



## **AGREEMENT FOR CONTRACTOR MANAGED REPAIR PROGRAM**

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This Agreement ("Agreement") is between CITIZENS PROPERTY INSURANCE CORPORATION ("**Citizens**"), a legislatively created Florida governmental entity, having its principal place of business at 2101 Maryland Circle, Tallahassee, Florida 32303, and CRAWFORD & COMPANY, through its division, CONTRACTOR CONNECTION ("**Crawford**") having its principal place of business at 10550 Deerwood Park Boulevard, Suite 100 Jacksonville, Florida 32256. Citizens and Crawford shall each be known as a "Party," and collectively shall be known as the "Parties."

### **Recitals and Overview**

On September 9, 2015, Citizens issued an Invitation to Negotiate No. 15-0011 for Contractor Repair Services Program (the "Solicitation"). Crawford's response to the Solicitation was accepted by Citizens, subject to the terms set forth in this Agreement.

Crawford will manage and credential a network of independent general contractors (the "CAIS Network Contractors", as further defined herein) to provide a variety of emergency mitigation and repair services as a part of Citizens' Contractor Managed Repair Program ("CMRP") established by Citizens. Crawford is tasked with oversight, management, training, and quality assurance monitoring of the CAIS Network Contractors that provide certain emergency and repair services (as more specifically described herein) in support of the CMRP. This includes the administration of the credentialing process by Crawford utilizing the Citizens credentialing system, the acceptance of assignments using the systems of Citizens ("Assignments," as further described herein), and the submission of information and data to manage the administrative, emergency mitigation, and repair services provided by, as the case may be, Crawford and the CAIS Network Contractors within the systems of Citizens.

### **Terms of Agreement**

In consideration of the mutual promises and restrictions stated in this Agreement, the Parties acknowledge and agree as follows:

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
  - 1.1. "Administrative Services" means all necessary administrative activities performed by Crawford to ensure its successful performance of this Agreement, including recruiting, credentialing, program training, Program Assignment management, quality assurance, dispute resolution, Workmanship Warranty enforcement, and performance monitoring.
  - 1.2. "Assignment" means the assignment by Citizens to Crawford (named the "Parent Entity" in CAIS) in order to administer and provide Emergency Water Mitigation Services and/or Repair Services. Once an Assignment is directed by Crawford to a CAIS Credentialed Network Contractor, the Assignment becomes a "Program Assignment" as further described in Section 1.33.

- 1.3. "Acknowledgement of Payment" means a document executed by the Policyholder acknowledging that Citizens will directly pay the CAIS Network Contractor. Crawford shall create and maintain the form of the Acknowledgement of Payment, subject to Citizens' prior review and approval.
- 1.4. "Board Up/Tarp Services" means all activities, performed by a CAIS Network Contractor, associated with the reasonable and necessary means needed to temporarily secure the damaged or exposed portion of a Property following a loss including: (a) enclosing any structural openings to a Property, including breaches in the structure, windows and doors; (b) tarp services used to prevent the intrusion of outside elements that may cause further damage to a Property; and, (c) at the request of Citizens, "pack out" and securing of the contents of a Property.
- 1.5. "CAIS" means the "Credentialing Administrative Information System" of Citizens, which is a secure on-line system used to submit, review, and maintain credentialing information for Crawford, CAIS Network Contractors, and the CAIS Credentialed Designee Group. GAM, as defined in this Section, is a component of CAIS.
- 1.6. "CAIS Credentialed Designee Group" means those Crawford Resources and individuals working within CAIS Network Contractors, credentialed in accordance with the CAIS Credentialing Requirements and approved by Citizens, who have been designated by Crawford to have the following roles or who have been delegated the following duties by Crawford: (a) Firm Principal; (b) Primary Business Contact of either Crawford or a CAIS Network Contractor; (c) Project Supervisor; and, (d) any individual with access to CAIS.
- 1.7. "CAIS Network Contractor" (named a "Child Entity" within CAIS) means a person, entity, or company, including their employees, agents, representatives, and contractors, that is a Service Provider, as the same is defined by the contract between Crawford and such person, entity, or company, which, after being credentialed in accordance with the CAIS Credentialing Requirements and approved by Citizens, is eligible to receive Program Assignments and perform Emergency Water Mitigation Services and Repair Services. A CAIS Network Contractor is an independent contractor [REDACTED] of Crawford.
- 1.8. "CAIS Network Contractor Primary Business Contact" means a member of the CAIS Credentialed Designee Group, designated by the CAIS Network Contractor as their representative, who is dedicated to supporting Citizens by serving as a liaison between the CAIS Network Contractor and Citizens, or, if an issue is elevated beyond the CAIS Network Contractor and the Policyholder.
- 1.9. "Certificate of Satisfaction" means a form which has been created by Crawford with Citizens' prior approval which is utilized to evidence a Policyholder's satisfaction with, and evidence of, completion of a Program Assignment. Such acceptance is memorialized with a Certificate of Satisfaction executed by the Policyholder.
- 1.10. "Child Entity" is the term used within CAIS to identify CAIS Network Contractors.
- 1.11. "Citizens Confidential Information" means all information, data, and documentation, whether marked as confidential or not, disclosed to, as the case may be, Crawford, Crawford Resource, CAIS Network Contractor, or Non-CAIS Credentialed Resources in the course of this Agreement that is either: (a) protected under any applicable state or federal law (including Chapter 119, Florida Statutes; Sections 501.171, and 627.351(6), Florida Statutes; Chapter 69O-128, Florida Administrative Code; and, 15 U.S.C. § 6801 et seq.); (b) private information concerning Citizens' employees or policyholders (including social security numbers, personal health information, personal credit information, banking information, drivers' license numbers, personal email addresses, personal phone

numbers, and home addresses); or, (c) related to any Citizens' manuals, lists, operating and other systems or programs, business practices or procedures, insurance policies, claimants or claims, or any business, governmental, and regulatory matters affecting Citizens. "Citizens Confidential Information" does not include any information, data or documentation that: (a) is publicly available through no fault of, as the case may be, Crawford, Crawford Resource, CAIS Network Contractor, or Non-CAIS Credentialed Resources; or, (b) developed independently by, as the case may be, Crawford, Crawford Resource, CAIS Network Contractor, or Non-CAIS Credentialed Resources without relying in any way on Citizens Confidential Information.

- 1.12. "CMRP" means the "Contractor Managed Repair Program" established by Citizens to provide Policyholders with Emergency Water Mitigation Services and Repair Services.
- 1.13. "Citizens Managed Network Vendor Program Best Claims Practices and Estimating Guidelines", as set forth in Exhibit B attached hereto and incorporated herein, as the same may be amended by Citizens from time to time, means a set of practices and guidelines developed and revised from time to time as needed by Citizens which establish the scope, technical estimate and estimate components pursuant to this Agreement, as well as articulate the operational requirements and business practices for carrying out the responsibilities of Crawford and the CAIS Network Contractor. The Citizens Managed Network Vendor Program Best Claims Practices and Estimating Guidelines shall also be known as the "Best Practices and Guidelines."
- 1.14. "Crawford Primary Business Contact," means a member of the CAIS Credentialed Designee Group, designated by Crawford as their representative, who is dedicated to supporting Citizens by serving as a liaison, as the case may be, between: (a) Crawford and Citizens; or, (b) a CAIS Network Contractor and Citizens.
- 1.15. "Crawford Confidential Information" means any information including, but not limited to, information pertaining to analyses, compilations, forecasts, studies, processes, administration, research, correspondence, manuals, customer lists, documents, technology, financial statements or condition, accounting information, assets, trade names, software, service or trademarks, business and product plans, lists or compilations, manufacturers, suppliers, prospects, contracts, contacts, and methods of doing business, pricing formulae, business and marketing strategies, insurance policies, insurance rates, insurance underwriting techniques, insurance program information, customer information, agent information, market and claims information, forms, documents, software, systems, procedures, reports, pricing methodology, contractor qualification methodology, performance monitoring programs, contractor lists, and any trade secrets, the use or disclosure of which might reasonably be construed to be contrary to the interests of Crawford, all of the above whether written, oral, graphic, or visual, object code, or source code, furnished to Citizens whether before or following the Effective Date. In order to qualify as Crawford Confidential Information, Crawford must clearly label and mark each page or section of information provided to Citizens as "confidential," "trade secret," or otherwise exempt from Chapter 119, Florida Statutes and Section 24(a), Article I, State Constitution. "Crawford Confidential Information" does not include: (a) information that is now in the public domain or subsequently enters public domain through no unauthorized act of the recipient; (b) information received on a non-confidential basis from a third party having a lawful right to disclose such information; (c) non-confidential information which was lawfully in the possession of the recipient on or prior to the effective date hereof; or, (d) information that is independently developed by the recipient without use (directly or indirectly) of the disclosing party's Confidential Information.
- 1.16. "Crawford Resource" or "Crawford Resources" means a person, entity, or company, including Crawford's employees, agents, representatives, contractors, and subcontractors

that provide Administrative Services. [REDACTED]

- 1.17. "Crawford's Emergency Water Mitigation Services Contractor Instructions" means the document which is utilized by Crawford to articulate best practices in the performance of Emergency Water Mitigation Services. Crawford shall make the Crawford's Emergency Water Mitigation Services Contractor Instructions available to Citizens upon request and Crawford will consider the incorporation of any comments provided by Citizens in relation to the same.
- 1.18. "Crawford's Managed Repair Contractor Instructions" means the document which is utilized by Crawford to articulate best practices in the performance of Repair Services. Crawford shall make the Crawford's Managed Repair Contractor Instructions available to Citizens upon request and Crawford will consider the incorporation of any comments provided by Citizens in relation to the same.
- 1.19. "Crawford's Network Contractor's Performance Objectives," means a set of performance objectives developed by Crawford to measure or articulate what is required for the successful performance of Emergency Water Mitigation Services and Repair Services. Crawford shall make the Crawford's Network Contractor's Performance Objectives available to Citizens upon request and Crawford will consider the incorporation of any comments provided by Citizens in relation to the same.
- 1.20. "Crawford's Performance Monitoring System" means the system provided by Crawford and used by Crawford to manage the performance of CAIS Network Contractors. Crawford's internal systems to manage its network are and shall remain the property of Crawford, except with respect to Citizens Confidential Information and Citizens' data, software, and other information that may be contained therein, all of which shall remain the property of Citizens.
- 1.21. "Dispute Resolution Process," as further described in Section 9, means established procedures which must be used by Crawford and CAIS Network Contractors to address any dispute with a Policyholder regarding satisfactory performance of the Citizens-approved scope of work performed as part of a Program Assignment.
- 1.22. "Effective Date" means the date on which the last Party executes this Agreement and the date upon which this Agreement is effective.
- 1.23. "Emergency Water Mitigation Services" means emergency water mitigation and drying activities, performed by a CAIS Network Contractor in response to a Program Assignment or as otherwise requested by Citizens, which are reasonable and necessary temporary measures to prevent or limit the continuation of damages resulting from the event which caused the damage. Emergency Water Mitigation Services are subject to the review and approval by Citizens.
- 1.24. "Estimating System" means the system, including pricing guidelines, which is designated by Citizens for use by Crawford and CAIS Network Contractors in the estimation of costs related to a loss. The Estimating System as of the Effective Date is Xactimate, which is third party computer software licensed by Citizens. Citizens may change such system by providing sixty (60) days' notice to Crawford's Contract Manager. The cost of any hardware, software, or Internet access with using the Estimating System shall be borne entirely by Crawford or the CAIS Network Contractor
- 1.25. "Ethics and Confidentiality Acknowledgement Form" means a form developed by Citizens which must be executed by all persons who are part of the CAIS Credentialed Designee Group to attest to the individual's acknowledgement of and compliance with the ethics and confidentiality requirements of Citizens.

- 1.26. "Firm Principal" means the individual from their respective firm who has immediate supervisory responsibilities over either the Crawford Primary Business Contact or the CAIS Network Contractor Primary Business Contact.
- 1.27. "GAM" means the Generic Assignment Module component of CAIS through which Crawford receives Assignments.
- 1.28. "IICRC" means the Institute of Inspection, Cleaning and Restoration Certification which is a certification and standard setting non-profit organization for the inspection, cleaning, and restoration industries.
- 1.29. "Inspection Report" means a report produced through the Estimating System by a CAIS Network Contractor, which is subject to Citizens' approval, for the purpose of documenting their assessment of the scope and estimated cost of damages.
- 1.30. "Non-CAIS Credentialed Resources" means those persons, entities, or companies retained by a CAIS Network Contractor as an independent contractor to provide certain Emergency Water Mitigation Services and/or Repair Services.
- 1.31. "Parent Entity" means the term used within CAIS to identify Crawford.
- 1.32. "Policyholder" means an insured named in the declarations page of the applicable Citizens' insurance policy.
- 1.33. "Program Assignment" means the placement of an Assignment with a CAIS Network Contractor who is selected by Crawford to perform the Assignment. Upon receipt of the Assignment by the CAIS Network Contractor, the Assignment becomes a Program Assignment.
- 1.34. "Project Supervisor" means an individual member of the CAIS Credentialed Designee Group who is identified by the CAIS Network Contractor upon the receipt of each Program Assignment to provide oversight and ensure the successful completion of the Program Assignment and who will: (a) be responsible for the oversight and management of a Program Assignment; (b) serve as the main representative of the CAIS Network Contractor for a Program Assignment; and, (c) serve as the point of contact tasked with communicating all required information to the Citizens' adjuster assigned to the associated claim.
- 1.35. "Property" shall mean, as the case may be, the commercial or residential building, dwelling, structure, or property insured by Citizens on behalf of a Policyholder. A Property shall also mean the physical location of a Program Assignment.
- 1.36. "Referral Confirmation Letter" means that communication sent by Citizens to a Policyholder which outlines the Workmanship Warranty.
- 1.37. "Repair Services" means all permanent repair activities, performed by a CAIS Network Contractor in response to a Program Assignment or as otherwise requested by Citizens, associated with the reasonable and necessary structural and cosmetic repairs required to bring a Property to its pre-loss condition. Repair Services include but are not limited to Board Up/Tarp Services, and Tree Removal Services. Repair Services are subject to the review and approval by Citizens.
- 1.38. "Tree Removal Services" means all activities, performed by a qualified CAIS Network Contractor, associated with emergency tree removal limited to extracting fallen trees, branches, or limbs from a Property for the sole purpose of preventing the continued or further influx of water or other outside elements into the Property and only when required for the CAIS Network Contractor to perform Repair Services; provided, however, that such activities shall not include: (a) cosmetic activities; (b) removal of tree debris from the beyond the Property; or, (c) disposal of tree debris.

- 1.39. "Vendor Conflict of Interest Disclosure Form" means the form which is used by Citizens to obtain the disclosure of Crawford or a CAIS Network Contractor regarding a current or reasonably foreseeable conflict of interest involving Citizens. Citizens intends on developing a Citizens Vendor Conflict of Interest Guidelines and Crawford acknowledges that such guidelines shall apply to Crawford and CAIS Network Contractors.
- 1.40. "Workmanship Warranty," means a workmanship warranty provided [REDACTED] to a Policyholder upon the completion of Repair Services for an associated Program Assignment. A Workmanship Warranty shall commence upon the date that the Certificate of Satisfaction is signed by the Policyholder and will continue for a period of three (3) years or for as long as the Policyholder owns the Property, whichever occurs first. In the event corrective work is required under Workmanship Warranty, [REDACTED] the corrective repair was completed. The Workmanship Warranty will cover all Repair Services defects where the CAIS Network Contractor fails to meet acceptable industry standards and will include necessary remedial Repair Services (both labor and materials) to cure the defective workmanship. The Workmanship Warranty will not cover defective materials or damage resulting from the failure to maintain, abuse, improper or insufficient maintenance, and is in no way intended to offer indemnification to the Policyholder. Under a Workmanship Warranty, the CAIS Network Contractor must remediate the defective Repair Services as soon as practicable [REDACTED] calendar days from a Workmanship Warranty Claim being substantiated by Crawford.
- 1.41. "Workmanship Warranty Claim," means a claim made under a Workmanship Warranty that has been validated by Crawford and Citizens as being covered by such warranty.

## 2. **Term and Renewals.**

- 2.1. **Term of Agreement.** This Agreement shall commence on the Effective Date and, unless terminated as provided for herein, shall continue for five (5) years.
- 2.2. **Renewals.** This Agreement may be renewed for two (2), two (2) year renewal periods either: (a) by Citizens, at its discretion upon ninety (90) days prior written notice to Crawford; or, (b) by mutual written agreement of the Parties. Renewals shall be subject to the same terms and conditions set forth in this Agreement at the time of renewal, including any written amendments signed by the Parties. The combined renewals shall not exceed the original term of this Agreement.

3. **Responsibility to Accept All Assignments.** Crawford acknowledges that the CMRP is critical to the business operations of Citizens and that Citizens is relying on Crawford to ensure that Emergency Water Mitigation Services and/or Repair Services, on non-Catastrophe assignments, as the case may be, are successfully performed for each Policyholder for which an Assignment is initiated. Crawford further acknowledges that non-acceptance of an Assignment or non-performance of Emergency Water Mitigation Services and/or Repair Services, on non-Catastrophe assignments, as the case may be, may result in negative impact upon the credibility and good will of Citizens and may cause other financial and non-financial harm to Citizens and Policyholders. Crawford agrees that it will use its best efforts to accept all Assignments; provided, however, that Crawford will not be responsible for the failure or inability to accept an Assignment to the extent that such failure or inability is directly caused by Citizens.

4. **Best Practices and Estimating Guidelines.** Crawford agrees to require CAIS Network Contractor to comply with the Best Practices and Guidelines. Crawford further agrees that it shall

enforce CAIS Network Contractors' compliance with applicable portions of the Best Practices and Guidelines. Citizens shall have the right to amend the Best Practices and Guidelines at any time for any reason and such amendments shall not require a formal amendment to this Agreement. Citizens will provide or make available the amended Best Practices and Guidelines to Crawford.

