



INVITATION TO NEGOTIATE NO. 16-0004

FINANCIAL ADVISORY AND INVESTMENT CONSULTING SERVICES

Listed below are important events and the corresponding dates and times relevant to this solicitation. These timeframes are subject to change at Citizens' sole discretion. It is a Vendor's responsibility to comply with these timeframes and to monitor Citizens' website for any changes.

CALENDAR OF EVENTS		
DATE	TIME	ACTIONS
02/19/2016		Solicitation Released
03/02/2016	5:00 PM ET	Vendor Questions Due
03/15/2016	5:00 PM ET	Answers Posted
03/29/2016	2:00 PM ET	Responses Due
03/30/2016 – 04/07/2016		Initial Responsiveness Review Period
04/12/2016 – 04/21/2016		Phase 1: Evaluation of Responses
05/02/2016	TBD	Evaluation Team Public Meeting to advance Vendors to Negotiations
05/06/2016 – 05/31/2016		Phase 2: Negotiations
06/06/2016	TBD	Negotiation Team Public Meeting to Make a Recommendation for Award

Refer **ALL** Inquiries to:

Patty Davis, Procurement Officer
Purchasing Department
Citizens Property Insurance Corporation
2101 Maryland Circle
Tallahassee, Florida 32303
Phone (850) 521-8321
E-Mail: citizens.purchasing@citizensfla.com

**FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION
627.351 (6) (e), F.S., CONSTITUTES A WAIVER OF PROCEEDINGS.**

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ATTACHMENTS:

The below list of forms and documents pertain to this competitive solicitation. It is the Vendor's responsibility to review and submit all requested forms and information with their Response.

- Attachment A – Vendor Contact Information Form
- Attachment B – Vendor Conflict of Interest Disclosure Form
- Attachment C – Responsible Vendor Review Form
- Attachment D – Price Sheet
- Attachment E – Vendor Diversity Declaration Form
- Attachment F – Corporate Background Form
- Attachment G – Minimum Requirements Certification Form
- Attachment H – Financial Certification Form
- Attachment I – Standard Terms and Conditions
- Attachment J – 2015 Citizens Investment Taxable Claims Paying Policy
- Attachment K – 2015 Citizens Investment Policy Taxable Liquidity Fund
- Attachment L – 2015 Investment Policy for Liquidity Fund Tax Exempt
- Attachment M – 2015 Citizens Investment Policy Claims Paying Fund Tax Exempt

INITIAL RESPONSIVENESS CHECKLIST

The Initial Responsiveness Checklist (“Checklist”) identifies the mandatory submission requirements that must be included in Vendor’s initial Response. Mandatory submission requirements are identified in the referenced sections of the solicitation by the specific term “**shall submit**” in bold type. This Checklist identifies every mandatory submission requirement for Vendor’s initial Response; if an inconsistency exists between the Checklist and the solicitation and Attachments, this Checklist is controlling. Failure to provide any of the below mandatory submission requirements prior to completion of the Responsiveness Review Period **may result in disqualification** of Vendor (as non-responsive).

A Vendor may also be deemed non-responsive (and therefore disqualified) if they fail to meet substantive or technical requirements of the solicitation. This Checklist does not detail the substantive or technical requirements that are identified throughout the solicitation.

	MANDATORY SUBMISSION REQUIREMENTS	SECTION(S)
<input type="checkbox"/>	Timely Response: Proposals submitted according to the due date, time and location provided in the Calendar of Events	Page 1
<input type="checkbox"/>	Attachment A, Vendor Contact Information Form	3.6, Tab 1
<input type="checkbox"/>	Attachment B, Vendor Conflict of Interest Disclosure Form	3.6, Tab 1
<input type="checkbox"/>	Attachment C, Responsible Vendor Review Form	
<input type="checkbox"/>	Attachment G, Minimum Requirements Certification Form	
<input type="checkbox"/>	Attachment D, Price Sheet	3.6, Tab 2
<input type="checkbox"/>	Attachment H, Financial Certification Form	3.6, Tab 4

SECTION 1 INTRODUCTORY MATERIALS

- 1.1 PROJECT BACKGROUND:** Citizens Property Insurance Corporation (Citizens) is seeking Responses from Vendors capable of providing various financial advisory and investment consulting services (a “Financial Advisor/Investment Consultant”). Citizens has over \$13 billion of operating and tax-exempt assets invested pursuant to its taxable and tax-exempt investment policies that are focused on safety, stability, liquidity, and competitive returns. The Financial Advisor will provide comprehensive financial advisory, investment consulting and other services in a fiduciary capacity to Citizens. The Financial Advisor as Investment Consultant will function as a member of the investment team and will be expected to provide daily advice and expertise as a member of Citizens Internal Investment Committee. The Financial Advisor will assist Citizens in the development of the capital structure. This will include advising on the issuance of bonds and risk transfer in the traditional and capital markets.

In order to avoid a conflict of interest, the Financial Advisor/Investment Consultant must not receive, and an Affiliate of the Financial Advisor/Investment Consultant must not receive, any direct compensation resulting from or in connection with the selection of any component of Citizens’ capital structure (excluding receipt of compensation as set forth in the Financial Advisor/Investment Consultant Contract with Citizens). This prohibition includes, but is not limited to, receipt of direct compensation through participation as a reinsurance broker, an underwriter, or an investment manager. An “Affiliate” is an entity that is related through some form of common ownership or control.

