

This Agreement, effective _____ (the "Effective Date"), is between Howard W. Phillips & Co. (HWP), and _____ (Client).

Client and HWP agree as follows:

1. Services

HWP is hereby engaged to act as the Client's risk management advisor and consultant and insurance broker, as applicable, and shall provide the Client with the services set forth on Appendix A (the "Services") in accordance with the terms set forth herein. Appendix A may be amended from time to time by written agreement of the parties. The additional services set forth in Section 4 of Appendix A are available for additional compensation and subject to the negotiation of separate agreements.

2. Compensation

HWP shall be compensated for providing the Services to the Client as set forth on Appendix B. Appendix B may be amended from time to time by written agreement of the parties.

3. Term and Termination

- (a) The term of this Agreement shall commence on the Effective Date and shall terminate one (1) year thereafter (the "Contract Year"). The Contract Year may be extended by mutual written agreement of the parties.
- (b) Notwithstanding the term, either party may terminate this Agreement upon 90 days' prior written notice to the other party. If this Agreement is terminated, HWP will assist the Client in arranging a smooth transition process, subject to receipt by HWP of all amounts due HWP from the Client. However, HWP's obligation to provide Services to the Client will cease upon the effective date of termination, unless otherwise agreed in writing.
- (c) In the event of termination by the Client prior to expiration, HWP's annual compensation set forth on Appendix B for the current Contract Year will be deemed earned in accordance with the following schedule, for Services performed through the termination date: 60% at commencement of the current Contract Year; 75% after four months; and 100% after seven months.
- (d) In the event of a termination by HWP prior to expiration, HWP's annual compensation will be deemed earned on a pro-rata basis.

4. Authorization

HWP shall be authorized to represent and assist the Client in all discussions and transactions with insurers relating to the lines of insurance listed on Appendix A when acting as the Client's insurance broker, provided that HWP shall not place any insurance on behalf of the Client unless so authorized by the Client in writing. Notwithstanding the foregoing, at all times during the performance of this Agreement HWP shall be an independent contractor and shall not be an employee of Client.

HWP agrees to obtain written authorization from Client prior to contacting insurers regarding an actual or potential claim.

5. Other Terms and Conditions

The Standard Terms and Conditions set forth in Appendix C shall apply to the Services performed by HWP under this Agreement.

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia, without regard to its conflicts of law provisions.

7. Miscellaneous

This Agreement, together with all appendices attached hereto, contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all written or oral prior agreements, understandings and negotiations with respect to such matters. This Agreement may be modified or otherwise amended and the observance of any term of this Agreement may be waived, only if such modification, amendment or waiver is in writing and signed by the parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors. Neither party shall have any liability for any failure or delay in performance of its obligations under this Agreement because of circumstances beyond its reasonable control, including, without limitation, acts of God, fires, floods, earthquakes, acts of war or terrorism, civil disturbances, sabotage, accidents, unusually severe weather, governmental actions, power failures, computer/network viruses that are not preventable through generally available retail products, catastrophic hardware failures or attacks on its server.

HOWARD W. PHILLIPS & CO.

Signature

Date

Name & Title of Authorized Representative

CLIENT:

Signature

Date

Name & Title of Authorized Representative

APPENDIX A
SCOPE OF SERVICES

1. HWP will act as the Client's risk management advisor and consultant and insurance broker, as applicable, with respect to the following lines of insurance (effective dates noted in parenthesis):

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____
- (f) _____
- (g) _____
- (h) _____
- (i) _____
- (j) _____
- (k) _____
- (l) _____

2. As respects the lines of insurance in Section 1, above, HWP shall provide the following services:

- (a) Work with the Client to assess the Client's risk exposures;
- (b) Work with the Client to design and develop the Client's insurance program;
- (c) Assist with documentation and other steps to obtain commitments for and implement the Client's insurance program upon the Client's instructions;
- (d) Keep the Client informed of significant changes and or trends in the insurance marketplace and provide the Client with annual information on market trends;
- (e) Assist the Client in identifying insurers. Solicit quotes from insurers selected by the Client for the placement of Client's insurance program in accordance with the Client's instructions.
- (f) Conduct a Renewal Strategy Meeting in advance of each placement.
- (g) Negotiate on the Client's behalf with insurers and keep the Client informed of significant developments in the negotiations;
- (h) Assist the Client with the evaluation of options received from the insurance market;
- (i) Use best efforts to place insurance on behalf of the Client as directed by the Client and secure the Client's approval prior to requesting insurers to bind coverage;
- (j) Follow up with insurance carriers for timely issuance of policies and endorsements;
- (k) Promptly respond to Client's questions related to coverage placed by HWP or the placement process;

