



AGREEMENT FOR REINSURANCE ADVISORY AND BROKERAGE SERVICES

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 WILLIS RE INC. (“**Vendor**”) having its principal place of business at 250 Park Avenue, 5th Floor, New York, NY 10177. Citizens and Vendor shall each be known as a “Party,” and collectively shall be known as the “Parties.”

Recitals

On July 15, 2021, Citizens issued an Invitation to Negotiate No. 21-0015 for Reinsurance Advisory and Brokerage Services (the “Solicitation”). Vendor’s response to the Solicitation was accepted by Citizens, subject to the terms set forth in this Agreement.

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

Terms of Agreement

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. “Citizens Confidential Information” means any and all information and documentation of Citizens that: (a) has been marked “confidential” or with words of similar meaning, at the time of disclosure by Citizens; (b) if disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by Citizens and marked “confidential” or with words of similar meaning; (c) should reasonably be recognized as confidential information of Citizens; (d) protected under any applicable state or federal law (including Chapter 119, Florida Statutes; Sections 501.171, and 627.351(6), Florida Statutes; Chapter 690-128, Florida Administrative Code; and, 15 U.S.C. § 6801 et seq.); or, (e) whether marked “Confidential” or not, consists of Citizens’ information and documentation 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 or documentation that: (a) is publicly available through no fault of Vendor or Vendor Staff; or, (b) Vendor developed independently without relying in any way on Citizens Confidential Information.
 - 1.2. “Citizens Data” means any and all data of Citizens in an electronic format that: (a)

has been provided to Vendor by Citizens; (b) is collected, used, processed, stored, or generated as a result of the Services; or, (c) is private information or personally identifiable information collected, used, processed, stored, or generated as a result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements listed herein.

- 1.3. "Deliverables" means the quantifiable, measurable, and verifiable items required to be delivered to Citizens by Vendor under this Agreement.
- 1.4. "Effective Date" means January 1, 2022, which is the date upon which this Agreement is effective and commences.
- 1.5. "FHCF" means Florida Hurricane Catastrophe Fund.
- 1.6. "Fixed Fee" means the all-inclusive fee payable to Vendor for Services provided under this Agreement.
- 1.7. "Services" means all services and Deliverables to be provided by Vendor to Citizens under this Agreement. If any service or Deliverable is not specifically described in this Agreement but is necessary for the proper performance and provisioning of the Services, that service or Deliverable shall be included within the definition of the Services to the same extent and in the same manner as if specifically described herein.
- 1.8. "Vendor Staff" means any of Vendor's employees, agents, subcontractors, or representatives who: (a) provide the Services; or (b) access to Citizens Confidential Information or Citizens Data.
- 1.9. "Work Product" means each Deliverable and any drawing, design, specification, rendering, notebook, tracing, photograph, reference book, equipment, material, negative, report, finding, recommendation, data and memorandum of every description, created for Citizens under this Agreement and shared with or delivered to Citizens by Vendor or Vendor Staff in the course of performing this Agreement. "Work Product" does not include the Vendor's tools, background knowledge, or any knowledge or experience gained during the course of the engagement.

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 three (3) years.
- 2.2. Renewals. This Agreement may be renewed for two (2), one (1) year renewal periods either: (a) by Citizens, at its discretion upon twenty-one (21) calendar days prior written notice to Vendor; 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 amendments signed by the Parties.

3. Services; Service Requirements.

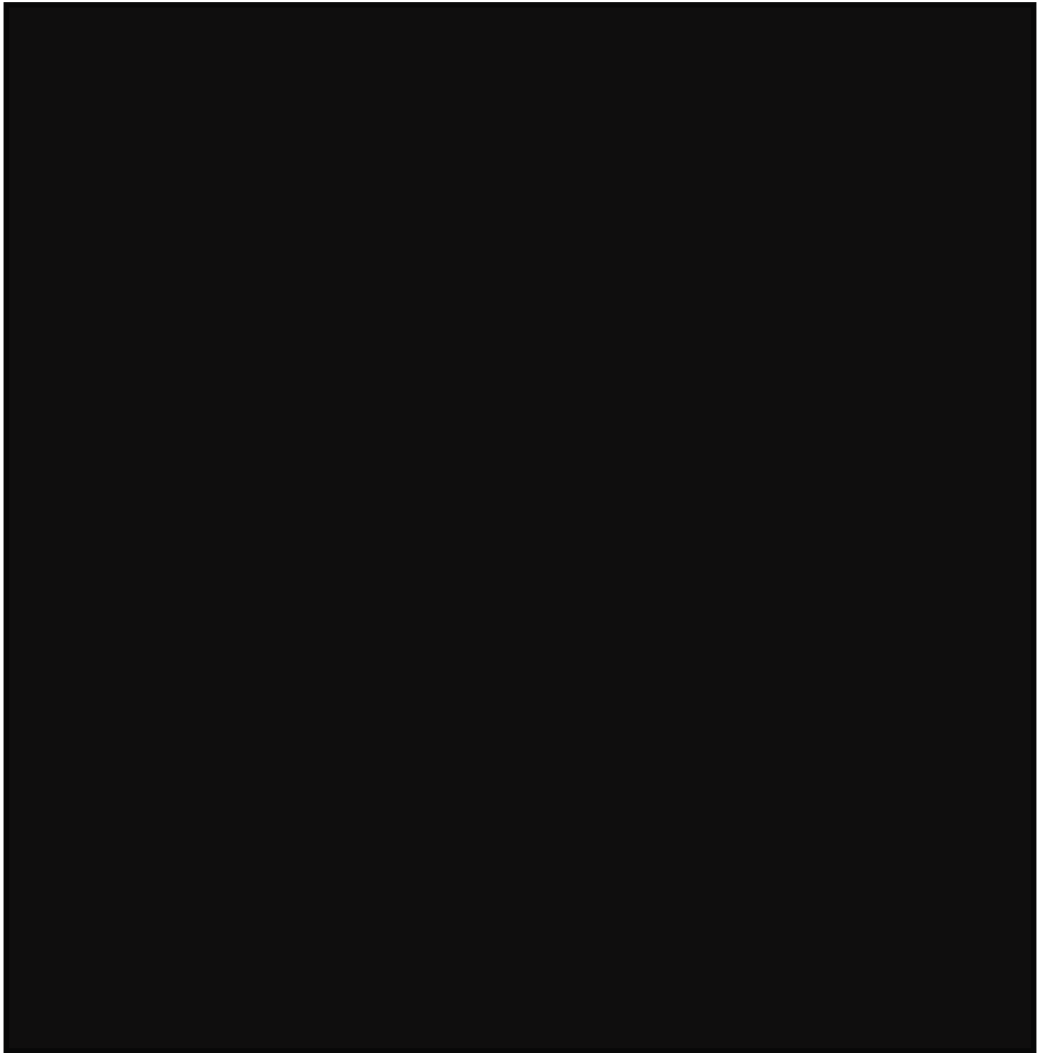
- 3.1. Comprehensive Reinsurance Advisory and Brokerage Services. Vendor shall provide comprehensive reinsurance advisory and brokerage Services for Citizens' three (3) accounts: the Personal Lines Account, the Commercial Lines Account, and the Coastal Account. Vendor will advise and assist Citizens on all matters

related to the transfer of risk of loss from a catastrophic event, to include development of a Risk Transfer Plan, as further defined herein, marketing efforts, brokerage administrative services, and analytical, actuarial, and modeling services, including but not limited to the following:

- 3.1.1. Access to All Risk-Transfer Markets. Vendor shall represent Citizens in all risk transfer markets including but not limited to: domestic (United States) reinsurance; Bermuda reinsurance; London reinsurance; and other world-wide reinsurance markets.
 - 3.1.1.1. Vendor is not performing 144a catastrophe bond placement services under this Agreement, nor is Vendor required to perform any other services requiring licensure as a broker-dealer. Vendor's affiliate, Willis Securities, Inc., will not provide any services as part of this Agreement.
- 3.1.2. Brokerage Administration Services. Vendor shall provide administrative Services associated with traditional reinsurance, including but not limited to:
 - 3.1.2.1. Marketing and syndication of occurrence-based and annual aggregate excess-of-loss catastrophe reinsurance programs and planning and leading marketing efforts, meetings, and presentations.
 - 3.1.2.2. Assistance with methods for evaluating the financial strength and position of potential reinsurers.
 - 3.1.2.3. Underwriting submission, including but not limited to: (a) the preparation of material and gathering of all relevant information to create the underwriting submission; (b) working with Citizens' staff and Chief Financial Officer to review and approve any proposed underwriting submission; and (c) transmitting all approved underwriting submissions to chosen reinsurers.
 - 3.1.2.4. Reinsurance contract and cover-slip drafting and administration, to include: (a) drafting of the initial catastrophe contract and other agreements related to Citizens' private reinsurance purchases; (b) reviewing trust agreements where applicable; (c) working with Citizens' staff and legal services department to obtain Citizens' approval; (d) working with reinsurers to obtain their approval; (d) handling the routing of all documents for execution; and, (e) drafting trust account contracts with non-traditional reinsurers where applicable.
 - 3.1.2.5. Receiving, processing, and distributing all premium payments related to the Yearly Reinsurance Purchase (as defined below), all brokerage and commissions, all refunds and credits, and any other payment related to Services set forth in this Agreement, including retuning of brokerage and commissions to Citizens as outlined in the "Compensation" Section 7. below.
 - 3.1.2.6. Placement updates, including but not limited to: (a) providing Citizens with timely and continual updates on placement efforts and progress; (b) notifying Citizens of issues with reinsurers; and, (c) obtaining any additional information requested by reinsurers.

