



2022 Risk Transfer Program

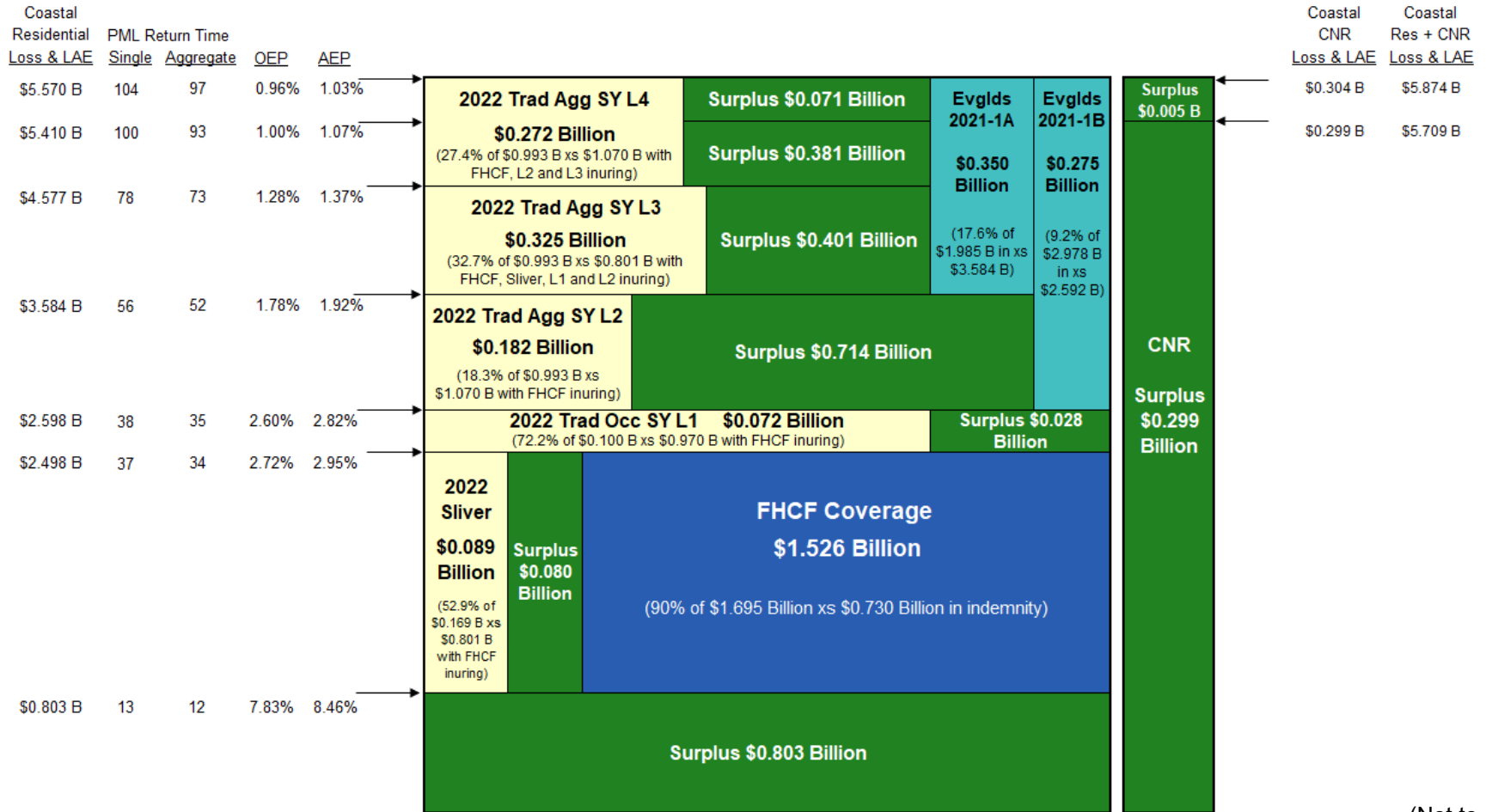
September 20 & 21, 2022



2022 Coastal Account Layer Chart

Residential (Personal & Commercial) and Commercial Non-Residential (CNR)

