - Sr. Claims Adjuster - Liability

- + Handles claims from initial notice through resolution.
- + Serves as a liaison with the client, investigating claims, and evaluating coverages, exposures and settlement values.
- + Establishes and maintains appropriate reserves, reviews/ approve bills, ensures appropriate state notice and reporting requirements are met, oversees subrogation and collection issues, and reports findings and conclusions.
- + collaborates with all parties to move claims to timely resolution and negotiates/ concludes claims.

June 2015-August 2015: Boenker Insurance, Fort Worth, TX - Independent Claims Adjuster

- + Managed, investigated and resolved bodily injury claims involving moderate to severe first and third party injuries in accordance with the terms and conditions of the policy contract.
- + Evaluated liability and settled claims within prescribed procedures and authority.

- + Made coverage, liability and reserving decisions ensuring adequacy based on claim investigation.
- + Communicated with policyholders, witnesses, and claimants in order to gather information regarding claims and refers tasks to auxiliary resources as necessary.
- + Responds to various written and telephone inquiries including status reports.
- + Claims reports and documentation.
- + Confidential records management.
- + NYS auto insurance regulations.

October 2012 - December 2012: Zenith Insurance - May 2014-May 2015: Fred Loya Insurance, Fort Worth, TX - Claims Examiner

- + Investigated, evaluated, and equitably settled automobile claims involving moderate to severe first- and third-party bodily injury claims in accordance with the terms and conditions of the policy contract.
 - + Reviewed, evaluated, and responded to all time limit demands.
 - + Established appropriate claim reserves throughout the claims handling process.
 - + Communicated and negotiated with medical providers, liens, plaintiff attorneys regarding coverage, damage, liability, and settlement.
 - + Evaluated legal liability, jurisdiction, and injuries to determine applicable settlement value.
- November 2011-August 2021: Santa Fe Auto Insurance, Dallas/Fort Worth, TX - Liability Claims Manager**
- + Structured training and development, management of claims; and over-sight of company standards, and
 - + industry compliance and best practices.
 - + Rewrote standardized claims letters; and created procedures, which increased productivity and decreased errors.
 - + Established quality standards, initiated an audit program, weekly claim evaluation committees, and frequent educational meetings. This resulted in a more professional and cost-effective work environment.
 - + Initiated an Outbound Subrogation procedure that expedited the claim file into litigation in the beginning
 - + stage of Subrogation process. This resulted in a recovered a dollar amount, which exceeded the department's goal.

- + Provided hands on technical guidance for claim investigation, reserving evaluation, and resolution of claims, and ensured effective controls of the use of work product and expenses of outside vendors.

April 2003-December 2012: Geico, Dallas/Fort Worth, TX - Claims Supervisor

- + Oversaw all technical and administrative issues involved in the management, technical guidance, coaching and professional development, managed business relationships, maintained quality and customer service standards and managed financial claim results of the department. Participated and contributed as an active member of the Claims Management Organization.
- + Conducted file audits to ensure quality assurance, consistency and adherence to company and state policies and procedures.

- + Launched the roll-out of new RV, ATV, and motorcycle product; this encompassed development of training materials, complete Training of all claim levels, and piloted a standalone unit.

- + Addressed escalated complaints, including written correspondence from customers, attorneys, and the Department of Insurance.

- + Provided to all members of management each month; monthly file audit results, department trending report with action plans that outlined development and training strategies to enhance Claims Adjusters functional skills and performance.

Appendix C:

Adjuster License



Adjuster

Adjuster - Worker's Comp.

MARSHA THWEATT

NPN: 7619971


812 N 2ND ST

JARRELL, TX 76537

is authorized to transact business as described above

License No: 1216334 Issue Date: 02-25-2003 Expiration Date: 10-30-2024

Generated by Sircon 281548235

<p>TEXAS DEPARTMENT OF INSURANCE THIS IS TO CERTIFY THAT</p> <p>MARSHA THWEATT 812 N 2ND ST JARRELL, TX 76537</p> <p>LICENSE NUMBER: 1216334 NPN: 7619971</p>	<p></p> <p>IS HEREBY AUTHORIZED TO TRANSACT BUSINESS IN ACCORDANCE TO THE LICENSE DESCRIPTION SHOWN BELOW:</p> <p>Adjuster Adjuster - Worker's Comp.</p> <p>Issue Date: 02-25-2003 Expiration Date: 10-30-2024 Generated by Sircon 281548235</p>
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Adjuster

Adjuster - Property and Casualty

KRISTEN ELLEN OSULLIVAN

2500 STATE HIGHWAY 121 APT 728

EULESS, TX 76039-6019

is authorized to transact business as described above

License No: 415708

Issue Date: 05-10-1999

Expiration Date: 09-30-2023

Generated by Sircon 245313642

TEXAS
DEPARTMENT OF INSURANCE
THIS IS TO CERTIFY THAT



KRISTEN ELLEN OSULLIVAN
2500 STATE HIGHWAY 121 APT 728, EULESS, TX
76039-6019

IS HEREBY AUTHORIZED TO TRANSACT
BUSINESS IN ACCORDANCE TO THE LICENSE
DESCRIPTION SHOWN BELOW:

Adjuster

Adjuster - Property and Casualty

Issue Date: 05-10-1999

Expiration Date: 09-30-2023

Generated by Sircon 245313642

<https://platform.sircon.com/#/dashboard/framedTransaction?key=printLicense>

Appendix D:

TPA License

Texas Department of Insurance



COMPANY NO. 55208

LICENSE NO. 96322

CERTIFICATE OF AUTHORITY

THIS IS TO CERTIFY THAT

THE LITTLETON GROUP WESTERN DIVISION, INC.**AUSTIN, TEXAS**

has complied with the laws of the State of Texas applicable to the licensing of Third Party Administrators and is hereby authorized in accordance with TEX. INS. CODE, Chapter 4151 to transact the business of:

ADMINISTRATOR


within the State of Texas. This Certificate of Authority shall be in full force and effect until it is revoked, canceled, or suspended according to law.

IN TESTIMONY WHEREOF witness my

hand and seal of office at Austin, Texas, this

4th day of December 2012.ELEANOR KITZMAN
COMMISSIONER OF INSURANCE

BY:


GODWIN CHAECHESI, DIRECTOR
COMPANY LICENSING AND REGISTRATION
FINANCIAL REGULATION DIVISION
COMMISSIONER'S ORDER NO 12-0052

Appendix E:

Davies Claims Handling Best Practices

I. RESERVES

A. TIMELINESS:

- 1 The initial reserve must be set within 10 days of the receipt of the claim by Davies and before the end of the month, whichever comes first.
- 2 The reserves must be adjusted promptly, or - at a minimum - within 30 days of the date the claim handler knew or should have known, of a change in the realistic, practical exposure of the claim.

B. ADEQUACY

- 1 Reserve adjustments must be adequate based on information known and/or available, or reasonably expected, at the time of the evaluation.
- 2 Davie's reserving philosophy is to reserve for realistic, practical, ultimate exposure. This means neither worse, nor best, case scenario but the realistic value based on injury, damages, liability, jurisdiction, and other influencing factors.
 - a Any requested variance from this philosophy must be supported by the client Account Profile/Claim Management Guidelines or the carrier's claim-handling requirements.
- 3 Stair stepping of the reserves must be avoided. Each reserve evaluation must consider the realistic ultimate exposure rather than a reserve for the "absolute known" exposure on the date of the evaluation. All parts of the reserve must be considered (loss/expense, indemnity/medical/expense) at each evaluation.
4. All reserve evaluations must be documented in the electronic claim file. This documentation must include the various aspects of exposure such as liability/compensability, injury/damages, permanency, specials/medical/indemnity, legal/other expense.

C. EXCEPTIONS

All exceptions to A & B above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

II. COVERAGE

A. DOCUMENTED

Coverage must be documented as to the carrier name, policy number, SIR/Deductible, limits, a line of business, if a pool - the date the member joined, and carrier's position to the client (i.e., primary, first layer excess, etc.). Further documentation must be included if applicable, for example:

1. **Claims Made.** If the applicable policy is Claims Made, the documentation must include the retro date, date the claim was made against the client, date the claim was reported to Davies, and any applicable extended reporting period
2. **Automobile.** Description of the vehicle, verification if scheduled, applicable first-party coverage, and any first or third party deductible.
3. **Property.** Description of the covered property, verification if scheduled, ACV/RCV, and any applicable first party deductible.

B. CORRECTLY APPLIED

Coverage must be applied correctly to the loss; (i.e., an Automobile Liability policy should not be applied to an E&O claim).

C. ISSUES ADDRESSED

Issues of coverage must be recognized and documented in the electronic file notes.

1. Coverage issues must be directed to the carrier in a timely manner.
2. Davies issues Reservations of Rights, Non-Waiver Agreements, Disclaimers, or Excess letters ONLY WITH the prior written approval of the applicable carrier.
3. Reservation of Rights letters, Non-Waiver Agreements, Disclaimers, or Excess letters issued by the carrier must be explained to the client in a timely manner.
4. Coverage issues must be followed by the adjuster until resolved.

D. EXCEPTIONS

All exceptions to A, B, & C above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

III. CONTACT

A. All client specific requirements, as documented in the client Account Profile/Claim Management Guidelines must be met.

B. CONTACT REQUIREMENTS

1. 24 Hours
 - a. Client/Employer
 - b. Claimant
 - c. Medical Provider
2. 3 Working Days
 - a. Witnesses
3. Exceptions:
 - a. Workers' Compensation Medical Only Claims
 - b. First Party claims with exposure of under \$1,000.
 - c. 24 hour contact is required on a & b above upon knowledge of:
 - (1) Potential subrogation
 - (2) Questionable compensability
 - (3) Potential lost time or permanent impairment
4. Contact efforts must be meaningful with reasonable follow-up on unsuccessful attempts.

C. EXCEPTIONS

All exceptions to A & B above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

IV. INVESTIGATION

A. TIMELINESS

1. Initial Investigation. The amount of time lapsed between receipt of the claim by Davies and completion of the investigation must be appropriate to the peculiarities of the particular claim.
2. Subsequent Investigation. Must be completed within 30 days, or a reasonable time, from the date the need for further investigation was, or should have been, recognized.

B. ADEQUACY

1. Recorded or Written/Signed Statements. Statements must be obtained from all key parties to the claim involving:
 - a. Claims with disputed facts, liability, or compensability.
 - b. Workers' Compensation claims involving 4 or more weeks of lost time or any permanent impairment/disability.
 - c. Reportable claims (carrier or client)
 - (1). Refer to the carrier's Claim Handling Requirements and/or the client Account Profile/Claim Management Guidelines.
2. Index & OFAC.
 - a. Index
 - (1) Unless specifically documented in the client Account Profile/Claim Management Guidelines and not over-ruled by the carrier's Claim Handling Requirements, all bodily injury claims, excluding Medical Only Workers' Compensation must be indexed.
 - (a) Immediately upon receipt of adequate information and
 - (b) Every 6 months thereafter that the claim remains open.
 - (2) Requests for additional information must be made in any positive index response.
 - b. OFAC. See the separate section of the manual on OFAC requirements.
 - (1) All payees must be indexed prior to issuance of the initial payment and, if still receiving payments, each 6 months thereafter.
3. Statutory and jurisdictional requirements concerning investigation must be met.
 - a. MSA - Medicare Set Aside must be considered on all claims that MAY meet Federal requirements.
4. All aspects of liability/compensability must be investigated.

5. Subrogation
 - a. Subrogation potential must be addressed in all files, including
 - (1) Contractual liability
 - (2) Vicarious liability
 - (3) Automobile, Products, Professional and General Liability
 - b. Subrogation may not be waived or discounted, without the express permission of the client and/or carrier.
6. Police/Sherriff department reports must be obtained on all claims in which the police were contacted. If the police did not respond to a copy of the incident report should be obtained.
7. Fire department reports must be obtained on all first-party property losses involving fire.
8. Scene investigations must be conducted based on the needs of the particular claim. Scene investigations should include photographs, diagrams, measurements, etc.
9. If the accident involved a product, the item must be identified, examined, photographed, protected, and its history determined.
 - a. Potential products claim to include any accident involving machinery or a vehicle with alleged failure of brakes, tires, steering, etc.
 - b. Once potential products liability subrogation has verified the chain of custody must be established. Use of defense counsel and/or experts should be considered to assist in protecting the product.
10. Damages/Injuries
 - a. Bodily Injury investigations must include
 - (1) Signed medical authorization if possible.
 - (2) Medical reports & bills
 - (a) These should be originals whenever possible. Any photocopies received should be verified.
 - (3) Medical history
 - (4) Loss of Wages
 - (a) On Workers' Compensation, the jurisdictional wage statement requirement must be met.
 - (b) Education & work history should be obtained for all serious injuries.
 - (5) Special damages must be investigated and evaluated.
 - b. Third Party Property Damage investigations must include
 - (1) Ownership
 - (2) A full description of the damaged property (auto, real, or other), including its age and condition.
 - (a) Actual cash value and, if applicable, replacement cost value.
 - (b) Salvage value

- (3) Repair costs
 - (4) Property damage should be inspected and appraised as warranted by the facts of the accident and the alleged value of the damage.
 - (5) Loss of use & any diminution of value as applicable.
- c. First Party Auto Collision & Comprehensive claims should include items listed in b above as required by the coverage provided.
- d. First Party Property (building or contents) investigations must include
 - (1) A comparison description from any schedule in the policy against the actual building/contents.
 - (2) A full description of the covered building (i.e., construction, square footage, date purchased) and the make, model, age, etc. of any scheduled equipment or contents.
 - (3) Ownership/insurable interest
 - (4) Actual Cash Value and Replacement Cost Value as required by the coverage.
 - (5) Statement of Loss
 - (6) Proof of Loss

C. SPECIAL INVESTIGATION - QUESTIONABLE FRAUD CLAIMS

Any information developed by the investigation that indicates the claim may arise from fraud or conspiracy to defraud must be reported within 24 hours to the client, the carrier, and the Field Claim Manager.

The American Heritage Dictionary defines fraud & conspiracy as follows:

fraud (frôd) n. 1. A deception deliberately practiced in order to secure unfair or unlawful gain. 2. A piece of trickery; a trick. 3. a. One that defrauds; a cheat. b. One who assumes a false pose; an impostor.

con·spir·a·cy (k...n-spîr"...s¶) n., pl. con·spir·a·cies. 1. An agreement to perform together an illegal, wrongful, or subversive act. 2. A group of conspirators. 3. Law. An agreement between two or more persons to commit a crime or accomplish a legal purpose through illegal action. 4. A joining or acting together, as if by sinister design.

1. See the separate section of the manual on Fraud/Special Investigation

D. EXCEPTIONS

All exceptions to A & B above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements. No exceptions are allowed for C - Special Investigation/Fraud

V. DOCUMENTATION

Required "Notes Captions" must be used on all applicable notes on all claims in all accounts. (See separate section on Notes - Glossary.)

A. TIMELINESS

Documentation should be entered in the electronic file notes as soon as the activity is completed or as soon as practicable thereafter - preferably within 24 hours.

B. ADEQUACY

Documentation must be adequate to provide the reader with what was done, by whom, when, to what result, the thinking or analysis of the results/information by the writer, and the basis for any decision.

1. The electronic file must contain documentation of:
 - a. All activity on the file by the adjuster or supervisor.
 - b. Succinct summaries of investigative, medical, and legal reports/correspondence/documents.
 - c. All demands offers, and negotiations.
 - d. Plans of Action. Plans of action must contain meaningful information on what the adjuster/supervisor will do, by when to move the claim toward a conclusion. Cursory, redundant ("rubber stamped"), or meaningless comments are unacceptable.
 - e. Where the file contains "suffixed" or "trailer" claims, documentation should be placed in the notes on the lead file (based on suffix number or severity). The remaining claims must contain notations giving the style and claim number of the claim bearing the major documentation.
2. Payments. All payments should include a succinct description of the service, benefit, or settlement being paid in the narrative of the check or check stub.
 - a. The correct applicable dates must be shown in the "From" & "To/Through" fields.
 - b. Generalizations such as "Services Rendered," "Fees to Date," "Full & Final Settlement of All Claims" are unacceptable.
 - (1) Expense checks for attorneys, experts, appraisers, etc. should show the type of service rendered, and the correct dates of service in the "From" & "To" fields.
 - (2) Loss payments (P&C Claims) must show the nature of the payment, i.e., "Full & Final Payment Property Damage," "Full for Loss of Use," "Full for ACV Building," etc.
 - (3) Workers' Compensation indemnity payments must show the type of benefit (permanent partial, death, temporary total, etc.) and the dates covered by the benefits.
 - (4) Workers' Compensation Medical Benefits - Manually Entered. Medical benefit payments manually entered must contain adequate information describing the benefit being paid, i.e., "Mileage Reimbursement xxx Miles @ \$.xx," etc.
 - (5) Workers' Compensation Medical Benefits - MBR electronic data feed. Medical Bill Review vendor's data feeds include the EOB/EOR which is printed as a part of the check stub showing the CPT/Procedure code.

C. EXCEPTIONS

All exceptions to A & B above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

VI. DIARY

A. FUTURE DIARY DATE

All Open files must carry an open diary date for the adjuster/supervisor primarily responsible for handling the claim.

B. CURRENT DIARY

Diary must be worked on a timely basis. To be considered current diary must be worked within 10 business days of the diary date.

C. PLAN OF ACTION

To be considered "worked" each diary must include the status/results of the prior action plan and an action plan for the next diary period.

D. ADEQUATE SPAN

Diary on open files must be within 30 calendar days of the prior diary unless the file bears one of the following sub-status codes:

1. SE = 120 day diary span
 - a. SE on NV Medical Only may carry a span of 365 days due to statutory requirements.
2. LI = 90 day diary span
3. OCC = 90 day diary span

E. EXCEPTIONS

All exceptions to A through D above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

VII. LITIGATION MANAGEMENT

Any legal action requiring (1) an answer filed with the judicial or jurisdictional body or (2) the appearance of defense counsel is considered to be "litigation."

A. REVIEW & ANALYSIS

1. The file must contain the adjuster's thoughts and analysis of the legal action including the soundness of the allegation, any pertinent knowledge of the jurisdiction, and the degree of (and the basis for) the client's exposure.
2. The file must contain the adjuster's thoughts and analysis of what further action must be taken, by whom, to establish further, or diminish, the client's exposure.

B. TIMELY REFERRAL TO DEFENSE COUNSEL

1. The legal action must be referred to defense counsel within 24 hours (1 business day) of receipt of the action by Davies unless:
 - a. A more urgent time frame is required based on the date an answer is due, or
 - b. The adjuster has obtained a written agreement to a waiver of the answer date from the plaintiff attorney.

C. PROPER REFERRAL TO DEFENSE COUNSEL

See also Litigation Management Referral To Defense Counsel.

1. Applicable carrier and/or client-attorney selection requirements must be met.
2. Referral to defense counsel must be a formal letter containing the required information or a cover letter with the completed format of required information.
3. A copy of Defense Counsel Reporting & Billing Requirements must be sent with each referral. Any modification due to more stringent requirements by the client/carrier should be outlined in the referral or on the Requirements form.
4. All Referrals must contain the following required wording:

This referral is made on behalf of our captioned client/insured. The client and/or their carrier is solely responsible for all fees, charges, and disbursements. Davies has been authorized to review and process the legal expenses and we ask that your bills be forwarded directly to our office.

A copy of the reporting and billing requirements are attached.

Should you not comply with these requirements Davies will be forced to:

1. apply to the client and/or carrier to appoint other counsel, or
2. advise the client and/or carrier that Davies will be unable to continue to handle this claim.

D. LITIGATION SCREENS COMPLETED

The Litigation Screens in the claim system must be completed as fully as possible and updated as information is developed.

1. The sub-status code for Litigation ("LI") must be posted in the system on the Sub-Status Screen.

E. ABANDONMENT TO DEFENSE COUNSEL

Law.Com defines Abandonment as: "n. the act of intentionally and permanently giving up, surrendering, deserting or relinquishing....."

1. The adjuster must continue to be actively involved in the investigation, direction, and management of both the claim and the legal action.
 - a. The adjuster must direct, consult, and approve the actions of defense counsel.
 - b. The adjuster must not allow or expect defense counsel to fulfill the adjuster's responsibilities in the investigation and/or handling of the claim, communication with the client and/or carrier, evaluation of exposure, or in negotiation.

F. CLIENT APPRISED

The adjuster must keep the client apprised of the status of the action, of the evaluation of exposure (loss and expense), further activities projected, and expectations as to results of current activities as well as depositions, settlement conferences, mediations, trial dates, etc.

G. PRE-TRIAL REPORT

See also Litigation Management Adjuster's Pre-trial Report for information required in the report - whether from defense counsel or adjuster.

1. The adjuster's pre-trial report must be submitted no later than 60 days prior to trial. If defense counsel submits a pre-trial report, the file must contain the adjuster's review & analysis of the case.
2. Fronted or Carrier Accounts. The adjuster must review the carrier Claim Handling Requirements. Most carriers require that all cases are reportable 60 days before trial whether another reporting criteria applies or not.
 - a. Reporting to the carrier should include the Captioned Report and defense counsel's pre-trial report. The adjuster may attach the adjuster's pre-trial report or include his/her analysis in the body of the captioned report.
 - b. Note that "reportable at 60 days" means the report should be in the carrier's office no later than 60 days before trial.
 - c. This reporting requirement applies even in cases where the adjuster sees no probability of an adverse judgment.

H. DEFENSE COUNSEL REPORTING & BILLING

See also Litigation Management - Defense Counsel Reporting/Billing Requirements

1. Defense counsel reporting & billing must meet the requirement outlined in Litigation Management - Defense Counsel Reporting/Billing Requirements and/or the client/carrier requirements if more stringent.
 - a. The adjuster must take action to insure proper & timely reporting and billing by defense counsel, including notification of their Field Claim Manager and/or client/carrier if counsel fails to cooperate.

- b. Defense counsel reporting includes submission of a defense budget - and updating that budget as warranted by the development of the case.
 - (1) All budgets must be approved by the adjuster.
- c. All legal bills must be reviewed and approved by the adjuster prior to payment.
 - (1). Fees & expenditures must be supported by documentation received from counsel, i.e., deposition summaries, medical records, etc.
 - (2) Bills must be in-line with the current defense budget.
- 2. If defense counsel fails to report or bills within 14 calendar days of the date due, the adjuster must contact the attorney and client (and/or applicable carrier) to advise we are seeking to move the file to another counsel. If the client is unwilling to support Davies in this position, we must advise the client and/or the applicable carrier that we will be unable to continue handling the claim.

I. EXCEPTIONS

All exceptions to A through H above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

VIII. FOLLOW-UP AND/OR CONTROL

A. PROACTIVE

1. The adjuster must take the initiative in pursuing the information and promptly taking action needed to move the claim toward a conclusion.
 - a. Follow-up must be timely and meaningful.
 - b. Follow-up must not be set for the next diary date by rote and without the needed activity by the adjuster.
 - c. Offers should be initiated rather than waiting for demand.
 - d. Alternatives must be considered – return to light work, return to different work, alternative repairs, structured settlements, etc.

B. TIMELY PAYMENT

Payments must be made promptly, in general within 5 working days of receipt of all needed information or agreement to pay.

1. Any bill submitted for payment must bear written approval (initials or signature & date) of the adjuster or supervisor.
2. Workers' Compensation benefits (indemnity, medical, and other) payments must be made within the applicable statutory time requirements.
3. P&C loss payments must be made within 5 working days of the agreement.
4. All legal and other expense must be paid within 5 working days of receipt of adequate information.

C. MEDICAL MANAGEMENT

1. Workers' Compensation
 - a. All medical bills and reports must be reviewed by the adjuster for relatedness/causation to the alleged injury.
 - (1) Pre-existing conditions and their impact on the alleged injury must be considered and addressed.
 - b. All medical bills must be subjected to bill review as required by statute and/or client's Account Profile/Claim Management Guidelines.
 - c. The use of a panel of doctors must be considered as allowed by statute.
 - d. Independent medical exams must be considered based on the needs of the claim and any statutory provisions.
 - e. Medical Case Management, Medical Rehabilitation, and Vocation Rehabilitation must be considered based on the needs of the claim and any statutory provisions.
2. P&C. All medical reports, records, and bills must be reviewed for relatedness & appropriateness.

D. RESPONSIVENESS

1. All communications from the client, employer, claimant, carrier, attorney, defense counsel, physician, claim supervisor, or another party on a claim must be responded to in a timely, thorough, and professional manner.
 - (a) Complaints - See the separate section of the Davies Manual under Office Administration.
2. All requests for specific, or general, activity on a claim must receive a timely response.
3. All correspondence to parties outside Davies must be on letterhead, company fax template, or e-mail. Handwritten communications are unacceptable.

F. TIMELY DENIAL

1. Workers' Compensation. Denials of compensability must comply with the applicable statute.
2. P&C. Denial of liability must be issued within 2 working days of knowledge that the claim should be denied.
3. Coverage. Davies does not issue disclaimers or denials of coverage without the prior written approval of the carrier.

G. EXCEPTIONS

All exceptions to A through F above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

IX. SUPERVISION

A. PROMPT ASSIGNMENT

If the supervisor is involved in assigning new intake claims to the adjuster, the assignment must be made on the date the claim was received by Davies.

B. INSTRUCTIONS & GUIDANCE

Initial & follow-up instructions & guidance to the adjuster must be based on the particular claim and the expertise of the assigned adjuster rather than cursory or "rubber stamped."

1. On internal audits, inadequate investigation, handling, or reporting by the adjuster will equate with inadequate supervision.

C. RESPONSIVENESS

The supervisor must be responsive to the adjuster and the needs of the claim.

D. DIARY

The supervisor's diary must be appropriate to the particular claim and the expertise of the adjuster.

E. FOLLOW-UP

The supervisor must follow-up in a timely manner on specific instructions or requests as required by the seriousness of the claim and the propensities of the adjuster.

F. EXCEPTIONS

All exceptions to A through E above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

X. SPECIAL AND/OR EXCESS REPORTING

A. RECOGNIZED

Reporting criteria based on client and carrier guidelines must be recognized.

1. See the Carrier Requirements and Client Account Profile/Claim Management Guidelines contained in separate sections of the Davies Manual.
 - (a) Not all excess carriers require reporting at 50% of deductible/SIR - some are lower, i.e., Zurich requires reporting at \$100,000 or 50% of SIR whichever is less.

Note: The financial trigger for excess reporting is based on the total incurred of the occurrence and/or all related claims.
 - (b) Davies requirements on reporting criteria must be followed on all claims on accounts where the contract requires reporting to the carrier. Each excess carrier has a list of non-financial criteria for captioned reports, i.e., fatalities, asbestos, deafness of greater than 50%, etc. Davies reporting criteria are a combination of the criteria of all carriers and must be followed for all initial reports.
2. Each claim open 120 days or more must be a review of excess reporting.
3. When reported the sub-status codes must be changed to show that the claim was reported and the date reported.
4. The sub-status codes default to "N" for "No" with blank dates on the date fields. Once the file is reviewed for excess reporting or has been reported, the appropriate fields must be changed. The fields are:
 - (a) Reviewed for excess = ("y" for "yes" or leave "N" for "no")
 - (b) Date revd for excess (date the claim was reviewed for excess)
 - (c) Excess reportable (does the file meet criteria or incurred amount for reporting = "y" for "yes" or leave "N" for "no")
 - (d) Excess reported (the claim has been reported to the carrier)
 - (e) Rein/Exc rptd date (the date the claim was reported)

B. TIMELY

Reports must be prepared and in the hands of the client and/or carrier within the required timeframe.

1. Captioned initial report within 30 days of receipt of the claim by Davies and/or receipt of information of exposure/injury subject to the reporting criteria. Subsequent reports are due each 90 days thereafter unless otherwise stipulated by the client/carrier.
2. All fatality claims must be reported within 24 hours of receipt of notice of the fatality by Davies. This may be in the form of an "initial notice" memo or e-mail giving available information and then followed by a captioned report within 30 days (or as stipulated by the carrier/client).

C. PROPER FORMAT

Unless the client/carrier requires a different format the Davies standard Captioned Report format must be used.

1. Captioned reports must offer information of substance and address all known issues.
2. Captioned reports must be professional in content and appearance.

D. EXCESS LETTER

A formal letter must be sent to the client advising them to place all carriers with potential coverage for the claim on notice in any claim

1. With an unspecified demand
2. With a demand over the layer handled by Davies
3. In all continuous trigger or repeated exposure claims

E. EXCEPTIONS

All exceptions to A through D above must be documented in the file notes and/or the client Account Profile/Claim Management Guidelines or applicable carrier claim-handling requirements.

