

**LLOYD'S OF LONDON UNDERWRITERS
SPONSORING SYNDICATES & MANAGING AGENTS**

<u>Syndicate Number</u>	<u>Managing Agent</u>
2	Claremount Underwriting Agency Ltd
28	Murray Lawrence & Partners Ltd
33	Hiscox Syndicates Ltd
34	Bankside Syndicates Ltd
40	Murray Lawrence & Partners Ltd
47	Methuen (Lloyd's U/W Agents) Ltd
48	Methuen (Lloyd's U/W Agents) Ltd
51	Wellington Underwriting Agencies Ltd
52	Hiscox Syndicates Ltd
53	Merchant Eliot U/W Ltd
55	Cater Allen Syndicates Management Ltd
62	Barber & Marsh Ltd
79	Janson Green Ltd
102	Gammell Kershaw & Company Ltd
112	C I de Rougemont & Company Ltd
122	Sturge Non-Marine Syndicate Management Ltd
123	R J Kiln & Company Ltd
136	Methuen (Lloyd's U/W Agents) Ltd
138	R F Bailey (Underwriting Agencies) Ltd
159	Sturge Non-Marine Syndicate Management Ltd
172	Stewart Syndicates Ltd
173	Stewart Syndicates Ltd
178	Wren Syndicate Management Ltd
179	Catlin Underwriting Agencies Ltd
183	Ashley Palmer Syndicates Ltd
187	Claremount Underwriting Agency Ltd
190	Liberty Syndicate Management Ltd
204	Sturge Non-Marine Syndicate Management Ltd
205	Jago Managing Agency Ltd
218	Christopherson Heath Ltd
219	Sturge Non-Marine Syndicate Management Ltd
227	Gravett & Tilling (Underwriting Agencies) Ltd
228	Cotesworth & Company Ltd
250	Wren Syndicate Management Ltd
270	Tower Managing Agents Ltd
271	Claremount Underwriting Agency Ltd
282	Merchant Eliot U/W Ltd
314	Ashley Palmer Syndicate Ltd
318	Bankside Syndicates Ltd
322	Cater Allen Syndicate Management Ltd
328	Octavian Syndicate Management Ltd
329	Octavian Syndicate Management Ltd
340	Gravett & Tilling (Underwriting Agencies) Ltd
362	Murray Lawrence & Partners Ltd
375	Cater Allen Syndicate Management Ltd
376	Venton Underwriting Agencies Ltd
382	Hardy (U/A) Ltd
386	Janson Green Ltd
431	Wren Syndicate Management Ltd
435	D P Mann Underwriting Agency Ltd
441	Murray Lawrence & Partners Ltd
456	Bankside Syndicates Ltd
457	Stewart Syndicates Ltd

**LLOYD'S OF LONDON UNDERWRITERS
SPONSORING SYNDICATES & MANAGING AGENTS**

<u>Syndicate Number</u>	<u>Managing Agent</u>
473	Wren Syndicate Management Ltd
483	Methuen (Lloyd's U/W Agents) Ltd
484	Methuen (Lloyd's U/W Agents) Ltd
488	Charman Underwriting Agencies Ltd -
490	RGB Underwriting Agencies Ltd
500	Vanguard Underwriting Agencies Ltd
506	Claremount Underwriting Agency Ltd
507	Claremount Underwriting Agency Ltd
510	R J Kiln & Co Ltd
529	Sterling Underwriting Agencies Ltd
535	Cotesworth & Co Ltd
544	Tower Managing Agents Ltd
545	Sturge Aviation Syndicate Management Ltd
552	Mander Thomas & Cooper (U/A) Ltd
557	R J Kiln & Co Ltd
566	Bankside Syndicates Ltd
570	M H Cockell & Partners
582	Cassidy Davis Underwriting Ltd
588	Brockbank Syndicate Management Ltd
590	L G Cox & Co Ltd
609	Atrium Underwriting Ltd
623	Beazley Furlonge Ltd
624	Hiscox Syndicates Ltd
625	Hiscox Syndicates Ltd
658	Cox Octavian Agency Ltd
672	Wellington Underwriting Agencies Ltd
683	Janson Green Ltd
702	Octavian Syndicate Management Ltd
718	Sturge Non-Marine Syndicate Management Ltd
724	Active Syndicate Management Ltd
727	S A Meacock & Co
732	C I de Rougemont & Company Ltd
734	L G Cox & Co Ltd
735	Wren Syndicate Management Ltd
741	Tower Managing Agents Ltd
744	Barder & Marsh Ltd
765	R J Kiln & Co Ltd
766	Murray Lawrence & Partners Ltd
780	B F Caudle Agencies Ltd
800	Wren Syndicate Management Ltd
807	R J Kiln & Co Ltd
808	Crowe Syndicate Management Ltd
822	Murray Lawrence & Partners Ltd
823	Murray Lawrence & Partners Ltd
824	Murray Lawrence & Partners Ltd
839	Tower Managing Agents Ltd
858	Mathuen (Lloyd's U/W Agents) Ltd
861	Brockbank Syndicate Management Ltd
902	P B Coffey (U/A) Ltd
920	Murray Lawrence & Partners Ltd
923	Tower Managing Agents Ltd
925	Sturge Aviation Syndicate Management Ltd
947	Towering Managing Agents Ltd

**LLOYD'S OF LONDON UNDERWRITERS
SPONSORING SYNDICATES & MANAGING AGENTS**

<u>Syndicate Number</u>	<u>Managing Agent</u>
955	R J Kiln & Co Ltd
957	Barder & Marsh Ltd
958	G S Christensen & Partners
959	Octavian Syndicate Management Ltd
960	Sturge Aviation Syndicate Management Ltd
963	Crowe Syndicate Management Ltd
990	Morgan Fentiman & Barger
991	A E Grant (Underwriting Agencies) Ltd
994	Tower Managing Agents Ltd
998	Sturge Aviation Syndicate Management Ltd
1003	Catlin Underwriting Agencies Ltd
1007	Spreckley Villers Burnhope & Company Ltd
1009	Octavian Syndicate Management Ltd
1010	Spreckley Villers Burnhope & Company Ltd
1019	Ernest Blackmore & Son Ltd
1023	Mander Thomas & Cooper (U/A) Ltd
1027	Cox Newton & Harmon Ltd
1028	Wellington Underwriting Agencies Ltd
1036	Bankside Syndicates Ltd
1038	Venton Underwriting Agencies Ltd
1047	Barder & Marsh Ltd
1051	Murray Lawrence & Partners Ltd
1069	Cotesworth & Co Ltd
1084	Stewart Syndicates Ltd
1087	Tower Managing Agents Ltd
1093	Sterling Underwriting Agencies Ltd
1095	Wellington Underwriting Agencies Ltd
1096	Stewart Syndicates Ltd
1101	Trafalgar Underwriting Agencies Ltd
1115	Spreckley Villers Burnhope & Company Ltd
1119	Jago Managing Agency
1141	J E Mumfurd (U/A) Ltd
1165	Hiscox Syndicates Ltd
1173	Cottrell & Maguire Ltd
1175	Bankside Syndicates Ltd
1176	Cox Newton & Harman Ltd
1179	R J Kiln & Co Ltd
1183	Venton Underwriting Agencies Ltd
1185	Murray Lawrence & Partners Ltd
1203	Spreckley Villers Burnhope & Company Ltd
1205	Bankside Syndicates Ltd
1206	Lloyd's of London Syndicate
1212	Spreckley Villers Burnhope & Company Ltd
1213	Spreckley Villers Burnhope & Company Ltd
1214	Spreckley Villers Burnhope & Company Ltd
1215	Janson Green Ltd
1234	Bankside Syndicates Ltd
1251	Wellington Underwriting Agencies Ltd
2322	Cater Allen Syndicate Management Ltd
2488	Charman Underwriting Agencies Ltd
2490	RGB Underwriting Agencies Ltd
2947	Lloyd's of London Syndicate

FOREIGN SURPLUS LINES INSURERS

State of Tennessee Eligible Surplus Lines Insurers List
Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

ACCEPTANCE INDEMNITY INS COMPANY 222 SOUTH 15TH #600 NORTH OMAHA NE 68103 Contact: WILLIAM R BAXTER 402-344-8800	EFF: 11/21/91	APPALACHIAN INS CO OF PROVIDENCE PO BOX 7500 JOHNSTON NJ 02919 Contact: NORMAN L BELGARDE 406-275-3000 EXT1662	EFF: 09/12/69
ADMIRAL INSURANCE COMPANY PO BOX 5725 CHERRY HILL NJ 08034-3220 Contact: KATHLEEN CRAWFORD 800-257-6258	EFF: 08/19/74	ASSOCIATED INTERNATIONAL INS CO 21860 BURBANK BLVD #380 WOODLAND HILLS CA 91367 Contact: ROBERT BLAZER, CPA 818-595-0600	EFF: 06/7/88
ADRIATIC INSURANCE COMPANY 3501 NORTH CAUSEWAY BLVD #1000 METAIRE LA 70002 Contact: DENNIS L BOYCE	EFF: 06/23/88	AUDUBON INDEMNITY COMPANY PO DRAWER 15989 BATON ROUGE LA 70895-5989 Contact: EARL J NORMAND 800-272-9830	EFF: 08/1/87
AGRICULTURAL EXCESS & SURPLUS INS CO PO BOX 2575 CINCINNATI OH 45201-2575 Contact: ROBERT J SCHWARTZ 513-369-5000	EFF: 08/14/81	BURLINGTON INSURANCE COMPANY 238 SMITH SCHOOL RD BURLINGTON NC 27215 Contact: KERRY WAYNE FAVOR 919-538-2830	EFF: 09/28/89
ALLIANCE GENERAL INS COMPANY 200 W ADAMS ST #2100 CHICAGO IL 60606 Contact: ERIC W RAHN, CEO	EFF: 08/24/89	CANAL INDEMNITY COMPANY PO BOX 7 GREENVILLE SC 29602 Contact: B J MCMURRY 803-242-5365	EFF: 11/11/76
ALLIANZ UNDERWRITERS INS INC PO BOX 7780 BUREBANK CA 91505-7780 Contact: EDMAN LEE-CHEN 213-658-5000	EFF: 03/7/80	CAPITOL INDEMNITY CORPORATION PO BOX 5900 MADISON WI 53705-0900 Contact: PAUL JOHN BREITNAUER 608-231-4450	EFF: 09/12/88
ALPINE INSURANCE COMPANY 311 SOUTH WACKER DR #500 CHICAGO IL 60605-6618 Contact: JOHN THOMAS CLARK 312-922-8400	EFF: 07/15/93	CAREAMERICA COMPENSATION & LIABILITY 577 AIRPORT BLVD #540 BURLINGAME CA 94010 Contact: HELEN LEONG 415-342-1812	EFF: 02/10/81
AMERICAN COUNTRY INSURANCE COMPANY 222 NORTH LASALLE ST #1600 CHICAGO IL 60601-1105 Contact: JAMES P BYRNE, VP 312-456-2000	EFF: 01/20/87	CENTURY SURETY COMPANY PO BOX 2689 COLUMBUS OH 43221 Contact: GLENN D SOUTHWICK 614-895-2000	EFF: 07/1/87
AMERICAN DYNASTY SURPLUS LINES INS CO PO BOX 5370 CINCINNATI OH 45201 Contact: T MATTHEW HELD 513-369-9000	EFF: 07/5/84	CHUBB CUSTOM INSURANCE COMPANY PO BOX 1615 WARREN NJ 07061-1615 Contact: TRACEY A HOLLERAN 908-903-2982	EFF: 04/7/86
AMERICAN EMPIRE SURPLUS LINES INS CO PO BOX 5370 CINCINNATI OH 45201 Contact: T MATTHEW HELD	EFF: 12/1/77	CIGNA SPECIALTY INSURANCE COMPANY PO BOX 7716 PHILADELPHIA PA 19192 Contact: JOSEPH STAGLIANO 215-761-1000	EFF: 11/21/69
AMERICAN EQUITY INSURANCE COMPANY 8370 EAST VIA DE VENTURE BLDG K SCOTTSDALE AZ 85258 Contact: RODNEY BRUCE FRANTZ 602-991-0833	EFF: 04/1/95	COLONIA UNDERWRITERS INSURANCE CO 209 GARRISON AVENUE FORT SMITH AR 72901 Contact: RHONDA SAUTER 501-782-2829	EFF: 05/1/95
AMERICAN INTL SPECIALTY LINE INS CO HARBORSIDE FINANCIAL CTR, 401 PLAZA 3, 4TH FL JERSEY CITY NJ 07311 Contact: ARMAND PEPIN 201-709-1100	EFF: 03/7/91	COLONY INSURANCE COMPANY PO BOX 85122 RICHMOND VA 23285-5122 Contact: EDWARD DESCH 804-261-7011	EFF: 09/4/84
AMERICAN WESTERN HOME INS CO PO BOX 5123 CINCINNATI OH 45201-5323 Contact: JAMES P TIERNEY 513-721-3010 EXT2289	EFF: 03/1/95	COLUMBIA CASUALTY COMPANY CNA PLAZA CHICAGO IL 60685 Contact: RICHARD E RUSTON 312-822-5653	EFF: 12/29/75
AMERICAS SURPLUS LINES INS CO 401 POYDRAS ST #2200 NEW ORLEANS LA 70110 Contact: BRIAN MARTIN PAGRAGAN 504-528-9555	EFF: 04/1/95	COMMERCIAL CASUALTY INS CO OF GEORGIA 160 TECHNOLOGY PARKWAY NORCROSS GA 30092 Contact: LINDA MARE LUOMA 404-724-8101	EFF: 10/25/85

