



PEOPLE
first

TECH
forward

DATA
driven

Response to Request for Proposals for Professional Services
RFP No. 2207
PARADA Claims Administrator Services



Table of Contents

Cover Letter	3
Part 1: Introduction to Claims Administration Firm	5
Part 2: Dedicated Staff to be assigned to the City	8
Part 3: Recommended Action Plan	9
Part 4: Additional Resources	14
Part 5: Overview of Dashboard Reporting Capabilities	15
Part 6: Trust and/or Disbursement Account Management Capabilities	16
Part 7: Pricing	17
Exhibit C Disclosure Questionnaire	18
Appendix.....	19

Cover Letter

June 16, 2022

Mr. Jairo "JC" Cortez
City of Riverside
Finance, Purchasing Department
3900 Main Street
Riverside, California 92522

RE: PARADA Claims Administrator Services RFP No. 2207

Dear Mr. Cortez and the City's evaluation committee,

Sedgwick Claims Management Services, Inc. (Sedgwick) would like to thank the City of Riverside, California (City) for the opportunity to propose a PARADA claims administration solution.

Sedgwick, with the recent strategic acquisition of JND Legal Administration (JND), is uniquely qualified to serve as the City's partner, due to our extensive experience providing claims administration services coupled with our expertise in creating and implementing solutions for public entities on settlement agreements such as PARADA. JND has over 50 years of experience effectively navigating this category of settlement cases and has a depth of resources within our specialized government services team ready to support the City. We have thoroughly reviewed the RFP and are confident in our ability to create, implement and meet all of the City's requirements.

We understand that managing risk for public entity clients, particularly cities, creates challenges that are unique, both in the breadth of the potential exposure and the diversity of possible claims. Sedgwick's public entity clients represent a broad risk profile that includes schools/higher education, state, county, city and municipal workers, transportation workers and law enforcement. We are proud to serve more than 456 public entities nationally, many of which are in the west, including the County of Los Angeles, Los Angeles Unified School District, University of California and California State University. We are also currently in the implementing a new claims management program with the City of Los Angeles.

As a trusted third-party administrator (TPA), we focus on program customizations with our caring counts® approach. Taking care of people and organizations — both public and private employers — is at the heart of everything we do.

Our custom approach positions Sedgwick to successfully deliver:

- Proactive, measurable solutions that will reduce overall claim costs and the City's total cost of risk through effective claims management
- The highest quality service possible for your current and former customers
- A proven program implementation process and an experienced implementation manager to oversee a seamless, successful onboarding of the program
- Innovative technology, with dashboard reporting capabilities to inform and enhance the City's experience

JND's government services team will develop and implement notification campaigns, website development, call center services, litigation support, disbursement services and data security.

Sedgwick is committed to delivering a best-in-class program explicitly designed with the City's needs in mind. We look forward to the next steps with you to further the due diligence process.

Philip Cordeiro, director of business development, will serve as the main point of contact for Sedgwick during the procurement process. He can be reached at 858.876.7445 or Philip.Cordeiro@sedgwick.com. Please reach out to Philip with any questions you may have.

We look forward to additional discussion regarding how Sedgwick can fulfill the needs of the City.

Sincerely,



Scott P. Rogers
Executive Vice President and Chief Client Officer
Sedgwick Claims Management Services, Inc.

Part 1: Introduction to Claims Administration Firm

This section shall include contact person information, address and telephone number of the company main office and branch offices. Each Company shall identify itself as to the type of organizational entity (corporation, sole proprietorship, partnership, joint venture, etc.). Any supplemental information that Company believes may be pertinent to the selection process may be provided.

This section should also include a general overview of your experience as a professional Claims Administration firm in the Public Entity space.

Philip J. Cordeiro, director of business development, will serve as Sedgwick's primary contact for the proposal and evaluation period. His contact information is as follows:

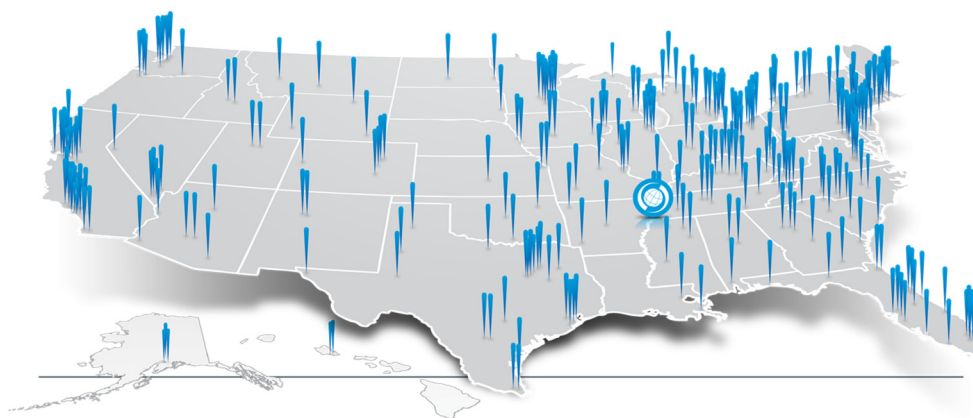
Telephone: 858.876.7445

Email: Philip.Cordeiro@sedgwick.com

Sedgwick is a corporation headquartered at 8125 Sedgwick Way, Memphis, Tennessee 38125. Telephone number is 901.415.7400.

