



## ADDENDUM NO.: 1

# REQUEST FOR PROPOSALS NO.: 14-0019 FOR NON-LITIGATED AND LITIGATED CLAIMS ADJUSTING SERVICES

Citizens Property Insurance Corporation (Citizens) hereby formally amends the above referenced solicitation. The purpose of this Addendum is to amend the pages identified below (remove pages identified and insert replacement pages provided) and to answer questions received from Vendor(s) prior to the deadline in Paragraph 1.5, Calendar of Events. Replacement pages identified below are attached after the "Questions & Answers".

**Remove:** Original Attachment A

**Insert:** Attachment A, Pages 1-38, Revised as of 01/23/2015

### Citizens hereby answers the following Vendor questions:

- 1 Does this RFP pertain only to Examiners/Adjustors or any team support such as investigators?  
Answer: As stated in Section 1.1, Statement of Purpose, this RFP is to procure Adjusting Services from qualified Vendors in support of its business needs for Litigated and Non-Litigated Claims Services.
  
- 2 Can you clarify whether this RFP is specific to claims overflow from Catastrophe, or whether it includes all business lengths?  
Answer: As stated in Section 1.1, Statement of Purpose, this RFP is for both non-catastrophe and catastrophe claims adjusting services.
  
- 3 Is it Citizens intention to outsource current inside programs such as QA, Sinkhole and other specialty units such as mobile home total loss?  
Answer: Yes. All contracted claims adjusting services will be procured through this RFP.
  
- 4 We are already committed in Florida, but do have some capacity for large losses. The majority of our adjusters are General Adjuster levels and above. Have you ever thought about having a smaller commitment level for large losses only?  
Answer: Yes, consideration has been given to this subject and Citizens has determined the model contained within the RFP best meets our current needs.

- 5 The prior two RFP's made allowance for firms who provided less than 100 adjusters. Is there any consideration for Florida Based IA Firms offering fewer than 100 committed adjusters?  
Answer: No.
- 6 The estimated 1,000 adjusters, what is the breakdown for non-litigated, litigated and fast track adjusters?  
Answer: Approximately 800 adjusters will be non-litigated & fast track claims and 200 adjusters for litigated claims.
- 7 The RFP states that Citizens estimates a need for 1000 Adjusters for Non-Catastrophe claim volumes. Of those 1000 Adjusters, how many do you estimate will be needed for Fast Track, Non-Catastrophe claims? In addition, how many do you estimate will be needed for Litigated, Non-Catastrophe claims?  
Answer: See Response to Question #6 above.
- 8 Is it correct that all non-litigated are field adjusters and all litigated and fast track are office personnel?  
Answer: Yes.
- 9 Citizens has placed an emphasis on adjuster training and intends to contract with Vendors who have the ability to train Adjusters and maintain levels of proficiency in order to appropriately meet the needs of a Catastrophe response. However, the solicitation includes litigation and Desk adjusters as part of the scoring.
- a. Will Citizens revise the scoring methodology to allow more points for companies who can provide experienced Florida Resident Adjusters?  
Answer: No.
- b. Will Citizens revise the scoring methodology to provide extra points for firms committing Resident Adjusters who reside in Florida and have Florida Adjusting experience for Tier 1 consideration?  
Answer: No.
- c. Will Citizens agree to separate the Litigation and Fast Track Adjuster Count to allow for selection of firms with more Florida experienced and qualified adjusters?  
Answer: No.
- 10 Section 1.3 on Diversity states in part, "DIVERSITY: Participation of a diverse group of Vendors doing business with Citizens is central to our effort. It is vital that small, minority, women and service-disabled veteran owned business enterprises participate in Citizens procurement process as prime contractors. Small, minority, women and service disabled veteran owned businesses are strongly encouraged to submit Responses to this solicitation." Considering the foregoing, is it correctly stated in the RFP that only Florida Small Business Enterprises will be given special consideration as part of the solicitation? Minority Business Enterprises were not listed as a category which would qualify for the additional 5 points.  
Answer: Yes, it is correct that only those Vendors that qualify as Florida Small Business Enterprises will receive an additional 5 points upon submission of a completed Attachment D. (See Section 3.6, Tab A, "Certifications/Forms/Other Documents."). While Citizens welcomes and encourages responses from qualified Minority Business Enterprises ("MBE"), Citizens does not have an adopted policy which would allow additional points to be given to MBEs in a procurement evaluation process.

- 11 RFP 14-0019, Section 1.3, states "Small, minority, women and service-disabled veteran owned businesses are strongly encouraged to submit Responses to this solicitation." Section 3.6, Tab A, part B. 1., states "Five points will be awarded to each Vendor who qualifies as an FSBE and submits notarized Attachment D, FSBE, MBE & FBE Declaration Form.
- a. Does this mean that Citizens will only award five points for FSBEs only and not for MBEs such as minority, women and service-disabled veteran owned businesses?  
[Answer:](#) Yes. See Response to Question #10 above.
- b. Will Citizens revise this section of RFP 14-0019 to include MBEs, such as minority, women and service-disabled veteran owned businesses for award of the five points?  
[Answer:](#) No. See Response to Question #10 above.
- c. Will Citizens revise the solicitation to include additional points for a Certified Minority Woman Owned Business who completes Attachment D?  
[Answer:](#) No. See Response to Question #10 above.
- 12 The US Census Bureau in their Survey of Business Owners: Women-Owned Businesses: 2007 indicated only 2.1% of woman owned businesses employed 50 or more employees. If participation by a diverse group is a primary goal as stated in 1.3 Diversity, the requirement of having a commitment of 100 adjusters as a minimum may restrict competition or eliminate the ability for 97.9% of Women Owned Businesses to participate in this solicitation.
- a. Will Citizens revise the minimum adjuster commitment for participants who qualify as an FSBE and/or MBE?  
[Answer:](#) No, however, under the RFP, Vendors that qualify as an FSBE are eligible for 5 additional points upon submission of a completed Attachment D. Thus, women-owned businesses that also qualify as an FSBE would receive an additional 5 points.
- b. Will Citizens agree to revise the RFP to allow minority, women and service-disabled veteran owned businesses to participate in this solicitation for Tier 1 even if they are unable to provide the minimum adjuster commitment included in 2.3 MINIMUM REQUIREMENTS?  
[Answer:](#) No. Citizens has a need for the additional Litigated Claims Adjusters and Fast Track Claims Adjusters required for Vendors to submit a reply for Tier 1, and thus it would not be in Citizens' best interest to alter the minimum requirements for Committed Adjusters in Section 2.3 of the RFP.
- c. Will Citizens agree to allocate a certain number of adjuster positions in the Tier 1 Category for a FSBE and/or MBE?  
[Answer:](#) No. See Response to Question #12(b) above.

- 13 In Section 3.8 Scoring Guidelines and Methodology, the scoring methodology allows 60% of the total points for number of adjusters committed and only 35% for categories relating to quality and experience. If a firm is a FSBE they will receive 5% of scoring.
- a. Is Citizens aware that an FSBE and/or MBE with Citizens experience who scores an Excellent (5) in all Categories but is only able to commit the minimum Tier 1 requirement of 150 adjusters receives a total score of only 43 points while a out of state company with no prior Citizens experience can score Poor 1 in every category but still receive a score of 64 points? Will Citizens revise its scoring methodology to avoid this unfair and anticompetitive result?
- Answer: Citizens does not consider its scoring methodology to be unfair or anticompetitive. The RFP scoring methodology accurately reflects the importance Citizens has assigned to each evaluated criterion. Citizens further expects to select Vendors of varying sizes through the procurement process.
- b. Will Citizens revise the scoring methodology and/or requirements for the commitment number to allow FSBE and MBEs to offer a reduced commitment of adjuster or alternatively increase the available points for FSBEs and/or MBEs?
- Answer: No. See Response #13(a) above.
- c. Will Citizens agree to increase the FSBE and/or MBE points from 5 to 50 for the FSBE/MBE to allow FSBEs and MBEs an opportunity to fairly compete?
- Answer: No. See Response #13(a) above.
- d. Will Citizens agree to revise the scoring to allow for a level playing field between FSBEs/ MBEs and non-FSBEs/MBEs as the solicitation criteria unfairly favors non-FSBEs/MBEs?
- Answer: No. See Response #13(a) above.
- 14 Under Attachment D, if a Company qualifies as a Florida Business Enterprise (FBE), will they be awarded five points?
- Answer: No. See Section 3.6, Tab A, "Certifications/Forms/Other Documents," Only FSBEs will be eligible to receive an additional 5 points.
- 15 Can a vendor submit a proposal for Tier 1 and also submit a proposal for Tier 2 should the Tier 1 proposal not be sufficient to secure an award or will CPIC simply move all qualified participants over to Tier 2 if they are not awarded a Tier 1 contract?
- Answer: No, Vendors may submit only one response. Vendors will be awarded based on their scores as detailed in Section 3.9, Award.
- 16 The designations of Tier 1 and Tier 2 do not clarify that if you submit as a Tier 1 and are rejected due to minimum requirements, would you still be considered for a Tier 2 vendor or is it all or nothing?
- Answer: Tier eligibility is determined by the information provided by Vendors on Attachment L, Resource and Office Space Commitment Form. Attachment L is to be filled out by the Vendor and tier eligibility is displayed directly on the attachment.
- 17 As the RFP relates to the Tier 2 vendors, can the adjusting services be done remotely?
- Answer: Adjusting services must be performed in accordance with Article III of Attachment A, Adjusting Services contract. Adjusters must be capable of performing timely on-site inspections of policy holder property.

- 18 To ensure the contracted firms can fulfill the scope of service, is it Citizens' intention to only partner with firms that have provided property and casualty adjusting services in excess of 7 years, or can a single adjuster who is incorporated and has in excess of 7 years adjusting P&C claims meet this requirement?

[Answer:](#) It is Citizens intention to partner with Vendors that can meet the minimum requirements as shown in Section 2.3, Minimum Requirements. A single adjuster that has 7 years' experience does not meet the minimum requirements of Section 2.3.

- 19 Section 2.1 states "Vendors awarded Contracts under this solicitation shall be responsible for maintaining a dedicated full-time training staff tasked with providing on-going training and exposure to Citizens' systems and claims practices". Is it Citizens' intention that the vendor's training staff not have any other duties/responsibilities?

[Answer:](#) Vendors must provide dedicated full-time training staff that do not have any duties or responsibilities outside of training for the purposes of supporting this contract. Please refer to Articles III K. and VIII E. of Attachment A, Adjusting Services Contract.

- 20 Please describe what you mean when you say "maintaining a dedicated full-time training staff tasked with providing on-going training"? Can these people have other functions as well?

[Answer:](#) See Response to Question #19 above.

- 21 Is the requirement in 2.3 of the RFP for 7 years of property and casualty adjusting experience for total years providing service as a business entity? Can combined years by the principals in providing individual independent adjusting services satisfy this requirement?

[Answer:](#) The Vendor must have the requisite 7 years' experience. No, experience of the principals does not satisfy this requirement.

- 22 The RFP states that the vendor must have 7 years' experience to be considered in the evaluation process. Is this the experience of the principals and officers, or the experience, longevity, of the enterprise?

[Answer:](#) See Response to Question #21 above.

- 23 Throughout the RFP Citizens explains it does not make any commitment to assign claims to any vendors for the non-litigated claims, but when it comes to the litigated and fast track adjusters, how does Citizens plan to select which TIER 1 firms will be utilized?

[Answer:](#) As stated in Section 1.1 of the RFP, Citizens does not guarantee Vendors any volume of work assignments or compensation under either tier.

- 24 How will Citizens rotate through the Tier 1 vendors if the committed resources exceed the needed resources?

[Answer:](#) See Response to Question #23 above.

- 25 The RFP states that "regular business" will be used as a training tool for Cat work. Does this mean that vendors awarded a Tier 2 contract will be provided regular business work to assist in the training of adjusters available in the event of a catastrophe or is regular business going to be handled by the Tier 1 vendors?

[Answer:](#) Tier 2 Vendors will be utilized at Citizens discretion as volumes demand the use of this additional capacity.

26 Will tier two firms be eligible to receive daily claims?

[Answer:](#) See Response to Question #25 above.

27 We assisted Citizens with appraisals under contract #12-11-0037 until April of 2014 when the number of contracted firms was cut due to low claims volume. Since this was not a termination due to cause, can we list as relevant Citizens' experience?

[Answer:](#) You would be eligible to respond to the RFP but would not receive the 5 points related to Relevant Citizens' Experience as detailed in Section 3.6, Tab B, Prior Relevant Experience of the Vendor.

28 Section 3.6 – Response Contents – Tab B, Attachment N, Tab D Attachment E & F:

a. In the Corporate Background & Experience Form, Training Questionnaire, and the Quality Assurance Questionnaire, they read: "Each answer should not exceed more than three pages in length". If a question such as Attachment E, Training Questionnaire, Question # 2 has three parts requiring 3 answers a), b), and c). Can we provide 3 pages per part or just 3 pages for the entire three part question?

[Answer:](#) Regardless of subsections, answers to questions must not exceed three pages in length where indicated in the RFP.

b. Would it be acceptable to include referential documentation within the above-mentioned tabs for the evaluation committee to reference if such documents are referred to in our responses to the questionnaire(s)?

[Answer:](#) No.

29 There is a 3 page limit on responses to some sections within the RFP. Traditionally, we have responded to the question and referred to exhibits such as manuals, forms and training documents that support our response. Are exhibits permitted in addition to the 3 page limit?

[Answer:](#) No. See Response to Question #28 above.

30 The instructions for Attachment E and Attachment F state, "Each answer should not exceed more than three pages in length." Are exhibits/attachments provided for a specific answer included in the count for the total number of pages?

[Answer:](#) See Response to Question #28 above.

31 Under Tab E, Citizens states that it will decide the risk exposure for participation in the contract and either pass/fail a company on the basis of this decision. The solicitation does not indicate what Citizens has determined to be as the amount of the risk exposure.

a. Please provide the amount of the risk exposure deemed required for this solicitation?

[Answer:](#) An independent CPA will review the financial information provided by each Vendor to determine the financial stability, viability and capacity to perform the services under the contract.

b. Will Citizens consider other factors such as years in business, prior experience with Citizens in lieu of profitability for allowing a FSBE and/or MBE to satisfy or pass this requirement?

[Answer:](#) No.

- c. Will Citizens consider other financial indicators other than profitability when evaluating the Pass/Fail requirement under Tab E for FSBE and/or MBE?

[Answer:](#) No.

- 32 The RFP seems to be in conflict with the submission of Financial Statement as Stated in 3.6 TAB E (B) Mandatory Requirement, and Section 2.3 Minimum Requirements. The RFP states in Section 3.6 "Complete annual financial statements for the most recent fiscal year (or the period the entity has been in existence if less than one year)." Yet in in Section 2.3 Minimum Requirements for both Tier 1 & 2 requires 7 years of experience. Are enterprises with less than 7 years of experience as an entity eligible for consideration for Tier 1 and/or Tier 2?