Test Company
Loss Run by Claim Detail
Begin Period Date: 4/1/2016 Financials As Of 4/30/2016

Page 1 of 159
Valuation :04/30/2016
Run Date: 05/10/2016 04:28 PM

Report Criteria: Filter: Tier 2 Name = 'Test Company (W)' and Loss Year >= '2010' and Line of business = 'Workers Compensation' and Client = 'Test Company' and Policy Set = Y

Group 1: Claim Year / Policy Age: Claim year 2010 01/01/10 - 12/31/2010 Policy Age: 75 Months

Group 2: Party Current Coverage Type: Indemnity

Claimant Claim Number	Div/Dept Adjuster	Loss Date Opened Date	Closed Date Reopen Date	Party Status Coverage	Nature of Injury Body Part	Received Date (Class Code if claim is WC) Loss Cause	Description of Loss
arcy, Andrea L. 466519	PUBLIC SAFETY/ANIMAL CONTROL Sharon ulise	01/06/2010 01/08/2010	2/26/2010	Closed Indemnity	Strain or Tear Lower Back Area	7704 Strain or Injury By: NOC	After completing a set of squats with 15 lb. ball, felt tightness in low back.
		<u>Reserve Type:</u>	<u>Paid in period</u>	<u>Paid to date</u>	<u>Reserve Balance</u>	<u>Incurred</u>	
		Expense	\$0.00	\$17.85	\$0.00	\$17.85	
		Indemn	\$0.00	\$514.66	\$0.00	\$514.66	
		Medical	\$0.00	\$252.30	\$0.00	\$252.30	
		Claim Total:	\$0.00	\$784.81	\$0.00	\$784.81	
nlurp, Edward 469924	PUBLIC SAFETY/FIRE RESCUE Sharon ulise	01/22/2010 01/25/2010	2/24/2010	Closed Indemnity	Myocardial infarction Heart	7704 Other Than Physical Cause of Injury	Rapid heart rate after physical exertion.
		<u>Reserve Type:</u>	<u>Paid in period</u>	<u>Paid to date</u>	<u>Reserve Balance</u>	<u>Incurred</u>	
		Expense	\$0.00	\$89.27	\$0.00	\$89.27	
		Indemn	\$0.00	\$0.00	\$0.00	\$0.00	
		Medical	\$0.00	\$1,326.80	\$0.00	\$1,326.80	
		Claim Total:	\$0.00	\$1,415.87	\$0.00	\$1,415.87	
nsburg, Gloria M. 470007	PUBLIC SAFETY/COUNTY PROBATION Sharon ulise	01/25/2010 01/25/2010	3/25/2010	Closed Indemnity	Fracture Upper Arm	7720 Fall, Slip or Trip; NOC	Dropped coffee cup and went to pick up, when she went to go back on ramp slipped on wet ground.
		<u>Reserve Type:</u>	<u>Paid in period</u>	<u>Paid to date</u>	<u>Reserve Balance</u>	<u>Incurred</u>	
		Expense	\$0.00	\$454.39	\$0.00	\$454.39	
		Indemn	\$0.00	\$1,610.01	\$0.00	\$1,610.01	
		Medical	\$0.00	\$27,728.34	\$0.00	\$27,728.34	
		Claim Total:	\$0.00	\$29,792.74	\$0.00	\$29,792.74	
erly, James M. 470070	PUBLIC SAFETY/FIRE RESCUE Sharon ulise	01/25/2010 01/26/2010	2/24/2010	Closed Indemnity	Myocardial infarction Heart	7704 Other Than Physical Cause of Injury	EE participated in IPAT and had elevated heart rate post test.
		<u>Reserve Type:</u>	<u>Paid in period</u>	<u>Paid to date</u>	<u>Reserve Balance</u>	<u>Incurred</u>	
		Expense	\$0.00	\$5.95	\$0.00	\$5.95	
		Medical	\$0.00	\$64.00	\$0.00	\$64.00	
		Claim Total:	\$0.00	\$69.95	\$0.00	\$69.95	
ola/nd, Susan L. 470130	PUBLIC SAFETY/FIRE RESCUE Sharon ulise	01/26/2010 01/26/2010	2/24/2010	Closed Indemnity	Myocardial infarction Heart	7704 Other Than Physical Cause of Injury	Post heart rate did not meet standards.
		<u>Reserve Type:</u>	<u>Paid in period</u>	<u>Paid to date</u>	<u>Reserve Balance</u>	<u>Incurred</u>	
		Expense	\$0.00	\$5.95	\$0.00	\$5.95	
		Medical	\$0.00	\$64.00	\$0.00	\$64.00	
		Claim Total:	\$0.00	\$69.95	\$0.00	\$69.95	

Left Margin "IN PERIOD ACTIVITY" INDICATORS: *S* Payments, *S* Reserves, *A* Opened, **Closed, ***Reopened.

Report 2

Test Company

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Loss Run by Claim Detail

Valuation :04/30/2016

Begin Period Date: 4/1/2016 Financials As Of 4/30/2016

Run Date: 05/10/2016 04:28 PM

Report Criteria:

Filter: Tier 2 Name = 'Test Company (W)' and Loss Year >= '2010' and Line of business = 'Workers Compensation' and Client = 'Test Company' and Policy Set = Y

Group 1: Claim Year / Policy Age: Claim year 2016 01/01/16 - 12/31/2016 Policy Age: 3 Months

Group 2: Party Current Coverage Type: Medical Only

Claimant	Div/Dept	Loss Date	Closed Date	Party Status	Nature of Injury	Received Date (Class Code if claim is WC)	Description of Loss
Claim Number	Adjuster	Opened Date	Reopen Date	Coverage	Body Part	Loss Cause	
Mcormack, Tracy 729597	PUBLIC SAFETY/FIRE RESCUE Lissa Inobet	04/28/2016 04/29/2016		Open Medical Only	No Physical Injury Lower Arm	Absorption, Ingestion or Inhalation, NOC	While responding to traffic accident, patient was laying on ground with a significant laceration to the
						<u>Reserve Type:</u>	<u>Paid in period</u> <u>Paid to date</u> <u>Reserve Balance</u> <u>Incurred</u>
						Expense	\$0.00 \$0.00 \$250.00 \$250.00
						Medical	\$0.00 \$0.00 \$750.00 \$750.00
						Claim Total:	\$0.00 \$0.00 \$1,000.00 \$1,000.00
Wozniak, Jazlyn 729609	PUBLIC SAFETY/FIRE RESCUE Lissa Inobet	04/28/2016 04/29/2016		Open Medical Only	No Physical Injury Lower Arm	Absorption, Ingestion or Inhalation, NOC	While responding to a vehicle accident, found patient with arterial bleeding from head laying in
						<u>Reserve Type:</u>	<u>Paid in period</u> <u>Paid to date</u> <u>Reserve Balance</u> <u>Incurred</u>
						Expense	\$0.00 \$0.00 \$250.00 \$250.00
						Medical	\$0.00 \$0.00 \$750.00 \$750.00
						Claim Total:	\$0.00 \$0.00 \$1,000.00 \$1,000.00
Wozniak, Thomas 729612	PUBLIC SAFETY/FIRE RESCUE Lissa Inobet	04/28/2016 04/29/2016		Open Medical Only	No Physical Injury Unclassified - Insufficient info to	Absorption, Ingestion or Inhalation, NOC	Exposure to blood on intact skin from HIV positive patient.
						<u>Reserve Type:</u>	<u>Paid in period</u> <u>Paid to date</u> <u>Reserve Balance</u> <u>Incurred</u>
						Expense	\$0.00 \$0.00 \$250.00 \$250.00
						Medical	\$0.00 \$0.00 \$750.00 \$750.00
						Claim Total:	\$0.00 \$0.00 \$1,000.00 \$1,000.00
						<u>Reserve Type:</u>	<u>Closed PTD</u> <u>Open PTD</u> <u>All Paid to Date</u> <u>Reserve Balance</u> <u>Incurred</u>
						Expense:	\$119.60 \$157.77 \$277.37 \$4,892.23 \$5,169.60
						Medical:	\$5,479.18 \$5,850.43 \$11,329.61 \$14,087.34 \$25,416.95
						Total:	\$5,598.78 \$6,008.20 \$11,606.98 \$18,979.57 \$30,586.55

Group 2: Medical Only Totals

Claim Count: Open: 17 In period: 5 Closed: 18 In period: 5 Total Claims: 27

Left Margin "IN PERIOD ACTIVITY" INDICATORS: "\$" Payments. "&" Reserves. "+" Opened. "-" Closed. "A" Reopened.

Report 2

Test Company

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Loss Run by Claim Detail

Valuation :04/30/2016

Begin Period Date: 4/1/2016 Financials As Of 4/30/2016

Run Date: 05/10/2016 04:28 PM

Report Criteria: Filter: Tier 2 Name = 'Test Company (W)' and Loss Year >= '2010' and Line of business = 'Workers Compensation' and Client = 'Test Company' and Policy Set = Y

Group 1: Claim year 2016 01/01/16 - 12/31/2016 Policy Age: 3 Months Totals

Reserve Type:	Closed PTD	Open PTD	All Paid to Date	Reserve Balance	Incurred
Expense:	\$119.60	\$844.63	\$964.43	\$6,314.30	\$7,278.73
Indemn:	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
Medical:	\$5,479.18	\$8,950.49	\$14,429.67	\$17,485.98	\$31,895.65
Total:	\$5,598.78	\$9,795.32	\$15,394.10	\$24,780.28	\$40,174.38

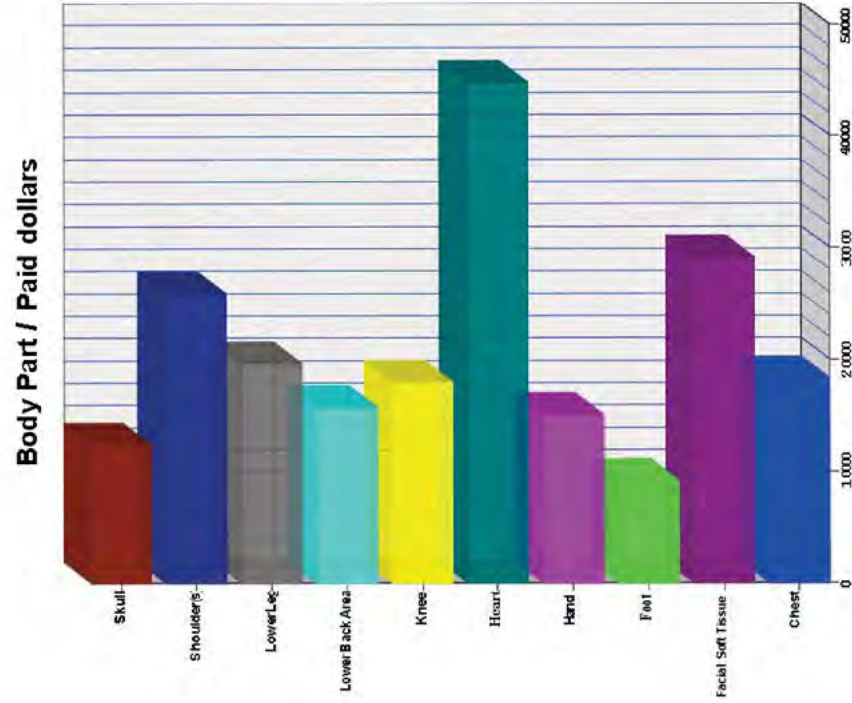
Claim Count: Open: 20 In period: 10 Closed: 10 In period: 5 Total Claims: 30

Left Margin "IN PERIOD ACTIVITY" INDICATORS: "\$" Payments, "&" Reserves, "+" Opened, "-" Closed, "A" Reopened

Report 2

AD HOC SAMPLE REPORTS (Workers' Compensation)

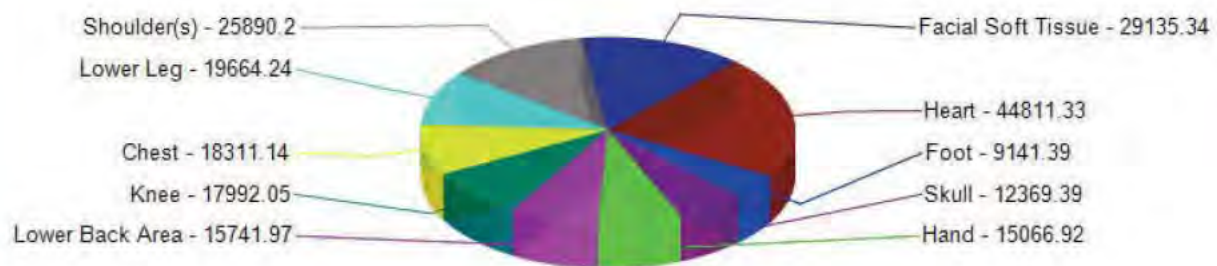
Top 10 Paid To Date Totals By Body Part (2016-17 Policy Year)



BODY_PART	WC - Total PTD
Heart Total	\$44,811.33
Facial Soft Tissue Total	\$29,135.34
Shoulder(s) Total	\$25,890.20
Lower Leg Total	\$19,664.24
Chest Total	\$18,311.14
Knee Total	\$17,992.05
Lower Back Area Total	\$15,741.97
Hand Total	\$15,066.92
Skull Total	\$12,369.39
Foot Total	\$9,141.39

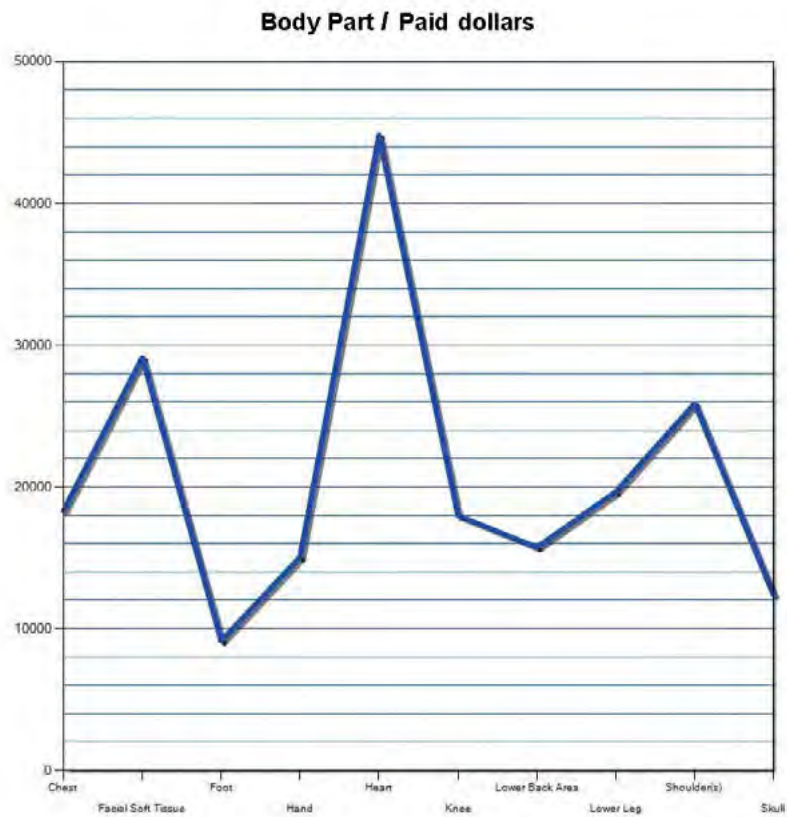
Top 10 Paid To Date Totals By Body Part (2016-17 Policy Year)

Body Part / Paid dollars



Foot (4.39 %)	Lower Back Area (7.56 %)	Lower Leg (9.45 %)	Facial Soft Tissue (14.00 %)
Skull (5.94 %)	Knee (8.64 %)	Shoulder(s) (12.44 %)	Heart (21.53 %)
Hand (7.24 %)	Chest (8.80 %)		

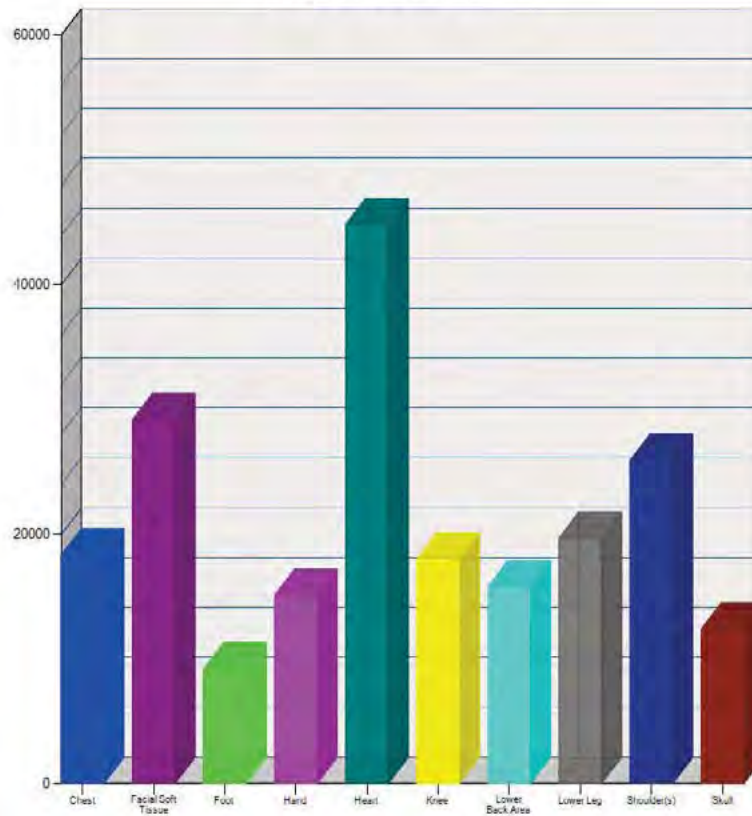
Top 10 Paid To Date Totals By Body Part
(2016-17 Policy Year)



BODY_PART	WC - Total PTD
Heart Total	\$44,811.33
Facial Soft Tissue Total	\$29,135.34
Shoulder(s) Total	\$25,890.20
Lower Leg Total	\$19,064.24
Chest Total	\$18,311.14
Knee Total	\$17,992.05
Lower Back Area Total	\$15,741.97
Hand Total	\$15,066.92
Skull Total	\$12,369.39
Foot Total	\$9,141.39

Top 10 Paid To Date Totals By Body Part
(2016-17 Policy Year)

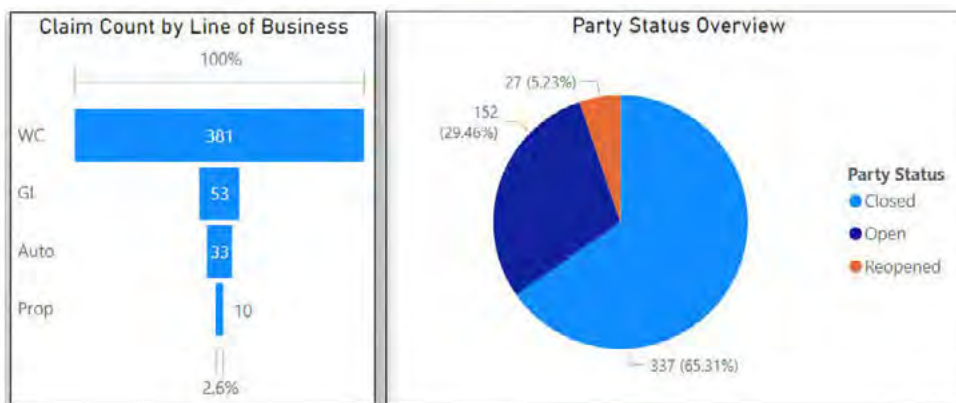
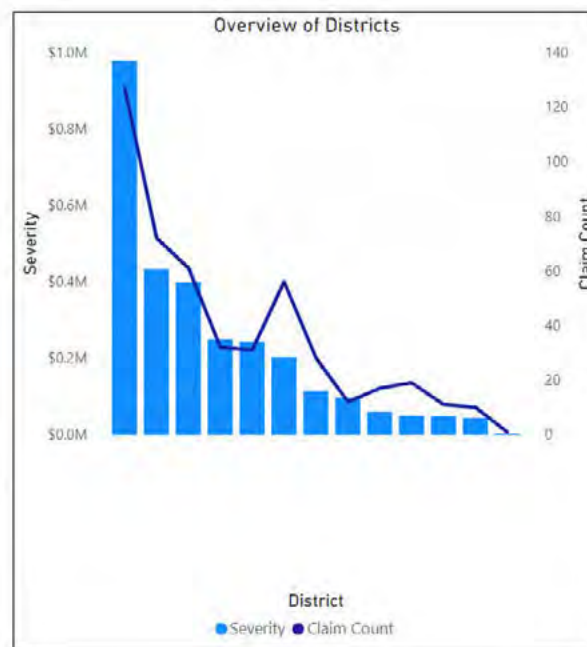
Body Part / Paid dollars



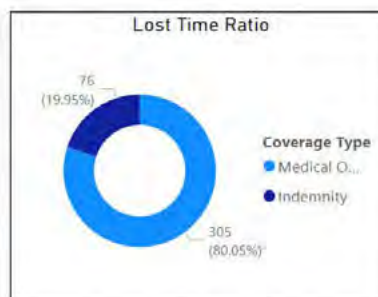
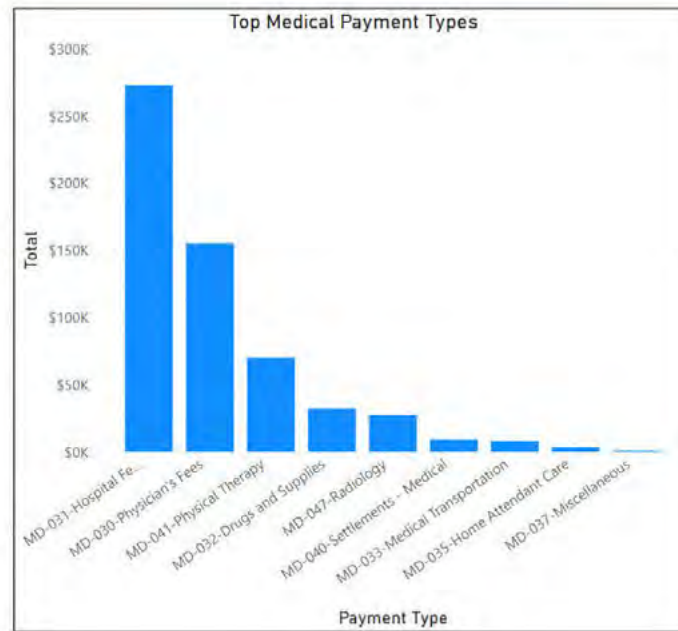
BODY_PART	WC - Total PTD
Heart Total	\$44,811.33
Facial Soft Tissue Total	\$29,135.34
Shoulder(s) Total	\$25,890.20
Lower Leg Total	\$19,664.24
Chest Total	\$18,311.14
Knee Total	\$17,962.05
Lower Back Area Total	\$15,741.97
Hand Total	\$15,066.92
Skull Total	\$12,369.39
Foot Total	\$9,141.39

Sample Dashboards Overview

District	Date of Loss	Line of Business	477	24	\$5,663.83
All	7/31/2020 - 4/7/2021	All	Claim Count	Legal Count	Average Incurred
Location		Policy Year	\$36,336.81	\$579,549.42	\$2,922,534.71
All		All	Defense Paid	Medical Paid	Total Incurred

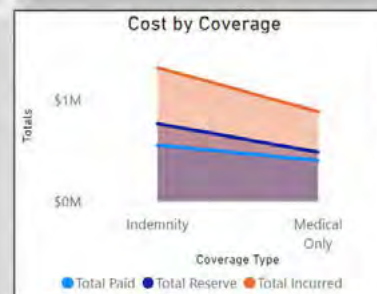


Sample Dashboards Workers' Compensation

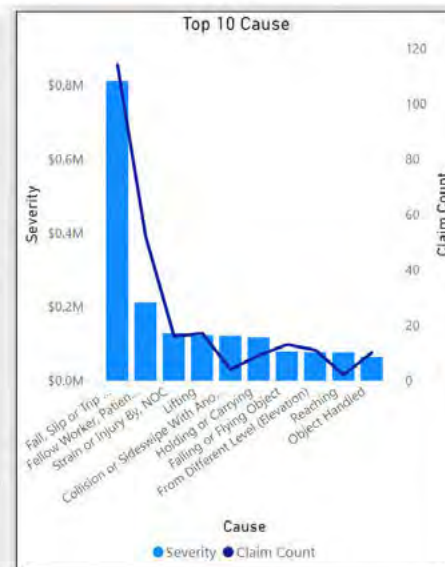
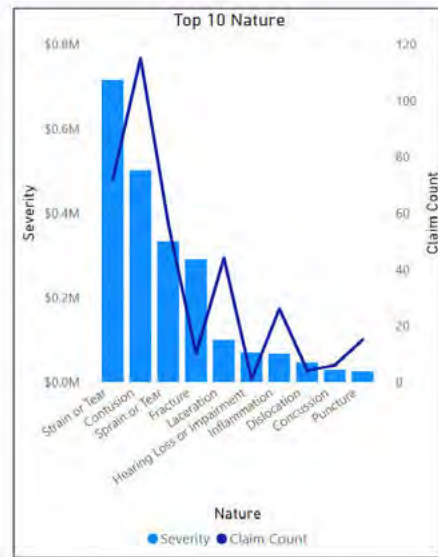
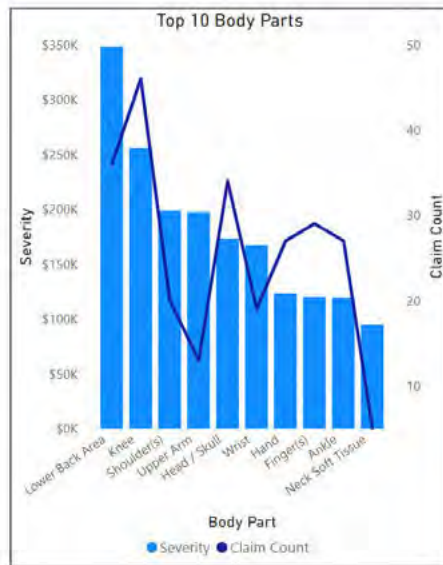


Date of Loss vs Return to Work

Claim	DOL	RTW	Days
1016546	08/04/2020	08/04/2020	0
1016912	08/10/2020	08/28/2020	14
1017243	08/17/2020	01/05/2021	101
1017720	08/18/2020	03/01/2021	139
1018272	08/28/2020	08/28/2020	0
1018642	08/27/2020	09/09/2020	9
1018775	09/02/2020	01/11/2021	93
1018937	09/03/2020		
1019184	09/09/2020		
1019373	09/10/2020		



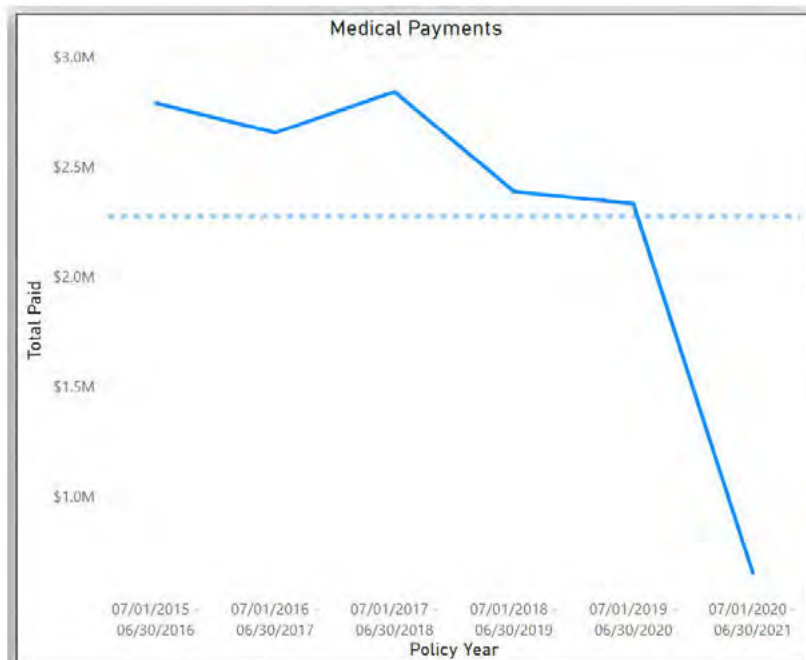
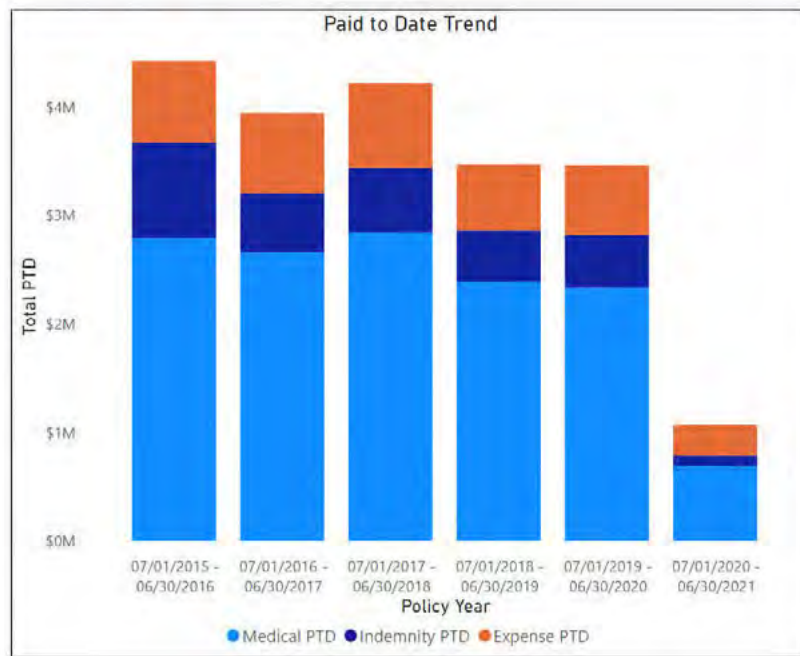
Sample Dashboards Workers' Compensation