FOREIGN SURPLUS LINES INSURERS

State of Tennessee Eligible Surplus Lines Insurers List
Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

<p>COMMERCIAL UNDERWRITERS INS CO 100 CORPORATE POINT #350 CULVER CITY CA 90230-7618 Contact: WILLIAM LEONE 310-670-0234</p>	<p>EFF: 07/1/95</p>	<p>FULCRUM INSURANCE COMPANY 199 WATER STREET NEW YORK NY 10038-3526 Contact: BERRY GOLUB 212-480-1900 EXT 326</p>	<p>EFF: 06/1/95</p>
<p>CONNECTICUT SPECIALTY INSURANCE CO PO BOX 420 HARTFORD CT 06141 Contact: PETER M VINCI 203-674-6600</p>	<p>EFF: 06/29/94</p>	<p>GENERAL AGENTS INS CO OF AMERICA PO BOX 2933 FORT WORTH TX 76113-2933 Contact: DANIEL JAY COOTS 817-336-2500</p>	<p>EFF: 06/4/85</p>
<p>COREGIS INDEMNITY COMPANY 181 WEST MADISON AVE #2600 CHICAGO IL 60602 Contact: ROBERT SHORTELL 312-449-5000</p>	<p>EFF: 09/3/93</p>	<p>GENERAL STAR INDEMNITY COMPANY PO BOX 10354 STAMFORD CT 06904-2354 Contact: DAVID W MCKIK 203-328-5664</p>	<p>EFF: 05/6/84</p>
<p>DEARBORN INSURANCE COMPANY 123 NORTH WACKER DRIVE CHICAGO IL 60606 Contact: JACK MCDONNELL 312-701-3738</p>	<p>EFF: 01/1/88</p>	<p>GENESIS INDEMNITY INSURANCE COMPANY PO BOX 10352 STAMFORD CT 06904-2352 Contact: PATRICIA A FOX 203-328-5643</p>	<p>EFF: 04/6/90</p>
<p>EDEN PARK INSURANCE COMPANY PO BOX 2575 CINCINNATI OH 45201-2575 Contact: ROBERT J SCHWARTZ 513-369-5000</p>	<p>EFF: 10/25/93</p>	<p>GILBRALTAR CASUALTY INSURANCE CO 751 BROAD STREET, 14TH PLAZA NEWARK NJ 07102-3077 Contact: CHRISTINE KNIGHT 201-802-3024</p>	<p>EFF: 07/29/81</p>
<p>EMPIRE INDEMNITY INSURANCE COMPANY 1624 DOUGLAS AVENUE OMAHA NE 68102 Contact: KEVIN H PURCELL 402-341-0135</p>	<p>EFF: 06/10/82</p>	<p>GLOBAL INSURANCE COMPANY 5901 PEACHTREE DUNWOODY RD NE #B-70 ATLANTA GA 30328-5307 Contact: PETER RAMAGLIA 400-634-4175</p>	<p>EFF: 01/2/90</p>
<p>ESSEX INSURANCE COMPANY 4551 COX ROAD GLEN ALLEN VA 23060 Contact: JILL GRODE GOLDFERN 804-273-1400</p>	<p>EFF: 11/14/83</p>	<p>GOTHAM INSURANCE COMPANY 330 MADISON AVENUE NEW YORK NY 10017 Contact: THOMAS JOHN IACOFELLI 212-551-0645</p>	<p>EFF: 07/1/87</p>
<p>EVANSTON INSURANCE COMPANY SHAND MORAHAN PLAZA EVANSTON IL 60201 Contact: EDGAR W PROEBUS 708-866-2800</p>	<p>EFF: 08/31/81</p>	<p>GULF UNDERWRITERS INSURANCE CO PO BOX 1771 DALLAS TX 75221-1771 Contact: DAVID MARSHALL BARBER 214-670-2905</p>	<p>EFF: 08/1/92</p>
<p>EXECUTIVE RISK SPECIALTY INSURANCE CO PO BOX 2002 SINSBURY CT 06070-7683 Contact: JEFFREY H KOENIG 203-244-8980</p>	<p>EFF: 12/1/93</p>	<p>HERMITAGE INSURANCE COMPANY 707 WESTCHESTER AVENUE #411 WHITE PLAINS NY 10604 Contact: JOSEPH JOHN JAWORSKI 914-683-8008</p>	<p>EFF: 03/27/89</p>
<p>FIDELITY EXCESS & SURPLUS INS CO 105 CAMPUS DRIVE, UNIVERSITY SQUARE PRINCETON NJ 08543-7006 Contact: ROBERT F WOOP 609-520-1133</p>	<p>EFF: 07/15/93</p>	<p>HOMI INSURANCE COMPANY OF ILLINOIS 10 SOUTH RIVERSIDE PLAZA CHICAGO IL 60606 Contact: HANS JOACHEM FREDEL 312-559-9500</p>	<p>EFF: 09/25/73</p>
<p>FIREMAN'S FUND INSURANCE CO OF OHIO 777 SAN MARYS DRIVE NOVATO, CA 94988 Contact: CHARLES E MCAULEY III 415-899-2817</p>	<p>EFF: 04/8/88</p>	<p>HOMESTEAD INSURANCE COMPANY 200 PLAZA DRIVE SECAUCUS, NJ 07096-1581 Contact: NOEL SCHULZ 201-271-0200</p>	<p>EFF: 06/27/88</p>
<p>FIRST SPECIALTY INSURANCE CORPORATION PO BOX 2928 OVERLAND PARK KS 66201-1338 Contact: SHARON L BUTLER 913-676-5884</p>	<p>EFF: 03/27/91</p>	<p>ILLINOIS EMCASCO INSURANCE COMPANY 815 COMMERCE DRIVE OAKBROOK IL 60521-1978 Contact: J M VANSLOUN 515-280-2674</p>	<p>EFF: 05/5/83</p>
<p>FLORIDA INTERNATIONAL INDEMNITY CO 27 EAST ROBINSON STREET ORLANDO FL 32801 Contact: C GLENN ALEXANDER 404-981-7100</p>	<p>EFF: 08/12/82</p>	<p>ILLINOIS INSURANCE EXCHANGE 311 SOUTH WACKER DRIVE #110 CHICAGO IL 60606 Contact: GARY D HACKLEY 312-405-8000</p>	<p>EFF: 10/18/85</p>
<p>FRONTIER PACIFIC INSURANCE COMPANY 195 LAKE LOUISE MARIE ROAD ROCK HILL NY 12775-6000 Contact: LINDA MARKOVITS ADM. A&I CPTA 800-534-2100 EXT 521</p>	<p>EFF: 08/1/95</p>	<p>ILLINOIS UNION INSURANCE COMPANY 8755 WEST HIGGINS ROAD CHICAGO IL 60631 Contact: FRANK GAGLIANO 312-380-8100</p>	<p>EFF: 09/1/70</p>

FOREIGN SURPLUS LINES INSURERS

State of Tennessee Eligible Surplus Lines Insurers List
Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

<p>INDEPENDENT FIRE INSURANCE OF FLORIDA ONE INDEPENDENT DRIVE JACKSONVILLE FL 32276 Contact: BLANE BUSSEY III 904-358-5470</p>	<p>EFF: 02/9/72</p>	<p>NORTHFIELD INSURANCE COMPANY PO BOX 64816 MENDOTA HEIGHTS MO 63120-1146 Contact: RICHARD J WEINGARTNER 612-688-4100</p>	<p>EFF: 09/21/79</p>
<p>INTERSTATE FIRE & CAUSALTY COMPANY 55 EAST MONROE STREET CHICAGO IL 60603 Contact: PAUL OSMOLSKI 312-346-4600</p>	<p>EFF: 07/30/69</p>	<p>NUTMEG INSURANCE COMPANY HARTFORD PLAZA HARTFORD CT 06115 Contact: S A SOTHERLAND 203-547-5000</p>	<p>EFF: 09/9/81</p>
<p>INVESTORS INSURANCE CO OF AMERICA 200 SCHULZ DRIVE RED BANK NJ 07701 Contact: FRANK T BUZIAK, EXEC VP 908-224-0500</p>	<p>EFF: 05/5/78</p>	<p>OLD REPUBLIC UNION INSURANCE COMPANY 307 NORTH MICHIGAN AVENUE CHICAGO IL 60601 Contact: THELMA EVANS, ACCT MGR 312-346-8100</p>	<p>EFF: 05/14/86</p>
<p>LAFAYETTE INSURANCE COMPANY PO BOX 53265 NEW ORLEANS LA 70153 Contact: LARRY L HAYWARD 504-826-5222</p>	<p>EFF: 05/14/79</p>	<p>PACIFIC INSURANCE COMPANY 180 MAIDEN LANE NEW YORK NY 10038 Contact: PERRY E DEFONTAINE 212-937-5411</p>	<p>EFF: 06/20/84</p>
<p>LANDMARK AMERICAN INSURANCE COMPANY PO BOX 3329 ENGLEWOOD CO 80155 Contact: PATRICIA T HEMLEY 303-754-8702</p>	<p>EFF: 10/16/87</p>	<p>PACIFIC INSURANCE COMPANY LTD 1001 BISHOP STREET HONOLULU HA 96813 Contact: RUBY KONISHI, ASST SECRETARY 808-546-5863</p>	<p>EFF: 10/15/92</p>
<p>LANDMARK INSURANCE COMPANY PO BOX 720554 ATLANTA GA 30328-2554 Contact: WILLIAM P SCHUCHERT 212-770-1100</p>	<p>EFF: 05/1/87</p>	<p>PACIFIC NATIONAL INSURANCE COMPANY PO BOX 2070 MILWAUKEE WI 53201-2070 Contact: HOWARD C MILLER 414-792-3020</p>	<p>EFF: 08/22/91</p>
<p>LEXINGTON INSURANCE COMPANY 200 STATE STREET BOSTON MA 02109 Contact: WILLIAM P SCHUCHERT 212-770-8596</p>	<p>EFF: 02/3/70</p>	<p>PARADIGM INSURANCE COMPANY 9000 WESSEX PLACE #300 LOUISVILLE KY 40222 Contact: LINDA F SERGEANT, ASST CORP SEC 502-429-5585</p>	<p>EFF: 08/30/94</p>
<p>LINCOLN INSURANCE COMPANY PO BOX 4679 WILMINGTON DE 19807 Contact: THOMAS D SYKES 302-594-4700 EXT 128</p>	<p>EFF: 05/10/77</p>	<p>PENN-AMERICA INSURANCE COMPANY 420 SOUTH YORK ROAD HATBORO PA 19040 Contact: WESLEY M BOBBIE 215-443-3631</p>	<p>EFF: 06/23/81</p>
<p>MID ATLANTIC MEDICAL INSURANCE CO 225 INTERNATIONAL CIRCLE HUNT VALLEY MD 21031 Contact: MARK PATRICK WELSH 410-785-0050</p>	<p>EFF: 04/1/95</p>	<p>PROFESSIONAL UNDERWRITERS LIABILITY 185 GREENWOOD ROAD NAPA CA 94559 Contact: JERRY J REILEY 707-226-0100</p>	<p>EFF: 03/8/91</p>
<p>MONTICELLO INSURANCE COMPANY NEWPORT TOWER, 525 WASHINGTON BLVD JERSEY CITY NJ 07310-1693 Contact: CHRIS COKE</p>	<p>EFF: 04/12/88</p>	<p>RELIANCE INSURANCE COMPANY OF ILLINOIS 4 PENN CENTER PLAZA PHILADELPHIA PA 19103 Contact: JOHN P TAYLOR 215-464-4007</p>	<p>EFF: 08/2/83</p>
<p>MT HAWLEY INSURANCE COMPANY 9035 NORTH LINDBERG DRIVE PEORIA IL 61615 Contact: TIMOTHY J KRUEGER 309-692-1000</p>	<p>EFF: 05/9/86</p>	<p>REWOOD FIRE & CASUALTY INS CO 9290 WEST DODGE ROAD #300 OMAHA NE 68114 Contact: MICHELLE ACRU 402-393-7255</p>	<p>EFF: 10/17/86</p>
<p>NATIONAL FIRE & MARINE INSURANCE CO 3024 HARNNEY STREET OMAHA NE 68131-3580 Contact: DAVID BRYNE, ASST TREASURER 402-536-3269</p>	<p>EFF: 02/18/70</p>	<p>RISCORP NATIONAL INSURANCE COMPANY PO BOX 32370 KANSAS CITY MO 64171-5370 Contact: KATHIE J WILLIAMS 913-262-2953</p>	<p>EFF: 12/31/86</p>
<p>NAUTILUS INSURANCE COMPANY 7273 EAST BUTHERUS DRIVE SCOTTSDALE AZ 85260 Contact: JOHN M RUNBERG 602-951-4905</p>	<p>EFF: 02/18/86</p>	<p>ROCK RIVER INSURANCE COMPANY 3400 80TH STREET MOLINE IL 61265 Contact: DENNIS GENE COOK 815-447-4633</p>	<p>EFF: 10/25/94</p>
<p>NORTH AMERICAN CAPACITY INSURANCE CO 650 ELM STREET, 6TH FLOOR MANCHESTER NH 03101-2524 Contact: EDWARD D STYS 603-444-0001</p>	<p>EFF: 01/27/89</p>	<p>ROYAL SURPLUS LINES INSURANCE CO PO BOX 1000 CHARLOTTE NC 28201-1000 Contact: FRANK J PRESTOPINO 704-522-3250</p>	<p>EFF: 07/21/85</p>

FOREIGN SURPLUS LINES INSURERS

State of Tennessee Eligible Surplus Lines Insurers List
Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

SAFECO SURPLUS LINES INSURANCE CO SAFECO PLAZA SEATTLE WA 98185 Contact: DAVID W KRAFT 206-545-3394	EFF: 08/1/86	UNITED NATIONAL INSURANCE COMPANY THREE BALA PLAZA EAST #300 BALA CYNWYD PA 19004 Contact: DANIEL J KELLEHER 610-664-1500	EFF: 03/21/79
SAVERS PROPERTY & CASUALTY INS CO 10915 CODY #135 OVERLAND PARK KS 66210 Contact: ROBERT A HOFFMAN 810-358-1100 EXT 340	EFF: 07/17/89	UNITED STATES LIABILITY INSURANCE CO PO BOX 1531 KING OF PRUSSIA PA 19406-0951 Contact: LOUIS F RUVITUSO 215-688-2535	EFF: 10/26/71
SCOTTSDALE INSURANCE COMPANY PO BOX 4110 SCOTTSDALE AZ 85258 Contact: ARLAN G OLIVA 800-423-7675	EFF: 07/26/83	USF INSURANCE COMPANY 1760 MARKET STREET PHILADELPHIA PA 19103 Contact: STEPHEN ROBERT RUFO 215-563-3100	EFF: 11/15/94
SHEFFIELD INSURANCE CORPORATION PO BOX 43360 BERMINGHAM AL 35243-3360 Contact: DAVE THOMPSON JR 205-970-7122	EFF: 10/1/85	USF & G SPECIALTY INSURANCE COMPANY PO BOX 1138 BALTIMORE MD 21203-1138 Contact: CAROL RAAB 410-547-3704	EFF: 05/1/96
ST PAUL SURPLUS LINES INSURANCE CO 385 WASHINGTON STREET ST PAUL MN 55102 Contact: DELROY W PREUSS 612-221-8069	EFF: 04/14/75	VANGUARD UNDERWRITERS INSURANCE CO PO BOX 660560 DALLAS TX 75266-0560 Contact: JOHN KLEINER 214-559-1295	EFF: 05/12/87
STADFAST INSURANCE COMPANY ZURICH TOWERS, 1400 AMERICAN LANE SCHLAUMBURG IL 60196-1056 Contact: WILLIAM H WIGGS 708-605-6000	EFF: 04/30/90	WAUSAU GENERAL INSURANCE COMPANY 901 WARRENVILLE ROAD #500 LISLE IL 60532 Contact: MICHAEL ROCCA, TREASURER 715-845-5211	EFF: 04/14/75
SUTTER INSURANCE COMPANY PO BOX 6000 LARKSPUR CA 94977-6000 Contact: WILLIAM A KLENECKE 415-923-1404 EXT 333	EFF: 10/25/93	WESTCHESTER SURPLUS LINES INS CO SIX CONCOURSE PARKWAY #2700 ATLANTA GA 30328-3346 Contact: BRIAN W IMPERIALE 404-393-9955	EFF: 10/25/93
TIG INSURANCE COMPANY OF MICHIGAN PO BOX 152870 IRVING TX 75015-8830 Contact: CAROLINE WOODBURY 214-831-5000	EFF: 05/1/96	WESTERN ALLIANCE INSURANCE COMPANY PO BOX 201425 AUSTIN TX 78720 Contact: DONALD E WOELLNER 512-345-6505	EFF: 12/17/90
TIG SPECIALTY INSURANCE COMPANY PO BOX 6300 WOODLAND HILLS CA 91367 Contact: STEVEN A COOK 818-596-5323	EFF: 12/3/87	WESTERN HERITAGE INSURANCE COMPANY PO BOX 5100 SCOTTSDALE AZ 85261 Contact: SCOTT A WILSON 602-951-0703	EFF: 10/11/91
TRADERS & PACIFIC INSURANCE COMPANY PO BOX 2932 FORT WORTH TX 76113-2932 Contact: LISA FOSTER 817-377-6000	EFF: 06/4/96	WESTERN WORLD INSURANCE COMPANY 400 PARSONS POND DRIVE FRANKLIN LAKES NJ 07417-2600 Contact: ALICE LEW MUI 201-825-3300	EFF: 04/27/70
TUDOR INSURANCE COMPANY 400 PARSONS POND DRIVE FRANKLIN LAKES NJ 07417-2600 Contact: ALICE LEW MUI 201-825-3300	EFF: 06/1/83		
ULICO INDEMNITY COMPANY 111 MASSACHUSETTS AVENUE WASHINGTON, DC 20001 Contact: DANIEL P SPENCER 202-682-4952	EFF: 06/29/94		
UNDERWRITERS INDEMNITY COMPANY EIGHT GREENWAY PLAZA #400 HOUSTON TX 77046 Contact: GREG E CHILSON	EFF: 02/5/88		
UNITED CAPITOL INSURANCE COMPANY 400 PERIMETER CENTER TERRACE #345 ATLANTA GA 30346 Contact: KATHY D BRUNE 404-833-5599	EFF: 02/13/84		

ALIEN SURPLUS LINES INSURERS
 State of Tennessee Eligible Surplus Lines Insurers List
 Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

ASSICURAZIONI GENERALI SPA (UK) PIZZA DUCA DEGLI ABRUZZI 2 34132 TRIESTE ITALY EFF. 10/24/90	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657
ASSOCIATED ELECTRIC & GAS INS SERVICES LTD (AEG) HARBORSIDE FINANCIAL CTR, 700 PLAZA 2 JERSEY CITY NJ 07311-3994 EFF. 04/12/94	LEBOEUF LAMB GREENE & MACRAE 212-424-8000 FAX 212-424-8500
BRITISH AVIATION INSURANCE COMPANY LTD FITZWILLIAM HOUSE, 10 ST MARY AXE LONDON EC3A 8EQ ENGLAND EFF. 10/01/94	MENDES & MOUNT MICHAEL C GIORDANO 212-261-8423 FAX 212-261-8750
CNA INTERNATIONAL REINSURANCE COMPANY LTD FOUNTAIN HOUSE, 125/135 FENCHURCH ST LONDON EC3M 5DJ ENGLAND EFF. 05/04/86	CNA INSURANCE COMPANIES JAMES J MORRIS 312-822-4650 FAX 312-822-2893
COMMERCIAL UNION ASSURANCE COMPANY PLC ST HELENS - 1 UNDERSHAFT LONDON EC3P 3DQ ENGLAND EFF. 06/10/87	MENDES & MOUNT MICHAEL C GIORDANO 212-261-8423 FAX 212-261-8750
COMMONWEALTH INSURANCE COMPANY - U.S. BRANCH 595 BURREARD ST #1500 BENTALL TOWER 3 VANCOUVER, BRITISH COLUMBIA V7X 1G4 EFF. 12/01/95	BUCHALTER NEMER FIELDS & YOUNGER JOHN L INGERSOLL 213-891-0700 FAX 213-896-0400
COPENHAGEN REINSURANCE COMPANY U.K. LTD 35/26 LIME STREET LONDON EC3M 7HR ENGLAND EFF. 04/01/86	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657
GAN INSURANCE COMPANY LTD MINSTER HOUSE - ARTHUR STREET LONDON EC4R 9BJ ENGLAND EFF. 10/04/71	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657
INDEMNITY MARINE ASSURANCE COMPANY LTD ST HELENS - 1 UNDERSHAFT LONDON EC3P 3DQ ENGLAND EFF. 06/10/87	MENDES & MOUNT MICHAEL C GIORDANO 212-261-8423 FAX 212-261-8750
INSURANCE COMPANY OF NORTH AMERICA (U.K.) LTD CIGNA HOUSE, 8 LIME STREET LONDON EC3M 7NA ENGLAND EFF. 11/18/91	LEBOEUF LAMB GREENE & MACRAE 212-424-8000 FAX 212-424-8500
LA CONCORDE COMPAGNIE D'ASSURANCES 5 RUE DE LONDRES PARIS FRANCE EFF. 07/19/94	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657
LIBERTY MUTUAL INSURANCE COMPANY (U.K.) LTD ONE MINSTER COURT MINDING LANE LONDON ENGLAND EC3R 7AA EFF. 03/01/95	LEBOEUF LAMB GREENE & MACRAE 212-424-8000 FAX 212-424-8500
LLOYD'S UNDERWRITERS AT LONDON LIME STREET LONDON EC3M 7HL ENGLAND EFF. 04/23/70	LEBOEUF LAMB GREENE & MACRAE 212-424-8000 FAX 212-424-8500
MARINE INSURANCE COMPANY LTD 34 LIME STREET LONDON EC3M 7JE ENGLAND EFF. 10/17/86	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657
NORTHERN ASSURANCE COMPANY LTD ST HELENS - 1 UNDERSHAFT LONDON EC3P 3DQ ENGLAND EFF. 06/10/87	MENDES & MOUNT MICHAEL C GIORDANO 212-261-8423 FAX 212-261-8750
OCEAN MARINE ASSURANCE COMPANY LTD ST HELENS - 1 UNDERSHAFT LONDON EC3P 3DQ ENGLAND EFF. 06/10/87	MENDES & MOUNT MICHAEL C GIORDANO 212-261-8423 FAX 212-261-8750
PHOENIX ASSURANCE PLC ONE BARTHOLOMEW LANE LONDON EC2N 2AB ENGLAND EFF. 10/17/86	KROLL & TRACT JOHN P DEARIE JR 212-921-9100 FAX 212-869-3657

ALIEN SURPLUS LINES INSURERS
State of Tennessee Eligible Surplus Lines Insurers List
Pursuant to Chapter 14, Sections 56-14-101 thru 56-14-117 T.C.A.