[Answer:](#) A Vendor must have 7 years of experience. Change of ownership, as defined in Section 4.2, Corporate Change, will be considered in establishing the Vendor's experience.

- 33 If annual financial documents are not complete for 2014, should we submit interim statements for 2014 or completed statements for 2013?

[Answer:](#) Please submit complete annual financial statements for the most recent fiscal year that are available.

- 34 The RFP requires complete annual financial statements for the most recent fiscal year. The RFP is due on February 2, 2015. If the December 31, 2014 financial statements are not finalized, can the December 31, 2013 annual financial statements be allowed?

[Answer:](#) See Response to Question #33 above.

- 35 The RFP on page 14 Tab E. B. asks for the "complete annual financial statements for the most recent fiscal year." Given the timing of this RFP, we can provide internally prepared 2014 financials. Would you prefer that or 2013 financials reviewed by an independent CPA?

[Answer:](#) See Response to Question #33 above.

- 36 Tab E. Financial Information: B. Mandatory Requirement states that Vendors will need to submit financial statements for the most recent fiscal year. If our financial statements for the most recent fiscal year will not be completed by the time of the submission, is it acceptable to submit the prior year's completed financial documents, plus the financials to date for the most recent fiscal year?

[Answer:](#) See Response to Question #33 above.

- 37 Section 3.9, Award - With regards to Litigated and Fast-Track Claims Adjuster Requirements:

- a. Does Citizens have an expected number (goal) of Litigated Claims Adjusters to be provided by its vendors? If so, what is that number?

[Answer:](#) Citizens anticipates that the award methodology will meet our needs with respect to each of the claims adjuster categories.

- b. Does Citizens have an expected number (goal) of Fast-Track Claims Adjusters to be provided by its vendors? If so, what is that number?

[Answer:](#) See Response to Question #37(a) above.

- c. If Citizens has not reached its expected (goal) number of Litigated and Fast Track Claims Adjusters in the Tier 1 award, how will Citizens obtain the remaining required number (goal) of Litigated and/or Fast-Track Claims Adjusters?

Answer: If the award methodology does not meet Citizens needs we will evaluate our options at that time.

- d. Can adjusters be committed to more than one vendor in Citizen's systems? If not, how can an adjuster move from one Company to another if they request to change vendors?

Answer: No, adjusters cannot be committed to more than one Vendor at a time in Citizens' system. An adjuster requesting to change Vendors will do so via the credentialing process.

- 38 Are contracts going to be awarded based primarily on Tier, or primarily based on overall score?

Answer: Regardless of tier, Vendors will be ranked based upon overall score and contracts will be award as stated in Section 3.9, Award.

- 39 After the contract is awarded, what will be the timeline requirements for the training, credentialing, and testing of litigated and non-litigated adjusters and team leads?

Answer: Please see Section 6.03, Credentialing Submission for the established time frames.

- 40 Prior to the effective date of the contract, what are the timeline requirements for the training, credentialing, and testing of litigated and non-litigated adjusters and team leads?

Answer: See Response to Question #39 above.

- 41 Will the LMS system be used for the Training Test in the coming year for year 2015?

Answer: Citizens will utilize systems at its discretion for testing purposes.

- 42 RFP 14-0019, Section 4.6, states "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 solicitation." However, the calendar of events does not indicate an "opening date."

- a. Please define or identify the "opening date."

Answer: Bids will be opened as specified in the Calendar of Events on 2/2/15 at 2:30 PM.

- b. What is the opening date of the solicitation for purposes of allowing responses to be withdrawn?

Answer: Bids may not be withdrawn after 2/2/15 at 2:30 PM.

- 43 Per the pre-bid conference, we were advised that the reference to 1,000 adjusters for Tier 1 firms would not be utilized as part of the award criteria and that firms would be awarded contracts based on rankings until 5,000 total adjusters are reached. Considering that verbal responses are not binding, could a formal confirmation of this be provided?

Answer: Yes, approximately 5,000 total adjusters is the desired goal for this RFP.



- 44 On the RFP, it states that Citizens anticipates the need for 1,000 resources for daily claims. Will those 1,000 adjusters be Tier 1 only?  
[Answer:](#) Depending on the amount of responses received and contracts awarded, Tier 1 Vendors may not meet our daily claims needs.
- 45 If the daily claims need is not met with the 1,000 resources, will the overflow go to Tier 2 firms?  
[Answer:](#) Yes.
- 46 Will all daily claims go to Tier 1 firms first? If not, will they be spread out over tier 1 and tier 2?  
[Answer:](#) Citizens anticipates that Tier 1 firms will meet the majority of our daily claims needs. Tier 2 firms will be used as needed.
- 47 Is it a requirement that a vendor have office space (as defined in Attachment A) already secured at the time of the RFP evaluation in order to be awarded a contract? If not, what is the timeline for having office space to support the requirements in the RFP?  
[Answer:](#) No. Office space must be in place prior to receiving assignments as specified in Article IV of Attachment A, Adjusting Services Contract. Please see the amended page 6 of Attachment A, Adjusting Services Contract, following the Questions and Answers.
- 48 Do Vendors need to have their office space in Jacksonville, Florida, in place and operational prior to the award of the contract as a Tier 1 Vendor? If the office is not required prior to award, how long do we have to become operational – 30 Days? Or June 1st when the Contract becomes active?  
[Answer:](#) No. See Response to Question #47 above.
- 49 When would the Office Space need to be secured, as this can be very costly? Prior to any Adjuster Deployment? At time of Adjuster Deployment notification?  
[Answer:](#) See Response to Question #47 above.
- 50 Is the scoring of the proposal affected by whether or not a vendor currently has office space in Jacksonville at the time of submittal? I  
[Answer:](#) No.
- 51 Does a firm have to have an office in Jacksonville at the time the contract is awarded, or can the firm provide proof of lease after the contract award?  
[Answer:](#) Firms may provide proof of lease after the contract award and must be operational prior to receiving work assignment.
- 52 Regarding Article IV – Vendor Office Space: Is the vendor required to own or lease the office space as stated, prior to being awarded a contract? If not at what point is the vendor required to obtain the office space?  
[Answer:](#) See Response to Question #51 above.

- 53 Is it acceptable that Attachment G, Business Continuity and Disaster Recovery Questionnaire does not include a Jacksonville office location?  
[Answer:](#) Yes.
- 54 Section 5, Adjusting Services Contract - Article IV. Vendor Office Space, if a vendor commits litigated and fast track claims adjusters, will the office space require all workstations to be operational for the number of committed adjusters year round; even if Citizens does not require the use of the number of committed adjusters?  
[Answer:](#) Vendors must provide operational workstations capable of seating their litigated and fast track claims adjusters within 72 hours of deployment notification pursuant to Article VII, B.2. of Attachment A, Adjusting Services Contract.
- 55 Does the Vendor Office Space need to house all of the 50 committed adjusters or only those who are deployed?  
[Answer:](#) See Response to Question #54 above.
- 56 If the office space in Jacksonville has a signed lease agreement contingent on award of the contract, would that be sufficient to qualify as a Tier 1 vendor?  
[Answer:](#) Yes.
- 57 Commercial office space is usually a multi-year commitment/lease. Does Citizens expect vendors to secure this space and commit upwards of 100 people without any commitment for the resources to be deployed and the office space utilized?  
[Answer:](#) Citizens requires Tier 1 Vendors to secure office space pursuant to the Adjusting Services Contract. Alternatively Vendors not wanting to commit office space may respond with a Tier 2 response.
- 58 If the firm has sufficient office space in another area of the state, could that be taken into consideration?  
[Answer:](#) No.
- 59 Does the backup office space required for submitting a Tier 1 proposal also have to be in Jacksonville?  
[Answer:](#) For the purposes of the Business Continuity and Disaster Recovery Plan backup office space does not have to be located in Jacksonville. However primary office space for Tier 1 Vendors must be located in Jacksonville.
- 60 Pertaining to Attachment A, do we include all of the "Exhibits" after the signed Adjusting Services Contract in Tab A on the two CDs?  
[Answer:](#) No, only Attachment A, Adjusting Services Contract must be signed and returned with your response. However, please note that Attachment A, Exhibit E is the same document as Attachment B. Attachment B must be submitted with the Response.
- 61 Will all adjusters require a Florida license, or will their home-state license suffice?  
[Answer:](#) Adjusters are required to be properly licensed as required by the Florida Department of Financial Services at the time of credentialing.

- 62 When the new contract is awarded, will adjusters who are designated for CAT require a Florida license in order to be approved in CAIS, or can they be approved missing a Florida license?  
[Answer:](#) See Response to Question #61 above.
- 63 Will all committed MCM adjusters (especially Cat) be required to be Florida licensed prior to being approved?  
[Answer:](#) See Response to Question #61 above.
- 64 Can adjusters be “Approved Pending License” in CAIS as in the past? For Catastrophe purposes, it allowed adjusters to be approved to work for CPIC pending only the issuance of an Emergency License by the Florida DOI.  
[Answer:](#) No.
- 65 Article III – Section 3.02 Litigated Claims Adjuster Services, you describe the services required by a Litigated Claims Adjuster.
- a. Will litigated claims adjuster be located inside the Tier 1 office in Jacksonville?  
[Answer:](#) Yes.
- b. Will the vendor be requested to provide a litigated claims adjuster for field assignments?  
[Answer:](#) This is a possibility, however this has historically been a desk adjuster role.
- 66 Attachment A, Section 5.01 states that a time record is required for each assigned adjuster. Is this requirement limited to desk adjusters or is it also required of field adjusters handling MCM or Task claims?  
[Answer:](#) Time records are limited to those adjusters billing a daily rate.
- 67 Article V – Section 5.01 Vendor General Requirements, A. 3. – Ensure each adjuster submits a time record. Does this include daily desk adjusters or will this extend to the MCM Non Litigated/Field adjusters as well?  
[Answer:](#) See Response to Question #66 above.
- 68 Article V – Section 5.01 Vendor General Requirements, A. 4. B. – Provide details of Vendor Performance. Will this involve QA reports similar to what Citizens QA Department provides now or what a firm utilizes internally, to include the various milestones, Contact, Inspection, Report/Estimate Completion, etc.?  
[Answer:](#) Yes, please see Article IX of Attachment A, Adjusting Services Contract.
- 69 Attachment A, Section 5.02 defines an Associate Adjuster as having a minimum of 6 months adjusting experience. Under Attachment L, will Associate Adjusters be allowed in the grand total of Committed Adjusters under the Fast Track Claims Adjuster category?  
[Answer:](#) No, please refer to Section 3.9, Award of the RFP.

- 70 Attachment A, Section 6.03 details the credentialing requirements. An adjuster exam is not specifically listed as a requirement. Will an exam be required under RFP 14-0019 as a requirement for adjuster credentialing as it is for the existing Independent Adjusting Services vendors?  
[Answer:](#) Yes, please refer to Article VI, Section 6.03, Credentialing Submission.
- 71 Attachment A, Section 6.03 states a requirement for 5 years in business to be verified with the Florida Department of Corporations. Section 2.3 of the RFP states that a minimum of 7 years of experience providing property and casualty experience is required. Is it required that the company have 7 years of experience providing property adjusting services and 5 of those years within Florida?  
[Answer:](#) Vendors must demonstrate a minimum of seven years' experience. Please see the amended page 17 of Attachment A, Adjusting Services Contract, following the Questions and Answers.
- 72 If a corporation has less than the 7 year requirement, and the Claim Management Corporation applying has officers with 10-20 years of experience with insurance companies and independent adjusting firms, will they meet the 7 year qualification?  
[Answer:](#) No, the Vendor entity must have the minimum requisite experience.
- 73 Our Firm was incorporated less than 7 years ago, however the President has over 7 years of experience in the industry. Will his prior experience qualify for the contract?  
[Answer:](#) See Response to Question #72 above.
- 74 We are a company that has less than the 7 year minimum experience requirement. We are merging with an older corporation in the next couple weeks. Does the older corporation require claim experience if the younger corp has officers with 10+ years of experience?  
[Answer:](#) If your company was acquired by a company which meets the minimum 7 years' experience this would be acceptable to Citizens.
- 75 The compensation schedule outlines payments for QA auditors, Reinspectors, and Team Leaders. Are they included in the Non-Litigated, Litigated or Fast Track classifications?  
[Answer:](#) They are included in the Non-Litigated classification.
- 76 Under this new contract, will Citizens continue to pay for IA Firm MCM Team Leads?  
[Answer:](#) Citizens will compensate the firms for team leads if they have been requested by Citizens.
- 77 Under this new contract, will Citizens pay for Team Leads for outsourced Litigation/Liability, and QA that are located in the IA Firm's office in Jacksonville?  
[Answer:](#) See Response to Question #76 above.
- 78 What Is the Team lead rate for daily and CAT?  
[Answer:](#) Please refer to Exhibit A, Table 5 of Attachment A, Adjusting Services Contract.

79 The compensation schedule does not include any payment for the office space. With no commitment to award work to vendors who are selected, how does Citizens plan to compensate vendors for the commitment, risk and effort necessary to comply with acquiring the space and provisioning it to meet the requirements in the RFP?

Answer: Citizens will compensate Vendors per assignment pursuant to the Compensation Schedules contained in Exhibit A, of Attachment A, Adjusting Services Contract. Vendors not wanting to commit office space may respond with a Tier 2 response.

80 In your call you mentioned that for the proposal, you were NOT requiring the names of adjusters. How soon after awarding the program will you require adjuster names?

Answer: Credentialing information will be required within 30 days of contract execution as stated in Section 6.03 of Attachment A, Adjusting Services Contract.

81 RFP 14-0019, Attachment A, Contract For Services, Article VIII, Part B.4., states "Ensure that all deployed Adjusters provide Adjusting Services exclusively for Citizens, unless otherwise expressly approved by Citizens in writing." RFP 14-0019, Section 1.1 states "Citizens does not guarantee Vendors any volume of work assignments or compensation under either tier."

a. Will Citizens clarify whether an adjuster has to be exclusive to Citizens if they are actively deployed in a day rate position with Citizens?

Answer: Yes. If a day rate adjuster is actively deployed to Citizens then they must be exclusive to Citizens as specified in Article VIII, Section B. 4 of Attachment A.

b. Is it the expectation of Citizens that adjusters deployed under this contract who are not performing services based upon a day rate are still required to be exclusive to Citizens?

Answer: During a catastrophe all adjusters are required to be exclusive to Citizens, during non-catastrophe only daily rate adjusters, as specified in Tables 5 & 6 of Exhibit A: Compensation Schedule, are required to be exclusive to Citizens.

c. Will Citizens revise this part of the contract to require exclusivity only for adjusters deployed on a day rate with Citizens?

Answer: No, as per Answer b. above the contract will remain as written.