06/30/2022 PMLs with 10% LAE and 10.6% PR/CR, 3.4% CNR Growth Adjustment



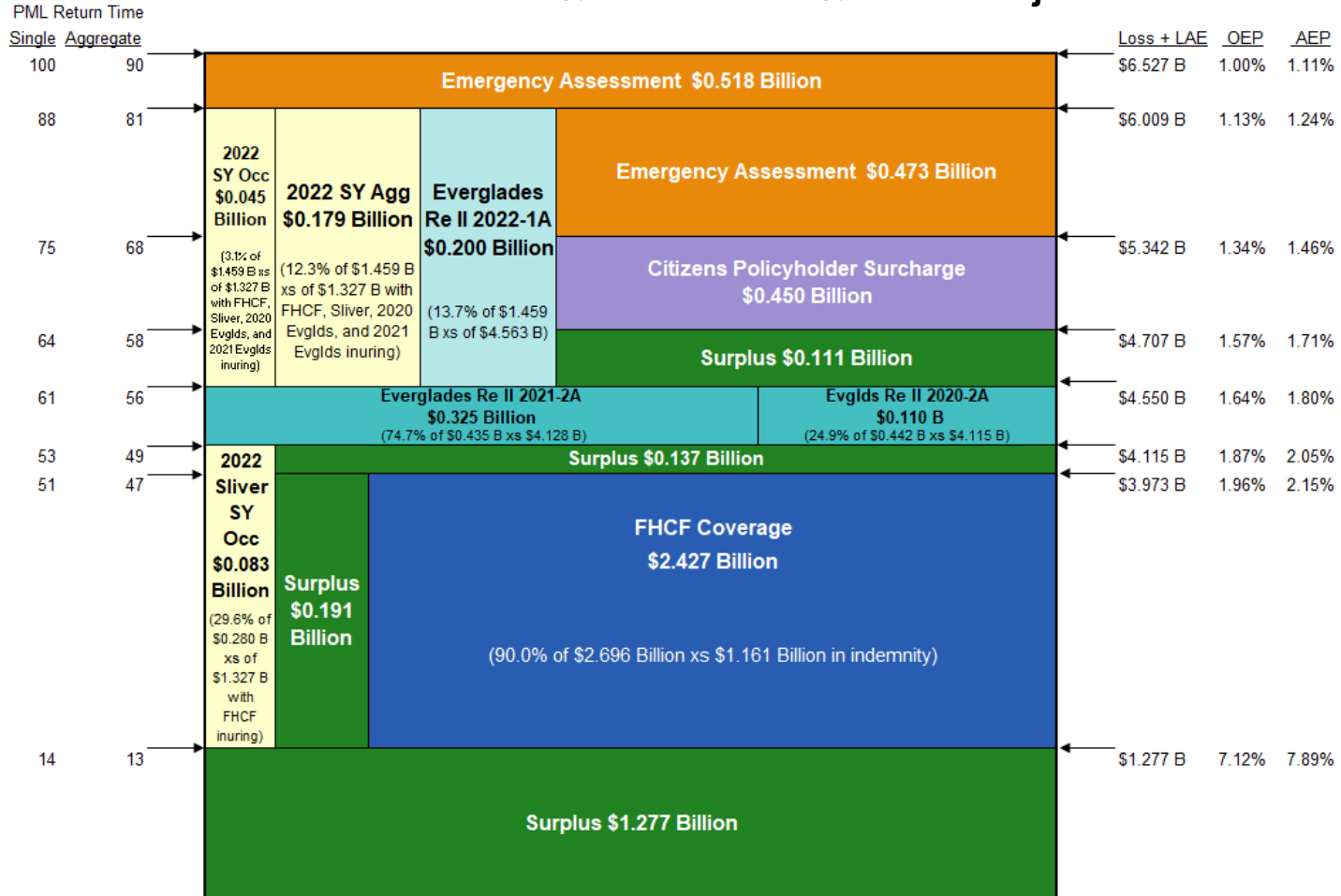
(Not to scale)

Approximately 87% of Coastal Account surplus is exposed in a 1-in-100 year event. Surplus remaining after a 1-in-100 year storm is projected to fund a 1-in-8 year event, additional LAEs, or multiple smaller storms in this or subsequent years.