**5. Assignments and Program Assignments.**

- 5.1. No Guarantee of Assignments and Program Assignments. The decision whether to initiate or make an Assignment is at the sole discretion of Citizens. Crawford acknowledges, and shall ensure that CAIS Network Contractors acknowledge, that Citizens does not in any way represent or guarantee that Crawford will receive any minimum volume of Assignments or that any CAIS Network Contractor will receive any minimum volume of Program Assignments or Program Assignments of any particular type or quality.
- 5.2. Program Assignment Rotation. Citizens recognizes that Crawford has a Program Assignment rotation process. Crawford represents that its Program Assignment rotation process will be utilized in a manner that CAIS Network Contractors will be given fair and objective opportunities for Program Assignments. It is Citizens' intention that all CAIS Network Contractors are given fair and objective opportunities for Program Assignments including newly credentialed CAIS Network Contractors. Additionally, upon Citizens' request, Crawford will direct a Program Assignment to a specific CAIS Network Contractor.
- 5.3. Removal and Replacement of Crawford Resources. Without limiting Citizens' other rights and remedies under this Agreement, including termination of this Agreement, where any Crawford Resource providing Administrative Services fails to reasonably comport to any of the qualification requirements in this Agreement or, in Citizens' determination, is unsuitable for the performance of the Administrative Services, Citizens has the right, at Citizens' sole election, to disallow such Crawford Resource from performing the Administrative Services. Upon Citizens' request, Crawford shall promptly provide a qualified replacement Crawford Resource, reasonably acceptable to Citizens, which in no case shall exceed ten (10) calendar days.
- 5.4. Rejection of CAIS Network Contractor. Citizens reserves the right to reject at its sole discretion, Crawford's Program Assignment to a CAIS Network Contractor, and, at Citizens' request, Crawford shall make the Program Assignment to an alternate CAIS Network Contractor.
- 5.5. Limitations on Use of Non-CAIS Credentialed Resources. Crawford shall only make Program Assignments to CAIS Network Contractors. The CAIS Network Contractor that accepts the Program Assignment is accepting the responsibility to carry out the Emergency Water Mitigation Services and/or the Repair Services associated with the Program Assignment. CAIS Network Contractors are permitted to utilize a Non-CAIS Credentialed Resource to carry out limited portions of Repair Services only if: (a) the CAIS Network Contractor is physically present at the Property that any Non-CAIS Credentialed Resources are being utilized so as to monitor the performance of such Non-CAIS Credentialed Resources; (b) no additional fee shall be due to CAIS Network Contractor for its on-Property monitoring of any Non-CAIS Credentialed Resources; and, (c) the CAIS Network Contractor does not itself have the necessary specialty trade skills to successfully complete the applicable limited portions of the Program Assignment.
- 5.6. Services Outside Scope of Program Assignment. Unless otherwise agreed upon in accordance with this Section, once the commencement of Repair Services have been authorized by Citizens, Crawford is responsible for ensuring that a CAIS Network Contractor perform only those Repair Services that are within the agreed upon scope of

the Program Assignment.

- 5.6.1. Requested by Citizens. In the event Citizens determines that Repair Services outside of the scope of a Program Assignment are needed, the CAIS Network Contractor shall timely respond to and complete any such Repair Services as requested by Citizens including making corrections to ongoing Program Assignments or previously completed Repair Services.
- 5.6.2. Requested by Policyholder. Where a Policyholder requests services that are outside of the scope of a Program Assignment, such services shall be considered outside of the scope of this Agreement; for example, non-covered losses. A CAIS Network Contractor may separately contract with a Policyholder to provide such services; provided, however, that the CAIS Network Contractor must: (a) provide the Policyholder with a scope and estimate that is separate and apart from the Program Assignment; (b) notify the Policyholder that Policyholder is solely responsible for the costs resulting from such services, and that Citizens is in no way liable to the CAIS Network Contractor or Policyholder; and, (c) enter into a separate contract with the Policyholder.
- 5.7. No Adjusting. Emergency Water Mitigation Services and Repair Services do not include ascertaining and/or determining whether the amount of any claim, loss, or damage is payable under an insurance contract and/or undertaking any effort to effect settlement of such claim, loss, or damage. Activities encompassed by an "all-lines adjuster" in accordance with Section 626.8548, Florida Statutes are specifically excluded from Emergency Water Mitigation Services and/or Repair Services and are not to be performed under this Agreement.

## 6. Commencement of Services.

- 6.1. Commencement of Repair Services. A CAIS Network Contractor may not begin any Repair Services outside of scoping and estimating unless previously authorized by Citizens. Where Citizens rejects the scope or estimate, Crawford will provide the basis for such rejection to the CAIS Network Contractor and will require the CAIS Network Contractor to resubmit, as the case may be, the scope or estimate. A CAIS Network Contractor must begin Repair Services for a Program Assignment within, unless otherwise specified by the Best Practices and Guidelines, [REDACTED] following written authorization from Citizens. If the CAIS Network Contractor is unable to comply with the timeframe set forth in the Best Practices and Guidelines, a detailed written explanation must be provided to Citizens which: (a) outlines the reasons for the delay; and, (b) provides an estimate on when Repair Services will commence.
- 6.2. Commencement of Emergency Water Mitigation Services. For Emergency Water Mitigation Services, the CAIS Network Contractor must make initial contact with the Policyholder or Policyholder's representative within [REDACTED] of Crawford's acceptance of the Program Assignment in GAM. In the event a Policyholder informs the CAIS Network Contractor that the Policyholder is not prepared to receive Emergency Water Mitigation Services, Crawford shall immediately notify Citizens of the same. Where the Policyholder has been contacted and is prepared to receive Emergency Water Mitigation Services, the CAIS Network Contractor must arrive at the Property within [REDACTED] after Crawford's acceptance of the Program Assignment in GAM. If the CAIS Network Contractor is unable to meet either of the foregoing standards, Crawford shall [REDACTED] Citizens of the delay and factors contributing to same. Crawford shall also provide Citizens with an estimated time of the CAIS Network Contractor's arrival at the Property.
  - 6.2.1. Maximum Compensation. Unless otherwise previously approved by Citizens in



writing, a CAIS Network Contractor providing Emergency Water Mitigation Services shall be limited to a maximum of three-thousand U.S. dollars (\$3,000) in compensation for Emergency Water Mitigation Services actually performed and Citizens shall compensate a CAIS Network Contractor up to such maximum regardless of: (a) whether the loss is a covered loss; or, (b) the Policyholder's ability to pay any deductible due.

7. **Performance of Emergency Water Mitigation Services and Repair Services**, Crawford shall comply, and shall require CAIS Network Contractors to comply, with the requirements of this Section. Citizens may elect, at its sole discretion, to modify any Emergency Water Mitigation Services and Repair Services requirements or services standard herein.

7.1. **Compliance Standards**, Emergency Water Mitigation Services and Repair Services must be performed in accordance with any and all applicable and then-current federal, state (such as the Florida Building Code) or local codes, regulations or ordinances pertaining to zoning, construction or permitting.

7.2. **Monitoring of Performance by Citizens**, As part of Citizens oversight of performance of Emergency Water Mitigation Services and Repair Services, Citizens may require Crawford and any CAIS Network Contractor to participate in meetings, teleconferences, or training to discuss, assess, and calibrate the performance of such services.

7.3. **Quality Inspections; Reimbursements**, During performance of, or after completion of, Emergency Water Mitigation Services and/or Repair Services, Citizens has the right without prior notice, to conduct quality inspections to determine adherence to Best Practices and Guidelines. The inspections may include reviewing CAIS Network Contractor estimates, reviewing the performance of Emergency Water Mitigation Services and/or Repair Services, and reviewing the accuracy of the scope of Emergency Water Mitigation Services and/or Repair Services completed. Any report produced by Citizens as a result of an inspection will be provided to Crawford, who must provide the report to the CAIS Network Contractor, who may initiate any rebuttal per the Best Practices and Guidelines. Where Citizens determines, as a result of its inspection, that there has been a failure to adhere to Best Practices and Guidelines, such discrepancy and the corrective action, such as monetary reimbursement, desired by Citizens will be detailed in an inspection report. If the corrective action desired by Citizens includes monetary reimbursement and monetary value of the non-adherence exceeds two-hundred and fifty U.S. dollars (\$250) for Emergency Water Mitigation Services or five-hundred U.S. dollars (\$500) for Repair Services, Crawford shall further notify the CAIS Network Contractor that [REDACTED]. Any such reimbursement shall not limit any of Citizens' other rights or remedies under this Agreement. Upon Citizens' final determination of the value of non-adherence, [REDACTED]

7.4. **Monitoring of Performance by Crawford**, As a part of ensuring that CAIS Network Contractors adhere to the applicable requirements of this Agreement, standards of performance herein, Best Practices and Guidelines, Crawford's Emergency Services Contractor Instructions, Crawford's Managed Repair Contractor Instructions, and any contracts by and between Crawford and the CAIS Network Contractors, Crawford shall:

7.4.1. Monitor CAIS Network Contractor performance by tracking and measuring the quality of Repair Services and/or Emergency Water Mitigation Services through [REDACTED];

7.4.2. Utilize any system provided by Citizens to additionally monitor performance by the

CAIS Network Contractors; and,

- 7.4.3. Conduct monthly customer satisfaction surveys, on [REDACTED] of prior months [REDACTED] Program Assignments, and sharing results of completed customer satisfaction surveys at a Program Assignment level with Citizens on a monthly basis.
- 7.5. Emergency Water Mitigation Services Standards. In addition to all of the other requirements and standards of this Agreement, Crawford shall require that all CAIS Network Contractors conform to the following standards when providing Emergency Water Mitigation Services:
  - 7.5.1. For each Emergency Water Mitigation Services Program Assignment, the CAIS Network Contractor shall provide [REDACTED] to return the Property to its pre-loss condition for Citizens' review and approval. Such estimate shall be performed utilizing the Estimating System. For each Program Assignment, the CAIS Network Contractor shall photograph, as set forth herein, the Property and shall provide to Citizens, using the method described in the Best Practices and Guidelines, still photographs in a digital format.
  - 7.5.2. Crawford is responsible for requiring that Emergency Water Mitigation Services are performed within the actual scope of damages and in accordance with all applicable industry standards and regulations, including the then-current IICRC S500 Standards for water damage restoration.
  - 7.5.3. For each Emergency Water Mitigation Program Assignment, the CAIS Network Contractor shall provide to Citizens, using the method described in the Best Practices and Guidelines, dry out logs that include [REDACTED] at a minimum and that illustrate the effectiveness and results of the Emergency Water Mitigation Services being performed at the Property. The CAIS Network Contractor shall also prepare a [REDACTED] to support any drying goals established. The [REDACTED] must be provided to Citizens within [REDACTED] of completion of the Program Assignment.
  - 7.5.4. Upon Citizens' request and using the format described in the Best Practices and Guidelines, the CAIS Network Contractor will provide a periodic status or activity updates to Citizens.
- 7.6. Repair Services Standards. In addition to all of the other requirements and standards of this Agreement, Crawford shall require that all CAIS Network Contractors conform to the following standards when providing Repair Services:
  - 7.6.1. For each Repair Services Program Assignment, CAIS Network Contractor shall provide an inspection report (the "Inspection Report," as further described herein) with supporting documentation using the method described in the Best Practices and Guidelines, to Crawford within [REDACTED] of the initial inspection, such initial inspection being completed within [REDACTED] of Program Assignment acceptance. Crawford must review and validate the Inspection Report prior to forwarding the report to Citizens. The Inspection Report shall contain [REDACTED]. All estimates must comply with the Best Practices and Guidelines.
  - 7.6.2. For each Repair Service Program Assignment, Crawford shall require that all required status updates and project milestones are documented in the method described by the Best Practices and Guidelines.

**8. Completion of Program Assignments.** A Program Assignment shall be considered complete

when: (a) approved by the Policyholder as evidenced by the Policyholder's signature of the Certificate of Satisfaction or, where a Policyholder refuses to provide such signature, either: (1) the Dispute Resolution Process is finalized; or, (2) Citizens confirms that all approved scope has been completed to Citizens' satisfaction; (b) all of the required workflow steps in the Best Practices and Guidelines have been completed by Crawford; (c) Citizens has indicated its approval that the Program Assignment has been completed; and, (d) final payment has been issued by Citizens.

8.1. Removal and Replacement of CAIS Network Contractor. Without limiting Citizens' other rights and remedies under this Agreement, including suspension of Emergency Water Mitigation Services and/or Repair Services and termination of this Agreement, where any CAIS Network Contractor providing Emergency Water Mitigation Services and/or Repair Services fails to comport to any of the training or qualification requirements in this Agreement or, in Citizens' determination, is unsuitable for the performance of the Emergency Water Mitigation Services and/or Repair Services, Citizens has the right, at Citizens' sole election, to disallow such CAIS Network Contractor from performing the Emergency Water Mitigation Services and/or Repair Services. Upon Citizens' request, Crawford shall make every reasonable effort to promptly provide a qualified replacement CAIS Network Contractor, reasonably acceptable to Citizens, which in no case shall exceed ten (10) calendar days.

**9. Administration of Dispute Resolution Process.**

9.1. Crawford shall administer the Dispute Resolution Process as defined herein; provided, however, that where the dispute is a Workmanship Warranty Claim, the provisions of the Workmanship Warranty shall apply rather than the Dispute Resolution Process.

9.2. The Dispute Resolution Process is an option that Citizens may elect to utilize so as to resolve CAIS Network Contractor-related disputes and is not the sole remedy of, as the case may be, Citizens and/or a Policyholder regarding such disputes.

9.3. Except as otherwise provided for in this Agreement or unless otherwise agreed to by Crawford in writing, Citizens acknowledges that Crawford [REDACTED] CAIS Network Contractor's suppliers and/or subcontractors.

9.4. The Dispute Resolution Process includes, but is not limited to, the following elements:

9.4.1. Crawford shall provide notice to Citizens of a dispute;

9.4.2. Citizens will report any disputes to Crawford [REDACTED] to Crawford. Crawford is responsible for entering the issue in the [REDACTED] tracker system for [REDACTED] purposes;

9.4.3. Crawford will verify that any reported dispute is related to [REDACTED] and related to [REDACTED], as the case may be, [REDACTED] and/or [REDACTED] Services. Where the reported dispute is not so verified, the dispute will be retained by Citizens for handling;

9.4.4. Upon initiation of the Dispute Resolution Process, [REDACTED];

9.4.5. Crawford will gather information regarding the dispute from both the Policyholder and the CAIS Network Contractor and determine the merits of the dispute and the appropriate disposition of the dispute;

- 9.4.6. Where resolution of the dispute requires Citizens' interpretation of the Best Practices and Guidelines, Crawford may consult with Citizens in making its determination;
  - 9.4.7. Citizens will review the dispute particulars and determine the level of Citizens' field response that is required, if any. If additional expert resources are needed, such as field inspection or an engineer, Crawford will [REDACTED].  
[REDACTED]. If an expert of either Crawford or Citizens determines [REDACTED]  
[REDACTED] to secure an expert. If the expert determines the [REDACTED], any expenses incurred by [REDACTED] to secure an expert shall be at its expense;
  - 9.4.8. Crawford will make best efforts to resolve any reported dispute and shall report to Citizens the results of its efforts to resolve the dispute; and,
  - 9.4.9. Crawford will provide a [REDACTED] report to Citizens describing the particulars of all open and resolved disputes
- 9.5. As limited by Section 16.1, the provisions of this Section shall survive the termination of this Agreement.

**10. Resolution of Workmanship Warranty Claims.** In the case of a Workmanship Warranty Claim, Crawford shall provide Workmanship Warranty enforcement [REDACTED]. In order to qualify for Workmanship Warranty enforcement, the Workmanship Warranty Claim must meet the Program Assignment definition and the Policyholder must, in accordance with the Referral Confirmation Letter, reasonably cooperate with, as the case may be, Crawford, the CAIS Network Contractor associated with the Workmanship Warranty Claim, and/or any replacement CAIS Network Contractor to inspect, effect repairs, and / or otherwise address the Policyholder's claim. Where the Policyholder refuses to cooperate with, as the case may be, Crawford, the CAIS Network Contractor associated with the Workmanship Warranty Claim, and/or any replacement CAIS Network Contractor and where the Policyholder has no valid cause for such refusal, the invalidity or validity of which being mutually determined by Crawford and Citizens, the Workmanship Warranty may not be enforced for the associated claim.

- 10.1. In the event of a Workmanship Warranty Claim, Crawford shall first seek to [REDACTED]  
[REDACTED]
- 10.2. [REDACTED]  
[REDACTED]
- 10.2.1. [REDACTED].
- 10.2.2. Provide, [REDACTED],  
subject to:
  - 10.2.2.1. [REDACTED].

10.2.2.2. [REDACTED]

10.2.3. [REDACTED]

10.2.3.1. [REDACTED]

10.2.3.2. [REDACTED]

10.2.3.3. [REDACTED]

- 10.3. Citizens acknowledges that Crawford [REDACTED] that Citizens refused to permit Crawford's suspension or termination of based on credentialing or performance.
- 10.4. Crawford owns all intellectual property rights arising from and associated with development of processes, applications, software, and management tools for the Workmanship Warranty program; provided, however, in no case shall Crawford own Citizens Confidential Information and Citizens' data, software, and other information that may be contained therein, all of which shall remain the property of Citizens.
- 10.5. As limited by Section 16.1, the provisions of this Section shall survive the termination of this Agreement.

- 11. Prohibited Activities by CAIS Network Contractors and Non-CAIS Credentialed Resources.** Unless Citizens has provided prior written authorization, CAIS Network Contractors and Non-CAIS Credentialed Resources shall not:
- 11.1. Hire any outside experts or vendors or assign work on behalf of Citizens to be an expert or vendor (excluding the engagement of subcontractors utilized by CAIS Network Contractors or the permitted Non-CAIS Credentialed Resources);
  - 11.2. Discuss coverage determination or opinions regarding coverage determination with anyone other than authorized Citizens staff, including all activities encompassed by an "all-lines adjuster" in accordance with Section 626.8548, Florida Statutes, which are specifically excluded from and are not to be performed under this Agreement);
  - 11.3. Enter into any independent agreement with the Policyholder which includes any assignment of rights or benefits under the policy (excluding an Acknowledgement of Payment);

- 11.4. As further described in this Agreement, enter into any agreement for additional services with the Policyholder until the Program Assignment has been completed;
- 11.5. Place liens on the Property related to the Emergency Water Mitigation Services and/or Repair Services for which Citizens is obligated to pay;
- 11.6. For Emergency Water Mitigation Services, perform any additional work outside of the Program Assignment unless otherwise previously approved by Citizens in writing, regardless of whether in scope or kind, except as reasonable and necessary according to the circumstances surrounding the loss;
- 11.7. Perform work in excess of three-thousand U.S. dollars (\$3,000) in compensation for Emergency Water Mitigation Services actually performed;
- 11.8. For Repair Services, commence any construction or rebuild services; and,
- 11.9. Request or accept any amount of money from the Policyholder relating to Emergency Water Mitigation Services and/or Repair Services other than any deductible due for permanent repairs from Policyholder which shall be collected by the CAIS Network Contractor prior to beginning any Emergency Water Mitigation Services and/or Repair Services.

12. **Additional Crawford Duties and Responsibilities.** In addition to all other duties and responsibilities of Crawford described in this Agreement, Crawford shall also have the following duties and responsibilities:

- 12.1. **Services Overview.** In support of the CMRP, Crawford shall provide Administrative Services and all other services necessary for Crawford's successful performance of this Agreement.



(c) monitor and manage each CAIS Network Contractor's compliance with the requirements of this Agreement.

- 12.2. **Crawford Primary Business Contact Responsibilities.** The Crawford Primary Business Contact will be responsible for facilitating Crawford's successful performance of this Agreement, including: (a) addressing issues related to the CMRP in general or with a specific CAIS Network Contractor; (b) ensuring CMRP quality standards are met; (c) reviewing CAIS Network Contractor performance and determining ways to improve performance; (d) serving as Crawford's representative for all invoicing/payment and performance related matters; (e) facilitating resolution of any dispute between the Parties to the best of his or her ability; and, (f) being available to meet with Citizens staff as deemed reasonably necessary.
- 12.3. **Recruitment of Prospective CAIS Network Contractors.** To ensure that necessary Emergency Water Mitigation Services and Repair Services are successfully provided in locations required by Citizens, Crawford will actively seek to identify and recruit general contractors to become CAIS Network Contractors. Such identification and recruitment shall include Crawford: (a) coordinating with Citizens to identify locations within Florida

where potential or actual Program Assignment volume justifies additional CAIS Network Contractors; (b) receiving and considering referrals from Citizens for prospective general contractors; and, (c) providing monthly status reports to Citizens on Crawford's recruitment activities and progress.

