

THIRD AMENDMENT OF THE GROUP INSURANCE AGREEMENT
FOR EMPLOYEE BENEFITS BASIC AND VOLUNTARY LIFE COVERAGE

THIS THIRD AMENDMENT OF THE GROUP INSURANCE AGREEMENT FOR EMPLOYEE BENEFITS BASIC AND VOLUNTARY LIFE COVERAGE, made and entered into by and between the Lee County Board of County Commissioners, a political subdivision of the State of Florida ("County") and Standard Insurance Company ("The Standard"), collectively, the "Parties."

WHEREAS, the County entered into a Group Insurance Agreement for the purchase of group basic and voluntary life insurance benefits coverage through Solicitation No. RFP180164LKD with The Standard on the 12th day of December 2018 ("Agreement"); and,

WHEREAS, the Parties mutually agree to increase the price for some of the group basic and voluntary life insurance benefits coverages from the Standard; and,

WHEREAS, the Parties mutually agree that the price increase will begin on the 1st day of January, 2022; and,

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL COVENANTS CONTAINED HEREIN, IT IS AGREED AS FOLLOWS:

1. Effective January 1, 2022, the Parties agree that the PREMIUM RATES AND RENEWALS subsection of the COVERAGE FEATURES section of the GROUP LIFE INSURANCE POLICY attachment to the Agreement shall be superseded by the following, and in all other respects the PREMIUM RATES AND RENEWALS remains unchanged:

[Remainder of this page left intentionally blank.]

PREMIUM RATES AND RENEWALS

Premium Rates:

Life Insurance:

Plan 1: Class 1, 2 and 3: \$0.174 monthly per \$1,000 of Life Insurance
Class 4: \$1.28 monthly per \$1,000 of Life Insurance

Plan 2:

Age of Member On Last January 1	Monthly Rate Per Multiple of \$1,000 for each Member electing Plan 2 Life Insurance
Under 30	\$ 0.060
30 through 34	0.080
35 through 39	0.090
40 through 44	0.100
45 through 49	0.160
50 through 54	0.240
55 through 59	0.450
60 through 64	0.670
65 through 69	1.310
70 or over	2.140

Dependents Life Insurance:

Spouse:

Age of Member On Last January 1	Monthly Rate Per Multiple of \$1,000 for each Member electing Dependent Life Insurance
Under 30	\$ 0.060
30 through 34	0.080
35 through 39	0.090
40 through 44	0.100
45 through 49	0.160
50 through 54	0.240
55 through 59	0.450
60 through 64	0.670
65 through 69	1.310
70 or over	2.140

Child:

\$0.130 monthly per \$1,000 of Dependents Life Insurance for each Member electing Dependents Life Insurance for their Children, regardless of the number of Children covered

AD&D Insurance:

\$0.017 monthly per \$1,000 of AD&D Insurance

Premium Due Dates:

January 1, 2019 and the first day of each calendar month thereafter.

Grace Period:

60 days

Initial Rate Guarantee Period:

January 1, 2019 to January 1, 2022

10/19/2018

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Notice of Rate Change:	180 days
Minimum Participation:	
Life Insurance:	
Number:	10 insured Members
Percentage:	Plan 1 (basic): 20% of Members eligible for Plan 1 Plan 2 (additional): 20% of Members eligible for Plan 2
Dependents Life Insurance:	20% of insured Members with eligible Dependents must elect to insure those Dependents

Contingent Rate Guarantee

The Contingent Rate Guarantee will apply for two years if, on September 1, 2021, both the Incurred Loss Ratio and Current Loss Ratio for Plan 1 (basic) Life Insurance, Plan 2 (additional) Life Insurance, and Plan 1 (basic) AD&D Insurance under the Group Policy are 85% or less.

The premium rates during the Contingent Rate Guarantee will equal the premium rates in effect at the end of the Initial Rate Guarantee Period.

Calculating Loss Ratios

The Incurred Loss Ratio is the result of the following calculation:

$$\text{Incurred Loss Ratio} = \text{Incurred Claims divided by Earned Premium}$$

Each element is calculated from the Group Policy Effective Date.

The Current Loss Ratio is the result of the following calculation:

$$\text{Current Loss Ratio} = \text{Incurred Claims divided by Earned Premium}$$

Each element is calculated from the beginning to the end of the 12 month period ending on the day before September 1, 2021.

Definitions

Earned Premium = a + b - c, where:

- a = Paid premiums.
- b = Change in uncollected premium.
- c = Change in advance premium.

Incurred Claims = a + b + c + d + e, where:

- a = Claims paid, including benefits paid and costs incurred under any provision of the Group Policy.
- b = Legal fees, expenses, settlements and judgments paid in connection with lawsuits relating to claims.
- c = Payments of the Employer's share of Social Security and Medicare tax by Standard (if applicable).
- d = Conversion charges for converting to an individual life insurance policy under the Right To Convert provision (if applicable).

e = Change in claims reserves, including Incurred But Not Reported (IBNR), pending, active and outstanding claims reserves.

IN WITNESS WHEREOF, this Third Amendment of the Agreement has been signed and sealed, in duplicate, by the respective parties hereto.

DATED this 7 day of October, 2021 by the Lee County Board of County Commissioners.

COUNTY: LEE COUNTY, FLORIDA

BY: Mary G. Tucker
Mary G. Tucker
Director of Procurement Management, on behalf
of the Board of County Commissioners

APPROVED as to Form for the Reliance of
Lee County Only

BY: Wadeen Frazer
County Attorney's Office

DATED this 31st day of August, 2021 by Standard Insurance Company.

ATTEST:

Jan P. Wilson
(Witness)

BY: Kevin Erdahl
Authorized Signature

Kevin Erdahl
Authorized Signature Printed Name

2nd Vice President, Underwriting
Authorized Signature Title

CORPORATE SEAL: