**[Note: Text in bold red contains internal instructions and should be deleted before printing the final agreement. Text in green is either optional or is to be amended to suit the particular transaction. If such text is retained, you should change it to black font.]**

[Date]

[Contact Name]

[ABC Company, Inc.]

[Address]

[Address]

**Subject: Statement of Work for Health & Benefits Services**

Dear [Name]:

This statement of work (“**SOW**”) will confirm the terms of the engagement of [Click to Select WTW Contracting Party] (“**WTW**”, “**we**” or “**us**”) by [Client Legal Name](“**Client**” or “**you**”).

1. **Terms and Conditions of SOW:**

Client desires to procure and WTW is willing to provide the services listed in Attachment 1 (the “**Services**”). These Services will be provided subject to the WTW Health & Benefits Brokerage Terms, Conditions & Disclosures available at: [https://www.wtwco.com/-/media/WTW/Notices/h-b-brokerage-terms-no-MSA.pdf](https://www.wtwco.com/-/media/WTW/Notices/h-b-brokerage-terms-no-MSA-commission-only.pdf) the “**Brokerage Terms**”). Copies of the Brokerage Terms are available upon request.

1. **Term and Termination:**

The term of this SOW will begin on \_\_\_\_\_\_\_\_\_\_\_\_\_ and end on \_\_\_\_\_\_\_\_\_\_\_\_\_. Either party may terminate this SOW upon 60 days prior written notice to the other party.

**[The following auto-renewal (sometimes called “evergreen”) language requires H&B Market Leader and Region Leader approval; do not remove mutual termination right without Legal input]**

Upon the expiration of the term, or any renewal term, this SOW will renew automatically for successive one-year terms unless either party gives notice of non-renewal at least 60 days before the scheduled expiration date.

1. **Compensation**

**[Select Option A (Fee Only)*,* Option B (Fee plus Commission), Option C (Fee offset by Commission), or Option D (Commission Only) and delete the other options. If the client requires a commission cap, performance incentive, or other alternative compensation arrangement, please contact the Legal Department for appropriate wording.]**

**[Option A (Fee Only)]**

You agree that our compensation for the Services will be an annual fee of $\_\_\_\_\_\_\_\_\_\_\_, payable by you to us as follows. **[Provide details about the intended fee installment amounts and timing]**

**[Option 1 – Milestone billing:]**   
in installments with [30]% of the fee due upon execution of this statement of work, [50]% of the fee due at the **[Choose an appropriate point in the project]**, and [20]% of the fee due upon completion of our Services **[OR]**

**[Option 2 – Regular installments:]** Based on the following payment schedule:   
at the beginning of each quarter (or month, or in equal installments over the period of the project if shorter than a year) beginning with the execution of this SOW.

**[This fee should also include our 7% technical and administrative fee, data processing/intellectual capital charges, if applicable, but not any direct expenses. Hourly rates and hours should not be stated.]**

In addition to the fee, our charges will include the following:

* reimbursement, at cost, of direct expenses reasonably incurred by us in connection with the performance of our Services, such as travel and other vendor expenses, and itemized extraordinary expenses such as large-volume color printing, large-volume courier shipments and the like, plus an administrative fee of 5% of any vendor charges other than travel, unless arrangements are made in advance for charges to be invoiced to and paid by you directly; and **[If this is a fixed fee (and expenses aren’t to be added on), remove this bullet]**
* the amount of any tax or similar assessment based upon our charges.

We will bill you for the fee payments as they become due. At the end of each month during which we perform Services for you, we will also bill you for all other charges accrued for the month, such as travel and vendor expenses.

The fee is in addition to the premiums you must pay for your policies. Information regarding other compensation we may receive is described in the Brokerage Terms.

**[Option B (Fee plus Commission)]**

**[This option may only be used in the following two circumstances where: 1) you are charging a fee for the placement and servicing of some policies and collecting a commission for other policies; or 2) if a commission and fee are charged for the same policy and we provide additional services beyond our standard services to support the fee being charged.]**

You agree that our compensation for the Services will be an annual fee of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ payable by you to us as follows. **[Provide details about the intended fee installment amounts and timing]**

**[Option 1 – Milestone billing:]**   
in installments with [30]% of the fee due upon execution of this statement of work, [50]% of the fee due at the **[Choose an appropriate point in the project]**, and [20]% of the fee due upon completion of our Services **[OR]**

**[Option 2 – Regular installments:]** Based on the following payment schedule:   
at the beginning of each quarter (or month, or in equal installments over the period of the project if shorter than a year) beginning with the execution of this SOW.

**[This fee should also include our 7% technical and administrative fee, data processing/intellectual capital charges, if applicable, but not any direct expenses. Hourly rates and hours should not be stated.]**

In addition to the fee, our charges will include the following:

* reimbursement, at cost, of direct expenses reasonably incurred by us in connection with the performance of our Services, such as travel and other vendor expenses, and itemized extraordinary expenses such as large-volume color printing, large-volume courier shipments and the like, plus an administrative fee of 5% of any vendor charges other than travel, unless arrangements are made in advance for charges to be invoiced to and paid by you directly; and **[If this is a fixed fee (and expenses aren’t to be added on), remove this bullet]**
* the amount of any tax or similar assessment based upon our charges.

We will bill you for the fee payments as they become due. At the end of each month during which we perform Services for you, we will also bill you for all other charges accrued for the month, such as travel and vendor expenses.