12.3.1. To assist Citizens in evaluating the recruitment span of CAIS Network Contractors, Crawford will [REDACTED]

12.4. Capacity of CAIS Network Contractors. Crawford shall monitor [REDACTED]

12.5. Qualifying CAIS Network Contractors. To ensure the ongoing qualification of CAIS Network Contractors, Crawford shall:

12.5.1. Comply with all CAIS Credentialing Requirements to ensure that all applicable Crawford Resources and CAIS Network Contractors fully and completely meet such requirements;

12.5.2. Obtain a fully executed contract [REDACTED];

12.5.3. Obtain and review CAIS Network Contractor's [REDACTED]

12.5.4. Obtain confirmation that CAIS Network Contractor has the required insurance covering its business operation by securing certificates of insurance that meets the requirements as further defined in Section 19.2.;

12.5.5. Confirm that each CAIS Network Contractor has been [REDACTED]

[REDACTED] (exceptions may be made by Citizens, as provided by Citizens in writing);

12.5.6. Require that all CAIS Network Contractors be proficient in the use of the proper version of the Estimating System;

12.5.7. Require that all CAIS Network Contractors have [REDACTED];

12.5.8. Require all CAIS Network Contractors to meet [REDACTED];

12.5.9. Require that CAIS Network Contractors providing Repair Services are [REDACTED];

- 12.5.10. Require that CAIS Network Contractors providing Emergency Water Mitigation Services or Board Up/Tarp Services are [REDACTED] of Program Assignment on a [REDACTED] basis;
  - 12.5.11. Confirm that CAIS Network Contractors providing Tree Removal Services have [REDACTED];
  - 12.5.12. Require CAIS Network Contractors comply with [REDACTED];
  - 12.5.13. Complete [REDACTED] re-certification of all active CAIS Network Contractors consisting [REDACTED]; and,
  - 12.5.14. Advise Citizens during term of Agreement if information is obtained that may affect the credentialing qualifications of a CAIS Network Contractor's eligibility for the CMRP.
- 12.6. Training of CAIS Network Contractors. Crawford shall provide CAIS Network Contractors with Program Assignment training to ensure the CAIS Network Contractors can carry out all the necessary procedures required for the successful performance of Emergency Water Mitigation Services and Repair Services, including, as the case may be, an understanding or awareness of:
- 12.6.1. A CAIS Network Contractor's obligations under this Agreement;
  - 12.6.2. The Estimating System;
  - 12.6.3. Applicable portions of the Best Practices and Guidelines;
  - 12.6.4. Standards of conduct;
  - 12.6.5. Crawford's Emergency Services Contractor Instructions and Crawford's Managed Repair Contractor Instructions;
  - 12.6.6. The Workmanship Warranty;
  - 12.6.7. Crawford's [REDACTED] System; and,
  - 12.6.8. The Dispute Resolution Process.
- 12.7. Training of Citizens Personnel. As requested by Citizens, Crawford will train Citizens personnel on Crawford's internal procedures as related to the CMRP. Training will be conducted on a mutually agreed upon date(s) and may be offered on-site or via web conference.
- 12.8. Standards of Conduct. Crawford shall require a CAIS Network Contractor to remove any staff member of the CAIS Network Contractor or Non-CAIS Credentialed Resource from performing Emergency Water Mitigation Services and/or Repair Services who fails to meet any standards of conduct of Crawford or identified or communicated by Citizens, including but not limited to the following standards:
- 12.8.1. Not carrying a firearm, on their person while performing Emergency Water Mitigation Services and/or Repair Services;
  - 12.8.2. Not using or being under the influence of impairing drugs, chemicals, or alcohol while performing Emergency Water Mitigation Services and/or Repair Services;
  - 12.8.3. Possessing a proper and valid form of Federal or State government-issued photo identification at all times when performing Emergency Water Mitigation Services



and/or Repair Services; and,

12.8.4. Not engage in any activity that could create either an actual or perceived conflict of interest.

12.9. Reporting. Provide monitoring, measuring and ad-hoc reports to the Citizens' Contract Manager every thirty (30) days or as otherwise agreed upon by the Parties. These reports shall be customizable and can be modified or additional reports added or subtracted as needed.

12.10. CAIS Network Contractor Duties and Responsibilities. In addition to all other duties and responsibilities of CAIS Network Contractors described in this Agreement, each CAIS Network Contractor shall have the following duties and responsibilities, as may be further described in the Best Practices and Guidelines, and Crawford shall require each CAIS Network Contractor to fulfill the same.

12.10.1. Be present at the Property at all times Emergency Water Mitigation Services and/or Repair Services are being performed throughout the lifecycle of the Program Assignment, whether by the CAIS Network Contractor's staff, or any other person acting on behalf of the CAIS Network Contractor, such as Non-CAIS Credentialed Resources;

12.10.2. Maintain any and all standards of conduct necessary to obtain and retain credentialing, subject to Citizens' right, at its sole election, to disqualify any CAIS Network Contractor, previously approved for the CMRP;

12.10.3. Comply with the applicable portions of the Best Practices and Guidelines;

12.10.4. Utilize the Estimating System for all repair estimates under a Program Assignment;

12.10.5. Within [REDACTED], timely and thoroughly respond to inquiries from Crawford and Citizens;

12.10.6. Any information that requires download and/or upload data associated with the performance of Emergency Water Mitigation Services and/or Repair Services, including, but not limited to, any estimates and revisions to estimates must be carried out in accordance with the Best Practices and Guidelines;

12.10.7. At the completion of a Program Assignment and unless otherwise directed by Citizens, remove all material and equipment associated with the Program Assignment from the Property, and with authorization, all damaged property and debris;

12.10.8. Maintain the insurance coverage as required by this Agreement;

12.10.9. Adhere to all laws, rules and regulations concerning workplace safety and wage and hour requirements; and,

12.10.10. Provide and honor the Workmanship Warranty.

13. CAIS Credentialing Requirements. Citizens shall conduct credentialing of Crawford Resources and CAIS Network Contractors in CAIS in accordance with Best Practices and Guidelines and this Section, and Citizens shall be the sole determiner of whether a Crawford Resource or a CAIS Network Contractor meets these CAIS Credentialing Requirements (either as a Parent Entity or a Child Entity, as the case may be). Crawford agrees to comply with the document submission and credentialing requirements described in this Agreement and conducted through CAIS. Crawford acknowledges that Citizens may change the CAIS Credentialing Requirements as it deems appropriate in response to changing business, regulatory, and technological requirements

and capabilities, and Crawford agrees that it shall comply and that it shall cause CAIS Network Contractors to comply with any such changes. Citizens may change to an operating system other than CAIS by providing sixty (60) days' notice to Crawford's Contract Manager. The cost of any hardware, software, or Internet access with using such system shall be borne entirely by Crawford or the CAIS Network Contractor. Crawford acknowledges that as a condition precedent to be eligible to receive Program Assignments and/or perform Emergency Water Mitigation Services and/or Repair Services: (a) a service provider of Crawford must fully and completely meet all CAIS Credentialing Requirements to become a CAIS Network Contractor; and, (b) Crawford, as the Parent Entity, and the Crawford Resources identified as being within the CAIS Credentialed Designee Group must fully and completely meet all CAIS Credentialing Requirements. Crawford further acknowledges that: (a) it is Crawford's responsibility to ensure all CAIS Credentialing Requirements are fully and completely met in order to provide Emergency Water Mitigation Services and/or Repair Services; and, (b) failure to complete initial and/or continued CAIS Credentialing Requirements, including the timely uploading of any required documentation or forms, will constitute a material breach of the Agreement and may result in, at Citizens' sole election: (1) immediate suspension or termination of the CAIS Network Contractor from providing Emergency Water Mitigation Services and/or Repair Services; or, (2) termination of this Agreement. Citizens has the right to validate at any time, including onsite at a Property, credentialing of any Crawford Resource or CAIS Network Contractor.

13.1. Crawford (Parent Entity) Credentialing Requirements. For credentialing of Crawford, Crawford will access CAIS and input, maintain, and update the credentialing information set forth below, which shall be used by Citizens to verify that the credentialing requirements of this Agreement are met.

13.1.1. Florida Division of Corporations' Sunbiz™ Website Registration ("www.Sunbiz.org") which evidences business registration in the State of Florida, submitted prior to receiving Assignments and resubmitted by May 15<sup>th</sup> of each calendar year during the term of this Agreement.

13.1.2. Properly executed Form W-9, Request for Taxpayer Identification Number and Certification, submitted prior to receiving Assignments and resubmitted upon any modifications during the term of this Agreement.

13.1.3. Properly executed Vendor Conflict of Interest Disclosure Form, submitted prior to receiving Assignments and resubmitted by May 15<sup>th</sup> of each calendar year during the term of this Agreement, provided, however that such form must be resubmitted immediately following any material change in circumstance.

13.1.4. Certificates of insurance evidencing in-force coverage that meets the minimum insurance requirements stated in this Agreement, submitted prior to receiving Assignments and resubmitted annually upon renewal of coverage or when a new policy is issued.

13.2. CAIS Network Contractor (Child Entity) Credentialing Requirements. For credentialing of each CAIS Network Contractor, Crawford will access CAIS and input, maintain, and update the credentialing information set forth below, which shall be used by Citizens to verify that the credentialing requirements of this Agreement are met.

13.2.1. Florida Division of Corporations' Sunbiz™ Website Registration ("www.Sunbiz.org") which evidences business registration in the State of Florida, submitted prior to the use of the proposed CAIS Network Contractor on any Program Assignment and resubmitted by May 15<sup>th</sup> of each calendar year during the term of this Agreement.

13.2.2. Properly executed Form W-9, Request for Taxpayer Identification Number and Certification, submitted prior to the use of the proposed CAIS Network Contractor

on any Program Assignment and resubmitted upon any modifications during the term of this Agreement.

- 13.2.3. Properly executed Vendor Conflict of Interest Disclosure Form, submitted prior to the use of the proposed CAIS Network Contractor on any Program Assignment and resubmitted by May 15<sup>th</sup> of each calendar year during the term of this Agreement, provided, however that such form must be resubmitted immediately following any material change in circumstance that is communicated to Crawford by CAIS Network Contractor.
  - 13.2.4. Certificates of insurance evidencing in-force coverage that meets the minimum insurance requirements stated in this Agreement, submitted prior to the use of the proposed CAIS Network Contractor on any Program Assignment and resubmitted annually upon renewal of coverage or when a new policy is issued.
  - 13.2.5. Criminal Background Reports, resulting from a Criminal Background Screening Review in accordance with the Criminal Background Check, attached hereto and incorporated herein as Exhibit A, Criminal Background Screening, conducted on proposed CAIS Network Contractor employees within the prior twelve (12) months, submitted prior to the use of the proposed CAIS Network Contractor and resubmitted every thirty-six (36) months during the term of this Agreement. For each year for which resubmission of the Criminal Background Screening Review is not required, the CAIS Network Contractor shall provide an affidavit confirming that the most recently submitted Criminal Background Screening Report remains accurate.
  - 13.2.6. Photographs of the proposed CAIS Network Contractor employees that clearly matches the then-current, general appearance of such individuals, submitted prior to the use of the proposed CAIS Network Contractor on any Program Assignment.
- 13.3. CAIS Credentialed Designee Group Credentialing Requirements. An individual is not authorized to access CAIS, or to serve as a Primary Business Contact or Project Supervisor, unless and until that individual is approved by Citizens as a member of the CAIS Credentialed Designee Group. Crawford will send a formal written communication to any individual who is rejected or removed from the CAIS Credentialed Designee Group and is thereby precluded from providing Emergency Water Mitigation Services and/or Repair Services. The communication must include the specific requirement(s) and/or qualifications that were the basis of the rejection or disqualification. Crawford must maintain copies of all disqualification or rejection communications throughout the term of this Agreement, all of which must also be uploaded to CAIS by Crawford. Crawford must comply with all requirements of the Federal Fair Credit Reporting Act, including providing all required pre-notification, adverse action notices, and post-report notices to the applicable Crawford Resource. For credentialing of each member of the CAIS Credentialed Designee Group, Crawford will access CAIS and input, maintain, and update the credentialing information set forth below, which shall be used by Citizens to verify that the credentialing requirements of this Agreement are met.
- 13.3.1. Criminal Background Report, resulting from a Criminal Background Screening Review in accordance with Exhibit A, conducted within [REDACTED] submitted prior to the use of the proposed CAIS Credentialed Designee Group member and resubmitted every [REDACTED] months during the term of this Agreement. For each year for which resubmission of the Criminal Background Screening Review is not required, an affidavit confirming that the most recently submitted Criminal Background Screening Report remains accurate shall be provided.

13.3.2. Properly executed Ethics and Confidentiality Acknowledgement Form, submitted prior to the use of the proposed CAIS Credentialed Designee Group member and resubmitted [REDACTED], [REDACTED] of the most recent date of approval in CAIS, during the term of this Agreement.

13.3.3. Required Licenses and Certifications.

13.3.3.1. For each proposed Project Supervisor associated with a Program Assignment that includes Repair Services, a State of Florida "General Contractors" license, as described by Florida Statute, under which the Project Supervisor is legally permitted to operate, must be identified prior to the use of the proposed Project Supervisor on any such Program Assignment and resubmitted annually upon renewal during the term of this Agreement.

13.3.3.2. For each proposed Project Supervisor associated with a Program Assignment that includes Emergency Water Mitigation Services, valid IICRC Certification in either Applied Structural Drying Technician or Water Damage Restoration Technician, submitted prior to the use of the proposed Project Supervisor on any such Program Assignment and resubmitted annually upon renewal during the term of this Agreement.

13.3.4. For each proposed Project Supervisor, a photograph of the individual that clearly matches the then-current, general appearance of such individual, submitted prior to the use of the proposed Project Supervisor on any Program Assignment.


14. Compensation and Invoicing.

14.1. Compensation Schedule and Guidelines. All Emergency Water Mitigation Services and Repair Services will be compensated according to the pricing set forth in the Estimating System and any applicable additional charges listed in this Section. Compensation for invoiced Emergency Water Mitigation Services and/or Repair Services is subject to CAIS Network Contractor's submission of appropriate documentation for each Emergency Water Mitigation Services and/or Repair Services Program Assignment. Documentation must substantiate that the invoiced Emergency Water Mitigation Services and/or Repair Services were provided and authorized in accordance with the terms of this Agreement. Citizens will only pay the CAIS Network Contractor for Emergency Water Mitigation Services and/or Repair Services that are both reasonable and necessary under the specific circumstances of a particular loss. All Emergency Water Mitigation Services and associated equipment invoiced must be supported by and in accordance with IICRC S500 Standards for water damage restoration. All Repair Services must be invoiced in accordance with the agreed upon estimate scope and amount. Citizens will not compensate CAIS Network Contractor for any additional work outside of that which is explicitly stated with the Program Assignment or approved by Citizens in writing, regardless of whether in scope or kind, except only as to Emergency Water Mitigation Services in accordance with Section 11.7.

14.2. No Administrative Services Compensation. Citizens will not be responsible to pay any compensation to Crawford for any Administrative Services. [REDACTED]

14.3. Emergency Water Mitigation Services Compensation. Subject to the limitation set forth in Section 6.2.1., Citizens shall compensate CAIS Network Contractors for Emergency Water Mitigation Services provided upon completion of the Emergency Water Mitigation

Services and proper submission of all required and acceptable documentation as outlined in this Agreement.

- 14.4. Repair Services Compensation. Compensation for each Repair Services Program Assignment shall be divided into two separate installments. The first installment, representing the entire amount of the agreed-upon estimate less overhead and profit, will be paid to the CAIS Network Contractor upon agreement between Citizens and the CAIS Network Contractor regarding the scope of Repair Services for the particular Program Assignment. The second installment, representing charges for overhead and profit, will be paid to the CAIS Network Contractor upon confirmation that: (a) the Repair Services have been completed per the agreed-upon scope; and, (b) the Policyholder has signed the Certificate of Satisfaction or the Program Assignment is deemed completed as specified in Section 8, with either of the foregoing initiating the Workmanship Warranty.
- 14.5. Acknowledgement of Payment. Unless otherwise previously agreed to by Citizens in writing or by operation of law, all payments for Repair Services approved by Citizens under its insurance policies will be made jointly to the CAIS Network Contractor and the Policyholder when the CAIS Network Contractor submits to Citizens an Acknowledgement of Payment for each Program Assignment. CAIS Network Contractor will not seek and will not execute any assignment of rights or benefits in connection with this Agreement.
- 14.6. Compensation Resulting from Repair Services Not Being Contracted. 
- 14.7. Time and Expense Rate. Under certain circumstances it may become necessary for a CAIS Network Contractor to perform Repair Services not compensable using the Estimating System as a specified line item. In these limited scenarios, Citizens will compensate a CAIS Network Contractor using the Estimating System's time and expense rate model plus expenses. Any charges for time and expense rate billing must be pre-approved in writing by Citizens.
- 14.8. No Declared Emergency or Catastrophe Compensation Increase. Emergency Water Mitigation Services and/or Repair Services provided, if so provided, during a declared emergency or catastrophe will be at the same rates as provided in this Agreement.
- 14.9. Invoicing Guidelines.
- 14.9.1. A CAIS Network Contractor shall not be compensated for mileage or fuel related to travel to and from a Program Assignment.
- 14.9.2. A CAIS Network Contractor must designate a single payee name (supported by W-9) for which all payments for Emergency Water Mitigation Services and/or Repair Services will be made out to. Citizens will only honor invoices submitted by such single payee. Citizens is solely responsible for making payments directly to the CAIS Network Contractor.
- 14.9.3. A CAIS Network Contractor shall only submit one (1) invoice for each Program Assignment and any applicable approved supplement within that Program Assignment, unless previously authorized in writing by Citizens.
- 14.9.4. Citizens will not pay interest fees or late fees assessed by a CAIS Network Contractor for any invoice submitted for payment.
- 14.9.5. For Emergency Water Mitigation Services, Citizens will not pay any charges

relating to overhead and profit for any Emergency Water Mitigation Services.

- 14.9.6. For Repair Services, Citizens will not pay any overhead and profit charges related to Board Up/Tarp Services. Any overhead and profit charges relating to Tree Removal Services shall require prior written authorization from Citizens and shall be determined on an individual basis.
- 14.9.7. For Emergency Water Mitigation Services, all equipment charges, including but not limited to air movers and dehumidifiers, shall be invoiced on a twenty-four (24) hour basis, meaning one (1) day of service equals twenty-four (24) hours of run time, and shall be invoiced on a "straight time" basis and not on a "surge" or "after-hours" pricing basis.
- 14.10. Invoices. A CAIS Network Contractor must submit all requests for compensation for Emergency Water Mitigation Services and/or Repair Services or expenses, where permitted, as detailed in the Best Practices and Guidelines.
- 14.11. 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. Vendor represents and warrants that it is an independent contractor for purposes of federal, state, and local employment taxes. Vendor agrees that Citizens is not responsible to collect or withhold any federal, state, or local employment taxes, including personal property tax, income tax withholding, and social security contributions, for Vendor or Vendor Staff. Any and all taxes, interest or penalties, including personal property tax or any federal, state, or local withholding or employment taxes, imposed, assessed, or levied as a result of this Agreement shall be paid or withheld by Vendor or, if assessed against and paid by Citizens, shall be immediately reimbursed by Vendor upon demand by Citizens.

