

5230-3400

**Professional Services Contract – Standard****STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE****Federal Tax ID Number: 59-2170069  
DOI Contract Number: 596060  
165-300304****CONTRACT FOR PROFESSIONAL SERVICES**

BE IT KNOWN, that on this date April 17<sup>th</sup>, 2003 the **Louisiana Department of Insurance** (sometimes referred to herein as "DOI") and Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A. (sometimes referred to herein as "Contractor or CFTKA"), do hereby enter into contract under the following terms and conditions.

**1.****Services to be Performed by Contractor**

Contractor agrees to perform the services describe in appendix A, attached hereto.

**2.****Term of Contract**

The term of this contract shall commence on April 17, 2003 and shall terminate at the close of business on April 16, 2004 unless terminated earlier as provided herein, provided, however, that this contract shall not be considered valid until approved by the Office of Contractual Review, Louisiana Division of Administration.

**3.****Payment for Services**

DOI agrees to pay Contractor for services rendered under this contract at the rate set forth in Appendix A, and shall not exceed the maximum set forth in Appendix A. Which is attached hereto and made a part hereof. Contractor agrees to prepare billings in accordance with the guidelines of the Louisiana Department of Insurance.

Provided, however, that the total amount paid under this contract shall not exceed the sum of **FORTY NINE THOUSAND NINE HUNDRED DOLLARS (\$49,900.00) AND NO/100**

**4.****Fiscal Funding**

The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

**5.****Termination for Cause**

The State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract; provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

**6.****Termination for Convenience**

The State may terminate the Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

**7.****Remedies for Default**

Any claim or controversy arising out of this contract shall be resolved by the provisions of LSA R.S. 39:1524 - 1526.

**8.****Taxes**

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this Contract and/or legislative appropriation shall be contractor's obligation and identified under **Federal Tax Identification Number 59-2170069**.

**9.****Assignment by Contractor**

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the Department of Insurance. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State and the Office of Contractual Review.

**10.****Applicable Law**

It is expressly understood, and agreed by both parties, that the laws of the State of Louisiana shall govern and apply to any interpretation of a dispute or claim arising under this contract.

**11.****Auditors**

It is hereby agreed that the Legislative Auditor of the State of Louisiana and/or the Office of the Governor, Division of Administration auditors shall have the option of auditing all accounts of contractor which relate to this contract.

**12.**  
**Contractual Review**

It is further understood that this contract is subject to review by the Division of Administration of the State of Louisiana and such other appropriate authorities as are necessary for contractual review in the State of Louisiana.

**13.**  
**Submission of Invoices and Reports by Contractor**

Contractor shall submit to DOI, through the Contract Supervisor, the following:

- 1) Invoices: Invoices shall be submitted in accordance with the provisions of Appendix "A" attached hereto.
- 2) Reports: Reports shall be submitted as required by the Contract Supervisor.

It is understood that if Contractor shall fail to submit any of the above reports in a timely fashion, DOI shall not be responsible for payment thereof, either under this contract or in *quantum meruit*.

**14.**  
**Ownership of Records**

All records, reports, documents and other materials delivered or transmitted to Contractor by the DOI shall remain the property of the DOI, and shall be promptly returned by Contractor to the DOI, at Contractor's expense, at the termination or expiration of this contract.

All records, reports, documents, pleadings, exhibits or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the DOI and shall, at the end of this contract, or sooner upon request, be returned by Contractor to the DOI, at Contractor's expense.

All of the above records shall be and remain confidential, unless and until an authorization for their release is given by the Commissioner of Insurance or his/her representative.

All records which are subject to *subpoena* by legal process shall be assembled by Contractor; the contract supervisor and the Commissioner of Insurance shall be notified as soon as possible after receipt of the *subpoena*. Upon approval by the Commissioner or his authorized representative, Contractor shall provide the records in answer to the *subpoena*.

**15.**  
**Travel Reimbursements**

If travel and related expenses will be reimbursed as per Attachment A separate from the fee of services, such costs shall be in accordance with State Travel Regulations and shall be specified clearly in Attachment A.

**16.**  
**Contract Supervisor**

The Contract Supervisor for the DOI under this contract shall be assigned to the Contractor by the DOI.

**17.**  
**Services for Insurance Industry**

The retention of Contractor is on a non-exclusive basis as Contractor represents insurance entities licensed by the State of Louisiana. Contractor hereby agrees that without prior written approval of the Commissioner of Insurance, no contractual services will be performed by Contractor for an insurance company licensed to do business in Louisiana during the period of time in which the same, or similar services, are being provided to the DOI as specifically set forth in Appendix "A". The DOI

acknowledges that Contractor may provide similar services on reinsurance contracts placed by Guy Carpenter or an affiliated company, as a reinsurance intermediary-broker on behalf of the ceding companies under such contracts

**18.  
Agreement Not to Discriminate**

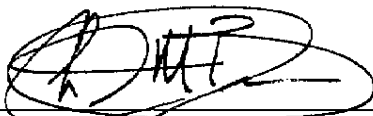
The contractor agrees to abide by the requirements of Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1972, and contractor agrees to abide by the requirements of the Americans With Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations, shall be grounds for termination of this contract.