2022 PLA Layer Chart

06/30/2022 PMLs with 10% LAE and 19.5% Growth Adjustment

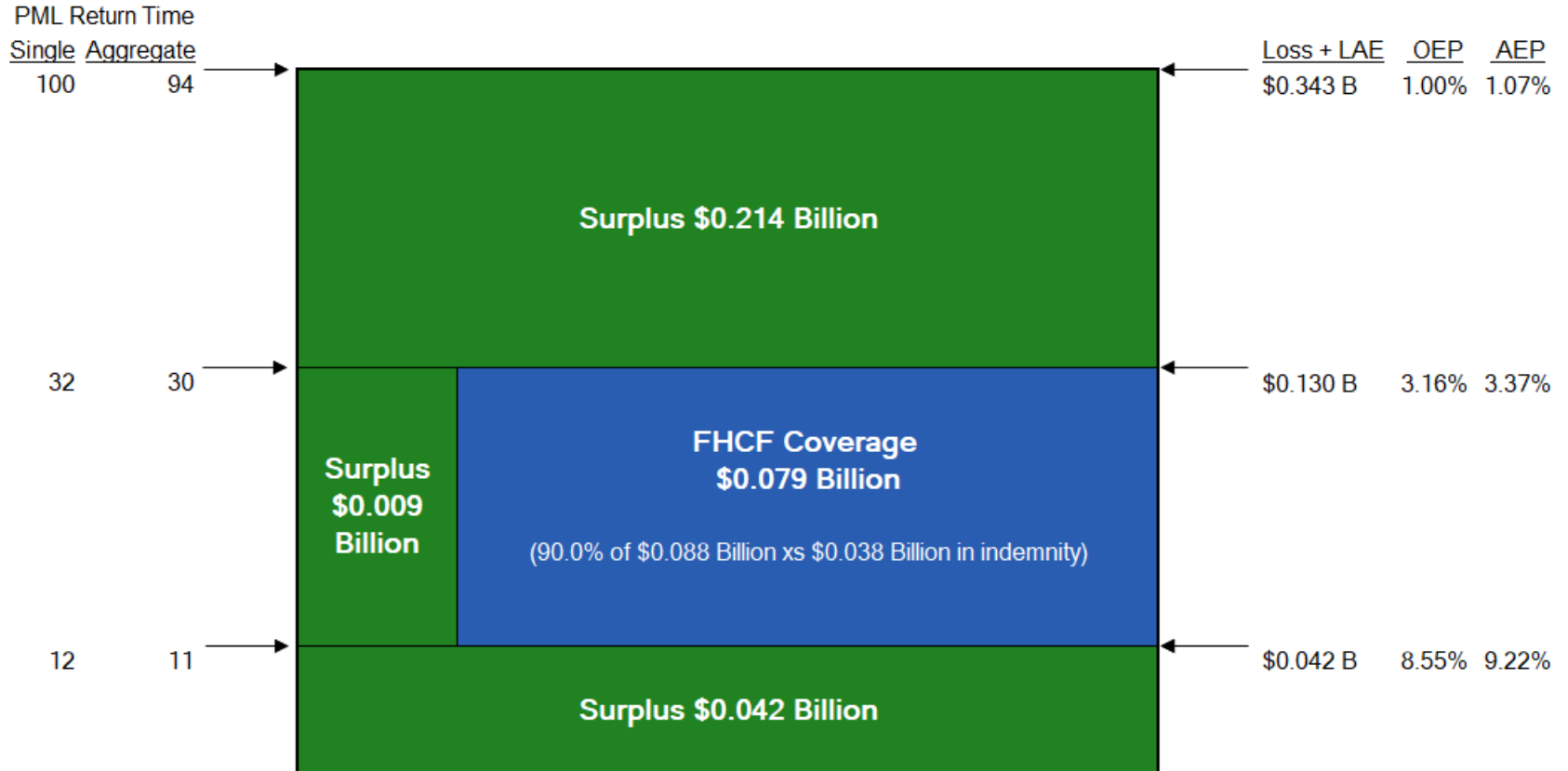


(Not to scale)

Approximately 100% of PLA surplus is exposed in a 1-in-100 year event.

2022 CLA Layer Chart

06/30/2022 PMLs with 10% LAE and 23.8% Growth Adjustment



Approximately 13% of CLA surplus is exposed in a 1-in-100 year event.

(Not to scale)



Notes and Assumptions

2022-2023 Storm Season

ASSUMPTIONS

- Citizens' 2022 Budgeted DWP \$3,002 Million
- Citizens' Policyholder Surcharge Maximum % Per Account 15%
- 2022 Regular Assessment Base (based on 2021 DWP) \$52.4 Billion
- Regular Assessment Maximum % Per Account 2% for Coastal; 0% for PLA/CLA
- 2022 Emergency Assessment Base (based on 2021 DWP) \$63.3 Billion
- PMLs are based on modeled losses as of June 30, 2022, AIR Hurricane Model for the United States Version 1.0.0 as implemented in Touchstone 2021 (version 9.0.3). All PMLs reflect the 50K US Hurricane - Florida Regulatory Event Set including Demand Surge, excluding Storm Surge, and include 10% of loss to account for loss adjustment expense (LAE). The PMLs are adjusted to project to September 30, 2022, using growth factors of 10.6% for Coastal PR/CR, 3.4% for Coastal CNR, 23.8% for CLA, and 19.5% for PLA. Projected September 30, 2022 values are from the updated Financial Forecast based on July 31, 2022 inforce data.
- Interim Return Periods are derived by linear interpolation between 5-year intervals
- 2022 Projected Surplus = unaudited 2021 surplus + 2022 budgeted net income +/- adjustment for reinsurance cost and differences between budget and updated forecast FHCF premium
- FHCF pays 10% of reimbursed loss for loss adjustment expense