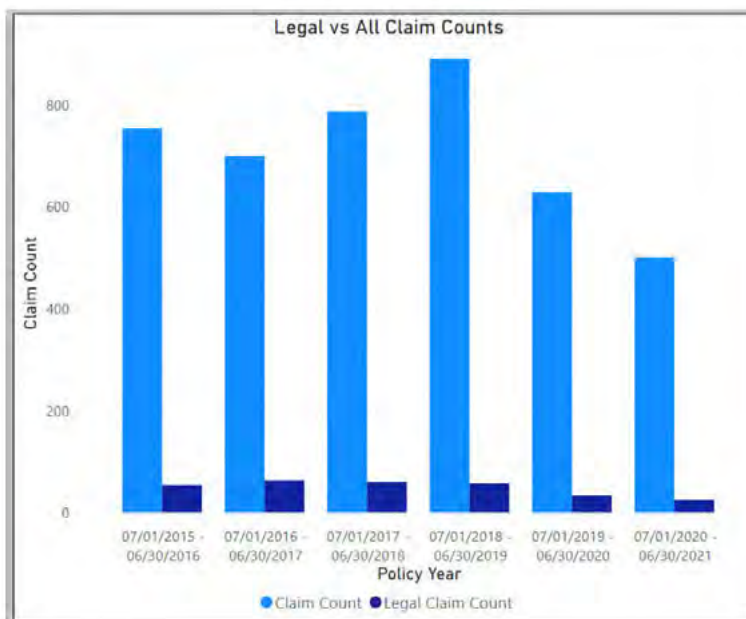
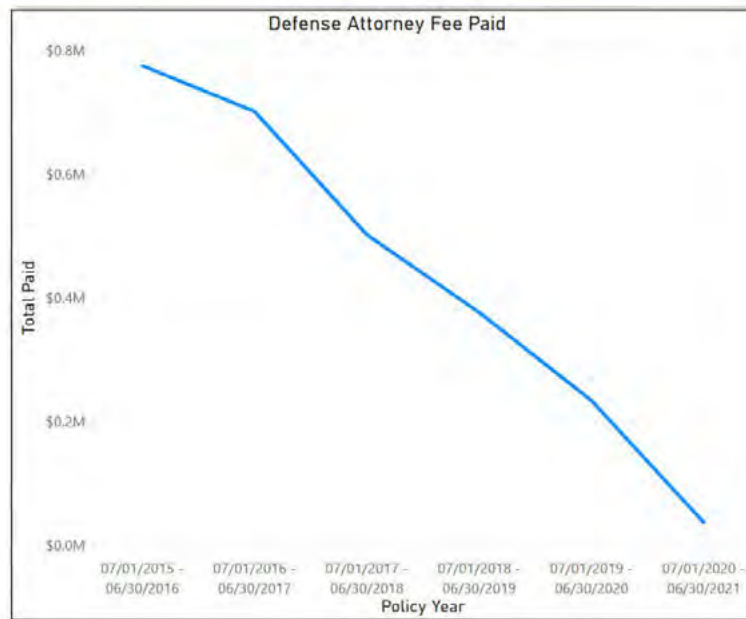
Sample Dashboards Trends



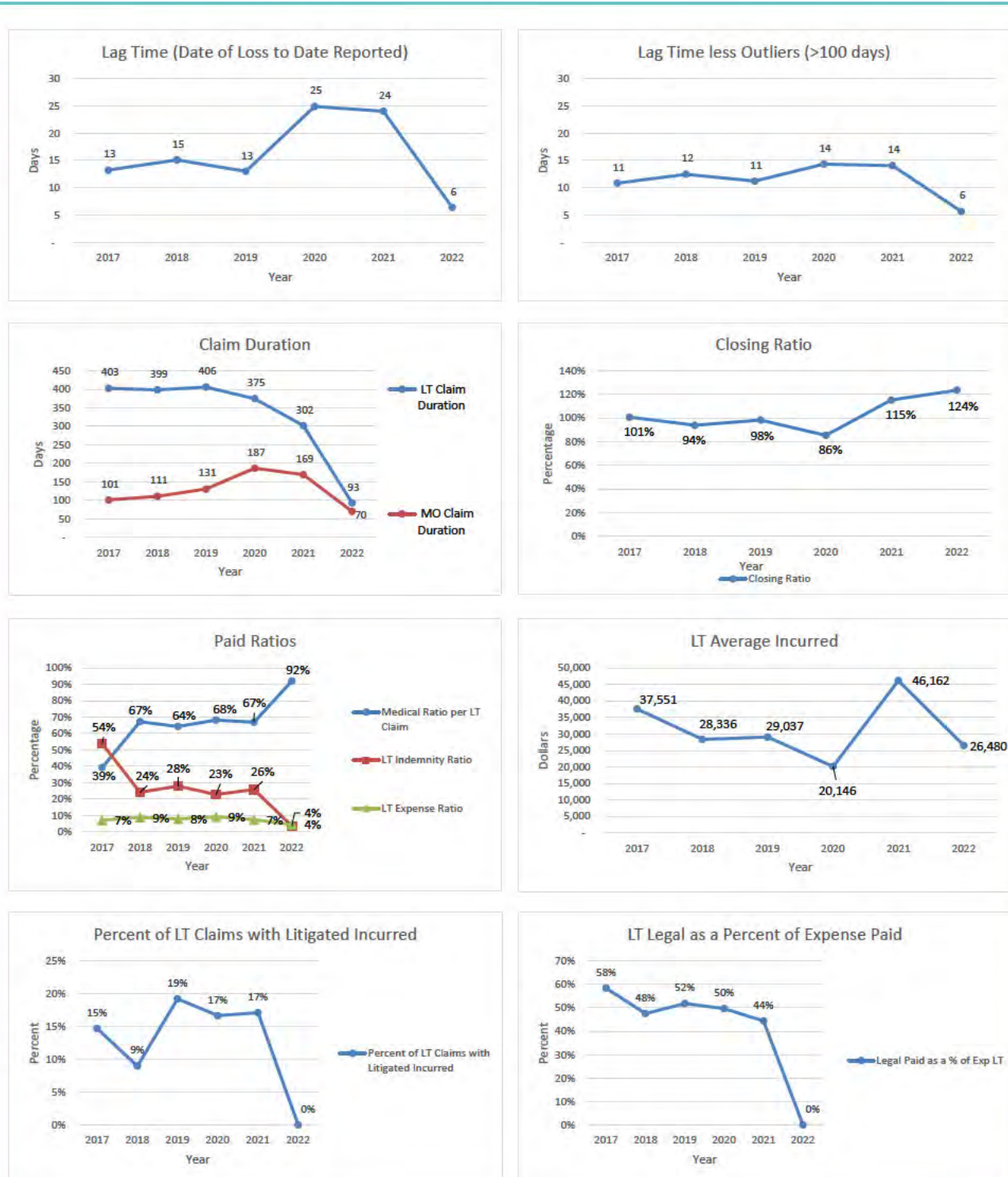
Sample Dashboards Trends



Sample Dashboards Trends



Sample Stewardship Report Excerpt



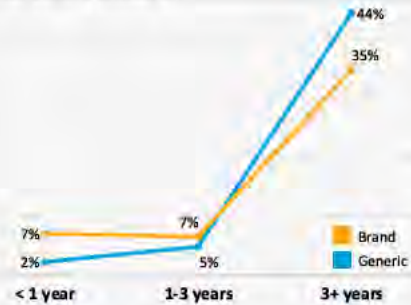
Data as of 06/30/22

Utilization by Age of Claim

DOS Start Date
10/1/2021

DOS End Date
12/31/2021

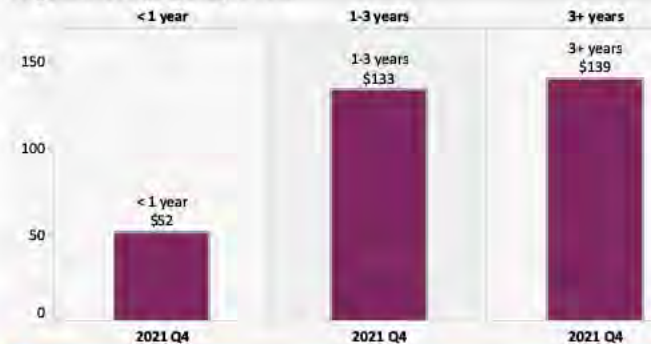
Brand/Generic Utilization



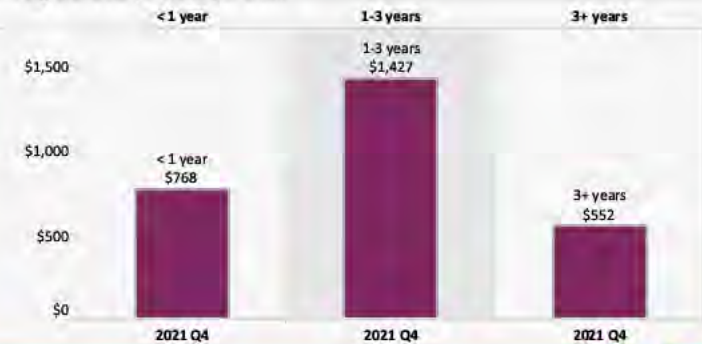
Utilization by Age of Claim

Age Band	Claim Count	% Claim Count	Actual Spend	Avg Spend	% Opioid Spend
< 1 year	727	20%	\$275,399	\$379	2%
1-3 years	284	8%	\$280,735	\$989	5%
3+ years	2,580	72%	\$2,800,050	\$1,085	17%
Grand Total	3,591	100%	\$3,356,184	\$935	15%

Avg Generic Script Spend per Claim



Avg Brand Script Spend per Claim



Utilization by State

DOS Start Date
10/1/2021

DOS End Date
12/31/2021

Map Shows
Opioid Percentage (Script)

Map for Avg Claim Spend



Statistics by State

Jurisdiction State	Claim Count	% Claim Count	Script Count	Spend	Avg Claim Spend	Avg Script Spend	Opioid Script %	Opioid Spend %
AL	69	2%	462	\$58,713	\$851	\$127	24%	22%
AR	1	0%	1	\$4	\$4	\$4	100%	100%
AZ	13	0%	77	\$10,969	\$844	\$142	17%	6%
CA	178	5%	443	\$151,294	\$850	\$342	16%	6%
CO	5	0%	20	\$1,622	\$324	\$81	10%	3%
CT	1	0%	12	\$5,593	\$5,593	\$466	33%	4%
DC	1	0%	1	\$896	\$896	\$896	0%	0%
DE	2	0%	2	\$29	\$15	\$15	50%	28%
FL	152	4%	466	\$58,586	\$385	\$126	13%	7%
GA	110	3%	377	\$46,633	\$424	\$124	23%	10%
IA	21	1%	102	\$70,868	\$3,375	\$695	0%	0%
ID	4	0%	9	\$376	\$94	\$42	22%	5%
IL	24	1%	61	\$9,774	\$407	\$160	33%	5%

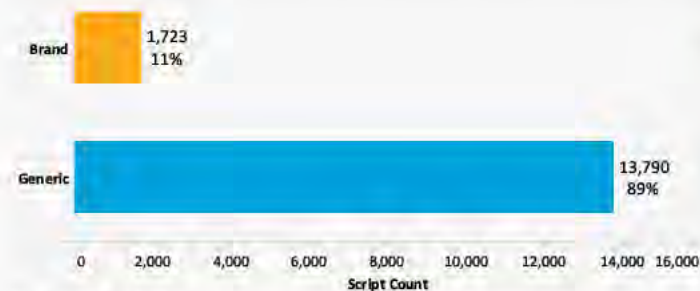
Brand Generic Summary

DOS Start Date
10/1/2021

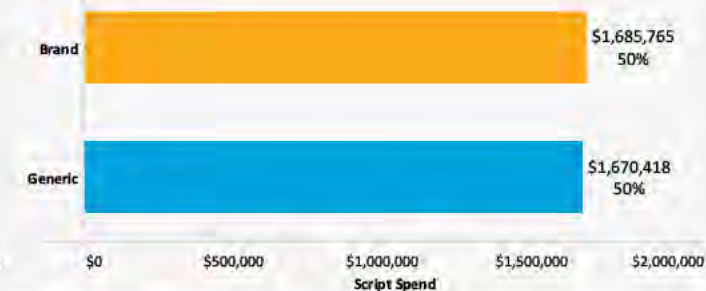
DOS End Date
12/31/2021

Brand Rx Count	Brand Spend	Generic Rx Count	Generic Spend	Claim Count	Script Count	Spend
1,723	\$1,685,765	13,790	\$1,670,418	3,591	15,513	\$3,356,184

Brand/Generic Script Count



Brand/Generic Script Spend



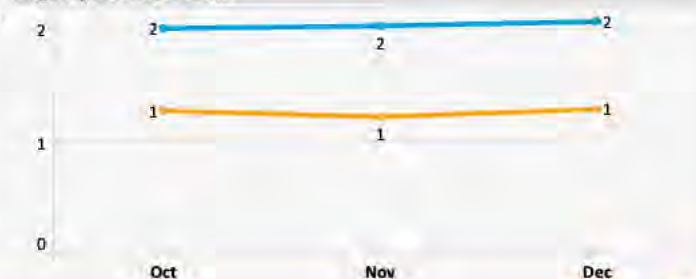
Top Drugs by Brand

	Spend	Script Count
OXYCONTIN	\$104,877	185
REVLIMID	\$104,769	6
OXERVATE	\$94,051	4
ELIQUIS	\$71,507	83
CALQUENCE	\$46,589	3
VENCLEXTA	\$42,760	3
XTANDI	\$40,666	3
INGREZZA	\$40,478	3
NUCYNTA	\$39,130	52
OFEV	\$36,817	3

Top Drugs by Generic

	Spend	Script Count
PREGABALIN	\$165,291	500
GABAPENTIN	\$82,860	908
LIDOCAINE	\$67,793	273
OXYCODONE/ACETA.	\$55,233	538
ROSUVASTATIN CAL.	\$51,677	144
CELECOXIB	\$50,612	262
ATORVASTATIN CAL.	\$47,874	189
HYDROCODONE BIT.	\$46,379	1,029
DULOXETINE HYDRO.	\$39,068	209
MELOXICAM	\$38,897	397

Avg Script Count per Claim



Top Claim Report

DOS Start Date
10/1/2021

DOS End Date
12/31/2021

Top 10 Claims by Script Spend

Rank	Claimant	Scripts	Actual Spend	Opioid % Spend
1	XXXXXXXX179- 01	1,424	\$407,449	7%
2	XXXXXX179- 01	1,918	\$368,968	5%
3	XXXXXX179- 01	1,554	\$339,078	14%
4	XXXXXXXX179- 01	707	\$252,123	4%
5	XXXX179- 01	699	\$156,896	13%
6	XXXXXXXXXX179- 01	371	\$124,335	6%
7	XXXXXXXX164-998	7	\$94,098	0%
8	XXXXXXXXXX179- 01	322	\$62,058	14%
9	XXXXXX27-929	17	\$41,171	0%
10	XXXXXX27-C01	142	\$38,302	35%

Top 10 Summary by Medication

Medication	Script Spend
REVLIMID	\$104,769
OXERVATE	\$94,051
ELIQUIS	\$58,853
PREGABALIN	\$49,522
ROSUVASTATIN CALCIUM	\$48,752
CALQUENCE	\$46,589
ATORVASTATIN CALCIUM	\$43,088
VENCLEXTA	\$42,760
XTANDI	\$40,666
INGREZZA	\$40,478

Trends by Claims



Avg Savings per Script



Top Opioid Claim Report

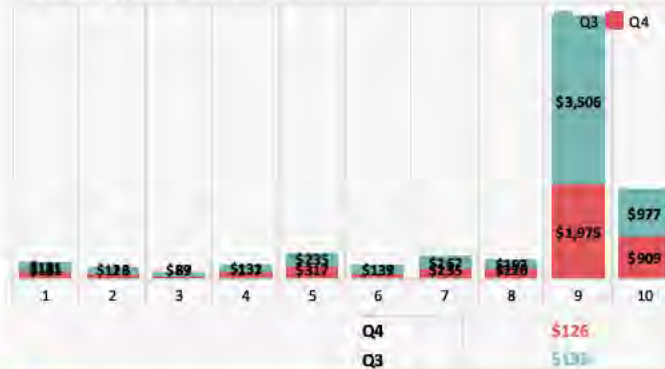
DOS Start Date
10/1/2021

DOS End Date
12/31/2021

Top 10 Opioid Claims by Spend

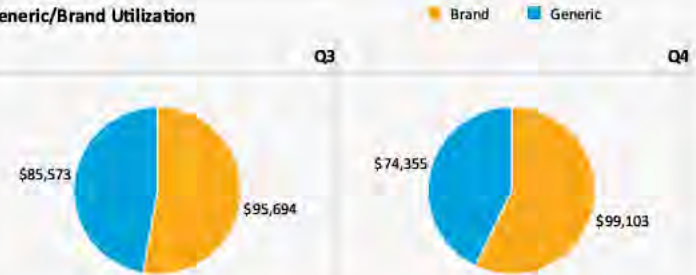
Rank	Claimant	Scripts	Actual Spend	Spend %
1	XXXXX179- 01	267	\$48,407	28%
2	XXXXXX179- 01	228	\$28,658	17%
3	XXXXX179- 01	299	\$19,968	12%
4	XXXX179- 01	112	\$19,829	11%
5	XXXXXX27-C01	42	\$13,300	8%
6	XXXXXXX179- 01	76	\$10,408	6%
7	XXXXXXX27-C01	39	\$9,149	5%
8	XXXXXXXXXX179- 01	39	\$8,565	5%
9	XXXXXXX27-270	4	\$7,901	5%
10	XXXXXXXXXX27-812	8	\$7,272	4%

Top 10 Avg Opioid Spend/Script per Quarter



Trends by Opioid Claims

Generic/Brand Utilization



Top Opioids Summary



Therapeutic Class Analysis

DOS Start Date
10/1/2021

DOS End Date
12/31/2021

Therapeutic Class
Multiple values

Drug Name

Top 10 by Therapeutic Class by Spend

Therapeutic Class	Script Count	Avg. Day Supply	Avg Spend	Claim Count	Spend
ANALGESICS - OPIOID	3,411	26	\$145	1,232	\$493,415
ANTICONVULSANTS	1,707	33	\$207	761	\$353,277
ANALGESICS - ANTI-INFLAMMATORY	1,731	29	\$145	998	\$250,606
ANTHYPERLIPIDEMICS	615	69	\$362	382	\$222,596
DERMATOLOGICALS	795	27	\$268	409	\$212,779
ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	17	30	\$11,610	6	\$197,366
ASTHMATIC AND BRONCHODILATOR AGENTS	357	40	\$383	97	\$136,621
MUSCULOSKELETAL THERAPY AGENTS	1,472	24	\$86	722	\$126,211
ANTIHYPERTENSIVES	788	65	\$158	491	\$124,785
ANTIDEPRESSANTS	907	36	\$133	359	\$120,350
Grand Total	15,513	36	\$216	3,591	\$3,356,184

Top 10 Medications by Spend

Drug Name	Therapeutic Class	Script Count	Avg. Day Supply	Avg Spend	Claim Count	Spend
PREGABALIN	ANTICONVULSANTS	500	31	\$331	217	\$165,291
OXYCONTIN	ANALGESICS - OPIOID	185	29	\$567	64	\$104,877
REVLIMID	ASSORTED CLASSES	6	27	\$17,462	2	\$104,769
OXERVATE	OPHTHALMIC AGENTS	4	14	\$23,513	1	\$94,051
GABAPENTIN	ANTICONVULSANTS	904	34	\$91	443	\$82,447
	CHEMICALS	4	33	\$103	3	\$413
ELIQUIS	ANTICOAGULANTS	83	47	\$862	49	\$71,507
UDOCAINE	CHEMICALS	4	30	\$0	3	\$0
	DERMATOLOGICALS	269	28	\$252	134	\$67,793
OXYCODONE/ACETAMINOP..	ANALGESICS - OPIOID	538	25	\$103	244	\$55,233
Grand Total		15,513	36	\$216	3,591	\$3,356,184

Utilization by Medication Comparison Report

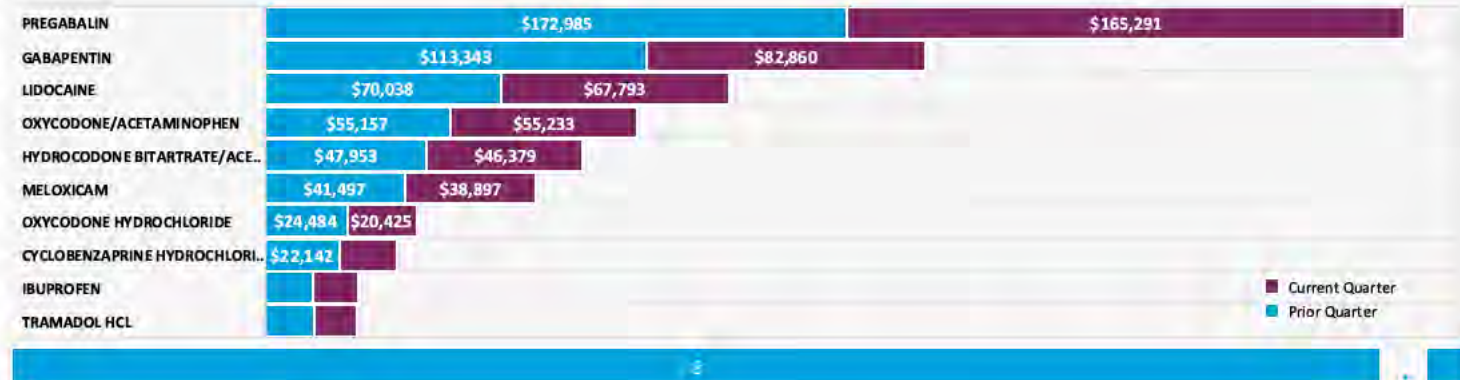
DOS Start Date
10/1/2021

DOS End Date
12/31/2021

Date Prior
3 Months

Top How Many
10

Drug Name	Prior Quarter				Current Quarter Comparison			
	Script Count	% Scripts	Spend	% Spend	Script Count	% Scripts	Spend	% Spend
PREGABALIN	526	9%	\$172,985	30%	500	9%	\$165,291	32%
GABAPENTIN	1,056	18%	\$113,343	20%	908	17%	\$82,860	16%
LIDOCAINE	309	5%	\$70,038	12%	273	5%	\$67,793	13%
OXYCODONE/ACETAMINOPHEN	564	10%	\$55,157	10%	538	10%	\$55,233	11%
HYDROCODONE BITARTRATE/ACETAM...	1,047	18%	\$47,953	8%	1,029	20%	\$46,379	9%
MELOXICAM	448	8%	\$41,497	7%	397	8%	\$38,897	7%
OXYCODONE HYDROCHLORIDE	354	6%	\$24,484	4%	313	6%	\$20,425	4%
CYCLOBENZAPRINE HYDROCHLORIDE	589	10%	\$22,142	4%	517	10%	\$17,272	3%
IBUPROFEN	591	10%	\$14,344	2%	470	9%	\$13,242	3%
TRAMADOL HCL	363	6%	\$14,659	3%	322	6%	\$12,487	2%
Grand Total	5,847	100%	\$576,602	100%	5,267	100%	\$519,879	100%



Utilization by Physician

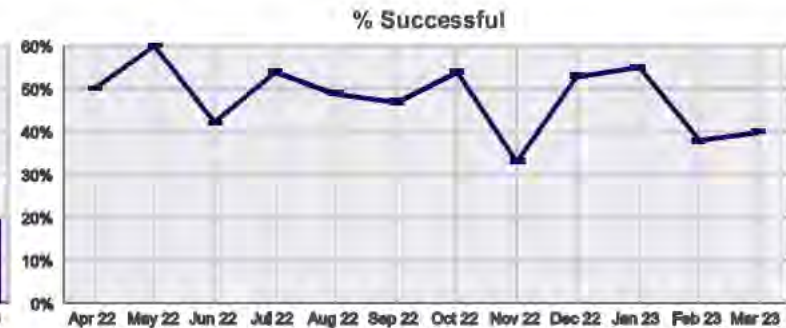
DOS Start Date 10/1/2021		DOS End Date 12/31/2021		Top How Many 10				
Index	Physician	Claim Count	Script Count	Spend	% Spend	Avg Spend	Opioid Script %	Opioid Spend %
1	XXXXXX XXXXXX	331	1,141	\$263,827	8%	\$231	22%	16%
2	XXXXX XXXXX	235	736	\$227,854	7%	\$310	16%	9%
3	XXXX XXXXX	110	309	\$191,106	6%	\$618	14%	5%
4	XXXXXXXX XXXXXX	282	942	\$189,985	6%	\$202	25%	17%
5	XXXXXXXX XXXXX	224	824	\$172,052	5%	\$209	24%	11%
6	XXXXXXXX XXXXX	202	680	\$143,783	4%	\$211	13%	5%
7	XXXXXXXX XXXXXX	233	751	\$129,672	4%	\$173	28%	18%
8	XXXXX XXXXXX	224	688	\$117,017	3%	\$170	22%	18%
9	XXXXXXXX XXXXXXXX	29	118	\$111,629	3%	\$946	14%	2%
10	XXXX XXXXXX	159	534	\$111,142	3%	\$208	19%	19%
Grand Total		3,591	15,512	\$3,356,100	100%	\$216	22%	15%

CUSTOMER NAME
Rolling 12 Month Penetration Date:
Month Year - Month Year

	January	February	March	April	May	June	July	August	September	October	November	December	Total
BI Review Category													
Total B's	1,365	3,215	3,888	2,702	4,029	4,265	4,010	5,372	4,349	4,821	5,188	4,952	\$1,554
PPD	2,379	2,889	2,892	2,095	3,173	3,254	3,575	4,069	3,245	3,730	3,879	3,716	38,896
Non-PPD	986	1,026	994	607	858	1,011	1,035	1,303	1,103	1,191	1,310	1,236	12,658
PPD Penetration	70.7%	73.8%	74.4%	77.5%	78.0%	78.3%	77.5%	75.7%	74.6%	75.8%	74.8%	75.0%	75.4%
Total Provider Charges	\$2,363,155	\$3,482,012	\$2,545,492	\$2,058,817	\$2,433,442	\$2,288,806	\$3,359,858	\$3,340,807	\$2,741,020	\$3,152,415	\$3,489,977	\$2,974,610	\$34,180,212
PPD	\$1,584,007	\$2,417,519	\$1,545,285	\$1,486,482	\$1,771,839	\$1,732,891	\$2,493,995	\$2,470,378	\$1,933,943	\$2,136,433	\$2,534,920	\$2,143,691	\$24,251,493
Non-PPD	\$779,148	\$1,064,494	\$1,000,197	\$570,335	\$661,503	\$555,915	\$865,863	\$870,428	\$807,077	\$1,015,982	\$955,056	\$830,920	\$9,928,719
PPD Penetration	67.0%	69.8%	60.7%	72.3%	72.8%	75.7%	74.1%	73.9%	70.5%	67.8%	73.7%	72.1%	71.0%
Total Savings	\$1,430,485	\$2,215,448	\$1,555,603	\$1,298,548	\$1,451,704	\$1,286,011	\$1,984,802	\$1,944,254	\$1,623,362	\$1,875,328	\$2,008,297	\$1,770,499	\$20,446,623
Fee Schedule/UCR	\$1,251,350	\$2,053,036	\$1,392,459	\$1,213,681	\$1,231,502	\$1,124,422	\$1,741,449	\$1,687,435	\$1,431,209	\$1,698,800	\$1,731,942	\$1,587,738	\$18,125,003
PPD	\$146,829	\$34,472	\$47,337	\$70,785	\$201,607	\$149,417	\$179,309	\$235,231	\$196,239	\$134,343	\$190,310	\$154,284	\$1,820,156
UR	\$16,954	\$22,809	\$8,219	\$3,845	\$7,231	\$2,993	\$3,301	\$13,312	\$9,786	\$7,974	\$48,687	\$3,834	\$148,745
Negotiated	\$4,360	\$1,845	\$50,270	\$2,234	\$1,387	\$549	\$26,735	\$12,811	\$6,934	\$2,524	\$19,903	\$8,401	\$137,752
Specialty U & C	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Complex Review	\$10,973	\$43,285	\$7,317	\$3,043	\$9,978	\$10,631	\$33,809	\$15,685	\$9,694	\$31,689	\$17,451	\$18,433	\$214,968
% of Gross Savings	60.5%	64.0%	61.1%	63.1%	59.7%	58.3%	59.1%	58.2%	59.2%	59.5%	59.4%	59.5%	59.9%
Fee Schedule/UCR	53.0%	59.3%	54.7%	58.8%	50.8%	49.1%	51.8%	49.9%	52.2%	53.9%	50.3%	53.4%	53.1%
PPD	17.8%	9.5%	11.9%	11.0%	20.8%	16.3%	14.3%	18.4%	16.2%	12.9%	14.8%	15.1%	15.1%
UR	1.8%	1.8%	.8%	.5%	.7%	.3%	.2%	.9%	.9%	.6%	3.3%	.3%	1.1%
Negotiated	9.3%	8.2%	65.8%	8.1%	18.9%	7.7%	13.5%	22.3%	14.9%	10.8%	24.1%	18.1%	21.5%
Specialty U & C	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%
Complex Review	1.2%	3.4%	.7%	1.0%	1.0%	1.1%	2.4%	1.1%	.9%	2.4%	1.2%	1.3%	1.5%
Duplicate Charges	\$451,488	\$502,852	\$598,296	\$167,401	\$314,080	\$367,152	\$1,170,840	\$814,058	\$317,983	\$605,779	\$443,557	\$515,908	\$8,277,993
Recommended Allowance	\$932,690	\$1,246,384	\$989,898	\$780,269	\$981,736	\$1,000,795	\$1,375,056	\$1,396,553	\$1,117,158	\$1,277,087	\$1,431,080	\$1,204,111	\$13,713,589
Total Fees	\$52,800	\$47,980	\$49,893	\$33,256	\$68,367	\$56,901	\$71,839	\$94,715	\$62,884	\$65,438	\$77,473	\$66,858	\$737,994
BI Review	\$19,306	\$21,558	\$21,417	\$14,738	\$21,761	\$23,600	\$24,950	\$28,970	\$23,749	\$26,904	\$28,527	\$27,927	\$283,507
PPD	\$29,913	\$19,363	\$18,384	\$14,318	\$42,465	\$29,722	\$35,389	\$48,229	\$34,219	\$28,352	\$38,729	\$31,800	\$372,083
Negotiated Fees	\$959	\$406	\$6,492	\$492	\$305	\$121	\$5,682	\$2,774	\$1,525	\$555	\$4,379	\$1,448	\$25,938
Specialty U & C	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Complex Review	\$2,622	\$6,553	\$3,169	\$3,109	\$3,856	\$3,459	\$4,818	\$4,742	\$3,391	\$9,626	\$5,838	\$5,282	\$56,465
Total Net Savings	\$1,277,665	\$2,167,488	\$1,505,940	\$1,265,292	\$1,383,319	\$1,231,110	\$1,912,963	\$1,899,539	\$1,580,978	\$1,809,890	\$1,930,824	\$1,703,641	\$19,708,630
Average Cost Per Review	\$16	\$12	\$13	\$12	\$17	\$13	\$16	\$16	\$14	\$13	\$15	\$14	\$14
Gross ROI	27.1	46.2	31.3	39.0	21.2	22.6	27.7	23.0	25.8	28.7	25.9	28.5	27.7
Net ROI	26.1	45.2	30.3	38.0	20.2	21.6	26.7	22.0	24.8	27.7	24.9	25.5	26.7