Therefore, a Vendor is not eligible to respond to this solicitation if the Vendor, or if an Affiliate of the Vendor, is currently expecting to receive direct compensation resulting from or in connection with the selection of any component of Citizens’ capital structure. (excluding receipt of compensation as party to the Financial Advisor/Investment Consultant Contract with Citizens, dated Nov. 1, 2011) Furthermore, the Vendor awarded this Contract must agree that Vendor will not participate, nor will an Affiliate of the Vendor participate, in any activity that will result in the receipt by Vendor or Vendor Affiliate of direct compensation resulting from or in connection with the selection of any component of Citizens’ capital structure. This includes waiver of participation as a reinsurance broker, underwriter, or investment manager in connection with Citizens.

- 1.2 SPECIFIC GOALS OF THE ITN:** The primary goal of this ITN is to identify and engage a Vendor who, in addition to the specific responsibilities identified within this ITN, is capable of understanding and attuning to the intricacies of the various relationships that Citizens has with the Office of Insurance Regulation and Reinsurance and Capital Markets, and appointing officers, and that is most capable of providing the highest quality services, at a competitive price, and subject to reasonable contractual terms and conditions.

- 1.3 QUESTIONS BEING EXPLORED AND FACTS BEING SOUGHT:** Citizens will explore the questions provided below in order to make its best value determination:

- How can Vendor best help Citizens to fulfil its unique role as not only a government entity but also a property/casualty insurer for applicants who are not able to purchase coverage in the private insurance market?
- What level of Vendor experience and expertise is needed to provide the Services? The services are more particularly defined in Section 2 of this ITN.
- How can Citizens seamlessly transition to a new Vendor if necessary?
- What related ancillary or additional services are available that will support Citizens’ strategic objectives?

- 1.4 CITIZENS’ BACKGROUND:** In 2002, the Florida Legislature created Citizens, a not-for-profit

government entity, whose public purpose is to provide property insurance to applicants who are not able to purchase coverage in the private insurance market.

Citizens is governed by Section 627.351(6) F.S., and operates pursuant to a Plan of Operation that is approved by the Financial Services Commission of the State of Florida. Citizens' operations are supervised by a Board of Governors who are appointed by the Governor, CFO, President of the Senate and Speaker of the House. Additional information about Citizens is available at Citizens' website: <https://www.citizensfla.com>.

- 1.5 **DIVERSITY:** Florida is a state rich in its diversity and is dedicated to fostering the continued development and economic growth of small, minority, women and service-disabled veteran owned business enterprises in the State of Florida. Participation of a diverse group of vendors doing business with Citizens is central to our effort. To this end, it is vital that small, minority, women and service-disabled veteran owned business enterprises participate in Citizen's procurement process as both prime contractors and subcontractors under prime contracts. Small, minority, women and service-disabled veteran owned businesses are strongly encouraged to submit Responses to this solicitation.
- 1.6 **TAXES:** Citizens Property Insurance Corporation 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. Citizens will not pay for any personal property taxes levied on Vendor or for any taxes levied on employees' wages.
- 1.7 **CONTRACT TERM:** The contract term is anticipated to be five (5) years, and, at Citizens' discretion, have two optional two (2) year renewal terms. All terms, conditions and pricing will remain fixed for the term of the contract unless otherwise specified in the solicitation.
- 1.8 **NO CONTACT OR LOBBYING:** Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the end of the 72-hour period following Citizens posting the notice of intended award, excluding Saturdays, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the procurement officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a response. The foregoing prohibition against contact includes contacting any Citizens' employee (other than the Procurement Officer), members of the Board of Governors, or any Vendor acting on Citizens' behalf with regards to the solicitation.
- 1.9 **PUBLIC MEETINGS:** Public meetings related to this competitive solicitation will be held on the dates and times indicated in Section 1.6, Calendar of Events. The details related to accessing each meeting are identified below. Vendors may, but are not required to, attend. Any person requiring an accommodation because of a disability should contact the Procurement Officer listed on page one (1) of the solicitation at least five (5) business hours prior to the public meeting.

- A. **Evaluation Team Public Meeting:** Citizens will hold a telephonic public meeting to determine which Vendor(s) each member of the Evaluation Team would like to recommend for negotiations.

The meeting will be held using the conference call number below at the date and time, as specified in Section 1.6, Calendar of Events.

Teleconference Number: 877-336-1828, Access Code: 1470720

Discussion between the Evaluation Team and the Subject Matter Experts is permitted. However, since the purpose of this meeting is to announce the decisions of the Evaluation Team, no discussion concerning the responses may occur between any of the Evaluation Team members and any Vendor during this public meeting.

- B. Recommendation for Award:** Citizens will hold a telephonic public meeting to determine which Vendors each voting member of the Negotiation Team would like to recommend for award.

Teleconference Number: 877-336-1828, Access Code: 1470720

Discussion between the Negotiation Team and the Subject Matter Experts is permitted. However, since the purpose of this meeting is to announce the decisions of the Negotiation Team, no discussion of any nature concerning the responses may occur between any of the Negotiation Team members and any Vendor during this public meeting.