**15. Representations and Continuing Obligations by Crawford.**

- 15.1. Continuing Obligations. Crawford shall continue to provide enforcement of the Dispute Resolution Process and resolution of Workmanship Warranty Claims [REDACTED], as further outlined in Sections 9 and 10. This provision shall survive the termination of this Agreement.
- 15.2. Ability to Perform. As of the Effective Date, Crawford represents 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 Crawford's ability to successfully perform this Agreement. During the term of this Agreement, Crawford shall notify Citizens of any change in circumstances that would in any way diminish Crawford's ability to successfully perform this Agreement.

**16. Changes.**

- 16.1. Citizens may request changes altering, adding to, or deducting from the Administrative Services, Emergency Water Mitigation Services and/or Repair Services (each, a "Change"), provided that a Change is within the general scope of this Agreement and the Parties agree in writing, such agreement not to be unreasonably withheld by either Party. Citizens will make an equitable adjustment in this Agreement price or delivery date if a Change materially affects the cost or time of performance of the Administrative Services, Emergency Water Mitigation Services and/or Repair Services. Such equitable adjustments must be accepted in writing by Crawford, which acceptance shall not be unreasonably withheld, delayed or conditioned. The Parties will cooperate in good faith to determine the scope and nature of a Change, the expertise and resources needed to

provide such Change, and the time period in which such Change will be implemented.

- 16.2. A change resulting in an increase or decrease to the Agreement price or the scope of Administrative Services, Emergency Water Mitigation Services, and/or Repair Services must be evidenced by a formal amendment to this Agreement. All other Changes shall be evidence by either a writing signed by the Contract Manager or designee of each Party or a formal amendment to this Agreement.

**17. Indemnification.**

- 17.1. Indemnification by Crawford. Crawford shall fully indemnify, defend and hold harmless Citizens, and its officers, members of the Board of Governors, agents, employees, and Policyholders (each, an "Indemnitee" and collectively, the "Indemnitees") from suits, actions, damages, liabilities, demands, liens, claims, fines, penalties, fees, and costs of every name and description (collectively, "Indemnification Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from an Indemnitee arising out of or relating to any act, error or omission, or misconduct of Crawford during the performance of this Agreement arising out of or relating to, without limitation: (a) a violation of federal, state, local, international, or other laws or regulations for the protection of persons or members of a protected class or category of persons; (b) sexual discrimination or harassment based upon any protected characteristic; (c) bodily injury (including death) or damage to tangible personal or real property; (d) [REDACTED]; (e) breaches of any representations made by Crawford under this Agreement; or, (f) Crawford's failure to timely forward a public records request to Citizens for handling.

- 17.2. [REDACTED]

- 17.3. Crawford's obligations of indemnification with respect to any Indemnification Claim are contingent upon Citizens (or other Indemnitee) providing Crawford: (a) written notice of the Indemnification Claim; (b) the opportunity to settle or defend against the Indemnification Claim at Crawford's sole expense; and, (c) assistance in defending against or settling the Indemnification Claim at Crawford's sole expense. Crawford shall not be liable for any cost, expense, or compromise incurred or made by an Indemnitee in any legal action without Crawford's prior written consent, which shall not be unreasonably withheld.

- 17.4. Notwithstanding anything in this Agreement to the contrary, neither Crawford nor a CAIS

Network Contractor shall indemnify for that portion of an Indemnification Claim proximately caused by: (a) a negligent act or omission of an Indemnitee; or, (b) an Indemnitee's misuse or modification of the Emergency Water Mitigation Service and/or Repair Service.

- 17.5. The obligations in this Section are separate and apart from, and in no way limit Citizens' rights under, any insurance provided by Crawford or CAIS Network Contractors pursuant to this Agreement or otherwise.
- 17.6. The provisions of this Section shall survive the termination of this Agreement.

**18. Crawford Insurance.**

- 18.1. Required Crawford Insurance Coverage. During the term of this Agreement, Crawford will maintain at its sole expense the following insurance coverage:
  - 18.1.1. Workers' Compensation coverage for Crawford's employees and other Crawford Resources, 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 [REDACTED] per accident;
  - 18.1.2. Commercial General Liability (CGL) with minimum limits of [REDACTED] including, but not limited to, coverage for products/completed operations and personal injury and advertising injury;
  - 18.1.3. Umbrella/Excess General Liability insurance with minimum limits of [REDACTED] per occurrence and [REDACTED] in the aggregate;
  - 18.1.4. Commercial Automobile Liability with combined single limits of not less than \$[REDACTED] per accident. The policy must include Symbol 1 "Any Auto" coverage; and,
  - 18.1.5. Network Security Liability with data breach coverage limits of [REDACTED] and [REDACTED] in the aggregate.
- 18.2. Insurance Company Qualifications. Each insurance company issuing the policies required herein must be: (a) be licensed to transact business in the State of Florida; and, (b) have an AM Best Financial Strength rating of "A-" or above.
- 18.3. Acceptable Deductible Amounts. Citizens shall be exempt from, and in no way liable for, any sum of money which may represent a deductible in any of the policies.
- 18.4. Defense Costs. The limits of indemnity coverage required herein shall not include costs incurred in defending against a claim and shall not be reduced by the payment of such costs.
- 18.5. Insurance is Primary. The insurance required herein shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by Citizens or any Citizens employee or director.
- 18.6. Citizens to be an Additional Insured. The Commercial General Liability, Auto Liability and Umbrella Liability policies herein shall include Citizens as an additional insured upon execution of the Agreement with Citizens. For Commercial General Liability coverage, the policy must include ISO Form #CG 20 10 10 01 or a comparable company specific endorsement.
- 18.7. Coverage for Indemnity Obligations. The Commercial General Liability, Auto Liability and Professional Liability insurance coverages must cover claims made under the indemnity provisions of this Agreement.
- 18.8. Notice of Cancellation or Change. To the extent practicable, the Commercial General



Liability and Professional Liability policies shall require thirty (30) calendar days prior written notice to Crawford of cancellation, non-renewal, or material change in any coverage. Crawford agrees to notify Citizens within seven (7) days of receipt of such notice.

- 18.9. Proof of Insurance Coverage. Each person, entity, or company required under this Section to provide insurance coverage shall, as the case may be, provide proof of insurance coverage, in the form of a Certificate of Insurance, consistent with the CAIS Credentialing Requirements.

**19. CAIS Network Contractor Insurance.**

- 19.1. Required CAIS Network Contractor Insurance Coverage. During the term of this Agreement, CAIS Network Contractors shall provide insurance coverage, as follows:
- 19.1.1. Workers' Compensation, 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 [REDACTED] per accident;
  - 19.1.2. Commercial General Liability with [REDACTED] per occurrence and [REDACTED] in the aggregate;
  - 19.1.3. Commercial Automobile Liability with combined single limits of not less than [REDACTED] per accident. The policy must include Symbol 1 "Any Auto" coverage;
  - 19.1.4. Umbrella/Excess General Liability with [REDACTED] per occurrence; and,
  - 19.1.5. Contractor's Pollution Liability with [REDACTED] per occurrence for those providing Emergency Water Mitigation Services (and additional services as may be designated by Citizens) in addition to or in lieu of Excess General Liability and which shall insure the full scope of Emergency Water Mitigation Services for losses as a result of exposure to fungus, mold, bacteria, asbestos, lead, and silica.
- 19.2. Insurance Company Qualifications. Each insurance company issuing the policies required herein must be: (a) be licensed to transact business in the State of Florida; and, (b) have an AM Best Financial Strength rating of "A-" or above.
- 19.3. Acceptable Deductible Amounts. The policies required herein shall not have deductibles in [REDACTED] claim/occurrence. Citizens shall be exempt from, and in no way liable for, any sum of money which may represent a deductible in any of the policies.
- 19.4. Defense Costs. The limits of indemnity coverage required herein shall not include costs incurred in defending against a claim and shall not be reduced by the payment of such costs.
- 19.5. Insurance is Primary. The insurance required herein shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by Citizens or any Citizens employee or director.
- 19.6. Citizens to be an Additional Insured. The Commercial General Liability, Auto Liability and Umbrella Liability policies herein shall include Citizens as an additional insured upon execution of the Agreement with Citizens. For Commercial General Liability coverage, the policy must include ISO Form #CG 20 10 10 01 or a comparable company specific endorsement.
- 19.7. Coverage for Indemnity Obligations. The Commercial General Liability, Auto Liability and Professional Liability insurance coverages must cover claims made under the indemnity provisions of this Agreement.

- 19.8. Notice of Cancellation or Change. To the extent practicable, the Commercial General Liability and Professional Liability policies shall require thirty (30) calendar days prior written notice to Crawford of cancellation, non-renewal, or material change in any coverage. Crawford agrees to notify Citizens within seven (7) days of receipt of such notice.
- 19.9. Proof of Insurance Coverage. Each person, entity, or company required under this Section to provide insurance coverage shall, as the case may be, provide proof of insurance coverage, in the form of a Certificate of Insurance, consistent with the CAIS Credentialing Requirements.

**20. Contract Administration.**

- 20.1. Contract Administrator. Citizens shall name a Contract Administrator during the term of this Agreement whose responsibility shall be to maintain this Agreement. 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, Vendor Management Office  
301 West Bay Street, Suite 1300  
Jacksonville, Florida 32202  
904-407-0225  
[Lori.Newman@citizensfla.com](mailto:Lori.Newman@citizensfla.com)

Citizens shall provide written notice to Crawford of any changes to the Contract Administrator; such changes shall not be deemed Agreement amendments.

- 20.2. Contract Managers. Each Party will designate a Contract Manager during the term of this Agreement whose responsibility shall be to oversee the Party's performance of its duties and obligations pursuant to the terms of this Agreement. As of the Effective Date, Citizens' and Crawford's Contract Managers are as follows:

Citizens' Contract Manager  
Amanda Pearson  
Citizens Property Insurance Corporation  
301 West Bay Street  
Jacksonville, Florida 32202  
904-208-7182  
[Amanda.Pearson@citizensfla.com](mailto:Amanda.Pearson@citizensfla.com)

Crawford's Contract Manager  
Lance D. Malcolm  
Crawford & Company through its division Contractor Connection  
10550 Deerwood Park Blvd., Suite 100  
Jacksonville, Florida 32256  
904-394-6345  
[Lance.Malcolm@ContractorConnection.com](mailto:Lance.Malcolm@ContractorConnection.com)

With a mandatory copy to:  
Crawford & Company  
1001 Summit Blvd., 10<sup>th</sup> Floor  
Atlanta, GA 30319  
Attn: Legal Department

Crawford shall provide written notice to Citizens of any changes to the Contract Manager; such changes shall not be deemed Agreement amendments.

**21. Suspension; Termination; Transition Assistance.**

- 21.1. Suspension of Services. Citizens may elect to, at Citizens' sole election, to temporarily suspend all or certain portions of the Administrative Services, Emergency Water Mitigation Services, and/or Repair Services at any time by providing written notice to Crawford. Upon receiving a suspension notice, Crawford shall cease or cause to cease the performance of any such suspended services in accordance with the suspension notice. Within ninety (90) days after Citizens provides the suspension notice, or any longer period agreed to by Crawford, Citizens shall either: (a) issue a notice authorizing resumption of the suspended Administrative Services, Emergency Water Mitigation Services, and/or Repair Services, at which time such services shall resume; or, (b) exercise its right to terminate this Agreement without cause.
- 21.2. Corrective Action Plan. Without limiting Citizens' right to suspend Administrative Services, Emergency Water Mitigation Services, and/or Repair Services or terminate this Agreement without cause or for cause, upon the identification by Citizens of a deficiency in Crawford's performance of this Agreement, Citizens may require Crawford to take the following actions: (a) perform a cause analysis to identify the cause of such deficiency; (b) provide Citizens with a written Corrective Action Plan detailing the cause of, and procedure for, correcting such deficiency (Citizens will be afforded the time necessary to review and approve the proposed Corrective Action Plan or require Crawford to make revisions); (c) implement the Corrective Action Plan as approved by Citizens; and, (d) provide Citizens with satisfactory assurance that such failure will not reoccur following the completion of the implementation of the corrective procedure. 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. In the case of a deficiency identified by Citizens, completion of the cause analysis and implementation of the Corrective Action Plan by Crawford must occur before the end of the thirty (30) day cure period provided above, unless otherwise agreed to by Citizens, at its sole election. If performance deficiencies are not resolved to the satisfaction of Citizens within the prescribed time and if no extenuating circumstances can be documented by Crawford to Citizens' satisfaction, Citizens may issue a stop work order, issue corrective action, or terminate this Agreement. The determination of any extenuating or mitigating circumstances is the exclusive determination of Citizens. Should Crawford not meet the requirements of the Corrective Action Plan, Crawford will then be disqualified from the next solicitation and future contracts for all services. Citizens may deliver any written notice pursuant to this Section by U.S. mail, facsimile, electronic mail, or other electronic means. Citizens may also remove Crawford from the ability to provide Administrative Services, Emergency Water Mitigation Services, and/or Repair Services until such time as a deficiency in Crawford's performance is explained and corrected in accordance here within.
- 21.3. Suspension or Termination of CAIS Network Contractors. The eligibility of any CAIS Network Contractor to receive Program Assignments or perform Emergency Water Mitigation Services and/or Repair Services may be immediately suspended or terminated

by Citizens at any time and for any reason. Upon such suspension or termination by Citizens, Citizens will provide written notice to Crawford as soon as practicable. Citizens shall pay to the suspended or terminated CAIS Network Contractor any amounts due from Citizens to the CAIS Network Contractor for Emergency Water Mitigation Services and/or Repair Services satisfactorily performed, as solely determined by Citizens, prior to the suspension or termination; provided, however, that such CAIS Network Contractor shall not be entitled to any additional compensation for the suspension or termination of Emergency Water Mitigation Services and/or Repair Services.

- 21.4. Termination without Cause. By thirty (30) days advance written notice, Citizens may terminate this Agreement in whole or in part, at its sole election and without the need to specify a reason for termination. The actual date of termination of this Agreement will be thirty (30) days from the date of such written notice, or as otherwise specified in Citizens' written notice (the "Termination Date"). Where Citizens elects to terminate this Agreement in part, Crawford shall continue to provide Administrative Services, Emergency Water Mitigation Services and/or Repair Services on any Program Assignments not terminated. CAIS Network Contractors shall be entitled to payment for Emergency Water Mitigation Services and/or Repair Services satisfactorily performed through the Termination Date but shall not be entitled to recover any cancellation charges or damages, including lost profits or reliance damages. In the event of Citizens' termination without cause, Citizens, at Citizens' sole election, may also request Crawford to provide Transition Assistance.



- 21.5. Termination for Cause. Either Party may terminate this Agreement if the other Party fails to honor its material obligations. Unless otherwise provided herein, before terminating this Agreement, the Party that believes the other Party is failing to comply with this Agreement shall notify the other Party, 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 ten (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 Party, in writing, that it considers the other Party in default and may terminate this Agreement. Instead of terminating this Agreement in whole, Citizens may elect to terminate this Agreement in part, in which case Crawford shall continue to provide Emergency Water Mitigation Services and/or Repair Services on any Program Assignments or Emergency Water Mitigation Services and/or Repair Services not terminated. If after termination it is determined that Crawford was not in default, or that the default was excusable, the rights and obligations of the Parties shall be the same as if the termination had been issued without cause under Section 21.4.
- 21.6. Transition Assistance. With the exception of termination without cause that has been initiated by Crawford as described in Section 21.4., at any time prior to the Termination Date, Citizens may request Crawford to provide transition assistance services ("Transition Assistance"). Crawford shall provide such Transition Assistance until Citizens notifies Crawford that Citizens no longer requires such Transition Assistance, which shall in no event be more than one-hundred and eighty (180) days following the Termination Date.
- 21.6.1. Transition Assistance shall mean any transition services, functions or responsibilities that are ordinarily or customarily provided to a purchaser to ensure that the services provided to that purchaser by Crawford are fully transitioned in a smooth and efficient manner to the purchaser or to a successor to Crawford.

Transition Assistance includes the development and implementation of a detailed transition plan, if requested.

21.6.2. Transition Assistance rendered before the Termination Date shall be provided at no additional cost to Citizens. Transition Assistance rendered after the Termination Date shall be provided at the rates negotiated by the Parties prior to the rendering of the post-termination Transition Assistance, which rates shall not exceed the standard market rates Crawford charges to government entities for comparable services; provided however, that if Citizens terminates this Agreement because of a breach by Crawford, then the post-termination Transition Assistance shall be provided at no cost to Citizens. Crawford may withhold Transition Assistance after the Termination Date if Citizens does not provide reasonable assurance that the charges for such Transition Assistance will be paid to Crawford.

22. **Disputes.** Crawford 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 this Agreement, the Parties agree that they will attempt to resolve any dispute, excluding those disputes addressed by the Dispute Resolution Process, through non-binding mediation. The Parties agree that, if a disagreement arises as to the terms or enforcement of any provision of this Agreement, each Party shall in good faith attempt to resolve the disagreement prior to the filing of a lawsuit or commencing a legal action. Crawford acknowledges that any dispute or disagreement under this Agreement relating to Citizens Confidential Information shall be exempt from the requirements of this Section.

22.1. **Jurisdiction and Venue; Waiver of Jury Trial.** 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 Circuit Court of Leon County, Florida, for all purposes under this Agreement, and waives any defense to the assertion of such jurisdiction based on inconvenient forum or lack of personal jurisdiction. The Parties also agree to waive any right to jury trial.

22.2. The provisions of the Section shall survive the termination of this Agreement.

23. **Records; Audits.**

23.1. **Crawford's Records.** Crawford shall retain all records relating to this Agreement for the longer of: (a) three (3) years after the termination of this Agreement; or, (b) the period required by the General Records Schedules maintained by Citizens' Records Management. Citizens' follows the GS1-SL state schedule for records retention.

23.2. **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 Crawford's records related solely to this Agreement, upon reasonable written notice to Crawford of at least three (3) business days. Crawford shall not unreasonably delay or inhibit Citizens' right to audit as set forth in this Section. Any person, entity, or company auditing pursuant to this Section shall execute a non-disclosure agreement with regard to Crawford's proprietary information, unless precluded from doing so by law. Crawford agrees to reimburse Citizens for the reasonable costs of investigation incurred by Citizens for investigations of Crawford's compliance with this Agreement which results in termination for cause or in regulatory or criminal penalties in connection with performance of this Agreement. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses and expert witness and

documentary fees.

