Market Accountability Advisory Committee

February 18, 2026

Approval of Prior Market Accountability Advisory Committee (MAAC) Meeting Minutes				
Summary	Review of November 19, 2025 MAAC Meeting Minutes to provide opportunity for corrections and historical accuracy.			
Approval Type	☐	New Initiative	☐	Amending Ongoing Contract
	☐	Replacing Expiring Contract	☒	Other (Explain in Summary)
Awarded Vendor(s)	N/A			
Contract Term Length	N/A			
Contract Estimated Spend	N/A			
Procurement Method	☐	Competitive Solicitation	☐	Single Source
	☐	DMS Approved Contract	☐	Emergency Procurement
	☐	Statutory Exemption	☐	Other (Explain in Summary)
Committee Consent	Staff recommends that the Committee approve the November 19, 2025 MAAC minutes.			
Board Consent	N/A			
Executive Sponsor(s)	Jeremy Pope, Chief Administrative Officer			

Summary Minutes of the
Market Accountability Advisory Committee Meeting
Wednesday, November 19, 2025

The Market Accountability Advisory Committee (MAAC) of Citizens Property Insurance Corporation (Citizens) convened via Zoom webinar on Wednesday, November 19, 2025, at 11:00 a.m. (ET).

The following members of the Market Accountability Advisory Committee were present telephonically:
Dave Newell, Chair
Greg Rokeh
Julio Dominguez
Lee Gorodetsky
Lissette Perez
Lori Augustyniak
Marshall Martin
Scott Rowe
Sheryl Parker
Stacey Tomko

The following Citizens staff members were present telephonically:
Adam Marmelstein
Aditya Gavvala
Alden Mullins
Ariel Shami
Barbara Walker
Bonnie Gilliland
Brad Christensen
Cecile Latimore
Carl Rockman
Eric Addison
Forrest White
Jay Adams
Jennifer Montero
Jeremy Pope
Ken Tinkham
Joe Martins
Raina Harrison
Ray Norris
Sarai Roszelle
Stephen Mostella

Call Meeting to Order

Roll was called and a quorum was present. Chairman Newell called the meeting to order.

1. Approval of Prior Meeting's Minutes

CHAIRMAN NEWELL: Welcome, everybody, to today's Market Accountability Advisory Committee meeting. Today is Wednesday, November 19th, 2025. And our first order of business is to approve the September 17th, 2025 minutes. Do I make a motion to approve?

MR. GORODETSKY: Good morning, Chairman Newell. It's Lee Gorodetsky. Hope all is well. I make a motion to approve.

CHAIRMAN NEWELL: Okay. Do I hear a second?

MS. PEREZ: Good morning, Chairman, Lissette Perez.

MR. ROKEH: Greg Rokeh with the second.

CHAIRMAN NEWELL: All right, Lissette thank you for the second. And show the minutes approved for the September 17th, 2025 meeting. Behind tab two, we're going to have an underwriting market update from Stephen Mostella. Welcome, Stephen.

2. Underwriting Market Update

MR. MOSTELLA: Good morning, Chairman Newell. And good morning, MAAC Committee members. Can you hear me okay? I was having problems earlier.

CHAIRMAN NEWELL: Yes.

MR. MOSTELLA: Okay, great. I will share information about our policy and new business counts through the third quarter. Slide number two, please. Citizens' policy in force count as of September 2025 was 778,197 total policies, which was a 17% decrease over year-end 2024. Citizens has averaged 18,064 new business policies per month, year-to-date through September. Through October, which is not shown on the chart, PIF has decreased further to approximately 568,000. Next slide, please. Thank you. Personal Lines Multi-Peril and Wind Only policy counts decreased 17.8% as of the end of third quarter 2025 as compared to year-end 2024 with a decrease in insured value of negative 20.6%, primarily due to Depopulation activity. Next slide. Citizens' total new policy count declined in the third quarter by approximately 39% as compared to the same timeframe in 2024, ending in 12,011 monthly new policies with a total insured value of about $243 billion. Next slide. Citizens' New Business Trend for personal residential policy types declined 56% from June 2025 through September 2025 as compared to the same timeframe last year, with the largest decrease occurring in the homeowners, negative 62% and condo negative 55%, policy types, and a small decrease in tenant policy. Next slide. Continuing with the New Business Trends for personal residential policy types, the largest percentage of coverage A values occurred in the $200 to $299,000 range. The largest percentage of age of home in years was in the 31 to 40-year-old range and the largest percentage for the age of roof was in the zero to two-year range. Next slide. The top three prior

insurer carriers for Multi Peril new business were Slide, Florida Peninsula, and Universal for the period of June 2025 through September 2025. Next slide. And one more, please. Thank you. Commercial Multi Peril and Wind Only saw a policy count decrease of 22.4% for the quarter ending September 25, with a total insured value of about $42 billion. The majority of the decrease occurred from the Multi Peril with a 23.3% decrease in policy count and a total insured value decrease of 38.4. Next slide. When reviewing commercial policy count in terms of Commercial Residential and Commercial Non-Residential, the majority of the decrease occurred from the commercial residential with a negative 28% decrease in policy count and a total insured value decrease of 49.1% for the quarter ending September 25. Next slide. Comparing the period of September 2024 to September 2025, there has been an in force building count decrease of approximately -45%. The monthly new policy count over the same time period reduced from 132 in September of 2024 to 46 in September of 2025. Next slide. The Commercial New Business Trend over the period of June 2025 through September 2025 was less as compared to the average same period for the prior year, down about 53%. Next slide. When compared to the same timeframe over the prior year, Citizens has decreased it's overall new business total insured value by 90% with the largest decreases coming from the Commercial Residential Multi Peril line followed by the Commercial Residential Wind Only. Next slide. The top graph on this page shows that 40% of all commercial new business written was for buildings less than $300,000 in value, followed by 26% of the buildings falling between the $500,000 to $0.9 million. The table in the middle of the page speaks to our A-rated buildings, which is down about 93% over the same period last year. Our total A-rate building count is counting up $306,000, and this is down from a low of over $1,400, probably 18 to 24 months ago. And the bottom chart is the largest commercial, the largest category of commercial building age is between 51 and 60 years of age, followed by the 41 to 50-year range. Next slide, please. The majority of the commercial new business had a prior carrier of Lloyd's of London and Axis both surplus lines carriers. And Chairman Newell, that completes my presentation for this morning.