SECTION 2 SCOPE OF SERVICES

2.1 Definitions:

- **Operating Assets** – means Citizens taxable operating funds from collected premiums.
- **Municipal and/or Financial Advisor** – means advising and assisting in carrying out decisions with respect to an entity's capital structure. i.e. pre and post event bonds, and risk transfer in the traditional and capital markets.
- **Investment Consulting** – means advising with respect to investment policy, investment manager selection, etc., and assisting in carrying out the investment of assets on hand,
- **Response** – means all materials submitted by the Vendor pursuant to the solicitation instructions. Depending on the type of solicitation, these materials may also be referred to as the "bid" or the "proposal".
- **Responsiveness Review Period** – the period of time when the Citizens will review Vendor Responses for mandatory submission requirements. Citizens may seek clarifications and supplemental items/information during the Responsiveness Review Period.
- **Tax-Exempt Assets** – means Citizens tax-exempt pre-event bond proceeds.
- **Vendor** – means an entity that responds to this solicitation.

2.2 MINIMUM REQUIREMENTS: Failure to satisfy the below minimum requirements will result in disqualification of Vendor and ineligibility for award. NOTE: Where Citizens requires a minimum number of years of experience, Vendor may include the experience of an entity for which Vendor is legal successor by means of reorganization, merger, or acquisition, (a "Prior Entity"), provided that Vendor submits supporting documentation sufficient to establish that Vendor is the legal successor to the Prior Entity.

- Vendor must have 10 years of experience providing Municipal and/or Financial Advisor services, of which 5 years must be experience working with a least one of the following: property casualty insurers, catastrophe insurers, or special tax revenue bond issuers.
- Vendor must have 5 years of experience working in risk transfer in the traditional and/or capital markets.
- Vendor must be registered as a municipal advisor under the SEC's Municipal Advisor Rule mandated by Sec. 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- Vendor must have 10 years of experience providing Investment Consulting services to municipal clients.
- Vendor must not currently expect to receive direct compensation resulting from or in connection with, and an Affiliate of Vendor must not currently expect to receive direct compensation resulting from or in connection with, the selection of any component of Citizens' capital structure. (excluding receipt of compensation as party to the Financial Advisor/Investment Consultant Contract with Citizens, dated Nov. 1, 2011). An "Affiliate" is an entity that is related through some form of common ownership or control.

2.3 SERVICES: The Financial Advisor/Investment Consultant will be tasked with advising and assisting Citizens on various financial matters related to Citizens' capital structure. It should be assumed that travel will be required in the role of the Financial Advisor/Investment Consultant.

The Financial Advisor/Investment Consultant will provide comprehensive analysis and assistance related to developing and effectuating Citizens' capital structure, including but not limited to the following:

- Participate in the development of capital structure, which includes working with Citizens Finance and Corporate Analytics staff to determine the correct mix of liquidity from surplus funds, bond proceeds and risk transfer in the traditional and capital markets.
- Issuance of pre and post event debt
- Issuance of insurance linked securities in capital markets, i.e. Catastrophe Bonds
- Assist in advising for risk transfer in the traditional and capital markets
- Assist with presentations to rating agencies and other entities as necessary to explain Citizens credit, including development of presentation materials.
- Advising on the structure of underwriting team and other financing teams
- Assisting in the monitoring of and performance evaluation of Citizens' Investment Managers
- Travel to the corporate offices of Citizens' Investment Managers to perform due diligence activities on a bi-annual basis.
- Evaluation of potential investment policies as well as assisting Citizens' staff in the drafting of these policies.
- Recommending specific portfolio transactions and/or positions
- Providing testimony as requested to the Florida legislature and cabinet
- Assistance with preparation for and attendance at Citizens' Board of Governors and Committee meetings. The Financial Advisor/Investment Consultant may be required to deliver presentations at the meetings.
- Daily availability for advising and discussions with Citizens' personnel and other services as requested by Citizens' management.

SECTION 3

RESPONSE INSTRUCTIONS & EVALUATION CRITERIA

- 3.1 QUESTIONS:** There is an open question period beginning upon release of the solicitation and ending on the date and time specified in the Calendar of Events. Vendors may submit questions in writing to the Procurement Officer identified on page 1 of this solicitation. Citizens will post answers to the questions on Citizens' website in accordance with the Calendar of Events so all questions and answers are made available at the same time to all Vendors.

VENDORS ARE ADVISED TO RAISE ANY QUESTIONS THEY MAY HAVE REGARDING THE REQUIREMENTS OF THIS PROCUREMENT, INCLUDING THE SCOPE OF SERVICES OR OTHER TERMS, DURING THE OPEN QUESTION PERIOD OF THIS SOLICITATION.

- 3.2 CHANGES TO SOLICITATION:** If any changes are made to this solicitation, such changes will be formally noted through an amendment or addendum posted on Citizens' website. It is the Vendors' obligation to monitor Citizens' website to review amendments or addendums.

- 3.3 RESPONSES SUBMITTED ARE PUBLIC RECORDS:** By participating in this solicitation process and submitting a Response, a Vendor acknowledges the requirements of the Florida Public Record laws found in Ch. 119, Florida Statutes and s. 24(a), Art. I of the Florida Constitution (the "Public Record Laws"), and agrees to the provisions set forth in this section. Citizens is a public entity subject to the Public Record Laws. All Vendor Responses and written communications regarding this solicitation become public records upon receipt by Citizens and therefore are subject to public disclosure. If a vendor asserts that any portion of its Response or written communication is exempt from disclosure under the Public Record Laws (a "Protected Record") then the Vendor **MUST** comply with the following process:

1. Clearly identify each portion of its Protected Record(s) that it believes is statutorily protected from disclosure;
2. Submit a separate electronic copy of Vendor's Response or written communication with only protected portions redacted; and
3. Submit a separate redaction log that provides a specific statutory citation justifying each redaction.