82 RFP 14-0019, Attachment A, Contract For Services, Article IX, Part E., states "Unrealized Staffing. Vendor must provide all Confirmed Adjusters, meaning those Adjusters identified by Vendor and selected by Citizens in response to a Deployment Notification, within seventy-two (72) hours, or as otherwise specified by Citizens. If Vendor fails to comply with Citizens' notification within the stated timeframe, Citizens will require a Corrective Action Plan and Vendor will pay to Citizens, as liquidated damages and not as a penalty: (1) \$2,000 for each Confirmed Adjuster requested and not provided to the designated location in the stated timeframe; and (2) the Adjuster Daily Rate identified in Exhibit A for each Adjuster requested and not provided to the designated location for each day following the failure of the corrective action plan until a replacement Adjuster is provided to the designated location."

a. Does this mean that Citizens can select any specific adjuster credentialed by Vendor at any time, regardless of assignment, location, or other factors?

Answer: No.

- b. Will Citizens clarify that the vendor will not be penalized if they are able to provide a qualified adjuster for the required position?

Answer: There will be no liquidated damages assessed if a Vendor can provide a qualified adjuster for the requested position within the timeframe specified.

- c. Will Citizens revise this section of the contract to give vendors the opportunity to provide adjusters requested based on experience and qualification, not specific individuals?

Answer: No. The contract will remain as written.

83 RFP 14-0019, Attachment A, Contract For Services, Article IX, Part E., includes the "Unrealized Staffing" provision under liquidated damages provision. This provision is similar to a provision in the current Citizens Contract. Citizens previously exercised this provision and required liquidated damages to be paid under existing contracts due to vendors past failure to comply.

- a. Will Citizens allow vendors previously required to pay liquidated damages for non-compliance for unrealized staffing to be considered for Tier 1?

Answer: As long as a Vendor's contract was not terminated for cause, there is no restriction on responding to Tier 1.

- b. Will Citizens deduct points for or score lower vendors previously required to pay liquidated damages for non-compliance with staffing requirements when evaluating the scoring for Tier 1 contracts?

Answer: No.

84 Mock Storm Events - What is the likelihood of one being called and will the Liquidation of Damages be applied if there is a shortage of adjusters?

Answer: Citizens holds mock storm events at least once a year. Liquidated damages will apply any time Citizens makes a request for resources regardless of whether it is for a simulated or real event.

85 Attachment A, Article 7, Section H. Committed Adjusters requires Vendor to maintain the number of committed adjusters credentialed in Citizens system. At all times throughout the contract, the Vendor is required to maintain the committed number. This provision exists in the current Citizens contract and firms have not previously been required to meet this provision even though required.

- a. Will Citizens allow vendors who were in non-compliance for lacking the number of credentialed resources in Citizens System to submit for Tier 1 vendor consideration?

Answer: Vendors responding to Tier 1 must comply with the requirements as written in Section 2.3, Minimum Requirements of the RFP.

- b. Will Citizens deduct points for or score lower vendors who did not have the Committed Adjusters credentialed per the requirement of the prior contract during at least 50% of the contract period?

Answer: Previous contract requirements are not applicable to this RFP. Points for previous contracts will be as specified in Section III of Attachment N, Corporate Background and Experience Form.

86 What is the intended contract commencement date?

Answer: It is anticipated these contracts will commence May 1, 2015.

- 87 After the contract is awarded, what will be the timeline requirements for the training, credentialing, and testing of litigated and non-litigated adjusters and team leads?  
[Answer:](#) This is as specified in Article VI of Attachment A, Adjusting Services Contract.
- 88 Will the Citizens credentialing management process include any type of testing?  
[Answer:](#) Yes.
- 89 Will testing be required for all adjusters to be approved in the credentialing system?  
[Answer:](#) See Response to Question #88 above.
- 90 If testing will be required, will adjusters who have already taken the test be required to take the test annually, or will one time suffice?  
[Answer:](#) Training will be required on an annual basis.
- 91 Do we need to be registered with Sunbiz for 5 years or will Sunbiz be verifying that we have been incorporated for 5+ years?  
[Answer:](#) The standard is 7 years, Vendors will need to demonstrate they are registered to do business in Florida with their Sunbiz documentation.
- 92 Attachment C - Other than in the RFP response, what will the Due Diligence Review entail?  
[Answer:](#) As stated in Attachment C, Section 2, the Due Diligence review will occur throughout the evaluation phase of this RFP.
- 93 Attachment C - What is an ITN?  
[Answer:](#) An Invitation to Negotiate (ITN) is another type of solicitation Citizens uses to procure services and/or commodities. It is not applicable to this RFP.
- 94 Documents that require notary. Must they be notarized in Florida or is another state acceptable?  
[Answer:](#) Documents may be notarized in another state.
- 95 Attachment M – Certification of Criminal History lists the Notary location as “State of Florida, County of \_\_\_\_\_”. Please note several of our “Firm Principals” are not located in the state of Florida. May we alter Attachment M to reflect the state the Firm Principal and Notary currently reside?  
[Answer:](#) Yes.

- 96 Regarding Attachment M: If the company is public or a subsidiary of another company with multiple corporate owners, for whom specifically (how far back/how deep into the organization) do we need to go for the certification of criminal history for the firm principals?

Answer: As stated in the definition for "Firm Principals," all officers, directors, managing members and each person owning or controlling more than a 5% interest in the Vendor firm must complete Attachment M, Certification of Criminal History. Thus, if another company owns 5% or more of a Vendor, then any proportional ownership of that company which effectively results in an individual owning 5% or more of the Vendor firm, would trigger the requirement for that individual to file a response to Attachment M. For example, if Company A owns 50% of the Vendor firm, any person with a 10% or greater ownership interest in Company A is required to complete Attachment M.

- 97 Attachment A, page 18 of 58 eludes to the fact that all background investigations will need to be submitted with the RFP, indicated by the "Upon Submission" language. However; this section refers you to Section 6.01, Vendor Staff Background Investigation Report. Upon review of that section, it states that the background check must be submitted prior to providing Adjusting Services. Can you clarify?

Answer: Attachment M, Certification of Criminal History, is a mandatory submission requirement of the RFP, and this Attachment must be provided for each Firm Principal with the Vendor's response. The requirements contained within Section 6.01 of Attachment A, Adjusting Services Contract apply to all Vendors awarded a contract and will occur during the credential process.

- 98 Can you please confirm that the redacted version of the proposal will be the proposal that is made public?

Answer: Yes, consistent with the language in Sections 3.4 Response Format and 3.6, Responses Submitted Are Public Record, subject to any applicable statutory exemptions.

#### **End of Questions and Answers**

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



ATTACHMENT A  
ADJUSTING SERVICES CONTRACT  
RFP 14-0019  
NON-LITIGATED AND LITIGATED CLAIMS ADJUSTING SERVICES



**THIS CONTRACT** (“Contract”) is between Citizens Property Insurance Corporation (“Citizens”), a legislatively created Florida governmental entity, having its principal place of business at 2312 Killlearn Center Blvd., Tallahassee, FL 32309, and \_\_\_\_\_ (“Vendor”) having its principal place of business at \_\_\_\_\_.

On December 22, 2014, Citizens issued a Request for Proposal No.: 14-0019 for Adjusting Services (the “RFP”). The Vendor submitted a proposal (“Vendor’s Proposal”), which was accepted and approved by Citizens. This Contract is a direct result of the terms set forth in the RFP and Vendor’s Proposal. Citizens and the Vendor enter into this Contract to provide professional insurance adjusting services (“Adjusting Services,” as further defined herein).

In consideration of the mutual promises and restrictions stated herein, the parties acknowledge and agree to the following:

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## **Article I. Definitions**

As utilized in this Contract, the following terms have the following meanings:

“Adjuster” - means a properly licensed and appointed independent adjuster as defined by Section 626.855, Florida Statutes, and who meets the requirements of and is fully credentialed in accordance with the provisions of this Contract.

“Best Claims Practices and Guidelines” – means the claims and estimating guidelines developed by Citizens for the administration and adjustment of claims incurred on Citizens’ policies. A copy of the Best Claims Practices and Guidelines is attached to this Contract as Exhibit D. Citizens, in its sole discretion, reserves the right to periodically revise the Best Claims Practices and Guidelines in order to meet Citizens’ business needs, legislative requirements, or for other legal or business-related purposes.

“Business Hours”– means the hours from 8:00 AM to 6:00 PM EST, Monday through Friday excluding Citizens’ observed holidays.

“Committed Adjusters” – means the total number of Adjusters that the Vendor is obligated hereunder to make available for Citizens to provide Adjusting Services as identified in Exhibit B.

“File Audit” – means a detailed review and report of an open or closed claim file to determine compliance with the Best Claims Practices and Guidelines.

“Onsite Audit” – means a detailed onsite review and report of a claim location to determine Adjuster compliance to the Best Claims Practices and Guidelines.

“Quality Assurance” or “QA” - means a defined methodology and set of procedures for the purpose of monitoring and enforcing performance standards related to Adjusting Services.

## **Article II. Contract Term and Renewal Options**

This Contract shall be effective upon the date on which the last party has executed the Contract and shall continue for three years. Additionally, Citizens has the option for up to three (3), one-year renewal terms to be exercised in writing at Citizens’ discretion. Renewal terms will have the same terms and conditions set forth herein, including any written amendments.

## **Article III. Adjusting Services**

Vendor is hereby designated a Tier \_\_\_\_ Vendor. Vendor shall provide to Citizens professional insurance adjusting services through its Adjusters as described in this Contract. Adjusting Services shall include the provision of services by any Vendor staff necessary to support and provide the professional services of Adjusters such as management administrative support staff. As a part of performing any type of Adjusting Services and in addition to any other responsibilities of Vendor described in this Contract, Vendor shall be responsible for:

- A. Maintaining the number of Committed Adjusters stated in Exhibit B.
- B. Monitoring and ensuring its Adjusters are properly licensed and maintain compliance with all applicable laws, rules and regulations.
- C. Inputting Florida adjusting license information along with other designated credentialing requirements into the appropriate Citizens’ system.
- D. Ensuring that Adjusters who do not meet the applicable requirements are prohibited from providing Adjusting Services.
- E. Providing qualified and credentialed Adjusters for claims throughout the state of Florida as ordered and assigned by Citizens.
- F. Providing management and oversight of Adjusters providing Adjusting Services.
- G. Coordinating and monitoring work assignments and performing routine performance evaluations.
- H. At the expense of the Vendor, ensuring Adjusters possess the required equipment and utilize Citizens’ current software including estimatics to perform Adjusting Services in both field and office settings.
- I. If determined by Vendor or at Citizens’ request, removing any Vendor staff promptly for any reason from Citizens property and any assigned Adjusting Services; and at Citizens discretion, replacing removed staff within 72 hours;
- J. As required by Citizens, providing Adjusting Services after Business Hours and during weekends and holidays.
- K. Providing dedicated, full time internal training personnel and resources to ensure Vendor staff is adequately trained in order to provide Adjusting Services.
- L. Providing dedicated Quality Assurance personnel to ensure Adjusting Services are being performed satisfactorily and consistent with this Contract.
- M. Ensuring that all Vendor’s staff performing services under this Contract have a unique Citizens-approved login and password to submit information into the applicable Citizens systems.

- N. Ensure Adjusters are not assigned to Non-Litigated Adjusting Services and Litigated Claims Adjusting Services at the same time. Once assigned to Litigated Claims Adjusting Services, an Adjuster may not be assigned to Non-Litigated Claims Adjusting Services without the written permission of Citizens.

### **Section 3.01 Non-Litigated Claims Adjusting Services**

Non-Litigated Claims Adjusting Services are residential insurance adjusting services but do not include Litigated Claims Adjusting Services. Citizens engages Adjusters to service non-litigated claims under several service models which are described in further detail below.

- I. Managed Claims Model (MCM). Under this model, Adjusters manage all aspects of a claim within the scope defined in the Best Claims Practices and Guidelines, this Contract and any other directive communicated by Citizens. The Managed Claim Model encompasses the adjustment, management and conclusion of a claim. MCM Adjusting Services responsibilities include, but are not limited to:
1. Completing a full investigation of the claim facts, cause and origin.
  2. Completing the evaluation of damages to include scoping, estimating and pricing.
  3. Regularly communicating to the policyholder and their representatives claim status and all information necessary for the management of the claim.
  4. Negotiating claim settlement as overseen and within the authority granted by Citizens.
  5. Appropriately submitting the request for payment processing to include applicable settlement documents, loss adjustment expense documentation and correspondence.
  6. Completing or correcting any work found to be deficient by Citizens after being submitted for payment processing.
  7. Completing other work on the claim as directed by Citizens which may include subrogation, salvage, assistance in preparation of files for suit.
  8. Communication to Citizens of claim status and appropriate reserve needs throughout the life of the claim.
  9. Provide supervision of loss adjustment process.
  10. Adhere to high standards of professional conduct.
  11. Vendor and its Adjusters shall have no authority to issue a coverage-based denial of a claim without prior written approval of Citizens; and
  12. Comply with all other requirements in the individual claims assignments.
- II. Fast Track Model. The “Fast Track Model” is similar to the MCM but is used for simple, low-severity losses. The Fast Track Model is only open to Tier 1 Vendors. Under the Fast Track Model, Adjuster involvement from first notice of loss until closure is limited to desk adjusting without onsite presence unless otherwise approved in writing by Citizens. Citizens will employ this model at its discretion and Adjusters performing Fast Track Model services must be located at the Vendor’s Jacksonville office location, unless a disaster recovery plan has been triggered.
- III. Task Assignment Model. Citizens also engages Adjusters under its “Task Assignment Model” where the Adjuster performs discrete tasks but is not responsible for overall management of the claim. The following terms apply to such assignments:

1. *Assignment and Completion of Task Assignments.* Task assignments will be electronically distributed to Vendor using the applicable Citizens system. Upon receipt of a work assignment, Vendor will assign one of its Adjusters. Vendor shall ensure that the specific claim tasks are completed according to the Best Claims Practices and Guidelines. Task assignments may include scoping, estimating and/or pricing covered repairs. Vendor and its Adjusters shall timely respond to and complete any additional work including any corrections that are required after the assignment has been returned to Citizens. At Citizens' discretion, alternative methods for notification of a work assignment may be initiated. Due to legislative, regulatory or insurance policy changes and other reasonable cause, Citizens may provide additional guidelines and changes including modification of requirements or duties of a work assignment.
2. *Communication.* The Adjuster must coordinate communications between Citizens and the policyholder or the policyholder's representatives (including but not limited to association presidents, board members, property owner, owners agent or public adjuster) according to the Best Claims Practices and Guidelines.
3. *Status Reporting.* The Adjuster must provide routine activity updates into the applicable Citizens systems in order to log, track, diary and compile all file documentation. Adjuster shall provide to Citizens electronic copies of any and all file documentation and information in the format designated by Citizens.

### ***Section 3.02 Litigated Claims Adjusting Services***

Citizens engages Adjusters to service litigated claims similar to MCM in that the Adjuster has primary responsibility for all aspects of the claim within the limitations set forth in this Contract, and other operational directives determined by Citizens. For purposes of this Contract, when Vendor has been authorized by Citizens to perform Litigated Claims Adjusting Services, such services shall also be known as the Adjusting Services. For Adjusters performing Litigated Claims Adjusting Services, Citizens has established a formalized set of rules defining such Adjuster's authority for loss adjustment expenses and indemnity payments and / or settlements, as well as certain trigger issues which require escalation to supervisory staff.