- 23.3. Public Records. Crawford acknowledges that Citizens is subject to Chapter 119, Florida Statutes, and Section 627.351(6)(j), Florida Statutes; therefore, any information provided to Citizens or maintained by Crawford in connection with this Agreement may fall within the disclosure requirements of Chapter 119, Florida Statutes. Section 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. Crawford must clearly label and mark each page or section of information provided to Citizens as confidential or exempt from Chapter 119, Florida Statutes and Section 24(a), Article I., State Constitution ("Crawford's Confidential Information").
- 23.3.1. If Citizens receives a Public Records Request ("PRR") or a request from any regulatory or legislative entity regarding Crawford's Confidential Information, it shall promptly notify Crawford in writing, or electronically. The Parties agree (to the extent permitted by law) that Citizens shall not produce Crawford's Confidential Information unless authorized by Crawford, or by order of a court of competent jurisdiction. In the event a legal proceeding is brought to compel the production of Crawford's Confidential Information, the Parties agree that Citizens is authorized to deliver Crawford's Confidential Information to the Court or other legal tribunal for disposition. If Crawford continues to assert in good faith that Crawford's Confidential Information is confidential or exempt from disclosure or production pursuant to Chapter 119, Florida Statutes, then Crawford shall be solely responsible for defending its position, or seeking a judicial declaration. Nothing in this Agreement shall create an obligation or duty for Citizens to defend or justify Crawford's position. Crawford also agrees to indemnify and hold harmless any Citizens Indemnitee for any Claims, including attorneys' fees, costs, and expenses incidental thereto, incurred by Citizens in connection with this Section.
- 23.3.2. If Crawford receives a PRR that is in any way related to this Agreement, Crawford agrees to immediately notify Citizens' Custodian of Records and forward the PRR to Citizens' Custodian of Records for logging and processing. Citizens' Custodian 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. Crawford shall communicate with Citizens to determine whether requested information is confidential and/or exempt from public records disclosure requirements. Crawford agrees to assist Citizens in responding to any PRR in a prompt and timely manner as required by Chapter 119, Florida Statutes.
- 23.3.3. Without limiting Citizens' other rights of termination as further described in this Agreement, Citizens may unilaterally terminate this Agreement for refusal by Crawford to comply with this Section by not allowing public access to all documents, papers, letters, emails, or other material made or received by Crawford in conjunction with this Agreement, unless the records are exempt from s.24(a) of Art. I of the State Constitution and Section 119.07 (1), Florida Statutes.
- 23.3.4. To the extent Crawford is providing services and is "acting on behalf of" Citizens as provided under Section 119.011(2), Florida Statutes, Crawford must: (a) keep and maintain public records that ordinarily and necessarily would be required by Citizens in order to perform services; (b) 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; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements

are not disclosed except as authorized by law; and, (d) meet all requirements for retaining public records and transfer, at no cost, to Citizens all public records in possession of Crawford upon termination of this Agreement 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.

23.4. The provisions of this Section shall survive the termination of this Agreement.

**IF CRAWFORD HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CRAWFORD'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT RECORDS CUSTODIAN, CITIZENS PROPERTY INSURANCE CORPORATION, 2101 MARYLAND CIRCLE, TALLAHASSEE, FL 32303, 850-521-8302; 850-575-1879 (FAX); OR [RECORDSREQUEST@CITIZENSFLA.COM](mailto:RECORDSREQUEST@CITIZENSFLA.COM).**

**24. Security and Confidentiality.**

- 24.1. General Requirements. Crawford and those providing services under this Agreement will implement and maintain appropriate safeguards to: (a) ensure the security and confidentiality of Citizens Confidential Information; (b) protect against any anticipated threats or hazards to the security or integrity of Citizens Confidential Information; and (c) protect against unauthorized access to or use of Citizens Confidential Information that could cause harm or inconvenience to any customer of Citizens.
- 24.2. Use of Citizens' Systems. Crawford and those providing services under this Agreement will encrypt all electronic data and communications containing Citizens Confidential Information using a strong cryptographic protocol that is consistent with industry standards.
- 24.3. Data Encryption. Crawford and those providing services under this Agreement will encrypt all electronic data and communications containing Citizens Confidential Information using a strong cryptographic protocol that is consistent with industry standards.
- 24.4. Data Storage. Except as permitted in writing by Citizens' Contract Manager or designee, Crawford and those providing services under this Agreement shall not store Citizens Confidential Information on portable external storage devices or media (such as "thumb drives, compact disks, or portable disk drives).
- 24.5. Data Export. Except as permitted in writing by Citizens' Contract Manager or designee, Crawford and those providing services are prohibited from: (a) performing any services outside of the United States; or, (b) sending, transmitting, or accessing any Citizens Confidential Information outside of the United States.
- 24.6. Audit Reports. For each calendar year during the term of this Agreement, upon sixty (60) days of issuance but no later than the end of each calendar year, Crawford shall submit to Citizens via email to Citizens' Contract Manager or designee a copy of its annual American Institute of Certified Public Accountants Service Organization Control (SOC) 1 type 2 report and SOC 2 type 2 report (for all Trusted Services Principles).
- 24.7. Security of Crawford Facilities. The facilities for Crawford, and those providing services under this Agreement in which Citizens Confidential Information is located or housed shall

be maintained in a reasonably secure manner.

- 24.8. Printed Materials. Crawford and those providing services under this Agreement shall not make copies of Citizens Confidential Information unless there is a business need. When not in use, all printed materials containing Citizens Confidential Information should be kept locked in a secure location (e.g., cabinet, desk, etc.). The disposal of such printed materials must be conducted in manner that renders the information inaccessible to others (use of a reputable third party shredding company is permissible).
- 24.9. Authority to Disclose Confidential Information to Others. Crawford acknowledges and agrees that any Citizens Confidential Information disclosed to or acquired by, as the case may be, Crawford, Crawford Resource, CAIS Network Contractor, or Non-CAIS Credentialed Resources is disclosed and/or acquired solely for the purposes of facilitating the provision of the Administrative Services, Emergency Water Mitigation Services, and Repair Services. Crawford shall restrict access to this Citizens Confidential Information to Crawford Resources and CAIS Network Contractors who will actually perform such services and shall cause CAIS Network Contractors to do the same in relation to Non-CAIS Credentialed Resources. Crawford shall be solely responsible for informing any person, entity, or company with access to Citizens Confidential Information of the provisions of this Agreement and shall be responsible for any acts of those individuals and entities that violate such provisions.
- 24.10. Unauthorized Disclosure of Confidential Information. Crawford will notify Citizens as soon as possible of any potential or actual unauthorized disclosure, misuse, or misappropriation of Citizens Confidential Information of which it becomes aware and will cooperate in remedying such situation promptly. Pursuant to Section 501.171, Florida Statutes, if Crawford maintains computerized data that includes personal information, as defined in such statute, on behalf of Citizens, Crawford shall disclose to Citizens any breach of the security of the system as soon as practicable, but no later than ten (10) days following the determination of the breach of security or reason to believe the breach occurred.
- 24.11. Return of Confidential Information. During the term of this Agreement upon Citizens' written request or upon the termination of this Agreement for any reason, Crawford shall: (a) promptly return to Citizens all copies, whether in written, electronic or other form or media, of Citizens Confidential Information in its possession; or, (b) securely dispose of all such copies, and certify in writing to Citizens that Citizens Confidential Information has been returned to Citizens or disposed of securely. Crawford agrees that it shall cause the CAIS Network Contractors to comply with either (a) or (b) of the foregoing.
- 24.12. Notification of Anticipatory Breach. Crawford 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 in writing of such inability and such inability on Crawford's part will serve as justification for Citizens' termination of this Agreement, at Citizens' sole election, at any time after the inability becomes known to Citizens.
- 24.13. Remedies. Crawford acknowledges that breach of Crawford's obligation of confidentiality may give rise to irreparable injury to Citizens and the customers of Citizens, which damage may be inadequately compensable in the form of monetary damages. Accordingly, Citizens may seek and obtain injunctive relief against the breach or threatened breach of the provisions of this Section, in addition to any other legal remedies which may be available, to include, at the sole election of Citizens, the immediate termination, without penalty to Citizens, of this Agreement in whole or in part.
- 24.14. The provisions of this Section shall survive the termination of this Agreement.



25. Miscellaneous.

- 25.1. Process and System Requirements. Within thirty (30) days of execution of the Agreement, at its own cost and expense, Crawford shall have in place and ready for use all of the mutually agreed upon appropriate processes, systems, software, and hardware to ensure its ability to perform Administrative Services. Crawford agrees to execute any third party agreements to permit it to obtain access to Citizens' systems. Crawford shall validate through testing that all of the requirements of this provision are in place prior to performing Administrative Services.
- 25.2. Non Solicitation. Crawford will not directly solicit and hire for employment any active or current Citizens' employee during the term of this Agreement and for six (6) months after this Agreement is terminated.
- 25.3. Business Continuity and Disaster Recovery Plan. Crawford shall have a viable, documented, effective and annually tested business continuity/disaster recovery strategy plan in place to mitigate the potential disruption of Administrative Services. Within thirty (30) calendar days of execution of the Agreement, at its own cost and expense, Crawford shall provide to Citizens a summary of its established business continuity and disaster recovery plan and annually thereafter by April 15<sup>th</sup> during the term of this Agreement.
- 25.4. Relationship of the Parties. Crawford is an independent contractor with no authority to contract for Citizens or in any way to bind or to commit Citizens to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of Citizens. Under no circumstances shall Crawford or those providing services under this Agreement, hold itself out as or be considered an agent, employee, joint venturer, or partner of Citizens. [REDACTED]
- Citizens shall carry no Workers' Compensation insurance or any health or accident insurance to cover Crawford or those providing services under the Agreement. Citizens shall not pay any contributions to Social Security, unemployment insurance, federal or state withholding taxes, any other applicable taxes whether federal, state, or local, nor provide any other contributions or benefits which might be expected in an employer-employee relationship. Neither Crawford nor those providing services under the Agreement shall be eligible for, participate in, or accrue any direct or indirect benefit under any other compensation, benefit, or retirement plan of Citizens.
- 25.5. Third-Party Beneficiaries. The Parties agree that Policyholders receiving Emergency Water Mitigation Services and/or Repair Service are express third-party beneficiaries of this Agreement. Other than the foregoing third-party beneficiaries, this Agreement is for the sole benefit of the Parties hereto and nothing herein, express or implied, will give or be construed to give any rights hereunder to any other person, entity, or company.
- 25.6. Crawford Conflicts of Interests. As further described as a part of the CAIS Credentialing Requirements, Crawford firm principals shall not have a relationship with a Citizens officer or employee that creates a conflict of interest. If there is the appearance of a conflict of interest, Crawford will promptly contact Citizens' Contract Manager or designee 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.
- 25.6.1. No Gifts. Crawford shall not give a gift or make an expenditure to or for the personal benefit of a Citizens officer or employee. Crawford shall not accept a gift from a Policyholder in connection with the Emergency Water Mitigation and/or Repair Services 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.

- 25.7. Convicted Vendor List. Crawford shall immediately notify Citizens' Contract Manager or designee in writing if it or any Crawford Resource or CAIS Network Contractor is placed on the convicted vendor list maintained pursuant to Section 287.133, Florida Statutes, or on any similar list maintained by any other state or the federal government.
- 25.8. Compliance with Laws. Crawford will comply with, and will cause Crawford Resources and CAIS Network Contractor, to comply with, with all applicable laws, ordinances, rules, codes, and regulations governing performance under this Agreement.
- 25.9. Subcontracting. Crawford shall not enter into any subcontracts for the performance of Crawford's Administrative Services, or assign or transfer any of its rights or obligations under this Agreement relating to Administrative Services, without Citizens' prior written consent and any attempt to do so shall be void and without effect. Citizens' consent to Crawford's right to subcontract any of the Emergency Water Mitigation and/or Repair Services shall not relieve Crawford of any of its duties or obligations under this Agreement.
- 25.10. Severability. If a court deems any provision of this Agreement void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.
- 25.11. Headings. The Sections and headings herein contained are for the purposes of identification only, and shall not be considered as controlling in construing this Agreement.
- 25.12. Publicity; Use of Names and Logos. Crawford may use Citizens' name and logo in its marketing materials, website and social media to indicate that it is a participating or contracted vendor for Citizens. However, Crawford may not in any way state, imply or infer that it holds a "preferred," "approved," "awarded," "selected" or otherwise special status with Citizens in any such materials. This prohibition includes, but is not limited to, the use of endorsements or quotes from Citizens officials, Citizens vendor scores, or any other Citizens-related materials that may directly or indirectly imply that Crawford enjoys a special or preferred status with Citizens. Citizens reserves the right to determine that its name and/or logo have been misused and to request that Crawford cease using its name and/or logo in any way it deems inappropriate. Failure to comply will result in disciplinary action, up to and including contract termination. Crawford may only use the approved Citizens logo, which is available for download at: <https://www.citizensfla.com/about/mediareources.cfm>.
- 25.13. 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.
- 25.14. Entire Agreement. This Agreement, and any exhibits, schedules and attachments hereto, set forth the entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersedes any prior or contemporaneous proposals, agreements or understandings with respect to the subject matter hereof.
- 25.15. Modification of Terms. This Agreement may only be modified or amended upon mutual written contract of Citizens and Crawford or as otherwise permitted by this Agreement. Crawford may not unilaterally modify the terms of this Agreement in any manner such as by affixing additional terms to any Deliverable (e.g., attachment or inclusion of standard preprinted forms, product literature, "shrink wrap" or "click through" terms, whether written or electronic) or by incorporating such terms onto Crawford's order or fiscal forms or other documents forwarded by Crawford for payment and any such modifications shall have no force or effect upon Citizens or this Agreement. Citizens' acceptance of any Service or


processing of documentation on forms furnished by Crawford for approval or payment shall not constitute acceptance of any proposed modification to terms and conditions or any conflicting terms and conditions.

- 25.16. Assignments. This Agreement shall inure to the benefits of, and be binding upon, the successors and assigns of each Party, but only as permitted under this Agreement. Each Party binds itself and its respective successors and assigns in all respects to all of the terms, conditions, covenants and provisions of this Agreement. Crawford shall not sell, assign or transfer any of its rights (including rights to payment), duties or obligations under this Agreement without the prior written consent of Citizens. In the event of any assignment, Crawford shall remain liable for performance of this Agreement unless Citizens expressly waives such liability. Citizens may assign this Agreement with prior written notice to Crawford of its intent to do so. Nothing herein shall be construed as creating any personal liability on the part of any officer, employee or agent of Citizens.
- 25.17. Notice of Changes in Ownership. Because the award of this Agreement may have been predicated upon Crawford's ownership structure, Crawford agrees that any transfer of a substantial interest in Crawford by any of its owners shall require timely written notification to Citizens once it is legally permissible to provide such notice.
- 25.18. Assignment of Antitrust Claims. Crawford and Citizens recognize that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the ultimate consumer. Therefore, Crawford hereby assigns to Citizens any and all claims under the antitrust laws of Florida or the United States for overcharges incurred in connection with this Agreement.
- 25.19. Force Majeure. A Party shall not be liable for its delays in the performance of its obligations under this Agreement due to causes beyond the reasonable control of such Party and to the extent not occasioned by the fault or negligence of such Party, such causes including, but not limited to, natural catastrophe, epidemics or pandemics, acts of government, war or terrorism, and strikes or labor difficulties (collectively, the "Force Majeure Events" and, individually, a "Force Majeure Event"). Performance by the delayed Party will not be considered excused pursuant to this Section unless the delayed Party: (a) promptly notifies the other Party of the occurrence of a Force Majeure Event; (b) uses its best efforts to minimize the delay caused by the Force Majeure Event; and, (c) informs the other Party of its plans to resume performance. Any excused performance shall last only as long as the Force Majeure Event remains beyond the reasonable control of the delayed Party. If a Force Majeure Event results in a delay which cannot be rectified to the Parties' satisfaction, then Citizens will have the option, at Citizens' sole election, of: (a) extending the term of this Agreement for a reasonable time period to be mutually agreed upon by the Parties; or, (b) terminating this Agreement. Because of the nature of the CMRP, Crawford acknowledges and agrees that Emergency Water Mitigation Services and Repair Services may be required to be performed in imperfect or onerous conditions and that such conditions shall not constitute a Force Majeure Event.
- 25.20. Favored Customer. Should Crawford, at any time during the term of this Agreement, enter into a contract with another customer under terms and conditions more favorable than those contained herein for services similar to those as described herein, Crawford shall promptly notify Citizens and offer to extend any such favorable terms and conditions to Citizens.
- 25.21. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute but one and the same Agreement. The Parties agree that a faxed or scanned signature may substitute for and have the same legal effect as the original signature.

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

**CITIZENS PROPERTY INSURANCE CORPORATION:**

**CRAWFORD & COMPANY, THROUGH ITS DIVISION, CONTRACTOR CONNECTION:**

DocuSigned by:  
  
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Signature

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James Adams

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Print Name

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Chief of Claims

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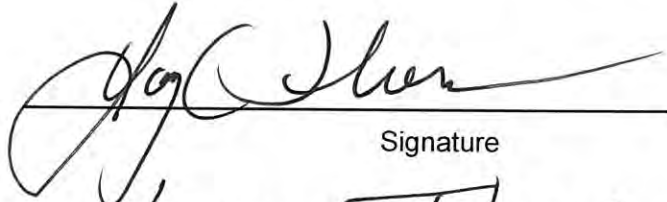
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5/22/2017

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Date Signed



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Signature

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Larry C. Thomas

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Print Name

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CEO Crawford U.S. Services

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Crawford & Company

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Title

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May 17, 2017

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Date Signed

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Signature

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Steve Bitar

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Print Name

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Chief of Underwriting and Agency Services

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Title

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5/22/2017

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Date Signed



## EXHIBIT A – CRIMINAL BACKGROUND SCREENING

1. Criminal Background Screening Review. Crawford warrants that no Crawford Resource or CAIS Network Contractor will obtain Access<sup>1</sup> or provide, as the case may be, Administrative Services, Emergency Water Mitigation Services, or Repair Services unless and until Crawford confirms that the subject person, entity, or company is eligible for Access pursuant to a criminal background screening review process in accordance with the standards set forth herein, (each, a "Criminal Background Screening Review"). Crawford, the CAIS Network Contractor, or the Non-CAIS Credentialed Resource is responsible for any and all costs and expenses in obtaining and maintaining the Criminal Background Screening Review information for each such individual as required. Crawford or the CAIS Network Contractor, as the case may be, is responsible for maintaining a copy of the documentation of all requisite Criminal Background Screening Reviews, including each Criminal Background Report, completed on each Crawford Resource or CAIS Network Contractor. Crawford or the CAIS Network Contractor shall abide by all applicable laws, rules, and regulations including, but not limited to the Fair Credit Reporting Act and/or any equal opportunity laws, rules, regulations or ordinances.
2. Criminal Background Screening Review Requirements. At a minimum, the Criminal Background Screening Review shall include:
  - 2.1 A check of the following through a background screening report obtained in writing through a law enforcement agency or a Professional Background Screener accredited by the National Association of Professional Background Screeners or a comparable standard, (each, a "Criminal Background Report"):
    - 2.1.1 An identity verification that includes, but is not limited to, the following information:
      - a national crosscheck trace and verification of the Social Security Number;
      - All residential address histories dating back a minimum of seven (7) years;
      - Any alias or maiden names associated with the Social Security Number; and
      - Social Security Number trace.
    - 2.1.2 All state and federal felony convictions, all state and federal misdemeanor convictions for the past seven(7) 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 seven (7) years.
    - 2.1.3 A national crosscheck of all sex offender databases and registries, including the

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<sup>1</sup> "Access" means to approach, walk through, communicate with, store material in, retrieve material from, or otherwise make use of any property, be it tangible, intangible, chattel or real, insured by or within the responsibility of Citizens. This Access can either be "Direct" Access meaning Access under the authority of this Agreement or "Indirect" Access meaning Access, with or without authority under general law or this Agreement, achieved as a result of Direct Access.

