

## **PARTICIPATION AGREEMENT**

This Participation Agreement (herein after referred to as the “Agreement”) is entered into this \_\_\_ day of \_\_\_\_\_ 20\_\_ between Citizens Property Insurance Corporation (herein after referred to as “Citizens”), and \_\_\_\_\_ (herein after referred to as the “Participating Insurer”)

**WHEREAS**, Citizens desires to enter into a program with authorized property insurers to enhance offers of coverage to persons currently insured by or seeking new coverage from Citizens and to confirm eligibility for coverage by Citizens.

**WHEREAS**, the Participating Insurer desires to participate in this program entitled the Clearinghouse, which is an organizational unit within Citizens, and as authorized by s. 627.3518, F.S.

**NOW THEREFORE**, in consideration of the mutual covenants herein contained the parties agree as follows:

### **I. TERM OF AGREEMENT.**

The Agreement shall be effective upon the second party executing the Agreement and shall continue thereafter unless participation is suspended or terminated by the Participating Insurer or Citizens in accordance with Section V below.

### **II. QUALIFICATIONS AND INDEPENDENT CONTRACTOR STATUS.**

**A. Qualifications for the Participating Insurer.** The Participating Insurer must possess a Florida Certificate of Authority to write property insurance and the Participating Insurer must have filed and approved Florida rates and forms for any type of property insurance for which it makes an offer for coverage. At the Participating Insurer’s expense, the Participating Insurer must have the information technology capability necessary to perform under this Agreement and interface with any designated Clearinghouse vendor IT system. To the extent that any proprietary underwriting information from a private vendor is provided to the Participating Insurer, the Citizens will pay for the cost of the transmission of this information to the Participating Insurer. However, it will be the Participating Insurer’s responsibility to obtain the necessary licensing agreements from the private vendor at its expense to be entitled to receive such proprietary information.

**B. Participating Insurer’s Independent Contractor Status.** The Participating Insurer is an independent contractor and neither its employees nor assistants are employees of the Clearinghouse or Citizens. The Participating Insurer shall be free to exercise the Participating Insurer’s own judgment as to the persons or entities to which it will make an offer of coverage under the Program.

### III. RESPONSIBILITIES AND LINES OF BUSINESS

**A. Responsibilities.** The Participating Insurer agrees to abide by the following:

1. In the event the Participating Insurer accepts a policy through the Clearinghouse from an agent who is not appointed by the Participating Insurer, to enter into standard agency agreement for any such agent who is appointed or limited agency agreement with such agent who is not appointed.
2. When making an offer of coverage through the Clearinghouse, to issue such offer as a binding offer of coverage within two (2) business days of receipt from the Clearinghouse of the new application or Citizens renewal policy data.
3. That any binders issued for new applications or Citizens policies at renewal are for at least 30 days, but not more than 60 days.
4. To comply with Section 627.4133(2) F.S.
5. To pay the producing agent for coverage placed through the Clearinghouse commissions equal to Citizens, or Participating Insurer's usual and customary commissions, whichever is greater.
6. To advise the Clearinghouse of any risks offered coverage on both new business applications and renewal policies.
7. To advise the Clearinghouse of any risk canceled within ninety (90) days from issuance of the binding offer of coverage through the Clearinghouse, including the reason for cancellation.
8. If Clearinghouse does furnish to the Participating Insurer any records (including, but not limited to, policy forms, software rating computer disks, or underwriting manuals) such records shall remain property of Clearinghouse and shall be accounted for and returned by the Participating Insurer to Clearinghouse no later than ten (10) days after written demand.
9. To not use consumer data received through the Clearinghouse for marketing of other products or services.
10. To not publish or distribute any advertisements, circulars or other materials referring to Clearinghouse or Citizens without first securing Clearinghouse or Citizens written approval.
11. To comply with the Florida Insurance Code.
12. That producing agent/applicant will be given five business days to accept an offer of coverage.
13. To meet the information technology interface referenced in Section II. A. above, providing sufficient information for confirmation of eligibility to occur based on the Participating Insurer's premium for comparable coverage.

14. When making an offer of coverage through the Clearinghouse, the quote must meet the requirements of the secondary mortgage market.

**B. Lines of Business.** The line of business for which Clearinghouse participation is available at this time is Personal Residential Policies. Procedures for Commercial Residential Policies will be developed. When such procedures are developed they will be memorialized by an amendment to this Agreement.

#### **IV. RECORDS AND OWNERSHIP OF EXPIRATIONS**

**A. Ownership of Records.** The producing agent owns all files, documents, writings, notes, written memoranda and expirations (“Records”) produced by the agent in connection or association with any policy issued by the Participating Insurer as a result of applications received from the Clearinghouse.