As a part of the Litigated Claims Adjusting Services, Vendor may also be required by Citizens to:

- A. Oversee the direct file handling, ownership, management and adjustment of one or more litigated claims arising out of any of the various Citizens insurance policies. A file includes but is not limited to:
  1. Lawsuit over an issue or issues arising from the claim including when Citizens has initiated a lawsuit against its insured over an issue or issues arising out of a claim or a lawsuit filed against a Citizens insured by a third party.
  2. Statutory alternative dispute resolution.
  3. Appraisals within litigation.
- B. Manage first and third party matters of varying complexities or in any combination thereof as determined appropriate or necessary by Citizens.

### ***Section 3.03 Time and Materials Adjusting Services***

Vendor may be required by Citizens to provide qualified Adjusters for various tasks unrelated to a specific claim. For purposes of this Contract, when Vendor has been authorized by Citizens to

perform Time and Materials Adjusting Services, such services shall also be known as the Adjusting Services. In such case, the payment for these Adjusting Services will be on a time and materials basis at either the hourly or the daily rates shown on Exhibit A Compensation Schedule. Prior to committing to the order, Vendor will provide a detailed written estimate based on the scope of the assignment. After receipt of the estimate, Citizens will either formalize the engagement by placing an order or decline the engagement. If the Adjusting Services are ordered, Vendor shall comply with any requirements or deadlines as directed by Citizens.

## **Article IV. Vendor Office Space**

Where Citizens has designated Vendor as Tier 1, Vendor shall agree to provide adequate and sufficient office space in accordance with this Article to house Adjusters providing Non-Litigated Claims Adjusting Services under the Fast Track Model and Litigated Claims Adjusting Services. For avoidance of doubt, Vendor is not obligated to provide such office space where Citizens has designated Vendor as Tier 2. Where Vendor is required to provide office space, such office space must meet the following requirements:

- A. Sufficient to house 100% of Committed Adjusters performing Litigated Claims Services and Fast Track Claims Services.
- B. Contain or connect to disaster recovery and backup systems sufficient to provide 100% recovery of business operations within twenty-four (24) hours of a total loss of the office space.
- C. Be located within the city limits of Jacksonville, Florida.
- D. Office space must be operational prior to work assignment.

## **Article V. Adjuster Classifications and Requirements**

### ***Section 5.01 Vendor General Requirements***

Vendor shall be responsible for the overall management and actions of Vendor's staff who are providing Adjusting Services.

- A. General Management. In the discharge of its general duty to manage performance of the Adjusting Services, the Vendor shall:
  - 1. Within thirty (30) days of the Contract execution, Vendor must identify to Citizens the primary and secondary management contacts responsible for the complete oversight and management of Citizens' assigned claims.
  - 2. Ensure Vendor's staff tasked with management and oversight of Adjusting Services are available during Citizens' Business Hours.
  - 3. Ensure each assigned Adjuster submits a time record directly to Vendor's manager or point of contact. At any time during this Contract, Citizens may require copies of time records from the Vendor.
  - 4. Ensure that the Adjusting Services comply with the Best Claims Practices and Guidelines and any other policies or processes set forth by Citizens, including but not limited to:
    - a. Monitoring file production on a weekly basis to determine compliance with Citizens' production requirements; and
    - b. Provide detail reports to Citizens related to Vendor performance upon request.

- c. Removing or replacing Vendor's staff that are unable to meet the minimum production and/or quality requirements as outlined in the Best Claims Practices and Guideline and preventing them from providing further work on behalf of Citizens.
- B. Staff Appearance. Vendor shall ensure that all Vendor's staff maintain a well-groomed appearance and wear appropriate work attire at all times while performing any Adjusting Services pursuant to this Contract. Appropriate work attire includes, but is not limited to clean: appropriate footwear, khaki type pants, and collared shirts. Vendor's staff is prohibited from wearing denim (blue jeans) or short pants while at a Citizens' policyholders' home or business.
- C. Staff Standards of Conduct. Vendor shall immediately remove any of its staff from providing Adjusting Services where such staff fail to meet any standards of conduct identified or communicated by Citizens, including but not limited to:
  - 1. Vendors' staff shall not carry a weapon on their person while performing Adjusting Services.
  - 2. Vendors' staff shall not use impairing drugs, chemicals, or alcohol while performing Adjusting Services.
  - 3. Vendor's staff shall avoid using their duties and obligations under this Contract to engage in any conduct that could create either an actual or perceived conflict of interest due to an ongoing business relationship with an entity other than Citizens which would enable Vendor's staff to receive an improper benefit or unfair competitive advantage.
- D. Teamwork. At Citizens discretion, Vendor staff may be required to work in cooperation with other vendor's staff or report to a supervisor from another Vendor. Vendor shall cooperate and cause its staff to cooperate with any other Citizens' vendor or any other party identified by Citizens.

### ***Section 5.02 Non-Litigated Adjuster Classifications***

This section specifies minimum qualifications required for each classification of Adjuster. Citizens may utilize any classification of Adjuster or team lead in any role based on the needs of Citizens in the performance of Non-Litigated Claims Adjusting Services and Litigated Claims Adjusting Services. Prior to submission to Citizens, the Vendor will confirm all Adjuster's meet or exceed the minimum requirements for the requested classification.

- A. Associate Adjuster: Associate Adjusters are those Adjusters who do not meet the qualifications of Adjuster I and will be utilized at Citizens discretion based on need. These Adjusters will handle less complex claims with direct oversight and are subject to the following minimum requirements:
  - 1. Possess an active adjusting license in the State of Florida as defined by the State of Florida Department of Financial Services ("DFS") and,
  - 2. Minimum of six (6) months adjusting experience
- B. Adjuster I: In addition to the mandatory requirements outlined above for Associate Adjuster, Adjuster I must possess all of the following minimum skills and qualifications:
  - 1. Minimum of two (2) years adjusting multi-peril property losses;
  - 2. Minimum of two (2) years experience working with experts, consultants, etc.;

3. Experience handling property losses;
  4. Knowledge of Florida property claims law and jurisdictional issues including but not limited to application of local building codes and condominium statutes;
  5. Physical ability to climb roofs, enter crawl spaces, and perform other physical acts necessary to provide the Adjusting Services;
  6. Ability to investigate, document, scope, and estimate damages per Citizens' guidelines;
  7. Proficiency in the review, preparation and evaluation of scope of damage and dollar estimates utilizing the estimating platform currently in use by Citizens;
  8. Ability to reconcile, negotiate, and settle claims with policyholder and/or their representative;
  9. Ability to research, analyze, and interpret policy language and Florida State law as it applies to assigned claims;
  10. Possess strong oral and written communication skills;
  11. Ability to maintain file quality in accordance with Citizens' best practices and standards for quality assurance;
  12. Ability to properly submit vendor invoices to Citizens in a timely manner;
  13. Ability to analyze claims and evaluate relevant issues with the processes established by Citizens Subrogation, Salvage and the Special Investigation work units.
  14. Ability to evaluate and negotiate claim settlements;
  15. Strong caseload management skills to include preparing reports and monitoring activities of experts when necessary; and
  16. Ability to represent Citizens in claim adjudication, hearings, depositions, mediations, trials, and other court proceedings.
- C. Adjuster II: In addition to the mandatory requirements outlined above for Adjuster I, Adjuster II must possess the following minimum skills and qualifications:
1. Minimum of four (4) years experience adjusting multi-peril property losses;
  2. Experience handling complex property losses;
  3. Ability to conduct comprehensive claims investigations involving complex issues regarding coverage, liability and damages with strong working knowledge of applicable Florida laws;
  4. Prior experience managing multiple experts, and consultants; and
  5. Ability to effectively present and articulate complex claims to Citizens' management for reserve and settlement authority.
- D. Adjuster III: In addition to the mandatory requirements outlined above for Adjuster II, Adjuster III must possess the following minimum skills and qualifications:
1. Minimum of eight (8) years experience adjusting multi-peril property losses in a field environment; and
  2. Field experience handling total property loss claims;



- E. Team Lead I: Team Lead I must possess all of the Adjuster II minimum skills and qualifications, plus the following skills and qualifications:
1. Minimum of two years of claims supervisory experience.
  2. Ability to supervise and manage a team of Adjusters in accordance with Citizens processes and procedures including managing a team of up to twenty adjusters.
  3. Ability to manage adjuster file quality standards in accordance with Citizens' Procedures, Best Claims Practices and Guidelines and other applicable standards.
  4. Complete File Audits in compliance with Citizens' policies and procedures, including accuracy of Vendor fee invoices before submitting to Citizens.
  5. Train, mentor and coach Adjuster teams as outlined in the Claims Best Practices and Guidelines.
  6. Capability to attend Citizens' meetings and inspections as required by Citizens. There shall be no additional fees for attendance at these meetings and inspections.
  7. Ability to review, analyze and develop action plans based on Quality Assurance data and management direction.
  8. Possess comprehensive knowledge of estimating programs for evaluating and determining scope and repair costs.
- F. Team Lead II The Team Lead II must possess all of the Team Lead I and Adjuster II minimum skills and qualifications, plus a minimum of six (6) consecutive years of property loss adjusting experience and a minimum of three years of claims supervisory experience.
- G. Team Lead III The Team Lead III must possess all of the Team Lead I and Adjuster III minimum skills and qualifications, plus possess a minimum of ten (10) years of property loss adjusting experience and a minimum of five (5) years of claims supervisory experience.

### ***Section 5.03 Litigated Adjuster Classifications***

Adjusters assigned to provide Litigation will be required to possess the following skills and experience where applicable:

#### **A. General Requirements**

1. Possess exceptional written communication and organizational skills;
2. Ability to effectively communicate verbally and in writing;
3. Ability to effectively interact with external business partners and exercise independent judgment;
4. Ability to review, interpret and accurately apply policy language;
5. Ability to evaluate claims and address policy coverage issues;
6. Possess strong caseload management skills;
7. Ability to develop strategy and settlement solutions for claims;
8. Ability to review and interpret legal pleadings, legal opinions, expert reports and case law as necessary;
9. Ability to proactively direct and monitor the discovery process;

10. Ability to prepare summary reports and monitor activities of experts;
11. Ability to continuously document the claims and/or litigation file timely and appropriately;
12. Ability to prepare settlement evaluations and negotiate settlements;
13. Ability to continuously evaluate file for settlement opportunity or court adjudicated file resolution;
14. Ability to calculate, negotiate and issue settlement payments with claimants and attorneys accurately and within specified time frames;
15. Ability to attend and effectively represent Citizens in mediations, court hearings, trials or other legal proceedings as necessary and required; and
16. Ability to effectively present and articulate complex claims to Citizens management for reserve and settlement authority.

**B. Property Claims Litigation Requirements**

An Adjuster handling property claims must possess the following skills in addition to the requirements listed above:

1. Ability to institute and manage the property appraisal process in litigated files;
2. If requested, the ability to handle complex claims in litigation including commercial claims; and
3. Demonstrate working knowledge of subrogation, salvage and Special Investigation Unit (SIU) processes.

**C. Liability Claims Requirements**

An Adjuster handling liability claims must possess the following skills in addition to the requirements listed above:

1. Experience handling personal and commercial lines cases involving serious injury or death;
2. Possess a minimum of 4 years adjusting experience handling third party liability claims;
3. Ability to conduct comprehensive claims investigations involving complex issues regarding coverage, liability and damages with strong working knowledge of applicable Florida State negligence laws;
4. Ability to review and interpret medical reports; and
5. Comprehensive knowledge of liability claims practices and both legal and medical terminology.

**D. Litigation Adjuster Classifications: As requested by Citizens subsection A, B, and C of the requirements above apply to the Adjuster classes below when applicable.**

**Adjuster I:**

1. Two (2) years property claims experience; or

2. Hold a Juris Doctor from an institution that is accredited by the American Bar Association, and is properly licensed as an adjuster in the State of Florida, and also has either:
  - i. a minimum of one (1) year claims experience, or
  - ii. a minimum of forty (40) cumulative hours of training in programs that are:
    - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat, or
    - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
    - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property Casualty Underwriters; or
3. An attorney at law duly licensed to practice law in the State of Florida, and is in good standing with The Florida Bar, and is exempt from adjuster licensure pursuant to 626.860, Fla. Stat., and also has any one of:
  - i. a minimum of six (6) months claims experience, or
  - ii. a minimum of six (6) months insurance claims litigation experience, or
  - iii. a minimum of forty (40) cumulative hours of training in programs that are either:
    - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat, or
    - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
    - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property and Casualty Underwriters.

Adjuster II:

1. Four (4) years property claims experience that includes at least two (2) years claims litigation experience or four (4) years liability claims experience, as applicable; or
2. Hold a Juris Doctor from an institution that is accredited by the American Bar Association, and is properly licensed as an adjuster in the State of Florida, and also has either:
  - i. a minimum of two (2) years claims experience, or
  - ii. a minimum of eighty (80) cumulative hours of training in programs that are:
    - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat, or
    - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
    - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property Casualty Underwriters, or
3. An attorney at law duly licensed to practice law in the State of Florida, and is in good standing with The Florida Bar, and is exempt from adjuster licensure pursuant to 626.860, Fla. Stat., and also has any one of:

- i. a minimum of one (1) year claims experience, or
- ii. a minimum of one (1) insurance claims litigation experience, or
- iii. a minimum of eighty (80) cumulative hours of training in programs that are either:
  - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat., or
  - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
  - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property and Casualty Underwriters.

Adjuster III:

1. Eight (8) years property claims experience, that includes at least three (3) years claims litigation experience; or
2. Hold a Juris Doctor from an institution that is accredited by the American Bar Association, and is properly licensed as an adjuster in the State of Florida, and also has either:
  - i. a minimum of three (3) years claims experience, or
  - ii. a minimum of one hundred–twenty (120) cumulative hours of training in programs that are:
    - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat, or
    - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
    - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property Casualty Underwriters; or
3. An attorney at law duly licensed to practice law in the State of Florida, and is in good standing with The Florida Bar, and is exempt from adjuster licensure pursuant to 626.860, Fla. Stat., and also has any one of:
  - i. a minimum of two (2) years claims experience, or
  - ii. a minimum of two (2) years insurance claims litigation experience, or
  - iii. a minimum of one hundred-twenty (120) cumulative hours of training in programs that are either:
    - a. approved by DFS as qualifying for continuing education for property and casualty insurance adjusters as required by Section 626.869, Fla. Stat., or
    - b. approved by Citizens as qualifying towards litigated claims adjuster training, or
    - c. the designation of Chartered Property Casualty Underwriter by the American Institute for Chartered Property and Casualty Underwriters.

## **Section 5.04 Quality Assurance Adjuster Classifications**

This section specifies minimum qualifications required for each classification of Quality Assurance Adjuster. Quality Assurance Adjusters may, based on the needs and direction of Citizens, provide Adjusting Services for non-litigated and litigated claims.

- A. Quality Assurance File Auditor I, and Quality Assurance Re-inspector I. A Quality Assurance File Auditor I and Quality Assurance Re-Inspector I must possess the Adjuster III minimum skills and qualifications described in Section 5.02, and, as the case may be Section 5.03, plus the following minimum skills and qualifications:
1. Minimum of eight (8) years of multi-peril property loss adjusting experience; three (3) of the eight (8) years must include field adjusting experience;
  2. Minimum of two (2) years cumulative experience in Quality Assurance audits or Onsite Audit;
  3. Ability to complete File Audits for compliance with Citizens' procedures, Best Claims Practices and Guidelines and other applicable Citizens' standards;
  4. Ability to schedule appointments for Onsite Audits as necessary;
  5. Ability to review and reconcile claim estimates;
  6. Ability to document trends and training issues as needed and communicate action plans for adjusters with deficiencies;
  7. Ability to assist in resolving customer complaints;
  8. Possess comprehensive knowledge of estimating programs for evaluating and determining scope and repair costs;
  9. Possess a wide range of experience across various classes of business and types of risk including, but not limited to, residential and non-residential condominium associations, apartments or other commercial exposures, and sinkhole claims;and
  10. Ability to articulate audit findings to various audiences..
- B. Quality Assurance File Auditor II, and Quality Assurance Re-inspector II. Quality Assurance File Auditor II and Quality Assurance Re-inspector II must possess the Quality Assurance File Auditor I and Quality Assurance Re-inspector I minimum skills and qualifications plus the following skills and qualifications:
1. Minimum of ten (10) years of multi-peril property loss adjusting experience; a minimum of four (4) of the ten (10) years must include commercial field adjusting.
- C. Quality Assurance Team Lead I. A Quality Assurance Team Lead I must possess Quality Assurance File Auditor I and Quality Assurance Re-inspector I minimum skills and qualifications, plus the following minimum skills and qualifications:
1. Minimum of ten (10) years of multi-peril property loss adjusting experience; a minimum of five (5) of the ten (10) years must include field adjusting experience;
  2. Minimum of three (3) years of Quality Assurance audit and / or Onsite Audit experience.
  3. Ability to supervise and manage a team of Adjusters, with a minimum ratio of one (1) lead to eight (8) Adjusters.
  4. Ability to act as the team's single point of contact for Adjusting Services.

- D. Quality Assurance Team Lead II. Quality Assurance Team Lead II must possess Quality Assurance Team Lead I minimum skills and qualifications, plus a minimum of five (5) years multi-peril commercial field loss adjusting experience.

## **Article VI. Vendor Credentialing**

Vendor acknowledges that Citizens employs a comprehensive and ongoing credentialing management process for professional services provided including for the Adjusting Services. The Vendor agrees to participate in Citizens' credentialing management process and ensure that all credentialing requirements are met by Vendor's staff. Vendor acknowledges that Citizens may change credentialing requirements as it deems appropriate in response to changing business, regulatory and technological requirements and capabilities and Vendor agrees that it shall comply with any credentialing requirement changes implemented by Citizens.

### **Section 6.01 Vendor Background Investigation Report**

Before any Adjuster can provide Adjusting Services, Vendor, at Vendor's expense, agrees to conduct and submit to Citizens a background investigation report on each Adjuster and input the results into Citizens systems as directed by Citizens. The background investigation report must include criminal and professional background information as provided herein. Vendor will provide an updated criminal background report annually for all Adjusters and applicable Vendor staff. Where Vendor fails to timely provide such report, Citizens shall have the right, at Citizens' sole election, to immediately terminate this Contract or to request the immediate removal of the Committed Adjuster or Adjuster or Vendor staff from providing the Adjusting Services.

- A. Background Standards for Adjusters. All Adjusters must meet the standards stated below prior to performing Adjusting Services:
1. *Criminal History Report.* Citizens' Applicant Background Review Guide attached hereto as Exhibit C. Citizens may modify the standards stated in the Applicant Background Review Guide in response to changing legal, regulatory or business requirements.
  2. *Sex Offender Status.* No Adjuster with a current registration on any sex offender database or registry may perform services under this Contract.
- B. Background Investigation Report Components and Standards. The background investigation report submitted to Citizens must be filed annually by June 15<sup>th</sup>, include the following components and meet the following standards:
1. *Criminal History Report.* The background investigation report must include a criminal history report. For the initial credentialing process, the criminal history report must have been conducted no earlier than thirty (30) days prior to submission to Citizens and Citizens will not accept any criminal history reports not conducted within such timeframe. The criminal history report must be provided by a recognized, approved third-party provider of such reports. The criminal history report must include, at a minimum, all state and federal felony convictions, all state and federal misdemeanor convictions for the past ten (10) years, any conviction of any crime in violation of the Violent Crime Control and Law Enforcement Act of 1995, and any pending deferred adjudications of any of the above during the past ten (10) years. "Convictions" for purposes of this requirement includes adjudications of guilt, guilty pleas or pleas of no contest or nolo contendere. For each crime listed, the report must provide the date of charge, charge information, degree of charge, date of disposition and disposition.

2. *Sex Offender Status.* The criminal history report or an approved, separate sex offender status report must include a national crosscheck of all sex offender databases and registries. The report must include the Dru Sjodin National Sex Offender Public Website as well as state sex offender registries that encompass all counties in each state.
3. *Professional Background Report.* The professional background report will verify the Adjuster has met the minimum education, qualifications, and experience requirements as required for the applicable Adjuster classification. The professional background report must include all relevant licenses and any disciplinary history.
4. *Identity Verification.* The identity verification will include, but not be limited to, the following information:
  - a. Social Security Number validation shall include a national crosscheck trace and verification of the Social Security Number;
  - b. All residential address histories dating back a minimum of ten (10) years; and,
  - c. Any alias or maiden names associated with the Social Security Number.

## **Section 6.02 Additional Credentialing Submission Requirements**

Within thirty (30) calendar days of execution of this Contract, Vendor will be required to access applicable Citizens' system to input, maintain and update Vendor qualification and credentialing information including all necessary information regarding Adjusters and applicable Vendor staff. Citizens will utilize this information to verify that Vendor has met and continues to meet certain requirements stated in this Contract. Vendor acknowledges that it is the Vendor's responsibility to ensure all requirements are met and documents are provided to Citizens prior to receiving or accepting any work assignments. The Vendor specific credentialing data required is outlined below:

- A. Vendor Conflict of Interest Disclosure Form (Exhibit E). The Vendor shall upload to Citizens system the Vendor Conflict of Interest Form that Vendor included as a part of its Proposal within thirty (30) calendar days of execution of this Contract or as otherwise directed by Citizens. Vendor shall upload to Citizens System a then-current Vendor Conflict of Interest Disclosure Form to Citizens no later than April 15th of each year of the Contract term thereafter or immediately following any material change in circumstance. Where Vendor fails to timely upload such form, Citizens shall have the right, at Citizens' sole discretion, to immediately terminate this Contract.
- B. Financial Documents. The Vendor shall upload to Citizens system the financial documents listed below within thirty (30) calendar days of execution of this Contract or as otherwise directed by Citizens. Vendor shall upload to Citizens system the then-current version of the financial documents listed below no later than April 15th of each year of the Contract term thereafter. Where Vendor fails to timely upload such documents, Citizens shall have the right, at Citizens' sole election, to immediately terminate this Contract.
  1. A copy of the Vendor's most recent year end audited financial statements and the most recent interim financial statements;or
  2. If financial statements are not audited, provide a year-end compilation or a review and the most recent interim financial statements;or
  3. If none are available, indicate such and provide year-end internal financial statements which must include the balance sheet, income statement and the most recent interim financial statements.

4. The Vendor should provide the name, address and telephone number of the fiscally responsible representative of the Vendor's organization;
  5. The Vendor should provide the reports and statements required of a publicly held corporation, if available;
  6. The Vendor should provide any other pertinent information as requested by Citizens;
  7. A non-publicly held Vendor should provide a credit report or a Dunn and Bradstreet Report; and,
  8. A signed W-9 with Federal Employment Identification Number.
- C. Certificate of Insurance. The Vendor shall upload to Citizens systems an in-force certificate of insurance that meets the minimum insurance requirements defined in Article XII, within thirty (30) calendar days of execution of this Contract or as otherwise directed by Citizens. Vendor shall upload to Citizens system a new certificate of insurance annually upon renewal of coverage or when a new policy is issued. Where Vendor fails to timely upload such certificate of insurance, Citizens shall have the right, at Citizens' sole election, to immediately terminate this Contract.
- D. Ethics and Confidentiality Acknowledgement Form. The Vendor shall upload to Citizens system the Ethics and Confidentiality Acknowledgement Form for each member of Vendor's staff within thirty (30) calendar days of the execution of this Contract or as otherwise directed by Citizens. Vendor shall upload to Citizens system a then-current Ethics and Confidentiality Acknowledgement Form for each member of Vendor staff no later than April 15th of each year of the Contract term thereafter or upon any material change in circumstance. Where Vendor fails to timely upload such form, Citizens shall have the right, at Citizens' sole discretion, to immediately terminate this Contract.
- E. Resume. The Vendor shall upload to Citizens system a current and detailed resume for each adjuster, in the format approved by Citizens, annually by April 15<sup>th</sup> and within thirty (30) calendar days of the execution of this Contract or as otherwise directed by Citizens to Citizens systems. A detailed resume for each Adjuster shall include at minimum, the Adjuster's principal location of residence, prior adjusting experience and relevant work history with dates of employment, any certifications or related training, and client references related to work represented by the Adjusting Services. The resume shall substantiate the Adjuster's property loss adjusting experience and match the information inputted by Vendor for the Adjuster under the qualifications section within Citizens systems. Where Vendor fails to timely upload such detailed resume, Citizens shall have the right, at Citizens' sole discretion, to request the immediate removal of the Adjuster from providing the Adjusting Services.



**Section 6.03 Credentialing Submission.**

The Vendor shall submit the following to Citizens' Contract Manager according to the requirements as outlined in the table below:

**VENDOR (ENTITY) CREDENTIALING REQUIREMENTS**

|   | <b>Minimum Qualification Requirement</b>  | <b>Initial Submission</b>                   | <b>Renewal Thereafter</b>                     |
|---|---|---|---|
| <b>Conflict of Interest</b>                             | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements               | <b>Within 30 days of contract execution</b> | <b>April 15<sup>th</sup> Annually</b>         |
| <b>Florida Registration</b>                             | Minimum of seven (7) years in business, to be verified via Florida Department of Corporations. Must be on file with Sunbiz. | <b>Upon Submission</b>                      | <b>April 15<sup>th</sup> Annually</b>         |
| <b>Financials</b>                                       | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements               | <b>Within 30 days of contract execution</b> | <b>April 15<sup>th</sup> Annually</b>         |
| <b>Certificate of Insurance</b>                         | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements               | <b>Within 30 days of contract execution</b> | <b>Upon renewal or reissuance of coverage</b> |
| <b>W-9</b>  | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements               | <b>Within 30 days of contract execution</b> | <b>April 15<sup>th</sup> Annually</b>         |
| <b>Business Continuity &amp; Disaster Recovery Plan</b> | As outlined in Article XII. General Terms and Conditions  | <b>Within 30 days of contract execution</b> | <b>April 15<sup>th</sup> Annually</b>         |
| <b>System Requirements</b>                              | As outlined in Article XII. General Terms and Conditions  | <b>Prior to Receiving Work Assignments</b>  | <b>N/A</b>                                    |
| <b>Office Space</b>                                     | Copy of either ownership or leased office space   | <b>Prior to Receiving Work Assignments</b>  | <b>Upon change in location</b>                |

## VENDOR (DESIGNEE) CREDENTIALING REQUIREMENTS

|  | Minimum Qualification Requirement   | Required Roles / Classifications               | Initial Submission                         | Renewal Thereafter                                       |
|--|---|--|--|--|
| <b>Background Investigative Reports</b>            | As outlined in Article VI. Vendor Credentialing Section 6.01 Vendor Staff Background Investigation Report     | All Vendor staff                               | <b>Upon Submission</b>                     | <b>June 15<sup>th</sup> Annually</b>                     |
| <b>Resume</b>                                      | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements | All Adjusting Classifications                  | <b>Upon Submission</b>                     | <b>April 15<sup>th</sup> Annually</b>                    |
| <b>Qualifications</b>                              | As outlined in Article V. Adjuster Requirements and Classifications   | All Adjusting Classifications                  | <b>Upon Submission</b>                     | <b>April 15<sup>th</sup> Annually per Section 6.02 E</b> |
| <b>Florida Adjusters License &amp; Appointment</b> | As outlined in Article III. Adjusting Services Section 3.03 Adjusting Services                                | All Adjusting Classifications                  | <b>Upon Submission</b>                     | <b>Upon Expiration per DFS</b>                           |
| <b>Training</b>                                    | As outlined in Article VIII. Service Level Requirements   | All Training Roles & Adjusting Classifications | <b>Within 10 business days of training</b> | <b>TBD Annually</b>                                      |
| <b>Ethics &amp; Confidentiality</b>                | As outlined in Article VI. Vendor Credentialing Section 6.02 Additional Credentialing Submission Requirements | All Roles and Adjusting Classifications        | <b>Upon Submission</b>                     | <b>N/A</b>   |

### **Article VII. Work Assignment**

Credentialing requirements for Vendor and its Adjusters must be completed prior to being eligible to receive any assignments under this Contract. Citizens will, from time to time, assign work under this Contract to Vendor's Adjusters. Citizens may make such work assignments to Vendor for delegation to an Adjuster or may direct the assignment of specific Adjusters based on special qualifications or experience and Citizens' particular needs. Vendor acknowledges that Citizens does not in any way represent or guarantee that Vendor will receive any specific or minimum

volume of work assignments under this Contract. At its sole discretion, Citizens will assign claims and task assignments to vendors based on vendor performance, capability and capacity. To aid in this process, Vendor acknowledges that Citizens will employ a comprehensive vendor ranking and evaluation process to include performance and quality assessment measurements using an ongoing performance report or scorecard.

## **Article VIII. Service Level Requirements**

The Vendor shall ensure all Adjusting Services meet the service standards set forth in this Contract, including those requirements outlined below. As part of these requirements, Citizens may require Vendor and Vendor's staff to participate in meetings, teleconferences or training to discuss, assess and calibrate the delivery of Adjusting Services. Any service standard or requirement set forth below may be modified due to changes in state law, judicial decision or administrative regulation.