Dru Sjodin National Sex Offender Public Website as well as state sex offender registries that encompass all counties in each state.

The Criminal Background Report must have been conducted within twelve (12) months prior to consideration for Access.

- 2.2 Crawford must review each Criminal Background Report and determine whether any Crawford Resource has a criminal misdemeanor or felony conviction, (a "Conviction"). A Conviction includes adjudications of guilt, and guilty pleas or pleas of no contest or nolo contendere, regardless of whether adjudication was withheld. For any Crawford Resource with one or more Convictions, Crawford must examine whether the Conviction constitutes an offense that renders the Crawford Resource ineligible for Access under the standards set forth in the Background Review Guide provided below, (a "Disqualifying Offense"). In reviewing whether a Conviction constitutes a Disqualifying Offense, Crawford must compare the nature of the Conviction to the nature of each offense included in the Background Review Guide. If the nature of a Conviction is substantively equivalent to an offense listed in the Background Review Guide, then the listed offense must form the basis for the Access eligibility determination. In the event of reasonable uncertainty as to whether a Conviction constitutes a Disqualifying Offense, Crawford will request review by Citizens. Citizens will review the Conviction and determine whether the offense constitutes a Disqualifying Conviction.

If at any time it is determined that a Crawford Resource has a Conviction that renders the Crawford Resource ineligible for Access as set forth in the Background Review Guide below, Crawford is required to immediately remove that Crawford Resource from Direct or Indirect Access.

- 2.3 If Crawford finds a Conviction for a Disqualifying Offense, Crawford may obtain additional information regarding the incident and consider whether extenuating circumstances merit submission to Citizens for additional consideration by Citizens. Crawford shall consider the following factors in determining whether to submit the extenuating circumstances to Citizens for review: a.) nature and gravity of the offense, b.) the amount of time that lapsed since the offense, c.) the rehabilitation efforts of the Crawford Resource, and d.) relevancy of the offense to the Crawford Resource's Direct or Indirect Access. Notwithstanding the foregoing, Crawford shall not allow Access by a Crawford Resource with a Disqualifying Offense unless and until the Citizens' Contract Manager authorizes Access.

**Applicant Background Review Guide  
5/28/2015**

<b>Felony Offenses</b>	<b>Not Eligible for Access</b>				
Misdemeanor Offenses	Automatic Disqualifier for Eligibility for Access: Conviction of Single Misdemeanor Offense	Conviction of Single Misdemeanor Offense Within Past 24 Months	Conviction of Single Misdemeanor Offense greater than 24 Months	Conviction of any Combination* of Two (or more) Misdemeanor Offenses in Past 5 Years	Conviction of any Combination* of Three (or more) Misdemeanor Offenses in Past 10 Years
Affray or Unlawful Assembly		Not Eligible	Eligible	Not Eligible	Not Eligible
Assault		Not Eligible	Eligible	Not Eligible	Not Eligible
Alcohol Possession by Person Under 21		Eligible	Eligible	Eligible	Not Eligible
Battery (Not Involving Domestic Violence)		Not Eligible	Eligible	Not Eligible	Not Eligible
Battery Involving Domestic Violence		Not Eligible	Eligible	Not Eligible	Not Eligible
Battery of or Threatening a Law Enforcement Officer or Public Official in the Performance of His/Her Duties		Not Eligible	Eligible	Not Eligible	Not Eligible
Carrying a Concealed Weapon/Firearm		Not Eligible	Eligible	Not Eligible	Not Eligible
Computer Crimes		Not Eligible	Eligible	Not Eligible	Not Eligible

Contributing to the Delinquency or Dependency of a Child	Not Eligible				
Criminal Mischief or Vandalism		Not Eligible	Eligible	Not Eligible	Not Eligible
Cruelty to Animals		Not Eligible	Eligible	Not Eligible	Not Eligible
Misdemeanor Offenses	Automatic Disqualifier Conviction of Single Misdemeanor Offense	Conviction of Single Misdemeanor Offense Within Past 24 Months	Conviction of Single Misdemeanor Offense greater than 24 Months	Conviction of any Combination* of Two (or more) Misdemeanor Offenses in Past 5 Years	Conviction of any Combination* of Three (or more) Misdemeanor Offenses in Past 10 Years
Dealing in Stolen Property Valued at Less than \$300 <b>Over the Internet</b>		Not Eligible	Eligible	Not Eligible	Not Eligible
Discharging Firearm in Public		Not Eligible	Eligible	Not Eligible	Not Eligible
Driving or Boating Under the Influence		Not Eligible	Eligible	Not Eligible	Not Eligible
Driving While License Suspended or Revoked		Not Eligible	Eligible	Not Eligible	Not Eligible
Failure to Pay Taxes		Not Eligible	Eligible	Not Eligible	Not Eligible
No Driver's License or Violation of License Restrictions		Not Eligible	Eligible	Not Eligible	Not Eligible
Disorderly Conduct, Disorderly Intoxication, Breach		Eligible	Eligible	Eligible	Not Eligible



of Peace, Disruption of School Board Meeting					
Failure to Control or Report Dangerous Fire		Not Eligible	Eligible	Not Eligible	Not Eligible
False Personation or Impersonation of Law Enforcement Officer	Not Eligible				
False Reports to Law Enforcement/ False Fire Alarms	Not Eligible				
Firearms or Weapons Offenses		Not Eligible	Eligible	Not Eligible	Not Eligible
Misdemeanor Offenses	Automatic Disqualifier Conviction of Single Misdemeanor Offense	Conviction of Single Misdemeanor Offense Within Past 24 Months	Conviction of Single Misdemeanor Offense greater than 24 Months	Conviction of any Combination* of Two (or more) Misdemeanor Offenses in Past 5 Years	Conviction of any Combination* of Three (or more) Misdemeanor Offenses in Past 10 Years
Fireworks Possession or Discharge		Eligible	Eligible	Eligible	Not Eligible
Fish and Game (Hunting) Violations		Eligible	Eligible	Eligible	Not Eligible
Fraudulent Misrepresentation of Academic degree	Not Eligible				
Gambling or Unlawful Betting		Eligible	Eligible	Not Eligible	Not Eligible
Indecent Exposure		Not Eligible	Eligible	Not Eligible	Not Eligible

Inhalation of Harmful Chemical Substances to Induce Intoxication		Not Eligible	Eligible	Not Eligible	Not Eligible
Insurance Crimes (Unfair Claim Settlement Practices, Twisting, or Churning)	Not Eligible				
Unnatural and Lascivious Acts	Not Eligible				
Loitering or Prowling		Not Eligible	Eligible	Not Eligible	Not Eligible
Obstruction by Disguised Person		Not Eligible	Eligible	Not Eligible	Not Eligible
Perjury When Not in Official Proceeding	Not Eligible				
Possession or Delivery of Under 20 Grams of Marijuana		Not Eligible	Eligible	Not Eligible	Not Eligible
Possession of Drug Paraphernalia		Not Eligible	Eligible	Not Eligible	Not Eligible
Misdemeanor Offenses	Automatic Disqualifier Conviction of Single Misdemeanor Offense	Conviction of Single Misdemeanor Offense Within Past 24 Months	Conviction of Single Misdemeanor Offense greater than 24 Months	Conviction of any Combination* of Two (or more) Misdemeanor Offenses in Past 5 Years	Conviction of any Combination* of Three (or more) Misdemeanor Offenses in Past 10 Years
Prostitution Related Offenses		Not Eligible	Eligible	Not Eligible	Not Eligible

Pornographic Display of Material to Minors	Not Eligible				
Prescription Drug Offenses		Not Eligible	Eligible	Not Eligible	Not Eligible
Reckless Driving or Reckless Operation of a Vessel		Not Eligible	Eligible	Not Eligible	Not Eligible
Resisting an Officer (or Arrest) Without Violence		Not Eligible	Eligible	Not Eligible	Not Eligible
Sale, Importation, or Distribution of Controlled Substances (drugs); or Possession for Sale, Importation or Distribution		Not Eligible	Eligible	Not Eligible	Not Eligible
Stalking	Not Eligible				
Tampering With Motor Vehicles or Trailers		Not Eligible	Eligible	Not Eligible	Not Eligible
Theft, Petit Theft, or Retail Theft/ Shoplifting	Not Eligible				
Trespass		Not Eligible	Eligible	Not Eligible	Not Eligible
Unlawful Interception or Reception of Law Enforcement Frequencies		Not Eligible	Eligible	Not Eligible	Not Eligible

Misdemeanor Offenses	Automatic Disqualifier Conviction of Single Misdemeanor Offense	Conviction of Single Misdemeanor Offense Within Past 24 Months	Conviction of Single Misdemeanor Offense greater than 24 Months	Conviction of any Combination* of Two (or more) Misdemeanor Offenses in Past 5 Years	Conviction of any Combination* of Three (or more) Misdemeanor Offenses in Past 10 Years
Unlawful Placing, Throwing, or Discharging a Bomb		Not Eligible	Eligible	Not Eligible	Not Eligible
Unlawful Reception of Cable Services		Not Eligible	Eligible	Not Eligible	Not Eligible
Voyeurism	Not Eligible				
Worthless Checks or Stopping Payment with Intent to Defraud of Less than \$150		Not Eligible	Eligible	Not Eligible	Not Eligible

\*Combination – a combination of any of the misdemeanor offenses listed on the review guide or other non-listed misdemeanors.

EXHIBIT B

**MANAGED NETWORK VENDOR  
PROGRAM  
BEST CLAIMS PRACTICES  
&  
ESTIMATING GUIDELINES**



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## Article I. CITIZENS' MISSION, VISION & VALUES

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### **Our Mission**

To efficiently provide property insurance protection in Florida to those who are, in good faith, entitled to obtain coverage through the private market but are unable to do so, while also providing levels of customer service that are comparable to the standards of the private market.

### **Our Vision**

As a government entity fulfilling a public purpose, *CITIZENS* aspires to provide insurance products and services that meet the needs of Florida property owners who are, in good faith, entitled to obtain coverage through the private market but are unable to do so. We strive to reduce the financial burden on all Floridians by being good stewards of the premium funds entrusted to us. In all that we do, we will conduct ourselves with the highest level of ethical behavior.

### **Our Values**

In accomplishing our mission, we embrace the following values:

- **Public Service:** We support the private marketplace, providing quality service to our customers and being there when Florida policyholders need us
- **Integrity:** We embrace our values and code of ethics with pride
- **Respect:** We are polite, courteous and respect one another and those we serve
- **Responsiveness:** We provide quality service that meets the needs of our customers
- **Sound Judgment:** In every situation, we strive to do the right thing

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## Article II. PURPOSE & SCOPE

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It is the goal of *Citizens Property Insurance Corporation (CITIZENS)* to deliver high quality customer service to our insureds, agents, vendors and the residents of Florida, by handling all of our claims promptly and efficiently from the moment of dispatch through final resolution.

The purpose of these *CITIZENS' Managed Network Vendor Program Best Claims Practices & Estimating Guidelines* is to provide an overview of the general principles and guidelines for receiving, evaluating, handling, documenting and communicating *CITIZENS'* property claims. As well, this document contains specific requirements for the operational performance of the CAIS Network Contractors.

This document was established to provide a consistent methodology for the handling of *CITIZENS'* property claims. Our goal is to provide high-quality customer service and accurate damage estimates for our insureds in their time of need. The application of any information contained in this document will depend on specific facts, circumstances and laws as related to the specific claim and / or damages in question. Each and every claim must be considered and handled on its own merit, in concert with these guidelines and practices.

This document is not intended to supersede any Local, State or Federal law or statute. In the



event of a conflict, the Local, State or Federal mandate should be followed at all times.

The guidelines described in this document may differ for each individual claim depending upon that claim's unique facts and circumstances. CAIS Network Contractors are expected to handle every claim as unique unto itself, and to evaluate each claim on its own merit. This evaluation does not include ascertaining and/or determining whether the amount of any claim, loss, or damage is payable under an insurance contract and/or undertaking any effort to effect settlement of such claim, loss or damage. Activities encompassed by an "all-lines adjuster" in accordance with Section 626.8548 Florida Statutes are specifically excluded from Emergency Water Mitigation Services and / or Managed Repair Services and are not to be performed under this Agreement.

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### Article III. CUSTOMER SERVICE EXPECTATIONS

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It is *CITIZENS'* goal to deliver superior customer service. Crawford will assist in this goal both through its own action and the requirements for the CAIS Network Contractors.

*CITIZENS'* customers include policyholders, agents, vendors, employees and the residents of Florida. *CITIZENS'* expects prompt claims handling from initial reporting through final resolution. The following guidelines should be followed:

- CAIS Network Contractor will be professional, courteous, appropriately groomed, dressed in the proper uniform or attire and be able to produce photo identification of themselves, if asked
- CAIS Network Contractor, including all subcontractors and their employees / representatives acting on behalf of the CAIS Network Contractor on all job sites, must be free at all times of alcohol, tobacco, drugs and illegal substances, firearms and any other items that could be considered unprofessional, inappropriate, offensive or hazardous in nature
- In accordance with the Agreement, CAIS Network Contractor must be in compliance with all local, state and federal laws, ordinances and regulations to include securing proper permits for all work being performed
- The customer is to be kept informed and their expectations clearly addressed throughout the life of the provider services. This includes explaining the expected timeline for handling and concluding the services and evaluating the "next step(s)" in the process toward completion. Prompt and timely response to any verbal or written inquiries, escalations and / or complaints is expected
  - Timely arrival is expected; however, should the CAIS Network Contractor encounter a delay, the customer is to be notified of the reason and the revised ETA
- Reasonably cleanup after each workday
- Work is not to be solicited for trades outside the *CITIZENS' Contractor Managed Repair Program ("CMRP")*, i.e.:
  - Emergency Water Mitigation Services Vendor should not solicit Managed Repair Services if they are not approved on the program for such trades
  - Emergency Water Mitigation Services Vendor should not solicit Managed Repair Services, if they are approved on the program for such trades, without first speaking to the handling Adjuster to confirm if the "Repair" assignment was already dispatched to another program CAIS Network Contractor

- The CAIS Network Contractor's work product shall constitute high-quality workmanship standards

Customer Service feedback through surveys, file audits and onsite reinspections is reviewed and analyzed to identify opportunities and promote good behaviors. Training and feedback with your staff to share such results is important to maintain our quality assurance standards.

## Article IV. GENERAL PROGRAM ADMINISTRATION

### Customer Contact / Response / Inspection Standards

- **Initial Customer Contact Standards** – At initial customer contact, the CAIS Network Contractor should convey all *XactAnalysis* notes and timestamps appropriately and:
  - Determine if any loss information / severity has changed since the original report by verifying the detailed facts, including date and time of loss
    - Convey any updates to the handling Adjuster through *XactAnalysis*
  - Explain the CAIS Network Contractor's handling process and anticipated timelines
  - Provide the CAIS Network Contractor's contact information
  - Advise the customer to protect any chain-of-custody evidence for items with salvage or subrogation potential
  - If the CAIS Network Contractor fails in their initial voice-to-voice attempt to contact the customer, they should continue to make every reasonable effort to make contact in a timely manner including, but not limited to the following:
    - Leave telephone voice mail messages
    - Text message or email as applicable
- **Emergency Water Mitigation Services Contact Standards:**
  - Initial contact with the customer is required within [REDACTED] of the Assignment
  - Commence services at the risk location within [REDACTED] of Contractor Connection initiating the 3-way dispatch call
    - If 3-way dispatch is unsuccessful in reaching the customer, CAIS Network Contractor will proceed to the loss location within [REDACTED] in a good faith effort to meet with the customer
  - Provide *XactAnalysis* status update within [REDACTED] of the onsite inspection to include:
    - Detailed description of conditions encountered during initial inspection
    - Number and description of room(s) involved
    - Initial water mitigation moisture readings
    - Equipment utilized
    - Expected target date of completion
  - Provide an *XactAnalysis* note if there is any deviation from the above
- **Managed Repair Services Contact Standards:**
  - Initial contact with the Insured or their Representative is required within [REDACTED] of the Assignment
  - Perform site inspection within [REDACTED] of the Assignment to photograph, scope and prepare a damage estimate
- **Follow-Up Contact** – [REDACTED] response is required for all CAIS Network Contractor inquiries made via phone, letter, email or text message by the customer
- **Written Confirmation** – Within [REDACTED] of first contact, the CAIS Network Contractor must submit a [REDACTED], outlining their [REDACTED]

[REDACTED] assigned to the service and also the [REDACTED] should the customer need to escalate a matter above the Project Supervisor. [REDACTED] should include all contact information including email and cell phone numbers

#### **Work Authorizations**

- o Work Authorization(s) utilized for this program may not contain any language relative to Power of Attorney authorizations, which would allow the CAIS Network Contractor to execute payment or other documents on behalf of the customer. **This is strictly prohibited**
- o Permanent repair / replacement of non-salvageable tear-out items to facilitate structural drying for Emergency Water Mitigation services will be subject to the applicable policy deductible and conditions and reflected in the Work Authorization
  - o It is important that this is conveyed to the Insured or their Representative by the CAIS Network Contractor with mutual understanding and agreement
- o Work Authorization(s) should not be executed by the customer until the damage estimate is *Client-Approved* by the *CITIZENS'* handling Adjuster
  - o **This does not apply to Emergency Water Mitigation Services dispatched through the program on behalf of CITIZENS**

**Estimate Upload Timelines** - Upload completed *Xactimate* Sketch, Estimate, Photographs and any additional supporting documentation (i.e., drying logs):

- Within [REDACTED] of job completion for Emergency Water Mitigation Service estimates
- Within [REDACTED] of site inspection for Managed Repair Service estimates
- Zero-dollar or incomplete estimates are prohibited in an attempt to achieve the aforementioned upload time thresholds, except in these circumstances:
  - o The inspection delay is caused by the customer
  - o Mold, lead, asbestos or biohazards are present at the loss location
    - Provide an *XactAnalysis* note if there is any deviation of the above

**Travel Charges** - The estimate should not include any line items relating to travel charges.

- The geographic area the CAIS Network Contractor chooses to render service is done so without consideration for travel compensation
  - o Such soft-costs are included in the *Xactimate* Labor Assumptions
  - o In the event that there are circumstances out of your control that would necessitate a travel charge to be included in the estimate, a detailed *Xactimate* note should support the charge

**Recovery – Salvage** - The CAIS Network Contractor is responsible for assisting the handling Adjuster with:

- Preserving and documenting evidence with photographs as well as obtaining all information necessary for the pursuit of recovery (subrogation) when a 3<sup>rd</sup> party may be legally liable for the cause of loss (supply line, appliance malfunction, etc.)
  - o Ensure that the evidence chain-of-custody is conveyed to the handling Adjuster
- Recognizing salvage potential of any property or material related to the loss that may have value
  - o Assist the handling Adjuster with taking possession of salvage items if buy-back options are rejected by the customer

**Handling Supplements** – Supplements must be submitted within three (3) calendar days of recognition, pending *Client Approval* by *CITIZENS* for items agreed upon in advance, or where damages were hidden from view during the CAIS Network Contractor's original inspection.

