



**AMENDMENT No. 2 to the
INDEPENDENT ADJUSTING SERVICES –
NON-LITIGATED/CATASTROPHE AGREEMENT with
PACESETTER CLAIMS SERVICE, INC.**

This document hereby amends Agreement #17-17-0006-13 (the "Agreement") by and between **Citizens Property Insurance Corporation** ("Citizens") and **Pacesetter Claims Service, Inc.** ("Vendor") (collectively, the "Parties").

WHEREAS, Hurricane Harvey has caused a significant claim event in Texas, thereby reducing the availability of Adjusters in the market;

WHEREAS, Hurricane Irma caused a severe impact to the State of Florida, and consequently, is causing significant claims volume in Florida;

WHEREAS, the Agreement provides that Citizens may adjust pricing either up or down due to market conditions;

WHEREAS, the Parties agreed to an Increased Rate Schedule on a temporary basis as provided in Amendment No. 1 to this Agreement; and,

WHEREAS, Citizens is seeking to further increase rates payable under the Agreement on a temporary basis, in order to respond to increased market demand for Adjusters.

NOW, THEREFORE, for sufficient, good and valuable consideration, the Parties hereby agree to amend the Agreement as follows:

1. This Amendment is effective September 12, 2017, (the "Amendment Effective Date").
2. The Parties agree to a revised increased rate schedule as provided in paragraph four (4) below, (the "Revised Increased Rate Schedule"). Citizens will compensate Vendor at the Revised Increased Rate Schedule for Services provided on or after the Amendment Effective Date.
3. All compensation under the Agreement will revert to the rates set forth in Section 8.2. of the Agreement effective upon seven (7) days' prior written notice to Vendor's Contract Manager, (the "Reversion Notice"). The Parties will memorialize the Reversion Notice through an Amendment to the Agreement.
4. The Revised Increased Rate Schedule is provided as follows:
 - 4.1. Initial Compensation for Catastrophe Deployment. For each Adjuster deployed pursuant to a Catastrophe Deployment, Citizens will compensate Vendor for seven (7) days at the corresponding Catastrophe Rate in Table 5 of subsection 4.2. below, ("Initial Deployment Compensation"). Initial Deployment Compensation is limited to Catastrophe Deployments commencing on or after the Amendment Effective Date.

Initial Deployment Compensation is in addition to the compensation provided at the applicable table rate in subsection 4.2. below. By way of example, Initial Deployment Compensation does not reduce the compensation payable for Services rendered pursuant to a Table 1A or 1B Rate, or a Table 5 daily Catastrophe Rate.

4.2. Increased Table Rates.

Table 1A Task Assignment Model Rates (Fee Based on Gross Claim Dollar Amount (GCA))		
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	GCA Fee
\$0.00	\$1,500.00	\$650.00
\$1,500.01	\$5,000.00	\$1,200.00
\$5,000.01	\$10,000.00	\$1,600.00
\$10,000.01	\$15,000.00	\$1,950.00
\$15,000.01	\$25,000.00	\$2,300.00
\$25,000.01	\$45,000.00	\$2,700.00
\$45,000.01	\$75,000.00	\$3,000.00
\$75,000.01	\$100,000.00	\$3,300.00
\$100,000.01	\$150,000.00	\$3,625.00
\$150,000.01	\$200,000.00	\$4,625.00
\$200,000.01	\$250,000.00	\$5,530.00
\$250,000.01	\$300,000.00	\$6,125.00
\$300,000.01	\$500,000.00	\$7,500.00
\$500,000.01	\$750,000.00	\$10,500.00
\$750,000.01	\$1,000,000.00	\$15,800.00
\$1,000,000.01	And up	2.00%

Table 1B MCM Rates (Fees Based on Gross Claim DOLLAR Amount (GCA))		
GCA From	GCA To	GCA Fee
\$0.00	\$1,500.00	\$1,040.00
\$1,500.01	\$5,000.00	\$1,920.00
\$5,000.01	\$10,000.00	\$2,560.00
\$10,000.01	\$15,000.00	\$3,120.00
\$15,000.01	\$25,000.00	\$3,680.00