Customer Name
Date: April 2022 - March 2023

	Apr22	May22	Jun22	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Total
Provider Bill Review													
Total Bills Negotiated	42	20	26	28	41	45	28	27	47	31	34	45	414
Successful	21	12	11	15	20	21	15	9	25	17	13	18	197
UnSuccessful	21	8	15	13	21	24	13	18	22	14	21	27	217
% Successful	50.0%	60.0%	42.0%	54.0%	49.0%	47.0%	54.0%	33.0%	53.0%	55.0%	38.0%	40.0%	48.0%
Total Provider Charges	\$1,456,746	\$299,186	\$605,029	\$652,026	\$1,035,427	\$745,069	\$242,864	\$1,159,002	\$617,163	\$383,664	\$1,154,764	\$889,499	\$9,241,050
Successful Charges	\$46,848	\$27,119	\$31,974	\$19,467	\$57,044	\$120,687	\$33,401	\$14,907	\$109,946	\$89,819	\$90,725	\$113,590	\$755,528
Negotiated Charges*	\$39,827	\$24,337	\$27,772	\$15,841	\$49,966	\$101,954	\$29,563	\$13,947	\$88,099	\$68,659	\$66,610	\$90,776	\$617,353
Negotiated Payment	\$34,618	\$21,181	\$24,898	\$13,135	\$44,627	\$92,099	\$25,765	\$12,969	\$77,124	\$50,200	\$61,990	\$83,914	\$542,519
Discount %**	13.0%	13.0%	10.0%	17.0%	11.0%	10.0%	13.0%	7.0%	13.0%	27.0%	7.0%	8.0%	12.0%
Total Negotiated Savings	\$5,209	\$3,156	\$2,875	\$2,705	\$5,340	\$9,855	\$3,799	\$978	\$10,975	\$18,459	\$4,620	\$6,863	\$74,834
Negotiation Fees	\$1,042	\$631	\$575	\$541	\$1,068	\$1,971	\$760	\$796	\$2,195	\$3,692	\$624	\$1,373	\$14,967
Net Negotiated Fees	\$4,167	\$2,525	\$2,300	\$2,164	\$4,272	\$7,884	\$3,039	\$783	\$9,780	\$14,767	\$3,996	\$5,490	\$59,867
Average Savings Per Bill	\$248	\$263	\$261	\$180	\$267	\$469	\$253	\$109	\$439	\$1,086	\$355	\$381	\$380
Negotiations Net ROI	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0



* Negotiated Charges = Successful Billed Charges minus all other savings (FS, PPO, Complex, UR, Specialty U & C). Negotiated Payment + Total Negotiated Savings = Negotiated Charges
 ** Discount % = Percent off Negotiated Charges

Customer Name
Overview Summary
Date: January - March 2023

January 2023 - March 2023

Bill Review Categories	#	%
Total Bills	15,960	% of Bills
PPO	11,334	71.0%
Non PPO	4,626	29.0%
Total Lines	47,238	% of Lines
PPO	33,463	70.8%
Non PPO	13,775	29.2%
	\$	%
Total Charges	\$13,595,705.89	% of Charges
PPO	\$9,032,093.59	66.4%
Non PPO	\$4,563,612.30	33.6%
Total Savings	\$7,955,906.12	% of Savings
Fee Schedule/UCR	\$7,117,685.56	52.4%
PPO	\$471,470.28	11.5%
UR	\$2,517.17	.0%
Negotiated	\$29,941.23	13.2%
Specialty U & C	\$0.00	.0%
Complex Review	\$334,291.88	5.6%
Duplicated Charges	\$2,443,612.41	
Recommended Allowance	\$5,639,799.77	
Total Fee Invoiced	\$217,122.22	% of Fees
Bill Review	\$84,322.00	38.8%
PPO	\$96,707.16	44.5%
Negotiations	\$5,988.23	2.8%
Specialty U & C	\$0.00	.0%
Complex Review	\$30,104.83	13.9%
Total Net Savings	\$7,738,783.90	
Average Cost per Review	\$13.60	
Gross ROI	36.6	
Net ROI	35.6	

Sample Customer
Top 25 Diagnosis by Provider Charge - WC
Date: March 2023

ICD10 Code	ICD10 Description	Total Bills	Total Lines	Total Charges	FS/UCR Savings	PPO Savings	UR Savings	Specialty U & C Savings	Negotiated Savings	Complex Review Savings	Total Gross Savings	Bill Review Fees	PPO Fees	Specialty U & C Fees	Negotiation Fees	Complex Review Fees	Total Fees	Total Net Savings
S72.1A2D	DISPL INTERTROCHFX L FEM	1	9	\$189,712	\$177,295	\$0	\$0	\$0	\$0	\$0	\$177,295.03	\$6	\$0	\$0	\$0	\$48	\$54	\$177,241
S83.512A	SPRAIN OF ANTERIOR CRUCIA	6	20	\$149,309	\$111,589	\$5,670	\$0	\$0	\$0	\$494	\$117,752.89	\$36	\$1,190	\$0	\$0	\$72	\$1,298	\$116,455
T14.90	INJURY, UNSPECIFIED	311	993	\$131,555	\$58,152	\$423	\$52	\$0	\$0	\$0	\$58,626.85	\$1,190	\$89	\$0	\$0	\$9	\$1,287	\$55,340
G89.4	CHRONIC PAIN SYNDROME	21	44	\$126,003	\$78,201	\$21,419	\$0	\$0	\$0	\$0	\$97,620.49	\$126	\$4,498	\$0	\$0	\$32	\$4,856	\$92,964
M75.112	INCOMPLETE ROTATR-CUFF TE	16	55	\$119,127	\$96,848	\$401	\$0	\$0	\$0	\$0	\$97,249.41	\$80	\$73	\$0	\$0	\$88	\$241	\$97,009
M47.816	SPONDYLOSIS W/O MYELOPATH	16	39	\$118,203	\$51,780	\$22,224	\$0	\$0	\$1,850	\$322	\$76,176.00	\$97	\$4,666	\$0	\$370	\$64	\$5,197	\$70,979
M54.18	RADICULOPATHY, LUMBAR REG	122	402	\$112,771	\$70,853	\$2,157	\$0	\$0	\$0	\$720	\$73,529.18	\$640	\$429	\$0	\$0	\$266	\$1,325	\$72,204
M47.897	OTHER SPONDYLOSIS, LUMBOS	2	9	\$110,000	\$56,786	\$11,825	\$0	\$0	\$0	\$0	\$68,610.66	\$12	\$2,483	\$0	\$0	\$72	\$2,567	\$66,043
S46.011D	STRAIN OF MUSC/TEND THE R	28	85	\$103,058	\$54,680	\$593	\$0	\$0	\$0	\$6,905	\$62,177.37	\$157	\$124	\$0	\$0	\$446	\$727	\$61,450
S46.011A	STRAIN OF MUSC/TEND THE R	11	67	\$102,372	\$94,774	\$604	\$0	\$0	\$0	\$426	\$95,804.40	\$66	\$127	\$0	\$0	\$96	\$289	\$95,516
M75.101	UNSP ROTATR-CUFF TEAR/RUP	10	57	\$99,110	\$41,685	\$152	\$0	\$0	\$0	\$2,428	\$44,264.87	\$48	\$32	\$0	\$0	\$56	\$136	\$44,129
S82.62XA	DISP FX OF LATERAL MALLEO	1	16	\$96,238	\$96,238	\$0	\$0	\$0	\$0	\$0	\$96,238.40	\$6	\$0	\$0	\$0	\$0	\$6	\$96,232
S46.012A	STRAIN OF MUSC/TEND THE R	18	81	\$83,091	\$54,483	\$1,657	\$0	\$0	\$0	\$195	\$58,334.75	\$108	\$344	\$0	\$0	\$80	\$532	\$55,803
S83.511A	SPRAIN OF ANTERIOR CRUCIA	2	24	\$80,801	\$4,625	\$9,104	\$0	\$0	\$0	\$8,798	\$22,527.35	\$12	\$1,912	\$0	\$0	\$1,150	\$3,074	\$19,454
M75.122	COMPLETE ROTATR-CUFF TEAR	8	28	\$78,024	\$66,110	\$44	\$0	\$0	\$0	\$111	\$66,264.80	\$44	\$8	\$0	\$0	\$24	\$76	\$66,189
M25.511	PAIN IN RIGHT SHOULDER	186	514	\$70,759	\$18,414	\$3,533	\$0	\$0	\$0	\$457	\$22,403.35	\$833	\$741	\$0	\$0	\$112	\$1,686	\$20,717
S83.231A	COMPLEX TEAR OF MEDIAL ME	8	22	\$69,476	\$62,888	\$556	\$0	\$0	\$0	\$16	\$63,458.84	\$44	\$101	\$0	\$0	\$40	\$165	\$63,274
S39.012A	STRAIN OF MUSCLE, FASCIA	193	526	\$64,494	\$19,746	\$2,973	\$0	\$0	\$0	\$3,672	\$28,390.47	\$1,154	\$581	\$0	\$0	\$360	\$2,095	\$24,295
M75.121	COMPLETE ROTATR-CUFF TEAR	24	47	\$61,961	\$28,242	\$657	\$0	\$0	\$0	\$221	\$29,119.51	\$128	\$136	\$0	\$0	\$90	\$344	\$28,776
M54.50	LOW BACK PAIN, UNSPECIFIC	154	561	\$61,654	\$13,151	\$2,802	\$0	\$0	\$0	\$662	\$16,615.21	\$620	\$587	\$0	\$0	\$104	\$1,311	\$15,304
M13.811	OTHER SPECIFIED ARTHRITIS	7	20	\$61,600	\$50,823	\$1,547	\$0	\$0	\$0	\$170	\$52,538.76	\$42	\$280	\$0	\$0	\$96	\$418	\$52,121
S09.90XA	UNSPECIFIED INJURY OF HEA	16	34	\$59,586	\$34,935	\$2,003	\$0	\$0	\$0	\$79	\$37,016.45	\$96	\$419	\$0	\$0	\$48	\$563	\$36,453
M54.12	RADICULOPATHY, CERVICAL R	68	283	\$56,961	\$27,803	\$5,256	\$0	\$0	\$320	\$770	\$33,950.24	\$404	\$1,098	\$0	\$64	\$152	\$1,718	\$32,232
M25.512	PAIN IN LEFT SHOULDER	108	400	\$55,096	\$12,199	\$3,438	\$135	\$0	\$0	\$1,296	\$17,067.80	\$484	\$720	\$0	\$0	\$104	\$1,308	\$15,760
M75.41	IMPINGEMENT SYNDROME OF R	31	78	\$54,739	\$35,260	\$192	\$0	\$0	\$0	\$4,057	\$39,508.73	\$182	\$39	\$0	\$0	\$184	\$405	\$39,104
TOTAL		1,366	4,417	\$2,315,709	\$1,413,161	\$99,228	\$187	\$0	\$2,170	\$31,796	\$1,546,541.61	\$6,615	\$20,676	\$0	\$434	\$3,772	\$31,497	\$1,515,045

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Customer Name
Top 25 Tax IDs by Bill Volume
Date: January 1, 2023 - March 31, 2023

Provider TIN	Provider Name	Total Bills	Total Lines	Total Charges	FS/UCR Savings	PPO Savings	UR Savings	Specialty U & C Savings	Negotiated Savings	Complex Review Savings	Total Gross Savings	Bill Review Fees	PPO Fees	Specialty U & C Fees	Negotiation Fees	Complex Review Fees	Total Fees	Total Net Savings
123456789	Provider Name	2,884	10,792	\$740,203.12	\$122,383.62	\$42,971.98	\$1,101.78	\$0.00	\$0.00	\$3,213.02	\$169,670.00	\$9,572.00	\$9,023.79	\$0.00	\$0.00	\$384.00	\$18,979.79	150,690.21
123456789	Provider Name	1,340	3,715	\$834,630.00	\$426,971.37	\$33,213.88	\$0.00	\$0.00	\$0.00	\$43,741.71	\$609,926.99	\$8,040.00	\$9,974.90	\$0.00	\$0.00	\$3,769.00	\$19,782.90	485,144.09
123456789	Provider Name	1,146	3,134	\$274,771.23	\$34,707.90	\$15,295.17	\$414.87	\$0.00	\$0.00	\$22,398.35	\$72,817.29	\$6,876.00	\$2,752.96	\$0.00	\$0.00	\$2,896.00	\$12,484.96	90,332.34
123456789	Provider Name	905	1,362	\$184,325.19	\$2,402.90	\$65.69	\$3.97	\$0.00	\$0.00	\$0.00	\$2,413.46	\$1,610.00	\$1.38	\$0.00	\$0.00	\$0.00	\$1,611.38	802.08
123456789	Provider Name	627	1,229	\$148,969.04	\$42,116.74	\$1,753.93	\$0.00	\$0.00	\$0.00	\$16,750.79	\$60,621.96	\$3,762.00	\$368.96	\$0.00	\$0.00	\$952.00	\$5,082.96	55,539.00
123456789	Provider Name	588	1,672	\$474,922.62	\$234,470.51	\$31,464.07	\$0.00	\$0.00	\$0.00	\$6,423.97	\$274,348.55	\$3,526.00	\$6,605.37	\$0.00	\$0.00	\$1,144.00	\$11,277.37	263,071.18
123456789	Provider Name	541	1,227	\$774,356.27	\$440,897.21	\$22,086.69	\$0.00	\$0.00	\$0.00	\$29,898.49	\$492,893.39	\$3,247.00	\$4,638.22	\$0.00	\$0.00	\$2,232.00	\$10,117.22	482,766.17
123456789	Provider Name	431	1,206	\$105,383.10	\$6,947.13	\$6,737.42	\$0.00	\$0.00	\$0.00	\$108.95	\$12,793.40	\$2,086.00	\$1,414.92	\$0.00	\$0.00	\$16.00	\$4,016.92	8,776.48
123456789	Provider Name	377	1,018	\$107,940.51	\$10,352.61	\$4,170.41	\$0.00	\$0.00	\$0.00	\$14,612.08	\$29,135.10	\$2,262.00	\$761.01	\$0.00	\$0.00	\$1,304.00	\$4,317.01	24,818.09
123456789	Provider Name	230	478	\$64,607.99	\$9,392.42	\$1,060.06	\$0.00	\$0.00	\$0.00	\$9,141.58	\$17,594.04	\$1,500.00	\$222.92	\$0.00	\$0.00	\$616.00	\$2,638.92	15,056.12
123456789	Provider Name	244	399	\$132,129.02	\$69.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$69.02	\$488.00	\$0.00	\$0.00	\$0.00	\$0.00	\$488.00	-418.98
123456789	Provider Name	134	288	\$34,173.41	\$4,035.65	\$2,093.92	\$0.00	\$0.00	\$0.00	\$0.00	\$6,075.47	\$804.00	\$428.41	\$0.00	\$0.00	\$9.00	\$1,240.41	4,835.06
123456789	Provider Name	116	152	\$32,248.01	\$21,293.41	\$476.57	\$0.00	\$0.00	\$0.00	\$961.70	\$22,631.68	\$696.00	\$99.90	\$0.00	\$0.00	\$144.00	\$839.90	21,691.78
123456789	Provider Name	111	370	\$27,189.33	\$10,044.55	\$545.94	\$0.00	\$0.00	\$0.00	\$1,247.22	\$11,837.71	\$668.00	\$114.76	\$0.00	\$0.00	\$216.00	\$996.76	10,840.95
123456789	Provider Name	107	199	\$115,348.90	\$108,926.42	\$666.54	\$39.00	\$0.00	\$0.00	\$0.00	\$109,621.96	\$642.00	\$137.88	\$0.00	\$0.00	\$0.00	\$779.88	108,642.08
123456789	Provider Name	103	165	\$32,411.69	\$16,326.09	\$0.00	\$0.00	\$0.00	\$0.00	\$1,812.03	\$16,138.12	\$618.00	\$0.00	\$0.00	\$0.00	\$144.00	\$762.00	17,376.12
123456789	Provider Name	78	184	\$14,930.98	\$6,045.79	\$1,304.35	\$0.00	\$0.00	\$0.00	\$66.44	\$7,426.68	\$468.00	\$238.39	\$0.00	\$0.00	\$8.00	\$714.39	6,711.19
123456789	Provider Name	69	398	\$33,628.00	\$6,564.26	\$2,427.58	\$0.00	\$0.00	\$0.00	\$0.00	\$6,981.94	\$414.00	\$509.65	\$0.00	\$0.00	\$0.00	\$823.65	6,058.09
123456789	Provider Name	65	196	\$14,342.42	\$471.67	\$986.56	\$0.00	\$0.00	\$0.00	\$4,001.55	\$5,459.78	\$360.00	\$207.31	\$0.00	\$0.00	\$496.00	\$1,093.31	4,366.47
123456789	Provider Name	65	83	\$3,720.86	\$1,226.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,226.65	\$360.00	\$0.00	\$0.00	\$0.00	\$0.00	\$360.00	836.65
123456789	Provider Name	63	219	\$20,420.51	\$7,412.75	\$3,344.40	\$0.00	\$0.00	\$0.00	\$1,680.95	\$12,436.10	\$375.00	\$301.69	\$0.00	\$0.00	\$312.00	\$1,291.69	11,146.21
123456789	Provider Name	62	120	\$11,399.00	\$618.37	\$0.00	\$0.00	\$0.00	\$0.00	\$481.14	\$1,099.51	\$372.00	\$0.00	\$0.00	\$0.00	\$72.00	\$444.00	655.51
123456789	Provider Name	59	164	\$10,117.45	\$74.45	\$204.86	\$0.00	\$0.00	\$0.00	\$0.00	\$279.31	\$354.00	\$43.10	\$0.00	\$0.00	\$0.00	\$397.10	-17.79
123456789	Provider Name	58	102	\$13,051.14	\$2,282.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,282.67	\$344.00	\$0.00	\$0.00	\$0.00	\$0.00	\$348.00	1,934.67
123456789	Provider Name	57	171	\$21,184.31	\$6,254.83	\$0.00	\$0.00	\$0.00	\$0.00	\$4,843.77	\$11,104.60	\$342.00	\$0.00	\$0.00	\$0.00	\$64.00	\$406.00	10,698.60
TOTAL		10,286	29,692	\$4,236,986.99	\$1,630,276.09	\$170,766.92	\$1,899.62	\$0.00	\$0.00	\$162,289.62	\$1,844,974.26	\$30,653.00	\$36,135.31	\$0.00	\$0.00	\$14,936.00	\$100,624.31	1,764,290.94

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Customer Name
Top 25 Tax Ids by Provider Charge
Date: January 1, 2023 - March 31, 2023

Provider TIN	Provider Name	Total Bills	Total Lines	Total Charges	FS/UCR Savings	PPO Savings	UR Savings	Specialty U & C Savings	Negotiated Savings	Complex Review Savings	Total Gross Savings	Bill Review Fees	PPO Fees	Specialty U & C Fees	Negotiation Fees	Complex Review Fees	Total Fees	Total Net Savings
1 23456789	Provider Name	1,340	3,715	\$834,631	\$426,971	\$33,214	\$0	\$0	\$0	\$43,742	\$503,927	\$8,040	\$6,975	\$0	\$0	\$3,768	\$18,783	\$485,144
1 23456789	Provider Name	541	1,227	\$774,356	\$440,897	\$22,087	\$0	\$0	\$0	\$29,899	\$492,883	\$3,247	\$4,638	\$0	\$0	\$2,232	\$10,117	\$482,766
1 23456789	Provider Name	2,884	10,792	\$740,203	\$122,384	\$42,972	\$1,102	\$0	\$0	\$3,213	\$169,671	\$9,572	\$9,024	\$0	\$0	\$384	\$18,980	\$150,691
1 23456789	Provider Name	7	50	\$483,723	\$432,060	\$0	\$0	\$0	\$0	\$0	\$432,060	\$42	\$0	\$0	\$0	\$72	\$114	\$431,946
1 23456789	Provider Name	588	1,672	\$474,923	\$234,471	\$31,454	\$0	\$0	\$0	\$8,424	\$274,349	\$3,528	\$6,605	\$0	\$0	\$1,144	\$11,277	\$263,071
1 23456789	Provider Name	58	230	\$365,946	\$234,857	\$1,310	\$0	\$0	\$0	\$116	\$236,283	\$336	\$236	\$0	\$0	\$152	\$724	\$235,559
1 23456789	Provider Name	3	11	\$338,095	\$322,309	\$0	\$0	\$0	\$0	\$0	\$322,309	\$18	\$0	\$0	\$0	\$64	\$82	\$322,227
1 23456789	Provider Name	1,146	3,134	\$274,771	\$34,708	\$15,295	\$415	\$0	\$0	\$22,404	\$72,817	\$6,876	\$2,753	\$0	\$0	\$2,856	\$12,485	\$60,332
1 23456789	Provider Name	1	9	\$189,712	\$177,295	\$0	\$0	\$0	\$0	\$0	\$177,295	\$6	\$0	\$0	\$0	\$48	\$54	\$177,241
1 23456789	Provider Name	905	1,382	\$184,325	\$2,403	\$7	\$4	\$0	\$0	\$0	\$2,413	\$1,810	\$1	\$0	\$0	\$0	\$1,811	\$602
1 23456789	Provider Name	3	9	\$175,200	\$22,700	\$33,160	\$0	\$0	\$3,810	\$0	\$59,470	\$18	\$6,964	\$0	\$722	\$48	\$7,752	\$51,718
1 23456789	Provider Name	5	27	\$166,000	\$108,644	\$47,064	\$0	\$0	\$0	\$0	\$155,708	\$31	\$9,883	\$0	\$0	\$128	\$10,042	\$145,686
1 23456789	Provider Name	627	1,229	\$148,689	\$42,117	\$1,754	\$0	\$0	\$0	\$16,750	\$80,621	\$3,762	\$388	\$0	\$0	\$952	\$5,082	\$55,539
1 23456789	Provider Name	244	399	\$132,129	\$69	\$0	\$0	\$0	\$0	\$0	\$69	\$488	\$0	\$0	\$0	\$0	\$488	\$419
1 23456789	Provider Name	1	19	\$120,187	\$111,584	\$880	\$0	\$0	\$0	\$0	\$112,444	\$6	\$181	\$0	\$0	\$0	\$187	\$112,258
1 23456789	Provider Name	107	199	\$115,347	\$108,926	\$857	\$39	\$0	\$0	\$0	\$109,622	\$642	\$138	\$0	\$0	\$0	\$780	\$108,842
1 23456789	Provider Name	1	11	\$113,054	\$105,899	\$143	\$0	\$0	\$0	\$0	\$106,042	\$6	\$30	\$0	\$0	\$0	\$36	\$106,006
1 23456789	Provider Name	377	1,018	\$107,941	\$10,353	\$4,170	\$0	\$0	\$0	\$14,811	\$29,135	\$2,262	\$751	\$0	\$0	\$1,304	\$4,317	\$24,818
1 23456789	Provider Name	431	1,206	\$105,383	\$5,947	\$6,737	\$0	\$0	\$0	\$109	\$12,793	\$2,586	\$1,415	\$0	\$0	\$16	\$4,017	\$8,776
1 23456789	Provider Name	1	25	\$100,745	\$86,246	\$0	\$0	\$0	\$0	\$0	\$86,246	\$6	\$0	\$0	\$0	\$48	\$54	\$86,192
1 23456789	Provider Name	1	3	\$98,417	\$72,352	\$19,015	\$0	\$0	\$0	\$0	\$91,367	\$6	\$3,993	\$0	\$0	\$16	\$4,015	\$87,351
1 23456789	Provider Name	1	16	\$96,238	\$96,238	\$0	\$0	\$0	\$0	\$0	\$96,238	\$6	\$0	\$0	\$0	\$0	\$6	\$96,232
1 23456789	Provider Name	3	25	\$93,610	\$72,327	\$9	\$0	\$0	\$0	\$0	\$72,336	\$18	\$2	\$0	\$0	\$48	\$68	\$72,268
1 23456789	Provider Name	2	14	\$87,608	\$87,427	\$1,150	\$0	\$0	\$8,733	\$2,089	\$77,399	\$12	\$242	\$0	\$1,347	\$40	\$1,840	\$75,759
1 23456789	Provider Name	1	6	\$81,898	\$57,352	\$0	\$0	\$0	\$0	\$10,249	\$67,601	\$6	\$0	\$0	\$0	\$0	\$6	\$67,595
TOTAL		9,076	26,428	\$6,403,111	\$3,396,535	\$261,057	\$1,560	\$0	\$10,343	\$151,608	\$3,821,099	\$43,330	\$54,198	\$0	\$2,069	\$13,320	\$112,917	\$3,708,181

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Appendix G:

Sample Contract



SERVICE CONTRACT FOR WORKERS' COMPENSATION CLAIMS HANDLING

THIS SERVICE CONTRACT FOR WORKERS' COMPENSATION CLAIMS HANDLING is made and entered into this day of _____, but is effective for all purposes as of the _____ day of _____, by and between (referred to as the "Client"), and DAVIES. (referred to as the "Service Agent").

WITNESSETH:

WHEREAS, the Client has undertaken to self-insure its Workers' Compensation liability in accordance with the Workers' Compensation Law and other applicable statutes and regulations; and

WHEREAS, the Service Agent is engaged in the supervision and administration of programs for self-insured employers;

WHEREAS, the Client desires to engage the Service Agent for, and the Service Agent desires to assist the Client in workers' compensation claims handling;

NOW, THEREFORE, for and in consideration of the premises and of the mutual obligations, performance of services, and payment of compensation set forth herein, the parties agree as follows:

1. **Engagement.** The Client hereby engages the Service Agent to supervise and administer the Self-Insured Workers' Compensation Program of the Client in accordance with the Workers' Compensation Law as adopted and amended by the State of Texas (the "Law") and the applicable rules and regulations as promulgated by the applicable agencies of the State of Texas relating to the Law (the "Rules"), all in accordance with the Service Agent's proposal, a copy of which is attached hereto and incorporated herein by this reference (the "Proposal").
2. **Term.** Subject to termination pursuant to Paragraph 10, the term of this Agreement shall begin as of (enter date) and shall terminate on (enter date); provided, however, that this Agreement shall renew automatically for (enter time period) terms unless otherwise terminated.
3. **Fund for Payment of Claims.** The Client has the sole obligation and responsibility for funding the payment of claims made by its employees under the Law and Rules. The Service Agent assumes no duty to fund any such claims at any time and shall have no

obligation to advance funds for any such payment. The Client agrees to maintain all necessary funds for payment of claims in accordance with the Law and Rules and to inform the Service Agent of all relevant details with respect to any such accounts in order for the Service Agent to perform its duties under this Agreement. The Client shall add to or increase the amount in any such accounts as needed, and, in any event, within five (5) business days from the Service Agent's notice to the Client to such effect. The Client shall be responsible for all fees, fines or claims incurred and/or any loss or damages sustained by the Service Agent in the event Client does not meet its obligations under this paragraph 3.