- (l) Deliver binders on or before the effective date of coverage being placed, subject to placement;
- (m) Process or facilitate the processing and delivery of certificates or memoranda of insurance and auto identification cards with respect to insurance policies placed by HWP, as requested by the Client;
- (n) Review policies and endorsements for conformity to agreed terms and coverages;
- (o) Provide coverage summaries for all new placements and updates on changes to existing policies;
- (p) Review premium and exposure audits, rating adjustments, dividend calculations and loss data;
- (q) Assist the Client in establishing claims reporting procedures to insurers,
- (r) Monitor published financial information of the Client's current insurers and alert the Client when the status of one or more of such insurers falls below HWP's minimum financial guidelines. Insurers with whom the Client's risks have been placed will be deemed acceptable to the Client, in the absence of contrary instructions from the Client;
- (s) Provide the Client with detailed invoices, except in the case of direct billing by insurers. Remit premiums to insurers and taxes and fees to the relevant authorities on a timely basis, following receipt thereof from the Client.

Sections 2(e), (g), (i), (j), (l), (m) and (s) will only apply with respect to placements for which HWP is acting as the Client's insurance broker.

3. Whenever the HWP client executive is informed in writing by the Client that a claim has been notified to the primary carrier, HWP will notify all applicable excess carriers of the claim, unless the Client gives the HWP client executive contrary instructions in writing, provided that HWP has placed the applicable excess policies or the HWP client executive has received written notice from the Client of the applicable carrier and policies. If HWP is instructed not to provide notice to any excess carrier, HWP shall have no responsibility for any consequences arising out of the failure to give notice.

4. Additional Services are available for separate compensation and shall be agreed upon in advance and addressed by amendment to this agreement or by separate agreement (in certain cases with affiliates of HWP). Such additional services include, but are not limited to:

- Actuarial analysis of Workers' Compensation, General Liability, and Automobile Liability claims, or other lines of insurance;
- Consulting relating to workers' compensation cost containment, including behavioral risk management, absence management, cumulative injury management, financial diagnostics and custom cost containment solutions;

- Business interruption and other claim valuation services offered by Kroll's Forensic Accounting practice;
- Environmental risk consulting services;
- Operations and assets consulting services, including business continuity management, supply chain risk management, loss control and engineering support services and strategic risk assessments;
- Claims services other than those specified in Section 2 above, including catastrophic claims support, mass tort claims support, claims management services, special claims advocacy services and archival research;
- Services in connection with loss portfolio transfers and alternative risk financing, including placements made in connection with such services;
- Captive insurance company feasibility studies;
- Establishment and administration of captive insurers;
- Placement of non-recurring insurance, including, but not limited to:
 - "one-time" placements for construction projects,
 - "one-time" placements for marine/cargo risks,
 - "one-time" placements for surety,
 - Placements for specific financial risks, such as trade credit,
 - Placements involving significant quantitative or actuarial analysis or modeling,
 - Placement of risks with financial institutions other than insurance carriers, and
 - Placements of risks not customarily accepted by insurers;
- Employee benefits services;
- Pension plan consulting;
- Compensation consulting;
- Executive deferred compensation services;
- Risk management claims information systems, including STARS and TrendTracker software programs, and related services;
- Enterprise Risk Management consulting;
- Strategic Risk Assessment;
- Provision of HWP personnel on an out-sourced basis;
- Intellectual Property Consulting;
- Security Consulting;
- Insurance-related mergers and acquisition due diligence services and transactional solutions;
- Placement and servicing of owner controlled insurance programs; and
- Interactive on-line client services.

APPENDIX B COMPENSATION

As compensation for providing the Services, the Client shall pay HWP an annual fee of _____ . HWP will invoice Client for the annual fee upon execution of this agreement.

The annual fee shall be paid by the Client by _____ .