\$25,000.01	\$45,000.00	\$4,320.00
\$45,000.01	\$75,000.00	\$4,800.00
\$75,000.01	\$100,000.00	\$6,300.00
\$100,000.01	\$150,000.00	\$7,000.00
\$150,000.01	\$200,000.00	\$9,500.00
\$200,000.01	\$250,000.00	\$11,500.00
\$250,000.01	\$300,000.00	\$13,500.00
\$300,000.01	\$500,000.00	\$22,000.00
\$500,000.01	\$750,000.00	\$32,000.00
\$750,000.01	\$1,000,000.00	\$42,000.00
\$1,000,000.01	And up	4.5%

Table 2 Sinkhole Fee Schedule (applicable for MCM Adjusters only)	
Fee Type	Rate
Flat Fee – Sinkhole Field Assignment: This fee applies to residential policies with full inspection comprehensively documenting all sinkhole related damages. The reporting requirements will be a narrative with activities, estimate of damages, recorded statement with insured, photos and all supporting documentation. This is a per claim fee with the exception of claims involving Commercial Policies.	\$775.00

Table 3 Third Party Liability Fee Schedule – Field Task Assignments	
Fee Type	Rate
Flat Fee – Standard Liability Property Damage Claims	\$525.00
Flat Fee – Standard Liability Bodily Injury Claims	\$900.00
Time and Material - Complex Liability Cases (i.e., fatalities, catastrophic injuries, claims with multiple claimants or numerous witnesses) with advanced approval by Citizens' Contract Manager or designee.	This will be paid at the Time and Material Rates set forth in Table 7 below.

Table 4 Miscellaneous Fee Schedule	
Fee Type	Rate
Inspection Fee With Damage	Use fees in Tables 1A and 1B
Claim Without Estimate: This fee applies when the insured elects to not proceed with the claim after assignment to a Vendor but prior to the initial inspection and before completing the inspection. The reporting	\$100.00

requirement will be documented in the Claims Management System.	
Additional Damage Requiring Inspection: This fee applies to losses that require an additional inspection for additional damages reported by the policyholder or their representative. This is not intended for an additional inspection resulting from an Adjuster's failure to properly complete the initial scope. (Example: a customer reports additional damage resulting from rains that occurred prior to having roof repairs completed).	\$75.00 plus any changes in fee resulting from revised GCA
Minimum Supplemental Fee: This fee applies if the calculation of a fee for supplemental assignment under the GCA schedules (Catastrophe/Task Assignment Table 1A and Non-Catastrophe/MCM Table 1B) is less than this minimum amount, then this minimum amount should be invoiced.	\$250.00
Reassignment Fee: This fee applies when an initial assignment to the Adjuster was made in error and no inspection has occurred.	\$75.00
After Hours Assignment Fee: This fee applies for pre-approved tasks occurring outside of Business Hours.	\$50.00
Residential Obvious Total Losses: This fee applies for obvious total losses that require estimate by square footage of the slab or footprint due to the total destruction of the structure. This fee applies for Coverage A only. Fee Schedule Table 1 will apply for the cumulative GCA for any additional coverage lines and is in addition to this fee.	\$900.00
Mobile Home Obvious Total Losses: This fee applies to obvious total losses that require photos and an estimate by square footage due to the total destruction of the structure. This fee applies for Coverage A only. Fee Schedule Table 1 will apply for the cumulative GCA for any additional coverage lines, and is in addition to this Fee.	\$900.00
Additional Fee for Steep Roof: This fee applies for a steep roof which requires the use of a rope and harness. Prior approval by Citizens is required for this fee to apply.	\$175.00
Facility/Technology Charge: Vendor may be required pay this fee to Citizens for the use of its facilities, satellite, computer, data, internet and phone usage, per day, when Vendor's staff is working in a Citizens' office or designated space.	\$15.00
Third-Party Water Mitigation Review: This fee applies to an assignment sent to a third party water mitigation company for a comparative review and estimate of a non-weather water loss claim. Applicable for all non-weather water assignments where the adjuster has attempted to secure the comparative estimate from the third-party water mitigation company.	\$100.00