- Photographs should support supplemental line items
- Supplement(s) should be supported with *Xactimate* Line Item notes
- Supplement(s) should be broken out from the original estimate by **applying bold print** to the supplemental line item(s) in the applicable room(s) accompanied with an *Xactimate* Line Item note
- *CITIZENS* may refuse payment for any supplemental item(s) that were not *Client-Approved*

**Releasing Estimates** - It is the duty of the handling Adjuster to provide the *Client-Approved* estimate to the customer; however, at the customer's direct request, a CAIS Network Contractor may produce only a *Client-Approved* copy of the estimate

**Payments / Deductibles** - Unless otherwise noted, all applicable insurance policy deductibles should be applied to the Estimate for the repairs of the loss-related damages

- If Emergency Water Mitigation Services are dispatched by *CITIZENS*, the customer will not be subject to their policy deductible or costs for services related only to water extraction and dry-out. **Certain conditions apply. See sub-section for *Emergency Water Mitigation Service Handling Standards* for additional details**
- Overhead & Profit, if applicable, will be withheld until receipt of the customer's signed Certificate of Satisfaction
- All payments will be jointly issued to the CAIS Network Contractor, the Insured and any Additional Insured's named on the policy

**Repairs Not Performed / Not Completed** – It is the responsibility of the CAIS Network Contractor to ensure all work is completed in accordance with the Scope / Technical Estimate. From time-to-time, some labor and materials reflected in the Technical Estimate may be offset in exchange for upgrades on other materials or work performed by the customer

- *XactAnalysis* notes should reflect this and any change orders or credits due the customer

***XactAnalysis*** – will be the communication conduit and document repository between the CAIS Network Contractor and the handling Adjuster. The CAIS Network Contractor should utilize *XactAnalysis* to convey:

- All notes regarding:
  - Customer contact and inquiries
  - Appropriate timestamps for job start / job completed
  - Handling Adjuster interaction / communications
  - Work delays with rationale of the cause(s)
  - Exchanges for upgrades, change orders, etc.
- Estimates / Photographs / Documents:
  - Are to be uploaded according to the referenced timelines and labeled appropriately
  - Documents, Sub-bids and other supporting correspondence should be uploaded and labeled appropriately

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## Article V. EMERGENCY WATER MITIGATION SERVICE HANDLING

## STANDARDS

**Industry Standard** – It is important for the CAIS Network Contractor follow the [REDACTED] to ensure the appropriate standard of care is maintained throughout the Emergency Water Mitigation Services process.

**CITIZENS' Policy Endorsement Conditions** – Emergency Water Mitigation Services on this program are governed by stringent policy and endorsement conditions to be conveyed by the handling Adjuster as follows:

- **Dollar Threshold** – A limit of 1% of Coverage A, to a maximum of \$3000, is available without Adjuster pre-approval to facilitate the structural drying of the reported loss
- **\$0 Deductible** – There is a \$0 deductible applied to Emergency Water Mitigation Services
- **Adjuster Pre-Approval** – The CAIS Network Contractor must request authority and provide documentation of authorities granted in *XactAnalysis* notes for:
  - Any Emergency Water Mitigation Services in excess of the 1% of Coverage A or the \$3,000 endorsement threshold
  - Structural drying exceeding three (3) calendar days
- **Permanent Repair / Replacement of Non-Salvageable Tear-out Items** – Will be subject to the applicable policy deductible and conditions. It is very important for the CAIS Network Contractor to include this in the Work Authorization and convey to the Insured or their Representative with a mutual understanding (See **Work Authorizations** Subsection)

**Supporting Documentation** – should be uploaded with the *Xactimate* estimate to include:

- Psychometric chart
- Daily drying logs
- Photographs supporting:
  - Damages
  - Demolition
  - Mitigation equipment placement

**Expert Mitigation Fee Reviews** – *CITIZENS* is under contract with a professional CAIS Network Contractor to perform objective expert analysis of Emergency Water Mitigation and Mold Remediation Services with the following program conditions:

- As requested, *CITIZENS* will seek a comprehensive review of CAIS Network Contractor estimates for reasonable and customary industry standards and practices and adherence to *IICRC* guidelines
- The outcome report provides a line-by-line comparison with identification of water or mold remediation standards supporting any deviation from the original estimate
- CAIS Network Contractor is expected to assist the peer reviewer should they make inquiries regarding the services rendered
- Any disputes should be resolved with the handling Adjuster and never involve the customer under any circumstances

**XactAnalysis Timestamps** – are required to validate job-start and end times.

**Service Fees** – In addition to the *WTR* line itemizations in *Xactimate*, the following protocols should be considered:

- **Emergency Water Mitigation Service During Normal Business Hours** – Utilizing *Xactimate* codes *WTR / TMP ESRVD* shall be limited to those Assignments where the CAIS Network Contractor receives the assignment between the hours of 8:00 a.m. – 5:00 p.m., local time, Monday-Friday
- **Emergency Water Mitigation Service After Normal Business Hours** – Utilizing *Xactimate* codes *WTR / TMP ESRV* shall be limited to those Assignments where CAIS Network Contractor receives the assignment between the hours of 5:01 p.m. and 7:59 a.m., local time, Monday-Friday, all of Saturday and Sunday or in observance of a holiday when the CAIS Network Contractor's business would be otherwise closed
- **Equipment Setup and Takedown** – *Xactimate* codes *WTR EQ / EQA* are the hourly labor codes utilized to setup, inspect, move and adjust, monitor and / or takedown and remove structural drying equipment. The following should be considered:
  - Travel time billing to / from the loss is prohibited
  - Setup should factor and support the number of persons required, depending on the job size / severity
  - Monitoring / takedown can normally be administered by one (1) technician and should be billed accordingly
  - Equipment takedown should be administered during normal business hours unless reasonable rationale is provided to support after-hours charges
  - Setup, monitoring and takedown charges should be broken out separately in the estimate
- **Equipment Monitoring** – is billed at one (1) hour per trip for normal jobs
  - Travel time billing to / from the loss is prohibited
  - Contact the handling Adjuster for approval on larger jobs requiring additional monitoring
- **Equipment Decontamination** – Charges are permissible for Category 2 (contaminated grey water) and Category 3 (sewage, chemical toxins) losses
- **O & P for Emergency Skilled Trades** – Overhead & Profit (O & P) is not permissible for Emergency Water Mitigation Services; however, from time-to-time the services of skilled trade(s) persons may be required to be coordinated by the CAIS Network Contractor
  - Such services would include an Electrician to restore power, an HVAC Technician to restore heating and / or air conditioning or a Plumber to stop a leak, restore water or natural gas service
    - O & P is permissible only for the skilled trade(s) required to facilitate Emergency Water Mitigation Services

#### **Drying Equipment – Extraction Standards**

- **Dehumidifiers** – should be based on the room size, moisture levels, IICRC recommendations, etc., utilizing *Xactimate* codes *WTR DHM, DHM>, DHM>>*
  - The CAIS Network Contractor should not default to using X-large dehumidifier(s) if the job doesn't entail the need because that is the only size they stock
- **Air Movers** – should be based on square footage and the appropriate air mover type utilized
- **Wood Floor Extraction Mats** – should only be utilized in instances where it would be reasonable and customary to save hardwoods and subfloors, and further attempts to avoid sanding and refinishing
  - If evidence suggests these outcomes would not likely be achieved, tear-out and traditional drying with fans and dehumidifiers should be considered
- **Negative Air Scrubbers** – are normally prohibited on *Category 2* (contaminated grey water) and *Category 3* (sewage, chemical toxins) losses

**Remediation ("Fungi", Wet or Dry Rot, Yeast or Bacteria)** - If mold, mildew and / or rot is present, the CAIS Network Contractor should notify the handling Adjuster to inform the customer of their duties to mitigate any further damage. CAIS Network Contractor should also consider the following:

- If mold related to the cause of loss is limited, it can be normally handled through the Emergency Water Mitigation Service processes and procedures
- If formal mold remediation protocols must be followed, based on the severity determined by a Certified Mold Specialist, factor *Xactimate* line items following *IICRC* water remediation protocol guidelines, broken out separately from any items unrelated to the mold remediation
- The handling Adjuster should convey any coverage limits, conditions, exclusions specific to mold remediation

**Remediation (Asbestos and / or Lead Paint)** - Asbestos and lead paint claims should be evaluated on a claim-by-claim basis. CAIS Network Contractor should notify the handling Adjuster and request authority to follow recommended protocols. Please consider the following:

- Homes built prior to 1978 may have the potential to contain lead. If these hazards are discovered as part of a covered cause of loss, the remediation, containment and disposal should be factored as mandated by governmental authority to facilitate repairs
- All testing reports and related invoices should be uploaded to *XactAnalysis* documents Consider *Xactimate* line item codes *HMR ASBTS / LEADS*
- *HMR HEPAVAL* for light HEPA vacuuming for the affected area involving the containment

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## Article VI. SCOPE

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The agreed scope of the loss should establish both covered and non-covered damages. Supporting photographs and Sketch diagrams are to be imported with the *Xactimate* estimate. The Estimate should be well-documented with *Xactimate* Line Item Notes to support the scope rationale, where applicable.

**Photographs** - are used to record damage, or lack thereof, and support the cause of loss. Photographs should be clear, not blurry, be annotated, detailed and include:

- Date taken and by whom
- All available exterior elevations
  - Front elevation with address verification is the only requirement for condominium risks
- Verification of the address
- Support of the damages including damage close-up and room overviews
- Undamaged areas relevant to the location of the direct physical damage; i.e., undamaged cabinet faces, continuous surfaces, etc.
- Correct labeling, correlating to the *Xactimate* Sketch
- Roof slopes and pitch for applicable causes of loss including:
  - Roof layers, drip edges, gutters, vents, jacks

**Diagrams** - Are required in *Xactimate* Sketch and should follow the roof and / or risk floor plan relevant to the damages found and / or reported. **Pod (individual box) diagramming is prohibited.** Sketch diagram should include:

- Measurements +/- 3" of actual dimensions
  - Include ceiling height adjustments when appropriate
- Doors, openings, Reference Areas and Reference Blocks 32 SF or greater with the area under, behind, above factored out appropriately
  - Reference Areas / Blocks include tub and tile surrounds, cabinets and built-ins, etc.
- Point of origin notated
- Exterior elevations when relevant to the loss or damage

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## Article VII. TECHNICAL ESTIMATE

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*CITIZENS* currently utilizes the *Xactimate* Estimating Program to assist in the preparation of property damage estimates. After the inspection / assessment of Dwelling and / or Building losses, the completed undisputed damage estimate with photographs and Sketch should be uploaded as follows. Reasonable rationale should support any delay if these requirement(s) cannot be met. (i.e., awaiting expert report). All estimates from the CAIS Network Contractors should be written in a line item format and categorized into individual rooms with no 'lump sum' categories.

- Within [REDACTED] of job completion for Emergency Water Mitigation Service estimates
- Within [REDACTED] of site inspection for Managed Repair Service estimates
- Within [REDACTED] for Large Loss estimates greater than (>) \$50,000

**Structure Estimatcs** - It is recommended and preferred that all *Xactimate* material and line item descriptions not be manipulated, changed or revised. If a line item description is determined to be ambiguous, it is recommended that an *Xactimate* note is entered to support the line item. Please consider the following when preparing an *Xactimate* estimate:

- **Price List** – Utilize the default *Xactimate Assignment Received* Price List aligned to the appropriate risk zip code
  - Reopens and / or supplements may require a more current price list for new and / or adjusted line items aligned to the period of time that evolved from the time of the initial estimate
- **Repair vs. Replace** - The estimate should include labor and materials relevant to the direct physical damage incurred
  - Adjustments should be considered between reparability vs. replacement. The CAIS Network Contractor should use care with regard to the potential for undamaged items, duplication of items and overlap of estimate items
  - **Material Quality** – It is vital that the CAIS Network Contractor review line item definitions for each quality style to determine the closest matching replacement product
    - Material grade ratings utilized, other than Average grade, should be explained in the *Xactimate* notes and / or supported with photographs
- **Labor Hours** – *Xactimate* line items normally include the labor assumptions built into the unit cost price. Factoring additional labor hours for these line items is normally prohibited
  - If an exception is warranted, the CAIS Network Contractor should provide supports via an *Xactimate* note and photographs
  - Utilize *Xactimate* line item descriptions to determine the labor assumptions included in the trade



- **Matching / Uniformity** – CAIS Network Contractor should factor damages and repairs on a claim-by-claim basis when there is a question of matching surfaces to undamaged adjoining areas. Consider, address and document all factors involved including, but not limited to, the repair and replacement costs of undamaged areas, uniformity and the remaining useful life of undamaged areas and Florida governing statutes. The following should be considered when addressing uniformity:
  - Closed doorways and other natural breaks
  - Continuous or vertical runs of tile, wood or laminate flooring
  - *State of Florida Matching Statute 626.9744*, which can be found at: <https://www.flsenate.gov/Laws/Statutes/2011/626.9744>
    - This statute is not applicable to Commercial losses
  - Cabinet Uniformity:
    - Attempt to match damaged section with like kind and quality
    - Rebuild boxes, reuse doors and / or faces, reface, replace doors only, etc.
    - Detach and reset undamaged cabinet hardware when applicable
  - Siding Uniformity:
    - Attempt to match damaged section or elevation with like kind and quality
    - *ITEL* should be utilized to determine product availability by manufacturer, style, name and other same physical specifications
    - Harvesting from an alternate elevation
  - Floor Covering Uniformity:
    - Doorways with closable doors
    - Transition strips
    - Staircases, steps or multi-levels
  - Paint Uniformity:
    - Corners, door openings (with or without doors), trims or moldings
    - Material transitions such as drywall to tile
- **Drywall** – Consider the following when estimating for drywall:
  - Many drywall applications include texture. Review *Xactimate* line item definitions closely to avoid duplication of texture line items for walls and ceilings
  - Verify the drywall thickness (*DRY 1/2* vs *DRY 5/8*) and use the appropriate code. The following are common examples of drywall line items:
    - (*DRY 1/2*) *Ready For Paint*
    - (*DRY 1/2-*) *Ready for Texture*
    - (*DRY 1/2+*) *Heavy Texture, Ready for Paint*
    - (*DRY 1/2++*) *Smooth Wall Finish*
    - (*DRY FT*) *Hung and Fire Tape Only*
    - (*1/2 H*) *Hung Only (with no tape or finish)*
    - (*DRY LF*) *up to 2 feet (when drywall has been removed on the lower portion of the walls)*
- **Paint** – Consider the following when estimating for paint:
  - When drywall, plaster, popcorn and / or texture is replaced, sealer / primer should be applied (*PNT S* or *PNT S<*)
  - Reasonable rationale should support when more than two (2) coats of paint are required
  - Rooms with large or long walls and those with large amounts of natural light such as a great room that may require more than one (1) coat of paint. Extra coats should also be considered when walls are custom painted, have an unusual finish

- o or when there is an appropriate reason. The reason for the extra coat(s) should be explained in an *Xactimate* Line Item note
- o When plaster is replaced, all repaired walls and / or ceilings may also require two coats of paint due to the differing absorption rates of plaster vs. drywall
- o While *Xactimate* includes some content manipulation factored into the unit cost price of paint line items, rooms with a large number of items or with very large items may require additional personal property manipulation (*CON ROOM<, ROOM, ROOM>, ROOM>>*)
- o An allowance for extra masking may be appropriate in rooms with chair rails, picture rails, base and crown moldings (*PNT MASKLF, MASKLFT*)
- o Switch / outlet covers and dropping of standard light fixtures are included in the unit cost price of paint line items in *Xactimate*
- o Professional painters normally use their own, reusable canvas drop cloths to protect floors. If additional protection is required, consider *PNT MASKSF* calculated by the SF of the floor and / or *CON PROT* by SF for the area of the manipulated contents that may remain in the affected room

Exterior paint and waterproofing coverage may not be afforded on Wind-only policies, or may be excluded by endorsement. The handling Adjuster should convey applicable policy provisions.

