



**ATTACHMENT J - DRAFT AGREEMENT FOR
BUSINESS PROCESS OUTSOURCING – UNDERWRITING
PRODUCTION SERVICES**

The following sets forth Citizens’ expectations of contractual terms and conditions. During the negotiations phase of this solicitation, Citizens is willing to modify these terms and conditions based on industry standards and Vendor’s reply to this ITN.

This Agreement (“Agreement”) is between CITIZENS PROPERTY INSURANCE CORPORATION (“**Citizens**”), a legislatively created Florida governmental entity, having its principal place of business at 2101 Maryland Circle, Tallahassee, Florida 32303, and **VENDOR NAME** (“**Vendor**”) having its principal place of business at **VENDOR ADDRESS**. Citizens and Vendor shall each be known as a “Party,” and collectively shall be known as the “Parties.”

Recitals

On August 30, 2018, Citizens issued an Invitation to Negotiate No. 18-0038 for Business Process Outsourcing - Underwriting Production Services (the “Solicitation”). Vendor’s response to the Solicitation was accepted by Citizens, subject to the terms set forth in this Agreement.

In consideration of the mutual promises and restrictions stated in this Agreement, the Parties acknowledge and agree as follows:

Terms of Agreement

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. “Activity” means the term “Activity” as used within PolicyCenter for an assignment of work issued by Citizens to Vendor for completion of specified Services as set forth in the Activity. The Activity is related to the resolution of a new business application, policy change/endorsement, a reinstatement, or a cancellation, including any additional transactions required to complete the assigned work.
 - 1.2. “Citizens Confidential Information” means all information, data, and documentation, whether marked as confidential or not, disclosed to Vendor in the course of this Agreement that is either: (a) Protected under any applicable state or federal law (including Chapter 119, Florida Statutes; Sections 501.171, and 627.351(6), Florida Statutes; Chapter 690-128, Florida Administrative Code; and, 15 U.S.C. § 6801 et seq.); (b) private information concerning Citizens employees

or policyholders (including social security numbers, personal health information, personal credit information, banking information, drivers' license numbers, personal email addresses, personal phone numbers, and home addresses); or, (c) related to any Citizens manuals, lists, operating and other systems or programs, business practices or procedures, insurance policies, claimants or claims, or any business, governmental, and regulatory matters affecting Citizens. "Citizens Confidential Information" does not include any information, data or documentation that: (a) is publicly available through no fault of Vendor or Vendor Staff; or, (b) Vendor developed independently without relying in any way on Citizens Confidential Information.

- 1.3. "Commercial Lines" means property insurance products designed for commercial and residential businesses and other commercial entities.
- 1.4. "Deliverables" means the quantifiable, measurable, and verifiable items required to be delivered to Citizens by Vendor under this Agreement.
- 1.5. "Effective Date" means the date on which the last Party executes this Agreement.
- 1.6. "High Value" means a type of new business application that is reviewed based on higher coverage limits for acceptability, insurability, and issuance with additional document review to confirm the higher coverage limits.
- 1.7. "Personal Lines" means property and casualty insurance products designed for individuals and families.
- 1.8. "PolicyCenter" means Guidewire PolicyCenter which is the internet based policy management and underwriting system, tracking specific assignments of work, called Activities, performed by both Vendors and internal Citizens personnel, in support of underwriting operations serving Citizen's agents and policyholders.
- 1.9. "Task Order" means Citizens' written document assigning work to Vendor for Additional Services. The Task Order must be executed by both Parties and must describe all requested Services from Vendor. Task Orders will encompass Activities already existing in PolicyCenter or Activities which are created in PolicyCenter. Task Orders shall be attached hereto and incorporated herein upon execution.
- 1.10. "Services" means all services and Deliverables to be provided by Vendor to Citizens under this Agreement. If any service or Deliverable is not specifically described in this Agreement but is necessary for the proper performance and provisioning of the Services, that service or Deliverable shall be included within the definition of the Services to the same extent and in the same manner as if specifically described herein.
- 1.11. "Sinkhole" means a type of new business application review where the property is within a sinkhole prone area or with a prior sinkhole loss or claim. May include reviewing remediation documents for sinkhole repairs and sinkhole inspections.
- 1.12. "Unbound" means a type of new business application that is reviewed due to agents not having binding authority along with confirming acceptability, eligibility, insurability, and issuance based on our underwriting guidelines and manuals.
- 1.13. "Vendor Staff" means any of Vendor's employees, agents, subcontractors or representatives who: (a) provide the Services; or, (b) have access to Citizens Confidential Information.

1.14. "Work Product" means each Deliverable and any drawing, design, specification, rendering, notebook, tracing, photograph, reference book, equipment, material, negative, report, finding, recommendation, data and memorandum of every description, created for Citizens under this Agreement and shared with or delivered to Citizens by Vendor or Vendor Staff in the course of performing this Agreement.

2. Term and Renewals.

2.1. Term of Agreement. This Agreement shall commence on the Effective Date and, unless terminated as provided for herein, shall continue for five (5) years.

2.2. Renewals. This Agreement may be renewed for one (1), three (3) year renewal period, followed by one (1), two (2) year renewal period either: (a) by Citizens, at its discretion upon twenty-one (21) calendar days prior written notice to Vendor; or, (b) by mutual written agreement of the Parties. Renewals shall be subject to the same terms and conditions set forth in this Agreement at the time of renewal, including any amendments signed by the Parties.

3. Services; Service Requirements.

3.1. Services. Vendor shall provide Citizens with Commercial Lines policy or Personal Lines policy underwriting Services as set forth herein. Vendor acknowledges that Citizens does not in any way represent or guarantee that Vendor will receive any specific or minimum volume of work under this Agreement.

3.1.1. Activity Based Processing. This category of Service shall encompass specific business process outsourcing Activities which include, but are not limited to:

3.1.1.1. New Business - Activities consisting of Unbound submissions or applications needing underwriting approval that may include but are not limited to: evaluating and analyzing all documents and information provided as new business submission; reviewing uploaded documents; validating policy type and eligibility questions; answering, ordering inspection reports as needed related to new business submission and reviewing loss history; analyzing and underwriting 3rd party appraisals and Citizens field surveys (currently specific to Commercial Lines); initiating declination or cancellations with legal notice for risks deemed uninsurable; making adjustments to coverage; credits and data integrity; and, requesting additional information as needed.

3.1.1.2. New Business Automated Processing (applicable to Personal Lines only) - As the new business submission has already auto-issued, activities associated may include but are not limited to: reviewing uploaded documents and information provided in new business submission; reviewing and addressing system generated informational blocks; ordering inspection reports as needed related to new business submission and reviewing loss history; initiating policy changes/endorsements to correct coverages, credits, or data integrity and/or initiating cancellations with legal notice for risks deemed uninsurable;

and, requesting additional information as needed.

- 3.1.1.3. Policy Changes/Endorsements - Activities may include but are not limited to: any request to make a change to the policy such as: name; addresses; mortgage updates; changes in policy terms; amending coverages; proof of repairs; claim referrals; changes at renewal; and, review and processing of general correspondence.
- 3.1.1.4. Cancellations. Activities may include any request to cancel a policy along with associated transactions in order to complete the activity.
- 3.1.1.5. Reinstatements. Activities may include any request to reinstate a policy along with associated transactions in order to complete the activity.
- 3.1.1.6. In the pursuit of Commercial Lines policy or Personal Lines policy underwriting Services, Vendor may be required to complete Activities including but not limited to the following: ordering inspection reports and the development of additional information required by the underwriting process; validating permits and/or geographical information system location data; investigating, researching, reviewing, evaluating, responding, analyzing, making underwriting decisions, and processing of various types of inspections such as: wind mitigations, replacement cost valuations, general conditions, mobile home, Sinkhole, 4 point inspections, Unbound submissions, High Value, and roof inspections; and, correspondence including telephone calls related to the Services.

3.1.2. Full Policy Management. Full Policy Management may be utilized for a specific portfolio of identified policies (the "Policy Portfolio") which would include all Services in Section 3.1.1. and all additional, ancillary services (also "Services") related to those listed in Section 3.1. in order to process all Activities needed for all new business policies through all renewals. Services may vary in duration based on the business need.

3.1.3. Additional Services. Due to Citizens' changing needs, Vendor may be requested to provide additional underwriting Services that are within the overall scope of this Agreement and are ancillary and related to a category of Services, but are not detailed with specificity within Section 3.1. ("Additional Services"). These Services may vary in duration and complexity based on the business need. The exact scope and pricing for such Services must be mutually agreed to by the Contract Managers in a written, signed Task Order.

3.2. Activity Process.

3.2.1. Each Activity will be assigned to Vendor at the sole discretion of Citizens through PolicyCenter by placing the specific Activity in Vendor's pending Activity queue.

3.2.2. Vendor is required to access their pending Activity queue within PolicyCenter for specific Activities requiring action. Additionally, Vendor will

comply with all performance measures set forth herein. Vendor acknowledges that Citizens does not in any way represent or guarantee that Vendor will receive any specific or minimum volume of Activities under this Agreement.

3.2.3. Once an Activity has been completed by Vendor, it will be reflected in the policy history.

3.2.4. Following the conclusion of each month, Citizens will provide to Vendor a report summarizing all completed Activities for the month. Vendor shall utilize the monthly report to generate a monthly invoice for compensation to be provided to Citizens as further described in Section 9.

3.3. Full Policy Management Process.

3.3.1. Each policy within the Policy Portfolio will be assigned to Vendor at the sole discretion of Citizens through PolicyCenter in order for Vendor to process all Activities needed on new business or ongoing policies, through all renewals.

3.3.2. Vendor is required to access their pending Activity queue within PolicyCenter to process all Activities requiring action. Additionally, Vendor will comply with all performance measures set forth herein.

3.3.3. Once an Activity has been completed by Vendor, it will be reflected in the policy history.

3.3.4. Following the conclusion of each month, Citizens will provide to Vendor a report summarizing all completed Activities for the month. Vendor shall utilize the monthly report to generate a monthly invoice for compensation to be provided to Citizens as further described in Section 9.

3.4. Task Order Process.

3.4.1. A Task Order for Additional Services will be drafted by Citizens and provided to Vendor. Upon mutual agreement of the Parties, the Task Order will be signed by Vendor.

3.4.2. Following Vendor's signature of the Task Order, Each Activity specified within the Task Order will be assigned to Vendor at the sole discretion of Citizens through PolicyCenter by placing the specific Activity in Vendor's pending Activity queue.

3.4.3. Vendor is required to access their pending Activity queue within PolicyCenter for specific Activities requiring action. Alternatively, Vendor may be required to reference the Citizens provided list in order to create Activities requiring action. Vendor will comply with all performance measures set forth within the Task Order or within this Agreement herein. Vendor acknowledges that Citizens does not in any way represent or guarantee that Vendor will receive any specific or minimum volume of Activities under the Task Order Process.

3.4.4. Once an Activity has been completed by Vendor, it will be reflected in the policy history.

3.4.5. Following the conclusion of each month, Citizens will provide to Vendor a report summarizing all completed Activities within the Task Order. Such

reporting shall be provided until completion of the Task Order. Vendor shall utilize the monthly report to generate a monthly invoice for compensation to be provided to Citizens as further described in Section 9., Compensation of the Agreement

- 3.5. Cancellation or Modification of an Activity. Unless otherwise described in a Task Order, Citizens and Vendor agree to work in good faith to modify or cancel any Activities assigned to Vendor within PolicyCenter in accordance with the Activity process outlined in Section 3.2. Cancellations or modifications may occur for any reason as deemed necessary by Citizens, including but not limited to, volume of work or Vendor performance.
- 3.6. Process and System Requirements. Within thirty (30) calendar days of execution of the Agreement, at its own cost and expense, Vendor shall have in place and ready for use all of the appropriate processes, systems, software, and hardware to ensure its ability to perform Services. Vendor agrees to execute any third party agreements to permit it to obtain access to Citizens' systems. Vendor shall provide Citizens with proof that it meets all of the requirements of this provision prior to performing Services.
- 3.7. Key Vendor Staff. Vendor shall provide the following key Vendor Staff resource: **TBD based on Vendor's response**. Any alternative or substituted key Vendor Staff will require prior written approval by Citizens' Contract Manager or designee.
- 3.8. Vendor Staff Minimum Requirements. The position descriptions for individuals underwriting Commercial Lines and Personal Lines policies attached as Exhibits A and B respectively, which may be updated from time to time, outline the minimum requirements for Vendor Staff handling Activities. Should different minimum requirements be required for any Additional Services, those requirements will be specified as part of the Task Order. Upon request, Vendor will provide proof that Vendor Staff meet or exceed the minimum requirements outlined in Exhibits A and/or B as applicable.
- 3.9. Vendor Credentialing Requirements. Vendor must provide Citizens with qualification and credentialing information related to Vendor's entity, or Vendor Staff as outlined below. The information will be utilized to verify that Vendor and Vendor Staff meet and continue to meet the requirements of this Agreement.
 - 3.9.1. Vendor Annual Financial Statement. At its own cost and expense, Vendor shall provide its annual financial statement to Citizens within thirty (30) days of the Effective Date and annually by January 1st. Such financial statement must be completed by Vendor's accounting firm or audited financials if a third party account firm is not used.
 - 3.9.2. Vendor Conflict of Interest Form. Vendor will provide the completed form within thirty (30) days of the Effective Date and annually by January 1st.
 - 3.9.3. W-9. Vendor will provide a current W-9 upon any changes to Vendor's legal business name, DBA name, payment address, or FEIN.
 - 3.9.4. Accurate Data on Vendor Staff. Within thirty (30) days of the Effective Date, Vendor shall provide the following information on each of its Vendor Staff the Vendor wishes to make immediately available to receive Activities. Should Vendor add additional employees, Vendor must update Citizens with Vendor Staff name and information prior to being eligible to receive

Activities. At Citizens' discretion, Citizens may review and approve all Vendor Staff submission documents prior to any Vendor Staff being approved to receive Activities, from Vendor. Additionally, Vendor will provide updated or revised information that expires, on the dates outlined and designated below.