**IN WITNESS WHEREOF**, the parties have executed this contract on the 17<sup>th</sup> Day of April, 2003 at Baton Rouge, Louisiana.

Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, Louisiana 70804-9214

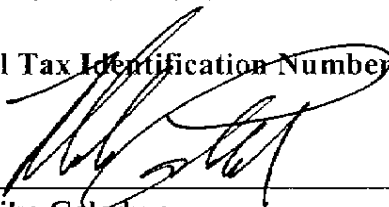


By: **Chad M. Brown, Deputy Commissioner**  
**Office of Management and Finance**  
**(225)342-2484**

Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A.  
2000 West Commercial Boulevard  
Suite 232  
Ft. Lauderdale, FL 33309

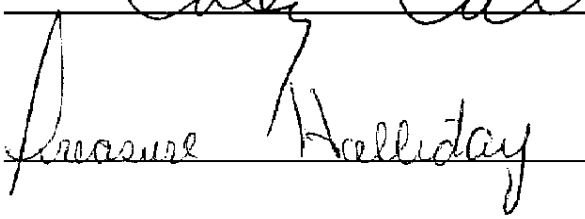
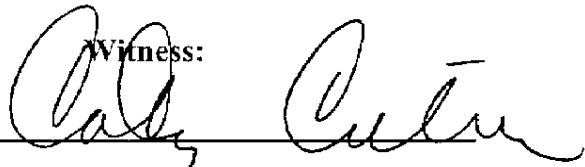
Phone: 954-492-4010

Federal Tax Identification Number: 59-2170069



By: **Mike Colodny**  
**Chairman of the Board**

Witness:



**APPROVED**

DEPARTMENT OF  
STATE CIVIL SERVICE

MAY 01 2003

  
DIRECTOR

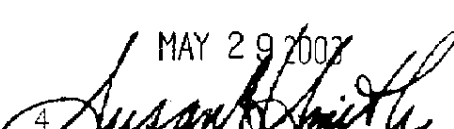
WITNESS



**APPROVED**

Office of the Governor  
Office of Contractual Review

MAY 29 2003



## APPENDIX A.

### Professional Services to be Provided

Professional Services to be performed by Contractor for the Department of Insurance (DOI):

**CFTKA shall provide consulting services for the DOI which is intended to assist the DOI in the identification and documentation of steps required to draft enabling legislation and to assist the DOI in the establishment and operation of a Louisiana Citizens Insurance Corporation. These services may include:**

1. **Provide advice concerning the drafting of Legislation to define and establish a tax-exempt Louisiana Citizens Insurance Corporation, or similar organization;**
2. **Provide advice in drafting a residual market depopulation plan for the Louisiana FAIR and Coastal Plans;**
3. **Assist in drafting legislation to establish the Louisiana Citizens Insurance Corporation, or similar organization;**
4. **Provide expert testimony to legislative or administrative bodies;**
5. **Provide advice regarding finance mechanisms for the Louisiana Citizens Insurance Corporation, or similar organization; and**
6. **Provide advice regarding reinsurance options for the Louisiana Citizens Insurance Corporation, or similar organization**

The following fees and expenses shall be paid under the Professional Services Contract to which this is attached:

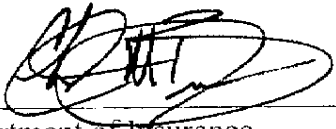
Fees:

1. A flat rate of \$250.00 per hour for work performed at contractor's site; or
2. In lieu of the flat rate per hour, a fixed rate per day (a "day" is defined as a continuous 24-hour period of time) for travel of:
  - a. \$2,500.00 per day per person for the first day of travel; and
  - b. \$1,500.00 per day per person for the second and subsequent days of travel.  
The travel rate shall apply in all cases of travel regardless of hours of work performed

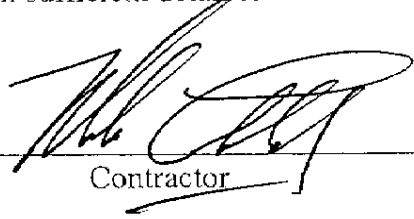
Provided, however, that the total amount paid under this contract shall not exceed the sum of **FORTY NINE THOUSAND NINE HUNDRED DOLLARS (\$49,900.00) AND NO/100**

**Submission of Invoices**

An invoice shall be submitted monthly to the Louisiana Department of Insurance, 1702 North 3<sup>rd</sup> Street, Baton Rouge, Louisiana 70802 and directed to the attention of Rich Piazza, Chief Actuary. The invoice shall describe the work performed, the hours worked, and the total dollar amount billed. The description of work performed shall be categorized and in sufficient detail to determine that it is covered under the scope of this contract.



Department of Insurance



Contractor