- 3.1.2.7. Preparation of bordereaux and loss petitions.
- 3.1.2.8. Assistance with resolving amounts in dispute between Citizens and assuming reinsurers; collecting all funds and making distributions to appropriate parties; reviewing and consulting with Citizens about collection of private reinsurance recoverables; and diligently and timely pursuing all possible private reinsurance recoverables for Citizens.
- 3.1.2.9. Financial security updates, including but not limited to keeping Citizens updated on any material changes to a reinsurer's financial security, and providing advice on the issue of whether to remove or replace any reinsurers during the course of the year (as necessary).
- 3.1.2.10. Post placement Services, including but not limited to timely sending Citizens' post placement documentation on any program placed, including all information on its reinsurers and their security.

3.1.3.



3.1.4.

- 3.1.5. Evaluation of Risk Transfer. Vendor shall provide evaluation (type, coverage, and cost) Services of potential risk-transfer measures, including:
 - 3.1.5.1. cost benefit evaluation of risk transfer structures, including cost

estimates, market conditions, expected loss, standard deviation, and any other relevant measures, considering both traditional reinsurance and involving insurance-linked securities; and,

3.1.5.2. incorporation of FHCF rates, formulas, and financial position, and the effects of FHCF and other assessments, on all analysis of Citizens' data.

3.1.6. Additional Analytical Services. Vendor shall also provide other related analytical Services, including but not limited to: licenses for ResQ Stochastic Software ("ResQ"), synthesis and presentation of modeling, mapping and optimization results; market studies; depopulation or take-out analyses; windstorm mitigation impact analyses; and program design and case studies.

3.1.7. Board Meeting Preparation. Vendor shall provide assistance with preparation for and participation in Citizens' Board of Governors and related committee meetings.

3.2. Risk-Transfer Plan. On or before the first business day of the month of February of each calendar year, Vendor shall submit to Citizens' Chief of Financial Officer a recommended Risk Transfer Plan (the "Risk Transfer Plan") that delineates proposed types and layers of risk-transfer protection for the upcoming hurricane season, including Citizens' statutorily required level of participation in the mandatory layer of the FHCF. The Risk Transfer Plan will include a detailed schedule for the performance of Services, including but not limited to: (a) submission of all draft reinsurance contracts to Citizens by no later than March 1 of each calendar year; (b) placement of reinsurance contract coverages with a uniform effective date of June 1 of each calendar year; and, (c) full execution of all reinsurance contracts by no later than August 1 of each calendar year. As requested by Citizens, the Risk Transfer Plan may also set forth additional deadlines and performance metrics related to performance of the Services.

The Risk Transfer Plan shall include the following for each layer of risk-transfer facility proposed:

- description;
- potential amount of coverage/risk-transfer; and,
- potential cost of coverage/risk-transfer.

Citizens has final approval authority of the Risk Transfer Plan and Vendor will revise draft plans as reasonably requested by Citizens. Citizens' Chief Financial Officer will inform the Vendor of the approved Risk Transfer Plan, including selected types and layers of risk-transfer protection.

If the Risk Transfer Plan includes risk-transfer facilities from the private market, Citizens and Vendor will discuss and agree upon a date by which the Vendor shall submit the following for each layer of risk-transfer facility in the Risk Transfer Plan, including Citizens' statutorily required level of participation in the mandatory layer of the FHCF:

- description;
- amount of coverage/risk-transfer;
- cost of coverage/risk-transfer;

- participating reinsurers and respective participating percentages;
- state and/or country of domicile and status with the Florida Office of Insurance Regulation (e.g., authorized, accredited, etc.) for each participating reinsurer; and,
- A.M. Best, S&P Moody's, or Fitch credit ratings for each participating reinsurer.

Citizens' Board of Governors will make the final decision as to whether or not to purchase the types and amounts of private risk-transfer facilities for the hurricane season.

If Citizens' Board of Governors decides to purchase private reinsurance, Vendor will place private reinsurance on behalf of Citizens as set forth in the Risk Transfer Plan ("Yearly Reinsurance Purchase"). Unless otherwise agreed to by Citizens in writing, the Yearly Reinsurance Purchase must be effective on June 1 of each calendar year. Vendor will work with Citizens' personnel to provide the Services and will report directly to Citizens' Chief Financial Officer.

If a reinsurance contract subject hereto has an effective period extending beyond termination of this Agreement, Vendor will assist with transitioning that reinsurance contract to a different broker designated by Citizens for the period extending beyond termination of this Agreement. Vendor agrees to assist within thirty (30) calendar days after the date of notice provided by Citizens.

Vendor will be responsible for receiving and processing applicable allocated payments for the Risk Transfer Plan. At least quarterly, or as otherwise agreed to by the Parties in writing, Vendor shall render accounts to Citizens accurately detailing all material transactions, including information necessary to support all commissions, charges, and other fees received by, or owing to, Vendor from Citizens, (the "Account Statement"). Vendor shall pass on to Citizens all reinsurance commissions paid to or otherwise received by Vendor from reinsurers.

Within each Account Statement, Vendor shall detail the private insurance commission collected by Vendor with respect to the Risk Transfer Plan. Vendor shall promptly notify Citizens in the event that Citizens must pay return commission to any of Citizens' reinsurers. After notification, Citizens will return to Vendor as soon as reasonably possible any amount due as a result of the return commission.

All funds collected for Citizens' account will be held by Vendor in a fiduciary capacity, in a bank acceptable to the regulatory authorities involved. Vendor's records shall identify Citizens' ownership interest in any funds held for more than one insurance company. Upon request from Citizens, Vendor shall furnish copies of records relating to deposits and withdrawals for or on behalf of Citizens. All fees and expenses charged by the bank(s) for Services will be paid by Vendor, and any interest in these funds will accrue to the Vendor. Ownership of the fiduciary funds, as between Citizens and reinsurer, is governed by the terms of the subject private reinsurance contract. Vendor's obligations under this paragraph are in addition to its obligation under any federal or state law.

After expiration or termination of each private reinsurance contract transacted through Vendor for Citizens, for a period of time at least equal to the period specified by the regulatory authorities having jurisdiction over this Agreement, Vendor will keep a complete record for each transaction, showing the following:

- type of contract, limits, underwriting restrictions, classes of risks and

territory;

- period of coverage, including effective and expiration dates, termination provisions and notice required of termination;
- requirements for reporting and selling balances;
- rate (or other method) used to compute the private reinsurance premium.
- names and addresses of assuming reinsurer;
- rates of all reinsurance commissions;
- related correspondence and memoranda;
- proof of placement;
- details regarding retrocessions handed by Vendor which relate to the original private reinsurance transaction, including the identity and address of retrocessionaires and percentage of each contract assumed or ceded;
- financial records, including but not limited to, premium and loss accounts; and,
- written evidence that each assuming reinsurer has agreed to assume the risk or, if placed through a representative of the assuming reinsurer, written evidence that the reinsurer has delegated binding authority to that representative and, when applicable, that the representative is considered qualified to act as such by regulatory authorities requiring this evidence.

Citizens recognizes that it has the sole authority and discretion for selection of each assuming reinsurer on private reinsurance placed by Vendor on its behalf, and Vendor shall incur no liability for Citizens' decisions regarding its assuming reinsurer. However, Vendor shall be responsible for continually monitoring and reviewing the financial condition (especially information related to downgrades, negative financial reports, sales, mergers, and acquisitions) of all entities and reinsurers participating in any Risk Transfer Plan. Such communications will include recommendations from Vendor such as with respect to carrier changes, when applicable.