3.9.4.1. Signed Ethics and Confidentiality Form. Vendor will have all Vendor Staff execute Exhibit C, Ethics and Confidentiality Acknowledgement Form, which may be updated from time to time, and which is due within thirty (30) days of the Effective Date and annually by January 1st.

3.9.4.2. Criminal Background Investigations. Vendor must conduct a criminal background check on each Vendor Staff within two (2) years preceding the date the individual begins to perform Services. The criminal background check must be refreshed at least every two (2) years from the date it was last performed. All criminal background checks will be at Vendor's expense and, unless otherwise approved in writing by the Contract Manager, shall include but not be limited to: (a) state and federal felony convictions or pending adjudications; (b) state and federal misdemeanor convictions or pending adjudications; and, (d) a seven (7) year minimum timeframe, extending as close as practicable to the date of assignment to perform Services.

If it is determined that an individual has a criminal conviction (misdemeanor or felony), regardless of adjudication (adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) (a "Conviction"), Vendor will not allow that individual to act as Vendor Staff under this Agreement until Vendor determines whether that individual should be allowed to do so considering (i) the nature and gravity of the offense; (ii) the amount of time that lapsed since the offense; (iii) the rehabilitation efforts of the individual involved; and, (iv) the relevancy of the offense to the individual's role in connection with this Agreement. A disqualifying offense is any Conviction (in any jurisdiction within or outside of the United States of America) where the nature of the criminal activity is such that a reasonable person would agree that the engagement would create a risk of injury, loss, or damage to any person or property (including that of Citizens, its employees, policyholders, and others).

Vendor must disclose all felony Convictions to Citizens prior to allowing an individual to act as a Vendor Staff member under this Agreement. Vendor must also inform Citizens of Vendor's reasoning for why the individual should be allowed to perform Services. Any individual whose criminal background check indicates, to Vendor or Citizens, conduct that demonstrates a lack of honesty or integrity, or otherwise demonstrates an inability to safely and reliably perform Services, will not be allowed to act as Vendor Staff under this Agreement.

Vendor agrees that additional statutory requirements apply to Vendor Staff persons who are engaged in insurance underwriting, claims adjusting, or who otherwise engage in the business of insurance on Citizens' behalf. For these individuals, Vendor is required throughout the term of this Agreement to make reasonable efforts to ensure that the individual has never been convicted of any criminal felony involving dishonesty or a breach of trust or an offense under 18 U.S.C. §1033. Failure by Vendor to comply with this requirement may constitute a federal crime under 18 U.S.C. §1033. Citizens may require Vendor to certify compliance with this requirement in writing on an annual basis.

3.9.4.3. Other Background Checks. Vendor shall also conduct reasonable background checks to verify that the proposed Vendor Staff has met the minimum education, qualifications, or experience requirements as required by Citizens' Contract Manager or designee.

3.9.4.4. Compliance with Fair Credit Reporting Act. Vendor will comply with all requirements of the federal Fair Credit Reporting Act, including the provision to Vendor Staff of all required pre-notification and post-report notices. Vendor is responsible for any adverse action notices that may apply to its employment decisions.

3.10. Vendor Staff Qualifications and Removal. All Vendor Staff shall be properly trained and qualified in accordance with Sections 3. and 4. Vendor shall furnish a copy of all technical certifications, resumes, or other proof of qualification to Citizens upon request. All Vendor Staff must comply with all reasonable administrative requirements of Citizens and with all controlling laws and regulations relevant to the Services.

If Vendor knows or learns of circumstances indicating that a Vendor Staff member (i) lacks the proper training or qualifications to perform the Services; or, (ii) is lacking in honesty or integrity, then Vendor will not allow that person to perform Services under this Agreement. Further, if Citizens reasonably determines that a Vendor Staff member is unsuitable for his/her role under this Agreement, Citizens has the right to disallow that person from performing in such role and to require Vendor to promptly provide a qualified replacement reasonably acceptable to Citizens.

4. Training.

4.1. Vendor shall be responsible to facilitate, supplement, and present training to Vendor Staff as directed by Citizens and as required by each category of Service, which at a minimum must include the following. Initial Citizens-specific training for Services in Section 3.1.1. is estimated to be fifteen (15) business days. All training shall be completed in full prior to activation of a Vendor Staff member.

4.1.1. Vendor shall be responsible for developing and training Vendor Staff on any skill enhancing topics that will improve the overall quality of Services provided by Vendor.

- 4.1.2. Vendor shall use Citizens' provided training, framework, materials, and expertise on any system or topic specific to Citizens.
- 4.1.3. Vendor, at its own expense, shall participate in Citizens' initial training for Vendor's provided trainers. This may be a train-the-trainer type of environment which could be in person, via the web, or any other developed method of delivery. If the initial training is in person, it may be held, at Citizens' sole discretion, at Citizens' offices or Vendor's location.
- 4.1.4. Vendor shall, at any time and with little or no advanced notice, be prepared for Citizens to audit any class being delivered by Vendor to Vendor Staff that impacts the Services directly pertaining to this Agreement. Any deficiencies will be documented by Citizens to Vendor and an appropriate means of remediation and timeframe for correction will be provided to Vendor by Citizens.
- 4.1.5. Vendor shall be required, if requested, to provide a detailed and specific class schedule of each topic, whether produced by Citizens or produced by Vendor, that will impact Vendor Staff providing Services at an agreed upon interval prior to the class being delivered.
- 4.1.6. Citizens may, at times, offer a Citizens approved subject matter expert to be available for any training session.
- 4.1.7. Vendor Staff may be required to complete a knowledge assessment associated with certain training topics before the Vendor Staff is able to work on any Services.
- 4.1.8. Vendor may be required, as requested by Citizens, to provide copies of all training material developed by the Vendor that shall be delivered to Vendor Staff prior to class or training commencing for that topic.
- 4.1.9. Vendor shall be prepared to maintain records of completed knowledge assessments, dates of training, classes attended, etc., for each Vendor Staff and shall be prepared to provide to Citizens the data at a reasonable time frame as requested by Citizens.
- 4.1.10. Vendor shall not distribute or use Citizens' created training material outside of the Services.
- 4.2. Once fully trained, representatives of Vendor' Staff may be required, upon reasonable notice, to travel to Citizens' offices in Florida to receive corporate updates and/or refresher training on Citizens policies and procedures. Unless otherwise approved by Citizens in writing in advance of travel, Citizens will reimburse Vendor, in accordance with the then current version of Citizens' Travel Reimbursement Guidelines for up to two (2) Vendor staff members, excluding reimbursement for Vendor Staff time.
- 4.3. Vendor shall be responsible for training, including follow-up training as deemed necessary by Citizens, for Vendor Staff associated on all applicable Citizens' policies. Citizens will notify and provide Vendor with a copy of all Citizens' policies that must be followed. Vendor must conduct its training using training materials provided by Citizens, including incorporating updates in policies and procedures as provided by Citizens.
- 4.4. Vendor will provide Citizens' Contract Manager with proof of training, in a format

acceptable to Citizens, no later than ten (10) business days after the completion of training. Vendor shall be responsible for maintaining complete training records for Vendor Staff. As a result, Vendor will be responsible for the actions of its employees, personnel, and independent contractors, regardless of whether or not those actions were done intentionally.

5. **Service Warranties and Standards.**

- 5.1. **General Warranty.** Vendor warrants that the Services will be performed and delivered in a professional, first-class manner in accordance with this Agreement and the standards prevailing in the industry. To this end, Vendor will undertake the following actions without additional consideration during the term of this Agreement and for one (1) year thereafter: (a) promptly make necessary revisions or corrections to resolve any errors and omissions on the part of Vendor; and, (b) confer with Citizens as Citizens deems appropriate for the purpose of interpreting any of the Services or information furnished. Acceptance of or payment for the Services by Citizens shall not relieve Vendor of these responsibilities. The warranty and covenants in this Section will extend to and bind Vendor's subcontractors, if any.
- 5.2. **Ability to Perform.** As of the Effective Date, Vendor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish Vendor's ability to perform the Services or satisfy its contractual obligations. During the term of this Agreement, Vendor shall immediately notify Citizens Contract Administrator of any change in circumstances that would in any way diminish Vendor's ability to perform the Services or satisfy its contractual obligations. Whether by Vendor's notification, Citizens' sole determination, or otherwise, in any case where Citizens is concerned with Vendor's ability or willingness to perform this Agreement is in jeopardy, Vendor acknowledges and agrees that, upon Citizens' request, Vendor shall timely provide Citizens with all reasonable assurances requested by Citizens to demonstrate that Vendor will continue to be able and willing to perform this Agreement.
- 5.3. **Monitoring of Performance.** Vendor shall continuously monitor and record its performance to ensure that all of Vendor's responsibilities and obligations hereunder are being met and fulfilled. At Citizens discretion, Citizens shall require Vendor to participate in meetings or teleconferences, on a routine basis, as determined by Citizens, to discuss and assess the delivery of the Services. Citizens may conduct programmatic and other administrative contract monitoring onsite at Vendor's location, not more than five (5) times per year, during the term of this Agreement if Vendor has been activated and Services are being delivered. Vendor will reimburse Citizens for all travel expenses incurred for up to five (5) Citizens employees to attend each onsite review, with such travel expenses capped in accordance with the then-current version of Citizens' Travel Reimbursement Guidelines. Onsite reviews are independent of monthly operations teleconferences that will be conducted to review the prior month's performance. The purpose of this monitoring is to ensure that all of Vendor's responsibilities and obligations are being met and fulfilled. Such monitoring may include on-site visits, report reviews, invoice reviews, compliance reviews, training material reviews, and a review of any other areas reasonably necessary. Vendor acknowledges and agrees that Citizens may also monitor and record Vendor Staff communications to

the extent they occur within or are connected to any Citizens' resource, such as electronic or telecommunications systems.

5.4. Service Level Standards.

5.4.1. Description. In addition to all other requirements in this Agreement, Vendor shall use reasonable and good faith efforts to meet the Service Level Standards, by Activity type, set forth below. The Service Level Standards below can be reasonably adjusted by Citizens, if provided in writing within a minimum of thirty (30) calendar days' notice.

PERSONAL LINES CYCLE TIME SERVICE LEVELS – TO BE MEASURED MONTHLY		
Activity Type	Cycle Time	Service Credit
New Business	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
New Business Front Automated Processing	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Policy Changes/Endorsements	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Cancellations	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Reinstatements	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.

COMMERCIAL LINES CYCLE TIME SERVICE LEVELS – TO BE MEASURED MONTHLY		
Activity Type	Cycle Time	Service Credit

New Business	Within ten (10) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Policy Changes/Endorsements	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Cancellations	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.
Reinstatements	Within five (5) calendar days from assignment of the Activity for the average of all Activities within the month.	Two percent (2%) of monthly invoice for this Activity type.

QUALITY ASSURANCE SERVICE LEVELS - TO BE MEASURED MONTHLY		
Activity Type	Minimum Standard	Service Credit
New Business, New Business Automated Processing Policy Changes/Endorsements, Cancellations, and Reinstatements	As measured on a monthly basis, per Activity type, Vendor shall meet or exceed a ninety-five percent (95%) quality assurance score based upon the quality assurance guidelines provided by Citizens.	Two percent (2%) of monthly invoice for each Activity Type.

5.4.2. Reports. On a monthly basis, in arrears and no later than the fifteenth (15th) calendar day of the month following the reporting month, Citizens shall provide reports to Vendor describing the performance of the Services as compared to the Service Level Standards. Citizens may request that Vendor provide details including but not limited to the cause or basis for not meeting a Service Level Standard or the specific remedial actions Vendor has undertaken or will undertake to ensure that the Service Level Standard will be subsequently achieved. Vendor and Citizens will meet as often as

reasonably requested by Citizens, but no less than monthly, to review Vendor's performance as it relates to the Service Level Standards. If Vendor fails to provide a report for a Service Level Standard in the applicable timeframe, the Service Level Standard shall be deemed to be completely failed for the purposes of calculating a Service Credit. Vendor shall, without charge, make Citizens' historical Service Level Standard reports available to Citizens upon request.

- 5.4.3. Failure to Meet Service Level Standards. Time is of the essence in meeting the Service Level Standards. If Vendor does not meet a Service Level Standard, Vendor shall issue the applicable Service Credits as agreed upon herein. The Service Credits will be issued on Vendor's next invoice to Citizens for the Services. The Service Credits are intended only to cover the diminished value of a Service that is delivered to Citizens. The acceptance of a Service Credit does not waive Citizens' right to pursue other remedial actions or claims under this Agreement. To the extent the underlying acts or omissions constitute an event of default under another section of this Agreement, Citizens may declare an event of default under that section. Notwithstanding the issuance of a Service Credit, Vendor will use its best efforts to minimize the impact or duration of any outage, interruption or degradation of Service. In no case shall Citizens be required to notify Vendor that a Service Credit is due as a condition of payment of the same.
- 5.4.4. Termination for Repeated Failures. Citizens shall have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement and be entitled to a return of any prepaid fees where Vendor fails to meet any Service Level Standard for four (4) months out of any rolling twelve (12) month period.
- 5.4.5. Temporary Suspension of Service Level Standards. Vendor will be excused for failing to meet any Service Level Standard if and to the extent such failure is excused under Section 17.17. Vendor shall advise Citizens in writing as soon as possible of any circumstance or occurrence which would excuse or affect Vendor's ability to achieve any of the Service Level Standards. In all such cases, Vendor will continue to make all reasonable efforts to achieve the Service Level Standards. Suspension of a Service Level Standard shall not excuse Vendor from accumulating data relevant to that Service Level Standard and reporting such data to Citizens as part of the reports required herein.

