



Legal Department
2312 Killearn Center Boulevard
Tallahassee, FL 32309

Agreement

This Agreement dated as of _____, 2015 (the "Effective Date"), establishes the terms and conditions of the agreement for legal services by and between Citizens Property Insurance Corporation ("Citizens"), and _____ ("Firm").

1. Background: Citizens is authorized by Section 627.351(6)(q), Section 125.013, and Section 166.101, Florida Statutes, to secure bonds for specific purposes including ensuring that it has sufficient funds on hand to pay catastrophe claims. These financial transactions may include pre-event or post-event bond issuances, capital market transactions, commercial banking transactions, international transactions, and other structured financial transactions ("Financial Transactions"). To this end, Citizens issued Invitation to Negotiate No. _____ for Bond Counsel and Disclosure Counsel Services. Firm was selected as one of ___ firms to provide _____ Counsel Services ("Services"). This Agreement sets forth the terms on which those Services shall be performed.

2. Scope of Engagement: The scope of Firm's engagement is as set forth below and any other written communication by Citizens authorizing Firm to perform Services under this Agreement:

[If Firm is hired to provide bond counsel services, insert the following.]

Firm will work cooperatively with Citizens' Financing Team, which includes Citizens' management and staff, legal services department, financial advisor, underwriting team, and banking syndicate. The Financing Team will help to design and execute financial strategies and structures that are optimal for Citizens and that are in compliance with applicable federal and state securities and tax laws and regulations. Services may include but are not limited to:

- i. Assisting with the preparation of necessary securities offering documents related to any existing and future Financial Transactions;
ii. Legal services relating to the planning and development of any Financial Transaction, and any resulting tax implications relating to the use of proceeds;
iii. Legal services relating to Citizens' existing, future and prior Financial Transactions;
iv. Attendance and participation in all relevant meetings related to Citizens' Financial Transactions if determined by Citizens to be necessary;
v. Drafting all customary and necessary documents, as well as handling or participating in any necessary legal proceedings in connection with the authorization, sale, issuance and delivery of new bonds, or the execution of new financing agreements or instruments (non-bonds);
vi. Providing tax advice, preparing and furnishing tax opinions (as needed) on Citizens' existing and/or future Financial Transactions, including the tax-exemption of interest for federal and state income tax purposes;

- vii. Preparing and furnishing any standard legal opinions for Citizens' bond issuances or other Financial Transactions, setting forth a description of the bonds and an opinion as to the validity of the interest for exemption from federal and state income taxes, and other matters customarily covered by such approving legal opinion;
- viii. Reviewing and monitoring of state and federal laws, cases and proposed legislation relating to financing and disclosure requirements which could affect Citizens' existing and/or future Financial Transactions; and
- ix. Other related legal services as may be requested by Citizens from time to time.

[If Firm is hired to provide disclosure counsel services, insert the following.]

Firm will work cooperatively on Citizens' Financing Team, which includes Citizens' management and staff, legal services department, financial advisor, underwriting team, and banking syndicate. The Financing Team will help to design and execute financial strategies and structures that are optimal for Citizens and that are in compliance with applicable federal and state securities and tax laws and regulations. Services may include but are not limited to:

- i. Assisting with the preparation of necessary disclosure documents related to any existing and future Financial Transactions;
- ii. Attendance and participation in any relevant meetings related to future, existing or past Financial Transactions if determined by Citizens to be necessary;
- iii. Drafting, preparing and filing all necessary continuing disclosure documents relating to future, existing or past Financial Transactions;
- iv. To the extent requested by Citizens, furnishing an opinion regarding the fairness, accuracy and completeness of information used in connection with the offer or sale of bonds and compliance with applicable securities laws or exemptions therefrom;
- v. Providing legal services relating to securities laws and/or applicable exemptions therefrom and/or disclosure of information required in connection with any proposed bond issuances and/or other financing program(s) of Citizens' future, existing, and/or past Financial Transactions;
- vi. Drafting or reviewing necessary documents and handling or participating in legal or administrative proceedings in connection with compliance with applicable disclosure requirements relating to Citizens' future, existing, or past Financial Transactions;
- vii. Reviewing and monitoring of state and federal laws, cases and proposed legislation relating to financing and disclosure requirements which could affect Citizens' existing and future Financial Transactions;
- viii. Furnishing a supplemental disclosure counsel opinion regarding the fairness and accuracy of certain information in the Preliminary Official Statement and Official Statement regarding the description of the bonds, security for the bonds and the tax exemption of the bonds and interest thereon; and
- ix. Other related legal services as may be requested by Citizens from time to time.