- **Wall and Ceiling Texture** – Consider the following when estimating wall and ceiling texture:
  - o The accepted repair technique for popcorn ceiling texture is to scrape and re-texture the entire ceiling (*DRY AC*). When applying popcorn texture, the surface should first be sealed (*PNT S*) as a separate operation to allow the proper adherence of the popcorn texture
  - o Masking the LF of walls (*PNT MASKLF*), SF of the floors (*PNT MASKSF*) and light fixtures / ceiling fans (*PNT MASKL- / MASKL*) should be factored when applying popcorn texture to a ceiling
- **Plaster** – Consider the following when estimating plaster since there are many types of plaster / lath combinations:
  - o Determine the correct grade and / or makeup of the wall or ceiling surfaces. If the CAIS Network Contractor is unable to determine the type of lath, 1/2" gypsum blueboard (*PLA G2*) should be factored
  - o When estimating to repair an isolated area of plaster on a wall or ceiling surface, factor for the actual square footage of repair and include for a thin coat of plaster (*PLA THIN*) over the entire surface of the wall or ceiling that is being replaced
- **Wallpaper** – CAIS Network Contractor should consider the following when estimating wallpaper:
  - o If any portion of wallpaper is damaged, the wallpaper on all adjacent walls should be removed and replaced. Should any of the adjacent walls continue without a natural break into any adjoining room(s), the adjoining room(s) walls should also have the wallpaper removed and replaced
  - o The wallpaper price in *Xactimate* does not include prep work (*WPR PREP*) when it is installed over surfaces where the old wallpaper was located
- **Flooring (Roll Carpet and Sheet Vinyl)** - The following methods of calculation should be used to determine the quantity of roll carpet and sheet vinyl flooring:
  - o *Xactimate's Floor Wizard* tool in Sketch

- The "Drop and Fill" method – should be supported with rationale in an *Xactimate* line item note
- ***Xactimate's* 15% flooring waste default for these items is strictly prohibited**
- The *Xactimate Floor Wizard* tool preferences should be set to Use Scrap with the following parameters:

Carpet and Vinyl	
Maximum Fill Pieces	4
Minimum Fill Cut Length	2'
Minimum Fill Cut Width	2'
Roll Length Overcut	3'
Seam Allowance Overcut	3'
Stair Overcut	1'
<input checked="" type="checkbox"/> Use Scrap	

- *ITEL* should be utilized for the replacement of roll carpeting and vinyl sheet goods when one, or more, of the following evaluation criteria exist:
  - 240 SF or more
  - Floor covering other than average grade (*AV*), without documentation detailing the quality rating
  - A dispute exists regarding the quality rating and / or replacement cost
  - CAIS Network Contractor should factor the *Xactimate FCC (FCV, FCW) NFCP* code that automatically adjusts to the labor assumption by zip code; however, the *ITEL* material cost must be input through the *Components* tab
- The appropriate code to address additional layers of vinyl is *FCV AVALR*
- The vinyl flooring replacement does not include prep work (*FCV PREP*) when it is installed over surfaces where the old vinyl was located
- **Flooring (Wood)** - Typically sand-in-place hardwood floor refinishing involves two coats of finish which is included in *Xactimate FCW FIN / FIN+* codes:
  - CAIS Network Contractor should support if additional coats of finish (*FCW FINADD*) are required
  - Consider a dustless sanding upcharge (*FCW FINDS*) in order to minimize the amount of dust inherently created in this trade to avoid the necessity for additional post-construction clean-up
  - Designs or diagonal installation may require additional cost. Consider adding for diagonal installation such as *FCW (FCT, TIL) DIAGADD*
  - When carpet is laid over hardwood and both are damaged to the extent that they cannot be cleaned or repaired:
    - Replace the carpet
    - Repair hardwood with like kind and quality
      - Sanding and refinishing is not required as this flooring is considered abandoned
- **Tile, Marble, Stone** - Consider the following when estimating these items:
  - Mortar beds (*FCT MORTAR*) and cement backer board (*FCT BCEM1/4*) are typically not included in *Xactimate* tile line items and should be considered when necessary

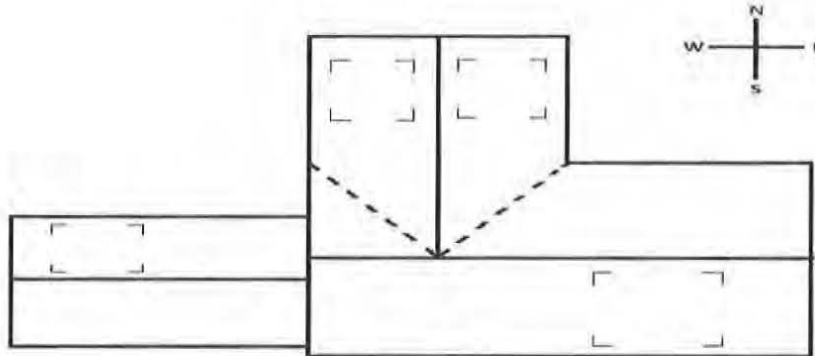
- Additional labor cost may be required when removing tile, mortar, thinset or mastic from a concrete slab, terrazzo or other solid foundation substrate. Factor such codes as *FCT CNCRM* when necessary
- Discolored grout can be replaced, repaired and / or cleaned (*TIL, FCS and FCT GROUT*)
- **Roofing** - All claims involving potential roof damages must be inspected. If damages are determined to be causally related to the loss, it is expected that all roofs and slopes be measured and diagramed. It is vital for CAIS Network Contractor to determine and document if the remaining roofing system or roof section meets the local building code or would require upgrade. This rule applies to individual roof sections separated or divided by such items as parapet walls, elevation differences, varying roof types, expansion joints and some flashing types.
  - If the handling Adjuster confirms Ordinance or Law coverage is contracted within the policy, consider the applicable Florida Building Code statute below:

**The Florida Building Code 25% Roof Replacement Rule** - applies to the repair, replacement, or recovering of existing roofs throughout the State of Florida. The rule states the following: "Not more than 25% of the total roof area or roof section of any existing building or structure shall be repaired, replaced or recovered in any twelve (12) month period unless the entire roofing system or roof section conforms to the requirements of this code."

Consider the following when estimating roof claims:

- **Wind** - Generally, shingles that are unsealed, with no other signs of damage, would not be considered wind damaged. In many cases unsealed shingles are the effect of nail pops, faulty installation, mechanical damage or deterioration and not always the result of wind effects
- **Hail** - Generally, composition shingle hail damage can be identified as:
  - Surface indentations and or fractures
  - Granule loss at or near the surface depression
  - Radiating cracks
  - Exposed / fractured fiberglass mat

All roofing claims involving hail damage should include a 10' x 10' test square outlined in chalk, photographed and documented on each directional slope of the affected roof surface as shown below:



Document and photograph the condition and presence of hail impact on other potentially affected surfaces such as siding, gutters, downspouts, vents, windows, window screens, trims and HVAC fins.

- **Soft Metals** - It is permissible to include replacement of soft metals (flashings, drip edges, pipe jacks, ridge, off-ridge and turtle vents) when replacing a roof. Review the *Xactimate* item descriptions for the shingle tear-off as it may include the removal of some soft metals
- **Ridge Cap** – Many *Xactimate* shingle tear-off line items include removal of the ridge cap. Review the *Xactimate* item descriptions to confirm:
  - Ridge cap replacement for a 3-tab shingle should not be factored as a separate line item on a full roof replacement. Replacement is factored into the shingle waste
  - Ridge cap replacement (*RFG RIDGC / RIDGC+*) and starter row (*RFG ASTR*) for architectural / dimensional shingles may be factored as a separate line item. It cannot be cut from the waste shingles
- **Haul-off / Disposal** - Roofing line items such as RFG 240, 300, ARMV, include allowance for haul-off, disposal and a dumpster
- **Steep and High Charges:**
  - Steep charges (*RFG STEEP, STEEP>, STEEP>>*) should be factored for 7/12 or greater pitches for the actual squares of the roofing area affected
  - High charges (*RFG HIGH*) should be factored for those slopes where roof access is two (2) stories or greater
- **Roofing Waste** - Replace shingles at the actual squares rolled up to the nearest bundle on applicable roof or slope, plus the correct manual waste factor.
  - Allow 10% waste on a standard gable roof
  - Allow 15% waste on a standard hip roof
  - *Xactimate* includes 5% waste in the unit cost price for roll (peel & stick) roofing (*RFG RL*)
  - Allow a 20% waste factor on a tile roof to allow for tile breakage
  - Factor the actual SF or SQ on a Metal Roof replacement. *Xactimate* factors waste into the unit cost price
  - Steep and High access charges apply to the actual SQ's on the roof with no waste applied
  - Felt should be estimated at the exact SF with no additional waste

- **Roofing Miscellaneous:**
  - Consider the need to detach & reset roof mounted satellite dishes as required. Use *Xactimate* code *ELS DISHRS*. Recalibration and alignment is normally not required as most roofers can remount in the exact location
  - Consider underlayment of 30# Felt (*RFG FELT30*) or *ASTM D226 Type II* equivalent – required building code due to Florida high velocity hurricane zones (*HVHZ*)
  - Additional shingle layer line item such as *RFG ADDR MV* should be factored when estimating for the removal of multiple layers of shingles
  - Starter rows are included in shingle waste and should not be factored as a separate line item
  - A brittleness test of the shingles should be performed and supported with photographs and documentation when performing a repair or replacement of roofing
  - CAIS Network Contractor should perform a brittleness test of the shingles and support with photographs and an *Xactimate* note when applicable
  - CAIS Network Contractor should consider footfall damage allowance in the estimate if applicable
  - If the CAIS Network Contractor experiences a limited access situation due to steep, high or other safety concerns, they should request handling Adjuster authority for a ladder and / or access assist
  - Consider ground-level pedestrian and / or building perimeter barricades as needed
- **Fencing** – CAIS Network Contractor should determine from the handling Adjuster the applicable policy settlement provisions regarding RC / ACV when adjusting fence damages. Consider the following when estimating fencing, to the nearest linear foot:
  - Repair = section, partial run or post-to-post
  - Replacement = entire run or post-to-post
  - Run = end post-to-end post / corner-to-corner
- **Tree & Tree Debris Removal** – Tree and tree debris removal should be categorized into two (2) separate line items for all losses as applicable under the specific policy of coverage. Consider:
  - The cost to remove the tree from the covered structure (*DMO TREEHR*) and place that portion of the tree onto the ground to facilitate necessary repairs
  - The cost to remove that portion of the tree debris off the premises or location (*DMO TREE*) and consider:
    - Stump grinding is included in the tree debris removal limit
    - Labor cost to move tree debris to street for city / municipal pickup, versus offsite tree removal, if applicable
- **Debris Removal** - Debris removal should be put into individual line items to reflect the accurate cost associated with the removal of debris from the loss location. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, refer to the handling Adjuster to determine if an additional 5% of that limit of liability is afforded
  - When the job requires more than the typical pickup truck (*DMO PU*) or dump truck (*DMO DTRUCK*), consider the following guide on standard size dumpster parameters:

**10, 12, & 15 Yard Dumpster / Roll Off**



**Ideal For:** approximately 2-3 tons  
Basement cleanout  
Small deck removal  
Small kitchen remodeling  
Bathroom remodeling  
20 squares of shingles, or  
2,500 sf of drywall, or  
1,400 sf of vinyl or aluminum siding  
275 sy of carpet or pad

**20 Yard Dumpster / Roll Off**



**Ideal For:** approximately 4 tons  
Large basement cleanup  
Large attic cleanup  
Flooring and carpet removal  
300-400 sf deck removal  
Large house shingle removal  
40 squares of shingles, or  
5,000 sf of drywall, or  
2,800 sf of vinyl or aluminum siding  
550 sy of carpet or pad

**30 Yard Dumpster / Roll Off**



**Ideal For:** approximately 5 tons  
Major home renovations and additions  
New home construction  
Garage demolition  
Siding replacement of small to medium sized home  
60 squares of shingles, or  
7,500 sf of drywall, or  
4,200 sf of vinyl or aluminum siding  
825 sy of carpet or pad

**40 Yard Dumpster / Roll Off**



**Ideal For:** approximately 6 tons  
Window or siding replacement for a large home  
Commercial clean out  
New construction or major addition  
Large amount of trash, paper, or cardboard  
80 squares of shingles, or  
10,000 sf of drywall, or  
5,600 sf of vinyl or aluminum siding  
1,100 sy of carpet or pad

**Figure Dumpster Guide**

**Shingle Debris General Rule: 2 squares per yard dumpster due to weight**  
**Entire house without foundation, 1 sf = 0.06 cu yard (2000 sf x 0.06 cu = 120 yards)**  
**Entire house with foundation, 1 sf = 0.1 cu yard (2000 sf x 0.1 cu = 200 yards)**

**Example Material – Pounds per Cubic Yard**

Solid Sawn Wood – 267	Vinyl (PVC) – 150	Cardboard – 30
Engineered Wood – 280	Masonry – 1,000	Mixed Wastes – 95
Drywall – 400	Paints, Caulks, etc. – 167	Metals – 150

- o Consider, if applicable, *DMO* labor hours for cartage of debris transport to onsite dumpster

**Personal Property Damage Estimating –** The following should be considered when addressing personal property damages:

- **Memorialize with Photographs:**

- CAIS Network Contractor should support the rationale of all Contents claim handling with photographs of packed boxes prior to sealing to support labor hours, capturing the contents within and include the name of the involved room
- **Contents Cleaning:**
  - Use *Xactimate* Line Items in the *CEL, CGN, CHF, CLM, CLN* categories to itemize for furnishings and related items per involved room
  - For smaller items use *CGN BRIC* factored per-item to clean miscellaneous bric-a-brac / knick-knacks
  - If use of additional labor hours becomes necessary, factor the equivalent trade labor *Xactimate* Line Items, supported by rationale in an *Xactimate* note
- **Non-Salvageable Personal Property:**
  - Determine with the handling Adjuster if an internal Content Unit Referral was established
  - Itemize a list of non-salvageable items utilizing a spreadsheet in the following manner to be uploaded into *XactAnalysis* documents:

Item #	Quantity	Item / Description	Make / Model #	Room Involved
1				
2				
3				
4				
- **Pack-outs:**
  - If the loss involves moving the contents out of the structure and into a Pod or offsite storage facility or warehouse, factor the *Xactimate* Line Items using:
    - *CPS LAB* broken out room-by-room for large furnishings. Rationale for the hourly charges should be supported in an *Xactimate* note
    - The *CPS* category by box size such as *CPS BXBLE* on a per-box basis for the box, packaging tape, labor to evaluate, pack and inventory smaller personal property items
    - *CPS STOPC, TR, STOR*, etc., to factor for the Pod, transportation method and offsite facility rental
  - Factoring supervisory labor hours such as *CPS LABS* is highly discouraged and should be utilized only in circumstances where the Supervisor is working in tandem with the laborers and assisting them with their tasks
  - Time sheets for all *CPS LAB / LABS* codes should be uploaded into *XactAnalysis* to support the use of related *Xactimate* line items

**Estimate Components**

- **Overhead and Profit** - should be considered when the coordination of repairs by a CAIS Network Contractor as a General Contractor would reasonably be required:
  - O & P should be calculated as 10% overhead and 10% profit, not cumulative
  - Generally, O & P is **excluded** from the following trades, if not being supervised by a GC:
    - Emergency Water Mitigation Services
    - Personal Property cleaning
    - Dwelling cleaning
    - Personal Property pack-out
    - Work performed by Insured
    - Roofing only project
    - Flooring only project



- **Labor Minimums** - *Xactimate28* Labor Minimums will automatically adjust the labor component for all same-trade totals to make sure there is enough labor allocated to complete the repairs. CAIS Network Contractor should consider the following:
  - The *CITIZENS* Profile should be set to Apply Labor Minimums
  - Once the estimate is complete, each individual Labor Minimum charge should be reviewed by the CAIS Network Contractor and a determination made whether it is applicable. If the Labor Minimum does not apply, the Apply should be unchecked.
    - If a single tradesperson is expected to perform the task(s), the Labor Minimums may need to be turned off
- **Sales Tax** - Tax Jurisdiction in *Xactimate* estimate Parameters is factored based on location of the risk. CAIS Network Contractor should be familiar with the applicable sales tax that can vary from county-to-county
- **Depreciation** - *CITIZENS* does not maintain nor authorize a depreciation guide. When the CAIS Network Contractor evaluates replacement items subject to depreciation, the following factors are considered:
  - Depreciation should be determined on the remaining useful life on a per-item basis
  - Rationale should be documented in an *Xactimate* note, where applicable
  - The *Xactimate* Depreciation selector should be set at the Age / Condition, the approximate Purchase Date entered and Condition selected
  - Maximum depreciation is 80%
  - Global depreciation is strictly prohibited
  - Structural items such as framing, concrete, sub-surfaces, roof decking, and rough-in electrical and plumbing are normally not subject to depreciation
  - Repaired items are not normally depreciated; however, cabinet faces should reflect depreciation if re-facing is estimated
  - The release of Recoverable Depreciation or Holdback will be considered upon the handling Adjuster's receipt of the customer's signed Certificate of Satisfaction
- **Ordinance or Law** – The handling Adjuster will convey to the CAIS Network Contractor if Ordinance or Law coverage exists, referring to the specific policy provisions regarding the limit of liability, pursuant to any state, county or municipal law requirement on building code upgrades related to the loss
- **Permits and Fees** - Permits and fees should be paid based on actual costs documented by the CAIS Network Contractor or estimated based on the municipal jurisdiction building code requirements. Such charges, if excessive, should be supported via on-line local city / county websites or the local building code enforcement office
- **Sub-bids** – Factoring sub-bids as a single line item entry is prohibited if *Xactimate* Line Items are available in the software tool
  - If the specialty trade on a sub-bid cannot be broken out by *Xactimate* Line Item entry, CAIS Network Contractor should ensure that:
    - The sub-bid is itemized for material and labor and not factored as a lump sum
    - Any O & P and / or sales tax reflected in the sub-bid are not duplicated by the software calculations
    - The use of the sub-bid is supported with an *Xactimate* note
    - The sub-bid is uploaded into *XactAnalysis* Documents

## Article VIII. CLAIMS QUALITY ASSURANCE REINSPECTION PROCESS

*CITIZENS'* Staff Reinspectors / Auditors will conduct random CAIS Network Contractor Quality Assurance audits to ensure Industry Trade Standards and *CITIZENS' Managed Network Vendor Program Best Claims Practices and Estimating Guidelines* are being utilized appropriately

- **Customer Service / General Program Administration Reviews** – will be reviewed to identify behaviors and trends for:
  - Customer contact
  - Utilization of XactAnalysis notes and timestamps
  - Customer / Adjuster interaction throughout the Emergency Water Mitigation Service / Managed Repair Services process
- **Scope / Technical Estimate / Work-Product Reviews** - can occur with an onsite assessment at the customer's loss location or by desk audit. The QA review will address that services:
  - Are within reasonable and customary industry trade standards
  - Utilized appropriate Xactimate line items, pricing and components
  - Reflect all itemized work was completed in accordance with the scope and in a quality manner:
    - Any work not completed will be reviewed with the customer to ensure alternate means to offset other portions of the estimate were addressed and handled appropriately
  - In adherence to *CITIZENS'* Managed Network Vendor Program Best Claims Practices and Estimating Guidelines
- **Quality Assurance Reinspection Reports** – will be administered through a *Crawford Primary Business Contact* as the Program liaison to the CAIS Network Contractor and may identify:
  - **Estimate Leakage** captured through the Technical Estimate Variance Report, shall be reimbursed to *CITIZENS* if the monetary value of the non-adherence is:
    - >\$250 for Emergency Water Mitigation Services
    - >\$500 for Managed Repair Services
- **Rebuttals / Contentions** – The *Crawford Primary Business Contact* will handle any CAIS Network Contractor rebuttals / contentions through the *CITIZENS'* QA administrator, should there be a discrepancy in the QA audit findings
  - Supporting documentation may be required to validate the CAIS Network Contractor's rebuttal
  - Re-evaluations will be conducted and revisions, if applicable, will communicated through these channels



**EXHIBIT C –**  
**TASK ASSIGNMENT FEE SCHEDULE**

**Fees Based on Gross Claim DOLLAR Amount (GCA) for Task Assignment Model**

**Gross Claim Amount (GCA)** 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.)

GCA From	GCA To	Rate
\$0.00	\$2,500.00	\$ 325.00
\$2,500.01	\$5,000.00	\$ 325.00
\$5,000.01	\$7,500.00	\$ 525.00
\$7,500.01	\$10,000.00	\$ 550.00
\$10,000.01	\$15,000.00	\$ 675.00
\$15,000.01	\$20,000.00	\$ 800.00
\$20,000.01	\$25,000.00	\$ 825.00
\$25,000.01	\$30,000.00	\$ 950.00
\$30,000.01	\$35,000.00	\$ 975.00
\$35,000.01	\$40,000.00	\$ 1,250.00
\$40,000.01	\$50,000.00	\$ 1,350.00
\$50,000.01	\$75,000.00	\$ 1,650.00
\$75,000.01	\$100,000.00	\$ 2,325.00
\$100,000.01	\$150,000.00	\$ 2,900.00
\$150,000.01	\$200,000.00	\$ 3,700.00
\$200,000.01	\$250,000.00	\$ 4,425.00
\$250,000.01	\$300,000.00	\$ 4,900.00
\$300,000.01	\$500,000.00	\$ 6,000.00
\$500,000.01	\$750,000.00	\$ 8,400.00
\$750,000.01	\$1,000,000.00	\$ 12,700.00
\$1,000,000.01	And up	