6. Deliverables and Work Product.

- 6.1. Deliverables and Financial Consequences. Each Deliverable must be delivered by Vendor to Citizens in the time and manner specified in this Agreement. Failure to do so will entitle Citizens to enforce financial consequences which can include: (a) withholding any payment associated with the Deliverable until such delivery is made; and/or, (b) terminating this Agreement in whole or in part for cause subject to the notice and cure provisions set forth in Section 13.3.

In addition, the following financial consequences shall also apply if the Vendor fails to deliver the following Deliverables.

Deliverable	Description	Due Date
Training Schedule	A detailed schedule to include completed training for new hires and any reoccurring training for existing Vendor Staff.	On a quarterly basis, in arrears and no later than the fifth calendar day of the month following the reporting quarter.
Current Activities Report	A summary of total open Activities, separated by Activity type, which includes the oldest creation date of any open Activity.	Each Monday, Wednesday, and Friday, excluding Citizens' holidays.
Project Plan	A detailed schedule to be provided when Vendor is being implemented initially, as well as at any time additional categories of Service are being added.	To be mutually agreed upon by the Parties for each occurrence.
Staffing List	Current list of Vendor Staff members trained and prepared to accept Activities.	On a monthly basis, in arrears and no later than the first calendar day of the month following the reporting month.
Skill Based Activity Matrix	Current list detailing each category of Services each Vendor Staff member is trained and qualified to receive.	On a monthly basis, in arrears and no later than the first calendar day of the month following the reporting month.

6.2. Title to Work Product. With the exception of the Pre-Existing Materials described in Section 6.3., Citizens will have all right, title and interest in and to each Work Product and any derivative works relating thereto (including ownership of copyrights). The use of these Work Products in any manner by Citizens shall not support any claim by Vendor for additional compensation. Each Work Product, and any portion thereof, shall be a "work made for hire" for Citizens pursuant to federal copyright laws. To the extent any of the Work Product is not deemed a work made for hire by operation of law, Vendor hereby irrevocably assigns, transfers, and conveys to Citizens, or its designee, without further consideration all of its right, title, and interest in such Work Product, including all rights of patent, copyright, trade secret, trademark, or other proprietary rights in such materials. Vendor acknowledges that Citizens shall have the right to obtain and hold in its own name any intellectual property right in and to the Work Product. Vendor agrees to execute any documents or take any other actions as may reasonably be necessary, or as Citizens may reasonably request, to perfect or evidence Citizens' ownership of the Work Product. This Section shall survive the termination of this Agreement.

6.3. Pre-Existing Materials.

- 6.3.1. Citizens acknowledges that, in the course of performing the Services, Vendor may use materials, software, reports, routines, language, instructions, methods, techniques, trade secrets, patents, copyrights, or other intellectual property that have been previously developed, purchased, licensed, or acquired by Vendor or by third parties (collectively, the "Pre-Existing Materials"), and that such Pre-Existing Materials shall remain the sole and exclusive property of Vendor or the third parties. Where Vendor seeks to embed Pre-Existing Materials in the Work Product, Vendor must first obtain written approval from Citizens.
- 6.3.2. If and to the extent any Pre-Existing Materials of Vendor are embedded or incorporated in the Work Product, Vendor hereby grants to Citizens the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to: (a) use, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such Pre-existing Materials and any derivative works thereof for Citizens' internal business purposes only; and, (b) authorize others to do any or all of the foregoing for Citizens' internal business purposes only.
- 6.3.3. If and to the extent any Pre-Existing Materials of third parties are embedded or incorporated in the Work Product, Vendor shall secure for Citizens an irrevocable, perpetual, non-exclusive, worldwide, royalty-free and fully paid-up right to use, execute, display, and perform such Pre-Existing Materials. Vendor shall secure such right at its expense and prior to incorporating any such Pre-Existing Materials into any Work Product, and such right must include, if practicable, a right to: (a) copy, modify, and create derivative works based upon such Pre-Existing Materials; and, (b) sublicense all or any portion of the foregoing rights to an affiliate or a third party service provider of Citizens. This Section does not apply to standard office software (e.g., Microsoft Office).
- 6.4. The provisions of this Section shall survive the termination of this Agreement.

7. Changes.

- 7.1. Change Process. Citizens may require changes altering, adding to, or deducting from the Services (each, a "Change"), provided that: (a) such Change is within the general scope of this Agreement; and, (b) Citizens will make an equitable adjustment in Vendor's compensation or delivery date if a Change materially affects the cost or time of performance of the Services. Such equitable adjustments require the written consent of Vendor, which consent shall not be unreasonably withheld, delayed or conditioned. The Parties will cooperate in good faith to determine the scope and nature of a Change, the availability of Vendor Staff, the expertise and resources to provide such Change, and the time period in which such Change will be implemented.
- 7.2. Modifications. A Change resulting in an increase or decrease to Vendor's compensation or the scope of Services must be evidenced by a formal amendment to this Agreement. All other changes shall be evidenced by either a writing signed by the Contract Manager or designee of each Party or a formal amendment to this Agreement.

8. Acceptance.

- 8.1. Acceptance Period. For all Services provided under this Agreement, Vendor grants to Citizens a thirty (30) calendar day acceptance period ("Acceptance Period") commencing on the date completed Services are delivered to Citizens. Citizens shall have the right to reject the Services, in whole or in part, during the Acceptance Period for Vendor's failure to meet the specifications associated with the delivered Services (a "Defect"), with such determination to be made in Citizens' reasonable judgment. At the end of the Acceptance Period, if Citizens has not rejected the Services, the Services shall be deemed to be accepted by Citizens; provided, however, that Citizens' acceptance of the Services shall not be deemed a waiver of any of Citizens' warranty rights as expressly provided in this Agreement.
- 8.2. Correction of Defects. To the extent a Defect can be corrected and was not the result of any bad faith by Vendor, Vendor shall have thirty (30) calendar days to correct the Defect. The determination as to whether a Defect can be corrected shall be made by Citizens in its reasonable discretion. If Vendor is unable to correct the Defect within this thirty (30) calendar day period, Citizens may, in its sole discretion, terminate this Agreement in whole or in part for cause and pursue such other rights and remedies allowable in law or equity.
- 8.3. Corrective Action Plan. At any stage during the thirty (30) calendar day period provided above or whenever Citizens identifies a deficiency in Vendor's performance of this Agreement, Citizens may require Vendor to take the following actions: (a) perform a cause analysis to identify the cause of the deficiency; (b) provide a written plan (the "Corrective Action Plan") detailing the cause of, and procedure for, correcting such deficiency (Citizens will be afforded the time necessary to review and approve the proposed Corrective Action Plan or require Vendor to make revisions); (c) implement the Corrective Action Plan as approved by Citizens; and, (d) provide Citizens with satisfactory assurance that such deficiency will not reoccur following the implementation of the Corrective Action Plan. In the case of a Defect identified by Citizens during an Acceptance Period, completion of the cause analysis and implementation of the Corrective Action Plan by Vendor must occur before the end of the thirty (30) calendar day period provided above, unless otherwise agreed to by Citizens in its sole discretion.

9. Compensation.

- 9.1. Maximum Compensation and Budget Requirement. Citizens' obligation to pay Vendor for all Services and reimbursable expenses under this Agreement (i) shall not exceed a total dollar amount of **\$TBD**; and, (ii) is contingent on the availability of budgeted funds approved by Citizens' Board of Governors on an annual basis. Activity Based Processing and Full Policy Management shall not exceed a combined value of **\$TBD**. Additional Services Task Orders shall not exceed a combined value of **\$TBD**.
- 9.2. Compensation Schedule. Vendor will be paid on a monthly basis for the Services accepted by Citizens in the preceding month according to the following tables: **TBD based on Vendor's response.**
- 9.3. Invoices. Vendor must timely submit all requests for compensation for Services or expenses, where permitted, in sufficient detail for a pre- or post-audit. The compensation request must include a unique invoice number, be in US dollars,

legible, page-numbered, signed, and dated. Vendor shall also submit a copy, marked as duplicate, of the original, invoice to Citizens' Contract Manager or designee. All invoices and payment credits must be submitted to the attention of Citizens' Accounts Payable department at AccountsPayable@citizensfla.com or Post Office Box 10749, Tallahassee, Florida 32302-2749 monthly basis and must include, at a minimum, the following: (a) Agreement/task order number/purchase order number, if applicable; (b) Vendor's name, address, phone number (and remittance address, if different); (c) Vendor's Federal Employment Identification Number; (d) Citizens' Contract Manager's name; (e) invoice date; (f) Services period; (g) taxes listed separately, if applicable (see Section 9.9.); and, (h) itemized Services for which compensation is being sought.

- 9.4. Payment Processing. Citizens may require any other information from Vendor that Citizens deems necessary to verify any compensation request placed under this Agreement and Vendor agrees that it will provide such information as reasonably requested by Citizens. Payment shall be due net thirty (30) calendar days of Citizens' actual receipt of a complete and undisputed invoice. Where a submitted invoice is incomplete, such as not containing the information described in this Section, Citizens will return the incomplete invoice to Vendor for correction within thirty (30) calendar days of Citizens' actual receipt of such invoice. Where Citizens reasonably disputes any part of a complete invoice, such as the amount of the compensation request, Citizens shall pay any undisputed portion of the invoiced amount within (30) calendar days of Citizens' actual receipt of the complete invoice and will describe the basis for the disputed portion of the invoiced amount. Where Vendor disagrees with Citizens dispute of any invoice, the Parties shall seek to resolve the dispute in accordance with the Dispute Resolution Process further described in this Agreement. In no case shall Citizens be subject to late payment interest charges where Vendor has submitted an incomplete invoice or where Citizens has reasonably disputed an invoice. Where Vendor fails to submit an invoice within twelve (12) calendar months of the Services for which compensation is being requested, Vendor acknowledges and agrees that any payment due for such Services is forfeited by Vendor for its failure to timely submit an invoice.
- 9.5. Early Payment Discount. Citizens and Vendor agree to an early payment discount where payment is net ten (10) calendar days of Citizens' actual receipt of a complete and undisputed invoice. Citizens shall be entitled to reduce the invoiced amount by a two-percent (2%) early payment discount. The invoice will be marked "early payment discount" by Citizens' Contract Manager or designee.
- 9.6. Travel-related Expenses. Vendor agrees to comply with Citizens' then-current Vendor Travel Reimbursement Guidelines. All travel-related expenses must be pre-approved in writing by Citizens' Contract Manager or designee. Citizens shall reimburse Vendor for pre-approved travel-related expenses incurred in the performance of Services following Citizens' receipt of Vendor's reimbursement request submitted in accordance with the then-current Vendor Travel Reimbursement Guidelines.
- 9.7. No Additional Charges. Except for the compensation described in the Compensation Schedule and travel-related expenses, if permitted, Citizens shall not be billed for or be obligated to pay to Vendor any charges, expenses, or other amounts for the Services or otherwise.
- 9.8. Offsets and Credits. Any amounts due from Vendor may be applied by Citizens

against any amounts due to Vendor. Any such amounts that are not so applied shall be paid to Citizens by Vendor within thirty (30) calendar days following Citizens' request.

- 9.9. Taxes. Citizens is a State of Florida, legislatively created, governmental entity which does not pay federal excise or state sales taxes on direct purchases of tangible personal property. Vendor represents and warrants that it is an independent contractor for purposes of federal, state, and local employment taxes. Vendor agrees that Citizens is not responsible to collect or withhold any federal, state, or local employment taxes, including personal property tax, income tax withholding, and social security contributions, for Vendor or Vendor Staff. Any and all taxes, interest or penalties, including personal property tax or any federal, state, or local withholding or employment taxes, imposed, assessed, or levied as a result of this Agreement shall be paid or withheld by Vendor or, if assessed against and paid by Citizens, shall be immediately reimbursed by Vendor upon demand by Citizens.

10. Indemnification.

- 10.1. Indemnification. Vendor shall be fully liable for the actions of Vendor Staff and shall fully indemnify, defend, and hold harmless Citizens, and its officers, members of the Board of Governors, agents, employees, and policyholders (each, an "Indemnitee" and collectively, the "Indemnitees") from suits, actions, damages, liabilities, demands, claims, losses, expenses, fines, penalties, fees, and costs of every name and description (collectively, "Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from any Indemnitee, by reason of any Claim arising out of or relating to any act, error or omission, or misconduct of Vendor, its officers, directors, agents, employees, or contractors, including without limitation: (a) a violation of federal, state, local, international, or other laws or regulations; (b) bodily injury (including death) or damage to tangible personal or real property; (c) breaches of any representations made by Vendor under this Agreement; (d) any claim that any portion of the Services violates or infringes upon a trademark, copyright, patent, trade secret or intellectual property right; or, (e) Vendor's failure to timely forward a public records request to Citizens for handling.

10.1.1. Vendor's obligations of indemnification with respect to any Claim are contingent upon Citizens (or other Indemnitee) providing Vendor: (a) written notice of the Claim; (b) the opportunity to settle or defend against the Claim at Vendor's sole expense; and, (c) assistance in defending against or settling the Claim at Vendor's sole expense. Vendor shall not be liable for any cost, expense, or compromise incurred or made by an Indemnitee in any legal action without Vendor's prior written consent, which shall not be unreasonably withheld.

10.1.2. Notwithstanding anything in this Agreement to the contrary, Vendor shall not indemnify for that portion of a Claim proximately caused by: (a) a negligent act or omission of an Indemnitee; or, (b) an Indemnitee's misuse or modification of the Service or Work Product.

10.1.3. The obligations in this Section are separate and apart from, and in no way limit Citizens' rights under any insurance provided by Vendor pursuant to this Agreement or otherwise.

10.1.4. The provisions of this Section shall survive the termination of this Agreement.

11. **Insurance.**

11.1. **Vendor Insurance Requirements.** During the term of this Agreement, Vendor will maintain at its sole expense the following insurance, purchased from an insurer licensed to transact business in the State of Florida:

11.1.1. Workers' Compensation which provides coverage for Vendor's employees and independent contractors' employees, regardless of the state of hire, in at least the minimum statutory limits required by the State of Florida, and Employers' Liability with limits of \$1 million per accident; provided, however, that such workers' compensation policy may exclude coverage for independent contractor employees who are covered by a workers' compensation policy that meets the requirements (including Employers' Liability coverage) set forth herein.