3. **Process for Engagement:** For each Financial Transaction, Citizens shall provide Firm with at least thirty (30) days advance notice that Firm has been selected to perform the Services with respect to that Financial Transaction. The parties acknowledge and agree that Firm is not guaranteed that any such engagement will be made or whether any particular volume of work will be assigned.

4. **Fees and Expenses:**

i. **Rates for Services.** Firm's rates for Services are attached as Exhibit A.

ii. **Citizens Travel Policy.** If Firm desires to seek reimbursement for travel expenses, such expenses must be pre-approved in writing by Citizens' Contract Manager and must be in compliance with Citizens' **Vendor Travel Reimbursement Guidelines**, as amended from time to time.

5. **State Government Entity:** Firm acknowledges that Citizens is established pursuant to its enabling statute, F.S. 627.351(6), and subject to certain, but not all, laws applicable to state government entities.

i. **Code of Ethics:** Firm has read and agrees to comply with the applicable portions of Citizens' **Code of Ethics**, as currently in effect and amended in the future, and has executed a **Conflict of Interest Disclosure Form** as specified by Citizens. The Code of Ethics is available at www.citizensfla.com under "Purchasing." The Code of Ethics includes a "no gift" rule which also applies to law firms working with Citizens.

ii. **Public Records:** Firm acknowledges that Citizens is subject to Chapter 119, Florida Statutes, public record requests ("PRR"); therefore, any information provided to Citizens may fall within the disclosure requirements of Chapter 119, Florida Statutes. Firm must clearly label and mark each page or section of information provided to Citizens in connection with this Agreement that it considers Trade Secret, or otherwise confidential or exempt from Chapter 119, and s. 24(a), Art. I., State Const. ("Firm's Confidential Information").

If Citizens receives a PRR or request from any regulatory or legislative entity regarding Firm's Confidential Information it shall promptly notify Firm in writing, or electronically. The parties agree (to the extent permitted by law) that Citizens shall not produce Firm's Confidential Information unless authorized by Firm, or by order of a Court of competent jurisdiction. In the event a legal proceeding is brought to compel the production of Firm's Confidential Information, the parties agree that Citizens is authorized to deliver Firm's Confidential Information to the Court or other legal tribunal for disposition. If Firm continues to assert in good faith that Firm's Confidential Information is confidential or exempt from disclosure or production pursuant to Chapter 119, Florida Statutes, then Firm 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 Firm's position. Firm also agrees to indemnify and hold harmless Citizens for any award, damages, fines, fees, penalties or impositions of whatsoever nature or kind and all costs and fees, including attorney's fees, incurred by Citizens in connection with this section.

If Firm receives a PRR that is in any way related to this Agreement, Firm agrees to immediately notify Citizens' Record Custodian and forward the PRR to Citizens' Record

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. Firm is not authorized to unilaterally respond to a PRR without express written direction from Citizens.

Firm agrees to assist Citizens in responding to any PRR in a prompt and timely manner as required by Chapter 119, Florida Statutes.

- c. **Right to Review Records:** Citizens' enabling statute establishes the Office of the Internal Auditor ("OIA"). Through its OIA, Citizens has the right to review any of Firm's business books, works, or documents specifically related to work performed on behalf of Citizens, in case of an audit or investigation. Citizens shall provide to Firm reasonable written notice of at least three (3) business days. Firm shall not unreasonably delay or inhibit Citizens' right to review as set forth in this paragraph.

In addition, Citizens reserves the right to review all charges for services and disbursements pertaining to any legal services performed on behalf of Citizens. Citizens reserves the right to conduct on-site audits and file reviews consistent with Firm's ethical obligations and in a manner that will not compromise the attorney-client or work product protection associated with the file. Firm shall comply with all reasonable requests for information and documents, provided that such documents or information are not privileged.

Firm agrees to reimburse Citizens for the reasonable costs of investigation incurred by Citizens for investigations of Firm's compliance with this Agreement which results 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; and expert witness and documentary fees. Firm shall not be responsible for any costs of investigations that do not result in termination for cause or in regulatory or criminal penalties in connection with performance of this Agreement.