4. **Allocated Claims Expenses.** Charges for services below are billed at negotiated rates for vendors selected by CLIENT/SERVICE AGENT unless otherwise outlined below. "Allocated Claims Expenses" shall be defined as expenses arising in connection with the settlement of claims, which shall be defined as expenses directly allocated to a particular claim to be discharged from the accounts funded by the CLIENT specified in Paragraph 3, including, but not limited to:
- a. Attorneys' and legal assistants' fees for claim and any lawsuits, before and at trial, on appeal, or otherwise;
 - b. Court and other litigation and settlement expenses, including, without limitation:
 - (i) Medical examinations to determine extent of liability;
 - (ii) Expert medical and other testimony;
 - (iii) Laboratory, X-ray and other diagnostic tests;
 - (iv) Autopsy, surgical reviews, and other pathology services;
 - (v) Physician and related fees and expenses in reading, interpreting, or performing any of the foregoing tests or services;
 - (vi) Stenographer, process server, and other related trial preparation, trial, settlement, and court costs;
 - (vii) Witnesses fees and expenses before and at trial, deposition, settlement discussions, or otherwise;
 - c. Fees and expenses for surveillance, private investigators, or otherwise;
 - d. Fees for the indexing of injured employees;
 - e. Fees for any work done outside the office, including, but not limited to, field investigations necessary to determine compensability, Special Disability Trust

Fund or subrogation recoverability, claimant control, attendance at mediations, hearings and depositions, and attendance at medical consultations or hearings;

- f. Fees for any field investigation will be (INSERT FEE) per hour, (INSERT FEE) per color photograph and (INSERT FEE) per mile and administrative expense. These costs are charged back to and paid from the claim file;
- g. Telephonic medical management; (INSERT FEE)
- h. Fees for over-night or special mail service for various documents;
- i. Fees for examining and reducing hospital and medical bills as appropriate; (INSERT FEE)
- j. Photocopying and/or CD-ROM copies, review of relevant documentation;
- k. Pre-Certification of Hospital Admissions, On-Site Case Management, Peer Review, Medical Care Audits, and Hospital Bill Audits; and
- l. Medicare Set-Aside (MSA) services to include; recommendation for MSA submission, MSA cost projection, MSA submission, comprehensive drug utilization review, lien search, conditional lien dispute, projection update.

5. **Compensation for the Service Agent.** For performing its services under this Agreement, the Service Agent shall be entitled to the following compensation:

(INSERT FEE)

Reports- Standard Davies PDF reports are provided at no charge. However, if specific custom reports are needed and programming is required there will be an hourly fee of (INSERT FEE) billed. The programming quote will be provided to the CLEINT prior to completion for approval to proceed with programming.

6. **Excess Reporting Obligation** - Unless otherwise specified in this Agreement, Service Agent agrees that reporting claims to excess insurance carrier is the Service Agent's responsibility. It is the responsibility of the Client to provide accurate coverage information regarding any insurance policies insuring claims covered by this contract. The information for all claim years that the Service Agent is handling will be made available to the Service Agent by the Client within 90 days of contract inception. New insurance information on renewal years will be made by Client to the Service Agent within 90 days of renewal date. Excess information will include name and claims reporting address and phone number of all carriers, policy number, effective dates, limits of liability, deductibles, specific retentions and loss funds. Actual policies will be provided. This excess information is required for each claim year that the Service

Agent is handling for the Client. If this excess information is not made available to Service Agent by Client as outlined in this Paragraph, Service Agent will not be responsible for any penalties, interest, or reductions in excess recoveries, or any other liabilities because of late reporting as a result of or in connection therewith. The Service Agent shall not be responsible for costs, judgments, settlements, damages, etc. resulting from the excess carrier's denial of a claim due to untimely reporting at the fault of the prior administrator(s) for claims assumed under the current contract. The Service Agent shall not be responsible for reporting to excess or collecting recoverable(s) for closed claims at time of contract inception, unless so directed by Client.

7. **Medicare Data/Reporting Requirements** – Unless otherwise specified in this Agreement, Service Agent agrees that reporting claims where the claimant is a Medicare beneficiary to CMS is the Service Agent's responsibility, refer to Section 111 for reporting requirements. It is the responsibility of the Client to provide the Service Agent with all Medicare claim input SUBMISSION and RESPONSE information within the transfer of claims. The information provided must include all Query submission, Query response, claim input submission and response files available back to 01/01/2010. If this Medicare data is not made available to the Service Agent by Client as outlined in this Paragraph at least 30 days prior to the next quarter submission, Service Agent will not be responsible for any penalties, interest or any other liabilities because of the late reporting as a result of insufficient data. The Service agent shall not be responsible for reporting to Medicare for closed claims at the time of contract inception.
8. **Continuing Handling of Claims After Termination of Contract or Legally Imposed Mandates**. Upon termination of this Agreement as set forth in paragraph 10, the Service Agent agrees to continue handling all claims that have been made and reported to it prior to such date of termination for thirty (30) days unless the parties have agreed otherwise in writing.

Upon repeal of any service mandated by the workers' compensation law and/or other applicable statutes and/or regulations, the Service Agent agrees to continue handling all claims under the repealed service that have been reported to it prior to the date of such repeal for thirty (30) days unless the parties have agreed otherwise in writing.

Upon exiting, the Service Agent shall provide Client data to the new TPA either by a series of attachments to one or more email messages containing zip files which can be password-protected or via CD ROMS. The claim files may exist as paper files and will be shipped as such. If the claim files are stored as images in a document retrieval system, they will be provided via CD ROM or the most current means of providing data, at the Service Agent's option. The cost for this will be no greater than \$3,500.00. The Client will be billed for any additional programming to help in data transfer.

9. **Disputes Subject to Arbitration**. Any dispute or claim arising out of or relating to this Agreement or any breach thereof shall be resolved by submission of such dispute or

claim to arbitration, by a party giving notice to the other party, of its demand for arbitration. The Client and the Service Agent shall each select one member of the arbitration panel and the two selected members shall select a third neutral member for the arbitration panel. In the event that either party fails to appoint an arbitrator within thirty (30) days of the other party's request for it to do so, the party requesting the appointment may appoint the other party's arbitrator. If the two party appointed arbitrators are unable to agree on the third neutral arbitrator, the third neutral arbitrator shall be selected by the American Arbitration Association. All arbitrators shall be experienced or knowledgeable of insurance claims administration related to the type of insurance subject to this Agreement. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules and Mediation Procedures of the American Arbitration Association. The determination of the arbitrators shall be binding on all parties and the arbitration award or decision shall be binding on all parties and the arbitration award or decision shall be enforceable by any court having jurisdiction over the parties.

10. **Termination.** This Agreement may be terminated by either the Client or the Service Agent by giving prior written notice of ninety (90) days. In the event of such termination, compensation paid or payable to Service Agent under Paragraph 5 shall be prorated as applicable. Notwithstanding anything in this Paragraph 10 to the contrary, the insolvency or filing for relief from creditors of any party pursuant to the United States Bankruptcy Code or the material breach of a material provision of this Agreement by any party shall permit the other party to cancel this Agreement immediately upon written notice.
11. **Covenants of the Service Agent and the Client.** Each of the Service Agent and the Client agrees to use reasonable industry standards in the performance of its duties under this Agreement and will use its best efforts to comply at all times with the Law and the Rules.
12. **Indemnification.** The Client shall indemnify and hold harmless the Service Agent and the Service Agent's directors, officers, employees, stockholders, and agents against any and all claims, lawsuits, settlements, judgments, costs, penalties, and expenses, including, without limitation, all reasonable attorneys' and legal assistants' fees, resulting from the (a) breach of, or negligence or misconduct in performing any provision of this Agreement, by the Client or the Client's directors, officers, employees, stockholders or agents, whether acting alone or in collusion or in concert with others; or (b) the Service Agent's compliance with any instructions or directions given by the Client to the Service Agent.

The Service Agent shall indemnify and hold harmless the Client and the Client's directors, officers, employees, stockholders, and agents against any and all claims, lawsuits, settlements, judgments, costs, penalties, and expenses, including, without limitation, all reasonable attorneys' and legal assistants' fees, resulting from the breach, or negligence or misconduct in performing any provision, of this Agreement

by the Service Agent or the Service Agent's directors, officers, employees, stockholders or agents, whether acting alone or in collusion or concert with others.

13. **Miscellaneous.**

- a. Each party represents and warrants that it has full power and authority to enter into this Agreement.
- b. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if (i) personally delivered, (ii) transmitted by telecopy, electronic telephone line facsimile transmission, or other similar electronic or digital transmission method and its receipt is acknowledged by the receiving party, (iii) sent by a nationally recognized expedited delivery service that provides confirmation of delivery and permits delivery, if applicable, to a P.O. Box address or (iv) mailed by certified or registered mail, postage prepaid. In each case, notice shall be sent to:

If to the Client: Fort Bend County Purchasing Department
Travis Annex
301 Jackson, Suite 201
Richmond, Texas 77469

If to the Service Agent: Davies
26 Century Boulevard, Suite NT 350
PO Box 305148
Nashville, Tennessee 37214

or to such other address as either party may have specified in writing to the other using the procedures specified above in this Paragraph.

- c.
 - (i) This Agreement shall be construed pursuant to and governed by the substantive laws of the State of Tennessee (and any provision of Tennessee law shall not apply if the law of a state or jurisdiction other than Tennessee would otherwise apply).
 - (ii) The headings of the various Paragraphs in this Agreement are inserted for the convenience of the parties and shall not affect the meaning, construction, or interpretation of this Agreement.
 - (iii) Any provision of this Agreement which is determined by a court of competent jurisdiction to be prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be

ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction. In any such case, such determination shall not affect any other provision of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect. If any provision or term of this Agreement is susceptible to two or more constructions or interpretations, one or more of which would render the provision or term void or unenforceable, the parties agree that a construction or interpretation which renders the term or provision valid shall be favored.

- d. This Agreement constitutes the entire Agreement, and supersedes all prior agreements and understandings, oral and written among the parties to this Agreement with respect to the subject matter hereof.
- e.
 - (i) If, within ten (10) days after demand to comply with the obligations of one of the parties to this Agreement served in writing on the other, compliance or reasonable assurance of compliance is not forthcoming, and the other party takes steps to enforce rights under this Agreement pursuant to Paragraph 9 or otherwise, the prevailing party in any action shall be entitled to recover all reasonable costs and expenses (including all reasonable attorneys' and legal assistants' fees)
 - (ii) If any monies shall be due either of the parties to this Agreement hereunder and shall not be paid within forty-five (45) days from the due date of such payment, interest shall accrue on such unpaid amount at the rate of 1 ½ % per month..
- f. This Agreement shall be binding upon and inure to the benefit of the successors in interest and assigns of the parties.
- g. The parties to this Agreement will execute and deliver, or cause to be executed and delivered, such additional or further documents, agreements, or instruments and shall cooperate with one another in all respects for the purpose of carrying out the transactions contemplated by this Agreement.
- h. This Agreement may be executed in any number of counterparts, each of which shall be considered an original, but all of which together shall constitute one and the same instrument and shall become effective when each of the parties has executed at least one of the counterparts even if all the parties have not executed the same counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement effective for all purposes as of _____.

WITNESSES:

WITNESSES:

FORT BEND COUNTY

DAVIES

Beverly Adkins, AIM, AIC
Chief Operating Officer

Appendix H:

Reference Letter



ALVIN INDEPENDENT SCHOOL DISTRICT

Donnie Marek
Executive Director of Risk Management

August 23, 2023

Fort Bend County
Workers' Compensation Department

Re: Davies-Group Reference Letter

To whom it may concern,

It is my privilege that I am writing to recommend the services of Davies-Group.

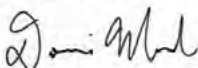
Davies-Group has been a partner with Alvin ISD since 2008 and I have personally worked directly with them since 2012. Ray Luedke, Director of TPA Programs, is an experienced leader in the Texas Work Comp and occupational medicine industries. His knowledge and his expertise are second to none. He takes pride in serving our district which is evident in the daily work he and his team do for us.

Alvin ISD has a self-funded workers' comp program and Davies-Group is our TPA. They do an exceptional job handling our claims administration with open and effective communication with my team and the providers. They believe in proactive results, compressed cases, and in our return to work program. Our assigned adjuster is consistent, reliable, and extremely pro-active.

Alvin ISD, our Risk Management's office, and our employees are truly blessed to have a partner like Davies-Group. We have been able to control our workers' comp costs while all other medical and insurance programs are seeing costs and expenses rising at out of control rates.

I highly recommend Davies-Group to Fort Bend County for your work comp and occupational medicine needs. I am available to speak with anyone from the County that would like to discuss this further and in more detail.

Donnie Marek

A handwritten signature in black ink, appearing to read 'Donnie Marek'.

Executive Director of Risk Management

Alvin ISD
281-245-2488

301 E. House Street Alvin, Texas 77511 281-388-1130 281-585-8352 fax

Appendix I:
Davies Group Annual Report

DAVIES GROUP LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

REGISTERED NUMBER 06479822



**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS AND ADVISERS

DIRECTORS	D Coombes A Debiase D Saulter
COMPANY SECRETARY	A Debiase
REGISTERED OFFICE	5 th Floor 20 Gracechurch Street London England EC3V 0BG
INDEPENDENT AUDITOR	BDO LLP Chartered Accountants and Statutory Auditors 3 Hardman Street Manchester M3 3AT

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CHIEF EXECUTIVE'S REVIEW

I am pleased to present our financial results for the year ending 30 June 2022.

We achieved total revenues of £392m (2021: £310.2m) and EBITDA (before exceptional costs and M&A integration expenses) of £71m (2021: £62.3m) as we invested in our business, our people, in digital transformation and through expansion in our capability and geographical reach for our clients.

In August 2021, BC Partners, the leading international investment firm, acquired a majority stake in Davies Group Limited ("Davies Group" or "Davies") via a new holding company, Tennessee Topco Limited, which is now the holding company of the Group. This new partnership has diversified and strengthened Davies' shareholder base, as it seeks to drive further global expansion, increase investment in technology and digital transformation, and to continue to partner with complementary businesses via M&A. Existing investors HGGC and AIMCo continue to hold minority ownership stakes in the business, alongside the Davies leadership team and employees.

Today Davies delivers operations, consulting and technology solutions across the risk and insurance value chain, including excellence in claims, underwriting, distribution, regulation, customer experience, human capital, transformation & change management. Davies' core service lines include Claims Solutions, Legal Solutions, Insurance Services and Consulting & Technology, delivered by our 4,500+ strong team of professionals across the UK, Ireland, the US, Canada, Spain, Switzerland & India

ACQUISITION AND DISPOSAL ACTIVITY

In the year to June 2022 we completed four acquisitions, diversifying our offering as well as adding strategic new capabilities and further broadening our geographic reach.

In October 2021 we acquired Insurance Risk Services (IRS), the Florida, US based property & casualty insurance inspection firm that provides a range of tech-enabled residential and commercial inspections to support underwriting decision-making. IRS joined our existing audit & inspections unit in the U.S.

As part of a wider strategy to support further organic and acquisition growth within the North American market, in November 2021, the Group transferred the majority of its U.S. operations, headed by Davies U.S. LLC, to a separate U.S. holding company. The move to create a single integrated U.S. operation, supported by the appointment of the U.S. CEO, is designed to take advantage of the opportunities within the U.S. market that the Group see as an important strategic goal.

We expanded our international Consulting & Technology operations through the acquisition of Sionic, the international consulting and technology firm serving the insurance, banking, and wider highly regulated markets in December 2021. Sionic extended Davies' geographical reach to mainland Europe & Asia with its offices in Spain, Switzerland & India, alongside its headquarters in London, UK, and North American locations.

We completed the acquisition of the UK-based Building Validation Solutions Group (BVS), the leading provider of tech-enabled, end-to-end property claims services for the UK insurance market shortly after we welcomed Sionic to the Group in December 2021. BVS is well known across the insurance market for its web-based claims administration technology, Metrix, which has added important surge management capability to our Claims Solutions operations in the UK & Ireland.

We completed the deal to acquire Worksmart in March 2022, the leading supplier of regulatory technology (RegTech) for people and process management. Worksmart is the number one provider of RegTech for complaints management and feedback in the Lloyd's market and has added exciting new technology to our suite of software as a service (SaaS) solutions which are focused on helping highly regulated organisations tackle their business challenges and reach their commercial goals.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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CHIEF EXECUTIVE'S REVIEW (continued)

In July 2022, we completed the acquisition of ProAdjust Limited ("ProAdjust"), the specialist provider of loss adjusting and claims management services to the insurance market in Ireland. ProAdjust joined our UK & Ireland based Claims Solutions business.

We announced the acquisition of Lloyd's managing agent, Asta Capital Limited ('Asta') in September 2021 and completed the deal following regulatory approvals in July 2022. Asta is the market leading third party managing agent at Lloyd's providing a range of solutions to Lloyd's and non-Lloyd's businesses across the insurance life cycle. The deal added significant strength and reach to our global Insurance Services practice by broadening our ability to offer end-to-end insurance management solutions to entrepreneurial underwriters and MGAs, intermediaries, (re)insurers and captives, Lloyd's syndicates, and InsurTechs.

Davies has been recognised for outstanding service and technology by industry peers, winning a number of awards including:

- 'Technology Partner of the Year' at the Insurance Post Claims & Fraud Award
- 'Training Provider/Programme of the Year' at the Sussex apprenticeship awards
- 'Challenger of the Year' at the Insurance Times Awards
- 'Excellence in Technology – Claims (Communication)' at the Insurance Times Awards
- 'Claims Initiative of the Year – Insurance Partner & Technology Award' at the British Insurance Awards
- 'Claims Service Solution of the Year' at the Insurance Times Claims Excellence Awards
- 'Best Conversational Analytics Platform' at the CX Awards

Davies has significantly increased its investment in technology and digital transformation, whilst nurturing new ideas and innovation from its people. Davies' teams have continued to launch new technology to market for its highly regulated clients and their customers, including new features to its electronic claims portals and claims automation.

In 2021, we also launched Season Four of our Disruptive Thinking innovation lab. With 530 ideas from our global workforce, our judges whittled it down to 10 ideas, with the successful applicants then delivering compelling pitches to Davies' investors in February 2022. Following the pitches, both the judges and Davies' investors agreed to invest in two claims automation ideas; one to be plugged in to the Life & Health claims process US & one to help spot additional fraudulent claims. We also invested in an employer supported volunteering programme, which was voted through by Davies employees and will bring immense value to both our people and to our local communities.

Through The Davies Foundation, our registered charity, we have donated more than £128,000 globally to over 220 local community causes chosen by our people.

I am extremely proud of the amazing hard work from our team right across the globe. In what has been a at times challenging year, our team has continued to deliver for our 750+ clients around the world.



Dan Saulter
Chief Executive
Davies Group
Date: 4 April 2023

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT

The Group has performed well during the year ended 30 June 2022 and confidently looks forward to continued growth in the coming year.

PRINCIPAL ACTIVITY

The principal activity of the Group in the year under review was the provision of operations management, consulting and digital solutions to organisations in highly regulated markets, including insurance, financial services, utilities, communications, and to regulatory bodies.

REVIEW OF BUSINESS

We have continued to invest and add capability and geographies through acquisitions. In the year to June 2022 we completed four deals, adding further capability and service lines for our chosen markets and adding further geographical reach to Davies. For details of these please see the Chief Executive's Review.

In November 2021, the Group transferred the majority of its U.S. operations, headed by Davies U.S. LLC, to a separate U.S. holding company which has resulted in a profit on disposal in the year of £228.5m.

The results for the year and the financial position of the Group and the Company are as shown in the annexed financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The risk factors set forth below reflect material risks associated with the business and readers should consider them in addition to the other information contained in this report as our business, financial condition or results of the operation could be adversely affected if any of these risks were to actually occur.

The Group operates in a competitive marketplace. The Group manages this commercial risk by delivering a high quality, bespoke service to its clients, with most of whom it already enjoys long-standing relationships. Additionally, the business development team conducts regular client meetings and update sessions to ensure that any client concerns are dealt with on a timely basis. This also provides an opportunity to update clients on developments within the business as well as new products and services. Furthermore, the business development team actively engages in a large number of tenders each year to grow the client base to minimise reliance on any single client.

The Group's underlying business is subject to extensive legal and regulatory oversight, including the UK Companies Act and certain companies within the group to the regulations promulgated by the Financial Conduct Authority (FCA). This legal and regulatory compliance is limiting or restricting the products or services we sell, the markets we serve or enter, the methods by which we sell our products and services, the prices we can charge for our services, or by subjecting our business to the possibility of legal and regulatory actions or proceedings. The Group has a robust Compliance department which manages this risk through the controls and procedures that are in place.

The results of our operations are generally affected by the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets these clients serve. Economic downturns, volatility, or uncertainty in some markets may cause reductions in technology and discretionary spending by our clients, which may result in reductions in the growth of new business or reductions in existing referrals. There are several specific business risks that should be taken into account for the group. The volume of claims referred to the Group, and therefore its revenue, can fluctuate according to the frequency and severity of weather-related events. Additionally, the Group is aiming to specifically grow its liability business to mitigate this risk.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Operational risks exist as the company operates in a complex and highly regulated environment, and it is essential to have effective processes and governance to be successful, as well as effective oversight of operations. The Group has put in place procedures and controls to mitigate known operational risks to which it believes it is exposed.

The Group successfully operates a mobilised workforce enabling efficient working from home. Therefore the impact of any further social restrictions due to the COVID-19 pandemic are not considered to be a significant risk to the Group. The Group continues to monitor its interest rate exposure due to increasing global rates which affect its holdings company's debt burden. Using the latest available forward rate forecasts the Group estimates its future interest expense regularly which allows the Group to track future cash interest costs. Furthermore our senior debt facilities allow us to PIK up to 2% of the cash interest cost to help manage liquidity as required.

With regard to the war in the Ukraine, the Group does not consider this to be a material risk. However the Group does recognise that the war has caused significant price inflation in the economy which has impacted the Group's cost base. To offset this impact the Group has focused on increasing its prices to customers across all its product lines. Additionally the Group has engaged external consultants to assist with its pricing work and to provide targeted training.

SECTION 172 STATEMENT

In performing their duties throughout the period, the Directors have promoted the success of the company for the benefit of the members as a whole and, in doing so, they have considered the key stakeholders when making decisions, including:

- the likely consequences of any decisions in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with customers, suppliers, and others;
- the impact of the Group's operations on the community and environment;
- the Group's reputation for high standards of business conduct; and
- the need to act fairly as between members of the Group.

Our colleagues

Why?

Our colleagues are key to the delivery of our services and therefore to the long-term success of the business. It is imperative that we keep them actively engaged and motivated.

How?

Our internal communications strategy is designed to deliver engaging communication to drive the business objectives, as well as develop and enhance the organisational culture through engaging internal communication and employer brand content, through channels including the employee intranet, newsletters, emails, webinars, internal notice boards and posters, which include a variety of key information and events including; performance and business updates, acquisition news, cultural initiatives and incentives, key appointments, industry award wins etc.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT (continued)

SECTION 172 STATEMENT (continued)

Our colleagues (continued)

We motivate and reward our employees through participation in the Davies Incentive Plan, which is a pool of shares set aside for employees to share in the future success of Davies, all employees who have at least two years' service are eligible to participate in the scheme. During the financial year employee participation in the Davies Incentive Plan more than doubled to over 3,000 colleagues. We focus heavily on our policy of training and developing our staff, promoting internally before we recruit externally.

Our annual Davies Disruptive Thinking is an Innovation Lab that places the power of new ideas in the hands of our people. Our mission is to discover valuable ideas for our clients and our people so that we can reimagine our business, by using technology, to create a culture of innovation. The colleagues with the very best ideas receive seed funding to turn them into a reality. Since its launch in 2017 we have completed four successful seasons with more than 2000 ideas submitted by over 1500 colleagues.

Kudos is a tool to help our employees recognise and reward colleagues from across the business - each month all employees receive 100 Kudos points which they can allocate to someone to say thank you for a job done well, going above and beyond their role, getting involved in CSR and other business initiatives.

Our communities and the environment

Why?

It is a core principle that we make a positive difference to the communities and environments in which we operate.

How?

The Davies Foundation aims to create a positive social impact in the communities globally where Davies operate. Through ongoing fundraising and match funding from the business, the charity provides grant funding to charitable organisations nominated by our employees through our grants programme. The charity has supported 232 causes to date which contribute to its charitable purposes, including family welfare charities, foodbanks, homeless shelters, medical charities, mental health organisations, support groups, environmental charities and community groups. The primary source of fundraising is through internal events & fundraising challenges such as Tough Mudder, LGBTea Mornings, Davies Sleep Out, Winter Foodbank Scheme and a wide-variety of remote events. In addition to our grants programme, we run a series of wellbeing and DEI initiatives, including talks and engagement pieces on topics including, LGBTQ+ inclusion, financial wellbeing, stress management, sustainable living and women's health inequalities. Our CSR work is supported by a team of 60+ volunteers from across the Group who promote initiatives, represent our charity globally, organise fundraisers and provide feedback from Davies employees.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT (continued)

SECTION 172 STATEMENT (continued)

Our customers

Why?

The Directors recognise that maintaining long term relationships with existing customers, along with securing new customers, is vital to the success of the business.

How?

Our customers are at the heart of our day-to-day activities and decisions. During the year we have broadened the services we are able to offer our customers and other businesses operating across insurance & highly regulated markets both through the development of new product offerings and through new services made available acquired businesses. For example, in the last year we saw a sharp rise in weather related catastrophe events in both the UK & Ireland and in the US. Through our acquisition of BVS in December 2021 we added a fully automated low-value property claims proposition to our claims solutions, which was key to our surge management during the winter months. The approach ensured claims were settled quickly where possible, and kept customers pleasantly surprised with the quick service. The results of the response have been recognised across the industry with several recent award wins including 'claims initiative of the year' at Insurance Post's British Insurance Awards, and 'claims service solution of the year' at Insurance Times' Claims Excellence awards.

Davies has significantly increased its investment in technology and digital transformation, while nurturing new ideas and innovation from its people. Davies' teams have continued to launch new technology to market for its highly regulated clients and their customers, including new features to its electronic claims portals and claims automation.

Our investors

Why?

It is critical that our investors have confidence in the Group, how it is operated and in its long-term strategic objectives.

How?

We are supported by our external investors, BC Partners, HGGC and Aimco and through regular dialogue, both inside and outside the structure of formal board meetings, we ensure their interests are represented by careful scrutiny of the shareholder benefit of each material decision taken by the business.

Our suppliers

Why?

The main suppliers to the business are essential to our ability to deliver services to our customers to the standards expected by our customers.

How?

We maintain good relations with all key suppliers to the Group, including through prompt payment practices.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT (continued)

Key decisions

For the key decisions made during the year, we set out below the way in which the interests of key stakeholder groups were considered:

Major acquisitions:

During the year we completed four acquisitions which diversifies our offering and capabilities for the benefit of our customers. Our investors are engaged throughout each acquisition process ensuring their interests are represented through careful analysis and presentation of the shareholder value that is expected to be generated, but also the risks involved. On completion of each acquisition, we make an internal announcement to all our colleagues of the acquisition that has been made and the new services that the Group can now offer, and in many cases have followed this up with webinars to introduce the new team and their business.

GOING CONCERN

The directors continually review and monitor business performance and liquidity of Davies Group. The directors assert that Davies Group is a key subsidiary Group of the wider Tennessee Topco Limited Group. Following review of the wider Group forecasts and receipt of a Letter of Support from the ultimate parent company, Tennessee Topco Limited, which controls the Group financing entities and the relationship with the shareholders, the directors have a reasonable expectation that Davies Group Limited has adequate resources and support to continue in operational existence for the foreseeable future.

Davies Group has performed ahead of expectations since the outbreak of the COVID-19 pandemic and is only slightly behind its budget after the first quarter of the year ending 30 June 2023 despite the challenging economic environment. However despite the slow start to FY23 the Davies Group remains on track to deliver an EBITDA performance in FY23 significantly ahead of last year. The Davies Group also has access to a committed revolver credit facility of £90m should this be required.

The divisions making up Davies Group have seen EBITDA track at 101% against forecast to date in FY 23. This represents an increase of £102% year on year on a proforma basis year on year and supports the directors' assertions that the underlying trading remains profitable.

The Davies Group's most recent forecasting exercise covers a period from the balance sheet date to 30 June 2024. As part of their forecasting work, the directors undertook detailed sensitivity analysis which showed that Davies Group is highly unlikely to breach its covenant and can meet its liabilities as they fall due. The Davies Group enjoys continued funding support of Tennessee Topco Limited and its shareholders BC Partners, HGGC, and AimCo, having raised an additional £45m in equity in September 2022 to support M&A, with a further £35m expected to follow before the end of the financial year to 30 June 2023. The key mitigant for a covenant breach would be an equity injection from the shareholders which is permitted under the existing banking agreement. Additionally, a further mitigant should Davies Group experience a liquidity issue, would be to drawdown on the £90m RCF which can be accessed for any purpose.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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STRATEGIC REPORT (continued)

GOING CONCERN (continued)

In August 2021, Davies Group completed a transaction with BC Partners who have acquired a majority stake in the business following a rigorous due diligence process. As part of this transaction, Blackstone replaced ICG as the wider Group's debt provider and an acquisition facility of £350m was secured alongside a c£90m rolling credit facility. This is a committed facility which can be utilised for any purpose including operational, working capital and M&A requirements and can be drawn down in 5 working days.