Table 5 Daily Rates		
Fee Type	Rate	Catastrophe Rate
Associate Adjuster/CAT Field Associate Adjuster	\$400.00	\$900.00
Adjuster I/ CAT Field Adjuster I	\$525.00	\$1,200.00
Adjuster II	\$625.00	\$1,425.00
Adjuster III	\$725.00	\$1,650.00
Team Lead I	\$625.00	\$1,425.00
Team Lead II	\$725.00	\$1,650.00
Team Lead III	\$850.00	\$1,900.00

Table 6 Quality Assurance File Auditor and Re-Inspector Daily Rates		
Fee Type	Rate	Catastrophe Rate
Quality Assurance File Auditor I	\$725.00	\$1,100.00
Quality Assurance File Auditor II	\$1,000.00	\$1,500.00
Quality Assurance Team Lead I	\$850.00	\$1,275.00
Quality Assurance Team Lead II	\$1,225.00	\$1,850.00

Table 7 Time and Material Rates	
Property files approved by Citizens for Time and Materials billing will not be eligible for a fee based upon GCA or Daily Rates. Time and Materials will be billed in accordance with the rates listed below. All files subject to Time and Materials billing must be pre-approved in writing by Citizens. Time and Materials will be compensated on the mileage rate as described in Citizens Vendor Travel Reimbursement Guidelines, unless preapproved by Citizens for driving time.	
Fee Type	Rate
Adjuster I	\$75.00*
Adjuster II	\$75.00*
Adjuster III	\$100.00*
Quality Assurance Reinspector I	\$100.00*
Quality Assurance Reinspector II	\$175.00*
Clerical	\$25.00*
*Driving time is billed at seventy-five percent (75%) of the applicable hourly rate	

Reimbursements	
Fee Type	Rate
<p><u>Vendor Staff Background Checks</u>: If Vendor purchases a background check in order to comply with the requirements of this Agreement, Vendor may submit the background check to Citizens for reimbursement. The submission for reimbursement must identify the subject of the background check and must verify the price paid. Reimbursement is limited to one background check per twenty four month period per Vendor Staff member. Additionally, reimbursement is limited to one hundred twenty percent (120%) of the Committed Adjuster Total per twenty four month period, unless otherwise determined by Citizens. A background check is not eligible for reimbursement unless the subject of the background check becomes or remains credentialed and approved by Citizens.</p>	<p>Not to Exceed \$100.00</p>

The sections of the Agreement that are not expressly modified or replaced by this Amendment shall remain in effect pursuant to their terms. In the event that any of the provisions of the Amendment are inconsistent or conflict with any provisions of the Agreement, the inconsistent or conflicting provisions of this Amendment shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

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SIGNATURE PAGE FOLLOWS

Each of the Parties hereby certify by their undersigned authorized representatives that they have read this Amendment and agree to be bound by its terms and conditions.

CITIZENS PROPERTY INSURANCE CORPORATION:

DocuSigned by:
Jay Adams
60051D08E607478

SIGNATURE

Jay Adams

TYPED NAME

chief - claims

TITLE

9/22/2017

DATE SIGNED

DocuSigned by:
Steve Bitar
51459A8EDD0E6404

SIGNATURE

Steve Bitar

TYPED NAME

Chief - Underwriting & Agency Services

TITLE

9/22/2017

DATE SIGNED

PACESSETTER CLAIMS SERVICE, INC.:

Dale Brassfield

Digitally signed by Dale Brassfield
DN: cn=Dale Brassfield, c=US,
o=Pacesetter Claims Service, Inc.,
ou=Operations,
email=dbrassfield@pacesetterclaims.com
Date: 2017.09.17 17:16:18 -04'00'

SIGNATURE

Dale J. Brassfield

TYPED NAME

President

TITLE

September 17, 2017

DATE SIGNED