

Pricing Details

Sourcewell RFP for Risk Management, Employee Benefits, and Insurance Consulting Services

January 2025





Aon Pricing – Sourcewell Master Agreement

Aon has developed fee, commission, and hybrid (combination of both fee and commission) pricing models for this Master Agreement to provide the following services:

- a. Insurance Policy Placement along with solicitations
- b. Comprehensive Risk Analysis
- c. Claims Prevention and Mitigation
- d. Incident Response and Recovery
- e. Worker's Compensation Safety Programs
- f. Regulatory Compliance and Governance
- g. Technology and Data Analytics Integration
- h. Strategic Risk Advisory Services

Each participating entity's order will be evaluated individually to determine a full scope of resources required, duration of engagement, geography, and expected value to be realized to determine the fee and/or commission and any additional discounts.

Overview of Compensation for Services:

- **Fee:** Fee is fixed and is paid to Aon by a participating entity /client for services performed.
- **Commission:** Commission is compensation paid by an insurer. The commission is calculated as a percentage of the client premium and differs by insurer, type of insurance coverage provided, the specific services provided. Aon is an insurance broker and may earn compensation which relates in whole or in part to an insurance placement. For policy level commissions, Aon endeavors to receive compensation using standard commission rates by line of business that we seek to achieve with insurers in advance of individual policy placements. We believe this creates a fairer marketplace among insurers and allows our insurers to focus on the client's needs and risk history, not on commission rate negotiation. In turn, because insurers will be evaluated on their capabilities, clients will be able to compare quotes more easily.

Fees:

Labor Category Title	2025 (Year 1) Standard Rate	Sourcewell Discounted Rate (30%)	Year 2 Rate	Sourcewell Discounted Rate	Year 3 Rate	Sourcewell Discounted Rate	Year 4 Rate	Sourcewell Discounted Rate
Senior Vice President	\$1,107	\$852	\$1,162	\$894	\$1,220	\$938	\$1,281	\$985
Vice President	\$952	\$732	\$1,000	\$769	\$1,050	\$808	\$1,103	\$848
Assistant Vice President	\$735	\$565	\$772	\$594	\$811	\$624	\$852	\$655
Senior Consultant	\$641	\$493	\$673	\$518	\$707	\$544	\$742	\$571
Consultant	\$584	\$449	\$613	\$472	\$644	\$495	\$676	\$520
Analyst	\$476	\$366	\$500	\$385	\$525	\$404	\$551	\$424
Specialist	\$398	\$306	\$418	\$322	\$439	\$338	\$461	\$355
Administrative Support	\$110	\$85	\$116	\$89	\$122	\$94	\$128	\$98

Aon is proposing the following list of labor categories for the services proposed under this MSA. We have applied a 30% discount to our standard 2025 hourly rates that will be utilized under the Master Agreement: Please note that the above table reflects that Aon's labor hourly rate pricing will increase after the initial 12-month period, and each 12-month period over the life of the Master Agreement by 5%. The Sourcewell discount of 30% will be applied to each new annual rate.

**Commissions:**

Under the Sourcewell Master Agreement, Aon will apply a 30% discount on our standard commission rates on each line of coverage provided.

Aon's standard commission rates differ by line of business and, when placed in the U.S. market, are up to the following commission rates:

- Aviation - 17.5%
- Casualty - 18.5%
- Cyber - 17.5%
- Energy - 20%
- Entertainment - 20%
- Environmental - 18%
- Marine - 20%
- Med Mal/ Healthcare - 17.5%
- Professional/ E&O - 17.5%
- Property - 18%
- Product Recall - 20%
- Financial Lines - 18%
- Healthcare - 20%
- Surety - 35%
- Terrorism - 25%
- Trade Credit - 17.5%
- Workers Compensation - 15%
- Where an Aon broker is placing a policy in the London or Bermuda market, Aon endeavors to earn 20% on those lines of business.
- Where Aon has created a facility with proprietary terms and conditions negotiated, the Aon standard commission rates range from 20% – 22.5%.

Additional Discounting

Aon will evaluate and price each order opportunity separately to determine additional discounting. Additional discounts may be considered due to the order's period of performance, geographical location, resources needed, and the complexity among other things.



About

Aon plc (NYSE: AON) exists to shape decisions for the better—to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

© Aon plc 2025. All rights reserved.

The information contained herein and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

www.aon.com