If Vendor does not identify each portion of a Protected Record as specified herein, Citizens may produce Vendor's non-redacted copy in response to a public records request.

If Vendor has complied with the provisions of this section by identifying certain documents are Vendor's Protected Record(s) and Citizens receives a public record request for a Protected Record, then Citizens will produce the redacted copy provided by Vendor in response to the public record request. In the event a party is seeking the non-redacted portion of Vendor's Response and Vendor continues to assert in good faith that Vendor's Protected Record(s) are confidential or exempt from disclosure or production pursuant to Chapter 119, Florida Statutes, then Vendor shall be solely responsible for defending its position, or seeking a judicial declaration.

Notwithstanding the provisions of this section, in accordance with Federal or State law, Citizens will comply with any court order or government agency directive to produce a Protected Record.

- 3.4 RESPONSE DUE DATE AND SUBMISSION:** Responses must be received by the Procurement Officer identified on page 1 on or before the date and time specified in the Calendar of Events.

Clearly identify which solicitation your Response is for on the front of your submittal as follows:

ITN No.: 16-0004, Financial Advisory and Investment Consulting Services

- 3.5 RESPONSE FORMAT:** This section prescribes the format in which Responses are to be submitted. Any information deemed appropriate by the Vendor may be included, but is required to be placed within the pertinent sections.

Citizens is under no obligation to look for responsive information contained in incorrect sections or that is not organized according to these instructions. All Responses must contain the sections outlined below. All Responses submitted should include numbered sections clearly separating and identifying each section as indicated below.

It is the Vendors' responsibility to provide complete answers and/or descriptions to all areas which Citizens has requested information. Do not assume Citizens will know what your company capabilities are or what items/services you can provide, even if you have previously contracted with Citizens. **Responses are evaluated solely on the information and materials provided in your written Response, the use of outside materials or external website links is not allowed. Any links provided in a Vendor's Response will not be reviewed or used to score Responses.** Vendors are required to provide complete information and documentation within their submission which will be used for evaluation.

- A. Original CD Response: The Vendor **shall submit** with their Response one (1) CD original of their entire Response.
- B. Additional Response(s) Copies: Vendor should submit three (3) identical copies of the original hardcopy Response and one (1) compact disk (CD) of the Response.

Please Note that the hardcopy response(s) and original CD response will be used for review and evaluation purposes and should be identical in form and content.

- C. Redacted Copy of Response: In addition to the CD required in Section C. above, the Vendor should submit an additional CD with their Response containing a full "Redacted" electronic version of their Response in accordance with Section 3.3, above. This CD should be labeled "**Redacted Response**" and be void of any information the Vendor deems exempt from Florida's public record law.

By participating in this solicitation process and submitting a Response, a Vendor acknowledges the requirements of the Florida Public Record laws found in Ch. 119, Florida Statutes and s. 24(a), Art. I of the Florida Constitution (the "Public Record Laws"), and agrees to the provisions set forth in this section. See Section 3.3 for more details.

- 3.6 RESPONSE CONTENTS:** The purpose of the Vendors' Response is to demonstrate its qualifications, competence and capacity to provide services in conformity with the requirements of this solicitation.

- The CD-ROM should have separate folders for each Response "Tab."
- Tab folders should be plainly titled "Tab 1," "Tab 2," etc., as shown below.



- Attachments should be plainly titled "Attachment A," "Attachment B," "Attachment C," etc., as shown below.



Attachment B.pdf



Attachment C.pdf

- Response areas that require form submissions (e.g., occupational licenses, financial documents, insurance certificates, etc.) should be submitted in PDF format and plainly titled with file names not exceeding 12 characters in length.
- Each of the “Tab” folders should contain the corresponding Response area as requested below.

Tab 1. Forms and Documents: Vendor **shall submit** in this section a completed copy of the following:

1. Attachment A, Vendor Contact Information Form
2. Attachment B, Vendor Conflict of Interest Disclosure Form
3. Attachment C, Responsible Vendor Review Form
4. Attachment G, Minimum Qualifications Certification Form

Tab 2. Pricing: The Vendor **shall submit** a completed copy of Attachment D, Price Sheet in this section.

Tab 3. Business / Corporate Qualifications: The Vendor should submit in this section the following information:

1. Attachment E, Vendor Diversity Declaration Form: If applicable, Vendor should submit a notarized Attachment E, Vendor Diversity Declaration Form in this section. This form is for informational purposes only and will not be used in scoring your Response.
2. Attachment F, Corporate Background Form: The Vendor should submit Attachment F, Corporate Background Form in this section.
3. Company Profile: Vendor should provide the following information requested below, that best describes the Vendor's company:
 - A. Describe your firm, how it is organized, the number and type of offices in Florida, and the resources available to provide the services described herein. Including the location of the office that will staff the resources to fulfill the services described herein and work on Citizens' account(s).
 - B. Provide a detailed overview of your firm's experience in providing financial advisory and/or investment and other consulting services. In particular, Citizens is interested in unique experiences and services offered by your firm that distinguish it from others and provide greater value to Citizens.
 - C. Does your firm have internal resources or a specialty group dedicated to and/or focused solely on serving insurance and/or quasi-governmental clients? If so, please describe these resources including how long the group has been operating and the number of professionals (analyst level or above, full-time employees) specializing in property and casualty insurance.
 - D. Provide a brief description of the types of research and methodologies your firm uses to make advisory recommendations for negotiated bond offerings. (Limit 1 page)
 - E. Describe factors that distinguish your firm from other prospective respondents.
 - F. Provide information about your firm's Code of Ethics.