Davies Group is continuing its M&A program and during the period ended 30 June 2022 the Group made three acquisitions, for detail, see note 24. In June 2022, the wider Group secured an additional acquisition facility of £350m which underlines Blackstone's confidence in Davies performance. Davies Group has completed two new acquisitions since the year end, adding c£17m of annualised EBITDA before synergies. Davies Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's operating profit is £244.4m (2021: £5.2m) and the profit before tax is £226.9m (2021: loss of £11.7m) for the financial year ended 30 June 2022. The results are stated after amortisation of goodwill and intangibles of £28.4m (2021: £23.4m), an exceptional administrative expense of £7.0m (2021: £8.3m), M&A integration expenses of £10.7m (2021: £17.4m) and profit on the disposal of subsidiary group of £228.5 (2021: £nil). No final dividend is proposed and the profit for the year has been transferred to reserves accordingly.

The Group has generated cash inflow from operating activities of £18.1m (2021: £17.9m) and has total shareholders' funds of £414.7m (2021: £57.1m).

By order of the Board



Dan Saulter
Director

Date: 4 April 2023

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' REPORT

The directors present their report with the audited consolidated financial statements of the Group for the year ended 30 June 2022.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 30 June 2022 is £227.1m. No final dividend is proposed and the profit for the year has been transferred to reserves accordingly.

FUTURE DEVELOPMENTS

The Group remains committed to sustainable, profitable growth and continues its program of strategic activities to meet these objectives. The priority remains to provide a market leading range of high quality and innovative services to customers and to develop our relationships with existing and new customers alike.

The Group continues to invest in new systems and technology with the focus on improving operational efficiency and flexibility. This is being implemented through a specific project which will reduce the lifecycle of claims, improve customer service, enhance the quality of management information available both internally and to our clients, and drive down the cost of delivering a successful claim outcome.

FINANCIAL RISK MANAGEMENT

The Group's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk.

Credit risk is managed, as far as possible, by partnering with financially strong clients, agreeing payment terms in advance and requesting progress payments during the life of a claim. Appropriate credit control procedures are in place to monitor credit taken by clients and mitigate the risk of a material bad debt.

The Group has a dedicated team managing its cashflow operations ensuring outstanding fee invoices are collected on a timely basis and suppliers are paid utilising available credit terms. Additionally, the Group reviews and forecasts its cash requirements on a regular basis and has a £90m revolving credit facility with its main lender to provide an additional source of liquidity to assist with growth and manage seasonal spikes in business.

In accordance with good corporate governance, cash held on behalf of clients are held in segregated trust bank accounts, separately identifiable from the Group's own cash at bank and in hand.

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements.

The Group has continued its commitment to fostering good communication and consultation at all levels with a view to informing and involving staff in the progress of the Group and its future. Elected employee representatives meet with the executive management of the Group to consult on important workplace issues, including but not limited to market conditions, performance of the business, employee issues and any changes in business direction. Communication with all employees is through the intranet, email and staff meetings.

To encourage their involvement in the future performance of the Group, executive management and directors are included in the management share scheme and employees participate in performance related bonus schemes.

EMPLOYMENT OF DISABLED PERSONS

It is the Group's policy to give, wherever possible, equal opportunity of employment and career development to both disabled and able persons according to their suitability to perform the work required. The Group also makes every effort to provide employment for employees who become disabled. All employees are given opportunities for training, career development and promotion consistent with their capabilities whether disabled or able.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT (continued)

ENERGY CONSUMPTION AND EMISSION FOR THE YEAR ENDING 30 JUNE 2022

Davies Group understands the critical importance of our environmental responsibilities and as such we are committed to minimising our impact on the environment. We are building a culture to drive improvements and efficiencies across our operations and as part of that we support colleagues wherever possible to make informed decisions around reducing our carbon footprint. Since FY20 we have made material improvements to our Scope 1-3 emissions footprint including increasing the amount of flexible/remote working, propositional developments eliminating the need for travel, and consolidating multiple office sites. We have recently seen an increase in Scope 3 emissions regarding business related travel and commuting due to the lifting of Covid restrictions, however we continue to encourage agile and efficient working practices wherever possible.

This inventory has been prepared in accordance with the requirements of the measure-step of the Toitū carbon marks, which is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

GHG emissions and energy use for period 01 July 2021 to 30 June 2022 for the UK businesses in the Group

01 July 2021 to 30 June 2022	
Energy consumption used to calculate emissions (kWh)	9,864,964.12
Gas (kWh)	3,285,807.00
Electricity (kWh)	3,313,009.00
Transport fuels (kWh)	1,627,743.98
Other energy sources (Scope 1 & 2) kWh	N/A
Transport fuels (Scope 3) kWh	1,638,404.13
Emissions from combustion of gas tCO ₂ e (Scope 1)	600.84
Emissions from combustion of fuel for transport purposes tCO ₂ e (Scope 1)	403.58
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing of the fuel tCO ₂ e (Scope 3)	388.63
Emissions from purchased electricity tCO ₂ e (Scope 2, location-based)	672.32
Total gross emissions tCO ₂ e based on the above	2,065.36
Total gross emissions from above by unit turnover/revenue (tCO ₂ e/£M)	7.13

¹ Reported scope 1 emissions are limited to emission sources regulated by SECR only (gaseous fuels and transport). Additional scope 1 emissions under the GHG protocol have not been quantified.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT (continued)

**ENERGY CONSUMPTION AND EMISSION FOR THE YEAR ENDING 30 JUNE 2022
(continued)**

01 July 2021 to 30 June 2022	
Methodology	ISO14064 Part 1 2018 and Carbon Reduce
Emissions from other activities which the company owns or controls including operation of facilities tCO ₂ e (Scope 1)	N/A
Emissions from global electricity use (excluding UK and offshore) tCO ₂ e (Scope 2)	N/A
Emissions from heat, steam and cooling purchased for own use tCO ₂ e (Scope 2)	N/A
Emissions from other activities tCO ₂ e (Scope 3)	846.96
Total other emissions tCO ₂ e	846.96
Total gross Scope 1, Scope 2 & Scope 3 emissions tCO ₂ e	2,912.32
Total gross GHG emissions per unit turnover/revenue (tCO ₂ e/£M)	10.05
Third Party verification	Verified to ISO14064 Part 1 2018 and Carbon Reduce

*Reported scope 1 emissions are limited to emission sources regulated by SECR only (gaseous fuels and transport). Additional scope 1 emissions under the GHG protocol have not been quantified.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' REPORT (continued)

ENERGY CONSUMPTION AND EMISSION REPORTING FOR THE YEAR ENDING 30 JUNE 2021

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires the company to disclose annual UK energy consumption and Greenhouse Gas (GHG) emissions from SECR regulated sources. Energy and GHG emissions have been independently calculated by Envantage Ltd for the reporting period 1st June 2020 to 31st May 2021. Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol1 and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, natural gas, and business travel in company-owned or grey-fleet cars.

The table below details the regulated SECR energy and GHG emission sources from the current (and previous) reporting period. The Group only has one reporting entity and the disclosure relates to the energy consumption of Keoghs only.

	1st June 2020 to 31st May 2021 (FY21)	1st June 2019 to 31st May 2020 (FY20)	% Change
Energy (kWh)			
Natural Gas	2,050,464	1,599,811	+28.2%
Electricity	1,738,696	1,860,899	-6.8%
Transport	168,980	493,929	-65.8%
Total Energy (kWh)	3,954,140	3,954,639	-0.01%
Emissions (tCO₂e)			
Natural gas	377.0	294.1	+28.2%
Electricity (location-based)	404.4	475.6	-15.0%
Transport	40.1	118.7	-66.2%
Total SECR emissions	821.5	888.4	+7.5%
Intensity metric			
Emissions intensity (tCO ₂ e / £m turnover)	7.9	9.2	-14.2%

*Included for comparison only

The Group is committed to reducing their environmental impact and contribution to climate change through increased energy management, awareness and changes to operational procedures. Keoghs LLP continually look to optimise environmental performance on their energy supplies and, whilst initial plans to procure 100% renewably-sourced energy were put on hold due to COVID, this has been adopted since to reduce utility-related emissions across sites where Keoghs have operational control. The COVID pandemic has also provided increased opportunity for working from home, which has in turn lead to significant reductions in business-related transport emissions from FY20.

Data Records & Methodology

Electricity and natural gas emissions have been calculated using metered kWh consumption taken from supplier fiscal invoices where available. For leased sites, electricity charges were converted to kWh using standard unit rates. For remaining sites where utility charges are rolled into the overall lease charge, the office floor area in m² was taken and an average kWh/m² has been applied to estimate annual kWh. Although COVID-19 has influenced office occupancy throughout the year, the standard benchmark has been applied in order to account for office baseload energy consumption and provide a conservative framework for reporting emissions. Associated GHG emissions have been calculated from energy consumption data using factors published by BEIS in 2020.

¹Reported scope 1 emissions are limited to emission sources regulated by SECR only (gaseous fuels and transport). Additional scope 1 emissions under the GHG protocol have not been quantified.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT (continued)

ENERGY CONSUMPTION AND EMISSION REPORTING FOR THE YEAR ENDING 30 JUNE 2021 (continued)

Transport emissions have been calculated against purchased fuel volumes and mileage expense data. Vehicle information is not held against each mileage expense claim, therefore the average UK split between petrol and diesel was used to determine the fuel split of the transport fleet in mileage claims. Keoghs LLP currently operate no mobile assets through company owned vehicles. Business fuel has been distinguished from personal travel as employee owned vehicle fuel is assigned a % business travel, allowing personal and business travel to be differentiated. Volume and mileage of petrol and diesel vehicles has been converted into energy and GHG emissions using factors published by BEIS in 2020.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Davies Topco Limited maintained cover for its directors and officers and those of its subsidiary companies under a directors' and officers' liability insurance policy as permitted by the Companies Act 2006 until 3 August 2022, when the new ultimate holding company, Tennessee Topco Limited assumed these responsibilities. The liability insurance is a qualifying third-party indemnity provision and was in force during the financial year and up to and including the date of the approval of the Annual Report and Financial Statements.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements unless otherwise stated are as follows:

D Coombes
A Debiase
D Saulter

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware;
and
- (2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2005.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the company and of the profit or loss of the Group for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR

The auditor, BDO LLP, has indicated its willingness to continue in office and will be proposed for re-appointment at the next annual general meeting.

By order of the Board



A Debiase
Director

Date: 4 April 2023

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAVIES GROUP LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2022 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Davies Group Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 30 June 2022 which comprise Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAVIES GROUP LIMITED (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAVIES GROUP LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, management bias in accounting estimates and improper revenue recognition associated with year-end cut-off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to recognition of revenue, work in progress, acquisitions/disposals and the use of the going concern assumption;
- Revenue year end cut-off and Work in Progress procedures;
- Identifying and testing journal entries, in particular any journal entries posted with specific unusual narratives, manual journals to revenue and cash and Benford's law;
- Discussions with management; including consideration of known or suspected instances of non-compliance with laws, regulations and fraud, including follow up procedures where required.
- Review of minutes of Board meetings throughout the year;
- Obtaining an understanding of how the Group is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other audit evidence obtained during the audit.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAVIES GROUP LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

657B95FCEE44FF...
Julien Rye (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Manchester, UK

4 April 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Year ended 30 June 2022			Year ended 30 June 2021		
		Continuing operations £000	Discontinued operations £000	Total £000	Continuing operations £000	Discontinued operations £000	Total £000
Turnover	3	332,727	59,393	392,120	250,768	59,436	310,204
Cost of sales		(186,694)	(30,291)	(216,985)	(135,500)	(27,520)	(163,020)
Gross profit		146,033	29,102	175,135	115,268	31,916	147,184
Administrative expenses excluding exceptional items, M&A integration		(88,202)	(15,519)	(103,721)	(68,347)	(18,035)	(86,382)
EBITDA (before exceptional items and M&A integration expenses)		57,831	13,583	71,414	46,921	13,882	60,803
Depreciation		(9,206)	(244)	(9,450)	(7,472)	(396)	(7,868)
Amortisation		(24,004)	(4,359)	(28,363)	(19,283)	(4,162)	(23,445)
Exceptional administrative expenses		(7,040)	-	(7,040)	(8,248)	(100)	(8,348)
M&A integration expenses	5	(8,600)	(2,080)	(10,680)	(13,052)	(4,342)	(17,394)
Total administrative expenses		(137,052)	(22,202)	(159,254)	(116,402)	(27,035)	(143,437)
Profit on disposal of subsidiary		-	228,526	228,526	-	-	-
Other income		-	-	-	1,478	-	1,478
Group operating profit	5	8,981	235,426	244,407	344	4,881	5,225
Profit on ordinary activities before interest and taxation		8,981	235,426	244,407	344	4,881	5,225
Interest receivable and similar income	6	10,013	-	10,013	-	-	-
Interest payable and similar charges	7	(27,476)	(64)	(27,540)	(9,504)	(7,376)	(16,880)
Profit/(loss) on ordinary activities before taxation		(8,482)	235,362	226,880	(9,160)	(2,495)	(11,655)
Tax credit/(charge) on loss on ordinary activities	8	1,401	(1,173)	228	(1,466)	(79)	(1,545)
Profit/(loss) on ordinary activities after taxation		(7,081)	234,189	227,108	(10,626)	(2,574)	(13,200)
Profit/(loss) for the financial year		(7,081)	234,189	227,108	(10,626)	(2,574)	(13,200)

The notes on pages 26 to 59 form part of these financial statements

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

		Year ended 30 June 2022	Year ended 30 June 2021
	Note	£000	£000
Profit / (loss) for the financial year		227,108	(13,200)
Movement in translation reserve		5,952	(2,264)
Revaluation of liability		-	(33)
Actuarial gain / (loss) recognised in the year	23	938	2,660
Movement on deferred tax relating to pension	23	(235)	(505)
Recycling of translation reserve on disposal of subsidiary		(3,172)	-
Total recognised gains and losses relating to the year		230,591	(13,342)


The notes on pages 26 to 53 form part of these financial statements

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	As at 30 June 2022		As at 30 June 2021	
		£000	£000	£000	£000
ASSETS					
Fixed assets					
Intangible assets	10	382,975		458,294	
Tangible assets	11	20,655		17,561	
Investments	12	1		1	
Debtors		429,111		-	
			832,742		475,856
Current assets					
Debtors	13	205,866		158,348	
Deferred tax	15	1,916		3,072	
Cash at bank and in hand		35,613		30,097	
			243,395		191,517
Total assets		1,076,137		667,373	
LIABILITIES AND EQUITY					
Capital and reserves					
Called up share capital	16	-		42,789	
Share premium account		28,954		42,626	
Translation reserve		952		(2,108)	
Profit and loss account		384,839		(26,165)	
Total shareholders' funds		414,745		57,142	
Capital employed		414,745		57,142	
Other liabilities					
Creditors: amounts falling due within one year	17	157,920		137,503	
Creditors: amounts falling due after more than one year	18	501,751		466,901	
Provisions for liabilities	20	1,722		5,140	
Total other liabilities		661,393		609,544	
Total equity and liabilities excluding defined benefit pension liability		1,076,138		666,686	
Pension liability	23	-		687	
Total equity and liabilities		1,076,138		667,373	

The financial statements on pages 21 to 53 were approved by the Board of Directors on 4 April 2023 and were signed on its behalf by:



A Debiase
Director

Company registered number

The notes on pages 26 to 53 form part of these financial statements

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2022

		As at 30 June 2022		As at 30 June 2021	
	Note	£000	£000	£000	£000
ASSETS					
Fixed assets					
Intangible assets	10	4,317		5,117	
Tangible assets	11	8,529		4,968	
Investments	12	352,009		272,870	
Debtors		429,111			
			793,966		282,955
Current assets					
Debtors	13	256,340		339,971	
Deferred tax asset	15	-		307	
Cash at bank and in hand		16,525		5,820	
			272,865		347,098
Total assets		1,066,831		630,053	
LIABILITIES AND EQUITY					
Capital and reserves					
Called up share capital	16	-		42,769	
Share premium account		28,954		42,626	
Profit and loss account		931,785		(59,187)	
Total shareholders' funds			360,739		26,228
Other liabilities					
Creditors: amounts falling due within one year	17	205,238		140,157	
Creditors: amounts falling due after more than one year	18	499,914		462,303	
Deferred tax liability	15	777		-	
Provisions for liabilities	20	163		1,365	
Total other liabilities			706,092		603,825
Total equity and liabilities			1,066,831		630,053

The financial statements on pages 21 to 53 were approved by the Board of Directors on 4 April 2023 and were signed on its behalf by:

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was profit of £197,737,011 (2021: loss of £14,639,238).



A Debiase
 Director

Company registered number

The notes on pages 26 to 53 form part of these financial statements

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

GROUP	Share capital £000	Share premium £000	Translation reserve £000	Profit and loss account £000	Total Equity £000
Balance as at 1 July 2020	42,789	42,626	156	(15,087)	70,484
Increase in share capital	-	-	-	-	-
Loss for the year	-	-	-	(13,200)	(13,200)
Other comprehensive income/(loss) for the year	-	-	(2,264)	2,122	(142)
Total comprehensive loss for the year	-	-	(2,264)	(11,078)	(13,342)
Balance as at 30 June 2021	42,789	42,626	(2,108)	(26,165)	57,142
Issue of share capital	-	127,012	-	-	127,012
Reduction in share capital	(42,789)	(140,684)	-	183,473	-
Reserves Transfer	-	-	280	(280)	-
Profit for the year	-	-	-	227,108	227,108
Other comprehensive income/(loss) for the year	-	-	2,780	703	3,483
Total comprehensive income for the year	-	-	2,780	227,811	230,591
Balance as at 30 June 2022	-	28,954	952	384,839	414,745

COMPANY	Share capital £000	Share premium £000	Profit and loss account £000	Total Equity £000
Balance as at 1 July 2020	42,789	42,626	(44,548)	40,867
Increase in share capital	-	-	-	-
Loss for the year	-	-	(14,639)	(14,639)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(14,639)	(14,639)
Balance as at 30 June 2021	42,789	42,626	(59,187)	26,228
Issue of share capital	-	127,012	-	127,012
Reduction in share capital	(42,789)	(140,684)	183,473	-
Profit for the year	-	-	207,499	207,499
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	207,499	207,499
Balance as at 30 June 2022	-	28,954	331,785	360,739

The notes on pages 26 to 53 form part of these financial statements.

DAVIES GROUP LIMITED
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FOR THE YEAR ENDED 30 JUNE 2022

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

		As at 30 June 2022	As at 30 June 2021
	Note	£000	£000
Cash flows from operating activities			
Profit / (loss) for the financial year		227,108	(13,200)
Adjustments for:			
Depreciation of fixed assets		9,450	7,844
Disposal of fixed assets		-	25
Amortisation of intangible assets		28,363	23,445
Profit on sale of subsidiary		(228,526)	-
Net interest payable		17,527	16,880
Taxation (credit) / charge		(226)	1,545
Decrease / (increase) in trade and other debtors		(24,123)	(17,744)
Increase in trade and other creditors		(8,109)	(587)
Increase / (decrease) in provisions		(3,348)	(291)
Cash from operations		18,114	17,917
Interest paid		9,663	(14,564)
Taxation paid		(5,419)	(2,722)
Net cash generated from operating activities		22,358	631
Cash flows from investing activities			
Purchases of intangible fixed assets	10	(7,493)	(4,003)
Purchases of tangible fixed assets	11	(13,689)	(8,280)
Proceeds on sale of fixed assets		101	-
Payment of deferred consideration on acquisitions		(9,334)	(4,715)
Net cash consideration for acquisition of subsidiaries	24	(92,676)	(187,899)
Acquisition costs	24	(3,045)	(4,996)
Cash outflow on disposal of subsidiary group		(13,570)	-
Net cash outflow from investing activities		(139,706)	(209,893)
Cash flows from financing activities			
Other loans		(238)	-
Intercompany loan borrowings received		47,645	192,729
Intercompany loan borrowings repaid		-	(15,000)
Loans settled on acquisition		(52,126)	(1,250)
Proceeds from issue of share capital	24	127,012	-
Net cash from financing activities		122,293	176,479
Net (decrease) / increase in cash and cash equivalents		4,945	(32,783)
Cash and cash equivalents at beginning of year		30,097	63,422
Foreign exchange translation		571	(542)
Cash and cash equivalents at end of year		35,614	30,097

The notes on pages 26 to 53 form part of these financial statements.

**DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Davies Group Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on the Directors and Advisers page and the nature of the Group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the parent company would be identical;
- No cash flow statement has been presented for the parent company;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole (see note 7);
- Disclosures in respect of the parent company's financial instruments and related party disclosures have not been presented as equivalent disclosures have been provided in respect of the Group as a whole.

Going concern

The directors continually review and monitor business performance and liquidity of Davies Group. The directors assert that Davies Group is a key subsidiary Group of the wider Tennessee Topco Limited Group. Following review of the wider Group forecasts and receipt of a Letter of Support from the ultimate parent company, Tennessee Topco Limited, which controls the Group financing entities and the relationship with the shareholders, the directors have a reasonable expectation that Davies Group Limited has adequate resources and support to continue in operational existence for the foreseeable future.

Davies Group has performed ahead of expectations since the outbreak of the COVID-19 pandemic and is only slightly behind its budget after the first quarter of the year ending 30 June 2023 despite the challenging economic environment. However despite the slow start to FY23 the Davies Group remains on track to deliver an EBITDA performance in FY23 significantly ahead of last year. The Davies Group also has access to a committed revolver credit facility of £90m should this be required.

The divisions making up Davies Group have seen EBITDA track at 101% against forecast to date in FY 23. This represents an increase of £102% year on year on a proforma basis year on year and supports the directors' assertions that the underlying trading remains profitable.

The Davies Group's most recent forecasting exercise covers a period from the balance sheet date to 30 June 2024. As part of their forecasting work, the directors undertook detailed sensitivity analysis which showed that Davies Group is highly unlikely to breach its covenant and can meet its liabilities as they fall due. The Davies Group enjoys continued funding support of Tennessee Topco Limited and its shareholders BC Partners, HGGC, and AlmCo, having raised an additional £45m in equity in September 2022 to support M&A, with a further £35m expected to follow before the end of the financial year to 30 June 2023. The key mitigant for a covenant breach would be an equity injection from the shareholders which is permitted under the existing banking agreement. Additionally, a further mitigant should Davies Group experience a liquidity issue, would be to drawdown on the £90m RCF which can be accessed for any purpose.

In August 2021, Davies Group completed a transaction with BC Partners who have acquired a majority stake in the business following a rigorous due diligence process. As part of this transaction, Blackstone replaced ICG as the wider Group's debt provider and an acquisition facility of £350m was secured alongside a c£90m rolling credit facility. This is a committed facility which can be utilised for any purpose including operational, working capital and M&A requirements and can be drawn down in 5 working days.

Davies Group is continuing its M&A program and during the period ended 30 June 2022 the Group made three acquisitions, for detail, see note 24. In June 2022, the wider Group secured an additional acquisition facility of £350m which underlines Blackstone's confidence in Davies performance. Davies Group has completed two new acquisitions since the year end, adding c£17m of annualised EBITDA before synergies.

The directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

The following principal accounting policies have been applied:

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Basis of Consolidation

The consolidated financial statements present the results of Davies Group Limited and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method of accounting. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The consideration for an acquisition is recorded at fair value. The value of the consideration includes a reasonable estimate of the amounts expected to be payable at that time or in the future (where the value depends on future events). Any estimated future amounts are adjusted when the final amount is determined or when revised estimates can be made. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Revenue

Consulting & Technology

Turnover is recognised in line with the period that is covered for the service that is provided.

Claims

Turnover is recognised in line with the estimated stage of completion of each claim which is based on historical data specific to that business unit.

Income accrued in respect of claims in progress at the period end is included within turnover in the profit and loss account and within prepayments and accrued income in the balance sheet. Deferred income is recorded within the balance sheet and excluded from turnover when an interim fee is raised in advance of work performed. The deferred income interim fees net off with the amount held in accrued and released to the profit and loss account on completion of the case. It is a Group policy to hold the accrued and deferred balances separately until completion of the case as the accrued income is an estimate based on stage of completion and the deferred income is the actual invoicing on account.

Insurance Services

Insurance services turnover is recognised as follows:

- Fees receivable in respect of advisory services are recognised when the right to such fees is established and services performed.
- Debt collection fees are recognised when the right to such fees are established through a contract and either the debt has been collected or the services concerned have been performed at the balance sheet date.
- Credit write-back income is recognised when board approval has been obtained, having adhered to regulatory guidelines.

Legal Solutions

Revenue for services represents the fair value of services provided during the year on client assignments. Fair value reflects the amount expected to be recoverable from clients and is based on time spent, expertise and skills provided, and expenses incurred. Legal services provided to clients during the year which, at the balance sheet date, have not been invoiced to clients, have been recognised as fee income, based on an assessment of the fair value of the services provided by the balance sheet date as a proportion of the total value of the engagement.

Unbilled fee income is included within debtors and is stated at fair value where the right to consideration has been obtained. Provision is made against unbilled amounts on those engagements where the right to receive payments is contingent on factors outside the control of the LLP. Contingent fee income (over and above any agreed minimum fee which is recognised as above) is recognised in the period when the contingent event occurs.

A geographical split of turnover is shown at note 3.

Grant income

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Profit and Loss Account at the same rate as the depreciation on the assets to which the grant relates. Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of the acquisition. Goodwill on acquisitions is included in 'intangible assets'. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight line method to its estimated useful life, which management consider to be 20 years based on the anticipated future cash flows attributable to the acquisitions. Goodwill is assessed for impairment and any impairment is charged to the income statement. Reversals of impairments are recognised when the reasons for the impairment no longer apply.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Technology asset	-	33.3% straight line
- Customer lists	-	10% straight line

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Repairs and maintenance are charged to the income statement during the period in which they are incurred.

Depreciation

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Short leasehold	-	over life of lease
Fixtures and fittings and office equip	-	20% straight line
Computer equipment	-	33.3% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Leased assets: Lessee

Where assets are financed by leasing agreements that gave rights approximating to ownership (finance leases), the assets are treated as if had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the income statement over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the income statement over the term of the lease and is calculated so that it represents a constant proportion of the balance sheet of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the income statement on a straight line basis over the term of the lease.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered before the date of transition to the standard (1 July 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of the lease. For leases entered into on or after 1 July 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to the income statement over the term of the lease.

Where the Group has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost acquired to return lease properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the 'wear and tear' occurs.

Onerous lease

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease. This is released over the remaining lease term.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future entitlement so accrued at the balance sheet date.

Provisions for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in 'sterling', which is the company's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in the income statement.

Foreign currency transactions are translated into the Group entity's functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met and;

- Where timing differences relate to interests in subsidiaries and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of timing differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Pensions

Farradane Limited, a subsidiary of Davies Group Limited, operates a defined benefit pension scheme, the Davies Loss Adjusters Life Assurance and Pension Scheme, the assets of which are held separately from those of the company in an independently administered fund. The scheme was closed to new members in 1998 and no further benefits are accruing under the scheme.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. The increase in the present value of the liabilities of the Group's defined benefit pension scheme expected to arise from employee service in the period is charged to operating profit. The net expected return on the schemes' assets and the increase during the period in the present value of the schemes' liabilities arising from the passage of time are included in either other finance income or other finance charge. Actuarial gains and losses are recognised in the Group statement of comprehensive income. The resulting pension asset or liability is recognised on the statement of financial position, net of deferred tax. Where there is a surplus, the asset is only recognised to the extent that it can be recorded through reduced contributions by the Group.

The Group makes contributions under a defined contribution scheme, the assets of which are held in a separately-administered fund. All pension contributions are charged to the profit and loss in the period in which they fall due.

Exceptional administrative expenses

The separate reporting of exceptional administrative expenses, which are presented as exceptional and on the face of the Income Statement, helps provide an indication of the Group's ongoing business performance. The principal items which are included in this category are the costs of related directly in response to Covid-19.

M&A integration expenses

M&A integration expense includes (i) the costs of undertaking M&A deal work; salaries and ongoing costs of the M&A team; (ii) the costs of agreed integration projects programs for completed M&A deals; and (iii) the costs of realising agreed synergies from deals. Management do not consider such costs to be part of the recurring and ongoing operational business of the Group and therefore present these costs separately on the face of the Income Statement.

Reserves

The Group and Company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any costs.
- Translation reserve represents the translation of investments held in subsidiaries.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transactions costs) and subsequently held at cost, less any impairment.

Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Associates and joint ventures

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions. An entity is treated as a joint venture where the Group is party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control. In the consolidated accounts, interests in associated undertakings and joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate, or joint venture. The consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the consolidated balance sheet, the interests in associated undertakings and joint ventures are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition. Any premium on acquisition is dealt with in accordance with the goodwill policy.