11.1.2. Commercial General Liability with minimum limits of \$1 million per occurrence (to include contractual liability for liability assumed hereunder) and \$2 million in the aggregate;

11.1.3. Umbrella Excess General Liability and Auto Liability insurance with minimum limits of \$4 million in the aggregate; the umbrella excess policy must afford coverage equivalent to the commercial general liability and automobile liability coverages required in subsections 11.1.2. and 11.1.3.; the policy inception date must also be concurrent with the inception dates of the underlying general liability and automobile liability policies; if vendor maintains commercial general liability and automobile liability coverage that exceeds the minimum limits identified in 11.1.2. and 11.1.3., then Vendor may reduce its umbrella excess coverage limit by the corresponding amount;

11.1.4. Professional Liability (errors and omissions) with minimum limits of \$1 million per claim and \$2 million in the aggregate;

11.2. **Insurance Company Qualifications.** Each company issuing policies required under Sections 11.1. must: (i) be licensed to transact business in the State of Florida; and, (ii) have an AM Best Financial Strength rating of "A-" or above.

11.3. **Acceptable Deductible Amounts.** The policies required under Section 11.1. shall not have deductibles in excess of \$100,000 per claim/occurrence, except as pre-approved by Citizens in connection with financially reasonable self-insured retention limits. Prior to approving a self-insured retention alternative, Citizens shall have the right to request, and Vendor shall be obligated to timely provide, financial documents demonstrating that Vendor has the assets, income, and liquidity necessary to pay such retention. Citizens shall be exempt from, and in no way liable for, any sum of money which may represent a deductible in any of these policies. The payment of deductibles as well as any self-insured retention shall be the sole responsibility of Vendor.

11.4. **Defense Costs.** The limits of indemnity coverage required under Section 11.1. and 11.2. shall not include costs incurred in defending against a claim and shall not be reduced by the payment of such costs; provided, however, that with respect to

professional liability coverage as set forth in Section 11.1.5., Vendor may alternatively maintain coverage with minimum limits of \$2 million per claim and \$4 million in the aggregate.

- 11.5. Loss History. Vendor shall provide, or Vendor shall request its insurer to provide, upon request by Citizens, a list of claims paid (with amounts) in the three years prior to the date of Citizens' request, together with a list of any outstanding claims with current reserves.
- 11.6. Vendor's Insurance is Primary. The insurance required under Section 11.1. shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by Citizens, Citizens' Board Member, or any Citizens employee.
- 11.7. Citizens to be an Additional Insured. The Commercial General Liability and Auto Liability policies in Section 11. shall include Citizens as an additional insured. For Commercial General Liability coverage, the policy must include ISO Form #CG 20 10 10 01 or a comparable company specific endorsement.
- 11.8. Waiver of Subrogation. The insurance required under Section 11. shall include a provision waiving the insurer's rights of recovery or subrogation against Citizens.
- 11.9. Coverage for Indemnity Obligations. The Commercial General Liability, Auto Liability, Umbrella Liability, and Professional Liability coverages shall cover claims made under the indemnity provisions of this Agreement.
- 11.10. Notice of Cancellation or Change. To the extent practicable, the Commercial General Liability and Professional Liability policies shall require thirty (30) calendar days prior written notice to Citizens of cancellation, non-renewal or change in any coverage, except for ten (10) calendar days prior written notice for non-payment of premium.
- 11.11. Proof of Coverage. Within thirty (30) calendar days of execution of this Agreement, and upon renewal or reissuance of coverage thereafter, Vendor must provide current and properly completed in-force certificates of insurance to Citizens that evidence the coverages required in Section 11.1. The certificates for Commercial General Liability, Umbrella Liability and Professional Liability insurance certificates must correctly identify the type of work Vendor is providing to Citizens under this Agreement. The agent signing the certificate must hold an active Insurance General Lines Agent license (issued within the United States). Vendor shall provide copies of its policies upon request by Citizens.

12. Contract Administration.

- 12.1. Contract Administrator. Citizens shall name a Contract Administrator during the term of this Agreement whose responsibility shall be to maintain this Agreement. Except for written notices not otherwise specifically required to be delivered to the Citizens' Contract Manager or designee (such as those relating to background checks, invoicing, data security requirements and subcontractors), all written notices shall be delivered to the Contract Administrator in addition to the Citizens Contract Manager named below. As of the Effective Date, the Contract Administrator is:

Lori Newman, Vendor Management Office
301 W Bay Street, Suite 1300

Jacksonville, Florida 32202
904-407-0225
Lori.Newman@citizensfla.com

Citizens shall provide written notice to Vendor of any changes to the Contract Administrator; such changes shall not be deemed Agreement amendments.

- 12.2. Contract Managers. Each Party will designate a Contract Manager during the term of this Agreement whose responsibility shall be to oversee the Party's performance of its duties and operational obligations pursuant to the terms of this Agreement. As of the Effective Date, Citizens' and Vendor's Contract Managers are as follows:

Citizens' Contract Manager

Jeremy Pope
Citizens Property Insurance Corporation
301 W Bay Street, Suite 1300
Jacksonville, Florida 32202
904-208-7390
Jeremy.Pope@citizensfla.com

Vendor's Contract Manager

Name
Company Name
Address
City, State Zip
Phone
Email

Each Party shall provide prompt written notice to the other Party of any changes to their Contract Manager; such changes shall not be deemed Agreement amendments.

13. Suspension of Services; Agreement Termination; Transition Assistance.

- 13.1. Temporary Suspension of Services. Citizens may, in its sole discretion, temporarily suspend all or certain portions of the Services at any time by providing written notice to Vendor. Upon receiving a suspension notice, Vendor shall cease performing the Services in accordance with the suspension notice. Within ninety (90) calendar days after Citizens provides the suspension notice, or any longer period agreed to by Vendor, Citizens shall either: (a) issue a notice authorizing resumption of the Services, at which time the Services shall resume; or, (b) exercise its right under Section 13.2. to terminate this Agreement without cause. Nothing in this Section allows Citizens to withhold or delay any payment for Services satisfactorily performed prior to the suspension. However, Vendor shall not be entitled to any additional compensation for the suspension of Services.
- 13.2. Termination without Cause. By thirty (30) calendar days advance written notice, Citizens may terminate this Agreement in whole or in part, at its sole discretion and without the need to specify a reason for termination. The actual date of termination of this Agreement will be thirty (30) calendar days from the date of the written notice, or as otherwise specified in Citizens' written notice (the "Termination Date").

Where Citizens elects to terminate this Agreement in part, Vendor shall continue to provide Services on any portion of the Agreement not terminated. Vendor shall be entitled to payment for Services satisfactorily performed through the Termination Date but shall not be entitled to recover any cancellation charges or damages, including lost profits or reliance damages. Vendor shall not have a reciprocal right to terminate without cause; it being understood that Citizens' payment for Services forms the consideration for Vendor not having this right. In the event of Citizens' termination without cause, Citizens, at Citizens' sole election, may also require Vendor to provide the Transition Assistance as further described in this Agreement.

- 13.3. Termination for Cause. Either Party may terminate this Agreement if the other Party fails to honor its material obligations under this Agreement. Unless otherwise provided herein, before terminating this Agreement, the Party that believes the other Party is failing to perform this Agreement shall notify the breaching Party, in writing, of the nature of the breach and provide a reasonable time certain to cure the breach. The cure period will generally be ten (10) calendar days from receipt of the notice, provided that a cure period is not required if a cure is not feasible as determined by the non-breaching Party or if the breaching Party has already been notified of the breach and given at least ten (10) calendar days to correct it. If the breaching Party does not cure the breach within the time provided by the non-breaching Party, and its breach is not legally excusable, the non-breaching Party may thereafter notify the breaching Party, in writing, that it considers the breaching Party in default and may terminate this Agreement and pursue any remedies allowed in law or equity. Instead of terminating this Agreement in whole, Citizens may elect to terminate this Agreement in part, in which case Vendor shall continue to provide Services on any portion of the Agreement not terminated. If after termination it is determined that Vendor was not in default, or that the default was excusable, the rights and obligations of the Parties shall be the same as if the termination had been issued without cause under Section 13.2.
- 13.4. Scrutinized Companies; Termination by Citizens. In addition to any other termination rights of Citizens as provided for in this Agreement, Citizens may, at its sole election, terminate this Agreement if Vendor: (a) is found to have submitted a false certification as provided under Section 287.135(5), F.S.; (b) has been placed on the "Scrutinized Companies with Activities in Sudan List;" (c) has been placed on the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List;" (d) has been placed on the "Scrutinized Companies that Boycott Israel List;" (e) has been engaged in business operations in Cuba or Syria; or, (f) is engaged in a boycott of Israel.
- 13.5. Transition Assistance. At any time prior to the date this Agreement expires or terminates for any reason (either, the "Termination Date"), Citizens may request Vendor to provide transition assistance services ("Transition Assistance"). Vendor shall provide such Transition Assistance until Citizens notifies Vendor that Citizens no longer requires such Transition Assistance, which shall in no event be more than one-hundred and eighty (180) calendar days following the Termination Date.
- 13.5.1. Transition Assistance shall mean any transition services, functions, or responsibilities that are ordinarily or customarily provided to a purchaser to ensure that the services provided to that purchaser by a vendor are fully transitioned in a smooth and efficient manner to the purchaser or to a successor vendor. Transition Assistance includes the development and

implementation of a detailed transition plan, if requested. To the extent the Transition Assistance will involve a successor vendor, Vendor agrees that it will cooperate with such successor vendor. As reasonably required by Vendor, Citizens shall cause any successor vendor to execute Vendor's non-disclosure agreement.

13.5.2. Transition Assistance rendered before the Termination Date shall be provided at no additional cost to Citizens. Transition Assistance rendered after the Termination Date shall be provided at the rates negotiated by the Parties prior to the rendering of the post-termination Transition Assistance, which rates shall not exceed the standard market rates Vendor charges to government entities for comparable services; provided however, that if Citizens terminates this Agreement because of a breach by Vendor, then the post-termination Transition Assistance shall be provided at no cost to Citizens. Vendor may withhold Transition Assistance after the Termination Date if Citizens does not provide reasonable assurance that the charges for such Transition Assistance will be paid to Vendor.

14. Disputes.

14.1. Dispute Resolution Process. Each Party will make a good faith effort to resolve any disputes relating to this Agreement prior to commencing a legal action. These efforts may include an offer to arrange for executive-level discussions or an offer to submit the dispute to non-binding mediation. This section shall not apply if (i) a Party considers the immediate commencement of a legal action for an injunction necessary to protect its interests (e.g., to protect against the improper use or disclosure of its confidential information); or, (ii) the dispute is subject to another provision in this Agreement that includes a different dispute resolution process. For the sake of clarity, Citizens is not subject to the dispute resolution processes set forth in The Florida Administrative Procedure Act, Chapter 120, Florida Statutes.

14.2. Jurisdiction and Venue; Waiver of Jury Trial. This Agreement shall be deemed to have been made in the State of Florida and shall be subject to, and governed by, the laws of the State of Florida, and no doctrine of choice of law shall be used to apply any law other than that of the State of Florida. Each Party hereby irrevocably consents and submits to the exclusive jurisdiction of the Circuit Court of Leon County, Florida, for all purposes under this Agreement, and waives any defense to the assertion of such jurisdiction based on inconvenient forum or lack of personal jurisdiction. The Parties also agree to waive any right to jury trial.

14.3. The provisions of this Section shall survive the termination of this Agreement.

15. Records; Audits; Public Records Laws.

15.1. Record Retention. Vendor shall retain all records relating to this Agreement for the longer of: (a) five (5) years after the termination of this Agreement; or, (b) the period specified by Citizens as necessary to comply with Florida law.

15.2. Right to Audit and Inquire. Citizens shall have reasonable access to Vendor's facilities and has the right to review and audit any of Vendor's records relating solely to this Agreement, upon written notice to Vendor of at least three (3) business days. Vendor also agrees to reasonably cooperate with any independent

inquiries made by Citizens' Office of Internal Audit and Office of the Inspector General. Vendor shall cooperate with the requestor and provide requested documentation in a timely manner (preferably within five (5) business days). Vendor must resolve any deficiencies discovered during an audit within ninety (90) calendar days from being reported. Citizens may extend the response time period in its sole discretion. Citizens has the right to conduct follow-up audits to assess Vendor's corrective action(s). Any entity performing auditing services on behalf of Citizens pursuant to this Section shall execute a non-disclosure agreement with regard to Vendor's proprietary information, unless precluded from doing so by law. Vendor shall not unreasonably delay or inhibit Citizens' right to audit as set forth in this Section. Vendor agrees to reimburse Citizens for the reasonable costs of investigation incurred by Citizens for investigations of Vendor's compliance with this Agreement which result in termination for cause or in regulatory or criminal penalties in connection with performance of this Agreement. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; expert witness fees; and, documentary fees.

15.3. Public Records Laws. Vendor acknowledges that Citizens is subject to Florida public records laws, including Chapter 119, Florida Statutes, (collectively, "Florida's Public Records Laws"). Therefore, any information provided to Citizens or maintained by Vendor in connection with this Agreement may be subject to disclosure to third parties.

15.3.1. Protection of Vendor's Confidential Information. Section 627.351(6)(x)1.e., Florida Statutes, provides that proprietary information licensed to Citizens under a contract providing for the confidentiality of such information is confidential and exempt from the disclosure requirements of Florida's Public Records Law. Other Florida Statutes allow for various protection of vendor's trade secrets and financial information. In order to protect any information provided to Citizens that Vendor considers to be protected from disclosure under Florida law ("Vendors Confidential Information"), Vendor should clearly label and mark each page or section containing such information as "Confidential", "Trade Secret" or other similar designation.