QBE INTERNATIONAL INSURANCE LTD
FOURTEEN FENCHURCH AVENUE
LONDON EC3M 5BS ENGLAND
EFF 06/29/84

RIVER THAMES INSURANCE COMPANY LTD
150152 FENCHURCH STREET
LONDON EC3M 6DL ENGLAND
EFF 06/30/70

SKANDIA INTERNATIONAL INSURANCE CORPORATION
SVEAVAGEN 44 BOX 7693
S-103 95 STOCKHOLM SWEDEN
EFF 04/08/86

SPHERE DRAKE INSURANCE PLC
52-54 LEADHALL STREET
LONDON EC3A 2BJ ENGLAND
EFF 12/10/69

SR INTERNATIONAL BUSINESS INSURANCE CO LTD
71-77 LEADENHALL STREET
LONDON EC3A 2PQ ENGLAND
EFF 03/01/89

ST PAUL REINSURANCE COMPANY LTD
ST PAUL HOUSE, 27 CAMPER DOWN STREET
LONDON E1 3DS ENGLAND
EFF 05/23/89

TERRA NOVA INSURANCE COMPANY LTD
TERRA NOVA HOUSE - 41/43 MINING LAN
LONDON EC3R 7SP ENGLAND
EFF 04/17/84

THREADNEEDLE INSURANCE COMPANY LTD
60 ST MARY AXE
LONDON EC3A 8JQ ENGLAND
EFF 10/20/87

UNIONAMERICA INSURANCE COMPANY LTD
77 GRACECHURCH STREET
LONDON EC3V 0DA ENGLAND
EFF 10/05/87

YORKSHIRE INSURANCE COMPANY LTD
TWO ROUGIER STREET
YORK YO1 1HR ENGLAND
EFF 09/05/90

ZURICH RE (U.K.) LIMITED
60 FENCHURCH STREET, THE ZURICH BLDG
LONDON EC3M 4JX ENGLAND
EFF 07/20/90

GILBERT SEGALL & YOUNG
JANE DAVIS
212-644-4000 FAX 212-644-4051

WILSON ELSER MOSKOWITZ EDELMAN & DICKER
LINDA ESKAY
212-490-3000 FAX 212-490-3038

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

WILSON ELSER MOSKOWITZ EDELMAN & DICKER
LINDA ESKAY
212-490-3000 FAX 212-490-3038

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

MENDES & MOUNT
MICHAEL C GIORDANO
212-261-8423 FAX 212-261-8750

LEBOEUF LAMB GREENE & MACRAE
212-424-8000 FAX 212-424-8500

Appendix D - Insurance

State of Tennessee Department of Correction General Insurance Specifications

Insurance Company Eligibility

Proposals will be accepted from Bidders whose insurance companies are authorized to do business in the State of Tennessee, having a Best's Rating of "A" or better, and a financial size of "Class VIII" or better, in the latest edition of Best's Insurance Reports. Any deviation from this requirement must be requested in writing by October 18, 1996 and will necessitate prior written approval from the State of Tennessee, Department of Correction. Such approval will be issued in the form of an Addendum to the RFP. Any non-admitted insurer must be on the current approved list of the Tennessee Department of Insurance. A copy of the 1996 White List is attached for your reference.

Contractor and Insurance Company Services Required

The following list of minimum services required must be provided by the successful Contractor's insurance agent and/or by the insurance company(ies):

1. Qualified loss control personnel, either employees or qualified independent contractors, must make inspections of the insured locations for loss prevention purposes for third party and employee exposures. If an independent contractor is used, that organization must be identified in the proposal.
2. A quarterly status of all claims occurring with respect to workers' compensation, general liability, and business automobile liability insurance must be submitted to the State of Tennessee, Department of Correction. These reports must include at least the following information:
 - a. Amount of claim paid and/or reserved;
 - b. Claimant information; and
 - c. Cause and description of accident.
3. The Contractor must prepare an annual listing of all State of Tennessee, Department of Correction insurance policies involved with this project including a discussion of the coverage provided and the estimated annual cost of each policy.

4. At least thirty (30) days prior to each policy anniversary date, the Contractor must provide State of Tennessee, Department of Correction with renewal information, including estimated renewal premiums and suggested coverage changes.
5. The Contractor must provide constant monitoring of all companies providing coverage for State of Tennessee, Department of Correction to ensure that the carriers are financially sound.
6. The Contractor must furnish continuing advice and counsel to the State of Tennessee, Department of Correction as required.

Specimen Policies

Proposals will be accepted only if accompanied by specimen policies, showing all terms, conditions and exclusions as well as rates to be used for audit purposes. Blank forms are acceptable provided that all rates are shown for auditable exposures. Rates may be shown either on the policies or on a separate page.

Cancellation/Non-Renewal

Unless otherwise instructed, all policies shall be endorsed with an agreement that the company will give ninety (90) days prior written notice, by registered mail to the State of Tennessee, Department of Correction, of its intention (1) to cancel, not renew, or make any material change in the current coverages or premiums, or (2) to make any material change in the coverages or premiums on renewal of any policy.

Proposals

Proposals must be indicated as to separate types of insurance, although proposals may be for any package policy or mandatory groupings of coverage. We have enclosed a "Premium Proposal Form" which must be returned with the proposal. Individual premiums and combinations of premiums, to the extent applicable, must be indicated thereon, or on a reasonable facsimile thereof. Proposals will be considered as binding for the first year of coverage, except for changes in hazards or exposure units occurring after the inception of the insurance.

The limits of liability and the scope of coverages indicated are suggested by the State of Tennessee, Department of Correction as a starting point. Evaluation of proposals will take into consideration deviations from the enhancements to the Insurance Specifications as set forth in this Addendum to the RFP.

Review of Insurance

It is intended that all insurance will be reviewed for contract compliance. However, the State of Tennessee, Department of Correction reserves the right to reject all or any part of the insurance at any time. The review of insurance will be based upon:

1. Scope of coverage;
2. Company financial stability, experience and industry standing; and
3. Underwriting, claims and engineering services.

It is considered highly desirable to place all of the insurance coverage with one principal company. Therefore, proposals will be evaluated on an overall underwriting basis but the State of Tennessee, Department of Correction may require any combination of coverage as it sees fit.

The limits required by the State of Tennessee, Department of Correction are the minimum limits acceptable. However, these limits are not to be construed as being the maximum any prospective contractor may wish to purchase for their own benefit.

Nothing herein shall in any way limit the right of the State of Tennessee, Department of Correction to recourse to the fullest extent permitted by law.

As respects the total limits of liability requested, any combination of primary and/or umbrella coverage may satisfy those totals. However, if an umbrella is used, coverage must be at least as broad as the primary coverages.

Named Insured

See Attachment I to Appendix D - Insurance found on page 4 of 31.

Signature

All proposals will be considered as binding the insurance company. Therefore, each "Premium Proposal Form", or a reasonable facsimile thereof, should be signed by the Contractor's authorized Insurance Company representative who has binding authority.

Instructions

Pages 1 through 22 provide details on the scope of coverage specified in this RFP.

Pages 23 to 31 should be completed and returned in accordance with the Time Table as set forth on page 7 of RFS97-329.44-002.

Attachment I
to Appendix D - Insurance

Named Insured

Unless otherwise instructed, the named insured for all insurance coverages should be:

The Contractor; and as respects damages and defense of claims arising from:
(a) activities performed by or on behalf of the Contractor, (b) products and completed operations of the Contractor, or (c) premises owned, leased, or used by the Contractor; any subsidiary, affiliate, division or subdivision, corporate or otherwise, as may now or hereafter be constituted, and any other entity of which the named insured assumes management control;

Include as an Additional Insured:

State of Tennessee, Department of Correction, and All State Officers, employees, and volunteers whether in their official or individual capacities

- a. in areas where the State of Tennessee, Department of Correction, and All State Officers, employees, and volunteers whether in their official or individual capacities are not protected by immunity
- b. up to the limits of \$300,000/\$1,000,000 in areas where the State's tort liability is limited by T.C.A. 9-8-307(e) as it may be amended or construed by the courts and/or claims commission.

Workers Compensation

Named Insured: Attachment I to Appendix D - Insurance

Coverage: Statutory workers compensation and employers liability insurance.

Limits:

Employers Liability	\$1,000,000	per accident
Insurance	\$1,000,000	per employee disease
	\$1,000,000	Policy limit disease
		or as required by excess insurer.

Covered States: Tennessee

Scope of Coverage:

1. Other states insurance shall be afforded.
2. The voluntary compensation and employers liability coverage endorsement is to be attached.
3. Foreign voluntary compensation with repatriation expense at a \$10,000 limit shall apply. Include endemic disease.
4. USL&H
5. Repatriation expense with a \$100,000 limit shall apply.
6. Coverage for endemic disease to be provided.
7. Coverage shall include stop gap liability - employers liability in monopolistic states
8. Federal Employers Liability Act will be included
9. Waive liability for any actions against the State of Tennessee

General Liability Excluding Products and Completed Operations

- Named Insured: Attachment I to Appendix D - Insurance
- Coverage: Quote either the comprehensive or commercial general liability format on an occurrence basis.
- A. Comprehensive General Liability
Coverage should include premises, operations, independent contractors, and broad form comprehensive general liability or their equivalent coverages.
- Limit:** \$10,000,000 combined single limit
- B. Commercial General Liability
- Coverage A should include premises, operations, independent contractors, contractual liability, fire legal liability and broad form property damage coverages.
 - Coverage B should include personal injury and advertising injury.
 - Coverage C, medical payments, is not desired.
- Limits:**
- Each occurrence:
Quote \$5,000,000
- Personal and advertising injury limit:
Quote \$5,000,000
- General aggregate limit:
Quote \$10,000,000

Scope of Coverage:

1. Provide blanket contractual liability for any agreement relating to the business of the insured, including oral agreements.
2. Coverage to apply to liability arising out of independent contractor operations.
3. Employees shall be additional insureds while acting within the scope of their duties.
4. Personal injury and advertising injury liability shall be included with the employment and contractual exclusions deleted.
5. Provide liquor legal liability coverage.
6. Fire legal liability is to be insured with a limit of \$1,000,000 per occurrence for real property.
7. Any waiver of subrogation shall be permitted, provided such waiver takes place before the loss and with prior consent of the State of Tennessee, Department of Correction.
8. Coverage to include non-owned watercraft liability with no length restriction.
9. Bodily injury liability arising from protecting persons or property to be insured.
10. Incidental malpractice liability coverage to be afforded.
11. Worldwide coverage shall apply for claims or suits brought within the United States.
12. Delete any explosion, collapse and underground property damage exclusions.
13. Provide broad form property damage liability.
14. Delete any alienated premises exclusion.

15. Notice of occurrence:

When an occurrence takes place, written notice shall be given by or on behalf of the insured to the company or any of its authorized agents as soon as practicable after the accident or occurrence becomes known to the Risk Manager.

16. Blanket additional insureds:

All persons or entities (except vendors) for whom the insured has agreed to provide insurance in accordance with the terms of oral or written agreements shall be covered as additional insureds.

17. Cross Liability:

Employees of one insured shall be deemed members of the public as concerns other insureds. Said relationship shall be considered as applying to all of the insureds named as such in the definition of insureds.

18. Errors and omissions:

Coverage shall not be invalidated or affected by errors, inadvertent omissions, or improper descriptions of premises or operations described in the policy.

19. Employee benefits liability should be provided with limits of \$1,000,000 each claim or occurrence. Premium to be shown separately.

20. Stand alone coverage for this project is desired. However, if the commercial general liability format is used, the aggregate limits are to apply per location and per project.

21. Amend the definition of personal injury to include mental anguish, mental injury, humiliation, discrimination and any other injury to the feelings and reputation of a natural person, except where prohibited by law.

22. Delete any fellow employee exclusion.
23. Failure to give notice:

The rights of the insured shall not be prejudiced if there is a failure to give notice of occurrence or incident due to the insured's inadvertent error or omission.
24. Extend coverage to provide sudden and accidental pollution liability.
25. Delete exclusions for personal injury and advertising injury arising out of advertising, publishing, broadcasting or telecasting.
26. Extend the coverage territory to a worldwide basis without limitations on where claim or suit is brought.
27. Medical and Professional Liability for employed nurses, doctors, attorneys, counselors, psychologists and/or social workers. (If not quoted with general liability, separate quotes should be obtained.)
28. Extend coverage to include sexual abuse/molestation.
29. Extend coverage to include civil rights violations, which will include all claims brought by any persons based in whole or in part on an alleged violation of the federal or state constitutions, statutes or regulations, including but not limited to, suits brought pursuant to 42 U.S.C. S1983.
30. Extend coverage to include communicable disease.
31. Extend coverage to provide coverage for special or punitive damages where permitted by law or public policy.
32. Coverage to include unlimited defense coverage in addition to limits of liability.
33. Extend coverage to include assault and battery as a covered act.

Products and Completed Operations Liability

- Named Insured:** Attachment I to Appendix D - Insurance
- Coverage:** Quote either the comprehensive or commercial general liability format on an occurrence basis.
- A. Comprehensive General Liability
Coverage should include products, completed operations, and related broad form comprehensive general liability or their equivalent coverages.
- Limit:** \$10,000,000 combined single limit
- B. Commercial General Liability
Coverage A should include products, completed operations, contractual liability, and related broad form property damage coverages.
- Limits:**
- Each occurrence: \$5,000,000
- Products and completed operations aggregate limit:
Quote \$10,000,000
- Scope of Coverage:**
1. Provide blanket contractual liability for any agreement relating to the business of the insured, including oral agreements.
 2. Employees shall be additional insureds while acting within the scope of their duties.
 3. Any waiver of subrogation shall be permitted, provided such waiver takes place before the loss and with prior consent of the State of Tennessee, Department of Correction.

4. Worldwide coverage shall apply for claims or suits brought within the United States.
5. Provide broad form property damage liability for completed operations.
6. With respect to the completed operations hazard, exclusion "O" or "Z" or its equivalent should be modified to read as follows:

With respect to the completed operations hazard and with respect to any classifications stated as "including completed operations", to property damage to that smallest identifiable portion or the work performed by the named insured or to parts or equipment furnished in connection therewith that is defective or actively malfunctions, arising out of the work or portion thereof.

If the commercial format is used, paragraph 1 of exclusion L should be modified as follows:

Property damage to the smallest identifiable portion of your work arising out of it or any part of it and included in the products/completed operations hazard.

7. Notice of occurrence:

When an occurrence takes place, written notice shall be given by or on behalf of the insured to the company or any of its authorized agents as soon as practicable after the occurrence becomes known to the Risk Manager.

8. Provide additional insured - vendors coverage on a blanket basis.
9. Cross Liability:

Employees of one insured shall be deemed members of the public as concerns other insureds. Said relationship shall be considered as applying to all of the insureds named as such in the definition of insureds.

10. Errors and omissions:

Coverage shall not be invalidated or affected by errors, inadvertent omissions, or improper descriptions of premises or operations described in the policy.

11. Failure to give notice:

The rights of the insured shall not be prejudiced if there is a failure to give notice of occurrence or incident due to the insured's inadvertent error or omission.

12. Extend the coverage territory to a worldwide basis without limitation as to where claim or suit is brought.

Business Auto Liability

Named Insured: Attachment I to Appendix D - Insurance

Coverage Limits: Insurance to be provided under a business auto form:

<u>Coverages</u>	<u>Symbol</u>	<u>Limit</u>
Liability	1	\$5,000,000
Personal Injury Protection	10 Any Auto	\$5,000,000
Uninsured Motorists	10 Any Auto	\$5,000,000

Scope of Coverage:

1. Notice of accident:

When an occurrence takes place, written notice shall be given by or on behalf of the insured to the company or any of its authorized agents as soon as practicable after the accident or occurrence.

2. Failure to give notice:

The rights of the insured shall not be prejudiced if there is a failure to give notice of accident or incident due to the insured's inadvertent error or omission.

3. Contractual liability coverage is to be included in the business auto form. Contractual liability is to apply for all hired vehicles, regardless of the term of hire or size of autos.

4. Blanket additional insureds:

All persons or entities for whom the insured has agreed to provide insurance in accordance with the terms of vehicle leases or other oral or written agreement shall be covered as additional insureds.

5. Errors and Omissions:

Coverage shall not be invalidated or affected by any errors, inadvertent omissions or improper descriptions of underwriting information, autos, their use, or garaging locations.

6. Any "fellow employee" suits exclusions shall be deleted utilizing the following:
For all employees

7. An "Employees as Insureds" endorsement is to be attached.

8. Include Pollution Liability

9. Provide non-owned auto liability coverage

Owned & Non-Owned Aircraft Liability

- Named Insured:** Attachment I to Appendix D - Insurance
- Coverage:** Quote owned and non-owned aircraft coverage
- Limits:** \$10,000,000 and/or \$20,000,000 per occurrence
- Scope of Coverage:**
1. Include bodily injury, property damage and mental anguish
 2. Include bodily injury coverage for passengers (per seat)
 3. Include the claims of employees (crew)
 4. Coverage to apply on a worldwide basis
 5. Indicate the seating capacity of aircraft owned and/or leased
 6. Extend coverage to include contractual liability, both written and verbal
 7. Notice of Occurrence:

When an occurrence takes place, written notice shall be given by or on behalf of the insured to the Company or any of its authorized agents as soon as practicable after an accident or occurrence becomes known to the Risk Manager.

Umbrella/Excess Liability

Named Insured: See Attachment I to Appendix D - Insurance

Coverage Limits: It is permissible to meet minimum limit requirements in total by using a combination of primary and excess policies. Please note that if the excess policy form utilized has an overall aggregate policy limit, the total coverage provided must not be less than that which would have been available for any combination of general liability, auto liability and employers liability claims at the primary limit minimum specified.

Scope of Coverage: "Pay on Behalf of" policy form preferred.

The excess underwriter has reviewed the extensions of primary coverage parts and agrees to follow these forms by endorsement. Any exceptions to this must be specifically identified.

First Dollar Defense coverage is to be provided.

Defense without limitation is to be provided in addition to the policy limit.

A zero self-insured retention is preferred.

List any terms, conditions, or limitations of coverage not in common with those of the primary insurance specifications.

Directors & Officers Liability

- Named Insured:** List insured organization
- Coverage:** Quote coverage for Directors and Officers and for Corporate Reimbursement
- Limits:** \$10,000,000 annual aggregate with (various) deductible (options) for corporate reimbursement / \$0 retention for individual Directors & Officers
- Scope of Coverage:**
1. Include wrongful act(s) defined in policy form
 2. Prior acts coverage should be included (Continuity of Coverage)
 3. Include clause stating to the effect that information on the application will not void coverage for all insureds (Severability)
 4. Policy shall pay 100% excess of retention (No Coinsurance)
 5. Include discrimination coverage
 6. Include punitive or exemplary damage coverage
 7. Include clause which picks up any inadvertent failure to maintain insurance
 8. Minimum discovery period of one year
 9. Include wrongful acts reported during the policy term
 10. Failure to file notice:

The rights of the insured shall not be prejudiced if there is a failure to give notice of an occurrence or incident due to inadvertent error or omission on the part of the insured.

11. Delete the anti-trust exclusion
12. Permit claims brought by governments
13. Include clause stating that coverage will not be invalidated by insured's insolvency
14. Permit insured vs. insured claims for wrongful termination
15. Include marital estate extension
16. Delete the RICO exclusion (Racketeering, Influence and Corrupt Organization)
17. Entities coverage: include coverage for the corporation itself, not just the Directors and Officers of same.
18. Include Employment Practices Liability (It is acceptable to provide this coverage under a separate policy form with limits equal to the D&O limit.)

Environmental Impairment Liability

- Named Insured:** Attachment I to Appendix D - Insurance
- Coverage:** Liability for bodily injury and property damage resulting from sudden, accidental or gradual pollution arising from operations conducted by the insured.
- Limits:** \$5,000,000 each pollution incident / \$10,000,000 aggregate
- Coverage Locations:**
1. All premises
 2. Alienated premises (if any present locations are alienated).
- Deductible:** Specify the deductible which will apply
- Scope of Coverage:**
1. On and off premises clean-up costs, including those for corrective action are to be covered.
 2. Employees shall be additional insureds while acting within the scope of their duties.
 3. Prior Acts coverage shall be afforded, if claims made.
 4. The cost of appeal and defense should be payable in addition to the limits of liability.
 5. The policy is to comply with the requirements of the financial responsibility regulations of the Environmental Protection Agency regarding petroleum underground storage tanks.
 6. Include Extended Reporting Provision; indicate cost, duration and implications if insured cancels.

Professional and Medical Liability
(Nurses, Doctors, Attorneys, Counselors, Psychologists, Social Workers)

- Named Insured:** See Attachment I to Appendix D - Insurance and any individual who was, now is or shall be employed as a nurse, doctor, attorney, counselor, psychologist or social worker of the contractor.
- Coverage:** Professional Liability form to insure bodily injury, including mental injury or death, arising out of the rendering or failure to render professional services.
- Limits:** \$ 5,000,000 each occurrence;
\$10,000,000 annual aggregate;
Other at option of the proposer.
- Scope of Coverage:**
1. Coverage should be on an occurrence basis or claims made with a 3 or 5 year tail.
 2. Full Prior Acts coverage shall be afforded.
 3. All proposals should disclose the cost of an extended reporting provision and the conditions under which it may be purchased.

Property / Boiler and Machinery

Named Insured: See Attachment I - Appendix D - Insurance

Coverage: "All Risks" of Physical Loss or Damage including the perils of earthquake and flood

Limits:

- . Building - \$5,000
- . Contents - of Contractor on location (contractor will be solely responsible for all loss or damage to contractor owned property.)

Sublimits:

- Transit
- Extra Expense
- Electronic Data Processing
- Expediting Expense
- Service Interruption (PD & BI) - all utilities
- Contingent Extra Expense
- Business Interruption including Ordinary Payroll
- Offsite Storage
- Errors & Omissions
- Mechanical Breakdown, Electrical Arcing
- Pollution Contamination
- Personal Property of Employees
- Contingent Business Interruption

Deductibles: \$250

Term & Conditions:

- 90 day notice of cancellation
- Repair or Replacement Coverage
- Automatic Reinstatement of Limits
- Coinsurance - 100% - Waived
- Permit Other Insurance

Appendix F

FEDERAL BUREAU OF INVESTIGATION CRIMINAL JUSTICE INFORMATION SERVICES

SECURITY ADDENDUM

The goal of this document is to provide adequate security for criminal justice systems while under the control or management of a private entity, the Contractor. Adequate security is defined in Office of Management and Budget Circular A-130 as "security commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access to or modification of information."