- d. **Immunity:** Except for breach of contract claims under this Agreement, nothing in this Agreement shall be deemed to waive the Citizens' immunity as set forth in its enabling statute and as otherwise provided by law.

6. **Firm's Records:** Firm shall retain Firm's Records for the longer of (1) records retention requirements imposed on attorneys by the Florida Bar or other applicable law, (2) three years after the expiration of this Agreement or (3) the period required by the General Records Schedules maintained by Citizens Retention Policy. Citizens' Record Management Policy can be found at www.citizensfla.com/about/purchasing-policies.cfm.

7. **Security and Confidentiality:** Firm agrees and acknowledges that certain information disclosed by Citizens to Firm in the course of this Agreement is confidential and exempt from Florida Public Record laws contained in Chapter 119, Florida Statutes, and may contain other proprietary or Trade Secret information. Both parties further agree that this information, together with any data and documentation, including all nonpublic personal information such as to be subject to the provisions of Section 627.351(6), Fla. Stat., and 15 U.S.C. §§6801 et seq., and further including, without limitation, all information, data, and documentation related to manuals, lists, policyholder information, operating and other systems or programs, business practices or procedures, insurance

policies, claimants or claims, and business, governmental, and regulatory matters of Citizens are confidential (“Citizens’ Confidential Information”). Firm shall not use, disclose, communicate, possess, transmit, copy or reproduce any of Citizens’ Confidential Information, and shall not permit any third parties or business entities to disclose, distribute or otherwise transmit Citizens’ Confidential Information, in whole or in part, in any manner. Firm agrees to exercise a high level of care sufficient to protect Citizens’ Confidential Information, documents, files, system programs, or data in any form from unauthorized disclosure. The sale, disclosure, duplication, or unauthorized use of this information is grounds for immediate termination of this Agreement as a Material Breach. This provision shall not apply to documentation, information or material that: (1) is publicly available through no fault of Firm; or (2) Firm developed independently without relying in any way on Citizens’ Confidential Information. This section shall survive the termination or expiration of this Agreement, regardless of the reason for termination or expiration. To insure confidentiality, Firm shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this provision shall survive this Agreement.

Firm acknowledges and agrees that Citizens will suffer irreparable harm and that monetary damages will not be adequate to compensate Citizens, in the event that Firm fails to comply with the terms of this Agreement and specifically the provisions of this section. Accordingly, in addition to any other remedies available to it at law or in equity, Citizens shall be entitled to injunctive relief to enforce the provisions of this section and this Agreement.

Firm is not subject to any action by Citizens if disclosure of any such information or documents is at the direction of Citizens when necessary and appropriate to (1) service an insurance claim, (2) respond to a discovery request in a litigated matter, or (3) comply with a Court Order.

- 8. Indemnification:** Firm shall be fully liable for the actions of its agents, employees, partners, or subcontractors, and shall fully indemnify, defend, and hold harmless Citizens, and its officers, members of the Board of Governors, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys’ fees, arising from or relating to personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Firm, its agents, employees, partners, or subcontractors, provided, however, that Firm shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of Citizens.

Further, Firm shall fully indemnify, defend, and hold harmless Citizens, and its officers, members of the Board of Governors, agents, and employees from any suits, actions, damages, and costs of every name and description, including attorneys’ fees, arising from or relating to violation or infringement of a trademark, copyright, patent, Trade Secret or intellectual property right.

Firm’s obligations under the preceding two paragraphs of this section with respect to any legal action are contingent upon Citizens giving Firm (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Firm’s sole expense, and (3) assistance in defending the action at Firm’s sole expense. Firm shall not be liable for any cost, expense, or compromise incurred or made by Citizens in any legal action without Firm’s prior written consent, which shall not be unreasonably withheld.

- 9. Malpractice Insurance:** Firm shall maintain in effect, at its sole expense, legal malpractice insurance of such a type and with such terms and limits as may be reasonably associated with the provision of Services under this Agreement. Firm shall provide Citizens with the certificates of insurance prior to commencement of Services.

