

Citizens Property Insurance Corporation

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Citizens Sinkhole Stabilization Managed Repair Program

January 15, 2014

Intent for the Sinkhole Managed Repair Program

Sinkhole Managed Repair Program Highlights

- Voluntary Program for Policyholders to select a Vendor from the Managed Repair Program
- Vendors will be credentialed with background checks conducted
- Program will include stabilization Vendors licensed for all types of sinkhole repairs
- Policyholder may select Vendors outside of the Program and will not lose any rights with respect to the method of repair they elect

Program Benefits

- Provide safety and security for our policyholders by stabilizing home
- Provide credentialed vendors who in turn provide 5 year warranties
- Improve local real estate markets with documented home repairs
- Improve local tax base by restoring homes to market value

Policyholder Benefits

- Improved Policyholder satisfaction
- Immediate access to a network of experienced and credentialed stabilization service Vendors
- Voluntary selection by the Policyholder utilizing the Managed Repair Program or a Vendor of their choice
- Decreases the inherent risk when engaging Vendors of an unknown quality from outside the network
- 5 year written warranty transferable to all new title holders backed by Citizens

Policyholder Benefits

- Performance and Payment bond requirements prior to any stabilization services beginning
- Engineering firm validation of completion of Statement of Work
- Mitigates the further erosion to property values and the property tax base by ensuring the appropriate repair of sinkhole damaged homes
- The Policyholder is entitled to all rights under the insurance policy to the nature and extent of the repairs

Vendor Selection and Credentialing

Vendor Selection

- Awarded Vendors in an “Active” status will be placed on a randomized list and provided to the Policyholder for selection
- If the Policyholder requests Citizens to assign the Vendor, a round robin assignment process will be utilized
- Policyholder may select a Vendor of their choice not engaged in the Managed Repair Program
- Itemized price list is utilized to standardize the pricing according to normal and customary sinkhole repairs
- All respondents that meet the following will be eligible to participate:
 - Minimum five years in business
 - Minimum insurance requirements
 - Documented experience in residential and commercial sinkhole stabilization projects
 - Payment and performance bonding capacity for each project assigned
 - Minimum five year labor and material warranty against structural damage

Vendor Credentialing

Entity Level Credentialing

- Vendor Florida Registrations (“Sunbiz”)
- Vendor Form W-9, Request for Taxpayer Identification Number and Certification
- Certificate(s) of Insurance
- Entity Statement of Experience for Residential Stabilization Projects
- Entity Statement of Experience for Commercial Stabilization Projects
- Statement of Bonding Capacity
- Five Year Warranty

Designee Level Credentialing

- Certified Contractor License for all Vendor principals
- Criminal Background Investigation Report
- Criminal History (Federal, State & County)
- Sexual Offender Registries
- Government & Terrorist Watch Lists
- Identity Verification Reports
- Personal Reference Reports
- Designee Statement of Experience for Stabilization Projects
- Ethics & Confidentiality Acknowledgement Form
- Vendor Conflict of Interest Disclosure Form
- Personnel Photo
- Drug-Free Workplace Certification

**Only applies to Citizens Sinkhole Managed Repair Program Vendors*

Warranty and Bonding

Five-Year Warranty

- Vendor must provide a minimum 5-year written warranty against structural damage resulting in the failure of the Vendor's stabilization services at no additional cost to either the Policyholder or Citizens and be underwritten by the Vendor
- Terms & Conditions
 - Policyholder is the named Beneficiary
 - Warranty period begins when the Engineering Firm and the Policyholder sign off that the SOW is complete
 - Covers defects in workmanship and defects in materials
 - Transferable to all new title holders for the life of the warranty
 - Changes in ownership of the Vendor must include language that honors the warranty under the new ownership
- Should the Vendor not be able to honor the warranty, Citizens will assume the responsibility for insuring that the terms and conditions of the warranty are met

Certificates of Bonding

- Vendor must meet bonding requirements prior to work commencing
 - Citizens must be named as Obligee
 - Performance Bond must at a minimum be equal to the agreed Cost Estimate by project
 - Payment Bond must at a minimum be equal to an amount sufficient to pay all suppliers and subcontractors

Performance and Insurance Requirements

Performance Requirements

Performance Requirements	Service Level Agreements (SLAs)
MRP Vendor Contact w/Policyholder After Assignment	Within one (1) Business Day of the Project Assignment Date
MRP Vendor Questions Regarding SOW or Pricing	Prior to Submission of agreement to provide services as specified by the SOW or Cost Estimate
Agreed SOW and Cost Estimate to Citizens	Within two (2) Business Days of the Project Assignment Date
Policyholder Executed Agreement to Citizens	Within two (2) Business Days of the Policyholder Executed Agreement
Certificates of Bonding	Within five (5) Business Days of Policyholder Executed Agreement
Delivery of Warranty Documents at Project Closeout	Within three (3) Business Days of Receipt of Engineering Firm Final Report
Project Status Updates	Within one (1) Business Day of the Change in Status
Agreed Revised SOW and Cost Estimate to Citizens (if required)	Within two (2) Business Days of Receipt of Amended SOW
Revised Certificates of Bonding (if required)	Within five (5) Business Days of revised Cost Estimate agreement date

Additional Performance Measures

- Project Cycle Times will be measured from assignment of loss to delivery of project close out documents to the Policyholder.
- Complaints by Policyholders, Citizens staff and/or Engineering Firms regarding job performance, timeliness and professional demeanor will be tracked.
- Breach of Service Levels if Vendor fails to fully and satisfactorily provide or perform any service during the term of the Agreement, such failure should constitute a material breach of the Agreement.

Insurance Requirements

Sinkhole MRP Vendor			
Coverage	Per Occurrence	Aggregate	Additional Notes
Workers Compensation	\$1,000,000	\$1,000,000	
Employers Liability	\$1,000,000	\$1,000,000	
Commercial General Liability	\$1,000,000	\$2,000,000	Citizens named as additional insured
Auto Liability	\$1,000,000		Citizens named as additional insured
Umbrella/Excess Liability		\$4,000,000	
Professional Liability (E&O)	\$2,000,000	\$2,000,000	

Questions