2 Significant judgements and estimates

In preparing these financial statements, the directors have made the following judgements:

- Work in progress is recorded in revenue based on percentage completion on each case in the cabinet. The percentage is calculated differently depending on the type of claim to give the most accurate valuation based on proportion of work performed.
- Determine whether leases entered into by the Group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lease on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit: the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Pension

The cost of defined benefit pension plans and other post-employment medical benefits determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 21.

Goodwill

The Group establishes a reliable estimate of the useful life of goodwill arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

2 Significant judgements and estimates (continued)

Customer lists

Customer lists, are amortised over their useful life taking into account residual values, where appropriate. The actual life of the asset and residual value is assessed annually and may vary depending a number of factors. In re-assessing the asset life, factors such as loss of major customers and customer life cycles are taken into account.

Tangible assets

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and life maintenance programmes are taken into account.

3 Turnover

All turnover is derived from the Group's principal activity, a geographic split of revenue can be found below

	£000	
United Kingdom	314,635	80.2%
Ireland	11,206	2.9%
Canada	312	0.1%
USA	65,967	16.8%
Bermuda	-	0.0%
	<u>392,120</u>	

In the current and prior year there were no customers who individually had more than 10% of Group turnover.

4 Staff costs and employee information

	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
Wages and salaries	193,103	163,488
Social security costs	15,708	8,759
Other pension costs	5,899	5,304
Total	214,790	177,551

The average monthly number of employees during the year (including directors service contracts) was:

	Year ended 30 June 2022	Year ended 30 June 2021
	Number	Number
Technical	3,345	3,071
Support	1,345	1,208
Total	4,690	4,279

At 30 June 2022, the Group employed 4,501 (30 June 2021: 4,680) employees.

Company	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
Wages and salaries	8,411	6,845
Social security costs	845	643
Other pension costs	387	323
Total	9,643	7,811

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Staff costs and employee information (continued)

The average monthly number of employees during the year (including directors service contracts) was:

	Year ended 30 June 2022	Year ended 30 June 2021
	Number	Number
Technical	152	123
Support	87	98
Total	239	213

At 30 June 2022, the company employed 220 (30 June 2021: 194) employees.

5 Operating profit

Operating profit is stated after charging/(crediting):

Group	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Other income	-	(1,478)
Operating lease rentals - Land & Buildings	6,668	6,757
Operating lease rentals - other	1,486	1,495
Depreciation - owned assets	9,450	7,868
Goodwill amortisation	28,363	23,445
Exceptional administrative expenses	7,040	8,348
M&A integration expenses	10,680	17,394
Services provided by the Group's auditors:		
Services provided by the Group's auditors:		
Group audit services	660	435
Company audit services	20	12
Corporate finance services	0	55
Tax services	253	110
Other services	21	95

The M&A integration expenses of £10,680,000 (2021: £17,394,000) relate to M&A salary costs, one off non-capitalised transaction expenses, aborted acquisition expenses and integration and other expenses as a result of the legal entities & trade and assets acquisitions undertaken in the financial year. Such costs will include associated office closure, redundancy costs and advisory fees, as well as the ongoing integration costs relating to the acquisitions in the prior year.

The exceptional administrative expenses of £7,040,000 (2021: £8,348,000) mainly comprise cost containment plans; rationalisation and restructuring projects; margin-enhancing initiatives, and other significant one-off projects.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 Interest receivable and similar income

<u>Group</u>	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Loan interest	10,013	-
Total	10,013	-

Loan interest is interest payable from Group undertakings.

7 Interest payable and similar charges

<u>Group</u>	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Loan interest	27,540	16,880
Total	27,540	16,880

Loan interest is interest payable to Group undertakings.

8 Directors' emoluments

<u>Group</u>	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Aggregate emoluments	1,298	790

	Year ended 30 June 2022 Number	Year ended 30 June 2021 Number
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The number of directors to whom retirement benefits were accruing was as follows:

Accruing under money purchase schemes	2	2
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<u>Highest paid director</u>	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Aggregate emoluments excluding pension contributions	693	375
Total	693	375

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 Tax on profit on ordinary activities

a) Analysis of the tax payment in the year

The tax payment on the profit on ordinary activities for the year was as follows:

Group	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Current tax:		
UK corporation tax on profits for the year	-	-
Foreign tax	1,592	2,718
Adjustments in respect of previous years	206	817
Total current tax	1,798	3,535
Deferred tax:		
Origination and reversal of timing differences	1,461	(2,523)
Adjustments in respect of previous years	(3,427)	608
Changes in tax rate	-	(75)
Total deferred tax	(2,026)	(1,990)
Total tax charge / (credit) on profit on ordinary activities	(228)	1,545

b) Factors affecting the tax credit

The tax assessed for the period is lower than (year 2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The difference is explained below:

	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Profit/(loss) on ordinary activities before taxation	226,880	(11,655)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19%	43,107	(2,214)
Tax effects of:		
Expenses not deductible for tax purposes	7,471	5,899
Income not deductible for tax purposes	(43,133)	(328)
Depreciation in excess of capital allowances	-	41
Other timing differences	136	-
Tax losses utilised	-	-
Group relief surrendered	(5,651)	(3,090)
Deferred tax not recognised	-	91
Adjustment to prior periods	(3,222)	1,626
Changes in tax rates	514	(217)
Items charged elsewhere	-	-
Overseas tax rate difference	550	(263)
Total current tax charge / (credit)	(228)	1,545

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NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Intangible fixed assets

	Group			Company	
	Other Intangible Asset £000	Goodwill £000	Customer lists £000	Total £000	Goodwill £000
Cost					
At 1 July 2021	22,963	481,754	16,708	521,425	16,010
Additions	7,493	-	-	7,493	-
Acquisitions	1,919	146,337	4,796	153,052	-
Adjustment to consideration	-	8,596	-	8,596	-
Disposals	(2)	-	-	(2)	-
Disposal of Davies US group	(6,816)	(231,998)	(923)	(239,737)	-
Exchange adjustments	288	8,850	92	9,230	-
At 30 June 2022	25,845	413,539	20,673	460,057	16,010
Accumulated amortisation					
At 1 July 2021	(12,878)	(42,690)	(7,564)	(63,132)	(10,893)
Amortisation for year	(4,307)	(22,035)	(2,020)	(28,363)	(800)
Disposal of Davies US group	4,808	9,235	923	14,966	-
Exchange adjustments	(193)	(340)	(19)	(554)	-
At 30 June 2022	(12,572)	(55,830)	(8,680)	(77,082)	(11,693)
Net book value					
At 30 June 2022	13,273	357,709	11,993	382,975	4,317
At 30 June 2021	10,085	439,064	9,144	458,293	5,117

The additions to goodwill relate to the acquisitions deals completed in the year, details of which can be found in note 22. Adjustment to consideration relates to changes in the estimate of contingent deferred consideration to be paid in the future.

The other intangible assets comprise technology assets relating to an internally generated development asset comprising staff and contractor costs, and an acquired intangible asset relating to technology assets.

Management have considered its annual EBITDA and cash budgets in its initial review of goodwill and have concluded that there are no triggers for impairment of goodwill. Refer to the section on Going Concern within the Accounting Policies.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Tangible fixed assets

Group

	Short leasehold £000	Fixtures & fittings and office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 July 2021	2,241	3,635	29,147	35,023
Additions	2,642	848	10,199	13,689
Acquisitions	193	133	523	849
Disposals	(22)	(563)	(1)	(586)
Disposal of Davies US group	(680)	(4,912)	(1,615)	(7,207)
Exchange adjustment	35	402	190	627
At 30 June 2022	4,409	(457)	38,443	42,395
Accumulated depreciation				
At 1 July 2021	(1,759)	(1,524)	(14,179)	(17,462)
Charge for period	(1,339)	(720)	(7,391)	(9,450)
Disposals		489	1	490
Disposal of Davies US group	276	3,581	1,241	5,098
Exchange adjustment	(14)	(342)	(60)	(416)
At 30 June 2022	(2,836)	1,484	(20,386)	(21,740)
Net book value				
At 30 June 2022	1,573	1,027	18,055	20,655
At 30 June 2021	482	2,111	14,968	17,561
Fixed assets are stated at historical cost.				

Company

	Short leasehold £000	Fixtures and fittings and office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 July 2021	1,383	1,467	8,515	11,365
Additions	175	345	6,479	6,998
At 30 June 2022	1,558	1,811	14,994	18,363
Accumulated depreciation				
At 1 July 2021	(1,054)	(844)	(4,499)	(6,397)
Charge for period	(407)	(216)	(2,814)	(3,437)
At 30 June 2022	(1,462)	(1,060)	(7,313)	(9,834)
Net book value				
At 30 June 2022	96	752	7,681	8,529
At 30 June 2021	329	623	4,016	4,968
Fixed assets are stated at historical cost.				

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12 Investments

Group	Investments £000
Cost	
At 1 July 2021 and 30 June 2022	1

Company	Shares in Group undertakings £000	Listed Investments £000	Total £000
Cost			
At 1 July 2021	272,869	1	272,870
Additions	277,413	-	277,413
Disposals	(198,274)	-	-
At 1 July 2021 and 30 June 2022	352,008	1	352,009

The company's investment in the share capital of subsidiary undertakings which are held at 30 June 2022 comprises:

Name	Country	Year ended 30 June 2022 Proportion of shares held	Year ended 30 June 2021 Proportion of shares held
Davies Construction and Engineering Limited	UK	100%	100%
Davies Managed Systems Limited	UK	100%	100%
Eastwell Contractor Management and Claim Care Limited	UK	100%	100%
Farradane Limited	UK	100%	100%
Ufton Associates Limited	UK	100%	100%
* Davies Assist Limited	UK	100%	100%
* Garwyn Group Limited	UK	100%	100%
Garwyn Limited	UK	100%**	100%**
Garwyn Ireland Limited	Ireland	100%**	100%**
* Garwyn EBT Limited	UK	100%**	100%**
Associated Loss Adjusters Limited	Ireland	100%	100%
Managed Fleet Services Limited	UK	100%	100%
Surveyorship Limited	UK	100%	100%
Core Insurance Services Limited	UK	100%	100%
Davies Resourcing Limited	UK	100%	100%
Claims Management Services Limited	UK	100%	100%
Davies Broking Services Limited	UK	100%	100%
Davies MGA Services Limited	UK	100%**	100%**
Davies Technology Solutions Limited	UK	100%	100%
Total Loss Settlement Services Limited	UK	100%	100%
JMD SISG Limited	UK	100%	100%
JMD SIS Limited	UK	100%**	100%**
JMD MS Limited	UK	100%**	100%**
Requiem Limited	UK	100%	100%
A.M. Associates Insurance Services Limited	Canada	100%	100%
John Heath & Company Inc.	USA	100%	100%
Quest Bermuda Holdings Limited	Bermuda	100%	100%
Quest Intermediaries (Bermuda) Limited	Bermuda	100%**	100%**
Quest Management Services Limited	Bermuda	100%**	100%**
Quest Captive Management Limited	USA	100%**	100%**
Direct Group Property Services Limited	UK	100%	100%
Direct Inspection Solution Limited	UK	100%**	100%**
Direct Validation Services Limited	UK	100%**	100%**

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NOTES TO THE FINANCIAL STATEMENTS (continued)

12 Investments (continued)

Name	Country	Year ended 30 June 2022	Year ended 30 June 2021
		Proportion of	Proportion of
Davies Consulting and Managed Services Limited	UK	100%	100%
Ember Services Limited	UK	100%**	100%**
Ember Search Limited	UK	100%**	100%**
Davies Learning Experiences Limited	UK	100%**	100%**
Ember (Canada) Inc.	Canada	100%**	100%**
Verify Limited	UK	100%	100%
Topmark Claims Management Limited	UK	100%	100%
GBB (UK) Holdings Limited	UK	100%	100%
GBB (UK) Limited	UK	100%**	100%**
Banwell & Associates Ltd	UK	100%**	100%**
FWD Training & Consultancy Limited	UK	100%	100%
Thornpart Adjusters Limited	Ireland	100%	100%
Desk Expert Limited	Ireland	100%**	100%**
Techno Marine Limited	Ireland	100%**	100%**
Liability Claims Appraisers Limited	Ireland	100%	100%
Claims Settlement Services International Ltd	Ireland	100%	100%
Keoghs Topco Limited	UK	100%	100%
Keoghs Midco Limited	UK	100%**	100%**
Keoghs Acquisition Limited	UK	100%**	100%**
Keoghs LLP	UK	100%**	100%**
Keoghs Services Limited (dormant)	UK	100%**	100%**
Codebase8 Limited	UK	100%	100%
Citadel Management Bermuda Limited	USA	100%**	100%**
Cedar Consulting LLC	USA	100%**	100%**
Contact Partners	UK	100%**	100%**
Vehicle Replacement Group Limited (VRG)	UK	100%	100%
Davies (SAC) Limited (formerly Quest SAC)	USA	100%**	100%**
Davies Insurance Limited (formerly Quest Insurance)	USA	100%**	100%**
Davies Intermediary Services (Malta) Limited	Malta	100%**	100%**
Nationwide Property Assistance Limited (NPA)	UK	100%	100%
Davies Insurance Management LLC	USA	100%**	100%**
Davies Management Service (Guernsey) Limited	Guernsey	100%**	100%**
Gravelands Resourcing Limited	UK	100%	100%
Sionic Global (CTL) Limited	UK	100%**	-
Sionic Global (CBL) Limited	UK	100%**	-
Catalyst Holdco Limited	UK	100%**	-
Catalyst Orbico Limited	UK	100%**	-
Catalyst Nominee Limited	UK	100%**	-
Sionic Bidco Limited	UK	100%**	-
Sionic UK Subco Limited	UK	100%**	-
Sionic Advisors Europe Limited	UK	100%**	-
Sionic European Holdings Limited	UK	100%**	-
Sionic Global (CDHL) Limited	UK	100%**	-
Sionic Global (CDL) Limited	UK	100%**	-
Sionic Global (KL) Limited	UK	100%**	-
Sionic Advisors Global Holdings LLP	UK	100%**	-
Sionic Advisors (European Branches) LLP	UK	100%**	-
Sionic Advisors (UK) LLP	UK	100%**	-
Sionic Advisors (Singapore) LLP	UK	100%**	-
Sionic Advisors (Canada) LLP	UK	100%**	-
Sionic Advisors (US) LLP	UK	100%**	-
Catalyst (US) Bidco Inc.	USA	100%**	-
SAGP LLC	USA	100%**	-
Sionic Advisors LLP	USA	100%**	-
Sionic Advisors LP	USA	100%**	-
Sionic Advisors Inc.	Canada	100%**	-
Sionic Advisors India Private Limited	India	100%**	-

* Non trading company; ** Indirect Holding. All holdings shown above are of ordinary share capital.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

12 Investments (continued)

Name	Country	June 2022 shares held	June 2021 shares held
Sionic Advisors LLP	USA	100%**	-
Sionic Advisors LP	USA	100%**	-
Sionic Advisors Inc.	Canada	100%**	-
Sionic Advisors India Private Limited	India	100%**	-
Sionic Advisors Singapore Pte Ltd	Singapore	100%**	-
Sionic Jersey Limited	Jersey	100%**	-
Building Validation Solutions Limited	UK	100%	-
BVS Subsidence Ltd	UK	100%	-
PJ Web Solutions Limited	UK	100%	-
Verso Damage Management Solutions Ltd	UK	100%	-
Worksmart Ltd	UK	100%	-
Davies US LLC	USA	-	100%
Frontier Adjusters Inc.	USA	-	100%**
Frontier Adjusters Co., Ltd	USA	-	100%**
Davies Claims Solutions, LLC	USA	-	100%**
Alternative Service Concepts of Tennessee	USA	-	100%**
TriPlus Administrative Services, Inc.,	USA	-	100%**
TriPlus Services, Inc.,	USA	-	100%**
Johnson Claim Service, Inc.	USA	-	100%**
WA Consulting LLC	USA	-	100%**
Northshore International Insurance Services, Inc.	USA	-	100%**
Disability Management Services, Inc.	USA	-	100%**
Psychiatric Disability Consultants, Inc.	USA	-	100%**
The Littleton Group Western Division, Inc.	USA	-	100%**
The Littleton Group Eastern Division, Inc.	USA	-	100%**
IAS Services Group	USA	-	100%**

** Indirect Holding. All holdings shown above are of ordinary share capital.

Registered Offices:

Area

England and Wales

- 5th Floor, 20 Gracechurch Street, London, EC3V 0BG

- 2 The Parklands, Bolton, Lancashire, BL6 4SE

Scotland

- 2nd Floor, The Forsyth Building, 5 Renfield Street, Glasgow, Scotland, G2 5E2

Guernsey

- Heritage Hall, PO Box 144, Le Marchant Street, St Peter Port, Guernsey GY1 3MY

Jersey

- De Carteret House, Castle Street, St Helier, Jersey, JE2 6BT

Ireland

- The Mall, Tuam, Co Galway, Ireland

- Greenhills Retail Park, Greenhill Road, Dublin 24, D24 VY31, Ireland

- Block 10B, Beckett Way, Park West Business Park, Nangor Road, Dublin 12

Canada

- 2425 Matheson Blvd. E., 8th Floor Mississauga, Ontario L4W 5K4

- Suite 1300

- 1969 Upper

USA

- Cogency Global Inc., 125 North Calhoun St., Suite 4, Tallahassee, FL 32301

Bermuda

- Crawford House, 50 Cedar Avenue, Hamilton, Bermuda HM11

Singapore

- 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095

India

Wing, 215

Atrium

The directors believe that the value of the investments is supported by the future economic benefits the subsidiaries will provide to the Company and Group.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

13 Debtors due within one year

Group	As at 30 June 2022	As at 30 June 2021
	£000	£000
Trade debtors	127,608	109,519
Amounts owed by parent companies	30,199	6,783
Corporation tax	2,036	-
Other debtors	11,494	14,830
Prepayments and accrued income	34,529	27,216
	205,866	158,348

Company	As at 30 June 2022	As at 30 June 2021
	£000	£000
Trade debtors	13,416	11,751
Amounts owed by Group undertakings	231,904	324,325
Corporation tax	1,739	144
Other debtors	4,531	108
Prepayments and accrued income	4,750	3,643
	256,340	339,971

Amounts owed by Group undertakings are unsecured, have no fixed date of repayment and attract an interest charge of 0%-6%.

14 Debtors due after one year

Group and company	As at 30 June 2022	As at 30 June 2021
	£000	£000
Loan note from group company	429,111	-
	429,111	-

The loan note of £429m is due from a group undertaking and is redeemable at the group undertaking's behest. If not already redeemed it will be repaid after 10 years. The interest rate is 4% and interest receivable is included in debtors due within one year.

15 Deferred tax

The movements on deferred tax are as follows:

Group	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
At the beginning of year	3,072	327
Acquired balances	(1,193)	755
Disposal of Davies US	(1,989)	-
Deferred tax credit in income statement for the year	2,076	1,990
At the end of year	1,916	3,072

The deferred tax comprises:	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
Depreciation in excess of capital allowances	(364)	758
Acquisition	(1,998)	(2,347)
Losses	5,251	3,200
Short term timing differences	(973)	1,463
	1,916	3,072

The Group has a deferred tax asset on losses of £771,000 (30 June 2021: £821,000) which is not recognised

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NOTES TO THE FINANCIAL STATEMENTS (continued)

15 Deferred tax (continued)

<u>Company</u>	<u>Year ended</u> <u>30 June 2022</u>	<u>Year ended</u> <u>30 June 2021</u>
	<u>£000</u>	<u>£000</u>
At the beginning of year	307	123
Depreciation in excess of capital allowances	(1,084)	205
Short term timing differences	-	(21)
At the end of year	(777)	307

The company has a deferred tax asset on losses of £315,000 (30 June 2021: £315,000) which is not recognised.

Deferred tax asset on pension liability

<u>Group</u>	<u>Year ended</u> <u>30 June 2022</u>	<u>Year ended</u> <u>30 June 2021</u>
	<u>£000</u>	<u>£000</u>
At the beginning of year	229	742
Deferred tax on pension asset	23	6
Deferred tax asset on pension liability charged through other comprehensive income	(235)	(505)
At the end of year – deferred tax asset on pension liability	23	229

16 Called up share capital

	<u>As at 30 June 2022</u> <u>£000</u>	<u>As at 30 June 2021</u> <u>£000</u>
Allocated, issued and fully paid		
Group and Company		
85,216,387 (2021: nil) A Ordinary Shares of £0.00000001 each	-	-
163,636 (2021: nil) B Ordinary Shares of £0.00001 each	-	-
36,363 (2021: nil) C Ordinary Shares £0.00001 each	-	-
nil (2021: 85,216,387) A Ordinary Shares of £0.50 each	-	42,608
nil (2021: 163,636) B Ordinary Shares of £1 each	-	163
nil (2021: 36,363) C Ordinary Shares £0.50 each	-	18
	-	42,789

All classes of ordinary shares rank pari passu for the payment of dividends and assets on wind up of the company. The A ordinary shares and the B ordinary shares carry the right of one vote per share. The C Ordinary shares do not carry any voting rights.

On 3 December 2021, the Company purchased Sionic Limited, as part of this purchase it issued one A Ordinary Shares with a nominal value of £0.05 share with a value of £80.8m to its immediate holding company, Daisycove Limited, as a step in a wider equity funding programme throughout the wider group. On 17 December 2021, the Company purchased Building Validation Solutions Limited, PJ Web Solutions Limited, BVS Subsistence Limited and Verso Damage Management Solutions Limited as part of this purchase it issued one A Ordinary Share with a nominal value of £0.5 share with a value of £17.3m to its immediate holding company, Daisycove Limited, as a step in a wider equity funding programme throughout the wider group.

On 22 March 2022 the Company undertook a capital reduction of its share capital where it created new classifications of ordinary shares and this resulted in the cancellation of £183.4m of share capital and share premium which was transferred against reserves.

On 31 March 2022, the Company purchased Worksmart limited, as part of this purchase it issued one A Ordinary Shares with a nominal value of £0.00000001 share with a value of £29.0m to its immediate holding company, Daisycove Limited, as a step in a wider equity funding programme throughout the wider group.

The value of the share capital outstanding at 30 June 2022 is £3.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

17 Creditors: amounts falling due within one year

Group	As at 30 June 2022	As at 30 June 2021
	£000	£000
Trade creditors	37,247	28,552
Amounts owed to Group undertakings	38,885	15,724
Corporation tax	-	1,309
Other taxation and social security	9,394	15,923
Other creditors	27,134	30,248
Accruals and deferred income	45,260	45,747
	157,920	137,503

Company	As at 30 June 2022	As at 30 June 2021
	£000	£000
Trade creditors	7,432	5,195
Amounts owed to Group undertakings	177,304	124,654
Other creditors	13,660	4,376
Accruals and deferred income	6,842	5,932
	205,238	140,157

Amounts owed to Group undertakings are repayable on demand. They are unsecured, interest free and have no fixed date of repayment. Included within this balance for both Group and Company are 9,371,000 redeemable preference shares denominated in US Dollars due on demand to a Group undertaking. The value at 30 June 2022 was £7,719,111 (2021: £6,609,000).

18 Creditors: amounts falling due after more than one year

Group	Note	As at 30 June 2022	As at 30 June 2021
		£000	£000
Bank loans and overdraft	19	10	562
Other creditors		1,827	14,070
Amounts owed to Group undertakings	19	499,914	452,259
		501,751	466,901

Company	Note	As at 30 June 2022	As at 30 June 2021
		£000	£000
Other creditors		-	10,034
Amounts owed to Group undertakings	19	499,914	452,269
		499,914	462,303

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NOTES TO THE FINANCIAL STATEMENTS (continued)

19 Loans and other borrowings

<u>Group</u>	As at 30 June 2022	As at 30 June 2021
	£000	£000
Bank loans and overdrafts	10	562
Amounts owed to Group undertakings	499,914	452,269
	<u>499,924</u>	<u>452,831</u>
 Maturity of financial liabilities	 As at 30 June 2022	 As at 30 June 2021
	£000	£000
In one year or less, or on demand	10	562
In more than two years, but no more than five years	499,914	452,269
In more than five years	-	-
	<u>499,924</u>	<u>452,831</u>

The Company and the Group have intercompany loans with an intermediary holding company, Davies Bidco Limited, totalling £452,305k (2021: £452,286k). Intercompany interest is charged on these loans at rates between 4% to 8%. These loans are payable in line with the external debt of Davies Bidco Limited.

<u>Company</u>	As at 30 June 2022	As at 30 June 2021
	£000	£000
Amounts owed to Group undertakings	499,914	452,269
	<u>499,914</u>	<u>452,269</u>
 Maturity of financial liabilities	 As at 30 June 2022	 As at 30 June 2021
	£000	£000
In one year or less, or on demand	-	-
In more than two years, but not more than five years	499,914	452,269
In more than five years	-	-
	<u>499,914</u>	<u>452,269</u>

There are no debts due after 5 years that are payable under instalments

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NOTES TO THE FINANCIAL STATEMENTS (continued)

20 Provisions for liabilities

<u>Group</u>	Restructuring Year ended 30 June 2022 £000
At 1 July 2021	5,140
Acquisitions	72
Disposal of Davies US group	(283)
Charged to profit and loss account	(75)
Utilised in the year	(3,145)
Foreign exchange	13
At 30 June 2022	1,722

The provisions for restructuring costs relate to onerous property lease commitments. Of the provision, £1,032,000 is due for payment within one year, and £690,000 between 2 and 5 years.

<u>Company</u>	Restructuring Year ended 30 June 2022 £000
At 1 July 2021	1,365
Charged/ (released) to profit and loss account	-
Utilised in the year	(1,202)
At 30 June 2022	163

The provisions for restructuring costs relate to onerous property lease commitments.

21 Operating lease commitments

The Group's future minimum lease payments under non-cancellable operating leases are as follows:

	As at 30 June 2022		As at 30 June 2021	
	Land and buildings	Other	Land and buildings	Other
	£000	£000	£000	£000
Expiring:				
Within one year	5,227	1,155	6,253	1,207
In two to five years	8,392	1,569	11,868	2,588
In more than five years	5,206	-	1,609	-
Total	18,825	2,724	19,730	3,790

The Company's future minimum lease payments under non-cancellable operating leases are as follows:

	As at 30 June 2022	As at 30 June 2021
	Land and buildings £000	Land and buildings £000
Expiring:		
Within one year	1,252	1,451
In two to five years	2,986	3,030
In more than five years	438	1,012
Total	4,676	5,493

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NOTES TO THE FINANCIAL STATEMENTS (continued)

22 Analysis of changes in net debt

<u>Group</u>	At 1 July 2021	Cash flow	Acquisitions / disposals	Other non cash movements	At 30 June 2022
	£000	£000	£000	£000	£000
Cash at bank and in hand	30,097	16,113	(10,597)	–	35,613
Bank loans	(562)	52,364	(52,126)	314	(10)
Amounts owed to Group undertakings	(452,269)	(47,645)	–	–	(499,914)
Debt items	(452,831)	4,719	(52,126)	314	(499,924)
Net debt	(422,734)	20,832	(62,723)	314	(464,311)

23 Pension commitments

Defined benefit scheme

Davies Loss Adjusters LLP operated a defined benefit pension scheme, the Davies Loss Adjusters Life Assurance and Pension Scheme. The scheme was closed to new members in 1998 and no further benefits are accruing under the scheme. At the conclusion of the sale of the trade and assets of Davies Loss Adjusters LLP to Davies Group Limited, the pension scheme was transferred to Farradane Limited, with the company becoming the principal employer under a Deed of Substitution dated 29 February 2008.

A full actuarial valuation was carried out at in April 2018 by a qualified independent actuary. The major assumptions used by the actuary have been projected forward to 30 June 2022 as follows:

	As at 30 June 2022	As at 30 June 2021	As at 30 June 2020	As at 30 June 2019	As at 30 June 2018	As at 30 June 2017	As at 30 June 2016
Rate of increase in pensions in payment	3.15%	3.00%	2.60%	2.80%	2.60%	2.60%	2.70%
Rate of increase in deferred pensions	2.40%	2.15%	1.50%	2.10%	1.90%	2.00%	1.60%
Discount rate for scheme liabilities	3.70%	2.00%	1.65%	2.50%	2.95%	2.85%	3.05%
Inflation assumption	3.40%	3.15%	2.70%	3.30%	3.10%	3.20%	2.80%
Consumer price inflation	2.40%	2.15%	1.70%	2.10%	1.90%	2.00%	1.60%

The assumed life expectancy, on retirement at 65, applied was as follows:

	As at 30 June 2022 years	As at 30 June 2021 years
Retiring today:		
Males	20.1	20.3
Females	22.2	22.3
Retiring in 20 years:		
Males	21.0	21.3
Females	23.4	23.6

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NOTES TO THE FINANCIAL STATEMENTS (continued)

23 Pension commitments (continued)

The assets in the scheme and the expected rate of return were:

	Value at 30 June 2022	Value at 30 June 2021
	£000	£000
Bonds	4,635	5,232
Equity	10,638	11,332
Insured pensions	400	397
Cash	262	291
Total market value of assets	15,935	17,252
Present value of scheme liabilities	(14,106)	(18,168)
Surplus / (deficit) in the scheme	1,829	(916)
Restriction on recoverable surplus	(1,829)	-
Net pension deficit before deferred tax	-	(916)
Deferred tax asset on pension liability	14	229
Net pension deficit	-	(687)

The expected returns have been based on the current split by investment sector of the assets of the scheme, using average expected returns on each sector.