We have 31,000 colleagues in 500 offices in 80 countries around the globe managing 9.3 million new claims annually, with responsibility for claim payments totaling more than \$26 billion.

We have included a map of our U.S. locations below:



Sedgwick was founded as a regional third-party administrator in 1969 and has grown over the past 50 years to become a leading global provider of technology-enabled risk, benefits and integrated business solutions. Today, more than 9,000 clients representing every industry and every time zone in the world rely on our services to protect their brand, help their employees regain health and productivity, guide their customers through the claims process and minimize any business interruption. We provide a broad range of resources tailored to our clients' specific needs in casualty, property, marine, benefits and other lines.

As evidenced by our average annual rollover rate of 98%, we are fortunate to partner with clients that continue to choose Sedgwick and grow with us over the long term. Taking care of people and organizations — from public and private employers, to insurers and their policyholders — is at the heart of everything we do. Our diverse and stable client base includes 78% of the Fortune 100 and 59% of the Fortune 500.

With over 50 years of experience and expertise, our public entity partners continue to count on Sedgwick for the solutions they need. Our dedicated public entity business unit understands the complexities of the industry and focuses on solving those unique challenges and staying at the forefront of marketplace trends. In addition to our dedicated team, Sedgwick holds the largest public entity data set in the industry. Using our interactive benchmarking tool, clients can gain valuable insight into program trends and opportunities for enhancements.

Public entity clients represent a diverse cross-section of U.S. industries, comprising schools/higher education, hospitals, municipal, country and state governments and special districts. We focus on developing custom programs that offer reliable, financially aware, accessible and scalable claim services that guide our clients, their employees and the members of the community they serve through the claims process.

Sedgwick colleagues cross the U.S. participate in the design, implementation and delivery of our risk and absence management services for our valued public entity clients. We serve 456 public entity clients from more than 257 U.S. locations, ensuring that every program speaks to the unique needs of each client, now and into the future. We focus on current trends and evolving changes forecasted as significant to our public entity partners, including:

- Preparing for emerging risks
- Embracing next-level technology
- Moving forward with health care strategies
- Broadening claims expertise as needs change

We leverage our experience to effectively manage the wide array of issues facing our public entity partners today. Our comprehensive solutions focus on mitigating and reducing risks and losses, keeping employees and organizations healthy and productive, protecting the public's trust and containing costs that can impact the bottom line.

We know that when in a partnership with a public entity, we are operating in an environment where financial continuity may depend on public perception and external stakeholder influence. Our public entity clients strive for a risk/claim management program that is transparent, flexible and responsive and Sedgwick delivers on that goal.

Sedgwick + JND Legal Administration

Sedgwick continues to grow through progressive product development, organic expansion and strategic acquisitions. In December 2021, we welcomed 250 new colleagues following our acquisition of JND Legal Administration (JND), a legal management and administration services provider serving plaintiff and defendant law firms, corporations and government entities. This acquisition expands legal solutions offerings for Sedgwick's clients and bolsters our class action administration services.

JND has been recognized as a premier claims administrator every year for the last five years by leading legal publications and has been named the nation's #1 claims administrator three times, including in 2021. Legal

publications that have recognized JND for excellence in service delivery include the *National Law Journal*, the *Legal Times* and the *New York Law Journal*, which awarded JND its Best of 2020 Hall of Fame award for having been voted a top administrator by the New York legal community for three years running. JND was also awarded the 2021 Legal Elite Award for Best Class Action Administration Services Provider by *New World Report* (formerly *U.S. Business News*). JND is also an approved administrator for the Securities and Exchange Commission (SEC) and the Federal Trade Commission (FTC).

A partial listing of the class action settlement administrations handled by JND is attached in the appendix. While we acknowledge that this is not a class action settlement administration, JND's core competencies, specifically notice services, claims administration, customer communications and disbursements, that will be required for this matter, are present in all JND's class action administrations.

The Proposal shall identify any litigation, mediation, or arbitration, regarding the performance of any services similar to the Services, in which the Company has been involved in the past five (5) years. If the Services require a license or certification, the Proposal shall include any claims or disciplinary action taken against Company or any of Company's key personnel within the past five years.

As a large third-party administrator, Sedgwick is occasionally named in complaints arising out of its actions in managing its clients' claims. Sedgwick's record in avoiding regulatory penalties and managing its professional liability exposures is exemplary and we are not aware of any adverse litigation or regulatory action that would materially affect our operation. We employ a dedicated in-house counsel to manage all litigation brought against us directly.

Part 2: Dedicated Staff to be assigned to the City

This section shall contain names, contact numbers and description of experience, including licenses and/or certifications, of all key personnel who would be assigned to perform the Services. Members of the Company's professional team (managers, contact person, etc.) should be identified by name and title and should include contact phone numbers.

If your firm will need to hire any other third party/subcontractors to assist with executing the duties as required then please include their information and their degree of involvement in this program. Please also include how long your firm has worked with the third party/subcontractor.

This project will be supervised by several members of our senior management including those at the executive level. Senior management team members who may be involved in this matter include the following:

Name	Title	Phone Number
Jennifer Keough	President and CEO	206.919.5768
David Isaac	Executive Managing Director	917.992.4841
Darryl Thompson	Chief Information Officer	206.923.8099
Gretchen Eoff	Senior Vice President, Operations	206.709.6451

Bios of these individuals are attached collectively in the appendix.