- A. Service Standards. At Citizens' discretion and in accordance with the Best Claims Practices and Guidelines, Vendor and/or its staff will be required to perform to the following standards with regards to the Adjusting Services provided. All service standards and requirements will be measured through the applicable Citizens system for compliance. Without limiting the foregoing, Vendor and / or its staff must:
1. Update the applicable Citizens system with routine status reports, diary notes and other file documentation as directed by Citizens;
  2. Follow up on phone calls, correspondence and requests as necessary to any and all parties in accordance with Citizens Guidelines and procedures;
  3. For Non-Litigated Adjusting Services, make initial contact with policyholder or policyholder's representative within twenty-four (24) hours of Vendor's acceptance of the work assignment;
  4. For Non-Litigated Adjusting Services, ensure that damage is inspected within forty-eight (48) hours of initial contact with policyholder unless dictated by extenuating circumstances such as scheduling conflicts with the insured or their representative;
  5. For Non-Litigated Adjusting Services, provide recommended reserves within thirty-six (36) hours of initial inspection and on-going as necessary;
  6. For Non-Litigated Adjusting Services, upon completion of the investigation submit the report and supporting settlement documentation to the applicable Citizens system within seventy-two (72) hours'
  7. For Non-Litigated Adjusting Services, submit a final accurate invoice for Adjusting Services at the conclusion of the claim file;
  8. For Non-Litigated Adjusting Services, unless otherwise directed by Citizens; promptly forward demands for appraisal, mediation, consumer complaints, and notices of litigation in accordance with Best Practices and Guidelines or other applicable Citizens' directives; and,
  9. For Litigated Adjusting Services, ensure all legal deadlines are met for the protection of Citizens and/or its policyholders.
- B. Deployment of Vendor Staff. Upon notification of a deployment opportunity, Vendor will be required to provide the requested number of Adjusters to fill the work order. Dependent upon the Adjusting Services required, Citizens will notify the Vendor through an electronic notification process within the applicable Citizens' System or other manner as stipulated

by Citizens ("Deployment Notification"). Once the Deployment Notification has been issued by Citizens. Vendor shall:

1. Ensure all deployed Adjusters are available for work during Business Hours;
2. Ensure all deployed Adjusters will arrive at Citizens designated site or other location within seventy-two (72) hours of receipt of the Deployment Notification;
3. Ensure that one hundred percent (100%) of all Adjusters are deployable and available to Citizens at all times throughout the duration of this Contract; and
4. Ensure that all deployed Adjusters provide Adjusting Services exclusively for Citizens, unless otherwise expressly approved by Citizens in writing.

C. Catastrophe Deployment. In the event of an emergency, catastrophe or event which Citizens requires Adjusting Services, the Vendor and Vendor's staff will be required to provide the requested number of Committed Adjusters to complete Adjusting Services. Once the Deployment Notification has been issued by Citizens, Vendor shall:

1. Ensure deployed Adjusters are available to work up to seven (7) days per week, twelve (12) hours per day, including during non-Business Hours and holidays.
2. For Non-Litigated Adjusting Services, procure a catastrophe or emergency site office within a fifty (50) mile radius of the Citizens' designated catastrophe site within seventy-two (72) hours of notification. Vendor's catastrophe office under this section must include internet connectivity, office equipment and electricity. The Vendor catastrophe office shall be fully functioning within one calendar week (7 days) of confirmation to Citizens unless otherwise stated by Citizens.
3. Reply to communications regarding deployment within one (1) hour of receipt of the Deployment Notification (electronically or via other method of communication approved by Citizens).
4. Within eight (8) hours of receipt of deployment notification, provide Citizens (electronically or via alternative method designated by Citizens) a complete list of the names of Vendor's Adjusters that will be deployed to Citizens' designated catastrophe site. Assign a catastrophe claims service manager when there are twenty (20) or more Adjusters deployed to a single Citizens' designated catastrophe site. The catastrophe claims service manager shall be responsible for Quality Assurance and oversight of the Adjusters deployed at the Citizens' designated catastrophe site and shall service as the single point of contact for Citizens' management. There are no additional charges for these Adjusting Services. Notwithstanding the foregoing requirements, a catastrophe claims service manager shall be deployed only at Citizens request. If not deployed to the catastrophe site, the catastrophe claims service manager must be available, full-time and must be located in the State of Florida (not to exceed fifty (50) miles from the designated catastrophe site) and shall support catastrophe site for period of time as determined by Citizens.

D. Prohibitions. Adjusters are not authorized to do the following without express written permission from Citizens:

1. Hire counsel to conduct examinations under oath ;
2. Respond directly to demands for appraisal, a rejection of same, or failing to forward the demand for appraisal to Citizens;
3. Send out denial letters directly to the insured;

4. Hire outside experts or vendors or making assignments to an expert or vendor; or.
  5. Hire mediators.
- E. Staff Training on Applicable Citizens' Policies. Vendor shall be responsible for training their staff performing Adjusting Services on all applicable Citizens' policies and procedures. Citizens will provide all applicable policies, procedures and training materials to be used during Vendor's training. Vendor must ensure the required training is completed by its staff prior to performing any Adjusting Services. Vendor's staff may be required to attend additional training (online and/or classroom) sessions as deemed necessary by Citizens.

In addition to training, the Vendor shall be responsible for maintaining complete training records for all staff performing Adjusting Services. At its sole discretion, Citizens reserves the right, to institute learning via a learning management system that tracks and records Vendor staff training and scores.

- F. To meet Citizens' training requirements, Vendor shall comply with the following for all Vendor's staff providing Adjusting Services under this contract:
1. Vendor shall provide a dedicated trainer resource responsible for providing training to all of Vendor's staff providing Adjusting Services. Training shall include applicable Citizens' policies and procedures, Citizens systems and any other items as identified by Citizens.
  2. Vendor must utilize the appropriate training materials provided by Citizens. Updated training materials will be presented by Citizens to appropriate Vendor staff in a "Training Workshop."
  3. Vendor must provide an initial training to be completed prior to Vendor or Vendor Staff receiving and accepting any work assignments or otherwise performing Adjusting Services.
  4. Present initial training materials in a "face to face" training session. The dates and locations for all Vendor training sessions are to be submitted to Citizens' Contract Manager in advance of the scheduled training dates. All initial training will be open to unannounced audits by Citizens for quality of content and to confirm attendance rosters.
  5. Provide recertification training with Citizens issued training materials. Recertification training may occur through a webinar. Citizens reserves the right to request training dates, proof of attendance, applicable documents and the training site location. Citizens' certification requirements will include but not be limited to training on:
    - a. Citizens' policy history, background, interpretation and application;
    - b. Estimating platforms related to any Citizens' specific procedures, guidelines, etc.;
    - c. Assignment workflow;
    - d. Communications expectations;
    - e. Public Records requirements; and.
    - f. Ethics and confidentiality requirements.
  6. In addition, Vendor shall ensure that all Vendor staff performing Adjusting Services are properly trained and proficient in the use of the most recent version of estimating software utilized by Citizens. At no cost or expense to Citizens, Vendor shall obtain,

implement, utilize, and maintain the estimating software currently used by Citizens to perform the Adjusting Services.

- G. Professional Competence and Professionalism. All vendor employees are required to demonstrate the highest levels of professional competence and professionalism while performing work for Citizens or otherwise being associated with Citizens. Citizens reserves the right at any time and for any reason to require that certain Vendor staff be disallowed from performing Adjusting Services.
- H. Committed Adjusters. Vendor agrees to maintain the number of Committed Adjusters as defined in Exhibit B. Upon Contract execution, the Vendor shall input the required information into Citizens systems in order to secure full credentialing and qualification for its Committed Adjusters. Any alternative or substituted Committed Adjusters must be credentialed and approved through Citizens systems. At all times throughout the term of the Contract, Vendor shall maintain the required number of Committed Adjusters based on Vendor's commitment outlined in Exhibit "B". In the event Vendor falls below the required number of Committed Adjusters, Vendor may become ineligible to receive any new assignments until full compliance with this requirement is met. Should Vendor fail to adequately address and remedy Vendor's noncompliance with the required number of Committed Adjusters or fail to comply with any resulting corrective action plan imposed by Citizens, Citizens shall have the right at its' sole discretion, to immediately terminate this Contract.

## **Article IX. Performance Measures**

- A. Monitoring. The Vendor shall continuously monitor and record its staff performing the Adjusting Services to ensure they meet all contractual obligations including any requirements outlined in this Contract, including all attachments. Citizens may also monitor Vendor's performances to ensure that the Adjusting Services provided meet the service level standards outlined in this Contract. Vendor's failure to meet these service level standards may result in corrective action or termination. Citizens may conduct programmatic and other administrative contract monitoring during each calendar year. The purpose of this monitoring is to ensure that all of Vendor's responsibilities and obligations under this Contract are being met and fulfilled, and may include but is not limited to: on site-visits; and the review of reports, Adjusting Services, invoices, deliverables, compliance, and a review of any other areas reasonably necessary.
- B. Citizens' Quality Control Program Audits (Adjusters). Citizens reserves the right to perform periodic Quality Assurance audits on Adjusters. The Vendor shall identify a dedicated Quality Assurance contact and cooperate fully with Citizens during such audits including promptly allowing access to all records related to this Contract. In addition to periodic Quality Assurance audits, Citizens' representatives shall have the right during Business Hours, and upon delivery of reasonable notice, to inspect, audit, copy and make extracts from Vendor's records relating to the Adjusting Services. If deficiencies are identified, Vendor shall comply with Citizens' recommendations upon completion of such audit.

Citizens will utilize a comprehensive performance-based management approach for Adjusting Services. This performance-based management approach will use objective performance goals and indicators for each performance evaluation period as standards against which Vendor's overall performance of the Adjusting Services are measured.

Vendor shall also work in cooperation with Citizens in a self-assessment process which includes the development and execution of self-assessments and the utilization of the

results for continuous improvement. The Vendor shall provide to Citizens a quarterly formal status briefing and a year-end formal self-evaluation report to Citizens in addition to periodic updates as requested by Citizens. Citizens will provide any specific due dates and/or formats pertaining to the above-mentioned reports. The self-evaluation status report must provide an overall summary of performance for the performance period, performance ratings overall and for each adjuster, summary of key strengths, and opportunities for improvement. Vendor's success in meeting or exceeding performance expectations or operation functional capacity may be rewarded with increase in frequency of work assignments. Conversely, marginal performance, poor performance or "for cause" situations may result in reduced assignments and need to provide additional reviews.

- C. Quality Assurance and Quality Control Audits (Vendor). Citizens' reserves the right to issue Vendor performance scorecards for the Adjusting Services. These performance scorecards will be used to evaluate and track Vendor's performance and service levels based upon criteria outlined in this Contract and the Best Claims Practices and Guidelines. If a Vendors' performance level falls below an acceptable level, Citizens may notify Vendor in writing of corrective action requirements. At its discretion, Citizens may establish guidelines to assist in the Quality Assurance and quality control audits process and procedures.
- D. Corrective Action Plan. Upon receipt of a verbal or written notice to cure from Citizens with respect to Vendor's failure to adequately provide Adjusting Services, Vendor shall comply with the following:
1. Perform a cause analysis to identify the cause of such failure;
  2. Provide Citizens with a written Corrective Action Plan detailing the cause of, and procedure for, correcting such failure. Citizens will be afforded the time necessary to review and approve the proposed Corrective Action Plan or require Vendor to make revisions.
  3. Upon Citizens' written approval of the Corrective Action Plan, Vendor must implement all plans and procedures; and provide Citizens with satisfactory assurance that such failure will not reoccur following the completion of the implementation of the corrective procedure.
  4. Completion of the cause analysis and implementation of the Corrective Action Plan must occur no later than the time frame as noted in the notice to cure from Citizens, unless otherwise agreed to by Citizens.
  5. If performance deficiencies are not resolved to the satisfaction of Citizens within the prescribed time and if no extenuating circumstances can be documented by the Vendor to Citizens' satisfaction, Citizens may request a stop work order, issue corrective action, or terminate the Contract with the Vendor. The determination any extenuating or mitigating circumstances is the exclusive determination of Citizens.
  6. Should the Vendor not meet the requirements of the Corrective Action Plan, the Vendor will then be disqualified from the next solicitation and future contracts for all adjusting services.
- E. Liquidated Damages. The parties recognize that certain breaches of Vendor's duties under this Contract will result in harm to Citizens which is not easily quantifiable. Therefore, the parties agree to the following liquidated damages for the specific breach described below:

*Unrealized Staffing*. Vendor must provide all Confirmed Adjusters, meaning those Adjusters identified by Vendor and selected by Citizens in response to a Deployment

Notification, within seventy-two (72) hours, or as otherwise specified by Citizens. If Vendor fails to comply with Citizens' notification within the stated timeframe, Citizens will require a Corrective Action Plan and Vendor will pay to Citizens, as liquidated damages and not as a penalty: (1) \$2,000 for each Confirmed Adjuster requested and not provided to the designated location in the stated timeframe; and (2) the Adjuster Daily Rate identified in Exhibit A for each Adjuster requested and not provided to the designated location for each day following the failure of the corrective action plan until a replacement Adjuster is provided to the designated location.

*Abandonment by Adjuster.* Upon notice to Vendor by Citizens that an Adjuster has abandoned or stopped performing Adjusting Services on an assigned claim, Vendor will provide a replacement Adjuster to the designated location within seventy-two (72) hours. If Vendor fails to comply with Citizens' notification within the stated timeframe, Citizens will require a Corrective Action Plan and Vendor will pay to Citizens, as liquidated damages and not as a penalty, the Adjuster Daily Rate identified in Exhibit A for each replacement Adjuster requested and not provided to the designated location for each day following the stated timeframe until a replacement Adjuster is provided to the designated location.

## **Article X. Compensation**

- A. Compensation. Citizens' does not guarantee that the Vendor will receive any Work Assignments or any minimum volume of work. Adjusting Services provided during a declared emergency or catastrophe will be at the same rates as provided in this Contract.
- B. Compensation Schedule. All payments will be made pursuant to Exhibit A Compensation Schedule. If there is any need for Vendor to incur travel related costs, Vendor must get pre-approval in writing by Citizens and shall follow Citizens Vendor Travel Reimbursement Guidelines. Vendor agrees and acknowledges that Citizens may adjust pricing either up or down due to market conditions and any such changes will be communicated in writing to Vendor.
- C. Vendor's Compensation to Vendor Staff. Vendor must compensate in a timely fashion all staff for Adjusting Services rendered after payment is received by Vendor from Citizens. Any dispute in compensation between Vendor staff and Vendor is the sole responsibility of the vendor to remedy.
- D. Invoices. The Vendor shall submit all requests for compensation for Adjusting Services or expenses in sufficient detail for a pre or post audit inspection. Unless otherwise agreed to by the parties, all invoices for Adjusting Services shall be submitted to Citizens' Accounts Payable department at Post Office Box 10749, Tallahassee, Florida 32302-2749 and must include, at a minimum the following:
  - 1. The Contract number;
  - 2. The Vendor's name and address;
  - 3. The Vendor's Federal Employment Identification Number (FEIN);
  - 4. The deliverable or service for which compensation is being sought;
  - 5. Citizens' Contract Manager's Name;
  - 6. Vendor shall be required to submit invoices through Citizens' System; and
  - 7. Any other information that may be required by Citizens.

Citizens may require any other information from Vendor that Citizens deems necessary to



verify any payment request placed under the Contract. Invoices that must be returned to a Vendor due to preparation errors will result in a delay in payment. Within thirty (30) days of actual receipt of the invoice, Citizens will either return the invoice to Vendor for correction, or approve it and process it for payment. Vendor agrees that Citizens has the sole discretion to off-set any invoice amounts against Vendor's current or future monthly invoices which are due and owing by Citizens. Vendor waives all rights to dispute the payment on an invoice after ninety (90) days from Citizens' final payment on such invoice.