The intent of this Security Addendum is to require that the Contractor maintain a security program consistent with federal and state laws, regulations, and standards as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

This Security Addendum identifies the duties and responsibilities with respect to the installation and maintenance of adequate internal controls within the contractual relationship so that the security and integrity of the FBI's information resources are not compromised. The security program shall include consideration of personnel security, site security, system security and data security.

The provisions of this Security Addendum apply to all personnel, systems, networks and support facilities supporting and/or acting on behalf of the government agency.

1.00 Definitions

1.01 Administration of criminal justice - the detection, apprehension, detention, pretrial release, post-trial release, prosecution, adjudication, correctional supervision, or rehabilitation of accused persons or criminal offenders. It also includes criminal identification activities; the collection, storage, and dissemination of criminal history record information; and criminal justice employment.

1.02 Agency Coordinator (AC) - a staff member of the Contracting Government Agency, who manages the agreement between the Contractor and agency.

1.03 Contracting Government Agency (CGA) - the government agency, whether a Criminal Justice Agency or a Noncriminal Justice Agency, which enters into an agreement with a private contractor subject to this Security Addendum.

1.04 Contractor - a private business, organization or individual

which has entered into an agreement for the administration of criminal justice with a Criminal Justice Agency or a Noncriminal Justice Agency.

1.05 Control Terminal Agency (CTA) - a duly authorized state or federal criminal justice agency with direct access to the National Crime Information Center (NCIC) telecommunications network providing statewide (or equivalent) service to its criminal justice users with respect to the various systems managed by the FBI CJIS Division.

1.06 Control Terminal Officer (CTO) - an individual located within the CTA responsible for the administration of the CJIS network for the CTA.

1.07 Criminal Justice Agency (CJA) - The courts, a governmental agency, or any subunit of a governmental agency which performs the administration of criminal justice pursuant to a statute or executive order and which allocates a substantial part of its annual budget to the administration of criminal justice. State and federal Inspectors General Offices are included.

1.08 Noncriminal Justice Agency (NCJA) - a governmental agency or any subunit thereof that provides services primarily for purposes other than the administration of criminal justice.

1.09 Noncriminal justice purpose - the uses of criminal history records for purposes authorized by federal or state law other than purposes relating to the administration of criminal justice, including employment suitability, licensing determinations, immigration and naturalization matters, and national security clearances.

1.10 Security Addendum - a uniform addendum to an agreement between the government agency and a private contractor, approved by the Attorney General of the United States, which specifically authorizes access to criminal history record information, limits the use of the information to the purposes for which it is provided, ensures the security and confidentiality of the information consistent with existing regulations, provides for sanctions, and contains such other provisions as the Attorney General may require.

2.00 Responsibilities of the Contracting Government Agency

2.01 The CGA entering into an agreement with a Contractor is to appoint an AC.

2.02 In instances in which responsibility for a criminal justice system has been delegated by a CJA to a NCJA, which has in turn entered into an agreement with a Contractor, the CJA is to appoint an Agency Liaison to coordinate activities between the

CJA and the NCJA and Contractor. The Agency Liaison shall, inter alia, monitor compliance with system security requirements. In instances in which the NCJA's authority is directly from the CTA, there is no requirement for the appointment of an Agency Liaison.

2.03 The AC will be responsible for the supervision and integrity of the system, training and continuing education of employees and operators, scheduling of certification testing and all required reports by NCIC.

2.04 The AC has the following responsibilities:

- a Understand the communications and records capabilities and needs of the Contractor which is accessing federal and state records through or because of its relationship with the CGA;
- b Participate in related meetings and provide input and comments for system improvement;
- c Receive information from the CGA (e.g., system updates) and disseminate it to appropriate Contractor employees;
- d. Maintain and update manuals applicable to the effectuation of the agreement, and provide them to the Contractor;
- e Maintain up-to-date records of employees of the Contractor who access the system, including name, date of birth, social security number, date fingerprint card(s) submitted, date security clearance issued, and date certified or recertified (if applicable);
- f Train or ensure the training of Contractor personnel. If Contractor personnel access NCIC, schedule the operators for a certification exam with the CTA staff. Schedule new operators for the certification exam within six (6) months of employment. Schedule certified operators for re-certification testing within thirty (30) days prior to the expiration of certification. Schedule operators for any other mandated class;
- g. The AC will not permit an un-certified employee of the Contractor to access an NCIC terminal;
- h Where appropriate, ensure compliance by the Contractor with NCIC validation requirements;
- i. Provide completed Applicant Fingerprint Cards on each person within the Contractor who accesses the System to the CJA (or, where appropriate, CTA) for criminal

background investigation prior to such employee accessing the system; and

- j. Any other responsibility for the AC promulgated by the FBI.

2.05 The CTA shall ensure that all NCIC hot file transactions and Interstate Identification Index (III) transactions be maintained on an automated log for a minimum of six months. This automated log must identify the operator on III transactions, the agency authorizing the transactions, the requester, and any secondary recipient. This information can be captured at log on and can be a name, badge number, serial number, or other unique number.

3.00 Responsibilities of the Contractor

3.01 The Contractor shall maintain a security program which complies with this Security Addendum.

3.02 The Contractor shall assign a Security Officer accountable for the management of this security program. This person shall coordinate with the CGA to establish the security program.

3.03 The Contractor shall document the security program in a Security Plan. The Security Plan shall describe the implementation of the security requirements described in this Security Addendum, the associated training program, and the reporting guidelines for documenting and communicating security violations to the CGA. The Security Plan shall be subject to the approval of the CJA, even in instances in which the CGA is the NCJA.

3.04 The Contractor shall provide for a Security Training Program for all Contractor personnel engaged in the management, development, operation, and/or maintenance of criminal justice systems and facilities. Annual refresher training shall also be provided.

3.05 The Contractor shall establish a security violation response and reporting procedure to discover, investigate, document, and report on all security violations. Violations which endanger the security or integrity of the criminal justice system or records located therein must be communicated to the CGA immediately. Minor violations shall be reported to the CGA on a periodic basis, but in no instance less than quarterly. See Section 8.01.

3.06 The Contractor's facilities will be subject to unannounced security inspections performed by the CGA. These facilities are also subject to periodic FBI and state audits.

3.07 The security plan is subject to annual review by the CJA and the Contractor. During this review, provision will be made to

update the program in response to security violations, changes in policies and standards, and/or changes in federal and state law and technology.

3.08 The Contractor and its employees will comply with all federal and state laws, rules, procedures and policies formally adopted by the FBI and the CJIS APB, including those governing criminal history record information.

4.00 Site Security

4.01 The Contractor shall dedicate and maintain control of the facilities, or areas of facilities, that support the CGA.

4.02 All terminals physically or logically connected to the computer system accessing NCIC and the criminal justice files must be segregated and screened against unauthorized use or observation.

5.00 System Integrity

5.01 Only employees of the Contractor, employees of CGA, the Agency Liaison, and such other persons as may be granted authorization by the CGA shall be permitted access to the system.

5.02 The Contractor shall maintain appropriate and reasonable quality assurance procedures.

5.03 Access to the system shall be available only for official purposes consistent with the appended Agreement. Any dissemination of NCIC data to authorized employees of the Contractor is to be for their official purposes.

5.04 Information contained in or about the system will not be provided to agencies other than the CGA or another entity which is specifically designated in the contract.

5.05 All criminal history record information requests must be envisioned and authorized by the appended Agreement. A current up-to-date log concerning access and dissemination of criminal history record information shall be maintained at all times by the Contractor.

5.06 The Contractor will ensure that its inquiries of NCIC and any subsequent dissemination conforms with applicable FBI/NCIC policies and regulations, as set forth in the NCIC Operating Manual, NCIC and CJIS APB meeting minutes, and all relevant CJIS security documents. All disseminations will be considered as "Unclassified, For Official Use Only."

5.07 The Contractor shall protect against any unauthorized persons gaining access to the equipment, any of the data, or the

operational documentation for the criminal justice information system. In no event shall copies of messages or criminal history record information be disseminated other than as envisioned and governed by the appended Agreement.

6.00 Personnel Security

6.01 Appropriate background investigations must be conducted on all Contractor employees and the Contractor's vendors which provide system maintenance support.

6.02 Thorough background screening by the CGA is required. This investigation includes submission of a completed applicant fingerprint card to the FBI through the state identification bureau. State and national record checks by fingerprint identification must be conducted for all personnel who manage, operate, develop, access and maintain criminal justice systems and facilities. Record checks must be completed prior to employment.

6.03 When a request is received by the CTA before system access is granted:

- a. The CGA on whose behalf the Contractor is retained must check state and national arrest and fugitive files. These checks are to be no less stringent than those performed on CJA personnel with access to NCIC.
- b. If a record of any kind is found, the CGA will be formally notified, and system access will be delayed pending review of the criminal history record information. The CGA will in turn notify the Contractor-appointed Security Officer.
- c. When identification of the applicant with a criminal history has been established by fingerprint comparison, the CGA's designee will review the matter. A Contractor employee found to have a criminal record consisting of any felony convictions or of misdemeanor offenses which constitute a general disregard for the law is disqualified. Applicants shall also be disqualified on the basis on confirmations that arrest warrants are outstanding for such applicants.
- d. If an adverse employment determination is made, access will be denied and the Contractor-appointed Security Officer will be notified in writing of the access denial. This applicant will not be permitted to work on the contract with the CGA. Disqualified employees and applicants for employment shall be notified of the adverse decisions and the impact that such records had on

decisions and the impact that such records had on such decisions.

6.04 The investigation of the applicant's background shall also include contacting of employers (past or present) and personal references.

6.05 The Security Officer shall maintain a list of personnel who successfully completed the background investigation.

6.06 The CGA will ensure that each Contractor employee receives a copy of the Security Addendum and executes an acknowledgment of such receipt and the contents of the Security Addendum. The signed acknowledgments shall remain in the possession of the CGA and available for audit purposes.

6.07 The CGA shall ensure that each Contractor employee authorized to access CJIS network terminals or information provided therefrom is specially trained in the state and federal laws and rules governing the security and integrity of criminal justice information.

6.08 All visitors to sensitive areas of Contractor facilities must be escorted at all times by a Contractor employee with clearance. Names of all visitors shall be recorded in a visitor log, to include date and time of visit, name of visitor, purpose of visit, name of person visiting, and date and time of departure. The visitor logs shall be maintained for five years following the termination of the contract.

7.00 System Security

7.01 Transmission, processing, and storage of CJA information shall be conducted on dedicated systems. Increased reliance should be placed on technical measures to support the ability to identify and account for all activities on a system and to preserve system integrity.

7.02 The system shall include the following technical security measures

- a unique identification and authentication for all interactive sessions;
- b if warranted by the nature of the contract, advanced authentication techniques in the form of digital signatures and certificates, biometric or encryption for remote communications;
- c security audit capability for interactive sessions and transaction based logging for message-based sessions;

this audit shall be enabled at the system application level;

- d access control mechanisms to enable access to be restricted by object (e.g., data set, volumes, files, records) to include the ability to read, write, or delete the objects;
- e ORI identification and access control restrictions for message based access;
- f system and data integrity controls;
- g. access controls on communications devices
- h. confidentiality controls (e.g., partitioned drives encryption, and object reuse).

7.03 Data encryption shall be required throughout the network passing through a shared public carrier network.

7.04 The Contractor shall provide for the secure storage and disposal of all hard copy and media associated with the system to prevent access by unauthorized personnel.