Prior to each placement by HWP for the Client, HWP shall disclose to the Client and obtain the Client's approval of any commissions to be collected by HWP or its affiliates with respect to such placement. HWP shall credit any retail or wholesale commissions collected by HWP against the annual fee (except as provided below) and, to the extent in excess of the remaining installments, refund previously paid installments of the annual fee. In the event such commissions for a Contract year exceed the annual fee for that year, then excess commissions shall be returned to the Client if permitted by law. Otherwise, excess commissions shall be carried forward and applied against HWP's annual compensation for subsequent years if permitted by law.

In the event (i) the Client elects to obtain insurance for a particular line of coverage from a foreign insurer and that insurer is domiciled in a country not part of the Client's insurance program with respect to such line of coverage as of the commencement date of this Agreement and (ii) the resources and services of a foreign HWP affiliate are necessary or appropriate for such placement, HWP and the Client shall negotiate additional compensation for such services and/or modification to HWP's compensation in good faith.

Any commissions collected by HWP or its affiliates shall be considered fully earned at the time of placement, including if an insurance policy placed by HWP or its affiliates for the Client or its foreign subsidiaries is terminated by the Client or its foreign subsidiaries prior to expiration unless such policy is replaced by another policy placed by HWP or its affiliates for the Client or its foreign subsidiaries during the term of this Agreement.

APPENDIX C STANDARD TERMS AND CONDITIONS

These Standard Terms and Conditions are part of the attached Client Service Agreement between _____ (Client) and Howard W. Phillips & Co. (HWP).

1. Taxes and Fees

In certain cases, insurance placements that HWP makes on the Client's behalf may require the payment of insurance premium taxes (including U.S. federal excise taxes), sales taxes, use taxes, surplus or excess lines and similar taxes and/or fees to federal, state or foreign regulators, boards or associations. The Client agrees to pay such taxes and fees, whenever assessed. To the extent practical, such taxes and fees will be identified by HWP on invoices covering such placements. Any such taxes and fees collected by HWP will be promptly remitted by HWP to the appropriate authorities.

2. Client Responsibilities

The Client shall be solely responsible for the accuracy and completeness of information and other documents furnished to HWP and/or insurers by the Client and the Client shall sign any required application for insurance. The Client recognizes and agrees that all insurance coverages placed in connection with this Agreement and all Services, evaluations, reports and recommendations provided by HWP hereunder are based on data and information furnished by the Client. HWP will be under no obligation to investigate or verify the completeness or accuracy of any such data or information, nor will HWP have any liability for any errors, deficiencies or omissions in any Services, evaluations, reports or recommendations provided to, or any insurance coverages placed on behalf of, the Client that are based on such inaccurate or incomplete data or information. The Client understands that the failure to provide all necessary information to an insurer, whether intentional or by error, could result in the impairment or voiding of coverage.

The Client will review all policies, endorsements and program agreements delivered to it by HWP and will advise HWP of anything which the Client believes is not in accordance with the negotiated coverage and terms within thirty days following receipt.

3. Intermediaries

- (a) When in HWP's professional judgment it is necessary or appropriate and subject to the Client's prior approval, HWP may utilize the services of other intermediaries, including wholesale brokers, to assist in the marketing of the Client's insurance. Such intermediaries may be affiliates of HWP.

- (b) Wholesale brokers may represent insurers or act as managing general agents. Prior to utilizing a wholesale broker in connection with a placement for the Client, HWP shall disclose to the Client the compensation received or to be received by HWP and its affiliates in connection with the wholesale placement, any interests of HWP and its affiliates in the wholesale broker, any contractual agreements between HWP and its affiliates, on the one hand, and the wholesale broker, on the other, and alternatives to using the wholesale broker.

- (c) HWP shall disclose to the Client the compensation of any HWP affiliated intermediaries utilized in connection with the Client's placements, and obtain the Client's consent to such compensation, prior to the binding of coverage. HWP shall disclose to the Client the compensation of any non-HWP affiliated intermediaries utilized in connection with the Client's placements to the extent known by HWP.

4. Other Revenue

- (a) If the Client requests assistance with obtaining premium financing in connection with the Client's placements and HWP provides such assistance, HWP may receive compensation from the finance company that provides premium financing to the Client. HWP shall provide to the Client information relating to HWP's and its affiliates' arrangements with and interests in the premium finance companies to be considered by the Client and the compensation that HWP and its affiliates would receive from finance companies with respect to the Client's placements.