JND's executive management team has overseen the design and implementation of hundreds of legal notice programs reaching class members/claimants throughout the U.S., Canada, and the world, with notice in over 35 languages and have successfully administered these programs.

All services for this project will be performed by Sedgwick and JND personnel except certain notice printing and mailing tasks that may be performed by our printing partners. We also work with technology companies, in the U.S., that assist us with certain components of our processes, including data loads and calculation efforts. We have carefully vetted these vendors and have strong, tenured relationships working on various projects. As such, we take full responsibility for any potential errors.

Part 3: Recommended Action Plan

This section must demonstrate an understanding of the services needed as stated in this RFP. It should describe the general approach, organization and staffing required for the Services requested. This section should include detailed approaches and methods for both current customers and former customers. Please include any visual to help illustrate processes you recommend for each category of customer that qualifies to receive a reimbursement either by check or credit.

If necessary, preliminary investigations, due diligence, and research shall be discussed in this section.

Sedgwick acknowledges that the City is seeking a qualified and experienced claims administrator to assist them in strategizing and implementing a fair and equitable settlement plan that fulfills the City's obligations under the PARADA settlement terms. We have carefully read, understand and are capable of providing all of the service requirements of this RFP. Sedgwick's ability to quickly design and implement solutions in response to rapidly evolving regulatory, legal and statutory changes, or in this case, a voter-approved measure, combined with our depth of experience across large, complex claims processing programs, will offer the most comprehensive solution for the City.

The RFP contemplates direct notice via email and U.S. mail to customers. If selected for this engagement, we will collaborate with appropriate City representatives to devise a comprehensive strategy to deliver notice to customers, handle claims, manage customer communications and disbursements. Understanding that there may be former customers for whom the City will possess address information which may not be current, we will attempt to locate these former customers via advanced address searches and other skip-tracing methods. We will receive and process all claims, whether submitted electronically or via hard copy. We will establish a dedicated website with a secure claim filing portal, through which former customers can submit claims. We will also post information and FAQs on the website to keep all customers informed about the salient details of this matter. We will manage all customer communications via our call centers. Disbursements will be made to each eligible customer claimant, and extensive reporting will be provided on the details of our administration activities.

The details of our experience handling all detailed tasks are described in full in our proposed strategy below.

Our proposed strategy

Notice, claims administration and disbursement expertise

Sedgwick's wholly-owned subsidiary, JND Legal Administration (JND), is expert in designing and implementing notice, claims administration and remediation programs for all type of class action settlements. While we understand that this is not a class action settlement, the core services provided by JND – notice to impacted customers, claims administration, handling customer communications and disbursements – are relevant to the scope of services for the City.

JND is the premier firm in class action notice and administration in the United States. With our state-of-the-art, 35,000 square foot headquarters in Seattle and other significant operational offices across the country, we have over 250 colleagues on staff to handle any size engagement. JND has been recognized as a premier claims administrator every year for the last five years by leading legal publications and has been named the nation's #1 claims administrator three times, including in 2021. JND is consistently called upon to handle the largest and

most complex class action settlement administrations. Recently, we have been engaged on two of the largest matters in the past decade, the \$2.67 billion Blue Cross Blue Shield Antitrust Settlement, with over 100 million class members and the \$1.3 billion Equifax Data Breach Settlement with over 150 million class members. The Equifax Data Breach Settlement is the largest class action in history in terms of number of class members and number of claims filed (over 18 million). There are dozens of other large complex matters that we have recently administered, including, for example, the \$240 million Signet Securities Settlement, the Mercedes-Benz Emissions settlements valued at \$1.5 billion, the GM Ignition Switch Litigation (\$121.1 million settlement), for which JND has mailed more than 30 million notices, and a voluntary payment program in Canada in connection with an alleged bread price-fixing scheme where every adult in Canada is eligible for relief. A more comprehensive list of the matters JND has handled is attached in the appendix.

Moreover, JND has experience administering matters involving California municipalities and has worked collaboratively with those entities to design and implement successful administration programs. A list of some of the matters JND has recently handled working with California municipalities is attached in the appendix. Leveraging JND's expertise, Sedgwick will work with the City to design and implement a notice, claims and payment strategy to customers, to implement a fair and equitable administration plan that fulfills the City's obligations under the PARADA settlement terms.

Direct notice via email and U.S. mail

JND's experience with email notice is the most comprehensive in our industry. In the last several years, JND has sent hundreds of millions of emails in connection with its notice campaigns. Wherever possible, we recommend sending emails as the first option for direct communication with customers.

JND uses industry-leading email solutions to achieve the most efficient email notification campaigns. We take proper steps to ensure high deliverability of email notice which include the following:

- Work with the parties to craft the email notice to avoid spam language improving deliverability, including running the email through spam testing software, DKIM for sender identification and authorization, as well as checking the send domain against the 25 most common IPv4 blacklists
- Use a verification program to eliminate invalid email and spam traps that would otherwise negatively impact deliverability
- Format and structure the email content in a way that receiving servers expect, allowing the email to pass easily to the recipient
- Avoid the use of attachments, which can send an email right to spam, and instead provide a call-to-action button, as well as direct links to the case website for more detailed information
- With the exception of the recipient name, we avoid the use of all capitalization, exclamation points, colored font, case-caption boxes, excessive legalese, and common trigger words to reduce spam
- Create an email subject line that the recipient would understand and recognize
- Use the customer's name as the email opener to authenticate and personalize the email
- To ensure readability of the email notice, our team will review and format the body content into a structure that is applicable to all email platforms

- Before commencing the email notice campaign, we send test emails to multiple ISPs and open the email on multiple devices (iPhones, Android phones, desktop computers, tablets, etc.) to ensure the email opens as expected
- We include an “unsubscribe” link at the bottom of the email notice

Despite our best practices, occasionally emails will not go through on the first attempt. Emails that are returned to JND are generally characterized as either “hard bounces” or “soft bounces.” Hard bounces are when the ISP rejects the email due to a permanent reason such as the email account is no longer active. Soft bounces are when the email is rejected for temporary reasons, such as the recipient’s email address inbox is full. When an email is returned due to a soft bounce, JND attempts to re-email the email notice up to three additional times. The email is considered undeliverable if it is a hard bounce or a soft bounce that is returned after a third resend. If that happens then we would send notice by U.S. mail to the extent we have or can get the customer’s address.

In most of our recent cases, direct mail has taken the form of a postcard notice, however, we can deliver any size notice required. We would work with the City in drafting of the content of the notice to customers. We would also recommend that the direct notice – either by email or postcard or letter – contain a unique identification or claimant code that will allow customers to log onto the website to file their claim on-line. A unique identification number also eases the process of handling claims submitted by mail. To ensure an effective mailing, JND utilizes well-established procedures, such as conducting a National Change of Address database search (NCOA) and when necessary, other advanced address searches, to determine correct address information for a direct notice mailing.

JND can perform skip tracing and advanced level searches using telephone numbers, email addresses and, of course, social security numbers (SSNs) to locate people who cannot normally be found through a simple NCOA search or even more sophisticated searches. Depending on the customer data provided to us, we should be able to find a significant percentage of customers whose notice comes back to us as undeliverable.

In addition to drafting the notices, we will also assist you in drafting the claim forms and providing answers to Frequently Asked Questions (FAQs). JND has plain-language experts who draft many types of user-friendly notices and claim filing instructions. We know how critically important it is that customers fully understand eligibility requirements for filing a claim, the information and documentation they need to provide, and how to submit that information. We draft FAQs and answers in virtually all our administration projects. Our notices and informative postings have been extremely successful, as evidenced by our high claims rates, including the submission of millions of claims in the Equifax Data Breach settlement and our other matters. Further, as we interact with customers and learn of common questions and issues, we leverage our experience and suggest updates to FAQ answers and other communications to help make the claim process smoother and more successful for eligible claimants.

Website services

We regularly design case websites for our clients. Our websites are content neutral and can include static features like notice information, instructions and frequently asked questions (with optional search functionality), as well as interactive features such as email access to the administrator (if requested), a contact form, online submission capabilities with the ability to obtain an online claim form and/or allow the claimant to upload supporting documentation, address update functionality, and other creative and functional elements that facilitate communications.

All of our sites are mobile-enabled and ADA compliant and are hosted at a Tier IV datacenter with numerous security safeguards that has all applicable certifications; they are robust and will not be breached. We also routinely establish websites to accommodate multi-lingual classes.

JND's online claim filing sites are hosted on Azure, Microsoft's cloud, to allow for the greatest scalability, reliability and resiliency. All systems are guaranteed a 99.9% uptime. The online claim filing architecture provides the greatest level of flexibility and allows JND to meet any client requirements. JND has an expert team of developers who are highly experienced in building online filing processes.

We also invite you to visit our corporate website, www.JNDLA.com, which will direct you to links to all JND's active settlement administration websites.

Website security is paramount. Our sites are robust and have never been breached. In fact, two of our clients once tried to hack into websites built by our CIO to no avail. In the GM Ignition Switch Compensation Fund, where we worked directly for Kenneth Feinberg's firm, and in a major class action against one of the country's leading social media providers, we were told that the companies were going to attempt to hack into our sites before hiring us. When their IT specialists attempted it, they could not even penetrate the first firewall. When we let them through that first level, they still could not get in. We were hired for both projects.

Call center services

Handling customer communications is an important component of a successful administration. JND has two call centers. The first, located in JND's Seattle headquarters, which has 200 seats, is our primary call center. Having our primary call center located in the same facility where our project managers and case teams sit affords our operators the distinct advantage of being able to obtain information immediately from case team leaders and to provide instant responses to particularly complex and unique inquiries. This access also permits our operators to address the ever-changing nature of customers' questions and accurately revise responses to FAQs with significant input from the case-teams; all in real-time. All of our operators are rigorously trained for each individual administration by an experienced JND team and we adhere to the highest industry standards in call waiting and response time. The second call center, which we do not think will be activated in this case, is in Phoenix, Arizona, and is scalable to 500 seats. It is our goal to exceed the City's expectations and provide "white-glove" service to all callers.

Our call center benefits from JND's state-of-the-art technology, which permits agents to provide real-time status information about callers' claims and update their records, as appropriate. Our technology also ensures that JND maintains the industry standard 80/20 average speed of answer. Our call records are stored in a centralized, secure database and the information can be pulled quickly for reporting to our clients on the number of calls being handled, the nature of the calls and data on call handling times.

Claims filing portal

As a component of our case websites and to facilitate online claims filing, we recommend that this matter have a claim filing portal as the primary method by which former customers can file claims. Driving traffic to the website to complete the claims filing process will help minimize administrative burdens on the settlement. Not only is it much easier to process claims that are filed electronically, but it is also easier for claimants to submit them that way, particularly when you can build a claim form on-line with a wizard feature that moves claimants step by step through the process. After validating their identity, claimants can easily and instantly file a valid and complete claim,

or if necessary, file their claim with additional information, uploading any supporting documentation to support a claim. Claimants will be notified of any deficiencies and can, if part of the administration protocols, be afforded the opportunity to revise or correct their claim through a deficiency process. The claims filing portal will allow former customers to update address information. Of course, for any segment of the population that prefers to submit their claim by mail, we can create downloadable forms as well as a mechanism by which former customers may request a claim form be mailed to them. Finally, we are pleased to report that our “home grown” Daybreak claims processing system, which powers our claims portals, has been designated SOC 2 compliant.

Distribution

We have successfully handled billions of dollars in disbursements to hundreds of millions of payees. Former customers who file a successful claim will receive their benefit via a mailed check. We recommend that the settlement checks have a “stale-by date”, which usually lasts several months, after which time if they remain uncashed then they are invalid. Typically, we see a small percentage of uncashed checks and employ simple and effective methods to increase the rate of cashed checks, which can include sending a reminder notice in the form of an email or a postcard, many of which we have used in the administration of our current engagements.

Reporting

In connection with its administrations, JND regularly provides reports, along with preparing affidavits for use in court filings. Each report is customized and is designed to address the specific metrics of each matter. Here our reports can include information on the number of notices emailed, mailed and returned; advanced address search efforts; the number of claims filed and validated; the number of payments made to customers, including the number of checks cashed, outstanding, reissued and returned; information on customer communications; and other relevant information as requested by the parties. As per the RFP, and as described in more detail below, these reports will be available via a dashboard with secure client access.

Staffing

This project will be supervised by several members of our senior management including those at the executive level. Bios of select members of our senior management team who may be involved in this matter include Jennifer Keough, President and CEO, David Isaac, Executive Managing Director, Darryl Thompson, Chief Information Officer, Gretchen Eoff, Senior Vice President, Operations, are attached collectively in the appendix.

We are also proud of JND’s commitment to diversity in its hiring practices and in its leadership. JND leads by example as we are the only company in our industry with a female President and female CFO. In fact, nearly 60% of our key executives are women. Our minority representation is also strong in our leadership ranks, with about 20% of the senior team identifying with a specific minority group. In our overall company population, more than 50% of our employees are women and more than 40% identify with a specific minority group. This representation is not accidental. JND believes that a diverse workforce and leadership team creates an environment that allows for multiple ideas and viewpoints in not only working with our clients, but in assisting the millions of customers throughout the country who seek us out.

Part 4: Additional Resources

This section shall detail resources and tools specific to your firm that will enhance your firm’s ability to assist the City in fulfilling the settlement terms for Parada.

As noted above, members of JND’s senior management team, with over 75 years of administration experience, will supervise this matter. Supporting its senior management team, JND has over 250 technical and operational staff to handle this engagement and to provide the full scope of services listed above. Moreover, JND’s primary call center, located in its Seattle headquarters with over 200 operators, will also be available to provide contact center services to handle any customer communications that may be necessary for this engagement. A roster of additional resources and support colleagues is illustrated below:

Additional Resources

Vice Presidents

Derek Dragotta
VP of Info Security
derek.dragotta@sedgwick.com

Chris Rung
VP of Banking
chris.rung@sedgwick.com

Shandy Garr
VP of Operations
shandy.garr@sedgwick.com

Benjamin Sexton
VP of eDiscovery
benjamin.sexton@sedgwick.com

Ryan Gilles
VP of Info Tech
ryan.gilles@sedgwick.com

Luiggy Segura
VP of Security
luiggy.segura@sedgwick.com

Greg Haber
VP of Sales
greg.haber@sedgwick.com

Lorri Staal
VP of Operations
lorri.staal@sedgwick.com

Gina Intrepido-Bowden
VP of Media
gina.intrepido-bowden@sedgwick.com

Marcy Uhrig
VP of Operations
marcy.uhrig@sedgwick.com

Steve Jefferies
VP of Info Communications
steve.jefferies@sedgwick.com

Alex Williams
VP of Operations
alex.williams@sedgwick.com

Directors

Jennifer Bareither
Director of Securities
jennifer.bareither@sedgwick.com

Bobby Hunt
Director of Vendor Management
bobby.hunt@sedgwick.com

Heather Stephens
Director of Mailroom
heather.stephens@sedgwick.com

Peter DeMers
Director of Operations
peter.demers@sedgwick.com

Christina Man
Director of DBA
christina.man@sedgwick.com

Roso Suarez
Senior Director of Data
roso.suarez@sedgwick.com

Katie Derpak
Assistant Controller of Finance
katie.derpak@sedgwick.com

Jonathan Moody
Senior Director of eDiscovery
jonathan.moody@sedgwick.com

Jennifer Trask
Director of Finance
jennifer.trask@sedgwick.com

Daniel Discenza
Director of Vendor Management
daniel.discenza@sedgwick.com

Kimberly Ness
Director of Class Action
kimberly.ness@sedgwick.com

Britton Whitworth
Director of Finance
britton.whitworth@sedgwick.com

Heidi Girod
Director of eDiscovery
heidi.girod@sedgwick.com

Genevieve Pierce
Director of Operations
genevieve.pierce@sedgwick.com

Dave Haywood
Director of Data
dave.haywood@sedgwick.com

Tom Rentzeperis
Director of Data
tom.rentzeperis@sedgwick.com

Finally, the City will also be supported by Sedgwick’s depth of resources to ensure successful management and delivery of services. For a project such as the City’s to be successful in the long term, there is always a team of professionals working in the background, not identified as part of your “dedicated” team. We refer to this as “the team behind your dedicated team.” This incorporates a diverse group of leadership professionals from multiple disciplines as appropriate to this scope of services beginning with colleagues from operations, client services, implementation services and information technology (IT).

Part 5: Overview of Dashboard Reporting Capabilities

This section should detail your ability to provide the City with a fully functioning dashboard to track all activity for both former and current customers. This section should include the name of any software programs, reporting capabilities, customization abilities and any other features your firm believes to be valuable for this project.

Technology is at the heart of our global offering and a true area of differentiation for Sedgwick. We have 1,700 information technology (IT) colleagues dedicated to proprietary software application development, data security, network infrastructure, hardware management, local technology coordination and technical support help-desk operations. Sedgwick budgets approximately 10% of our annual expense to innovation-specific investments. In addition to this 10% innovation spend, we also allocate approximately 40% of our annual budget to enhancements and feature additions to our technology and software products. Sedgwick is committed to offering technology solutions to improve the consumer experience, simplify the process to evaluate applications for benefit eligibility and delivery, transform data into actionable analytics, and leverage artificial intelligence to automate the handling of simple claims.

Dashboard reporting capabilities

We routinely design and deliver reporting in a dashboard format that we would be able to leverage one or more of the solutions that Sedgwick has to meet the needs of the City. We can provide custom dashboards and analytics to offer insight on all aspects of the event — from daily call activity and individual case activity to aggregated data.

In addition to leveraging Sedgwick's technology solutions, JND offers robust reporting on all aspects of our administration services. In connection with its administrations, JND regularly provides customized reports which are designed to address the specific metrics of each matter. Our reports can include information such as:

- The number of notices emailed, mailed and returned to JND
- Advanced address search efforts
- The number of claims filed and validated
- The number of payments made to customers, including the number of checks cashed, outstanding, reissued and returned
- Information on customer communications and other relevant information as requested by the City

These reports will be available via dashboard with secure client access.

Global security

Sedgwick is committed to protecting client and customer information and ensuring secure access to data. We have developed a world-class infrastructure and secure-by-design software architecture — and our investment in security technology is unmatched in the industry. Cyber security is a top concern for nearly all organizations, and it is more important than ever to work with companies that prioritize data protection. At Sedgwick, our dedicated privacy and IT security teams lead our commitment to protecting and preserving confidentiality and data integrity and assuring appropriate access.

Part 6: Trust and/or Disbursement Account Management Capabilities

Please provide your recommendation to address and manage unclaimed funds by former customers.

This section shall detail your knowledge and experience in managing Trust/and or Disbursement account funds. Please include information on fraud and safety measures, reconciliation processes, tracking and reporting transactions, and any other best practices you follow when managing Trust and/or Disbursement accounts for your clients.

To address and manage unclaimed funds, we are typically guided by the directives of the settlement agreement, consent order or other agreement between the parties. If there is a controlling agreement or order that is applicable here, our recommendations will proceed subject to that document. All unclaimed funds should remain in the separate trust account established for this program. Absent any order or settlement agreement, our recommendation for handling unclaimed funds depends on the amounts that remain unclaimed. If there are substantial unclaimed funds, we may recommend a secondary notice campaign to reach former customers who have not submitted a claim to encourage them to do so. Additional claim stimulation efforts may take the form a direct calling campaign to former customers. After proceeding in this manner, if additional unclaimed funds remain, we recommend earmarking these funds for cy pres or another charitable program that would potentially benefit customers and former customers in some manner. If there is a de minimus amount of unclaimed funds, reverter back to the City is also an option.

JND's experience managing trust and disbursement accounts have led to the establishment of comprehensive fraud and safety measures. All JND's disbursement services incorporate extensive security protocols. All JND accounts are safeguarded with positive payee check service, and all checks presented for payment are matched to the serial number, amount and payee contained in an issue file provided to the bank by JND. Any exceptions are referred to JND for decisioning. ACH debit blocks are placed on all accounts to ensure that unauthorized ACH debits are promptly returned. Access to settlement accounts is limited to those on JND's banking team for the monitoring, reconciling and transacting of the settlement fund. Wires and other fund transfers are processed under dual control, i.e., a member of the banking staff initiates the payment, and a senior-level manager approves and executes payment.

Part 7: Pricing

This section shall include information on all pricing structure options you offer and a formal price proposal for the services required by the City as stated in this RFP.