15.3.2. Responding to Request for Vendor Confidential Information. If Citizens receives a Public Records Request ("PRR") or a request from any regulatory or legislative entity regarding Vendor's Confidential Information, it shall promptly notify Vendor in writing. To the extent permitted by law, Citizens shall not produce Vendor's Confidential Information unless authorized by Vendor, or by order of a court of competent jurisdiction. In the event a legal proceeding is brought to compel the production of Vendor's Confidential Information, the Parties agree that Citizens is authorized to deliver Vendor's Confidential Information to the court or other legal tribunal for disposition. If Vendor continues to assert in good faith that Vendor's Confidential Information is confidential or exempt from disclosure or production pursuant to Florida's Public Records Laws then Vendor shall be solely responsible for defending its position, or seeking a judicial declaration. Nothing in this Agreement shall create an obligation or duty for Citizens to defend or justify Vendor's position. Vendor also agrees to reimburse Citizens for any attorneys' fees, costs, and expenses incurred by Citizens or awarded against Citizens in any legal proceeding in which the issue is a third party's challenge to Vendor's assertion of an exemption

under Florida's Public Records Laws.

15.3.3. Vendor's Duty to Forward Records Requests to Citizens. Vendor receives a PRR that is in any way related to this Agreement, Vendor agrees to immediately notify Citizens' Records Custodian and forward the PRR to Citizens' Records Custodian for logging and processing. Citizens' Records Custodian's email address is: Recordsrequest@citizensfla.com. Citizens shall be the Party responsible for coordinating the response and production to the PRR. Vendor shall communicate with Citizens to determine whether requested information is confidential and/or exempt from public records disclosure requirements. Vendor agrees to assist Citizens in responding to any PRR in a prompt and timely manner as required by Florida's Public Records Laws.

15.3.4. Additional Duties. To the extent Vendor is "acting on behalf of" Citizens as provided under Section 119.011(2), Florida Statutes, Vendor must: (a) keep and maintain public records required by Citizens to perform the Services; (b) upon request of Citizens' Records Custodian, provide Citizens with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law, for the duration of the term of this Agreement and following the completion of this Agreement if Vendor does not transfer the records to Citizens; and, (d) upon completion of this Agreement, transfer at no cost to Citizens all public records in possession of Vendor or, alternatively, Vendor may keep and maintain all records required by Citizens to perform the Services. If Vendor transfers all public records to Citizens upon completion of this Agreement, Vendor shall destroy any duplicate public records that are exempt, or confidential and exempt from public records disclosure. If Vendor keeps and maintains public records upon completion of this Agreement, Vendor shall meet all applicable requirements for retaining public records. All public records stored electronically must be provided to Citizens, upon request by Citizens' Records Custodian, in a format that is compatible with the information technology systems of Citizens.

IF VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT CITIZENS' RECORDS CUSTODIAN AT (i) (850) 521-8302; (ii) RECORDSREQUEST@CITIZENSFLA.COM; OR, (iii) RECORDS CUSTODIAN, CITIZENS PROPERTY INSURANCE CORPORATION, 2101 MARYLAND CIRCLE, TALLAHASSEE, FL 32303.

15.4. Vendor's Failure to Respond to Public Records Request. Vendor must comply with

Citizens' request for records, including all documents, papers, letters, emails, or other materials in conjunction with this Agreement, within thirty (30) calendar days of Citizens' request. Vendor's failure to comply with Citizens request may be subject to penalties in accordance with Chapter 119.10, Florida Statutes. Vendor will hold Citizens harmless from any actions resulting from Vendor's non-compliance with Florida's Public Records Laws. Without limiting Citizens' other rights of termination as further described in this Agreement, Citizens may unilaterally terminate this Agreement for refusal by Vendor to comply with this Section unless the records are exempt from Section 24(a) of Article I of the State Constitution and Section 119.07(1), Florida Statutes.

15.5. The provisions of this Section shall survive the termination of this Agreement.

16. Security and Confidentiality.

16.1. General Requirements. Vendor shall implement and maintain appropriate safeguards to: (a) ensure the security and confidentiality of Citizens Confidential Information; (b) protect against any anticipated threats or hazards to the security or integrity of Citizens Confidential Information; and, (c) protect against unauthorized access to or use of Citizens Confidential Information that could cause harm or inconvenience to Citizens or any customer of Citizens.

16.2. Implementation of NIST 800-53 Controls. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor agrees to implement the privacy and security controls that follow the guidelines set forth in NIST Special Publication 800-53, "Security and Privacy Controls for Federal Information Systems and Organizations," as amended from time to time.

16.3. Audit of Vendor's Privacy and Security Controls.

16.3.1. Audit Reports. For each calendar year during the term of this Agreement, upon sixty (60) calendar days of issuance but no later than the end of each calendar year, Vendor shall submit to Citizens via email to Citizens' Contract Manager or designee a copy of its annual American Institute of Certified Public Accountants Service Organization Control (SOC) 1 type 2 report or SOC 2 type 2 report (for all Trusted Services Principles) relevant, as solely determined by Citizens, to the Services.

16.3.2. Right of Audit by Citizens. Without limiting any other rights of Citizens herein, Citizens shall have the right to review Vendor's privacy and security controls prior to the commencement of Services and from time to time during the term of this Agreement. Such review may include Citizens' right, at its own expense and without notice, to perform (or have performed) an on-site audit of Vendor's privacy and security controls. In lieu of such an audit, Citizens may require Vendor to complete, within thirty (30) calendar days of receipt, an audit questionnaire provided by Citizens regarding Vendor's privacy and security programs.

16.3.3. Audit Findings. Vendor shall implement any required safeguards as identified by Citizens or by any audit of Vendor's privacy and security controls.

16.4. Use of Citizens' Systems. Where Vendor or Vendor Staff have access to Citizens' systems or technology provided by or through Citizens, in addition to the other

safeguards required by this Section, Vendor and Vendor Staff shall not share user identifications and/or passwords with any other individual.

- 16.5. Data Encryption. Vendor and Vendor Staff will encrypt all electronic data and communications containing Citizens Confidential Information at rest and in transit using a strong cryptographic protocol that is consistent with industry standards.
- 16.6. Data Storage. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor and Vendor Staff shall not store Citizens Confidential Information on portable external storage devices or media (such as "thumb drives," compact disks, or portable disk drives).
- 16.7. Data Export. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor and Vendor Staff are prohibited from: (a) performing any Services outside of the United States; or, (b) sending, transmitting, or accessing any Citizens Confidential Information outside of the United States.
- 16.8. Security of Vendor Facilities. All Vendor and Vendor Staff facilities in which Citizens Confidential Information is located or housed shall be maintained in a reasonably secure manner. Within such facilities, all printed materials containing Citizens Confidential Information should be kept locked in a secure office, file cabinet, or desk (except when materials are being used).
- 16.9. Labeling of Confidential Information. Any documents or electronic files created by Vendor or Vendor Staff that contain Citizens Confidential Information must be conspicuously labeled or marked so that the individual viewing or receiving the information understands that the information is confidential.
- 16.10. Photocopying and Faxing Restrictions. Vendor and Vendor Staff shall not make photocopies or send facsimiles of Citizens Confidential Information unless there is a business need.
- 16.11. Transmission of Confidential Information Materials. In the event it is necessary to transport materials containing Citizens Confidential Information via mail, parcel delivery service or other means, Vendor Staff must subsequently verify that such materials have been received by the intended parties.
- 16.12. Disposal of Confidential Information. The disposal of all printed materials containing Citizens Confidential Information must be done in a manner that renders the information inaccessible to others (the use of a reputable third party shredding company is permissible).
- 16.13. Authority to Disclose Confidential Information to Others. Vendor acknowledges and agrees that any Citizens Confidential Information disclosed to or acquired by Vendor is disclosed and/or acquired solely for the purposes of facilitating the provision of the Services. Vendor shall restrict access to Citizens Confidential Information to Vendor Staff who will actually perform Services and Vendor shall provide such Vendor Staff with work environments that protect against inadvertent disclosure to others. Vendor shall be solely responsible for informing any individual or entity with access to Citizens Confidential Information of the provisions of this Agreement and shall be responsible for any acts of those individuals and entities that violate such provisions.
- 16.14. Unauthorized Disclosure of Confidential Information. Vendor will notify Citizens Contract Administrator as soon as possible of any potential or actual unauthorized disclosure, misuse, or misappropriation of Citizens Confidential Information of

which it becomes aware and will cooperate in remedying such situation promptly. Pursuant to Section 501.171, Florida Statutes, if Vendor maintains computerized data that includes personal information, as defined in such statute, on behalf of Citizens, Vendor shall disclose to Citizens any breach of the security of the system as soon as practicable, but no later than ten (10) calendar days following the determination of the breach of security or reason to believe the breach occurred.

- 16.15. Return of Confidential Information. During the term of this Agreement, upon Citizens written request or upon the termination of this Agreement for any reason, Vendor shall promptly return to Citizens all copies, whether in written, electronic or other form or media, of Citizens Confidential Information in its possession, or securely dispose of all such copies, and certify in writing to Citizens that Citizens Confidential Information has been returned to Citizens or disposed of securely.
- 16.16. Notification of Anticipatory Breach. Vendor agrees that should it, for any reason, not be able to provide or maintain appropriate safeguards to fulfill its obligations under this Section, it will immediately notify Citizens Contract Administrator in writing of such inability and such inability on Vendor's part will serve as justification for Citizens' termination of this Agreement, at Citizens' sole election, at any time after the inability becomes known to Citizens.
- 16.17. Remedies. Vendor acknowledges that breach of Vendor's obligation of data security and confidentiality may give rise to irreparable injury to Citizens and Citizens' customers, which damage may be inadequately compensable in the form of monetary damages. Accordingly, Citizens may seek and obtain injunctive relief against the breach or threatened breach of the provisions of this Section, in addition to any other legal remedies which may be available, including, at the sole election of Citizens, the immediate termination, without penalty to Citizens, of this Agreement in whole or in part.
- 16.18. Subcontractors. Except as permitted in writing by Citizens' Contract Manager or designee, the provisions of this Section shall apply to each of Vendor's subcontractors at any level who obtain access to Citizens Confidential Information in connection with this Agreement.
- 16.19. The provisions of this Section shall survive the termination of this Agreement.

17. Miscellaneous.

- 17.1. Business Continuity and Disaster Recovery Plan. Vendor shall have a viable, documented, effective and annually tested business continuity/disaster recovery strategy plan in place to mitigate the potential disruption of Services. At its own cost and expense, Vendor shall provide to Citizens evidence and results of its tested business continuity/disaster recovery plan annually by January 1st during the term of this Agreement.
- 17.2. Relationship of the Parties. Vendor is an independent contractor with no authority to contract for Citizens or in any way to bind or to commit Citizens to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of Citizens. Under no circumstances shall Vendor or Vendor Staff hold itself out as or be considered an agent, employee, joint venturer, or partner of Citizens. In recognition of Vendor's status as an independent contractor, Citizens shall carry no Workers' Compensation insurance or any health or accident insurance to cover Vendor or Vendor Staff. Citizens shall not pay any contributions to Social Security,

unemployment insurance, federal or state withholding taxes, any other applicable taxes whether federal, state, or local, nor provide any other contributions or benefits which might be expected in an employer-employee relationship. Neither Vendor nor Vendor Staff shall be eligible for, participate in, or accrue any direct or indirect benefit under any other compensation, benefit, or retirement plan of Citizens.

- 17.3. Vendor Conflicts of Interests. Vendor, and all principals in its business, must execute a Conflict of Interest Form as required by Citizens. Vendor shall not have a relationship with a Citizens officer or employee that creates a conflict of interest. If there is the appearance of a conflict of interest, Vendor will promptly contact Citizens' Contract Manager or designee to obtain a written decision as to whether action needs to be taken to ensure a conflict does not exist or that the appearance of a conflict is not significant.
- 17.4. No Gifts. Vendor shall not give a gift or make an expenditure to or for the personal benefit of a Citizens officer or employee.
- 17.5. Convicted Vendor List. Vendor shall immediately notify Citizens' Contract Manager or designee in writing if it or any of its affiliates are placed on the convicted vendor list maintained by the State of Florida pursuant to Section 287.133, Florida Statutes, or on any similar list maintained by any other state or the federal government.
- 17.6. Compliance with Laws. Vendor and Vendor Staff will comply with all applicable laws, ordinances, rules, and regulations governing Vendor's performance under this Agreement. This includes: (a) annual renewal of authority to transact business in the State of Florida (via www.sunbiz.org) or Vendor's annual written attestation that such authorization is not required; and, (b) maintaining all other necessary permits or licenses from federal, state, and local regulatory/licensing authorities.
- 17.7. Subcontracting. Vendor shall not enter into any subcontracts for the performance of the Services, or assign or transfer any of its rights or obligations under this Agreement, without Citizens' prior written consent and any attempt to do so shall be void and without effect. Citizens' consent to Vendor's request to subcontract any of the Services shall not relieve Vendor of any of its duties or obligations under this Agreement, and Vendor shall indemnify and hold Citizens harmless from any payment required to be paid to any such subcontractors.
- 17.8. Severability. If a court deems any provision of this Agreement void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.
- 17.9. Headings. The sections and headings herein contained are for the purposes of identification only, and shall not be considered as controlling in construing this Agreement.
- 17.10. Publicity; Use of Names and Logos. Vendor may use Citizens' name and logo in its marketing materials, website and social media to indicate that it is a participating or contracted vendor for Citizens. However, Vendor may not in any way state, imply or infer that it holds a "preferred," "approved," "awarded," "selected" or otherwise special status with Citizens in any such materials. This prohibition includes, but is not limited to, the use of endorsements or quotes from Citizens officials, Citizens vendor scores, or any other Citizens-related materials that may

directly or indirectly imply that Vendor enjoys a special or preferred status with Citizens. Citizens reserves the right to determine that its name and/or logo have been misused and to request that Vendor cease using its name and/or logo in any way it deems inappropriate. Failure to comply will result in corrective action, up to and including contract termination. Vendor may only use the approved Citizens logo, which may be obtained by sending a request via email to: newsroom@citizensfla.com.