10. **Compliance with Law:** Firm will comply with all applicable laws, ordinances, rules, and regulations governing Firm's duties or responsibilities under this Agreement. Firm is responsible for assuring that all persons who perform services for Citizens under this Agreement are properly licensed and are in compliance with all applicable laws governing their conduct.
11. **Name / Logos:** Without the prior written consent of Citizens, Firm shall not publish or use Citizens' name or logos. This includes but is not limited to using Citizens' name or logos in any solicitations, advertisements, promotions, or any other publicity matter relating directly or indirectly to this Agreement.
12. **Professional Code:** Firm shall ensure that its personnel providing services under this Agreement complies with applicable standards of ethics and rules of professional responsibility, including the Florida Rules of Professional Conduct promulgated by the Florida Supreme Court for attorneys practicing in Florida. Such standards include rules related to conflicts of interest and confidentiality that are intended to protect Citizens and Citizens information.
13. **Modification of Terms:** This Agreement may only be modified or amended upon mutual written agreement of Citizens and Firm. No oral agreements or representations shall be valid or binding upon Citizens or Firm.
14. **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.
15. **Jurisdiction and Venue:** 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 State courts sitting in Tallahassee, 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.
16. **Term:** The initial term of this Agreement is five (5) years. This Agreement may be renewed upon mutual written consent for an additional two (2) year period.
17. **Termination:**
 - i. Citizens may cancel or terminate this Agreement at any time upon advance written notice to Firm. After receiving such notice, Firm will cease to render Services to Citizens as soon as allowed by applicable law and ethical and/or court rules, which may include court approval of withdrawal from litigation.
 - ii. Firm reserves the right to withdraw from its representation if, among other things, Citizens should fail to honor the terms of its engagement, fail to cooperate or follow Firm's advice on a matter Firm considers material, or if any circumstance arises that would in Firm's view render Firm's continuing representation unlawful, unethical, or undesirable.
 - iii. If Firm elects to withdraw, and in the event of any other termination, Citizens will take all steps necessary to relieve Firm of any obligation to perform further, including the retention of substitute counsel.

- iv. A termination of Firm's Services will not affect Citizens' responsibility for payment for Services rendered and other charges incurred both before termination and afterwards in connection with an orderly transition of the matter, including fees and other charges arising in connection with any transfer of files to Citizens or to other counsel.
18. **Dispute Resolution:** Firm acknowledges that Citizens is not an agency for purposes of the Florida Administrative Procedures Act, chapter 120 of the Florida Statutes. Prior to commencing any litigation relating to the terms of this Agreement the parties agree that they will attempt to resolve any dispute through non-binding mediation. The parties agree that, if a disagreement arises as to the terms or enforcement of any provision of this Agreement, each party shall in good faith attempt to resolve the disagreement and exhaust all applicable administrative remedies prior to the filing of a lawsuit or commencing a legal action.
19. **Warranty of Authority:** Each person signing the Agreement warrants that he or she is duly authorized to do so and to bind the respective party to this Agreement.
20. **Warranty of Ability to Perform:** Each party 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 the party's ability to satisfy its contract obligations.
21. **Assignments/Subcontracting:** Firm may not assign or subcontract its rights or obligations without first obtaining the written permission of Citizens.
22. **Force Majeure:** Neither party shall not be responsible for delays resulting from its failure to perform if (i) neither the fault nor the negligence of the party or its employees or agents contributed to the delay, and (ii) the delay is due directly to acts of God, wars, acts of public enemies, fires, floods, or other similar cause wholly beyond the party's control. In case of any delay Firm believes is excusable, Firm shall promptly notify Citizens in writing of the delay or potential delay and describe the cause of the delay. **THE FOREGOING SHALL CONSTITUTE FIRM'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** If Firm's performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist, Firm shall perform at no increased cost.
23. **Contract Administrator:** Citizens shall name a Contract Administrator during the term of this Agreement whose responsibility shall be to maintain this Agreement. As of the Effective Date, the Contract Administrator is:
- Lori Newman, Purchasing Department
2101 Maryland Circle
Tallahassee, Florida 32303
(850) 513-3795
lori.newman@citizensfla.com
- Citizens shall provide written notice to Firm of any changes to the Contract Administrator; provided, such changes shall not be deemed contract amendments.
24. **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

obligations pursuant to the terms of this Agreement. As of the Effective Date, Citizens' and Firm's Contract Managers are as follows:

Citizens' Contract Manager

Jennifer Montero
Chief Financial Officer
2312 Killearn Center Blvd. Bldg. A
Tallahassee, FL 32309

Firm's Contract Manager

Name/Title _____

Address _____

Phone _____

Email _____

25. Invoices. All invoices for Firm shall be submitted to Citizens' Accounts Payable department at Post Office Box 10749, Tallahassee, Florida 32302-2749, or by electronic method if notified by Citizens, on a monthly basis and must at a minimum include the following:

- i. The contract number;
- ii. Firm's name and address;
- iii. Firm's Federal Employment Identification Number (FEIN);
- iv. The deliverable or Service for which compensation is being sought;
- v. Citizens' Contract Manager's Name; and
- vi. Name, Position title, hourly rate, number of hours.

Citizens may require any other information from Firm that Citizens deems necessary to verify any payment request placed under this Agreement. Invoices that must be returned to a Firm due to preparation errors will result in a delay in payment. Within thirty days of actual receipt of the invoice, Citizens will either return the invoice to Firm for correction, or approve it and process it for payment.

26. Execution in Counterparts: This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

27. 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.

28. Inconsistencies: This Agreement controls, to the extent of any inconsistencies with an engagement letter agreement or other legal services agreement.

29. Notice of Material Adverse Change: Firm agrees to notify Citizens in writing of any "Material Adverse Change" to Firm within 10 days of said change. A "Material Adverse Change" means: (i) a change in the business operations or financial condition of Firm which negatively impacts its

capacity to meet its professional or financial obligations; (ii) any material impairment of human or material resources necessary to perform Services under this Agreement; or (iii) any occurrence or event relating to Firm or senior level attorney that adversely reflects on Firm's reputation or standing in the community.

A Material Adverse Change includes, but is not limited to: (i) the filing by Firm of a voluntary petition in bankruptcy, or a petition or an answer seeking an arrangement with creditors to take advantage of any bankruptcy, insolvency, readjustment of debt; (ii) the departure from Firm of a senior level attorney who oversees Citizens assignments and provides a substantial amount of the Services rendered to Citizens; (iii) a senior level attorney receiving an adjudication of guilt by a court of competent jurisdiction of any crime that is a felony or a misdemeanor involving moral turpitude under any state or federal law; (iv) a senior level attorney receiving disciplinary measures pursuant to Rules Regulating the Florida Bar, including admonishment, probation, public reprimand, suspension, or disbarment, or the filing by a senior level attorney for disciplinary revocation.

As a result of a Material Adverse Change, Citizens may exercise its right to terminate or suspend specific assignments, all assignments, or this Agreement in its entirety.

Agreed and accepted:

On behalf of **Citizens Property Insurance Corporation**, by:

On behalf of _____, by:
Firm's Name

Signature

Signature

Print Name

Print Name

Title

Title

Firm's F.E.I.N.

Signature

Print Name

Title

Exhibit A
Rates for Services

Transactional Fees:

Hourly Fees For Work Unrelated to an Assigned Transaction:

Senior Partner:

Junior Partner:

Associate:

Paralegal:

Annual Adjustments to Hourly Rates:

Firm may, upon written notice to Citizens Contract Administrator and Citizens' Contract Manager, increase the hourly rates for Services on an annual basis beginning January 1, 2016, so long as the increases do not exceed 5% of the rates previously in effect.

Expenses:

Citizens is not responsible for charges or reimbursement for overhead office expenses incurred by Firm. Such overhead expenses would include the following:

- A) Photocopying expenses associated with the lease, purchase or maintenance of equipment;
- B) Postage;
- C) Telephone charges (except long distance);
- D) Facsimile charges;
- E) Subscriptions, including those for legal periodicals, reference manuals, and research materials;
- F) Computerized legal research access, software and subscriptions;
- G) Computerized case management software or subscriptions;
- H) Reviewing / analyzing conflicts within Firm;
- I) Local Mileage (within a 50 mile radius from Firm's local office);
- J) Parking fees;
- K) Courier / Delivery service (unless pre-approved by Citizens in extraordinary circumstances);
- L) Office supplies;
- M) Non-attorney / non-paralegal staff;
- N) Local meals or refreshments during meetings;
- O) Utilities or rental fees for office facilities; and
- P) Seminars attended by attorneys or legal professionals.