The fee is in addition to the premiums you must pay for your policies. Information regarding other compensation we may receive is described in the Brokerage Terms.

You also agree that, in addition to the fee, we will be entitled to compensation in the form of commissions paid to us by insurers for the sale of the following insurance policies:

● XXXX (\_\_\_% commission)

● YYYY (\_\_\_% commission); and

● ZZZZ (\_\_\_% commission)

To the extent that we receive both fees and commissions for Services related to the same insurance policies, the commissions compensate us for the placement and servicing of those policies, while the fee compensates us for the Services which are in addition to the placement and routine servicing of the policies.

The parties agree that should the commissions increase or decrease by an amount exceeding ten percent (10%), due to a change in covered lives, added or deleted policies or for other reasons, the parties will discuss changes to our compensation and/or Services. Any such changes will be agreed to in writing by the parties.

**[Option C (Fee offset by Commissions) – MUST HAVE H&B MARKET LEADER AND REGIONAL LEADER APPROVAL]**

You agree that our compensation for the Services will be an annual fee of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ payable by you to us as follows. **[Provide details about the intended fee installment amounts and timing]**

**[Option 1 – Milestone billing:]**   
in installments with [30]% of the fee due upon execution of this statement of work, [50]% of the fee due at the **[Choose an appropriate point in the project]**, and [20]% of the fee due upon completion of our Services **[OR]**

**[Option 2 – Regular installments:]** Based on the following payment schedule:   
at the beginning of each quarter (or month, or in equal installments over the period of the project if shorter than a year) beginning with the execution of this SOW.

**[This fee should also include our 7% technical and administrative fee, data processing/intellectual capital charges, if applicable, but not any direct expenses. Hourly rates and hours should not be stated.]**

In addition to the fee, our charges will include the following:

* reimbursement, at cost, of direct expenses reasonably incurred by us in connection with the performance of our Services, such as travel and other vendor expenses, and itemized extraordinary expenses such as large-volume color printing, large-volume courier shipments and the like, plus an administrative fee of 5% of any vendor charges other than travel, unless arrangements are made in advance for charges to be invoiced to and paid by you directly; and **[If this is a fixed fee (and expenses aren’t to be added on), remove this bullet]**
* the amount of any tax or similar assessment based upon our charges.

We will bill you for the fee payments as they become due. At the end of each month during which we perform Services for you, we will also bill you for all other charges accrued for the month, such as travel and vendor expenses.

The fee is in addition to the premiums you must pay for your policies. Information regarding other compensation we may receive is described in the Brokerage Terms.

To the extent that we also receive during the term of this SOW commissions paid by insurers for the sale of the insurance policies that you purchase, we will use those base commissions to offset our fee, but only to the extent allowable by law. You acknowledge that we cannot return commissions to you under any circumstance. We will account to you periodically during the term of the SOW and at the termination of the SOW for all commissions received.

**[For Option A, B, or C: Use the following table]**

You acknowledge that, even though we may regularly invoice you on a different schedule during the term of this SOW, a substantial portion of our work is provided prior to and at the effective date of your benefit plan. Therefore, if this SOW is terminated before the end of the term, in order to compensate us fully for the services actually provided to you, the parties agree that the fee is earned and that you will pay us as provided in the following table:

|  |  |  |
| --- | --- | --- |
| Strategic Planning | 15% | Earned in equal monthly installments prior to the benefit plan effective date (fully earned at benefit plan effective date) |
| Program Renewal / Placement Process | 35% | Earned in equal monthly installments prior to the benefit plan effective date (fully earned at benefit plan effective date) |
| Ongoing Service and Resources | 50% | Earned in 12 equal monthly installments (starting at benefit plan effective date) |

**[Option D (Commission Only)]**

You agree that we will be compensated by commissions paid to us by insurers for the sale of the insurance policies that you purchase. All commissions will be fully disclosed to you prior to our placing coverage. The commissions will be earned for the entire policy period at the time we place insurance policies for you.

The parties agree that should commissions increase or decrease by an amount exceeding ten percent (10%), due to a change in covered lives, added or deleted policies or for other reasons, the parties will discuss changes to our compensation and/or Services. Any such changes will be agreed to in writing by the parties.

Information regarding other compensation we may receive is described in the Brokerage Terms.

1. **Additional Terms**

**[If the Services require us to access personal data from Europe that could trigger GDPR, contact the Legal Department for additional language to be inserted into the SOW. Our current position is that for H&B Brokerage services, we are a data controller.]**

If you would like us to vary the Services under this SOW, or to perform additional services that are not included, please advise us. Also, if we believe certain services you have asked us to carry out are not within the defined scope, we will promptly notify you. All out of scope services will be covered under a separate Statement of Work that will specify the additional services that we will perform and the additional compensation that we will receive.

Please have an authorized representative of Client countersign below (and do the same in respect of the enclosed copies, returning a set of countersigned documents to me for our records).

[Signature Page Follows]

**IN WITNESS WHEREOF, the parties have executed this SOW effective as of the \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_.**

**Signed by and on behalf of [Click to Select WTW Contracting Party]**

By:

Print name:

Print title:

Date:

**Accepted and agreed on behalf of [Insert Full Legal Name Of Client]**

By:

Print name:

Print title:

Date:

Attachments: Attachment 1 – Scope of Services

**Attachment 1**

**Services**

**[Attach Scope of Services]**