

**AMENDMENT #2 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
TOWERS WATSON DELAWARE INC.
AND
THE STATE OF DELAWARE, OFFICE OF MANAGEMENT AND BUDGET**

This document (hereinafter referred to as "Amendment #2") shall serve to amend the original Professional Services Agreement for consulting services effective May 24, 2016 (hereinafter referred to as "Agreement") between the State of Delaware, Department of Human Resources (formerly Office of Management and Budget) ("State") having its principal place of business at 97 Commerce Way, Suite 201, Dover, Delaware 19904 and Towers Watson Delaware Inc., a Delaware corporation with offices at Centre Square East, 1500 Market Street, Philadelphia, PA 19102 ("Contractor").

WHEREAS, the State and Contractor hereby desire to amend the Agreement to extend the term of the contract for two (2) additional years and continue hourly billing rates as specified herein;

NOW THEREFORE, in consideration of the representations and mutual covenants herein undertaken, effective, July 1, 2018 unless otherwise stated herein, the parties agree as follows:

1. The term of the contract as set forth in Section 2.1, shall be extended for a term of two (2) years commencing on July 1, 2018 (the "Effective Date") and expiring June 30, 2020 (the "Extended Term").
2. The Amendment dated August 27, 2016 amended the Fees and Expenses section of Appendix A and confirmed that the rate cap of three percent (3%) will apply for the State's fiscal years of 2019, 2020 and 2021 if the contract is renewed.
3. The parties however, agree to continue the hourly billing rates for the Extended Term for work that falls within the core services or other work that Contractor has been awarded based on a fixed fee basis whether quoted monthly or otherwise:

| Position | August 27, 2016 Amendment | Effective July 1, 2018 – June 30, 2020 |
|----------------------------|------------------------------|---|
| Administrative Assistant 1 | \$165.85 | \$165.85 |
| Administrative Assistant 2 | \$171.20 | \$171.20 |
| Administrative Assistant 3 | \$192.60 | \$192.60 |
| Analyst 1 | \$288.90 | \$288.90 |
| Analyst 2 | \$294.25 | \$294.25 |
| Analyst 3 | \$337.05 | \$337.05 |
| Analyst 4 | \$374.50 | \$374.50 |
| Analyst 5 | \$379.85 | \$379.85 |
| Consultant 1 | \$433.35 | \$433.35 |

| | | |
|---------------------|----------|----------|
| Consultant 2 | \$454.75 | \$454.75 |
| Consultant 3 | \$465.45 | \$465.45 |
| Consultant 4 | \$481.50 | \$481.50 |
| Consultant 5 | \$486.85 | \$486.85 |
| Consultant 6 | \$529.65 | \$529.65 |
| Consultant 7 | \$551.05 | \$551.05 |
| Consultant 8 | \$593.85 | \$593.85 |
| Senior Consultant 1 | \$620.60 | \$620.60 |
| Senior Consultant 2 | \$658.05 | \$658.05 |
| Senior Consultant 3 | \$674.10 | \$674.10 |
| Senior Consultant 4 | \$695.50 | \$695.50 |
| Senior Consultant 5 | \$711.55 | \$711.55 |
| Senior Consultant 6 | \$727.60 | \$727.60 |
| Senior Consultant 7 | \$749.00 | \$749.00 |
| Senior Consultant 8 | \$754.35 | \$754.35 |

4. For work that falls outside of the core services or other work that Contractor has not been awarded based on a fixed fee basis whether quoted monthly or otherwise, Contractor's support can be provided on a time and expenses basis using the rates below:

| Position | Years 1 and 2 Rates, FY17 and FY18 | Effective July 1, 2018 – June 30, 2020 |
|-------------------|---------------------------------------|---|
| Senior Consultant | \$500 - \$650 | \$500 - \$650 |
| Consultant | \$300 - \$500 | \$300 - \$500 |
| Analyst | \$200 - \$300 | \$200 - \$300 |

5. The annual fixed-fee amount (as shown by monthly retainer) for core services is maintained at \$69,000.

Except as modified by this Amendment, all other terms and conditions of the above referenced Agreement will remain unchanged and in full force and effect.

STATE OF DELAWARE
DEPARTMENT OF HUMAN RESOURCES

Signature on File

By: _____
Brenda L. Lakeman, Director
Statewide Benefits Office

Date: 6/7/18

~~CONTRACTOR~~ ^{KF}
TOWERS WATSON DELAWARE, INC.

Signature on File

By: _____
Authorized Signature

Title: Senior Director

Date: 6/18/2018