- G. Disclose all compensation/fee arrangements (formal or informal) that your firm, its related entities or any proposed personnel currently has, or within the past twelve months has had, with any other potential parties to contemplated financings in which your firm was engaged in any capacity. Such parties include, but are not limited to, swap providers, investment contract providers, verification agents, financial advisory firms, investment banking firms, any other consultants or financial institutions, and law firms.
- H. Does the firm, its principals, or any affiliate have any “strategic alliance” with any broker, investment management firm, or fund management company? If yes, please disclose with whom and describe the nature of the alliance.

- 4. Key Personnel: The Vendor should provide behind Tab 3, the qualifications and experience of Vendor’s firm and the proposed implementation team. The Vendor should provide a description of capabilities, related to projects of similar size, complexity and business. Provide resumes or biographical descriptions of the personnel that would be assigned to Citizens’ account(s). Include in this description the number of accounts assigned to each key personnel, including Citizens’ account(s). The Vendor may include any additional literature and product brochures. Vendor’s team members may be called to testify before the Florida Legislature and the Florida Cabinet. Describe the capabilities of each member of the proposed team in this regard.
- 5. Implementation: Describe your plan for transition of the Services to your firm. How will your firm ensure a smooth transition of the Services? What is the timeframe for this transition, and what is the number of staff that will be dedicated to this transition?

Tab 4. Financial Review: Vendor **shall submit** in this section the financial information requested in Attachment H, Financial Certification Form. This information will be reviewed by Citizens’ Vendor Management Office, with the assistance of an independent CPA, to determine Vendor’s financial stability, viability, and capacity. Citizens will disqualify any Vendor not receiving a PASS determination as described in Attachment H.

Tab 5. Proposal: The Vendor should provide behind Tab 5, information that demonstrates Vendor’s capabilities to provide the services listed. Additionally, Vendors must specify any area where Vendor either has or has not previously provided those services, or has no experience providing those services.

In providing the following information, Vendor should re-state each question at the top of a new page and limit your proposal to one document. There is no overall page limit. However, some individual questions do have a set page limit. Responses to each question should be included immediately after the re-stated question without reference to an appendix or other attachment. Answer as specifically as possible and avoid generalizing. Your responses will be evaluated on clarity, comprehensiveness, and presentation of materials in a thorough and concise format.

A. Catastrophe Insurance and Funding Experience:

- 1. Provide an overall description of your firm’s understanding of Citizens role in the property and casualty insurance market in Florida. Include in your response a description of your firm’s resources that will provide value added services to Citizens in this regard. (Limit – 1 page)
- 2. Describe your firm’s understanding of the challenges facing Citizens and its liquidity needs and related recommendations thereon. (Limit – 1 page)

3. Provide a description of your firm's understanding of the role and purpose of risk transfer in the traditional and capital markets and your knowledge of and experience and familiarity with the Florida Hurricane Catastrophe Fund ("FHCF"). Include in your description your views on the relationship between Citizens and the FHCF. (Limit – 1 page)
4. Identify your firm's major clients for whom you serve as Financial Advisor and/or Investment Consultant – include clients similar to Citizens.
5. Describe your firm's experience providing services to large governmental and insurance clients in each of the following areas – Please be specific:
 - Providing investment and/or financial advice;
 - Developing investment policies and/or guidelines;
 - Assisting clients in the issuance of taxable and non-taxable debt;
 - Assisting clients in the calculation of Emergency Assessment collections and/or special tax revenues;
 - Assisting clients in obtaining bank credit lines; and
 - Assisting clients in the credit rating process and describe success in reducing clients' costs of financing.

B. Financial Advisor or Underwriting Experience

1. List the total volume and type(s) of relevant bonds for which your firm has served as Financial Advisor or Underwriter during the last five years and describe the role played by the firm.
2. Underwriting Experience: Provide a list of negotiated municipal issues (taxable, tax-exempt and variable rate obligations) for which your firm served as Senior Managing Underwriter (includes bookrunning Senior and Sole Managed transaction), Co-Manager (includes non-bookrunning Senior and Co-Senior or Co-Managed transactions) or Financial Advisor since January 1, 2007 for financings whose par amount was greater than \$250 million. Include total number of transactions and total par value at the conclusion of the experience table. Include the following details with respect to each financing:
 - Sale Date;
 - Issuer Name and Name of Issue;
 - Principal Amount;
 - Coupon Type (i.e. fixed rate, variable rate, auction rate, etc.);
 - Credit Enhancement Type, Credit Enhancer, Underlying Rating; and
 - Role of Firm (i.e. Senior Manager, Co-Manager or Financial Advisor). Describe your firm's experience with negotiated sales of debt issues. Indicate the role your firm would fulfill under each method of sale.
3. Describe the activities your firm would undertake in facilitating the promotion, sale, and marketing of Citizens' debt issue. Describe your firm's related experience with such activities.
4. Provide a description of the steps your firm would follow in developing a customized financing plan for Citizens and the corresponding duties and responsibilities your firm would assume in the debt issuance process. Discuss both pre-event and post-event debt issuances.
5. Provide a description of your firm's understanding of risk-transfer and methods

and facilities used to transfer risk, traditional and non-traditional/alternative.