Our pricing proposal follows. It is important to point out that based on our experience, we have made several assumptions as to the number of claims filed, deficiencies, valid claims and calls by customers to the contact center. These assumptions may turn out to be higher or lower than what transpires.

Project Riverside Revised Pricing Proposal

Assumptions and Notes:

1. Assumes 104,456 current customers and 53,019 former customers
2. Email notice to 90% of current customers and 50% of former customers (assumes 120,520 total and 20% bounce back rate)
3. Mail 2-page letter to remainder of customers (36,955) and those with an email bounce back (24,104)
4. Receive and process undeliverable mail (assumes 10% of which 5% is forwarded)
5. Perform skip-tracing on undeliverable mail without forwarding address and re-mail (assumes 80% success rate)
6. Toll-free number with IVR and live operators (assumes 5% call rate and 2 min. per IVR call; assumes 50% of callers transfer to live operator for 4 min. each)
7. Dedicated settlement website with online claim filing capability and secure online client reporting portal
8. Receive and process claims from former customers (assumes 10% claims rate with 80% online and 20% paper)
9. Email reminder to former customers who have not yet filed a claim (first reminder assumes 95% of former customers have not yet filed a claim; second reminder assumes 92.5% of former customers have not yet filed a claim)
10. Establish and manage Qualified Settlement Fund
11. Distribute settlement payments to former customers who filed a claim (assumes 5,302 checks)
12. Reminder email to former customers with an uncashed check (assumes 20% of checks)

Cost Estimate

CASE-SPECIFIC WEBSITE WITH ONLINE FILING				
Develop and host dedicated website with downloadable forms, and online claim submission; create secure online client reporting portal				
Assumes 70 hours at average estimated rate of \$185/hr.			\$12,950	
Monthly hosting (\$200/month for 60 months)			\$12,000	
				\$24,950
CONTACT CENTER				
Set up toll-free number and IVR menu; answer and document calls; monthly charges (\$150/month for 60 months) and per-minute charges				
Estimated Calls: 7,874			\$34,850	
Receive and respond to class member email communication: \$65/hr.			TBD	
				\$34,850
EMAIL NOTICE				
Create list for email, finalize content, implement email notice				
Estimated Emails: 120,520				\$5,000
MAIL NOTICE				
<u>Print and mail notice</u>				
Estimated items mailed	61,059			
Printing/Materials/Mailing Services	\$0.21	\$12,822		
			\$12,822	
Track undeliverables; remail forwards		\$1,600		
Research undeliverables (skip-trace); remail		\$6,900		
			\$8,500	
				\$21,322
PROCESS FORMS (FORMER CUSTOMERS)				
Process mailed forms	Estimated forms received	1,060		
	Cost per form	\$2.50		
			\$2,651	
Process online forms	Estimated forms received	4,242		
	Cost per form	\$1.25		
			\$5,302	
Validate forms; final review; identify and resolve issues			\$1,500	
Assumes 20 hours at \$75/hr.				\$9,453

Continued on next page

EMAIL REMINDER NOTICE		
<u>First Reminder</u>		
Create list for email, finalize content, implement email reminder		
Estimated Emails: 50,368	\$5,000	
<u>Second Reminder</u>		
Create list for email, finalize content, implement email reminder		
Estimated Emails: 49,043	\$5,000	
		\$10,000
DISTRIBUTE BENEFITS		
Establish QSF/Tax ID; account setup and management; reconciliation ¹	\$12,550	
Printing and mailing checks (plus postage included with expenses below)		
Estimated Items Mailed	5,302	
Printing/Materials/Mailing Services	\$0.95	\$5,037
		\$5,037
Research undeliverables (skip-trace); re-mail; reissue checks	\$1,000	
		\$18,587
EMAIL REMINDER NOTICE		
Create list for email, finalize content, implement email reminder		
Estimated Emails: 1,060		
		\$1,550
PROJECT MANAGEMENT		
Interaction with parties, design, implement and manage email notices and reminders, mailed notices and check mailing, status reports, supervision of project team, systems support and database management, resolution of issues, drafting affidavits		
Plus 10 hours of David Isaac provided at no cost.		
Estimated Months: 60		
Months 1-12 (assumes 325 hours)		
Months 13-24 (assumes 150 hours)		
Months 25-36 (assumes 100 hours)		
Months 37-48 (assumes 100 hours)		
Months 49-60 (assumes 75 hours)		
Assumes 750 hours at estimated average hourly rate of \$135		
		\$101,250
	SUB-TOTAL FEES	\$226,962
EXPENSES		
Estimated expenses including but not limited to postage, P.O. Box (\$150/month), hard-copy box storage (\$1.50/box per month), copying (\$0.20/page), data security and storage, bank fees, domain charges (\$100/year), NCOA, etc.		
Postage is estimated and JND will obtain best possible presort discounted rate.		
		\$62,512
	SUB-TOTAL EXPENSES	\$62,512
	TOTAL FEES & EXPENSES	\$289,474
	TOTAL LESS COURTESY DISCOUNT OF \$10,974	\$278,500

¹ Monthly bank fees are \$200 for a standard distribution account and \$350 for a distribution account with investment sweep account.

