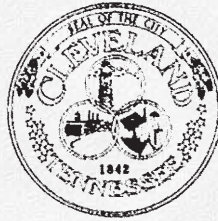


# City of Cleveland

Cleveland, Tennessee  
Office of the Mayor

Joe Cate  
City Manager



Cleveland Municipal Building  
190 Church Street, N.E.  
P.O. Box 1519  
(423) 476-8931  
(423) 559-3364 Fax

October 28, 2004

To Whom It May Concern:

Ed Jacobs and Associates has been the City of Cleveland's insurance broker since 1998. During that time, Mr. Jacobs and his staff have provided the City with professional negotiation service with our health insurer, Blue Cross and Blue Shield of Tennessee, and with other insurance companies.

Generally, we have been pleased with the level of service offered by Ed Jacobs and Associates. Specifically, two years ago Jacobs successfully negotiated a contract that provided no increase in cost and very minor changes to our insurance benefits. Last year, negotiations resulted in an increase of less than 8%. Based on conversations with representatives of other local governments, we consider ourselves fortunate to have maintained the coverage we have with these minimal benefit changes and cost increases. While many other employers have experienced double-digit health insurance cost increases that are more in line with those of the consumer price index.

If you have any questions, please feel free to contact me at the above-listed number.

Sincerely,

Joe Cate  
City Manager