6. Describe what your firm would consider alternatives to traditional debt instruments and the steps your firm would follow in developing a financing plan using these alternatives. Describe your firm's related experience in successfully designing and implementing alternative financing for government or insurance clients.
7. Provide a description of your firm's view of Citizens' credit and how it can improve its bearing with ratings agencies. Include in your response potential alternatives to decrease Citizens' financing cost considering the investment policies approved by Citizens' Board of Governors.
8. Describe the value your firm could bring to Citizens as Financial Advisor. Quantify if possible.

C. Investment Consultant Experience

1. Describe your firm's relevant experience drafting short to intermediate term taxable and tax-exempt investment policies for insurance or governmental entities. Include the number of clients and frequency of proposed policy changes.
2. Describe in detail your firm's experience in advising clients in respect to handling either defaulted and/or distressed assets held in their portfolios.
3. Describe in detail your firm's experience in advising clients in their evaluation of and/or selection of outside Investment Managers.
4. Describe your firm's experience and process for evaluating a clients' outside Investment Managers pre and post trade compliance controls.
5. Describe your firm's experience in assisting clients in their treasury management functions which could involve, but is not limited to: forecasting cash flows, money market fund evaluation, analyzing account structure, and purchase of short term debt instruments.
6. Citizens' expectation is that the consultant will be an extension of the investment team and able to work closely with staff. Describe your commitment and availability to Citizens' staff for discussion and advice regarding financial and investment matters.
7. Provide your firm's view of investment opportunities taking into account Citizens' purpose as a governmental entity providing property insurance and Citizens' investment policies.

3.7 EVALUATION AND NEGOTIATION PROCESS: Citizens will conduct a comprehensive review to validate all timely submitted Responses for compliance with the mandatory requirements. Failure to meet any mandatory requirement will result in rejection of Vendor's Response. Responses that comply with mandatory requirements will be forwarded to the evaluation team members for individual and independent review and evaluation using the allocation of scores as indicated below. At any time before awarding a Contract, Citizens reserves the right to seek clarifications deemed necessary for proper evaluation of Responses

A. PHASE 1 – MANDATORY SUBMISSION REQUIREMENTS: Only timely submitted Responses will be reviewed and evaluated by staff to determine if they include all mandatory submission requirements. Failure to provide any of the mandatory submission requirements (outlined in the Initial Responsiveness Checklist, see page 3) or a "FAIL" determination (as outlined in this Subsection A) **will result in disqualification** of Vendor (as non-responsive or non-responsible).

1. **Pass/Fail Criteria Review:** During this Phase, Citizens staff will make a PASS/FAIL determination based on a review of the information contained in:
 - a. Attachment A, Vendor Conflict of Interest Disclosure Form
 - b. Attachment B, Responsible Vendor Form
 - c. Attachment G, Minimum Qualifications Certification Form
 - d. Attachment H, Financial Certification Form.

B. PHASE 2 - WRITTEN RESPONSE EVALUATION: For the purpose of evaluation, scoring and ranking, review categories have been divided into multiple sections.

1. **Evaluation Criteria:** The following reflects the maximum number of points that may be awarded by category:

TAB NO.	EVALUATION CRITERIA	POINTS
2	Price 10 Points Total	
	• Service Fees	7.5
	• Transaction Fees	2.5
3	Business/Corporate Qualifications 30 Points Total	
	• Company Profile	10
	• Key Personnel	15
	• Implementation	5
5	Proposal 60 Points Total	
	• Catastrophe Insurance and Funding Experience	20
	• Financial Advisor or Underwriting Experience	20
	• Investment Consultant Experience	20
	Total Points:	100 Points

2. Pricing Points Allocation

- a. Service Fees: The following formula will be used to evaluate the Service Fees. Using Total A, the lowest proposed fees from all responsive Vendors will be awarded 7.5 points and henceforth be known as Lowest Total Service (LTS) Fee. Responses of other Vendors will be scored using the following methodology: LTS divided by the Response Fees (RF) being considered times maximum points score of 7.5 will equal the points awarded.
 Formula: $(LTS / RF) \times 7.5 = \text{Score}$
- b. Transaction Fees: The following formula will be used to evaluate the Transaction Fees. Using Total B, the lowest proposed fees from all responsive Vendors will be awarded 2.5 points and henceforth be known as Lowest Total Transaction (LTT) Fee. Responses of other Vendors will be scored using the following methodology: LTT divided by the Response Fees (RF) being considered times maximum points score of 2.5 will equal the points awarded.
 Formula: $(LTT / RF) \times 2.5 = \text{Score}$

3. Business / Corporate Qualifications and Proposed Solution Point Allocation

The information provided in Tab 3, Sections 3 through 5, and in Tab 5, will be evaluated and scored separately by each member of the Evaluation Team.

4. Evaluation Team Rankings

After the Responses are evaluated and scored by the individual evaluators the scores will be combined and averaged to determine the initial ranking of each Vendor. The Evaluation Team will meet in a public meeting to review the scores and rankings in order to determine which Vendors will advance to Negotiations.