Reconciliation of present value of scheme liabilities

	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
At the beginning of year	18,168	19,127
Current service cost	-	-
Interest cost	357	310
Benefits paid	(602)	(684)
Past service cost	411	-
Actuarial (gain) / loss	(4,218)	(585)
At the end of year	14,106	18,168

Reconciliation of fair value of scheme assets

	Year ended 30 June 2022	Year ended 30 June 2021
	£000	£000
At the beginning of year	17,252	15,222
Expected return on scheme assets	343	249
Contribution paid	402	390
Actuarial gain / (loss)	(1,460)	2,075
Benefits paid	(602)	(684)
At the end of year	15,935	17,252

DAVIES GROUP LIMITED
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FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

Pension Liability	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
At the beginning of year	687	3,193
Charged to statement of other comprehensive income	(939)	(2,660)
Contributions paid	(402)	(390)
Past service cost	421	
Net finance income charged to income statement	24	61
Deferred tax charged to income statement	(6)	8
Deferred tax credited to statement of other	235	505
At the end of year	-	687

History of experience gains and losses

	2022	2021	2020	2019	2018	2017
	£000	£000	£000	£000	£000	£000
Defined benefit obligation	(14,106)	(18,168)	(19,127)	(17,242)	(16,319)	(17,767)
Plan assets	15,935	17,252	15,222	15,627	14,960	14,997
Deficit	1,829	(916)	(1,615)	(1,359)	(1,770)	(2,022)
Experience gains and losses on plan assets	(1,460)	2,075	(538)	311	254	1,114
Experience gains and losses on scheme liabilities	-	-	-	101	(297)	(853)
Total actuarial (losses)/gains recognised in statement of other	939	2,660	(3,554)	(468)	310	314
Movement on deferred tax relating to pension deficit credited/(charged) to statement of	(235)	(505)	485	43	(70)	(98)

Management have reviewed the sensitivities around the pension liability and consider the most volatile assumption to be the discount rate used. The impact of increasing or decreasing the discount rate by 5 basis points will respectively decrease or increase the liability by approximately £93,000.

DAVIES GROUP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (continued)

23 Pension commitments (continued)

Defined contribution scheme

The Group and the company operates a defined contribution scheme. The assets are held separately from those of the Group in a separately-administered fund. The charge for the year represents contributions payable by the Group and the company to the fund and amounted to £5,693,000 and £387,000 respectively (charge for the year ended 30 June 2021: Group £5,304,000 and company £323,000).

At 30 June 2022, the Group and the company had outstanding contributions of £871,000 and £503,313 respectively (2021: Group £937,800 and Company £460,744).

24 Acquisitions

The Group has made acquisitions during the year and the provisional details are shown below.

On 15 October 2021 the Group acquired the share capital of Insurance Risk Services, Inc. for a total consideration of £25,916,385.

	Book Value £000	Fair Value Adjustment £000	Provisional Fair Value £000
Intangible fixed assets	454	-	454
Tangible fixed assets	71	-	71
Debtors	5,398	-	5,398
Cash	(3,045)	-	(3,045)
Creditors: amounts falling due within one year	(4,004)	-	(4,004)
Net Assets Acquired	(1,126)	-	(1,126)
Consideration - cash			28,403
Deferred Consideration			-
Cost of Acquisition			450
Total Consideration			28,853
Goodwill			29,979

Since the date of the acquisition, Insurance Risk Services, Inc. has contributed a profit before tax of £9,330,596 to the Group results.

On 17 December 2021 the Group acquired the share capital of Building Validation Solutions Limited, PJ Web Solutions Limited, BVS Subsidence Limited and Verso Damage Management Solutions Limited ("BVS") for a total consideration of £21,009,152.

	Book Value £000	Fair Value Adjustment £000	Provisional Fair Value £000
Intangible fixed assets	1	-	1
Tangible fixed assets	142	-	142
Debtors	4,067	-	4,067
Cash	4,237	-	4,237
Creditors: amounts falling due within one year	(4,827)	-	(4,827)
Net Assets Acquired	3,619	-	3,619
Consideration - cash			18,664
Consideration - shares in ultimate parent company			1,500
Deferred Consideration			400
Cost of Acquisition			408
Total Consideration			20,972
Goodwill			17,353

Since the date of the acquisition BVS have, respectively, contributed a profit before tax of £2,607,004, -£20,974, £384,842 and £131,292 to the Group results.

DAVIES GROUP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (continued)

24 Acquisitions (continued)

On 3 September 2021 the Group acquired the share capital of Sionic Limited for a total consideration of £30,621,353.

	Book Value	Fair Value Adjustment	Provisional Fair Value
	£000	£000	£000
Intangible fixed assets	6,254	-	6,254
Tangible fixed assets	388	-	388
Debtors	13,900	-	13,900
Cash	252	-	252
Creditors: amounts falling due within one year	(63,990)	-	(63,990)
Net Assets Acquired	(43,196)	-	(43,196)
Consideration - cash			22,466
Consideration - shares in ultimate parent company			3,328
Cost of Acquisition			1,479
Total Consideration			27,273
Goodwill			70,469

Since the date of the acquisition, Sionic Limited has contributed a profit before tax of £350,520 to the Group results.

On the 31 March 2022 the Group acquired the share capital of Worksmart Limited for a total consideration of £27,783,606.

	Book Value	Fair Value Adjustment	Provisional Fair Value
	£000	£000	£000
Tangible fixed assets	256	-	256
Debtors	622	-	622
Cash	1,529	-	1,529
Creditors: amounts falling due within one year	(3,161)	-	(3,161)
Net Assets Acquired	(754)	-	(754)
Consideration - cash			26,117
Consideration - shares in ultimate parent company			959
Deferred Consideration			-
Cost of Acquisition			708
Total Consideration			27,784
Goodwill			28,538

Since the date of the acquisition, Worksmart Limited has contributed a profit before tax of £434,460 to the Group results.

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (continued)

25 Disposal of business

On 30 November 2021, the Group transferred its interest in Davies US LLC to a fellow subsidiary company, Tennessee US Holdco 1 for a loan note of £429 million. As part of this reorganisation the Company waived the outstanding loans between Davies US and itself of £191.5m. A gain on disposal of £228.5m is recognised in the Group's discontinued operations.

26 Post balance sheet events

On 1 July 2022, the Group acquired 100% of the issued share capital of Bascon Limited, the holding company which owns ProAdjust Limited. ProAdjust Limited, founded in 2004, is a leading Irish loss adjuster, operating from 15 locations mainly Ireland. The total provisional consideration paid for this business was £13,988,402, including cash and shares.

On 13 July 2022, the Group acquired 100% of the issued share capital of Asta Capital Limited ('Asta'), a London-based insurance underwriting management business providing solutions across four operating segments: Syndicates, Syndicate in a box ('SIAB'), MGA's and outsourced services. The Syndicates and SPA business, where Asta acts as a third-party managing agency and provides third-party business access to the Lloyds of London licensing network, accounts for c.90% of annual revenues. The total provisional consideration paid for this business was £124,509,102.

The initial accounting for these business combinations is incomplete at the date of these financial statements.

On 31 July 2022, Davies Group experienced a cyber-attack which impacted a limited number of services provided to clients of their Insurance Services UK and Claims UK&I businesses. Despite Davies having in place multiple defence in-depth security tooling along with processes adhering to ISO27001 standards, the threat actor managed to gain access to a sub-set of our IT infrastructure hosted in one of our UK data centres.

During the course of the management of the incident, Davies engaged leading experts to assist in the containment, recovery, investigation and data impact analysis and reported to impacted clients, regulators and law enforcement accordingly. Business-as-usual services were recovered quickly, security posture updated following the forensic analysis and the final stages of the incident relate to the conclusion of the data impact analysis, which we anticipate will be concluded before the end of January 2023. As of the date of signing the accounts Davies is unable to estimate the full financial impact of the cyber-attack. The latest estimate is c£15m.

27 Contingent Liability

For the year ending 30 June 2022, the Company and its subsidiaries have provided guarantees in respect of loan facilities provided to Tennessee Bidco Limited, a subsidiary undertaking of the Company's ultimate parent company Tennessee Topco Limited. As at the year end an amount of £895.8m (2021: £nil) was outstanding in respect of these facilities.

For the year ending 30 June 2021 the Company and its subsidiaries gave a cross guarantee in respect of a loan facility provided to another subsidiary, Davies Bidco Limited and at that year end an amount of £419.2m was outstanding in respect of this facility.

28 Ultimate parent undertaking and controlling party

At 30 June 2022 the company was ultimately owned by Tennessee Topco Limited which the directors considered to be the ultimate parent undertaking.

Copies of Tennessee Topco Limited consolidated financial statements can be obtained from the Company Secretary at 5th Floor, 20 Gracechurch Street, London EC3V 0BG.

The directors consider BC Partners to be the ultimate controlling party of the Group.

29 Financial instruments

The Group's financial instruments may be analysed as follows:

	Year ended 30 June 2022 £000	Year ended 30 June 2021 £000
Financial assets		
Financial assets measured at amortised cost	174,715	154,446
Financial liabilities		
Financial liabilities measured at amortised cost	548,451	573,103

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors and amounts owed by parent companies.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors, shareholder loans, accruals and deferred income and amounts to Group undertakings.

DAVIES GROUP LIMITED
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10 Related party disclosures

The Group has taken advantage of the exemption confirmed by section 33 of FRS 102 not to disclose transactions with members of the Group headed by Davies Group Limited on the grounds that 100% of the voting rights in the company are controlled within that Group. The Group has further taken advantage of the exemption confirmed by paragraph A3.40F of Appendix III to FRS 102 not to disclose transactions with members of the Group headed by Tennessee Topco Group Limited on the grounds that 100% of the voting rights in the Company are controlled within that Group.

11 Audit exemption statement

Under section 479A of the Companies Act 2006 the Group is claiming exemption from audit for the subsidiary companies listed below. The parent undertaking, Davies Group Limited, registered number 06479822, guarantees all outstanding liabilities to which the subsidiary company is subject to at the end of its financial year. The guarantee is enforceable against the parent company by any person to whom the subsidiary company is liable in respect of those liabilities.

Entity	Registered number	Year end
Davies Construction & Engineering Limited	03993524	30/06/2022
Ufton Associates Limited	04471233	30/06/2022
Surveyorship Limited	06634718	30/06/2022
Core Insurance Services Limited	06411939	30/06/2022
Claims Management Services Limited	04313136	30/06/2022
Total Loss Settlement Service Limited	04433145	30/06/2022
G8S (UK) Holdings Limited	07121407	30/06/2022
Banwells & Associates Limited	03885314	30/06/2022
G8S (UK) Limited	01925858	30/06/2022
JMD Specialist Insurance Services Group Limited	04577053	30/06/2022
Davies Technology Solutions [formerly Service Tick Limited]	06142958	30/06/2022
Veriphy Limited	05066478	30/06/2022
Davies Consulting And Managed Services Limited	06786292	30/06/2022
Ember Search Limited	09245565	30/06/2022
Davies Learning Experiences Limited	05028372	30/06/2022
Codebase8 Limited	02696599	30/06/2022
ContractPartners Ltd	03709551	30/06/2022
Grovelands Resourcing Limited	07036418	30/06/2022
Sionic Global (CTL) Limited	10981928	30/06/2022
Sionic Global (CBL) Limited	10982105	30/06/2022
Catalyst Holdco Limited	11899941	30/06/2022
Catalyst Debito Limited	11899947	30/06/2022
Sionic UK Subco Limited	11906741	30/06/2022
Sionic Advisors Europe Limited	09762818	30/06/2022
Sionic European Holdings Limited	10736768	30/06/2022
Sionic Global (CDL) Limited	02884211	30/06/2022
Sionic Global (KL) Limited	06953075	30/06/2022
Sionic Advisors (US) LLP	00417509	30/06/2022
Sionic Jersey Limited	104056	30/06/2022
Keoghs Acquisition Limited	07950517	31/05/2022
Keoghs Midco Limited	07950378	31/05/2022
Keoghs Topco Limited	07949369	31/05/2022

Exhibit C

P&C Claims TPA Services

RFP 24-005



Davies

1250 S. Capital of Texas Highway
Building 1 Suite 460
Austin, Texas 78746



+  **Davies**

Pricing

RFP 24-005

ATTACHMENT 2:PRICING


Please fill in a rate or dollar amount and check mark where applicable in the appropriate column. Please fill in your estimate of claims. Only fill in areas that apply to your proposal. Should you need to explain a fee/charge that was not addressed, use the bottom of the page, and you may go into greater detail in your individual proposal. Please attach this page to the section of your proposal including pricing.

		Estimate of the number of annual claims (based on CY 2022 experience)	COVID Claims						
Workers Compensation		394	205/394						
Medical only		168	16/168						
Indemnity		226	189/226						
AL/GL		67							
Property Damage Non litigated		47							
Bodily Injury Non litigated		8							
Bodily Injury Litigated		18							
Law Enforcement Liability Litigated (Civil Rights)		13							
Employment Practices Liability Litigated		10							
Subrogation for Property Damage		0							
Subrogation for Workers' Compensation		36							
Subrogation for GL/AL		0							
			Life of file	Life of contract					
All lines of Coverage Flat Fee				\$240,000					

	Flat Fee	Fee per Claim	Fee per Hour	T/E mileage				
Attending TDI Hearings Other	N/A							
Data Conversion	\$8,000							
On-Line Computer Services (Incident Reporting)		\$25 per claim; if using 24 hour call-in reporting service						
RMIS System and Services – Annual Administration Fee (Interfaces and other fees)	\$2,500							
Run-Off Costs	\$0.00							
Run IN costs	\$0.00							
Field Services/ Investigation			\$95.00	55/mile 1.00/ photo				
Designated Doctor review	\$400 per review + Provider fee billed directly from the provider							
RME Coordination	\$475 per review + Provider fee billed directly from the provider							

**INSURANCE COMPANY ADMINISTRATION, THIRD PARTY ADMINISTRATION
AND COST CONTAINMENT ADMINISTRATION**

	Flat Fee	Fee per Review	Fee per Hour	Fee per Bill	T/E mileage			
Hospital Bill Audit				28% of savings with a cap of \$10,000				
Physician Peer-Review	\$400 per review + provider fee							
Chiropractic Peer-Review	\$400 per review + provider fee							
Pre-Authorization	\$110.00 per initial review \$310 .00 per physician advisor review							

Utilization Review	\$110.00 per initial review \$310.00 per physician advisor review							
Medical/Rx Bill Audits				\$9.00/bill				
Use of PPO Networks				28% of savings w/ a \$10,000 cap				
Rehabilitation Services			\$99.00 per hour		IRS Rates			
Vocational Case Management			\$99.00 per hour		IRS Rates			
Impairment Rating review	\$300 per review + provider fee							
Other Charges/Fees Explanation: Subrogation: 15% of recovery TDI Hearings: Fees are determined by the law firm and paid as an expense to the claim file. Online Computer Service: 5 users are determined in the flat fee rate. Additional users are \$25/month per user. MMSEA Reporting: \$2100 annually								
Other Charges/Fees Explanation: Telephonic Case Management: \$950 per claim Field Case Management: \$99 per hour plus mileage; CAT \$150 per hour								
Other Charges/Fees Explanation: Medical Director Services: \$250 per claim Designated Doctor Analysis Letter Only: \$100 per hour								
Other Charges/ Fees Explanation: MRI Re-Read: \$275 plus physician charges IRO: \$100 per request								
Do you require any deposits? Y <input checked="" type="radio"/> N <input type="radio"/> If yes, please explain purpose and dollar amounts:								
Does your proposal offer multi-year pricing? Y <input checked="" type="radio"/> N <input type="radio"/> If yes, explain how long pricing is in effect: Pricing will be in effect for the first two years of the program and then fees will increase by 4% each year over the prior year's fees.								
State your guaranteed annual flat fee: \$240,000								
State your estimated annual fee including all charges: N/A								
Name/Signature: Alice Wells, SVP 								
Company/Agency: Davies US, LLC								

RFP 24-005
ATTACHMENT 2: PRICING

Full Legal Name of
Firm/Entity:

Davies US, LLC

Name of Person(s)
Completing this form:

Alice Wells, Senior Vice President

Physical Address of
Firm/Entity:

**1250 S. Capital of Texas Highway
Building 1 Suite 460**

City, State, Zip:

Austin, Texas 78746

Mailing Address:

(if different from above)

City, State, Zip:

Phone Number:

(512) 328-4447

Fax Number:

**(512) 328-4447 (main)
(512) 328-2127 (WC)**

Name and Email Address for the Individual acting as the Primary Contact:

Name:

Alice Wells, Senior Vice President

Email Address:

Alice.Wells@us.davies-group.com

Website of Firm/Entity:

<https://davies-group.com/us/>



>70

Global office
locations

>1m

Claims handled annually

>6,000

Global staff

>\$10bn

Claims spend managed annually

Davies US, Inc.

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Davies US, Inc. Registered office: 135 Allen Brook LN STE 101, Williston, VT

job no: month_year_file_version_designer

Exhibit D

Annex B

Fort Bend County Travel Policy

Approved in Commissioners' Court on November 3, 2009

Effective November 4, 2009

Revised September 7, 2010

Revised June 2, 2015, Effective August 1, 2015

Revised July 28, 2015, Effective August 1, 2015

Revised July 26, 2016, Effective August 1, 2016

Revised December 12, 2017, Effective January 1, 2018

Revised September 26, 2023, Effective October 1, 2023

The Commissioners' Court allocates funds annually for the payment of travel expenditures for county employees and officials within the individual departmental budgets. Travel expenditures paid from these budgets must serve a public purpose for Fort Bend County. These expenditures may be paid directly to the vendor or provided as a reimbursement to the employee/official upon completion of their travel. Advance payments to vendors may be accommodated by issuance of a check or use of a County procurement card. Eligible expenditure categories under this policy include: Lodging, meals, transportation, registration fees, and other fees (with justification). Each category is further defined below.

CONTRACT RATES:

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This program is also known as TPASS (Texas Procurement and Support Services) State Travel Management Program (STMP). This gives County employees and officials access to the contract rates negotiated by the State for hotels and rental cars. Procurement procedures for these contract services are explained within the categories below.

OUT OF STATE TRAVEL:

Authorization: The traveler must obtain Commissioners' Court approval for out-of-state travel before departure. The duration must include travel days along with the event scheduled days. To prevent delays in processing travel reimbursement, ensure that the travel duration is accurately defined when submitting the agenda request.

Documentation: The traveler must provide an excerpt from the Commissioners' Court minutes (<http://www.fortbendcountytexas.gov/index.aspx?page=55>) with the travel reimbursement form.

LODGING (In and Out of State):

Hotel:

Hotel reimbursements are limited to the Federal Travel Regulations set forth by US General Services Administration (GSA) by location not including taxes. The rates are set annually and vary by month and location. The maximum rates for lodging per day can be found at:

http://www.gsa.gov/portal/content/104877?utm_source=OGP&utm_medium=print-radio&utm_term=perdiem&utm_campaign=shortcuts based on travelers destination.

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This gives County employees and officials access to the contract rates negotiated by the State for hotels. Participating hotels can be found at: https://portal.cpa.state.tx.us/hotel/hotel_directory/index.cfm (be sure to check the correct fiscal year). **When making a reservation the traveler must ask for the State of Texas**

Contract rate (not the government rate) and be prepared to provide the County's agency #: C0790. Traveler must verify confirmed rate matches the negotiated contract rates found on the State's website listed above and does not exceed the GSA daily allowance.

If the organizer of a conference/seminar has negotiated discount rates with a hotel(s), the traveler may choose these lodging services without penalty but the traveler must reserve the room at the group rate and provide documentation of the group rate with the reimbursement request.

If all rooms are booked at the host hotel and no accommodation is available at or below the GSA rate, you may book a room at another hotel at a rate equal to or lower than the conference/seminar rate.

If all rooms are booked at the host hotel and no accommodation is available at or below the GSA rate or at the conference/seminar rate, you may provide three (3) comps to support the higher rate. This will serve as the justification for the higher rate. The comparable hotels should be within five miles of the host event and should be of similar hotel class.

The traveler will be responsible for the excess charge over the GSA per diem rate for the city/county even if using the State rate. The Auditor's Office will deduct from the travelers' reimbursement any excess charges over the GSA per diem rate.

If a traveler cannot find a traditional hotel, a direct rental (Airbnb, VRBO, etc.) is allowable. All previous maximum daily rates still apply. Any fees incurred through a direct rental must also be included in the daily rate calculation and remain below the limits. Fees may include, but are not limited to, cleaning fees, extra guest fees, or service fees. (Taxes are not included in this calculation, as they are charged to hotel stays as well).

Travel websites including but not limited to Expedia and Travelocity shall not be used to book lodging.

In order to qualify for any of the above-mentioned exceptions, a lodging reservation must be made 14 days prior to travel. If travel is required without 14-day notice, the traveler must provide back-up which explains why the 14-day advance booking was not possible.

Travel Days: If the traveler must leave before 7:00AM to arrive at the start of the event and/or return to the County after 6:00PM after the event concludes, an additional night's lodging is allowable before and/or after the event.

Additional fees allowable: Self-parking

Additional fees allowable with justification: Valet parking is allowable if an extreme hardship exists due to physical disability of the traveler or if no self-parking is available.

Fees not allowable: Internet, phone charges, laundry, safe fees

Gratuities: Gratuities are not reimbursable for any lodging services.

Overpayments by County: Any lodging overpayment by the County must be reimbursed by the hotel before processing a reimbursement to the traveler for any of the categories addressed in this policy. Prepaid lodging services should be accurately calculated or underestimated by excluding the taxes to prevent delays in processing travel reimbursements.

Procurement Card: The traveler may use the procurement card to make lodging reservations. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: A final settled hotel bill with a zero balance from the front desk is required even if lodging is paid by the procurement card. The hotel bill left under the door is not acceptable. The hotel bill should be scrutinized before traveler departs to make sure all charges are valid and notify hotel of any invalid charges and resolve issues before departing. Make sure all parking has been added to your bill and all personal incidentals have been paid by traveler. Any invalid charges will be the responsibility of the traveler. A copy of the itemized hotel statement must be submitted with the travel reimbursement claim if the traveler used a County procurement card to purchase lodging services or prepaid by County check. Event agenda/documentation or a letter from the traveler describing the event/meeting is required. If utilizing conference negotiated hotel rates, documentation of rates is required.

Changes/Modifications to Reservation – Any modifications including cancellation of reservation, the traveler must obtain a confirmation number and note the name of the person they spoke with in case the hotel charges the traveler. If the traveler does not obtain a confirmation number then any expenses incurred will be the responsibility of the traveler. Expenses resulting from changes or modifications to travel reservations will be paid by the County if the traveler produces documentation that a family emergency exists.

County Exemption Status – Fort Bend County Employees traveling on County Business are not exempt from State and local hotel taxes, state taxes, etc. with the exception of District Judges and the District Attorney.

MEALS:

Meals including in-state and out-of-state will be reimbursed to the traveler at a flat rate of \$70 (full day). The travelers per diem on the departure day and final day will be at 75% of the per diem, which is \$52.50. The amount reimbursed will be paid through payroll and is subject to federal taxation.

Late Night Arrival – If a traveler arrives in Fort Bend County between midnight and 6am the traveler will receive a full day per diem for the previous day.

Day trips: Prior to 01/01/2024 – Meals will not be reimbursed for trips that do not require an overnight stay. Effective 01/01/2024 - The traveler is subject to per diem reimbursement. Day trip includes a trip outside the County that requires a traveler to leave Fort Bend before 7:00 AM and/or return to the County after 6:00 PM will be eligible for reimbursement at 75% of the per diem, which is \$52.50. Amount reimbursed for day trips will be paid through payroll and are subject to federal taxation.

Procurement Card: No meal purchases are allowed on any County procurement card.

Documentation: No meal receipts are required for reimbursement. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

TRANSPORTATION:

Personal Vehicle: Use of personal vehicle will be reimbursed at the current rate/mile set by Commissioners' Court. Mileage should be calculated using the County office location of the traveler and the event location. Mileage may not be calculated using the traveler's home. Mileage should be calculated using an employees vehicle odometer reading or by

a readily available online mapping service for travel out of Fort Bend County. If using the mileage of an online mapping service, state which mapping service was used or provide a printout of your route detailing the mileage. For local travel, odometer readings or mapping service details are not required. Departments should develop a mileage guide for employees for local travel points, if a department does not have a mileage guide, the Auditor's Office will determine if the mileage listed is reasonable.

Allowable expenses: Parking and tolls with documentation.

County Vehicle: Fuel purchases when using a County vehicle should be made with the County Procurement card if available. Original receipts will accompany the Procurement Card statement but a copy must be provided with the travel reimbursement request.

Allowable expenses: Parking and tolls with documentation required.

Airfare: The County will only reimburse direct travel to and from a location where County-related business is being conducted. Airfare is reimbursable at the lowest available rate based on 14 day advance purchase of a discounted coach/economy full-service seat based on the required arrival time for the event. The payment confirmation and itinerary must be presented with the travel reimbursement form. The traveler will be responsible for the excess charges of an airline ticket purchase other than a coach/economy seat. When using Southwest Airlines a traveler should choose the "wanna get away" flight category.

Allowable Expenses: Bag fees. Fare changes are allowable if business related or due to family emergency.

Unallowable Expenses/Fees: Trip insurance, Early Bird Check In, Front of the line, Leg Room, Fare changes for personal reasons.

Rental Car: Rental cars are limited to the negotiated TPASS rates listed at: <http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/vendor-comparison/>. The contact information for Enterprise for the State Travel Management Program is listed here: <https://comptroller.texas.gov/purchasing/programs/travel-management/rental/enterprise.php>

When making a reservation traveler should provide the County's agency # [REDACTED]. The traveler will not be reimbursed for any amount over the negotiated contract rates if a non-contract company is used at a higher rate. The traveler should select a vehicle size comparable to the number of County travelers. The traveler may use a non-contract vendor at an overall rate lower than the contract rates with no penalty. The original contract/receipt must be presented with the travel reimbursement form or a copy if a County procurement card is used. . The traveler will be responsible for any excess charges not included in the TPASS rates or for choosing a vehicle size not comparable with the number of travelers on the trip. Insurance is included in the negotiated TPASS rates, if a traveler chooses to take out additional insurance the cost is on the traveler.

Enterprise:

- Optional Customer, Coupon or Corporate number is [REDACTED]
- [REDACTED]
- Enterprise will automatically bill FBC when you reserve your vehicle so you need to have a purchase order before your departure.

Unallowable Fees/Charges: GPS, prepaid fuel, premium radio, child safety seats, additional insurance, one way rentals.

Allowable expenses: Parking and tolls allowed with documentation.

Other Transportation: Other forms of transit (bus, taxi, train) are reimbursable with an original receipt.

Gratuities: Gratuities are permitted if original receipt includes gratuity (20% maximum allowed) for any transportation services.

Procurement Card: The traveler may use a County procurement card to make transportation reservations for air travel and rental car services. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: Original receipts are required for all transportation reimbursements paid by the traveler. Transportation services obtained with a County procurement card require a copy of the receipt. Additional requirements are noted within each category above. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

REGISTRATION:

Registration fees: Registration fees are reimbursable for events that serve a Fort Bend County purpose. Registration fees for golf tournaments, tours, guest fees and other recreational events are not reimbursable.

Procurement Card: The traveler may use a County procurement card to register for an event. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: An original receipt must be obtained upon registration and submitted with the reimbursement request if paid by the traveler. A copy of the receipt must be provided if registration is paid on a County procurement card. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

GRANTS:

Travel expenditures from Federal and State grants must also conform to the granting agency's funding requirements.

TRAVEL REIMBURSEMENT FORM:

The traveler must use the current travel reimbursement form <https://econnect.fortbendcountytexas.gov/documents-forms/auditors-office-forms> for all travel related services addressed in this policy. No other expenditures may be submitted for reimbursement on the travel reimbursement form. After completing all required information, the travel form must be signed/dated by the traveler and the department head/elected official. Travel reimbursement request should be submitted within 30 days from when traveler returns from trip. Mileage reimbursement request should be submitted no less frequently than quarterly. Mileage reimbursement request for the fourth quarter should be submitted no later than October 30th for yearend processing.

EXCLUSIONS:

If the traveler has custody of a person pursuant to statute or court order or if the traveler is required by court or legal entity to appear at a particular time and place the traveler will not be penalized for accommodations that require a 14 day advance purchase ticket if travel is required with less than 14 days' notice.

If the traveler has custody of a person pursuant to statute or court order the traveler will not be held to the 75% per diem on the departure and final day of travel.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Davies Claims Solutions, LLC
Nashville, TN United States

Certificate Number:
2023-1096100

Date Filed:
11/17/2023

Date Acknowledged:
01/09/2024

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

RFP 24-005
Property & Casualty Insurance Program Third Party Administration Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Tennessee US Holdco2 Inc.	Nashville, TN United States	X	

5 Check only if there is NO Interested Party.

☐

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, 20____.
(month) (year)

Signature of authorized agent of contracting business entity
(Declarant)