7.05 The Contractor shall establish a procedure for sanitizing all fixed storage media (e.g., disks, drives) at the completion of the contract and/or before it is returned for maintenance, disposal or reuse. Sanitization procedures include overwriting the media and/or degaussing the media. If media cannot be successfully sanitized it must be returned to the CGA or destroyed.

8.00 Security violations

8.01 Consistent with Section 3.05, the Contractor agrees to inform the CGA of system violations. The Contractor further agrees to immediately remove any employee from assignments covered by this contract for security violations pending investigation. Any violation of system discipline or operational policies related to system discipline are grounds for termination, which shall be immediately reported to the AC in writing.

8.02 The CGA must report security violations to the CTO and the Director, FBI, along with indications of actions taken by the CGA and Contractor.

8.03 Security violations can justify termination of the appended agreement.

8.04 Upon notification, the FBI reserves the right

- a Investigate or decline to investigate any report of unauthorized use;
- b. Suspend or terminate access and services, including the actual NCIC telecommunications link. The FBI will provide the CTO with timely written notice of the suspension. Access and services will be reinstated only after satisfactory assurances have been provided to the FBI by the CJA and Contractor. Upon termination, the Contractor's records containing criminal history record information must be deleted or returned to the CGA.

8.05 The FBI reserves the right to audit the Contractor's operations and procedures at scheduled or unscheduled times. The FBI is authorized to perform a final audit of the Contractor's systems after termination of the Security Addendum.

9.00 Miscellaneous provisions

9.01 This Security Addendum does not confer, grant, or authorize any rights, privileges, or obligations on any persons other than the Contractor, CGA, CJA (where applicable), CTA, and FBI.

9.02 The following documents are incorporated by reference and made part of this agreement: (a) The III, NCIC, and Uniform Crime Reporting Operating Manuals; (b) The Minutes of the CJIS APB; (c) The Bylaws for the CJIS APB and CJIS Working Groups; (d) Title 28, Code of Federal Regulations, Part 20; (e) The NCIC Security Policy (including all concepts of NCIC Computerized Criminal History Program Background, Concept and Policy); (f) The Recommended Voluntary Standards for Improving the Quality of Criminal History Record Information, NCIC Standards, and UCR Standards, as recommended by the CJIS APB; and (g) Applicable federal and state laws and regulations.

9.03 The terms set forth in this document do not constitute the sole understanding by and between the parties hereto; rather they provide a minimum basis for the security of the system and it is understood that there may be terms and conditions of the appended Agreement which impose more stringent requirements upon the Contractor.

9.04 This Security Addendum may only be modified by the FBI, and may not be modified by the parties to the appended Agreement without the consent of the FBI.

9.05 All notices and correspondence shall be forwarded by First Class mail to :

FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM

CERTIFICATION

I hereby certify that I have read and am familiar with the contents of this Security Addendum, including relevant portions of the underlying documents, including but not limited to the III, NCIC, and UCR Operating Manuals; relevant Minutes of the CJIS Advisory Policy Board; Bylaws for the CJIS Advisory Board and CJIS Working Groups; Title 28, Code of Federal Regulations, Part 20; NCIC Security Policy; Recommended Voluntary Standards For Improving the Quality and Criminal History Record Information; NCIC and UCR Standards; as well as applicable federal or state laws and regulations regarding dissemination of criminal history records for criminal and noncriminal justice purposes.

Signature of Contractor Representative

Organization and Title

Date

I acknowledge that I have read this Security Addendum and understand its contents.

Signature of Contractor Employee

Date

Assistant Director
Criminal Justice Information Services Division, FBI
1000 Custer Hollow Road
Clarksburg, West Virginia 26306

APPENDIX G

COMPARATIVE EVALUATION GUIDELINES

**For the Comparative Evaluation
of the
South Central Correctional Center RFP
and Contract Performance**

November 2, 2001

Table of Contents

<u>1.</u>	<u>OVERVIEW</u>	3
<u>2.</u>	<u>METHODOLOGY</u>	5
<u>2.1.</u>	<u>PERFORMANCE COMPARISON</u>	5
<u>2.1.1.</u>	<u>PERFORMANCE EVALUATION MEASURES</u>	5
<u>2.1.2.</u>	<u>TYPES OF MEASURES</u>	6
<u>2.1.3.</u>	<u>SCORING</u>	6
<u>3.</u>	<u>PERFORMANCE EVALUATION INFORMATION COLLECTION</u>	7
<u>4.</u>	<u>PERFORMANCE EVALUATION INFORMATION VALIDATION</u>	8
<u>5.</u>	<u>VALUE AND WEIGHTING OF PERFORMANCE MEASURES</u>	8
<u>6.</u>	<u>CONDUCTING THE PERFORMANCE EVALUATION</u>	8
<u>7.</u>	<u>COST COMPARISON</u>	9

1. OVERVIEW

The Public Acts of 2001, Chapter 132 amended TCA Title 41, Chapter 24 relative to the comparative evaluation process for private contracts for correctional services. The new language charged the State of Tennessee with establishing objective performance criteria and cost criteria for both the State and the private contractor. These performance and cost criteria are to be used as the basis for a comparative evaluation between the operations of the state's facilities, as set out in the Request for Proposal, and the privately operated facility known as South Central Correctional Center (SCCC). This comparison is to be made after the end of the second full year of operation, but before renewing the initial contract at the end of the three-year contract term. The performance evaluation is to be performed by the Select Oversight Committee on Corrections. The cost comparison is to be compiled by the Fiscal Review Committee. The contract can only be renewed if the contractor is providing essentially the same quality of services as the state at a cost of 5% lower than the state, or if the contractor is providing superior services (greater than 5%) at essentially the same cost as the state.

TCA 41-24-105 requires the following:

- a) Before the awarding of any contract to provide correctional services as defined in Section 41-24-104(2)(F), the state shall establish objective performance criteria and cost criteria for both the state and private contractor. The performance criteria shall measure the quality of management, security and safety, personnel training, inmate programs, and treatment and other topics deemed appropriate. The performance criteria and cost criteria shall be established and incorporated as requirements in any proposed request for proposal and any contract and shall be used as the basis for any comparison between the state and any contractor.
- b) For any contractor to provide correctional services as defined in Section 41-24-102(2)(F), the initial contract term shall be for a period of three (3) years in order to allow the contractor sufficient time to demonstrate its performance and to provide sufficient information to allow a comparison of the performance of the contractor to the performance of the state in providing similar services. Provided, however, to allow sufficient time for completion and review of any comparative evaluation, the initial term may exceed three (3) years by a period of up to four (4) months as necessary to make the end of the initial term coincide with the state's fiscal year. The initial contract may include an option to renew for an additional period of two (2) years, subject to the provisions of this section.
- c) After the first two (2) years of operation, but before renewing the initial contract, the performance of the contractor shall be compared to the performance of the state for similar services as set out in the contract. The contract may be renewed only if the contractor is providing essentially the same quality of

services as the state at a cost of five percent (5%) lower than the state as set out in the contract, or if the contractor is providing services superior in quality to those provided by the state at essentially the same cost as set out in the contract. For the purposes of this statute and comparison, "essentially the same" shall mean the difference is no greater than five (5%). For the purpose of this statute and comparison "superior" shall mean a difference greater than five percent (5%). The methodology for determining the measurement of five (5%) differences shall also be set out in the request for proposal and contract.

- d) The quality of services provided by the contractor and by the state shall be compared by the select oversight committee on correction, or, in the absence of such committee, a committee designated by the speakers of the senate and house. The committee shall determine the quality of services provided by the contractor and the state by applying the performance criteria set out in the request for proposal and contract pursuant to subsection (a) and provide a numerical score for the state and the contractor. The committee shall report its determination to the parties responsible for determining whether the contract should be renewed.
- e) The fiscal review committee, or, in the absence of such committee, any other committee designated by the speakers of the senate and house, shall compare the cost measures as established in this chapter and set out in the request for proposal and the contract for service and provide a prisoner per day cost for the state and the contractor. The committee shall report its determination to the parties responsible for determining whether the contract should be renewed.

As a means of satisfying the statutory requirement to develop objective performance and cost criteria, the Select Oversight Committee on Corrections (SOCC) director, the SOCC consultant, a member of the Fiscal Review Committee, as well as Department of Correction employees with a wide range of correctional expertise, initiated the development of a performance evaluation process and assessment and scoring instruments.

It was decided that Northeast Correctional Complex (NECC) and Northwest Correctional Complex (NWCC) are the most comparable state facilities to evaluate and compare with the South Central Correctional Center (SCCC). The two state operated institutions have been selected for previous comparisons because of the similarity in age of the facilities, design of the facilities, and inmate populations. These two facilities continue to be the most comparable. Since the early institution comparisons were made, consolidation of state institutions resulted in other facilities being combined administratively with both NECC and NWCC. These consolidations add some challenges, such as adjusting for differences in the number of inmates, the comparability of inmate populations, etc.; however the evaluation process and instruments have been developed to compensate for these differences through the use of per capita ratios and other scoring measures.

As the process evolved, the methodological guidance of the Vanderbilt Institute for Public Policy Studies was sought and received. The co-director of the Center for Evaluation and Research Methodology, Dr. Mark Lipsey, assisted in reviewing the evaluation instrument for consistency of methodology. He confirmed that the approach adopted by the evaluation group was a fair way of comparing the performance of all three prisons because the criteria for the comparison apply equally to all three institutions and because the processes necessary to obtain the data required to support the resulting measurements are in place.

Resulting from these meetings is the Performance Evaluation process and instrument that is included as a part of the Pro Forma Contract of the Request for Proposal under Appendix G. This instrument, identified as a Performance Evaluation data collection instrument is included with this Overview as Exhibit "A".

2. METHODOLOGY

Since renewal of the contract is dependent upon an evaluation of the quality of services as well as the cost to provide those services, it is important that *both* performance and cost measures be comparable and quantifiable. The following methodology was developed with that in mind.

2.1. PERFORMANCE COMPARISON

2.1.1. PERFORMANCE EVALUATION MEASURES

The comparative evaluation is framed around four (4) major categories. Each category has a principal goal that expresses the desired result(s) for that particular category. The categories and goals are as follows:

a) Security and Control

The goal of the security and control category is that the community, staff, and inmates are protected from harm

b) Inmate Care

The goal of the inmate care category is that the institution provides for the basic needs, appropriate care, and programming of the inmate population

c) Institution Safety & Physical Plant Conditions

The goal of institution safety and plant conditions is that the institution environment meets national and state fire and safety codes, health codes and requirements and

provides for safe living and working conditions. Emergencies are responded to with order and efficiency

d) Institution Administration

The goal of institution administration is that the institution is managed in a professional and responsible manner

The measurement of how well the goals have been achieved will be measured in two (2) ways: Outcome Measures and Mandated Practices. Most terms or phrases used in the Outcome Measures and Mandated Practices are defined in Department of Correction policies. An easy reference document with a selection of these definitions is provided with the Performance Evaluation instrument as well. Requests for clarification of terms should be made during the Pre-proposal Conference or should be requested in the form of a Written Comment during the Request for Proposal process. The State's written responses will become part of the final contract.

2.1.2. TYPES OF MEASURES

Outcome Measures: Outcome measures measure the results of the institution's operation. Outcome measures look at specific expected results within each major category.

Mandated Practices: Mandated practices are those areas of institution operation, which must be effectively accomplished in order to achieve the goal. These mandated practices are items, which are done on a continual basis and are regularly reviewed for compliance with policies, procedures, or other regulations.

2.1.3. SCORING

The scoring for the items in the performance evaluation instrument utilizes a deductive method. In this method, each institution starts with the same base score in each of the four categories of interest. Each institution may lose points if it does not meet baseline standards, *but* each institution may also gain points if they are in full compliance with the mandated items.