C. PHASE 3 - NEGOTIATIONS: The rankings for Phase 2 will not be used as a scoring factor during Negotiations. Phase 3 will proceed as follows:

1. Citizens reserves the right to negotiate with Vendor(s) serially or concurrently to determine the best suited solution.
2. Vendors that proceed to negotiations may be required to make a presentation / demonstration, and may be required to provide additional references, an opportunity for a site visit, etc. Citizens reserves the right to require attendance by particular representatives of the Vendor. Any written summary of presentations or demonstrations provided by Vendor shall include a list of persons attending on behalf of Vendor, a copy of the agenda, copies of all visuals or handouts, and shall become part of the Vendor's Response. Failure to provide requested information may result in rejection of the Response.
3. Before award, Citizens reserves the right to seek clarifications, to request Response revisions, and to request any information deemed necessary for proper evaluation of Responses. If necessary, Citizens will request revisions to the approach submitted by the top-rated Vendor(s) until it is satisfied that the contract model will serve Citizens' needs and is determined to provide the best value to Citizens.
4. Citizens reserves the right to cease negotiations with any Vendor, and Citizens may not issue a written request for a BAFO to a Vendor with whom negotiations have ceased. At the conclusion of negotiations, Citizens may issue a written request for best and final offer(s) (BAFO) to one or more of the Vendors with which the negotiation team has conducted negotiations.

At a minimum, based upon the negotiation process, the best and final offers may contain:

- A revised Scope of Services;
- All negotiated terms and conditions to be included in final contract; and
- A final cost offer.

Prior to contract execution, clarifying changes may be made to contract documents. If BAFOs are requested they will be delivered to the negotiation team for review. Thereafter the negotiation team will meet in a public meeting to determine which offer constitutes the best value to Citizens based upon the selection criteria.

5. Citizens does not anticipate reopening negotiations after receiving the BAFOs, but reserves the right to do so if it believes doing so will be in its best interests.
6. The focus of the negotiations will be on achieving the solution that provides the best value to Citizens based upon the selection criteria and the requirements of this

procurement. The selection criteria includes, but is not limited to, the Vendor's demonstrated ability to effectively provide the services, technical proposal, and price. Citizens reserves the right to utilize subject matter experts, subject matter advisors and other advisors to assist the negotiation team with finalizing the selection criteria. The negotiation process may also include negotiation of the terms and conditions of the contract.

7. As part of the negotiation process, Citizens may contact references provided to obtain independent verification of the information contained in the Response and to assess the extent of success of the projects associated with those references. Such contact is in addition to any verification sought upon initial submission of a Response. Citizens also reserves the right to contact references not provided by Vendor. Vendors may be requested to provide additional references. The results of the reference checking may influence negotiations and best value determination.

3.8 VENDOR'S REPRESENTATION AND AUTHORIZATION: Submission of a Response to this solicitation by a Vendor certifies its acceptance of and agreement to the requirements, terms and conditions of this solicitation.

3.9 EXCEPTIONS TO CONTRACT TERMS: Attached as Attachment I is Citizens standard contract terms and conditions. Citizens is willing to make reasonable changes and additions to these contract terms as needed to conform to industry practices. These changes and additions may be discussed during Phase 2 (Negotiations). Exceptions to the contract terms should not be included in a Response. Contract issues may instead be raised during the Questions period described on Page 1, Calendar of Events, or during Phase 2 (Negotiations).

SECTION 4 SOLICITATION GENERAL CONDITIONS

4.1 **PROTESTS:** There are two conditions under which this solicitation may be challenged:

1. There may be a protest of the terms, conditions, and specifications contained in the solicitation, including any provisions governing the methods for ranking bids, proposals, replies, awarding contracts, reserving rights for further negotiations, or modifying or amending any contract. **A notice of intent to protest, made pursuant to this condition, must be filed in writing with Citizens' Clerk within 72 hours after the posting of the solicitation (excluding Saturdays, Sundays and state holidays); or**
2. A person adversely affected by Citizens' decision or intended decision to award a contract pursuant to Sections 287.057(1) or (3)(c) may challenge the decision. **A written notice of intent to protest, made pursuant to this condition, must be filed in writing with Citizens' Clerk within 72 hours after Citizens posts notice of its decision or intended decision.**

A decision or intended decision that can be challenged must be made from a determination of a single source award, rejection of all responses of a competitive solicitation, or a notice of intent to award a contract pursuant to a competitive solicitation for purchases of commodities or contractual services that exceed the Category Two threshold amount (as defined in Section 287.017, F.S.).

After the timely filing of a written notice of intent to protest, the protestor must then file a formal written protest. **The formal written protest must be filed within 10 days after the date of the notice of protest is filed.** The formal written protest must state with particularity the facts and law upon which the protest is based and comply with Citizens' Board of Governors Procedures: Procurement Protests (Section 4-5.00). Questions to the Procurement Officer do not constitute formal notice of a protest.

Any protest concerning this solicitation shall be governed by Section 627.351(6)(e), F.S., and Citizens' Board of Governors Procedures: Procurement Protests at: <https://www.citizensfla.com/shared/generalInfo/pdf/ProcurementProtestsProcedure.pdf>. Failure to timely file an intent to protest or timely file a formal written protest, within the time prescribed pursuant to 627.351(6)(e), F.S., constitutes a waiver of proceedings.