- 17.11. Waiver. The delay or failure by a Party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of the Party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.
- 17.12. Entire Agreement. This Agreement, and any exhibits, schedules and attachments hereto, set forth the entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersedes any prior or contemporaneous proposals, agreements or understandings with respect to the subject matter hereof.
- 17.13. Modification of Terms. Except as otherwise provided for herein, this Agreement may only be modified or amended upon a mutual written contract amendment signed by Citizens and Vendor or as otherwise permitted by this Agreement. Vendor may not unilaterally modify the terms of this Agreement in any manner such as by affixing additional terms to any Deliverable (e.g., attachment or inclusion of standard preprinted forms, product literature, "shrink wrap" or "click through" terms, whether written or electronic) or by incorporating such terms onto Vendor's order or fiscal forms or other documents forwarded by Vendor for payment and any such terms shall have no force or effect upon Citizens or this Agreement. Citizens' acceptance of any Service or processing of documentation on forms furnished by Vendor for approval or payment shall not constitute acceptance of any proposed modification to terms and conditions or any conflicting terms and conditions.
- 17.14. Assignments. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of each Party, but only as permitted under this Agreement. Each Party binds itself and its respective successors and assigns in all respects to all of the terms, conditions, covenants and provisions of this Agreement. Vendor shall not sell, assign or transfer any of its rights (including rights to payment), duties or obligations under this Agreement without the prior written consent of Citizens. In the event of any assignment, Vendor shall remain liable for performance of this Agreement unless Citizens expressly waives such liability. Citizens may assign this Agreement with prior written notice to Vendor of its intent to do so. Nothing herein shall be construed as creating any personal liability on the part of any officer, employee or agent of Citizens.
- 17.15. Notice and Approval of Changes in Ownership. Because the award of this Agreement may have been predicated upon Vendor's ownership structure, Vendor agrees that any transfer of a substantial interest in Vendor by any of its owners shall require Citizens' prior written approval, which approval shall not be unreasonably withheld or unreasonably delayed. By execution of this Agreement, Vendor represents that it has no knowledge of any intent to transfer a substantial interest in Vendor. A substantial interest shall mean at least twenty-five percent

(25%) of the voting shares or control over Vendor. This Section shall not apply to: (a) transfers occurring upon the incapacitation or death of an owner; (b) transfers associated with an initial public offering on a major stock exchange; or, (c) transfers to a company whose stock is publicly traded on a major stock exchange.

17.16. Assignment of Antitrust Claims. Vendor and Citizens recognize that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the ultimate consumer. Therefore, Vendor hereby assigns to Citizens any and all claims under the antitrust laws of Florida or the United States for overcharges incurred in connection with this Agreement.

17.17. Force Majeure. Neither Party shall be responsible for delays or disruptions in performance if the cause of the delay or disruption was beyond that Party's reasonable control (or the reasonable control of its employees, subcontractors, or agents) to the extent not occasioned by the fault or negligence of the delayed or disrupted party. In no case shall Vendor's labor matters, such as strikes or availability of subcontractors, if any, be considered a force majeure event. Further, this Section may not be invoked to excuse or delay Vendor's compliance with its obligations to protect Citizens Confidential Information. To be excused from delays or disruptions hereunder, Vendor must promptly notify Citizens in writing of the delay or disruption. If the delay or disruption is justified, as solely determined by Citizen, Citizens will give Vendor a reasonable extension of time to perform; provided, however, that Citizens may elect to terminate this Agreement in whole or in part if Citizens determines, in its sole judgment, that such a delay or disruption will significantly impair the value of this Agreement to Citizens. THE FOREGOING EXTENSION OF TIME SHALL BE VENDOR'S SOLE REMEDY WITH RESPECT TO FORCE MAJEURE EVENTS. Vendor shall not be entitled to any increase in price or payment of any kind from Citizens for direct, indirect, consequential, or other costs or damages arising because of such delays or disruptions.

Because of the nature of Citizens' business, Citizens requires that Vendor take every reasonable measure to avoid or minimize any delay or disruption under this Section, including the timely activation of Vendor's business continuity and disaster recovery plans. Where Vendor fails to undertake such efforts, the delay or disruption shall be included in the determination of any service level achievement.

If a force majeure event results in a partial reduction in Vendor's capacity to serve its clients, Vendor agrees that Citizens will receive the same or better priority as Vendor's other clients with respect to the allocation of Vendor's resources.

17.18. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute but one and the same Agreement. The Parties agree that a faxed or scanned signature may substitute for and have the same legal effect as the original signature.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by authorized representatives of the Parties.

**CITIZENS PROPERTY INSURANCE
CORPORATION**

VENDOR

Signature

Signature

Print Name

Print Name

Title

Title

Date Signed

Date Signed

Signature

Print Name

Title

Date Signed



EXHIBIT A

Job Description – (Non-Management)

To be completed by Manager:		To be completed by HR Compensation	
Job Title:	Underwriter I – CL	Job Code:	308N
Function:	UAS	FLSA:	Non exempt
Location:	Jacksonville, Tampa	Pay Grade:	30-NE
		EEO:	5

Please include organizational chart

SECTION I – JOB SUMMARY *In two or three sentences briefly, but specifically describe the primary function of the job. Describe what the job is responsible to accomplish, and the level of autonomy associated with the job.*

This position reviews and evaluates applications for property insurance for acceptability and pricing decisions utilizing various underwriting tools and resources in accordance with corporate underwriting guidelines and standards. Underwriters are also responsible for managing agent relationships in the context of maintaining and servicing the commercial book of business, including review and approval of policy changes, cancellation and reinstatement requests, renewal reviews, and related projects.

SECTION 2 – JOB DUTIES *(are also essential functions of the job, meaning an individual must be able to perform all of the job duties/essential functions to be successful in the job.)*

List the top six or seven primary duties and responsibilities of the job, indicating the most important first, and the approximate percentage of time spent on each. Minimum % of time for the purposes of this description is 10%. Duties and responsibilities that make up less than 10% are considered “other related duties as assigned”, and may change at any time. % of time must equal 100%

	Essential Functions	% of time
	<i>Model ethical behavior and execute job responsibilities in accordance with Citizens core values, ethics, and information protection policies.</i>	100%
1)	Analyze and underwrite Property and Casualty policy applications, renewals, and cancellations to determine risk acceptability, pricing, and coverage within underwriting authority and corporate underwriting guidelines and standards	65%
2)	Interact with agent and/or other individuals to obtain additional required information needed to underwrite the risk and provide intermediate level technical advice and support to agents regarding the company’s policies, coverages, guidelines and procedures.	15%
3)	Decide appropriate action to issue, cancel, non-renew, or modify policy or coverage’s consistent with statutory requirement	10%
4)	Participate in special projects and takes on additional responsibilities as needed	10%

SECTION 3 – JOB SPECIFICATIONS Identify the minimum job specifications needed to perform the job. These include, knowledge, skills and abilities, and other job parameters.

Knowledge:

Basic technical knowledge related to Commercial Underwriting
Thorough understanding of insurance coverages, policies and procedures
Proficiency in Microsoft Word, Outlook, Excel and other web based applications

Skills & Abilities:

Strong analytical, problem solving and decision making skills
Effective verbal and written communications skills
Ability to work both independently and in a team environment
Ability to multitask and adapt to priority changes
Ability to obtain and organize information into various reports and formats and analyze the information

Please list any preferred Knowledge, Skills, Abilities or Education here:

- Possession of IIA Certificate in General Insurance or equivalent insurance designation
- CPCU designation

SECTION 4 – PRIOR WORK EXPERIENCE Indicate the number of years of experience required and describe the type of prior RELATED work experience TYPICALLY needed.

Relevant Experience

2 or more years of commercial property insurance underwriting operations experience or other relevant work experience

SECTION 5 – EDUCATION Indicate the level of education and area of concentration TYPICALLY needed.

With an "X" below.

LEVEL of Required Education		CONCENTRATION
X	High School Diploma GED	
x	Bachelor’s Degree OR 4 years relevant experience, OR a combination of college education and relevant experience equivalent to 4 years	
	Other Certifications Licenses Required:	

SECTION 6: Scope/Complexity of Work - Describe the scope and complexity of the work involved with this job. Please provide the information below:

What percentage of time is accountable for short-term operational goals?	10%
What percentage of time is accountable for transactional, day to day operational support?	90 %

Physical Requirements:

This position requires the ability to sit for long periods of time, hear and converse over the telephone, and key frequently on a computer (6 or more hours per day).

Physical Effort	Occasionally	Frequently	Continuously	# of Pounds
Sitting			x	
Standing		x		
Walking		x		
Bending	x			
Crawling				
Climbing				
Crouching				
Kneeling				
Pushing/Pulling	x			
Talking			x	
Lifting	x			< 10 lbs
Carrying	x			
Travel	x			
Typing			x	

APPROVAL HISTORY – FOR COMPENSATION USE ONLY	
MS – job update only	8/13/2018

To be completed by Manager:		To be completed by HR Compensation	
Job Title:		Job Code:	
Function:		FLSA:	
Direct Reports:		Pay Grade:	
Location:		EEO:	

Please include organizational chart

SECTION I – JOB SUMMARY

In two or three sentences briefly, but specifically describe the primary function of the job. Describe what the job is responsible to accomplish, and the level of autonomy associated with the job.

SECTION 2 – JOB DUTIES – (are also essential functions of the job, meaning an individual must be able to perform all of the job duties/essential functions to be successful in job) List the top six or seven primary duties and responsibilities of the job, indicating the most important first, and the approximate percentage of time spent on each. Minimum % of time for the purposes of this description is 10%. Duties and responsibilities that make up less than 10% are considered “other related duties as assigned”, and may change at any time. % of time must equal 100%

Job Duties / Essential Functions **% of time**

Models ethical behavior and executes job responsibilities in accordance with Citizens core value, ethics, and information protection policies.		
1)		%
2)		%
3)		%
4)		%
5)		%
6)		%
7)		%

100%

SECTION 3 – JOB SPECIFICATIONS

Identify the minimum job specifications needed to perform the job. These include, knowledge, skills and abilities, other job parameters

Knowledge: What an incumbent must know to perform the job. (required)

Skills and Abilities: What an incumbent must be able to do to perform the job. (required)

SECTION 4 – PRIOR WORK EXPERIENCE: *Indicate the amount of prior RELATED work experience TYPICALLY needed.*

Relevant Experience/*Supervisory/Manager**

<input type="checkbox"/>	None	<input type="checkbox"/>	1 – 3 years	<input type="checkbox"/>	8 – 10 years
<input type="checkbox"/>	Less than 6 months	<input type="checkbox"/>	3 – 5 years	<input type="checkbox"/>	10 – 15 years
<input type="checkbox"/>	6 months – 1 year	<input type="checkbox"/>	5 – 8 years	<input type="checkbox"/>	15 years or more

*In lieu of **supervisory** experience, may consider those with 2 or more years of experience in leading projects or teams.

In lieu of **managerial experience, may consider those with 2 or more years of experience leading project teams, or teams with overall responsibility for project planning and delivering expected results.

SECTION 5 - EDUCATION: *Indicate the level of education and area of concentration TYPICALLY needed.*

	LEVEL of Required Education	CONCENTRATION
<input type="checkbox"/>	High School Diploma	
<input type="checkbox"/>	Associate/Technical Degree OR 2 years relevant experience, OR a combination of both college and experience equivalent to 2 years	
<input type="checkbox"/>	Bachelor’s Degree OR 4 years relevant experience, OR a combination of college education and relevant experience equivalent to 4 years.	
<input type="checkbox"/>	Other Certifications/Licenses Required	

SECTION 6: Scope/Complexity of Work – Describe the scope and complexity of the work involved in this job. Please provide the information required below:

What percentage of time is accountable for long-term strategic planning?	%
What percentage of time is accountable for short-term operational goals?	%
What percentage of time is accountable for transactional day to day operational support?	%
Is this role responsible for an overall budget? If YES , indicate \$ amount.	\$

Physical Requirements:

In this section, we have included a table of common physical requirements that are essential to perform the job, please check all that apply. If you need to add a requirement use the blank boxes at the bottom of the table. *(please put "X" in the appropriate column)*

Physical Effort	Occasionally	Frequently	Continuously	# of Pounds
Sitting				
Standing				
Walking				
Bending				
Crawling				
Climbing				
Crouching				
Kneeling				
Pushing/Pulling				
Talking				
Lifting				
Carrying				
Travel				

APPROVAL HISTORY – FOR COMPENSATION USE ONLY		

EXHIBIT C

Quality Assurance Guide

Vendor Personal Lines Underwriting Activities-Based



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Introduction to Underwriting Quality Assurance

Overview

QA program is intended to:

- Promote positive changes for both our internal and external customers.
 - Provide effective feedback to improve performance.
 - Align with Citizens underwriting goals.
 - Simplify scoring with clear guidelines and no duplicate error codes.
 - Identify strengths and opportunities for enhanced feedback and development.
 - Provide the Vendor Leadership Team with feedback related to trends and training needs that are identified.
-

Evaluation Delivery and Review

Overview

The purpose of a quality evaluation is to review where the gaps, training, or process improvements are needed so that future errors are avoided while celebrating successes.

The following section will provide an overview of evaluation selection, delivery, review and correction using the *QA Reporting Portal*.

QA Reporting Portal

The [QA Reporting Portal](#) provides delivery and reporting functionality to the Vendor Leadership Team, enabling managers to view evaluations, track performance trends, and identify areas of strength and opportunity. Feedback is then provided to the underwriter by their management team.

Benefits of the portal include:

- Real-time evaluation access
- Centralized housing for all evaluations
- Monthly and year-to date trending
- Ability to track errors that need correction

Access to the *QA Reporting Portal* is limited to Vendor Leadership Team.