- E. 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. Citizens will not pay for any personal property taxes levied on Vendor or for any taxes levied on employees' wages.
- F. Citizens Travel Policy. If (and to the extent) that this Contract provides for Citizens to reimburse Vendor's travel expenses, Vendor has read and agrees to comply with Citizens' Vendor Travel Reimbursement Guidelines, as currently in effect and as amended in the future. All travel related expenses must be pre-approved in writing by Citizens' Contract Manager.

## Article XI. Contract Administration

Contract Administrator. Citizens shall name a Contract Administrator during the term of this Contract whose responsibility shall be to maintain this Contract. All legal notices and contractual documents shall be sent to the Contract Administrator in addition to the Citizens' Contract Manager named below. As of the effective date, the Contract Administrator is:

Lori Newman, Contract and Vendor Administration  
2101 Maryland Circle  
Tallahassee, Florida 32303  
850-513-3795  
[lori.newman@citizensfla.com](mailto:lori.newman@citizensfla.com)

Contract Managers. Each party will designate a Contract Manager during the term of this Contract whose responsibility shall be to oversee the party's performance of its duties and obligations pursuant to the terms of this Contract. As of the effective date, Citizens' and Vendor's Contract Managers are as follows:

Citizens' Contract Manager  
Latrice Calhoun  
Citizens Property Insurance  
7215 Financial Way  
Jacksonville, FL 32256  
Phone: 904-208-7601  
Email: [latrice.calhoun@citizensfla.com](mailto:latrice.calhoun@citizensfla.com)

Vendor's Contract Manager  
Name: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## Article XII. General Terms and Conditions

- A. Deliverable Acceptance. Where the Contract requires the submission of deliverables to Citizens, mere receipt or a lack of response by Citizens shall not be construed to mean or imply acceptance of those deliverables. It is specifically intended by the parties that acceptance in writing of the required deliverables shall constitute a separate act. The submitted deliverables will be considered accepted once approved, in writing, by Citizens Contract Manager or designee. Citizens' reserves the right to reject deliverables as

incomplete, inadequate, or unacceptable according to the parameters set forth in this Contract. Citizens, at its option, may allow additional time within which the Vendor may remedy the objections noted by Citizens.

- B. Deliverable Ownership. Citizens' will have the right, title and interest (including ownership copyright) of all materials created during the performance of this Contract.
- C. Termination without Cause. By 30 days advance written notice, Citizens may terminate the Contract 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 the Contract will be 30 days from the date of the written notice, or as otherwise specified in Citizens' written notice (the "Termination Date"). After the Termination Date Vendor shall not furnish any new product or Adjusting Services, except as the Parties agree is necessary to complete the continued portion of the Contract. Vendor shall not be entitled to recover any cancellation charges or damages, including lost profits or reliance damages.
- D. Termination for Cause. Either party may terminate the Contract in whole or in part if the other party fails to honor its material obligations. Except as otherwise provided herein, before terminating the Contract, the party that believes the other party is failing to comply with the Contract shall notify the other, in writing, of the nature of the failure to perform and provide a reasonable time certain for correcting the failure (such time should not generally be less than 10 days from receipt of the notice). If the other party does not correct its failure to perform within the time provided, and its failure is not legally excusable, the party claiming failure to perform may thereafter notify the other, in writing, that it considers the other in default and may terminate the Contract, in whole or in part. Vendor shall continue work on any work not terminated.
- E. Suspension of Work. Citizens may, in its sole discretion, suspend any or all activities under the Contract or purchase order, at any time, when it is in the best interests of Citizens to do so. Citizens shall provide Vendor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, corrective action, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, Vendor shall comply with the notice and shall not accept any additional work. Within ninety days, or any longer period agreed to by Vendor, Citizens shall either (1) issue a notice authorizing resumption of work, at which time activity shall resume, or (2) validly terminate for convenience the Contract or purchase order as specified in Section 9.1 of this Contract. Suspension of work shall not entitle Vendor to any additional compensation.
- F. Duties upon Termination. Upon termination or expiration of this Contract for whatever reason, Citizens may, at its discretion, require Vendor:
  - 1. To continue to provide Adjusting Services as specified in this contract for indications previously assigned to Vendor and upon closure of all assigned indications, require Vendor to immediately return to Citizens all files, documentation and information, including all Citizens property or supplies; or
  - 2. Immediately cease providing any Adjusting Services under this Contract for indications previously assigned to Vendor and immediately return to Citizens all files, documentation and information, including all Citizens property and supplies.

In any event, upon completion of Vendor's Adjusting Services, Vendor shall return or destroy all copies of Citizens' Confidential Information, as defined in this Contract, in its possession. Vendor shall have an obligation to discharge its duties upon termination, regardless of the reason for the termination of this Contract.

- G. Vendor Ethics. Vendors must not:
1. Give a gift; that is, make an expenditure to or for the personal benefit of a officer or employee; and
  2. Have a relationship with a Citizens employee or board member that creates a conflict of interest. If there is the appearance of a conflict of interest, Vendor will promptly contact Citizens' Human Resources Department 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.
  3. Accept a gift from a Citizens policyholder that is, or could be interpreted to be, intended to influence the handling of the policyholder's claim, or could be interpreted as an expression of gratitude for such an act.
- H. Non-Solicitation. During the term of this Contract, Vendor shall refrain from soliciting, hiring or engaging the Adjusters of other providers of Adjusting Services to Citizens if such Adjusters are performing an active work assignment for Citizens.
- I. Execution in Counterparts. This Contract may be executed in counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.
- J. Modification of Terms. This Contract may only be modified or amended upon mutual written Contract of Citizens and Vendor. No oral Contracts or representations shall be valid or binding upon Citizens or Vendor. Citizens' acceptance of product or processing of documentation on forms furnished by Vendor for approval or payment shall not constitute acceptance of the proposed modification to terms and conditions.
- K. Vendor's Records. Vendor shall retain Vendor's records for the longer of three years after the expiration of the Contract or the period required by the General Records Schedules maintained by Citizens' Records Management and Records Request Policy. Citizens' follows the GS1-SL state schedule for records retention.
- L. Right to Audit Records. Citizens, and other government entities as required by law such as the State of Florida Auditor General, shall have the right to review and audit any of Vendor's records related solely to this Contract, upon reasonable written notice of at least three business days. Vendor shall not unreasonably delay or inhibit this right to audit. Vendor agrees to reimburse Citizens for the reasonable costs of investigation incurred by Citizens for investigations of Vendor's compliance with this Contract which results in termination for cause or in regulatory or criminal penalties in connection with performance of the Contract. 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. Vendor 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 the Contract.
- M. Public Records. Vendor acknowledges that Citizens is subject to Chapter 119, Florida Statutes, Public Records Requests ("PRR"), and to subsection 627.351(6)(j), Florida Statutes; therefore, any information provided to Citizens may fall within the disclosure requirements of Chapter 119, Florida Statutes. Subsection 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 provisions of section 119.07(1) Florida Statutes and section 24(a), Article I of the State Constitution. Vendor must clearly label and mark each page or section of information provided to Citizens in connection with this Contract that it considers proprietary

information or otherwise confidential or exempt from Chapter 119, Florida Statutes and section 24(a), Article I., State Constitution (“Vendor’s Confidential Information”).

If Citizens receives a PRR or request from any regulatory or legislative entity regarding Vendor’s Confidential Information, it shall promptly notify Vendor in writing, or electronically. The parties agree (to the extent permitted by law) that 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 Chapter 119, Florida Statutes, then Vendor shall be solely responsible for defending its position, or seeking a judicial declaration. Nothing in this Contract shall create an obligation or duty for Citizens to defend or justify Vendor’s position. Vendor 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.

In accordance with section 119.0701, Florida Statutes, Vendor is a “Contractor” acting on behalf of Citizens and must:

1. Keep and maintain public records that ordinarily and necessarily would be required by Citizens in order to perform the service subject to the Contract.
2. Provide the public with access to public records on the same terms and conditions that Citizens would provide the records and at a cost that does not exceed the cost provided in Chapter 119 Florida Statutes or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
4. Meet all requirements for retaining public records and transfer, at no cost, to Citizens all public records in possession of the Contractor upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to Citizens in a format that is compatible with the information technology systems of Citizens.

If Vendor receives a PRR that is in any way related to this Contract, Vendor agrees to immediately notify Citizens’ Custodian of Records and forward the PRR to Citizens’ Custodian of Records for logging and processing. Citizens’ Custodian’s of Records email address is: [Recordsrequest@citizensfla.com](mailto: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 Chapter 119, Florida Statutes.

- N. Inspection of Vendor’s Site. With prior reasonable notice to Vendor, Citizens reserves the right to inspect Vendor’s site(s) or location(s) and view Vendor’s equipment, products, plant, facilities, and records, solely to assess conformity with Contract requirements and to determine whether they are adequate and suitable for proper and effective Contract performance. Any entity inspecting pursuant to this section shall execute a non-disclosure agreement with regard to Vendor’s proprietary information, unless precluded from doing so by law.

O. Dispute Resolution. Vendor acknowledges that Citizens is not an agency for purposes of the Florida Administrative Procedure Act, Chapter 120, Florida Statutes. Prior to commencing any litigation relating to the terms of the Contract, 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 Contract, 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.

P. Security and Confidentiality. Vendor agrees and acknowledges that certain information disclosed by Citizens to Vendor in the course of this Contract is confidential and exempt from the Florida Public Record Laws contained in Chapter 119, Florida Statutes, and may contain other sensitive or proprietary 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), Florida Statutes, and Chapter 69O-128, Florida Administrative Code, 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”). Vendor shall not disclose or use Citizens’ Confidential Information, other than to carry out the purposes for which Citizens disclosed the information to Vendor. Vendor 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 the Contract as a Material Breach. This provision shall not apply to documentation, information or material that: (1) is publicly available through no fault of Vendor; or (2) Vendor developed independently without relying in any way on Citizens’ Confidential Information. This section shall survive the termination or expiration of the Contract, regardless of the reason for termination or expiration. To ensure confidentiality, Vendor shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this provision shall survive the Contract.

The Vendor acknowledges and agrees that Citizens will suffer irreparable harm and that monetary damages will not be adequate to compensate Citizens, in the event that the Vendor fails to comply with the terms of the Contract 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 the Contract.

As a Vendor of Citizens, Vendor agrees to implement and maintain appropriate safeguards to: (1) ensure the security and confidentiality of customer information; (2) protect against any anticipated threats or hazards to the security or integrity of such information; and (3) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

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 inform Citizens of such inability and such inability on Vendor’s part will serve as justification for Citizens’ termination of this Contract at any time after the inability becomes known to Citizens

Q. Encryption of Mobile Devices. Vendor shall prohibit the removal of portable computing and storage devices such as laptops, Blackberries, diskettes, cell phones, USB flash

drives, CDs, and portable disk drives (collectively referred to as "Mobile Devices") that contain Citizens' Confidential Information from Vendor's secure offices unless Citizens' Confidential Information is encrypted using a strong cryptographic protocol that is consistent with industry standards. In addition, files containing Citizens' Confidential Information are not to be remotely downloaded on Mobile Devices or on publicly accessible systems such as Internet kiosks.

- R. Data Export Restrictions. Vendor is prohibited from (i) performing any Adjusting Services under this Contract outside of the United States, or (ii) sending, transmitting, or accessing any Citizens' Confidential Information outside of the United States.
- S. Section 287.057 Applicable Except as Provided in Chapter 627. Vendor agrees that Citizens is subject to 287.057, Florida Statutes, for the purchase of commodities and contractual Adjusting Services except as otherwise provided in section 627.351(6)(e), Florida Statutes.
- T. IT Security Directives. The Vendor agrees to comply with information technology security requirements and directives issued by Citizens which impact the provision of the Adjusting Services.
- U. Unauthorized Disclosure. The sale, disclosure, or unauthorized use of any of Citizens' Confidential Information by the Vendor or any third party who receives Citizens' Confidential Information from the Vendor, will constitute a material breach of this Contract and may be grounds for immediate termination of this Contract by Citizens. Pursuant to section 817.5681, Florida Statutes, if Vendor maintains computerized data that includes personal information 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 10 days following the determination, if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.
- V. Disclosure to Others. Vendor acknowledges and agrees that any Citizens' Confidential Information disclosed to, or acquired by, it is disclosed and/or acquired solely for the purposes of facilitating the provision of the Adjusting Services to be rendered by the Vendor for and on behalf of Citizens. Vendor shall restrict access to this Citizens' Confidential Information to those individuals who will actually perform Adjusting Services under this Contract. Vendor shall be solely responsible for informing any individual with access to Citizens' Confidential Information, including, but not limited to, its officers, directors, agents, employees and independent contractors, of the provisions of this section and shall be responsible for any acts of those individuals and entities that violate such provisions. Vendor will notify Citizens as soon as possible of any misuse or misappropriation of Citizens' Confidential Information of which it becomes aware and will cooperate in remedying such situation promptly.
- W. Maintenance of Citizens' Confidential Information. During the term of this Contract, and after its termination for any reason, Citizens shall have the right to request in writing and receive either the immediate return or the immediate destruction from the Vendor of any tangible records, documents, e-mails, computer files, CDs, disks, hard drives, and any other tangible item that contains, represents, or otherwise includes any of Citizens' Confidential Information. In addition, Citizens shall have the right, during the term of this Contract and after its termination, to request that the Vendor permanently delete and destroy any Citizens' Confidential Information contained in any computers, hard drives, servers or other data storage systems of the Vendor.

- X. Indemnification. Vendor 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 reasonable 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 the Vendor, its agents, employees, partners, or subcontractors, provided, however, that Vendor shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of Citizens.

Further, Vendor 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; provided, however, that the foregoing obligation shall not apply to Citizens' misuse or modification of Vendor's products or Citizens' operation or use of Vendor's products in a manner not contemplated by the Contract or the purchase order. If any product is the subject of an infringement suit, or in Vendor's opinion, is likely to become the subject of such a suit, Vendor may at its sole expense procure for Citizens the right to continue using the product or to modify it to become non-infringing. If Vendor is not reasonably able to modify or otherwise secure Citizens the right to continue using the product, Vendor shall remove the product and refund Citizens the amounts paid in excess of a reasonable rental for past use. Citizens shall not be liable for any royalties.

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

- Y. Required Insurance Coverage. During the term of this Contract, Vendor will maintain at its sole expense the following insurance, purchased from an insurer licensed to transact business in the state of Florida:

1. Workers' Compensation policy which provides coverage to Vendor's staff, 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 \$1,000,000;
2. Commercial General Liability with minimum limits of \$1,000,000 per occurrence (to include contractual liability on a blanket basis for liability assumed hereunder) and \$2,000,000 in the aggregate;
3. Umbrella/excess general liability and auto liability insurance with minimum limits of \$4,000,000 in the aggregate;
4. Automobile Liability with combined single limits of not less than \$1,000,000 per accident; and
5. Professional Liability (errors and omissions) with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
6. Vendor shall provide evidence to Citizens that all Vendor staff and independent contractors of Vendor are "covered persons" under Vendor's insurance policy for

purposes of negligent or wrongful acts conducted in the scope of his/her Adjusting Services on behalf of Citizens.