- Citizens' 2022 FHCF coverage is based on preliminary retention and coverage estimates. Actual Citizens' FHCF attachment and limits of coverage could differ significantly from estimates.

NOTES

These charts are imperfect! They attempt to show projected claims-paying resources, but they are approximations only. Four significant complicating factors are described below:

- 1) Coastal PML vs. PLA/CLA PML: An actual 100-year PML event in the Residential portion of the Coastal Account may not be a 100-year PML event for PLA/CLA nor for the Non-Residential portion of the Coastal Account. The relative magnitude of actual losses for Coastal and PLA/CLA will depend on the storm size and path
- 2) Combining PLA and CLA: The PLA and CLA are separate accounts for deficit calculation and assessment purposes but are combined for FHCF and credit purposes. It is impossible to accurately show the PML resources situation of these accounts on either separate or combined charts since simplifications must be made in either case that could prove materially inaccurate
- 3) Non-residential exposure: Commercial non-residential (CNR) exposures in the CLA and Coastal Account are not reinsured by FHCF. Coastal CNR losses are shown in a stand-alone chart and correspond to the actual CNR's PML and return periods. CNR is a small portion of the CLA Account and so is not considered in that chart.
- 4) Liquidity: These charts do not show the liquidity needs of the accounts. An account with ample PML resources may still require liquidity as many of the PML resources are not available immediately following a major hurricane. The timing and magnitude of receivables such as FHCF recoveries and assessments are unknown.