**B. Confidentiality.** All information provided to the Participating Insurer by the Clearinghouse which is confidential under state and federal law (see s. 627.351(6)(x), F.S., and 15 U.S.C. §§6801 et sec.) shall only be used for the purposes set forth herein. **Attachment A must be executed with regard to obtaining underwriting or claims file information for risks insured by Citizens.** The information shall not be released to any person(s) or entity or used for any other purpose without the expressed written consent of the Clearinghouse. Proprietary business information provided to the Clearinghouse by Insurers with respect to identifying and selecting risks for an offer of coverage is confidential and exempt from s. 119.07(1), F.S. and s. 24(a), Art. I of the State Constitution as provided by section 627.3518, Florida Statutes.

#### **V. SUSPENSION OR TERMINATION OF PARTICIPATION.**

**A. Notice.** The Participating Insurer may immediately suspend participation upon notice to Citizens. After it has suspended participation, the Participating Insurer may resume participation upon five (5) days notice to the Clearinghouse.

**B. Certain events.**

1. The Citizens may terminate this Agreement immediately upon written notice to the Participating Insurer, should the Participating Insurer have its authority to write property and casualty insurance in Florida limited, suspended or revoked.

2. The Citizens may establish written standards of conduct for Participating Insurers for participation in the Clearinghouse. A Participating Insurer’s failure to meet these standards of conduct may result in the termination of this Agreement by the Citizens.

## VI. MISCELLANEOUS.

**A. Modification.** The Agreement may only be modified or amended upon mutual written agreement of Citizens and Participating Insurer. No oral agreements or representations shall be valid or binding upon Citizens or Participating Insurer. No alteration or modification of the Agreement terms shall be valid or binding against Citizens or Participating Insurer.

**B. Waiver.** The delay or failure by a party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of the party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof, or the exercise of any other right.

**C. Florida Law, Jurisdiction, Venue, and Service of Process.** This Agreement shall be deemed to have been made in the State of Florida and shall be subject to, and governed by, the laws of the State of Florida, and no doctrine of choice of law shall be used to apply any law other than that of the State of Florida. Each party hereby irrevocably consents and submits to the exclusive jurisdiction of the State courts located in Leon County of Tallahassee, Florida, for all purposes under this Agreement, and waives any defense to the assertion of such jurisdiction based on inconvenient forum or lack of personal jurisdiction. The parties also agree to waive any right to a jury trial.

**D. Notice.** Any notice required or permitted to be given under this Agreement shall be sufficient if in writing, and shall be deemed served, if deposited in the United States Registered or Certified Mail, Return Receipt Requested, or reasonable equivalent including email with "read receipt", and addressed as set forth below, or to such other address as the parties may from time to time designate by written notice given in conformity herewith.

**E. Contract Administrator:** Citizens shall name a Contract Administrator during the term of this Contract whose responsibility shall be to maintain this Contract. As of the Effective Date, the Contract Administrator is: Lori Newman

Citizens shall provide written notice to Participating Insurer of any changes to the Contract Administrator; provided, such changes shall not be deemed Contract amendments.

**F. 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 Participating Insurer's Contract Managers are as follows:

**Citizens' Contract Manager**

Steve Bitar

2312 Killearn Center Boulevard, Tallahassee FL 32309

Tallahassee, FL 32301

**Participating Insurer's Contract Manager**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**G. Headings.** The sections and headings herein contained are for the purposes of identification only, and shall not be considered in construing this Agreement.

**H. Counterparts.** The Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

**I. Warranty of Authority.** Each person signing the Agreement warrants that he or she is duly authorized to do so and to bind the respective party to the Agreement.

**J. Notification.** It is the agent's responsibility to notify the Clearinghouse when coverage has been placed through the Clearinghouse and must notify the Clearinghouse within five days of the binding of coverage.

Agreed and accepted:

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

On behalf of the **Participating Insurer**,  
by:  
Participating Insurer's Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed Name

\_\_\_\_\_  
Typed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
FEIN

## Attachment A

### Agreement to Maintain Confidential Underwriting and Claims Files

Pursuant to section 627.351 (6) (x) 2., Florida Statutes, as an authorized insurer considering underwriting risks insured by Citizens through the Clearinghouse program, relevant underwriting or claims files may be released to my company and my company agrees hereby to maintain the confidentiality of such files.

\_\_\_\_\_  
Name of Authorized Insurer

\_\_\_\_\_  
Name of person authorized on behalf of Insurer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

SWORN AND SUBSCRIBED before me, a duly licensed notary public, by \_\_\_\_\_, who is \_\_\_\_\_ personally known to me or \_\_\_\_\_ who presented \_\_\_\_\_ as identification, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC