



TASK ORDER NO. 2 TO THE INTERNAL AUDIT CONSULTING SERVICES AGREEMENT WITH KPMG LLP

THIS TASK ORDER (the “Task Order”) is issued by CITIZENS PROPERTY INSURANCE CORPORATION (“Citizens”), whose principal address is 2101 Maryland Circle, Tallahassee, Florida 32303, and KPMG LLP (Vendor), located at 345 Park Avenue, New York, NY 10154, collectively referred to herein as the “Parties.”

Citizens and the Vendor agree to the following:

- I. **MASTER AGREEMENT:** This Task Order is directly related and subject to Agreement No. 17-16-0005-05 between Citizens and Vendor (the “Master Agreement”).
- II. **SCOPE OF WORK:** Citizens and Vendor agree that Services and any Deliverables for this Task Order are set forth as follows:

Effective Date	Vendor’s work related to this Task Order shall begin upon the date on which the last Party executed this Task Order.
Expiration Date	This Task Order shall expire on December 31, 2025, or upon the conclusion of the work set forth herein, unless otherwise mutually agreed to in writing by the Parties.
Citizens’ Contact for Task	<u>John Fox</u> Director Internal Audit Office of the Internal Auditor (OIA) Citizens Property Insurance Corporation 301 West Bay Street, Suite 1300 Jacksonville, FL 32202 Mobile: 904.576.5542 Email: John.fox@citizensfla.com
Vendor’s Contact for Task	[REDACTED] Managing Director KPMG LLP Address: [REDACTED] Phone: [REDACTED] Email: [REDACTED]
Scope of Work to be Performed by Vendor	Background: In December 2024, the Citizens’ Board of Governor’s requested an independent, external audit be conducted for claims closed without payment related to hurricanes Debby, Helene, and Milton.

	<p>Anticipated Audit Timeframe: Audit testing will begin on approximately December 16, 2024, and the audit work papers' summary and recommendations will be delivered throughout the project and completed by January 24, 2025. Any extensions will be mutually agreed upon by Citizens and Vendor.</p> <p>Scope: Vendor will lead review of 630 hurricane Debbie, Helene, and Milton claims closed without payment. Citizens will agree to and approve the final sample size.</p> <ul style="list-style-type: none">• Hurricane Debby Scope Period: August 3, 2024 – December 3, 2024• Hurricane Helene Scope Period: September 27, 2024 – December 3, 2024• Hurricane Milton Scope Period: October 9, 2024 – December 3, 2024 <p>Objective: To assess the appropriateness of claims closed without payment.</p> <ul style="list-style-type: none">• In accordance with industry standards and Citizens' claim handling instructions, Vendor will be responsible for leading the review of each claim and assessing whether closing the claim without payment was appropriate.• Validate denial reasoning and confirm proper documentation is included in the claim file to support the decision.• Provide oversight and quality assurance review of the claim review conducted by Citizens' Internal Audit resources.• Provide a summary and recommendations.• Vendor will provide assistance when calibrating review results with the original assessment. <p>Vendor's Services as outlined in this Task Order constitute an advisory engagement conducted under the American Institute of Certified Public Accountants ("AICPA") Standards for Consulting Services. Such Services are not intended to be an audit, examination, attestation, special report or agreed-upon procedures engagements as those services are defined in AICPA literature applicable to such engagements conducted by independent auditors. Accordingly, these Services shall not result in the issuance of a written communication to third parties by Vendor directly reporting on financial data or internal control or expressing a conclusion or any other form of assurance.</p> <p>For clarity, KPMG is executing a claims internal audit utilizing the Citizens' internal audit assurance methodology in support of the objectives and scope described above.</p>
--	--

<p>Citizens' Responsibilities</p>	<ul style="list-style-type: none"> • Provide Citizens' Internal Audit resource(s) to assist with review of the claims. • Provide all documentation and policies relevant to the performance of the audit. • Maintain senior management sponsorship for the project. • Provide timely access to appropriate personnel for interviewing and review. This will include assisting in facilitating necessary meetings and gathering internal data. • Maintain overall responsibility for management decisions concerning the project. • Provide ongoing direction regarding scope and objectives. • Timely review of any Vendor deliverables. • Maintain responsibility for writing the final report, branded under Citizen's, leveraging findings and recommendations provided by Vendor. 										
<p>Deliverables</p>	<p>As this is a co-sourced project:</p> <ul style="list-style-type: none"> • Vendor will not issue any branded deliverables as part of this Task Order. • Vendor will provide work products created, including testing workpapers and a summary of findings and recommendations for the final report to be completed by Citizens. 										
<p>Total Cost</p>	<p>Services under this Task Order will be completed for a fixed fee of \$115,000.</p>										
<p>Team Structure</p>	<p>Citizens will compensate Vendor at the fixed fee described above using a mix of the resources listed in the table below.</p> <table border="1" data-bbox="581 1234 1412 1646"> <thead> <tr> <th data-bbox="581 1234 1000 1316">Name</th> <th data-bbox="1000 1234 1412 1316">Title</th> </tr> </thead> <tbody> <tr> <td data-bbox="581 1316 1000 1398">[REDACTED]</td> <td data-bbox="1000 1316 1412 1398">Managing Director</td> </tr> <tr> <td data-bbox="581 1398 1000 1480">[REDACTED]</td> <td data-bbox="1000 1398 1412 1480">Director</td> </tr> <tr> <td data-bbox="581 1480 1000 1562">[REDACTED]</td> <td data-bbox="1000 1480 1412 1562">Director</td> </tr> <tr> <td data-bbox="581 1562 1000 1646">[REDACTED]</td> <td data-bbox="1000 1562 1412 1646">Manager</td> </tr> </tbody> </table>	Name	Title	[REDACTED]	Managing Director	[REDACTED]	Director	[REDACTED]	Director	[REDACTED]	Manager
Name	Title										
[REDACTED]	Managing Director										
[REDACTED]	Director										
[REDACTED]	Director										
[REDACTED]	Manager										
<p>Travel Required</p>	<p>All Vendor work will be performed remotely and via conference calls with Citizens.</p>										

III. **PUBLIC RECORDS ADDENDUM.** Vendor agrees that the Public Records Addendum attached hereto as Addendum 1 to Task Order No. 2, (the "Addendum") is hereby incorporated into this Agreement in order to address the public posting of this Task Order No. 2, and its disclosure to third parties.

Except when the Task Order specifically references the sections and paragraphs of the Master Agreement which are being superseded, in the case of a conflict of terms or provisions between the Master Agreement and any Task Order related to this Master Agreement, the Master Agreement shall take precedence. If a Task Order supersedes a portion of the Master Agreement, it shall be limited solely to that particular Task Order.

If a conflict exists, the non-conflicting portion(s) of the term or provision of the less controlling documents shall remain enforceable.

[Signature Page Follows]

Executed on the dates set forth below by the undersigned authorized representatives of the Parties to be effective as of the date of the last signature set forth below.

**CITIZENS PROPERTY
INSURANCE CORPORATION:**

SIGNATURE: _____

PRINT NAME: _____

TITLE: _____

DATE: _____

DocuSigned by:
Jennifer Montero
E994D7F8EC85407...

SIGNATURE: _____

Jennifer Montero

PRINT NAME: _____

CFO

TITLE: _____

12/20/2024

DATE: _____

KPMG:

DocuSigned by:
Alissa Ristic
F7926612540F475...

SIGNATURE: _____

Alissa Ristic

PRINT NAME: _____

Advisory Managing Director

TITLE: _____

12/20/2024

DATE: _____

ADDENDUM 1 PUBLIC RECORDS ADDENDUM

Company Name (“Vendor”): KPMG LLP
Agreement Name/Number (“Agreement”): Task Order No. 2 to the Internal Audit Consulting Services Agreement No. 17-16-0005-05
Contract Document Covered By This Addendum: Task Order No. 2
Primary Vendor Contact Name: Anthony Monaco
Telephone: 212-872-6448
Email: amonaco@kpmg.com

Citizens is subject to Florida public records laws, including Chapter 119, Florida Statutes. As a part of providing public access to Citizens’ records, Citizens makes its contracts available on Citizens’ external website located at www.citizensfla.com/contracts. This Addendum is incorporated into the Agreement in order to address Citizens’ public posting of the Agreement and its disclosure to third parties.

If Vendor asserts that any portion of the Agreement is exempt from disclosure under Florida public records laws, (the “Redacted Information”), such as information that Vendor considers a protected “trade secret” per Section 815.045, Florida Statutes, then Vendor must select the corresponding declaration below and provide the following to Vendor.ManagementOffice@citizensfla.com:

- (1) **A copy of the Agreement in PDF format with the Redacted Information removed (the “Redacted Agreement”); and,**
- (2) **A dated statement on Vendor’s letterhead in PDF format clearly identifying the legal basis for Vendor’s redaction of the Redacted Information (the “Redaction Justification”).**

Vendor must select one of the two declarations below. If Vendor does not select one (1) of the two (2) declarations below, or if Vendor fails to provide the Redacted Agreement and Redaction Justification within thirty (30) calendar days of Vendor’s receipt of the fully executed Agreement, then without further notice to Vendor, Citizens may post the non-redacted version of the Agreement on its public website and may release it to any member of the public.

<u>Vendor Declaration:</u>
<input type="checkbox"/> Vendor WILL NOT SUBMIT a Redacted Agreement. Citizens may post Vendor’s full, complete, and non-redacted Agreement on its public website, and may release the Agreement to any member of the public without notice to Vendor.
<p>Or</p> <input type="checkbox"/> Vendor asserts that a portion of the Agreement is confidential and/or exempt under Florida Public Records law. Therefore, Vendor WILL SUBMIT a Redacted Agreement and a Redaction Justification within thirty (30) calendar days of receipt of the fully executed Agreement. Citizens may post Vendor’s Redacted Agreement on its public website, or release it to any member of the public, without notice to Vendor. If Citizens receives a public records request for the Agreement, Citizens will provide only the Redacted Agreement and Redacted Justification to the requestor. Vendor acknowledges that, in the event of any legal challenge regarding these redactions, Vendor will be solely responsible for defending its position or seeking a judicial declaration.