It is not Vendor's role to provide legal, regulatory, tax, or accounting advice or guidance to Citizens, and Citizens is responsible for reviewing and understanding the terms of any contracts signed by Citizens.

Vendor shall disclose to Citizens any ownership relationship with any reinsurer to which business will be ceded or retroceded.

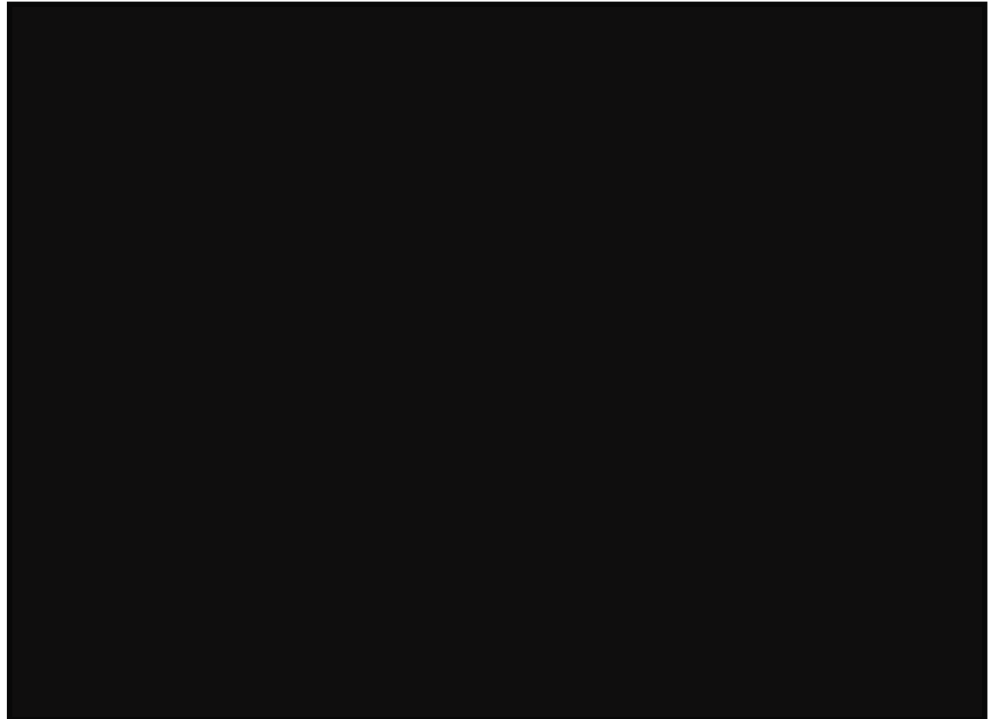
4. Service Warranties and Service Levels.

- 4.1. General Warranty. Vendor warrants that the Services will be performed and delivered in a professional manner in accordance with this Agreement and the standards prevailing in the industry. To this end, Vendor will undertake the following actions without additional consideration during the term of this Agreement and for one (1) year thereafter: (a) promptly make necessary revisions or corrections to resolve any errors or omissions on the part of Vendor; and (b) confer with Citizens as Citizens deems appropriate for the purpose of interpreting any of the Services or information furnished. Acceptance of or payment for the Services by Citizens shall not relieve Vendor of these responsibilities. The warranty and covenants in this Section will extend to and bind Vendor's subcontractors, if any.

- 4.2. Ability to Perform. As of the Effective Date, Vendor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish Vendor's ability to perform the Services or satisfy its contractual obligations. During the term of this Agreement, Vendor shall immediately notify Citizens Contract Administrator of any change in circumstances that would in any way diminish Vendor's ability to perform the Services or satisfy its contractual obligations.
- 4.3. Monitoring of Performance. Vendor shall continuously monitor and record its performance to ensure that all of Vendor's responsibilities and obligations hereunder are being met and fulfilled. Citizens may conduct programmatic and other administrative contract monitoring during the term of this Agreement. The purpose of this monitoring is to ensure that all of Vendor's responsibilities and obligations are being met and fulfilled. Such monitoring may include on-site visits, report reviews, invoice reviews, compliance reviews, and a review of any other areas reasonably necessary.
- 4.4. Vendor Staff Qualifications and Removal. All Vendor Staff shall be properly trained and qualified. Upon request, Vendor shall furnish a copy of all technical certifications or other proof of qualification to Citizens. All Vendor Staff must comply with all reasonable administrative requirements of Citizens and with all controlling statutes, laws, and regulations relevant to the Services.

Without limiting Citizens' other rights and remedies under this Agreement, including suspension of Services and termination of this Agreement, where any Vendor Staff fails to comport to any of the training or qualification requirements in this Agreement, or, in Citizens' reasonable determination, is unsuitable for the performance of the Services, Citizens has the right, at Citizens' sole election, to disallow such Vendor Staff from performing the Services. Upon Citizens' request, Vendor shall promptly provide qualified replacement Vendor Staff reasonably acceptable to Citizens.

4.4.1.









In the event of a deviation in the key Vendor Staff, the proposed replacement key Vendor Staff will have commensurate qualifications, experience, performance, and seniority within Vendor's company. Any alternative or substituted key Vendor Staff resources will require prior written approval by Citizens' Contract Manager or designee. Citizens may terminate without cause pursuant to Section 11.1. of this Agreement, if the Parties cannot agree on the proposed replacement key Vendor Staff.

4.4.2. Background Check. All Vendor Staff will be subject to a background check prior to hire that will verify the proposed Vendor Staff has met the minimum education, qualifications, required licensure, and experience requirements. Vendor Staff's training and credentials will be subject to periodic audit by Vendor.

4.5. Service Level Standards.

4.5.1. Vendor agrees to provide the Services in accordance with the following, (the "Service Level Standards") except as otherwise agreed upon by the parties in writing. Time is of the essence in meeting the Service Level Standards. If Vendor does not meet a standard set forth below, Vendor shall issue the applicable service credit as agreed upon herein, ("Service Credit"). The Service Credit will be issued on Vendor's next invoice to Citizens for the Services. The Service Credits are intended only to cover the diminished value of a Service that is delivered to Citizens. The acceptance of a Service Credit does not waive Citizens' right to pursue other remedial actions or claims under this Agreement. To the extent the underlying acts or omissions constitute an event of default under another section of this Agreement, Citizens may declare an event of default under that section. If a failure to satisfy any deadline set forth herein is caused in whole in part by Citizens or any other factor not under Vendor's responsibility or control, then at Citizens' sole discretion, Citizens' Contract Manager or designee will equitably reduce any applicable Service Credit.

Service Activity	Timeframe*	Service Credit
Provide the Risk Transfer Plan	On or before the first business day of the month of February	N/A

Submission to Citizens of all draft reinsurance contracts for the Yearly Reinsurance Purchase	No later than March 1	N/A
Yearly Reinsurance Purchase	Effective on June 1	N/A
Execution of all reinsurance contracts for the Yearly Reinsurance Purchase	No later than August 1	Three percent (3%) of the Fixed Fee for the first day late (including a partial day). One percent (1%) of the Fixed Fee for each additional day late (including a partial day)
Provide Citizens' final submission to all markets	Within three (3) business days of receipt by Vendor	N/A
Provide Account Statement	At least quarterly	N/A
Remit all funds due to Citizens upon receipt from reinsurer	Within thirty (30) calendar days of receipt of funds by Vendor from reinsurer	N/A

*The indicated timeframe will apply unless a different timeframe is approved by Citizens' Contract Manager or designee in writing.

- 4.5.2. Temporary Suspension of Service Level Standards. Vendor will be excused for failing to meet any Service Level Standard if and to the extent such failure is excused under Section 15.15. Vendor shall advise Citizens in writing as soon as possible of any circumstance or occurrence which would excuse or affect Vendor's ability to achieve any of the Service Level Standards. In all such cases, Vendor will continue to make all reasonable efforts to achieve the Service Level Standards.

5. Deliverables and Work Product.

- 5.1. Deliverables and Financial Consequences. Each Deliverable must be delivered by Vendor to Citizens in the time and manner specified in this Agreement. Failure to do so will entitle Citizens to enforce financial consequences which can include: (a) withholding any payment associated with the Deliverable until such delivery is made; and/or, (b) terminating this Agreement for cause subject to the notice and cure provisions set forth in Section 11.2 below.
- 5.2. Title to Work Product. With the exception of the Pre-Existing Materials described in Section 5.3., Citizens will have all right, title and interest in and to each Work Product and any derivative works relating thereto (including ownership of copyrights). The use of these Work Products in any manner by Citizens shall not support any claim by Vendor for additional compensation. Each Work Product, and any portion thereof, shall be a "work made for hire" for Citizens pursuant to federal copyright laws. To the extent any of the Work Product is not deemed a work made for hire by operation of law, Vendor hereby irrevocably assigns, transfers, and

conveys to Citizens, or its designee, without further consideration all of its right, title, and interest in such Work Product, including all rights of patent, copyright, trade secret, trademark, or other proprietary rights in such materials. Vendor acknowledges that Citizens shall have the right to obtain and hold in its own name any intellectual property right in and to the Work Product. Vendor agrees to execute any documents or take any other actions as may reasonably be necessary, or as Citizens may reasonably request, to perfect or evidence Citizens' ownership of the Work Product. This Section shall survive the termination of this Agreement.

5.3. Pre-Existing Materials.

5.3.1. Citizens acknowledges that, in the course of performing the Services, Vendor may use materials, software, reports, routines, language, instructions, methods, techniques, trade secrets, patents, copyrights, or other intellectual property that have been previously developed, purchased, licensed, or acquired by Vendor or by third parties (collectively, the "Pre-Existing Materials"), and that such Pre-Existing Materials shall remain the sole and exclusive property of Vendor or the third parties. Where Vendor seeks to embed Pre-Existing Materials in the Work Product, Vendor must first obtain written approval from Citizens.

5.3.2. If and to the extent any Pre-Existing Materials of Vendor are embedded or incorporated in the Work Product, Vendor hereby grants to Citizens the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to: (a) use, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such Pre-existing Materials and any derivative works thereof for Citizens' internal business purposes only; and, (b) authorize others to do any or all of the foregoing for Citizens' internal business purposes only.

5.3.3. If and to the extent any Pre-Existing Materials of third parties are embedded or incorporated in the Work Product, Vendor shall secure for Citizens an irrevocable, perpetual, non-exclusive, worldwide, royalty-free and fully paid-up right to use, execute, display, and perform such Pre-Existing Materials. Vendor shall secure such right at its expense and prior to incorporating any such Pre-Existing Materials into any Work Product, and such right must include, if practicable, a right to: (a) copy, modify, and create derivative works based upon such Pre-Existing Materials; and, (b) sublicense all or any portion of the foregoing rights to an affiliate or a third-party service provider of Citizens. This Section does not apply to standard office software (e.g., Microsoft Office).

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

6. Acceptance.

6.1. Acceptance Period. For all Services provided under this Agreement, Vendor grants to Citizens a thirty (30) calendar day acceptance period ("Acceptance Period") commencing on the date completed Services are delivered to Citizens. Citizens shall have the right to reject the Services, in whole or in part, during the Acceptance Period for Vendor's failure to meet the specifications associated with the delivered Services (a "Defect"), with such determination to be made in Citizens' reasonable judgment. At the end of the Acceptance Period, if Citizens has not rejected the Services, the Services shall be deemed to be accepted by Citizens; provided,

however, that Citizens' acceptance of the Services shall not be deemed a waiver of any of Citizens' warranty rights as expressly provided in this Agreement.

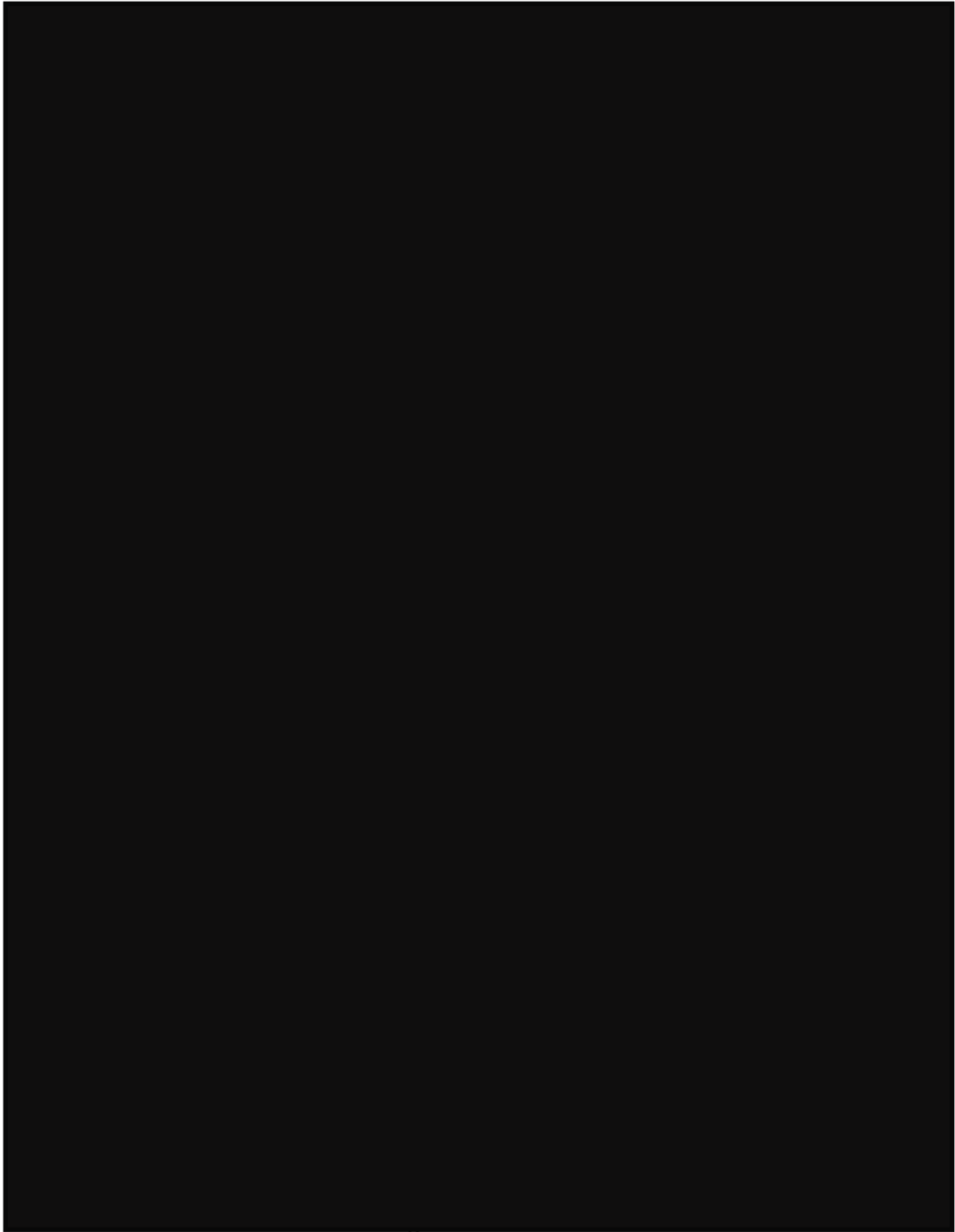
- 6.2. Correction of Defects. To the extent a Defect can be corrected and was not the result of any bad faith by Vendor, Vendor shall have thirty (30) calendar days to correct the Defect. The determination as to whether a Defect can be corrected shall be made by Citizens in its reasonable discretion. If Vendor is unable to correct the Defect within this thirty (30) calendar day period, Citizens may, in its sole discretion, terminate this Agreement in whole or in part for cause and pursue such other rights and remedies allowable in law or equity.
- 6.3. Corrective Action Plan. At any stage during the thirty (30) calendar day period provided above or whenever Citizens identifies a deficiency in Vendor's performance of this Agreement, Citizens may require Vendor to take the following actions: (a) perform a cause analysis to identify the cause of the deficiency; (b) provide a written plan (the "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 Vendor to make revisions); (c) implement the Corrective Action Plan as approved by Citizens; and, (d) provide Citizens with satisfactory assurance that such deficiency will not reoccur following the implementation of the Corrective Action Plan. In the case of a Defect identified by Citizens during an Acceptance Period, completion of the cause analysis and implementation of the Corrective Action Plan by Vendor must occur before the end of the thirty (30) calendar day period provided above, unless otherwise agreed to by Citizens in its sole discretion.

7. Compensation.

- 7.1. Maximum Compensation and Budget Requirement. Citizens' obligation to pay Vendor for all Services accepted and reimbursable expenses under this Agreement (a) shall not exceed a total dollar amount of fourteen million five hundred thousand U.S. Dollars (\$14,500,000.00); and, (b) is contingent on the availability of budgeted funds approved by Citizens' Board of Governors on an annual basis, provided that if necessary funds are not budgeted, Vendor may withdraw the Services upon thirty (30) calendar days' written notice to Citizens. During this thirty (30) day notice period, Vendor shall provide Citizens the opportunity to provide reasonable assurances that Vendor will be paid the compensation specified in this Agreement. Vendor shall not withdraw the Services if such reasonable assurances are provided.

7.2.





- 7.3. Invoices. Vendor must timely submit all requests for compensation for Services or expenses, where permitted, in sufficient detail for a pre- or post-audit. The compensation request must include a unique invoice number, be in U.S. Dollars, legible, page-numbered, signed, and dated. Vendor shall submit the original invoice to Citizens' Contract Manager or designee as identified in Section 10.2. Contract Managers. All late payment inquiries must be submitted to the attention of Citizens' Accounts Payable department at AccountsPayable@citizensfla.com or Post Office Box 10749, Tallahassee, Florida 32302-2749 and must include, at a minimum, the following: (a) purchase order number/Agreement number/task order

number, if applicable; (b) Vendor's name, address, phone number (and remittance address, if different); (c) Vendor's Federal Employment Identification Number; (d) Citizens' Contract Manager's name; (e) invoice date; (f) Services period; (g) taxes listed separately, if applicable; and, (h) itemized Services for which compensation is being sought.

- 7.4. **Payment Processing.** Citizens may require any other information from Vendor that Citizens reasonably deems necessary to verify any compensation request placed under this Agreement and Vendor agrees that it will provide such information as reasonably requested by Citizens. Payment shall be due net thirty (30) calendar days of Citizens' actual receipt of a complete and undisputed invoice. Where a submitted invoice is incomplete, such as not containing the information described in this Section, Citizens will return the incomplete invoice to Vendor for correction within thirty (30) calendar days of Citizens' actual receipt of such invoice. Where Citizens reasonably disputes any part of a complete invoice, such as the amount of the compensation request, Citizens shall pay any undisputed portion of the invoiced amount within (30) calendar days of Citizens' actual receipt of the complete invoice and will describe the basis for the disputed portion of the invoiced amount. Where Vendor disagrees with Citizens' dispute of any invoice, the Parties shall seek to resolve the dispute in accordance with the Dispute Resolution Process further described in this Agreement. In no case shall Citizens be subject to late payment interest charges where Vendor has submitted an incomplete invoice or where Citizens has reasonably disputed an invoice. Where Vendor fails to submit an invoice within twelve (12) calendar months of the Services for which compensation is being requested, Vendor acknowledges and agrees that any payment due for such Services is forfeited by Vendor for its failure to timely submit an invoice.
- 7.5. **No Additional Charges.** Except for the compensation described in the Compensation Schedule, Citizens shall not be billed for or be obligated to pay to Vendor any charges, expenses, or other amounts for the Services or otherwise.
- 7.6. **Offsets and Credits.** Any amounts due from Vendor may be applied by Citizens against any amounts due to Vendor. Any such amounts that are not so applied shall be paid to Citizens by Vendor within thirty (30) calendar days following Citizens' request.
- 7.7. **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.

8. Indemnification and Limitation of Liability.

- 8.1. **Indemnification.** Vendor shall be fully liable for the actions of Vendor Staff and shall fully indemnify, defend, and hold harmless Citizens, and its officers, members of

the Board of Governors, agents, and employees (each, an "Indemnitee" and collectively, the "Indemnitees") from suits, actions, damages, liabilities, demands, claims, losses, expenses, fines, penalties, fees, and costs of every name and description (collectively, "Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from any Indemnitee, by reason of any Claim arising directly out of any act, error or omission, or misconduct of Vendor, its officers, directors, agents, employees, or contractors, including without limitation: (a) a violation of federal, state, local, international, or other laws or regulations; (b) bodily injury (including death) or damage to tangible personal or real property; (c) a breach of any obligation or representation made by Vendor under this Agreement; (d) any claim that any portion of the Services violates or infringes upon a trademark, copyright, patent, trade secret or intellectual property right; or, (e) Vendor's failure to timely forward a public records request to Citizens for handling.

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

8.1.2. Notwithstanding anything in this Agreement to the contrary, Vendor shall not indemnify for that portion of a Claim proximately caused by: (a) a negligent act or omission of an Indemnitee; or, (b) an Indemnitee's misuse or modification of the Service or Work Product.

8.1.3. The obligations in this Section are separate and apart from, and in no way limit Citizens' rights under any insurance provided by Vendor pursuant to this Agreement or otherwise.

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

8.2. Limitation of Liability.

8.2.1. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECULATIVE OR REMOTE DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT.

8.2.2. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A WAIVER OF THE LIMIT ON CITIZENS' LIABILITY FOR TORT CLAIMS UNDER SECTION 768.28, FLORIDA STATUTES.

8.2.3. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

9. Insurance.

9.1. Vendor Insurance Requirements. During the term of this Agreement, Vendor will maintain at its sole expense the following insurance:

9.1.1. Workers' Compensation which provides coverage for Vendor's employees

and independent contractors' employees, regardless of the state of hire, in at least the minimum statutory limits required by applicable law, and Employers' Liability with limits of \$1 million per accident; provided, however, that such workers' compensation policy may exclude coverage for independent contractor employees who are covered by a workers' compensation policy that meets the requirements (including Employers' Liability coverage) set forth herein.

- 9.1.2. Commercial General Liability with minimum limits of \$1 million per occurrence (to include contractual liability for liability assumed hereunder) and \$2 million in the aggregate;
- 9.1.3. Professional Liability (errors and omissions) with minimum limits of \$3 million per claim and \$5 million in the aggregate; and with an excess coverage of an additional \$3 million per occurrence. The policy/policies will also insure against any loss or liability resulting from a breach of fiduciary obligations hereunder;
- 9.1.4. Information Security/Cyber Liability insurance written on a "claims-made" basis covering Vendor and Vendor Staff for expenses, claims and losses resulting from wrongful acts committed in the performance of, or failure to perform, all Services, including, without limitation, claims, other demands and any payments related to electronic or physical security, breaches of confidentiality and invasion of or breaches of privacy. The Information Security/Cyber Liability Insurance must include internet media liability including cloud computing and mobile devices for protection of confidential information and customer data whether electronic or non-electronic, network security and privacy; privacy against liability for system attacks, digital asset loss, denial or loss of service, introduction, implantation or spread of malicious software code, security breach, unauthorized access and use, including regulatory action expenses, and notification and credit monitoring expenses with at least the minimum limits listed below. Coverage must be renewed for two (2) years after completion of the Services.
 - 9.1.4.1. Each claim- \$1,000,000
 - 9.1.4.2. Network Security/Privacy Liability - \$1,000,000
 - 9.1.4.3. Breach Response/ Notification Sublimit - a minimum limit of fifty percent (50%) of the policy aggregate
- 9.2. Insurance Company Qualifications. Each company issuing policies required under Section 9.1. must: (a) be licensed to transact business in the State of Florida; and, (b) have an AM Best Financial Strength rating of "A-" or above except for Professional Liability (errors and omissions) which is currently underwritten by the Vendor's Captive insurer, that has not been rated by A.M. Best Company or other Nationally Recognized Rating Organization (NRRO).
- 9.3. Vendor's Insurance is Primary. The insurance required under Section 9.1. shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by Citizens, Citizens' Board Member, or any Citizens employee.
- 9.4. Citizens to be an Additional Insured. The Commercial General Liability policies in Section 9.1 shall include Citizens as an additional insured. For Commercial General Liability coverage, the policy must include ISO Form #CG 20 10 10 01 or

a comparable company specific endorsement.

- 9.5. Waiver of Subrogation. The insurance required under Section 9.1 shall include a provision waiving the insurer's rights of recovery or subrogation against Citizens. This requirement does not apply to the coverages specified in 9.1.3. and 9.1.4.
- 9.6. Notice of Cancellation or Change. To the extent practicable, the Commercial General Liability, Professional Liability, and Information Security/Cyber Liability policies shall require thirty (30) calendar days prior written notice to Citizens of cancellation, non-renewal or change in any coverage, except for ten (10) calendar days prior written notice for non-payment of premium.
- 9.7. Proof of Coverage. Within thirty (30) calendar days of execution of this Agreement, and upon renewal or reissuance of coverage thereafter, Vendor must provide current and properly completed in-force certificates of insurance to Citizens that evidence the coverages required in Section 9. The certificates for Commercial General Liability and Professional Liability must correctly identify the type of work Vendor is providing to Citizens under this Agreement. The agent signing the certificate must hold an active Insurance General Lines Agent license (issued within the United States).

10. Contract Administration.

- 10.1. Contract Administrator. Citizens shall name a Contract Administrator during the term of this Agreement whose responsibility shall be to maintain this Agreement. Except for written notices not otherwise specifically required to be delivered to the Citizens' Contract Manager or designee (such as those relating to background checks, invoicing, data security requirements and subcontractors), all written notices shall be delivered 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 and Purchasing
301 W Bay Street, Suite 1300
Jacksonville, Florida 32202
904-407-0225
lori.newman@citizensfla.com

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

- 10.2. 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 operational obligations pursuant to the terms of this Agreement. As of the Effective Date, Citizens' and Vendor's Contract Managers are as follows:

Citizens' Contract Manager
Terrie Fishman, Project Manager
Citizens Property Insurance Corporation
2101 Maryland Circle
Tallahassee, FL 32303
(850) 513-3955
terrie.fishman@citizensfla.com

Vendor's Contract Manager
Adam Schwebach, Executive Vice President
Willis Re Inc.
3407 W. Dr. Martin Luther King Jr. Blvd.
Tampa, FL, 33607
(813) 490-6801
Adam.Schwebach@WillisTowersWatson.com

Each Party shall provide prompt written notice to the other Party of any changes to their Contract Manager; such changes shall not be deemed Agreement amendments.

- 10.3. Continuing Oversight Team. If a Continuing Oversight Team ("COST") is established in accordance with s. 287.057(26), F.S., Vendor's Contract Manager will attend the initial meeting of the COST (in person or remotely) and will respond to any written questions from the COST within ten (10) business days.

11. Agreement Termination; Transition Assistance.

- 11.1. Termination without Cause. By thirty (30) calendar days advance written notice, Citizens may terminate this Agreement at its sole discretion and without the need to specify a reason for termination. The actual date of termination of this Agreement will be as specified in Citizens' written notice and shall be at least thirty (30) calendar days from the date of the written notice (the "Termination Date"). If the Agreement is terminated subsequent to the placement of reinsurance for Citizens, the entire Fixed Fee of two million nine hundred thousand U.S. Dollars (\$2,900,000.00) will be payable to Vendor upon termination, subject to offset as provided in Section 7.2. Vendor shall not be entitled to charge for or recover any "wind-down" costs, cancellation charges, or damages, including lost profits or reliance damages. Vendor shall not have a reciprocal right to terminate without cause; it being understood that Citizens' payment for Services forms the consideration for Vendor not having this right. In the event of Citizens' termination without cause, Citizens, at Citizens' sole election, may also require Vendor to provide the Transition Assistance as further described in this Agreement.
- 11.2. Termination for Cause. Either Party may terminate this Agreement if the other Party fails to honor its material obligations under this Agreement. Unless otherwise provided herein, before terminating this Agreement, the Party that believes the other Party is failing to perform this Agreement shall notify the breaching Party, in writing, of the nature of the breach and provide a reasonable time certain to cure the breach. The cure period will generally be ten (10) calendar days from receipt of the notice, provided that a cure period is not required if a cure is not feasible as determined by the non-breaching Party or if the breaching Party has already been notified of the breach and given at least ten (10) calendar days to correct it. If the breaching Party does not cure the breach within the time provided by the non-breaching Party, and its breach is not legally excusable, the non-breaching Party may thereafter notify the breaching Party, in writing, that it considers the breaching Party in default and may terminate this Agreement and pursue any remedies allowed in law or equity. Instead of terminating this Agreement in whole, Citizens may elect to terminate this Agreement in part, in which case Vendor shall continue to provide Services on any portion of the Agreement not terminated. If after termination it is determined that Vendor 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 11.1.

11.3. Scrutinized Companies; Termination by Citizens. In addition to any other termination rights of Citizens as provided for in this Agreement, Citizens may, at its sole election, terminate this Agreement if Vendor: (a) is found to have submitted a false certification as provided under Section 287.135(5), F.S.; (b) has been placed on the "Scrutinized Companies with Activities in Sudan List;" (c) has been placed on the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List;" (d) has been placed on the "Scrutinized Companies that Boycott Israel List;" (e) has been engaged in business operations in Cuba or Syria; or, (f) is engaged in a boycott of Israel.

11.4. Transition Assistance. At any time prior to the date this Agreement expires or terminates for any reason (either, the "Termination Date"), Citizens may request Vendor to provide reasonable transition assistance services ("Transition Assistance"). Vendor shall provide such Transition Assistance until Citizens notifies Vendor that Citizens no longer requires such Transition Assistance, which shall in no event be more than one-hundred and eighty (180) calendar days following the Termination Date.

11.4.1. 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 a vendor are fully transitioned in a smooth and efficient manner to the purchaser or to a successor vendor. Transition Assistance includes the development and implementation of a detailed transition plan, if requested. To the extent the Transition Assistance will involve a successor vendor, Vendor agrees that it will cooperate with such successor vendor. As reasonably required by Vendor, Citizens shall cause any successor vendor to execute Vendor's non-disclosure agreement.

11.4.2. 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 Vendor charges to government entities for comparable services; provided however, that if Citizens terminates this Agreement because of a breach by Vendor, then the post-termination Transition Assistance shall be provided at no cost to Citizens. Vendor 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 Vendor.

12. Disputes.

12.1. Dispute Resolution Process. Each Party will make a good faith effort to resolve any disputes relating to this Agreement prior to commencing a legal action. These efforts may include an offer to arrange for executive-level discussions or an offer to submit the dispute to non-binding mediation. This Section shall not apply if: (a) a Party considers the immediate commencement of a legal action for an injunction necessary to protect its interests (e.g., to protect against the improper use or disclosure of its confidential information); or, (b) the dispute is subject to another provision in this Agreement that includes a different dispute resolution process. For the sake of clarity, Citizens is not subject to the dispute resolution

processes set forth in The Florida Administrative Procedure Act, Chapter 120, Florida Statutes.

- 12.2. 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.
- 12.3. The provisions of this Section shall survive the termination of this Agreement.

13. Records; Audits; Public Records Laws.

- 13.1. Record Retention. Vendor shall retain all records relating to this Agreement for the longer of: (a) five (5) years after the termination of this Agreement; or, (b) the period specified by Citizens as necessary to comply with Florida law.
- 13.2. Right to Audit and Inquire. Citizens shall have reasonable access to Vendor's facilities and has the right to review and audit any of Vendor's records relating solely to this Agreement, upon written notice to Vendor of at least three (3) business days. Vendor also agrees to reasonably cooperate with any independent inquiries made by Citizens' Office of Internal Audit and Office of the Inspector General. Vendor shall cooperate with the requestor and provide requested documentation in a timely manner (preferably within five (5) business days). Vendor must resolve any deficiencies discovered during an audit within ninety (90) calendar days from being reported. Citizens may extend the response time period in its sole discretion. Citizens has the right to conduct follow-up audits to assess Vendor's corrective action(s). Any entity performing auditing services on behalf of Citizens pursuant to this Section shall execute a non-disclosure agreement with regard to Vendor's proprietary information, unless precluded from doing so by law. Vendor shall not unreasonably delay or inhibit Citizens' right to audit as set forth in this Section. Vendor agrees to reimburse Citizens for the reasonable costs of investigation incurred by Citizens for investigations of Vendor's compliance with this Agreement which result 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; expert witness fees; and, documentary fees.
- 13.3. Public Records. Vendor acknowledges that Citizens is subject to Florida public records laws, including Chapter 119, Florida Statutes, (collectively, "Florida's Public Records Laws"). Therefore, information provided to Citizens or maintained by Vendor in connection with this Agreement may be subject to disclosure to third parties under law.
 - 13.3.1. Protection of Vendor's Confidential Information. 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 disclosure requirements of Florida's Public Records Law. Other Florida Statutes allow for various protection of vendor's trade secrets and financial information. In order to protect any information provided to Citizens that Vendor considers to be protected from disclosure under Florida law ("Vendor's Confidential Information"), Vendor

should clearly label and mark each page or section containing such information as “Confidential”, “Trade Secret” or other similar designation.