In the outcome measure section, points are deducted from the base score according to the severity of the institution's deficiency. The scores in these sections generally range from 0 to -4, with 0 assigned to the accepted range based on the average level of the three institutions' previous performance on a particular item and -4 assigned to extremely deficient performance on the item. On some items in this

section, an institution may score greater than -4 points. This range of scoring was reserved to the most serious items, such as events of escapes, riots, hostages being taken, homicides, and suicides.

In the mandated practices section, the institutions may be given additional points. The scores in this section are either 0 or 2, with 2 points awarded for items if an institution is in 100% compliance and 0 points awarded on those items if an institution is not in 100% compliance based on the latest annual inspection. The last category, Institution Administration, is the only exception. In this category, institutions are awarded 3 points for 100% compliance on each of the mandated items. This was done in an effort to standardize the percentage of total section points an institution may gain from its excellent performance on mandated items.

At the end of each category, points from the outcome measure section will be deducted from the base score and points from the mandated section will be added to the score. The resulting score will count for a specified percentage of the entire score.

Category	Value Percent
Security and Control	35 %
Inmate Care	30 %
Institutional Safety	20 %
Institution Administration	15 %
TOTAL:	100 %

This evaluation instrument will penalize institutions for poor (lower expected) performance but reward institutions for consistently superior performance on the day-to-day operation of their institution. In essence, this method of scoring takes into consideration that problematic events may occur even at the best run institutions, and this instrument seeks to recognize this fact in its attempt to balance the outcome measures and mandated items. A list of variables and the distribution of scoring of items is included with this appendix as Exhibit B. The scoring formula to be used is included as Exhibit C.

3. PERFORMANCE EVALUATION INFORMATION COLLECTION

The source of the information needed to document performance will be from the following primary sources:

- a) The 2003-2004 Annual Inspection Report
- b) Tennessee Department of Correction records
- c) Contractor records

- d) Tennessee Department of Correction and Contractor reports (weekly, monthly, and annual)

To ensure fairness during the Fiscal Year 2003/2004 Annual Inspection process, appropriate representatives of both the state and the contractor will participate on the inspection teams at all three institutions, which are involved in the comparison. The Select Oversight Committee on Corrections and the Office of the Comptroller will send a representative to monitor the proceedings. Detailed guidelines for the inspection process shall be drafted by the Department of Correction with assistance from representatives from the Select Oversight Committee on Correction and the contractor as soon as practicable after the awarding of the bid. The guidelines shall include the make up of the membership of the inspection team, the clarification of TDOC policy and terms used in the performance instrument, and the details of the inspection process. The office of the State Comptroller shall review these guidelines.

4. PERFORMANCE EVALUATION INFORMATION VALIDATION

The information supplied by the Department of Correction and the Contractor will primarily be verified from one of two sources:

- a) Fiscal Year 2003/2004 Annual Inspection
- b) TOMIS Reports

This validation method has been used in previous comparative evaluations. Reliability on this method will be increased with the use of both state and contractor representatives on the inspection teams that review all three institutions.

5. VALUE AND WEIGHTING OF PERFORMANCE MEASURES

Each of the four (4) Major Categories was given the aforementioned proportional value based upon the relative importance of that category in comparison with the others. These relative percentage values were arrived at through several discussions involving the SOCC director and consultant, select Department of Correction staff, and a representative for the Vanderbilt institute for Public Policy Studies.

6. CONDUCTING THE PERFORMANCE EVALUATION

TCA 41-24-105(d) states that the quality of services provided by the contractor and the state are to be compared by the Select Oversight Committee on Corrections.

The SOCC will use the performance criteria established in the Request for Proposal and included in the Contract. The Performance Evaluation instrument and Scoring instrument will be used for this purpose. The state and the contractor will supply any information deemed necessary by the Select Oversight Committee on Corrections to complete the performance portion of the comparative evaluation. The state and the contractor will each appoint one person who will serve as the contact person for the SOCC. Those appointed individuals will be responsible for gathering whatever information is required and transmitting it to the SOCC.

The performance evaluation will result in a numerical score for each institution in compliance with TCA 41-24-105(d). An average score for the two state institutions will be calculated to arrive at a single state numerical performance score. The state score will then be compared to the contractor score to determine if the statutory mandates established in TCA 41-24-105(c) have been met.

An opportunity will be given to both the State and the Contractor to present facts or evidence to clarify any misunderstandings and correct any perceived misrepresentations of facts and data. The final draft report will be given to both the State and the Contractor for comment before it is delivered to the Select Oversight Committee on Corrections. If either the State or the Contractor choose, they can submit a written response to the final report which will be included when the report is submitted to the SOCC.

7. COST COMPARISON

TCA 41-24-105(e) requires the Fiscal Review Committee to provide a prisoner per day cost for the State and the Contractor based upon cost measures set out in the Request for Proposal and the Contract. Those costs are to be used in the evaluation to determine if the Contractor is providing essentially the same quality of services as the state at a cost of five percent (5%) lower than the state, or if the Contractor is providing services superior in quality to those provided by the State at essentially the same cost pursuant to TCA 41-24-105(c).

The financial information to be compared will be for the Fiscal Year 2003/2004. This is necessary in order to comply with the statutory mandates which state that the comparison is to be made after the second year of the Contract, but before any renewal can occur at the end of the third year. The FY04 information would be the most current information available at the time of the comparison evaluation and will match the review period that will be used for the performance evaluation.

The institutions included in the Contract for comparison with the South Central Correctional Center (SCCC) are Northeast Correctional Complex (NECC) and Northwest Correctional Complex (NWCC). The two state operated institutions have been selected for previous comparisons because of the similarity in age of the

facilities, design of the facilities, and inmate populations. These two facilities continue to be the most comparable. Since the early institution comparisons were made, consolidation of state institutions resulted in other facilities being combined administratively with both NECC and NWCC. In order to restore a reasonable level of comparability, adjustments will be made for staff and operating costs.

The cost comparison will review the full costs of the Contractor with the full costs of the State's comparable facilities (NECC and NWCC). The costs attributable to the Contractor will include any costs of monitoring the Contract incurred by the State, which would not have been incurred by the State otherwise. In addition to monitoring costs, other adjustments and allocations will be made. The cost comparison will be for the period of July 1, 2003, through June 30, 2004.

Allocations will be based on the following:

- a) Divide Central Office or Overhead costs between activities involving residential prisoners and other activities based on direct expenditures for residential facilities versus direct expenditures for other activities to obtain a percentage of Central Office or Overhead expenditures applicable to residential facilities.
- b) Allocate the amount of Central Office or Overhead expenditures applicable to residential facilities based on the census for each residential facility to the total census for all residential facilities.
- c) Expenditures for revenue generating activities such as commissary, inmate labor, inmate telephones, inmates fines, recycling, and art and craft sales at institutions are to be included in facility expenditures and will be offset by total revenues collected.

Costs will be allocated to the South Central Correctional Center for:

- d) The pro rata costs of the Tennessee Offender Management Information System (TOMIS), which are applicable to the handling of information on prisoners assigned to the SCCC facility
- e) The amounts expended by the State for monitoring the Contractor's operations during the 2003/2004 fiscal year
- f) The amounts expended by the State for the benefit of the Contractor during the 2003/2004 fiscal year
- g) Any other amounts expended by the State (including any state agency) which would not have been expended by the State in the absence of the Contract

- h) State overhead items determined not to be applicable to SCCC will not be added to the Contract cost

Adjustments will be also made for:

- i) Year-end supply inventories
- j) Equipment items purchased for use in the facilities with a cost in excess of \$1,000 will be deducted from the total cost of operations for all facilities. Equipment purchased for use by the State's monitors at SCCC will not be deducted from the State's cost of operating SCCC
- k) Expenditures for the use of motor vehicles and motorized equipment purchased for use by NECC and NWCC will be reduced by the depreciation/replacement factor included in the reimbursement rate to the Department of General Services

The Fiscal Review Committee will further adjust the reported costs to ensure comparability in making the comparison of the relative costs of operating the facilities for the period of July 1, 2003 through June 30, 2004. This would include, but not be limited to the following:

- l) Any costs that appear to be made ahead of the time needed or are deferred to a subsequent period if, in the opinion of the committee staff, such costs are in an amount sufficient to materially affect the comparison
- m) The State's or the Contractor's costs for any program or functional areas which it determines to be not substantially comparable to the operations of the facilities being compared
- n) Any cost items not accounted for in a similar manner
- o) Necessary adjustments for population variance to include fixed and variable cost items for payroll and operational support expenditures
- p) The medical component of cost will be adjusted to equalize the costs of each facility due to the \$4,000 stop-loss provision for medical care in the Contract

Requests for clarification should be made during the Pre-proposal Conference or should be requested in the form of a Written Comment during the Request for Proposal process. The State's written responses will become part of the final Contract.

As required by the Contract, the Comptroller of the Treasury will review all accounting information submitted to Fiscal Review by the Department of Correction, and all accounting information provided by the Contractor to Fiscal Review is to be

analyzed by an independent accounting firm. The reports generated by those reviews will be utilized during the evaluation process.

The Fiscal Review Committee staff will calculate the State's and the Contractor's cost per inmate day. The final draft report will be given to both the State and Contractor for comment before it is delivered to the Fiscal Review Committee. If either the State or the Contractor chooses, they can submit a written response to the final report that will be included when the report is submitted to the Fiscal Review Committee.

**AMENDMENT ONE
TO CONTRACT FA-02-14865-00**

This **CONTRACT**, by and between the State of Tennessee, **DEPARTMENT OF CORRECTION**, hereinafter referred to as the State, and **CORRECTIONS CORPORATION OF TENNESSEE, INC. d/b/a CORRECTIONS CORPORATION OF AMERICA**, hereinafter referred to as the **CONTRACTOR**, is hereby amended as follows:

Delete Section **B.1.** in its entirety and insert the following in its place:

B. CONTRACT TERM:

B.1 Contract Term. This Contract shall be effective for the period commencing on March 1, 2002, and ending on June 30, 2007. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

2. Delete Section **C.1.** in its entirety and insert the following in its place:

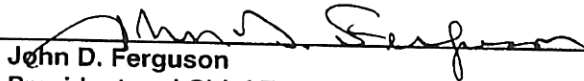
C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed **ONE HUNDRED TWENTY SIX MILLION SEVEN HUNDRED SIXTY NINE THOUSAND SEVENTY DOLLARS (\$126,769,070.00)**. The Service Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.3 and Section A.4.aa.5. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The other terms and conditions of this **CONTRACT** not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

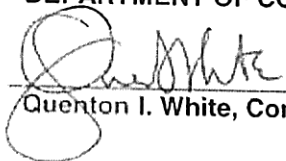
CORRECTIONS CORPORATION OF TENNESSEE, INC.
d/b/a CORRECTIONS CORPORATION OF AMERICA



John D. Ferguson
President and Chief Executive Officer

6/16/05
Date

DEPARTMENT OF CORRECTION:

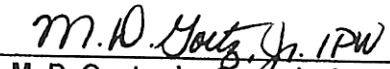


Quenton I. White, Commissioner

6/21/05
Date

APPROVED:

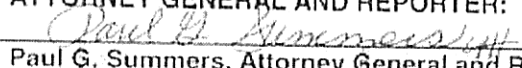
DEPARTMENT OF FINANCE AND ADMINISTRATION:



M. D. Goetz, Jr., Commissioner

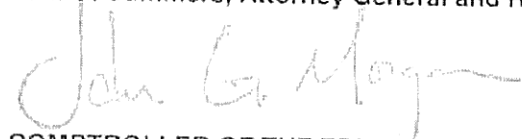
JUN 28 2005
Date

ATTORNEY GENERAL AND REPORTER:



Paul G. Summers, Attorney General and Reporter

6/30/05
Date



John G. Morgan, Comptroller of the Treasury

7/1/05