Randomized Evaluations

In order to distribute timely quality evaluations on recently completed activities evenly throughout the month, the selection process for each evaluation is automated and random.

Assignment to a QA Evaluator is based on:

- Activity category (New Business or Other Activities)
- Date Activity was completed
- Underwriter
- Date of the underwriter's last evaluation
- Number of evaluations completed by a specific QA representative for that underwriter.

This will ensure the same evaluator does not evaluate a disproportionate number of Activities for a single underwriter.

Continued on next page

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Evaluation Delivery and Review, Continued

Evaluation Access

Evaluations are available for the Vendor Leadership Team to review immediately after completion and it is the vendor’s responsibility to access them through the *QA Reporting Portal* and provide the appropriate feedback to their underwriters.

Understanding an Evaluation

Evaluations contain the following information:

- Evaluation ID
- Program
- Task type
- Task date
- Associate
- Supervisor
- Evaluator
- Evaluation score
- Template type
- Last edit

CAS Quality Assurance - Evaluation Report			
Evaluation ID:	Associate:	Evaluation Score:	100.0%
Program:	Supervisor:	Eval:	1701 UW PL NBS
Task Type:	Evaluator:	Last Edit:	1/25/2017
Task Date:	Evaluation Date:		
Task Details:			
Insured:	Policy #	Submission #	New Business HO-3
Findings:			
Section	Question	Finding	Score
1.1	Risk Analysis - High Impact	No Error	25.0% of 25.0%
1.2	Risk Analysis - Low Impact	No Error	10.0% of 10.0%
2.1	Review Documents	Met	25.0% of 25.0%
3.1	Additional Review Required	Met	25.0% of 25.0%
4.1	Binding Violations	No Error	10.0% of 10.0%
5.1	Documentation	No Error	5.0% of 5.0%
HH	Helpful Hints	No Error	0.0% of 0.0%

Comments

The *Comments* section will include the insured’s name, policy number, submission number, and submission type.

Findings

If an error is made, this will be indicated in the *Findings* section. The error will be listed, along with the reason for the error.

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Performance Standards and Scoring Reviews

Overview

Citizens' Underwriting management has defined the following:

- Scoring methodology and critical processes
 - Template type and frequency of evaluations
 - Performance standards and goal metrics
 - Scoring review processes
-

Performance Standards

Monthly metrics will be reviewed by the Vendor Leadership Team and Citizens' Vendor Management Team. The final monthly performance score will be an average of all evaluation scores for that month.

Underwriters are expected to **maintain a 95% average** to meet performance expectations.

Introductory Period

Introductory templates will be used for a designated period of time following training on all or specific Activities.

Examples of when an introductory period may be applicable are:

- New/updated QA program rollout
- Major company initiatives

Citizens' Vendor Management Team along with QA will determine when an introductory period is needed and communicate accordingly.

Scoring Review

Any evaluations needing additional review should be submitted by Vendor's leadership team to Citizens' Vendor Management Team for further review. An explanation of the concern along with supporting documentation, if deemed necessary, should be included.

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Resources

Resources

The following resources are available to vendor underwriting staff:

- [Underwriting Community Portal](#)
-

Personal Lines Auto Issued (AUW) Workflow Addendum

Overview Personal Lines Auto Issued (AUW) Activities will be evaluated by the Quality Assurance (QA) team in accordance with the *Personal Lines Auto Issued (AUW) Workflow*.

Template The Personal Lines Auto Issued (AUW) Workflow Addendum template outlines the expected duties the underwriter will complete in the post – AUW review. The QA template for this considers the expected duties of the underwriter.

Category	Error Type	Points	Scoring Example
Risk Analysis	High Impact	25%	Block Bind and Block Issuance Message - Incorrect / Unsupported
	Low Impact	15%	Block Bind and Block Issuance Message - Incorrect / Unsupported
Review Documents	N/A	20%	<ul style="list-style-type: none"> Risk not insurable with liability /med pay Insurable Interest not addressed MH ANSI Credit applied to risks built prior to 1/1/95 Required signatures/initials are missing on the application Photo Review Failed to print the PA into PolicyCenter, differences found.
Additional Review Required	N/A	15%	<ul style="list-style-type: none"> RCE – photos, sq ft, yr blt (warrant more than 10% change to Coverage A) Mailing Address processed inaccurately or incompletely Policy Change was not completed accurately (impact)
Binding Violation	N/A	10%	Failed to send Binding Violation (1)- Circumventing (2)-Ineligible risk (3)-Uninsurable risk (4)-Premium posted to unbound risk

Continued on next page

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Personal Lines Auto Issued (AUW) Workflow Addendum,
Continued

**Template,
continued**

Category	Error Type	Points	Scoring Example
Documentation/ Communication	High Impact	10%	<ul style="list-style-type: none"> • ADR / NOPC was not sent or was sent with inaccurate/incomplete information • Notes in PC - actionable item and UW did not address (Impact)
	Low Impact	5%	<ul style="list-style-type: none"> • Action taken not documented • Incorrect spelling, capitalization & improper grammar used on outward facing documents • Notes in PC - actionable item and UW did not address (Non-Impact) • Policy Change was not completed accurately or at all (Non-Impact)
Helpful Hints	TBD	N/A	

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Quality Assurance Guide

Commercial Lines Underwriting

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Introduction to Underwriting Quality Assurance 2016

Overview

In April 2015, CAS Quality Assurance and Underwriting Quality Assurance merged to form one team. The purpose of this merger is to grow and expand the partnership between Underwriting and Quality Assurance.

QA Program updates will:

- Promote positive changes for both our internal and external customers.
- Provide effective feedback to improve performance.
- Facilitate continuous improvement through on-going departmental collaboration.
- Align with departmental goals.
- Simplify scoring, with clear guidelines and no duplicate error codes.
- Identify ALL strengths and opportunities for enhanced coaching and development.

This document program has been developed in conjunction with Commercial Lines Underwriting management, and will serve as a guide for both underwriters and underwriting management.

Note: The following guidelines **do not** apply to the Book of Business review team.

Program Goals and Updates

In order to effectively and consistently gauge an underwriter’s understanding of risk-based underwriting while building a partnership between Underwriting and Quality Assurance (QA), the new program has updated goals and enhancements to communication, reporting and trending.

The new program goals and updates are as follows:

#	Program Goal	Program Updates
1	Proactively communicate with management each month for improved performance.	<ul style="list-style-type: none"> • Monthly/Quarterly team alignment • Monthly Management/QA scoring calibration • 3rd Party Advocate Scoring Review Process
2	Provide enhanced reporting and trending.	<ul style="list-style-type: none"> • Real-time evaluation delivery and centralized access through the <i>QA Reporting Portal</i>. • Revised scoring methods and updated scoring templates • Multiple evaluators each month

Communication and Team Alignments

Overview To build a solid partnership and open communication between Underwriting and Quality Assurance (QA), the program will provide a single point of contact and team alignments.

Team Alignments Quality Assurance will assign a rotating point of contact (POC) for each commercial underwriting team. The QA POC will rotate to a new representative on a quarterly basis.

During each underwriting team meeting, the assigned POC will:

- Provide any quality program updates at the team meetings, including any additional error codes added to the scoring template.
- Answer questions regarding changes or the QA program in general.

Note: Team meetings are not limited to the team's assigned POC. In some instances, various QA Representatives will attend underwriting team meetings. Attendance will vary depending on site and video conferencing availability.

Evaluation Delivery, Review, and Error Correction

Overview The purpose of a quality evaluation is to review where gaps, training, or process improvements are needed so that future errors avoided while celebrating successes.

The following section will provide an overview of evaluation selection, delivery, review and correction using the *QA Reporting Portal*.

QA Reporting Portal The [QA Reporting Portal](#) provides delivery and reporting functionality to associates and management, enabling users to view evaluations, track performance trends, and identify areas of strength and opportunity

Benefits of the portal include:

- Real-time evaluation access
- Centralize housing for all evaluations
- Monthly and Year-to-Date trending
- Ability to track errors that need to be corrected

All associates and management will be given access to reports and evaluations is specific to their role. The *QA Reporting Portal* can be accessed [here](#), through the [QA Launch Pad](#), or through a link in the evaluation notification email.

User Access: An associate will only be able to view their own evaluations and reports. A team manager will be able to access evaluations and view reports specific to their team.

Randomized Evaluations In order to distribute timely quality evaluations on recently completed transactions evenly throughout the month, selection for each evaluation is an automated, randomized process.

Assignment is based on:

- Transaction category (Other Transactions or New Business)
- Date transaction was completed
- Underwriter
- Date of the underwriter's last evaluation
- Number of evaluations completed by a specific QA representative for that underwriter

This will ensure the same evaluator does not evaluate a disproportionate number of transactions for a single underwriter.

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Evaluation Delivery, Review, and Error Correction, Continued

Number of Evaluations

The following number of evaluations will be completed on underwriters and underwriter assistants:

Role	New Business	Other Transactions	Total
Underwriter	5	3	8
Underwriter Assistant	N/A	8	8

Note: These numbers are subject to change at the discretion of QA and Commercial Underwriting Management.

Evaluation Delivery

Commercial Underwriters and Underwriting Assistants will receive a notification email the next business day after each evaluation is completed.

Note: If the score is **under 80%**, the Underwriting Manager will receive notification immediately after completion of the evaluation.

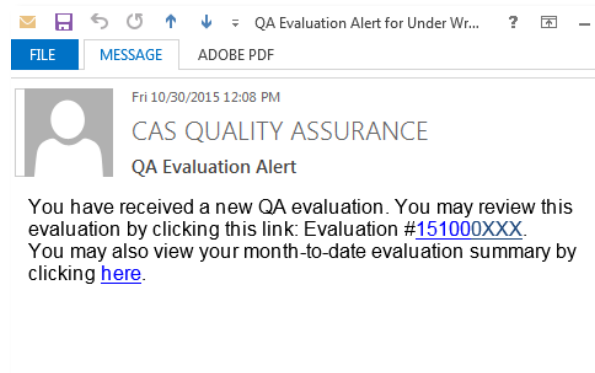
Evaluation Access

The notification email will include a link to the evaluation, which is located on the *QA Reporting Portal*. To access the evaluation via email, click the link.

In addition to the evaluation, multiple views are available on the *QA Reporting Portal*, including;

- Evaluations lists
- Monthly evaluation summaries
- Pending correction reports

For more information on reports and evaluation access, see the *CLUW QA Reporting Portal Quick Reference Guide for Associates* located on the [QA Launch Pad](#).



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Evaluation Delivery, Review, and Error Correction, Continued

Understanding the Evaluation

Evaluations can be accessed through the [QA Reporting Portal](#), and contain the following information:

- Evaluation ID
- Program
- Task Type
- Task Date
- Associate
- Supervisor
- Evaluator
- Evaluation Score
- Template Type
- Last Edit

CAS Quality Assurance - Evaluation Report			
Evaluation ID:	Associate:	Evaluation Score: 100.0%	
Program:	Supervisor:	Eval. Template: UW Commercial Lines	
Task Type:	Evaluator:	Last Edit: 11/2/2015	
Task Date:	Evaluation Date:		
Comments:			
Insured:	Policy #	Submission #	, Submission CNR-W
Findings:			
Section	Question	Finding	Score
1	Decision Flat	No Error	0.0% of -30.0%
2	Decision Development	No Error	0.0% of -20.0%
3	Rate Flat	No Error	0.0% of -24.0%
4	Rate Development	No Error	0.0% of -16.0%
5	Documentation	No Error	0.0% of -2.0%
6	Communication	No Error	0.0% of -5.0%
7	Processing	No Error	0.0% of -3.0%

Comments

The *Comments* section will include the insured's name, policy number and/or submission number, and transaction type.

Findings

If an error is made, this will be indicated in the *Findings* section. The error will be listed, along with the reason for the error.

Error Correction Required

In some instances, a correction on a policy will be required and *Correction Required* will be indicated on the evaluation.

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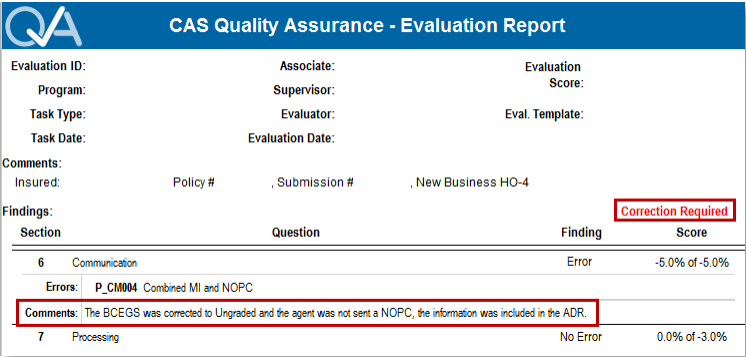
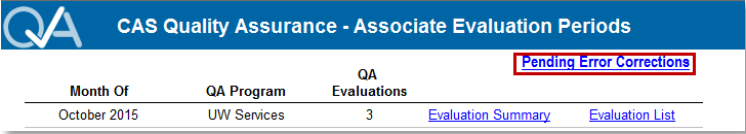
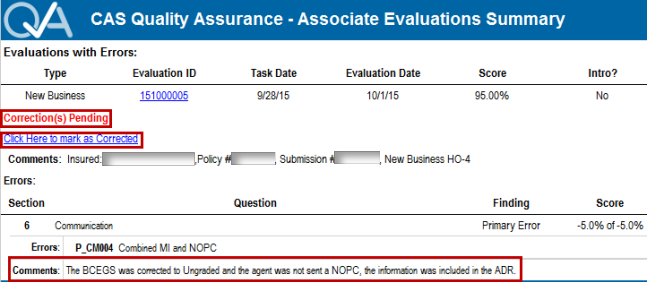
Evaluation Delivery, Review, and Error Correction, Continued

Error Correction

Evaluations will indicate when a correction or further action is required on a policy. **Corrections must be completed within 5 business days.**

Identifying Correction Required Items

In the [QA Reporting Portal](#), items requiring correction will be identified in multiple locations.