7. Vendor further agrees that it shall maintain sufficient and proper insurance to cover any indemnity obligation that it has assumed under the Contract for the duration of this Content. All policies of insurance referenced herein will be primary and will include Citizens as an additional insured with the exception of Worker's Compensation. Vendor shall provide copies of its policies upon request by Citizens. All policies will include provisions that the insured waive the rights of recovery or subrogation against Citizens; and Citizens shall be exempt from, and in no way liable for, any sum of money which may represent a deductible or premium in any of the aforementioned insurance policies. The payment of such deductible and premium shall be the sole responsibility of the Vendor.

Upon execution of this Contract, the Vendor must provide to Citizens a current in-force certificate of insurance evidencing the above coverage limits and subsequent certificates prior to their expiration. Vendor further agrees that it will maintain insurance to cover any indemnity obligation that it has assumed under this Contract. All policies will include provisions that the insurers waive the rights of recovery or subrogation against Citizens. Citizens shall be exempt from, and in no way liable for, any sum of money which may represent a deductible in any of the aforementioned insurance policies. The payment of such deductible shall be the sole responsibility of the Vendor. All policies shall require 90 calendar days prior written notice to Citizens of cancellation or change in any coverage.

- Z. Severability. If a court deems any provision of the Contract 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.
- AA. Compliance with Laws. Vendor will comply with all applicable laws, ordinances, rules, and regulations governing Vendor's duties or responsibilities under this Contract. Vendor is responsible for assuring that all persons who perform Adjusting Services for Vendor under this Contract are properly licensed and that such individuals comply with all applicable laws governing their conduct.
- BB. Liability of Vendor. Vendor will be solely responsible for and will assume liability for damages caused by the acts, errors or omissions of the Vendor personnel. Nothing in this Contract shall be deemed to waive Citizens' immunity as set forth in section 627.351(6), Florida Statutes, and elsewhere in the law.
- CC. Assignment/Subcontracting. Vendor may not assign or subcontract its rights or obligations without first obtaining the written permission of Citizens, which such permission will not be unreasonably withheld or delayed.
- DD. Jurisdiction and Venue. This Contract 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 Contract, 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.
- EE. Headings. The sections and headings herein contained are for the purposes of identification only, and shall not be considered in construing this Contract.



- FF. Names and Logos. Without the prior written consent of Citizens, Vendor (including Vendor's authorized subcontractors, agents or assignees) shall not publish or use Citizens' name, logo, or symbols from which Citizens' name may be reasonably inferred or implied. This includes but is not limited to using Citizens' name, logo or symbol in any research, solicitations, advertisements, promotions, or any other publicity matter relating directly or indirectly to this Contract. Additionally, without the prior written consent of Citizens, Vendor shall not disclose the existence of this Contract, and shall not use this Contract for marketing or business reference purposes.
- GG. Waiver. The delay or failure by a party to exercise or enforce any of its rights under this Contract 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.
- HH. Entire Contract. This Contract and any and all exhibits, schedules and enclosures attached hereto, each of which is incorporated into this Contract by this reference, constitute and embody the entire Contract and understanding of the parties with respect to the subject matter hereof, and 'supersede any prior or contemporaneous Contracts or understandings with respect to the subject matter hereof.
- II. Warranty of Authority. Each person signing the Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.
- JJ. 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.
- KK. Successors and Assigns. This Contract shall inure to the benefits of, and be binding upon, the successors and assigns of the parties hereto, but only as permitted under this Contract.
- LL. Force Majeure. Because of the nature of Citizens business, Citizens requires that certain Adjusting Services be performed during or immediately after catastrophic events, which might otherwise be considered forces majeure. Therefore, force majeure will not constitute an excuse for non-performance by Vendor as this contract is considered and designated as an essential contract to Citizens' operations.
- MM. Independent Contractor: Vendor and Vendor's staff are independent contractors and have no authority to act for, or to bind, Citizens except as expressly provided in this Contract. Vendor will pay all assessments and taxes in connection with the Adjusting Services performed under this Contract. Vendors' staff, officers, directors, independent contractors, agents or representatives, are not employees of Citizens for any purpose and are not entitled to any of the benefits available to Citizens' employees.
- NN. System Requirements. Within thirty days of execution of the Contract, at its own cost and expense, Vendor shall have in place and ready for use all of the appropriate operating systems, software, and hardware to ensure its ability to complete any Work Assignments. 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 system requirements prior to receiving any work assignments.
- OO. Business Continuity and Disaster Recovery Plan. Vendors shall have a viable, documented, effective and annually tested business continuity/disaster recovery strategy plan in place to mitigate the potential of service disruption. Vendor shall provide within

thirty days of the Effective Date a tested business continuity/disaster recovery plan and annually by April 15th during the duration of the Contract. The location where any of the work or Adjusting Services related to this Contract is performed, or where any data, records or Information related to this Contract is accessed, used, processed or stored, must be at Vendor's facilities or offices that are physically located in the United States.

- PP. Vendor Contact Information. Within thirty days of the Contract execution, and as often as reasonably required by Citizens, the Vendor must identify to Citizens, its primary and secondary business representatives responsible for the oversight and management of Citizens' work. The identified business representatives must be available during Citizens' Business Hours unless otherwise specified by Citizens.

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

**CITIZENS PROPERTY INSURANCE  
CORPORATION**

**VENDOR NAME**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TYPED NAME

\_\_\_\_\_  
TYPED NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE SIGNED

\_\_\_\_\_  
DATE SIGNED

\_\_\_\_\_  
SIGNATURE

VENDOR FEDERAL EMPLOYER  
IDENTIFICATION NUMBER

\_\_\_\_\_  
TYPED NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE SIGNED

\_\_\_\_\_

## Exhibit A: Compensation Schedule

The fees paid pursuant to this Compensation Schedules are all inclusive and cover all services provided. At its sole discretion, Citizens has the ability to adjust pricing, based upon changes to market conditions.

| <b>TABLE 1A</b>   |                |                |
|---|----------------|----------------|
| <b>Fees Based on Gross Claim DOLLAR Amount (GCA) for Task assignment Model</b>  |                |                |
| <b>Gross Claim Amount (GCA)</b> means the lesser of the policy limits or the agreed cost to repair or replace before application of depreciation, deductible, or other applicable limits. (Not to exceed policy limits without written request and approval by Citizens.) |                |                |
| <b>GCA From</b>   | <b>GCA To</b>  | <b>GCA FEE</b> |
| \$0.00  | \$2,500.00     | \$270.00       |
| \$2,500.01  | \$5,000.00     | \$360.00       |
| \$5,000.01  | \$7,500.00     | \$427.50       |
| \$7,500.01  | \$10,000.00    | \$495.00       |
| \$10,000.01   | \$15,000.00    | \$562.50       |
| \$15,000.01   | \$20,000.00    | \$652.50       |
| \$20,000.01   | \$25,000.00    | \$720.00       |
| \$25,000.01   | \$30,000.00    | \$787.50       |
| \$30,000.01   | \$35,000.00    | \$855.00       |
| \$35,000.01   | \$40,000.00    | \$1035.00      |
| \$40,000.01   | \$50,000.00    | \$1237.50      |
| \$50,000.01   | \$75,000.00    | \$1350.00      |
| \$75,000.01   | \$100,000.00   | \$1719.00      |
| \$100,000.01  | \$150,000.00   | \$2475.00      |
| \$150,000.01  | \$200,000.00   | \$3060.00      |
| \$200,000.01  | \$300,000.00   | \$3600.00      |
| \$300,000.01  | \$500,000.00   | \$4500.00      |
| \$500,000.01  | \$750,000.00   | \$6300.00      |
| \$750,000.01  | \$1,000,000.00 | \$8100.00      |
| \$1,000,000.01  | And up         | 1.0%           |

| <b>TABLE 1B</b>   |               |                |
|---|---------------|----------------|
| <b>Fees Based on Gross Claim DOLLAR Amount (GCA) for Managed Claims Model</b> |               |                |
| <b>GCA From</b>   | <b>GCA To</b> | <b>GCA FEE</b> |
| \$0.00  | \$2,500.00    | \$607.50       |
| \$2,500.01  | \$5,000.00    | \$697.50       |
| \$5,000.01  | \$7,500.00    | \$787.50       |
| \$7,500.01  | \$10,000.00   | \$877.50       |
| \$10,000.01   | \$15,000.00   | \$967.50       |
| \$15,000.01   | \$20,000.00   | \$1057.50      |
| \$20,000.01   | \$25,000.00   | \$1147.50      |
| \$25,000.01   | \$30,000.00   | \$1237.50      |
| \$30,000.01   | \$35,000.00   | \$1327.50      |
| \$35,000.01   | \$40,000.00   | \$1507.50      |
| \$40,000.01   | \$50,000.00   | \$1687.50      |
| \$50,000.01   | \$75,000.00   | \$2137.50      |
| \$75,000.01   | \$100,000.00  | \$2587.50      |
| \$100,000.01  | \$150,000.00  | \$3487.50      |

| TABLE 1B<br>Fees Based on Gross Claim DOLLAR Amount (GCA) for Managed Claims Model |                |            |
|--|----------------|------------|
| \$150,000.01   | \$200,000.00   | \$4387.50  |
| \$200,000.01   | \$300,000.00   | \$5287.50  |
| \$300,000.01   | \$500,000.00   | \$9000.00  |
| \$500,000.01   | \$750,000.00   | \$13500.00 |
| \$750,000.01   | \$1,000,000.00 | \$15300.00 |
| \$1,000,000.01   | And up         | 1.35%      |

| TABLE 2<br>SINKHOLE FEE SCHEDULE   |          |
|--|----------|
| FEE TYPE   | AMOUNT   |
| <b>Flat Fee – Sinkhole Field Assignment:</b> This fee applies to residential policies with full inspection comprehensively documenting all sinkhole related damages. The reporting requirements will be a narrative with activities, estimate of damages, recorded statement with insured, photos and all supporting documentation. This is a per claim fee with the exception of claims involving Commercial Policies | \$630.00 |

| TABLE 3<br>THIRD PARTY LIABILITY FEE SCHEDULE  |   |
|--|---|
| FEE TYPE   | AMOUNT  |
| Flat Fee – Standard Liability Property Damage Claims   | \$427.50                                      |
| Flat Fee – Standard Liability Bodily Injury Claims   | \$738.00                                      |
| Flat Fee – Complex Liability Cases, i.e., fatalities, catastrophic injuries, claims with multiple claimants or numerous witnesses, etc. will, upon approval of the Citizens' Liability Claim Representative, be handled on a Time and Expense Basis. | This will be paid on a Time and Expense Basis |

| TABLE 4<br>MISCELLANEOUS FEE SCHEDULE  |  |
|--|--|
| FEE TYPE   | AMOUNT   |
| <b>Inspection Fee With Damage:</b>   | Use fees in Tables 1A & 1B                                 |
| <b>Claim Without Estimate:</b> This fee applies when the insured elects to not proceed with the claim after assignment to a Vendor but prior to the initial inspection and before completing the inspection. The reporting requirement will be documented in the Claims Management System.   | \$67.50  |
| <b>Additional Damage Requiring Inspection:</b> This fee applies to losses that require an additional inspection for additional damages reported by the policyholder or their representative. This is not intended for an additional inspection resulting from an Adjuster's failure to properly complete the initial scope. (Example: a customer reports additional damage resulting from rains that occurred prior to having roof repairs completed). | \$45.00 plus any changes in fee resulting from revised GCA |
| <b>Minimum Supplemental Fee:</b> This fee applies if the calculation of a fee for supplemental assignment under the GCA schedules (Non-Catastrophe Table 1A and Catastrophe Table 1B) is less than this minimum amount, then this minimum amount should be invoiced.   | \$135.00   |
| <b>Erroneous Assignments:</b> This fee applies when an initial assignment to the Adjuster was made in error and no inspection has occurred.  | \$45.00  |

|   |          |
|---|----------|
| <b>Residential Obvious Total Losses:</b> This fee applies for obvious total losses that require estimate by square footage of the slab or footprint due to the total destruction of the structure. This fee applies for Coverage A only. Fee Schedule Table 1 will apply for the cumulative GCA for any additional coverage lines and is in addition to this fee. | \$630.00 |
| <b>Mobile Home Obvious Total Losses:</b> This fee applies to obvious total losses that require photos and an estimate by square footage due to the total destruction of the structure. This fee applies for Coverage A only. Fee Schedule Table 1 will apply for the cumulative GCA for any additional coverage lines, and is in addition to this Fee.            | \$630.00 |
| <b>Additional Fee for Steep Roof:</b> This fee applies for a steep roof which requires the use of a rope and harness. Prior approval by Citizens is required for this fee to apply.   | \$135.00 |
| <b>Facility / Technology Charge:</b> Citizens charges this fee to the Vendor for the use of Citizens facilities, satellite, computer, data, internet and phone usage, per access when Vendor staff is working in a Citizens' office or designated location.   | \$15.00  |

| <b>TABLE 5<br/>DAILY RATES</b> |          |
|--------------------------------|----------|
| <b>Associate Adjuster</b>      | \$330.00 |
| <b>Adjuster I</b>              | \$420.00 |
| <b>Adjuster II</b>             | \$510.00 |
| <b>Adjuster III</b>            | \$600.00 |
| <b>Team Lead I</b>             | \$510.00 |
| <b>Team Lead II</b>            | \$600.00 |
| <b>Team Lead III</b>           | \$690.00 |

| <b>TABLE 6<br/>Quality Assurance File Auditor and Re-Inspector Daily Rates</b> |           |
|--|-----------|
| Quality Assurance File Auditor I   | \$600.00  |
| Quality Assurance File Auditor II  | \$825.00  |
| Quality Assurance Team Lead I  | \$690.00  |
| Quality Assurance Team Lead II   | \$1000.00 |

**Table 7: Time and Expense Rates**

Property files approved by Citizens for Time & Expense billing will not be eligible for a fee based upon Gross Claim Amount or Daily Rates. Time & Expense will be billed in accordance with the following rates and provisions. All files subject to Time & Expense billing must be pre-approved in writing by Citizens. Time and Expenses will be compensated on a Mileage Rate unless pre-approved by Citizens for "Drive Time".

| <b>TABLE 7<br/>TIME AND EXPENSE RATES</b> |                                   |
|---|-----------------------------------|
| <b>EXPENSE</b>                            | <b>AMOUNT</b>                     |
| Adjuster I                                | \$57.50 per hour                  |
| Adjuster II                               | \$70.00 per hour                  |
| Adjuster III                              | \$82.50 per hour                  |
| Quality Assurance Re-Inspector I          | \$82.50 per hour                  |
| Quality Assurance Re-Inspector II         | \$137.50 per hour                 |
| Drive Time*                               | 75% of the applicable hourly rate |
| Clerical                                  | \$10.80 per hour                  |
| Mileage                                   | Per Citizens travel policy        |

\* The Drive Time rate will be paid in lieu of the hourly rate for all personnel and is not cumulative with other fees for the same time.