- 13.3.2. Responding to Request for Vendor’s Confidential Information. If Citizens receives a Public Records Request (“PRR”) or a request from any regulatory or legislative entity regarding Vendor’s Confidential Information, it shall promptly notify Vendor in writing. To the extent permitted by law, Citizens shall not produce Vendor’s Confidential Information unless authorized by Vendor, or by order of a court of competent jurisdiction. In the event a legal proceeding is brought to compel the production of Vendor’s Confidential Information, the Parties agree that Citizens is authorized to deliver Vendor’s Confidential Information to the court or other legal tribunal for disposition. If Vendor continues to assert in good faith that Vendor’s Confidential Information is confidential or exempt from disclosure or production pursuant to Florida’s Public Records Laws, then Vendor 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 Vendor’s position. Vendor also agrees to reimburse Citizens for any attorneys’ fees, costs, and expenses incurred by Citizens or awarded against Citizens in any legal proceeding in which the issue is a third party’s challenge to Vendor’s assertion of an exemption under Florida’s Public Records Laws.
- 13.3.3. Vendor’s Duty to Forward Records Requests to Citizens. If Vendor receives a PRR that is in any way related to this Agreement, Vendor agrees to immediately notify Citizens’ Records Custodian and forward the PRR to Citizens’ Records Custodian for logging and processing. Citizens’ Records Custodian’s email address is: Recordsrequest@citizensfla.com. Citizens shall be the Party responsible for coordinating the response and production to the PRR. Vendor shall communicate with Citizens to determine whether requested information is confidential and/or exempt from public records disclosure requirements. Vendor agrees to assist Citizens in responding to any PRR in a prompt and timely manner as required by Florida’s Public Records Laws.
- 13.3.4. Additional Duties. To the extent Vendor is “acting on behalf of” Citizens as provided under Section 119.011(2), Florida Statutes, Vendor must: (a) keep and maintain public records required by Citizens to perform the Services; (b) upon request of Citizens’ Records Custodian, provide Citizens with a copy of the requested records or allow the records to be inspected or copied within a reasonable time 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, for the duration of the term of this Agreement and following the completion of this Agreement if Vendor does not transfer the records to Citizens; and, (d) upon completion of this Agreement, transfer at no cost to Citizens all public records in possession of Vendor or, alternatively, Vendor may keep and maintain all records required by Citizens to perform the Services. If Vendor transfers all public records to Citizens upon completion of this Agreement, Vendor shall destroy any duplicate public records that are exempt, or confidential and exempt from public records disclosure. If Vendor keeps and maintains public records upon completion of this Agreement, Vendor shall meet all applicable

requirements for retaining public records. All public records stored electronically must be provided to Citizens, upon request by Citizens' Records Custodian, in a format that is compatible with the information technology systems of Citizens.

IF VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT CITIZENS' RECORDS CUSTODIAN AT (i) (850) 521-8302; (ii) RECORDSREQUEST@CITIZENSFLA.COM; OR, (iii) RECORDS CUSTODIAN, CITIZENS PROPERTY INSURANCE CORPORATION, 2101 MARYLAND CIRCLE, TALLAHASSEE, FL 32303.

- 13.4. Remedies. Vendor will hold Citizens harmless from any actions resulting from Vendor's non-compliance with Florida's Public Records Laws. Without limiting Citizens' other rights of termination as further described in this Agreement, Citizens may unilaterally terminate this Agreement for refusal by Vendor to comply with this Section unless the records are exempt from Section 24(a) of Article I of the State Constitution and Section 119.07(1), Florida Statutes.
- 13.5. The provisions of this Section shall survive the termination of this Agreement.

14. Information Security and Data Privacy.

14.1. Citizens Data.

- 14.1.1. Ownership. Vendor acknowledges and agrees that Citizens Data is and shall remain the sole and exclusive property of Citizens and that all right, title, and interest in the same is reserved by Citizens.
- 14.1.2. Vendor Use of Citizens Data. Vendor is permitted to collect, process, store, generate, and display Citizens Data only to the extent necessary for the sole and exclusive purpose of providing the Services. Vendor acknowledges and agrees that it shall: (a) keep and maintain Citizens Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Section 14 and applicable law to avoid unauthorized access, use, disclosure, or loss; and, (b) not use, sell, rent, transfer, distribute, or otherwise disclose or make available Citizens Data for Vendor's own purposes or for the benefit of anyone other than Citizens without Citizens' prior written consent.
- 14.1.3. Extraction of Citizens Data. During the term of this Agreement, Vendor shall, within five (5) business days of Citizens' request, provide Citizens, without any charge, conditions, or contingencies whatsoever (including but not limited to the payment of any fees due to Vendor), an extract of Citizens Data in a mutually agreed format.

14.2. Security and Confidentiality.

- 14.2.1. General Requirements. Without limiting Vendor's obligation of confidentiality as further described herein, Vendor shall 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; (c) protect against unauthorized access to or use of Citizens Confidential Information that could cause harm or inconvenience to Citizens or any customer of Citizens; and, (d) ensure the proper disposal of Citizens Confidential Information.

14.2.2. Audit of Vendor's Privacy and Security Controls.

14.2.2.1. Audit Reports. For each calendar year during the term of the Agreement, upon sixty (60) calendar days of report issuance but no later than the end of each calendar year, Vendor 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 or SOC 2 type 2 report (for all Trusted Services Principles) relevant to the Services, such relevancy as solely determined by Citizens.

Additionally, and upon sixty (60) calendar days of report issuance but no later than the end of each calendar year, Vendor shall submit to Citizens via email to Citizens' Contract Manager or designee a copy of its ISO 27001 certification.

14.2.2.2. Right of Audit by Citizens. Without limiting any other rights of Citizens herein, Citizens shall have the right to review Vendor's privacy and security controls prior to the commencement of Services and from time to time during the term of this Agreement. Such review may include Citizens' right, at its own expense and without notice, to perform (or have performed) a virtual audit of Vendor's privacy and security controls upon thirty (30) calendar days' notice. In lieu of such an audit, Citizens may require Vendor to complete an audit questionnaire provided by Citizens regarding Vendor's privacy and security programs.

14.2.2.3. Audit Findings. Vendor shall correct mutually agreed upon deficiencies identified by Citizens or by any audit of Vendor's privacy and security controls.

14.2.2.4. Citizens Right to Terminate for Audit Deficiencies. Where Citizens reasonably determines, in Citizens' sole determination, that Vendor is failing or has failed to meet its obligations under this Section 14.2, Citizens shall have the right to termination for cause under Section 11 at any time after the inability becomes known to Citizens.

14.2.3. Obligation of Confidentiality. The Parties agree to hold all Citizens Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Citizens Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Agreement or to use such Citizens Confidential Information for any purposes whatsoever other than the performance of this Agreement. The Parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Citizens Confidential

Information confidential.

- 14.2.4. Data Encryption. Vendor and Vendor Staff will encrypt all electronic data and communications containing Citizens Confidential Information at rest and in transit using a strong cryptographic protocol that is consistent with industry standards.
- 14.2.5. Data Storage. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor and Vendor Staff shall not store Citizens Confidential Information on portable external storage devices or media (such as "thumb drives," compact disks, or portable disk drives).
- 14.2.6. Security of Vendor Facilities. All Vendor and Vendor Staff facilities in which Citizens Confidential Information is located or housed shall be maintained in a reasonably secure manner. Within such facilities, all printed materials containing Citizens Confidential Information should be kept locked in a secure office, file cabinet, or desk (except when materials are being used).
- 14.2.7. Photocopying and Faxing Restrictions. Vendor and Vendor Staff shall not make photocopies or send facsimiles of Citizens Confidential Information unless there is a business need.
- 14.2.8. Transmission of Confidential Information Materials. In the event it is necessary to transport materials containing Citizens Confidential Information via mail, parcel delivery service or other means, Vendor Staff must subsequently verify that such materials have been received by the intended parties.
- 14.2.9. Disposal of Confidential Information. The disposal of all printed materials containing Citizens Confidential Information must be done in a manner that renders the information inaccessible to others (the use of a reputable third-party shredding company is permissible).
- 14.2.10. Authority to Disclose Confidential Information to Others. Vendor acknowledges and agrees that any Citizens Confidential Information disclosed to or acquired by Vendor is disclosed and/or acquired solely for the purposes of facilitating the provision of the Services. Vendor shall restrict access to Citizens Confidential Information to Vendor Staff who need such access, and Vendor shall provide Vendor Staff with work environments that protect against inadvertent disclosure to others. Vendor shall be solely responsible for informing any individual or entity 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.
- 14.2.11. Unauthorized Disclosure of Confidential Information. Vendor will notify Citizens Contract Administrator as soon as possible of (a) any material potential disclosure or (b) any 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 Vendor maintains computerized data that includes personal information, as defined in such statute, on behalf of Citizens, Vendor shall disclose to Citizens any breach of the security of the system as soon as practicable, but no later than ten (10) calendar days following the determination of the breach of security or

reason to believe the breach occurred.