Location	If a correction is required, it will be indicated....
Evaluation	<p><i>Correction Required</i> indicator in the right hand corner of the evaluation.</p>  <p>To determine what needs correction, view the comments within the <i>Findings</i> section.</p>
Evaluation Periods Page	<p><i>Pending Error Corrections</i> link in the corner of the page.</p>  <p>To review a list of evaluations pending corrections, select the <i>Pending Error Corrections</i> link</p>
Evaluation Summary Report	<p><i>Corrections Pending</i> indicator under <i>Evaluations with Errors</i>.</p> 

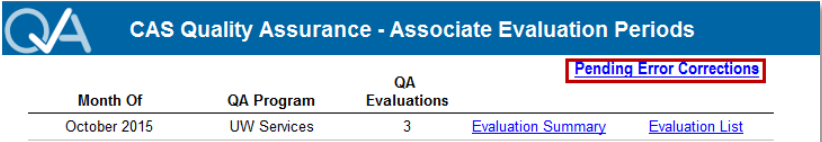
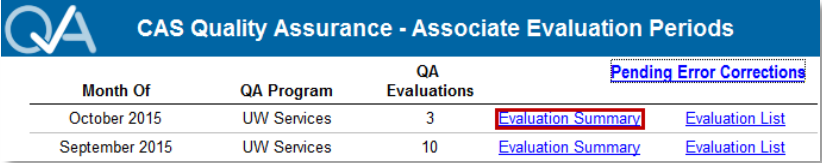
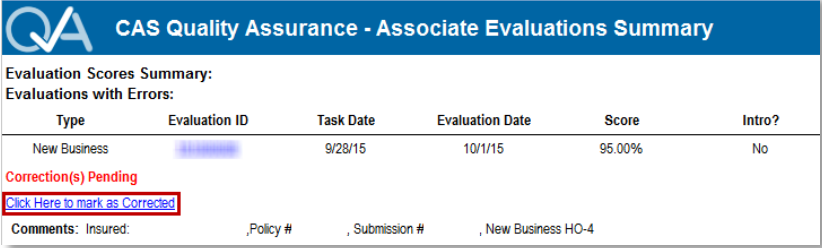
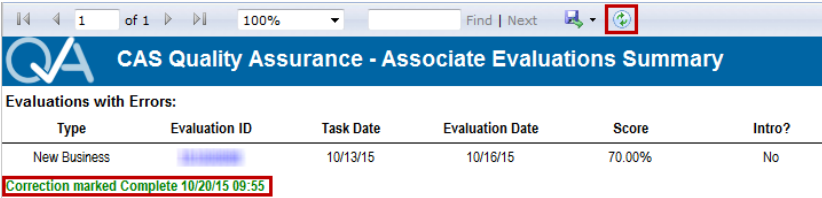
Evaluation Delivery, Review, and Error Correction, Continued

Error Correction, continued

Completing Correction Required Items

Once a correction has been completed, this must be acknowledged in the [QA Reporting Portal](#).

To mark a correction as complete:

Step	Action
1	<p>Access the <i>Evaluation Periods</i> page. If corrections are needed, the <i>Pending Error Corrections</i> link will appear in the corner of the page.</p> 
2	<p>Select Evaluation Summary.</p>  <p>Result: The <i>Evaluations Summary</i> report opens.</p>
3	<p>Select Click Here to mark as Corrected.</p> 
4	<p>Select Refresh at the top of the toolbar to confirm the <i>Click Here to Mark as Corrected</i> link changed to a green <i>Correction marked Complete</i> notation.</p> 

Performance Standards and Scoring Reviews

- Overview** Commercial Lines Underwriting management had defined the following:
- Scoring methodology and critical processes
 - Template types and frequency of evaluations
 - Performance standards and goal metrics
 - Appeals process
-

Performance Standards Monthly metrics will be reviewed by management. The final monthly performance score will be an average of all evaluation scores for that month.

Underwriters and Underwriter Assistants should **maintain a monthly average of 90% on all QA evaluations** to meet performance expectations.

Introductory Period When in an introductory period, transactions will be evaluated, however the scores will not be included on an associate's monthly performance scorecard or be included in monthly and yearly averages.

Management will determine when an introductory period is warranted and communicate this to QA accordingly.

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Performance Standards and Scoring Reviews, Continued

Scoring Review There may be times an underwriter does not agree with the scoring on an evaluation. In these instances, a scoring review should be initiated.

Initiating a Scoring Review

If an underwriter would like to have their evaluation scoring reviewed, an email should be sent to the Underwriting Advocate **within 3 business days of the evaluation.**

The email should include the following:

- Date of Evaluation (the date QA scored the evaluation)
- Review Date (the date scoring review was submitted)
- Transaction Type
- Policy/Submission number
- Error Category
- Error Code(s)
- Evaluator Name
- An outline of the concern and reason for the scoring review, and
- Supporting documentation (ex. Manual, huddle notes, informational emails, G.R.A.P. documents, etc.)

The UW Advocate will review the scoring.

If the UW Advocate determines the QA scoring is...	Then they will ...
Incorrect	Complete the Commercial Underwriting Scoring Review Form and forward to the UW Manager.
Correct	Communicate this information to the underwriter.

Note: To review the *Underwriting Scoring Review Process Flow Map*, access the *QA Launch Pad* or click [here](#).

Score Updates

If the scoring review determines an error was made by QA, the underwriter's score will be updated within 2 business days of the final determination.

Scoring

Overview Final evaluation scores will be calculated based on multiple processes critical to confirming eligibility, rating, data integrity and proper communication.

Critical processes vary by the underwriter or underwriter assistant role and scoring categories, error types and error codes will vary accordingly.

Template Types Scoring methodology will be consistent across both the Underwriter and Underwriting Assistant roles, and each scoring template will be based on a 100 point system.

There will be four scoring templates, three for Underwriters and one for underwriting assistants. Each will be used to evaluate different transaction types:

Template	Role	Scoring Template Transaction Type
1	Underwriter	New Business Policy Change
2	Underwriter	Cancellation/Nonrenewal
3	Underwriter	Reinstatement/Rewrite
4	Underwriting Assistant	Policy Change

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Scoring, Continued

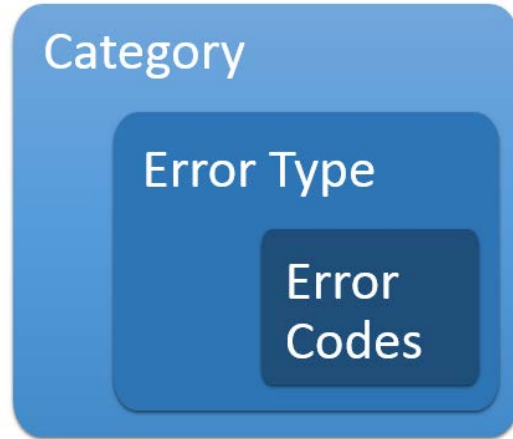
Scoring Methodology

Point Division

A total of 100 points is possible on each evaluation. These points are divided according to error impact to a specific **category**.

Within each category, there are specific **error types**.

Each error type has various **error codes** which apply specifically to commercial lines eligibility, processes and procedures.



Example: The incorrect effective date was applied to a mitigation related change. The **error code** falls under the **error type** *Mitigation Credit Error*, which is in the *Rating and Data Integrity* **category**.

Multiple Errors

Multiple errors in the same **category** are possible, but only **one error per Error Type** will count in the total calculations.

Example: It is possible to receive an error in both *Eligibility* and *Authority* under *Risk Analysis*, but not more than one eligibility error and not more than one authority error.

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Scoring, Continued

New Business/ Policy Change The *New Business and Policy Change* template will be used for Underwriters. Transactions are evaluated on multiple aspects of critical processes which are weighted according to policy and customer impact. The categories, error types, point values and scoring examples for the New Business/ Policy Change template is as follows:

Category	Error Type	Points	Scoring Example
Risk Analysis measures whether or not a correct decision has been made with regard to approving or declining a submission.	Eligibility	20	<i>Policy issued with offer of coverage in the admitted market (CNR-M).</i>
	Authority*	20	<i>Policy change exceeds authority.</i>
Rating/Data Integrity** measures any factor that could impact rating (i.e. is an element in the rate table structure)	Non-Mitigation Related Rating Data Error	16	<i>Incorrect values entered in Policy Center.</i>
	Mitigation Credit Error	16	<i>FBC credits allowed when credit should have denied.</i>
	Non-Premium Processing – High Impact	6	<i>Policy change not approved or processed.</i>
	Non-Premium Processing – Low Impact	2	<i>Failure to suppress printing in Policy Center.</i>
Documentation measures if all required documents are attached or exceptions noted.	Failed to document accurately	10	<i>Failure to create activity for additional missing information.</i>
Communication measures follow-up with the agent, and grammatically correct written correspondence	Improper communication	10	<i>Incorrect communication sent to the agent.</i>

***Note:** Refer to the internal processing guidelines for authority levels.

** **Note:** An error will be considered a rate error whether or not it impacts the current premium.

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Scoring, Continued

Cancellation/ Non-Renewal Transactions are evaluated on multiple aspects of critical processes which are weighted according to policy and customer impact. The categories, error types, point values and scoring examples for the Cancellation/Nonrenewal template is as follows:

Category	Error Type	Points	Scoring Example
Risk Analysis measures whether or not a correct decision has been made with regard to approving or declining a submission	Eligibility	20	<i>Back dating cancellation without proper documentation.</i>
	Authority*	20	<i>Underwriting decisions outside of authority and/or without receiving proper approval.</i>
Rating/Data Integrity** measures any factor that could impact rating (i.e. is an element in the rate table structure)	Improper Processing	40	<i>Incorrect cancellation effective date.</i>
Documentation measures if all required documents are attached or exceptions noted.	Failed to document accurately	10	<i>Incorrect cancellation reason.</i>
Communication measures follow-up with the agent, and grammatically correct written correspondence	Improper communication	10	<i>Grammatical error.</i>

***Note:** Refer to the internal processing guidelines for authority levels.

** **Note:** An error will be considered a rate error whether or not it impacts the current premium.

Reinstatement/ Rewrite Transactions are evaluated on multiple aspects of critical processes which are weighted according to policy and customer impact. The categories, error types, point values and scoring examples for the Cancellation/Nonrenewal template is as follows:

Category	Error Type	Points	Scoring Example
Risk Analysis measures whether or not a correct decision has been made with regard to approving or declining a submission	Eligibility	25	<i>Failure to obtain loss history and/or review payment history.</i>
	Authority*	25	<i>Underwriting decisions outside of authority and/or without receiving proper approval.</i>
Rating/Data Integrity** measures any factor that could impact rating.	Improper Processing	30	<i>Payment received after the allowed processing timeframe.</i>
Documentation measures if all required documents are attached or exceptions noted.	Failed to document accurately	10	<i>Failure to document risk-based underwriting decision making on a file.</i>
Communication measures follow-up with the agent, and grammatically correct written correspondence	Improper communication	10	<i>Grammatical error</i>

***Note:** Refer to the internal processing guidelines for authority levels.

** **Note:** An error will be considered a rate error whether or not it impacts the current premium.

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Scoring, Continued

Underwriting Assistant An Underwriting Assistant generally processes non-premium bearing policy changes. Transactions will be evaluated using an abridged version of the Underwriter template, and will review a limited number of critical processes.

The categories, error types, point values and scoring examples for a underwriting assistant are as follows:

Category	Error Type*	Points	Scoring Example
Rating and Data Integrity measures any factor that could impact rating (i.e. is an element in the rate table structure) Note: An error will be considered a rate error whether or not it actually impacts the current premium.	Authority**	45	<i>Amended Contents Limits outside of Authority Level</i>
	Other Policy Changes – High Impact	22.5	<i>Mortgagee/Loss Payee – not removed, added or was incorrectly keyed</i>
	Other Policy Changes – Low Impact	7.5	<i>Incorrect effective date on a non-money endorsement</i>
Documentation measures if all required documents are attached or exceptions noted.	High Impact	15	<i>Failed to add required note</i>
	Low Impact	10	<i>Failed to add inspection contact</i>

***Note:** *Error Type* will vary by the type of transaction being evaluated.

****Note:** Refer to the internal processing guidelines for authority levels.

Resources

- Best Practices** It will be the underwriter’s responsibility to thoroughly review their evaluations upon delivery.
- Access the *Quality Assurance Reporting Portal* on a daily basis to review your evaluations and correct any errors if needed.
 - Submit scoring reviews within 3 business days of the evaluation delivery.
 - Complete all required corrections within 5 business days and mark item as completed in the *Quality Assurance Reporting Portal*.

- Resources** The following resources are available to underwriting staff:
- [QA Launch Pad](#)
 - [QA Reporting Portal](#)
 - *CLUW QA Reporting Portal Quick Reference Guide for Associates*

Update History This document has been created and updated by the following:

Date	Author	Updates
10/14/2015	Shannon Bowles	Draft to QA review.
10/15/2015	Kaye Trowbridge Caravaglio	Remove ICS, QA Manager Approval.
10/20/2015	Michelle Stark/Joshua Cargile	QA Review and Approval.
10/23/2015	Shannon Bowles	Sent for BU/QA review and Approval.
10/27/2015	Haylis Delgado/Janelle Nelson	Removed goal tracking spreadsheet, amended headers.
10/28/2015	Ryan Hodges, Karole Venzon, Constance Carrillo, Forrest White	BU Review and Approval. Edits incorporated
10/29/2015	Shannon Bowles	Updates completed per BU request. Management Addendum created.
10/30/2015	Zaida Montoya	Style edits.
11/3/2015	Melissa Fontanez, Kaye Trowbridge Caravaglio	Updates to scoring section.
11/4/2015	Kaye Trowbridge Caravaglio/ Michelle Stark	QA Final Approval.
11/10/2015	Shannon Bowles	Amended scoring values
11/13/2015	CLUW Management	Final Approval