Hourly Billing Rates

POSITION/TITLE	RATE
Senior Executive	\$ 425
Executive	\$ 395
Senior Vice President	\$ 375
Vice President	\$ 325
Senior Director/Senior Consultant/Media Director	\$ 265
Director/Software Engineer/Network Administrator	\$ 200
Assistant Director/Controller	\$ 170
Senior Project Manager/Senior Data Analyst	\$ 150
Project Manager/Data Analyst/Helpdesk Administrator/ Manager/Contact Center Manager	\$ 125
Assistant Project Manager/Junior Data Analyst/ Contact Center Supervisor/Contact Center Lead/ Senior Staff Accountant	\$ 95
Senior Associate/Staff Accountant	\$ 85
Associate/Contact Center Agent	\$ 65
Inbound Mail Coordinator/Outbound Mail Coordinator	\$ 50
Clerk	\$ 45

All services to be provided by JND Legal Administration ("JND") are subject to the following terms and conditions:

1. **SERVICES:** JND agrees to perform all services necessary to complete the tasks outlined in the applicable proposal or other documents or per its understanding about the Client assignment. Such Services do not in any way constitute legal services or advice.
2. **PAYMENT:** The Client agrees to pay JND for the Services as outlined in the Proposal or other agreement between the parties. Client agrees and understands that fees charged by JND may include mark-ups, commissions, or other arrangements constituting potential profits to JND. Client further agrees that the prices to be charged by JND were negotiated at arm's length and that total fees are estimates and that the actual amount charged may be greater or lesser than the estimated amounts. JND reserves the right to increase its hourly rates annually.
3. **EXPENSES:** JND shall also bill for all expenses reasonably incurred in connection with the Services. These expenses include but are not limited to postage, FedEx, P.O. Box rental (\$150/month), travel, copies (\$0.20 per copy), box storage (\$1.50/box per month), brokerage fees, accounting fees, electronic storage (\$0.006 per image/record), and other items associated with the Services. JND may receive rebates or credits from vendors in connection with volume of work performed for all of its Clients. JND may also receive financial benefits from banks or other institutions based on settlement funds on deposit. These credits/rebates/awards are solely the property of JND.
4. **BILLING:** JND shall invoice clients every 30 days and expect payment within thirty (30) days of receipt of invoices. Payment for postage and printing is due in advance of mailing. Invoices not paid within thirty (30) days will be subject to a 1.5% monthly finance charge.
5. **INDEPENDENT CONTRACTOR:** JND is performing its Services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.
6. **CONFIDENTIALITY:** JND and the Client will each treat as confidential any documents shared by one party with the other. JND does not convey to the Client any right in the programs, systems, or methodologies used or provided by JND in the performance of this assignment.
7. **DATA PRIVACY:** JND is committed to taking all reasonable steps to ensure the security of all client and claimant data entrusted to our care. We seek to protect confidential data in all of our engagements, including this one, regardless of the size of the matter or the amount of data at issue. Please see JND's complete Privacy Policy at www.indla.com/privacy-policy regarding data collection and use.
8. **LIMITATION OF DAMAGES:** JND is not responsible to the Client for any special, consequential or incidental damages incurred by Client and any liability of JND to the Client shall not exceed the total amount billed to the Client for the particular Services that give rise to any loss.
9. **FORCE MAJEURE:** If any event out of the reasonable control of JND prevents JND's performance, such performance shall be excused.
10. **NOTICE:** Any notice required in connection with the Services shall be in writing and sent by registered mail or overnight courier. Such notice is deemed given if mailed five days after the date of deposit in the U.S. mail, or if sent by overnight courier, one business day after delivery to such courier.
11. **GOVERNING LAW:** This contract will be governed by and construed by the laws of the State of Washington.
12. **ASSIGNMENT:** This Agreement and the rights and obligations of JND and the Client shall inure to the benefit of their successors and assigns, if any.
13. **TERMINATION:** This Agreement may be terminated by the Client upon at least 30 days prior written notice to JND. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout the 30 day period. JND may terminate this Agreement (i) with 10 days prior written notice if the Client is not current in payment of charges or (ii) in any event, upon at least three months prior written notice to the Client. If Client terminates this Agreement, JND shall have no obligation to release any information or documentation related to the applicable matter until JND has been paid in full.

Exhibit C Disclosure Questionnaire

DISCLOSURE QUESTIONNAIRE

The Consultant shall complete the following questionnaire:

1. Has the Consultant, any officer of the Consultant, or any employee of the Consultant who has proprietary interest in the Consultant, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or safety regulation?

Yes _____ No X

If the answer is yes, explain the circumstances in the following space.

2. Has the Consultant, any officer of the Consultant, or any employee of the Consultant who has proprietary interest in the Consultant, ever had any administrative proceedings, claims, lawsuits, or other exposures pending against the Consultant?

Yes X No _____

If the answer is yes, explain the circumstances in the following space.

As a large TPA, Sedgwick is occasionally named in complaints arising out of its actions in managing its clients' claims. Sedgwick's record in avoiding regulatory penalties and managing its professional liability exposures is exemplary and we are not aware of any adverse litigation or regulatory action that would materially affect our operation. We employ a dedicated in-house counsel to manage all litigation brought against us directly.

Appendix

We have included the following appendix items in the .zip file that accompanies our proposal.

- Sample list of JND matters
- Senior management team bios
- JND's experience with California governmental entities
- Client references