The address of Citizens' Clerk for the filing of: the notice of intent to protest or the formal written protest is:

Citizens Property Insurance Corporation
Attn: Althea Gaines, Clerk
2312 Killearn Center Blvd, Building A
Tallahassee, FL 32309
Email: Agency.Clerk@citizensfla.com

4.2 **CORPORATE CHANGE:** If Vendor is involved in or undergoing a sale, purchase, merger, or other change in ownership or control ("Change") that will in any way alter the Vendor's legal entity, name, structure, financial status or business operations, Vendor should submit in Tab 1 of its response, if applicable:

- A section disclosing all current entities involved in the Change, when the Change is

anticipated to take place and any information related to the Change that may affect the Response;

- Each area in Vendor's Response should contain a separate section that discusses whether the Change will alter, modify or otherwise affect the Vendor's Response; and
- If this is not applicable to your Response, Vendor should provide a statement that this section is "not applicable".

4.3 COSTS OF PREPARING RESPONSES: Citizens is not liable for any costs incurred by a Vendor in responding to this solicitation, including costs for materials, meetings and/or travel, if applicable.

4.4 DISPOSAL OF RESPONSES: Other than the Vendor's intellectual property, all Responses become the property of Citizens and will be a matter of public record subject to the Public Record provisions of Chapter 119, Florida Statutes, and 24(a), Article I of the Florida Constitution. To the extent allowed by law, Citizens shall have the right to use all ideas, or adaptations of those ideas, contained in any Response received in response to this solicitation. Selection or rejection of the Response will not affect this right.

4.5 ELECTRONIC POSTING: Citizens will electronically post all notices, solicitation documents and addenda on Citizens' website which is located at <https://www.citizensfla.com/about/purchasing/purchasing-solicitations.cfm>.

4.6 FIRM RESPONSE: The Procurement Officer may make an award within one hundred and eighty (180) calendar days after the date of the opening, during which period Responses will remain firm and may not be withdrawn. If award is not made within one hundred and eighty (180) calendar days, the Response shall remain firm until either the Procurement Officer awards the Contract or the Procurement Officer receives from the Vendor written notice that the Response is withdrawn. Any Response that expresses a shorter duration may, in the Procurement Officer's sole discretion, be accepted or rejected.

4.7 WITHDRAWAL OF A RESPONSE: A submitted Response may be withdrawn from consideration by written request signed by an authorized representative of the Vendor, delivered to the Procurement Officer before the opening date listed in the competitive solicitation. Any Response submitted, and not properly withdrawn, shall remain a valid Response for one hundred and eighty (180) calendar days after the opening date. All Responses submitted shall remain property of Citizens and may be subject to the Public Record provisions of Chapter 119, Florida Statutes and 24(a), Art. I of the Florida Constitution.

4.8 MINOR IRREGULARITIES / MATERIAL DEVIATIONS: Citizens reserves the right to waive any minor irregularity which reflects a non-material deviation, if Citizens determines that doing so will serve Citizens' best interests. Citizens may reject any Response with a material deviation or Response not submitted in the manner specified by the solicitation documents.

4.9 MISREPRESENTATION: All information provided and representations made by the Vendor are material and important and will be relied upon by Citizens in awarding the contract. Any intentional or negligent misstatement may be treated as a fraudulent inducement to award Vendor the contract and a fraudulent concealment from Citizens of the true facts relating to submission of the Response. A misrepresentation may be punishable under law, including, but not limited to, Chapter 817 Florida Statutes. Furthermore, any misrepresentation may be immediate grounds for termination of any contract related to this solicitation and said Vendor will not be able to participate in future solicitations or other business opportunities with Citizens for the duration of this contract term, including renewal period.

4.10 NO PRIOR INVOLVEMENT AND CONFLICTS OF INTEREST: The Vendor may not compensate in any manner, directly or indirectly, any officer, agent or employee of Citizens for any act or service which he/she may do, or perform for, or on behalf of, any officer, agent, or employee of the Vendor.

No officer, agent, or employee of Citizens may have any interest, directly or indirectly, in any contract or purchase made, or authorized to be made, by anyone for, or on behalf of, Citizens. The Vendor shall have no interest and shall not acquire any interest that will conflict in any manner or degree with the performance of the services required under this solicitation.

- 4.11 REJECTION OF RESPONSES:** Submission of a Response indicates acceptance by Vendor of the conditions contained in this solicitation, and any attachments including the Standard Terms and Conditions unless otherwise specified, as indicated in the competitive solicitation.
- 4.12 NEGOTIATION SUBSEQUENT TO TERMINATION FOR CAUSE:** In the event that a Contract entered into pursuant to this solicitation is terminated for cause by Citizens, Citizens reserves the right to re-procure substitute contractual services through negotiations with the next-ranked eligible Vendor under this solicitation. If Citizens fails to contract with the next-ranked eligible Vendor it may continue in this manner sequentially through all eligible Vendors until a Vendor willing to perform at acceptable pricing under the solicitation's terms and conditions is found.
- 4.13 VERBAL INSTRUCTIONS:** No negotiations, decisions, or actions shall be initiated or executed by the Vendor as a result of any verbal discussions with a Citizens' employee. Only written communications from authorized Citizens' staff will be considered as authorized on behalf of Citizens. Only written communications from the Vendor signed by an authorized representative will be recognized by Citizens.

END OF DOCUMENT