- (b) HWP earns and retains interest income on premium payments held by HWP on behalf of insurers during the period between receipt of such payments from clients and the time such payments are remitted to the applicable insurer, where permitted by applicable law. HWP will advise the Client annually of the aggregate income HWP earns on the investment of funds held for all insurers for all clients.

5. Confidentiality

(a) Confidential Information

The Client may provide HWP with certain proprietary and confidential information ("Confidential Information") in connection with the Services provided by HWP under this Agreement. Neither HWP nor any of its employees or agents directly or indirectly shall disclose to any third party or use any Confidential Information furnished by or on behalf of Client for any purpose except in furtherance of the Services and in furtherance of other insurance brokerage, risk consulting, risk financing, risk transfer, employees benefits or other insurance-related services rendered by HWP to Client, which may include in the normal course of business the release to insurers and other financial

institutions of Confidential Information relevant to the underwriting and/or evaluation of Client's risks and the processing of its claims, provided that such insurers and financial institutions are informed of the confidential nature of such information. HWP shall take all steps reasonably required to maintain the confidentiality of Confidential Information in HWP's possession. The transmission of Confidential Information via electronic data transmission networks which provide for the security of users' data shall be deemed consistent with HWP's obligations hereunder unless such use is contrary to Client's express instructions. HWP's obligations concerning Client's confidentiality information survive termination or expiration of this agreement.

(b) Exceptions

The restrictions and agreements set forth above shall not apply to any Confidential Information: (i) which at the time disclosed to or obtained by HWP is in the public domain; (ii) which becomes part of the public domain through no act, omission or fault of HWP; (iii) which HWP's records demonstrate was developed independently by HWP or was received by HWP from a third party which HWP had no reason to believe had any confidentiality or fiduciary obligation to the Client with respect to such information; (iv) which is required to be disclosed by law, including, without limitation, pursuant to the terms of a subpoena or other similar document; provided, however, HWP shall, to the extent practical, give prior timely notice of such disclosure to the Client to permit the Client to seek a protective order, and, absent the entry of such protective order, HWP shall disclose only such Confidential Information that HWP is advised by its counsel must be disclosed by law; or (v) following the lapse of ten years after disclosure of such information to HWP.

(c) Return of Confidential Information

As between the Client and HWP, Confidential Information shall be the sole and exclusive property of the Client. Upon the Client's request, all documents and records in HWP's possession containing Confidential Information shall be returned to the Client; provided, however, that HWP may retain copies of documents that may contain Confidential Information which are necessary for the conduct and proper record keeping of HWP's business in accordance with standard operating procedures or applicable law.

(d) Remedy

It is understood and agreed that money damages would not be a sufficient remedy for any breach of these confidentiality provisions and the Client shall be entitled to injunctive relief as a remedy for such breach, without prejudice to any other rights or remedies available to the Client under applicable law.

6. Record Retention

Files (other than core documents, as defined in HWP's record retention policy, including insurance policies, which are permanently retained) will not be retained for more than five years after the expiration of a particular policy's term.

7. Disclaimers: Limitation of Liability

- (a) HWP does not speak for any insurer, is not bound to utilize any particular insurer and does not have the authority to make binding commitments on behalf of any insurer, except under special circumstance which HWP shall always endeavor to make known to the Client. HWP shall not be responsible for the solvency of any insurer or its ability or willingness to pay claims, return premiums or other financial obligations. HWP does not guarantee or make any representation or warranty that insurance can be placed on terms acceptable to the Client.

- (b) If HWP has taken over any existing program or policies implemented by another broker, HWP will not assume any responsibility for the adequacy or effectiveness of those programs or policies or any acts or omissions occurring prior to HWP's engagement. Within 45 days, HWP will have completed a review of such programs and policies and will make recommendations it believes are necessary.

Any loss control services and/or surveys performed by HWP under this Agreement are advisory in nature. Such services are limited in scope and do not constitute a safety inspection as provided by a safety engineering service. HWP does not claim to find or include every loss potential, hazard, statutory or code violation or violation of good practice. All surveys and reports are based upon conditions observed and information supplied by the Client. HWP does not expressly or impliedly guarantee or warrant in any way the safety of any site or operation or that the Client or any of its sites or operations is in compliance with federal, state or local laws, codes, statutes, ordinances or recommendations. In any event, HWP's liability if any, relating to or arising out of loss control services performed by it for the Client shall not exceed the total compensation paid to HWP under this Agreement.