- 14.2.12. Return of Confidential Information. During the term of this Agreement, upon Citizens written request or upon the termination of this Agreement for any reason, Vendor shall promptly return to Citizens all copies, whether in written, electronic or other form or media, of Citizens Confidential Information in its possession, or 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 other than Confidential Information maintained as part of Vendor's records.
- 14.3. Subcontractors. Except as permitted in writing by Citizens' Contract Manager or designee, the provisions of this Section shall apply to each of Vendor's subcontractors at any level who obtain access to Citizens Confidential Information in connection with this Agreement.
- 14.4. Notification of Anticipatory Breach. Vendor agrees that should it, for any reason, not be able to provide or maintain appropriate safeguards to fulfill its obligations under this Section, it will immediately notify Citizens Contract Administrator in writing of such inability and such inability on Vendor's part will serve as justification for the immediate termination, at Citizens' sole election, of this Agreement for cause under Section 11 at any time after the inability becomes known to Citizens.
- 14.5. Remedies. Vendor acknowledges that breach of Vendor's obligation of data security and confidentiality hereunder may give rise to irreparable injury to Citizens and Citizens' customers, 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, including, the immediate termination, at Citizens' sole election and without penalty to Citizens, of this Agreement in whole or in part.
- 14.6. The provisions of this Section shall survive the termination of this Agreement.

15. Miscellaneous.

- 15.1. Relationship of the Parties. In recognition of Vendor's status as an independent contractor, Citizens shall carry no Workers' Compensation insurance or any health or accident insurance to cover Vendor or Vendor Staff. 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 Vendor nor Vendor Staff shall be eligible for, participate in, or accrue any direct or indirect benefit under any other compensation, benefit, or retirement plan of Citizens.
- 15.2. Vendor Conflicts of Interests. Vendor, and all principals in its business, must execute a Conflict of Interest Form as required by Citizens. Vendor 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, Vendor 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.
- 15.3. No Gifts. Vendor shall not give a gift or make an expenditure to or for the personal benefit of a Citizens officer or employee.

- 15.4. Convicted Vendor List. Vendor shall use best efforts to notify Citizens' Contract Manager or designee in writing if it or any of its affiliates are placed on the convicted vendor list maintained by the State of Florida pursuant to Section 287.133, Florida Statutes, or on any similar list maintained by any other state or the federal government.
- 15.5. Compliance with Laws. Vendor and Vendor Staff will comply with all applicable laws, ordinances, rules, and regulations governing Vendor's performance under this Agreement. This includes: (a) registration and annual renewal of authority to transact business in the State of Florida (via www.sunbiz.org) or Vendor's annual written attestation that such authorization is not required; and, (b) maintaining all other necessary permits or licenses from federal, state, and local regulatory/licensing authorities.
- 15.6. Subcontracting. Vendor shall not enter into any subcontracts for the performance of the Services or assign or transfer any of its rights or obligations under this Agreement, without Citizens' prior written consent and any attempt to do so shall be void and without effect; provided, however, that Vendor may appoint Arthur J. Gallagher ("AJG") Third Party Service Providers to facilitate the provision of the Services. Citizens hereby consents to the use of such AJG Third Party Service Providers by Vendor in providing the Services hereunder save that, for the avoidance of doubt, nothing in this paragraph shall be construed as altering Vendor's duties and responsibilities to Citizens as set out in this Agreement. "AJG Third Party Service Provider" shall mean any third party (including any affiliates of Vendor) appointed by Vendor to provide services and facilities (e.g. IT infrastructure and administrative support services) which are necessary to facilitate the provision of Services by Vendor. Citizens' consent to Vendor's request to subcontract any of the Services shall not relieve Vendor of any of its duties or obligations under this Agreement, and Vendor shall indemnify and hold Citizens harmless from any payment required to be paid to any such subcontractors.
- 15.7. 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.
- 15.8. 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.
- 15.9. Publicity; Use of Names and Logos. Vendor 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, Vendor 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 Vendor 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 Vendor cease using its name and/or logo in any way it deems inappropriate. Failure to comply will result in corrective action, up to and including contract termination. Vendor may only use the approved Citizens logo, which may be obtained by sending a request via email to: newsroom@citizensfla.com.

- 15.10. 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.
- 15.11. Modification of Terms. Except as otherwise provided for herein, this Agreement may only be modified or amended upon a mutual written contract amendment signed by Citizens and Vendor or as otherwise permitted by this Agreement. Vendor 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 Vendor's order or fiscal forms or other documents forwarded by Vendor for payment and any such terms shall have no force or effect upon Citizens or this Agreement. Citizens' acceptance of any Service or processing of documentation on forms furnished by Vendor for approval or payment shall not constitute acceptance of any proposed modification to terms and conditions or any conflicting terms and conditions.
- 15.12. Assignments. This Agreement shall inure to the benefit 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. Vendor 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, Vendor shall remain liable for performance of this Agreement unless Citizens expressly waives such liability. Citizens may assign this Agreement with prior written notice to Vendor 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.
- 15.13. Notice and Approval of Changes in Ownership. Because the award of this Agreement may have been predicated upon Vendor's ownership structure, Vendor agrees that any transfer of a substantial interest in Vendor by any of its owners shall require Citizens' prior written approval, which approval shall not be unreasonably withheld or unreasonably delayed. A substantial interest shall mean at least twenty-five percent (25%) of the voting shares or control over Vendor. This Section shall not apply to: (a) transfers occurring upon the incapacitation or death of an owner; (b) transfers associated with an initial public offering on a major stock exchange; or, (c) transfers to a company whose stock is publicly traded on a major stock exchange.
- 15.14. Assignment of Antitrust Claims. Vendor and Citizens recognize that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the ultimate consumer. Therefore, Vendor 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.
- 15.15. Force Majeure. Neither Party shall be responsible for delays or disruptions in performance if the cause of the delay or disruption was beyond that Party's reasonable control (or the reasonable control of its employees, subcontractors, or agents) to the extent not occasioned by the fault or negligence of the delayed or disrupted Party. In no case shall Vendor's labor matters, such as strikes or availability of subcontractors, if any, be considered a force majeure event. Further,

this Section may not be invoked to excuse or delay Vendor's compliance with its obligations to protect Citizens Confidential Information. To be excused from delays or disruptions hereunder, Vendor must promptly notify Citizens in writing of the delay or disruption. If the delay or disruption is justified, as solely determined by Citizen, Citizens will give Vendor a reasonable extension of time to perform; provided, however, that Citizens may elect to terminate this Agreement in whole or in part if Citizens determines, in its sole judgment, that such a delay or disruption will significantly impair the value of this Agreement to Citizens. THE FOREGOING EXTENSION OF TIME SHALL BE VENDOR'S SOLE REMEDY WITH RESPECT TO FORCE MAJEURE EVENTS. Vendor shall not be entitled to any increase in price or payment of any kind from Citizens for direct, indirect, consequential, or other costs or damages arising because of such delays or disruptions.

Because of the nature of Citizens' business, Citizens requires that Vendor take every reasonable measure to avoid or minimize any delay or disruption under this Section, including the timely activation of Vendor's business continuity and disaster recovery plans. Where Vendor fails to undertake such efforts, the delay or disruption shall be included in the determination of any service level achievement.

If a force majeure event results in a partial reduction in Vendor's capacity to serve its clients, Vendor agrees that Citizens will receive the same or better priority as Vendor's other clients with respect to the allocation of Vendor's resources.

- 15.16. 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.
- 15.17. Public Records Addendum ("Addendum"). Vendor agrees that the Addendum attached hereto is hereby incorporated into this Agreement in order to address the public posting of this Agreement and its disclosure to third parties.
- 15.18. 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.


[Signature Page Follows]

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

CITIZENS PROPERTY INSURANCE CORPORATION

WILLIS RE, INC.

DocuSigned by:
Jennifer Montero



0014DA78C76944B...

Signature

Signature

Jennifer Montero

Mark Hansen

Print Name

Print Name

CFO

Chief Operating Officer

Title

Title

12/16/2021

December 14, 2021

Date Signed

Date Signed

DocuSigned by:
Kelly Booten

7B9C7AA60097409...

Signature

Kelly Booten

Print Name

Chief operating officer

Title

12/17/2021

Date Signed

**ADDENDUM 1
PUBLIC RECORDS ADDENDUM (“ADDENDUM”)**

Company Name (“Vendor”): Willis Re, Inc.
Agreement Name/Number (“Agreement”): Agreement for Reinsurance Advisory and Brokerage Services 21-21-0015-00
Primary Vendor Contact Name: Adam Schwebach
Telephone: (813) 490-6801
Email: Adam.Schwebach@WillisTowersWatson.com

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

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

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

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

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