CHAIRMAN NEWELL: Well, thank you, Stephen. Any questions of Stephen from the committee? Stephen, the only thing this is Dave Newell, the only thing I had is if you look back at the chart, I think on page 12 when it talks about the commercial policy, monthly policy data.

MR. MOSTELLA: Okay.

CHAIRMAN NEWELL: 831, it dropped down to 32 new policy count. And it had been kind of steady between 50 and 60. And then it went back up from 32 to 46. Any thoughts on why we had a slight increase when we dropped so drastically through August?

MR. MOSTELLA: Off the top of my head, I'm not aware of anything that would have been unique or stood out to justify to explain the 32 count. Yeah, but good question. I will do some research behind the scenes and see what we can come up with, but I'm not aware of anything unique that happened with Citizens or in the market that would explain that change. Good question.

CHAIRMAN NEWELL: All right. Anything else of Mr. Mostella? All right, sir. Thank you so much. And we'll turn our attention to behind tab three and bring in Jeremy Pope and Carl Rockman, talk about Depopulation, the Clearinghouse, and certainly FMAP. Welcome, Jeremy.

3. Depopulation, Clearinghouse and FMAP Update

MR. POPE: Thank you, Chair Newell. Good morning to you and the fellow committee members. For the record, Jeremy Pope, Chief Administrative Officer. And as the Chair shared, Carl Rockman, our Vice President of Agency of Market Services will be joining me as well. It feels like we just met yesterday, which we did kind of at the end of September. So we've had two months, but we've had a lot of activity. So I will provide a brief Depop update, which starts on slide three of your meeting materials today. We've had some significant activity over the past two months. On that slide, if we bring that slide up on slide three. Next slide. There we go. There you go. 2024 static data. Obviously, the committee has seen that before, but I'll spend the time to share our year-to-date exposure. This is updated all the way through the end of October with our Depopulation activity. We stand at $166.8 billion, which equates to 416,233 policies that we've removed from Citizens and we've shifted into the private market. And again, this includes all assumption activity through the end of October. That breakout does reflect $2.7 billion in exposure for commercial. That equates to 239 policies. And the remaining portion, the $164.1 billion in exposure for our personal lines book. And that totals close to 416,000 policies. And again, shifted from Citizens into the private market. And in many cases with enhanced coverage as well that the carriers are providing. I shared that these numbers reflect the October assumption, but I do have on November, we just finalized our personal lines November assumption data this morning. So the meeting materials that you're looking at do not include some of this hot off the press data. So I will share this. As on the right-hand side of your screen, we sent out 143,352 letters from our personal lines book, which are policies that have been selected of interest, if you will, by the private sector. We do have the finalized number and that finalized number is 128,253 policies were officially assumed. And that will be shifted again from Citizens to the private market. Our commercial lines, November Depop is still active right now. It'll actually close Tuesday. So the number that I'll share is kind of a target number we have right now. It could shift a little bit, could go down a little bit for reweights and also potentially some of the policies that may not be active by next Tuesday, but it shouldn't shift much. And right now we're standing at 2,714 policies from the commercial book, which is huge, just for the November assumption. I will share that we do have the 2026 Depop schedule. It's included. The calendar, if you will, is included on page 35 of your materials. And our first Depop kicks off January 20th, and that's with the Commercial Lines book. And then our Personal Lines Depop kicks off in February, February 17th of 2026. So the team's already gearing up for that activity. We already have processes in play working with the various carriers that have expressed interest in those Depops as well. Next slide, please. I'll disclose briefly, but before I turn it over to Carl, because this is, again, continuing to be updated based on market activity. And this is as of September 30th when this chart was finalized, but we have some updated data. And this is really, you know, where does Citizens forecast using best known variables today on where we think that will end the year? And I will tell you, we use that best estimate, which is the middle number there, the 430,959. That has been updated based on some of the most recent market activity that we're seeing through our Depop program and also looking at new business come in. And that really has dwindled as Stephen shared. Our best estimate now we will end the year with 395,408 policies. And again, we'll continue to update that. We use that forecast for obviously operational and budget purposes. And we'll begin to share numbers into 2026 once those are finalized by our corporate metrics team. So Chair, that concludes my update. If there's no questions. I'll turn it over to Carl.

CHAIRMAN NEWELL: Any questions for Jeremy from the committee? Wow, those are

significant numbers, Jeremy, for sure. I'm sure you guys are monitoring that very well, and certainly the numbers you shared for the Depop through November, especially in the commercial space, is significant for sure, so.

MR. POPE: Yeah. And Chair, I'll just add, I mean, there's absolutely no way. I know we've said this before in the past, but I mean, last year, crazy activity of Depop, all great and signs of a vibrant private market. But there is absolutely no way for Citizens to be able to execute our Depop program without our partnership with our agency partners. There's just no way to do it. You guys are the ones that are talking to the front lines and leading groups on the front lines with our mutual client, our consumer, helping them make the best choice. So just a big thank you for that continued partnership and helping us fulfill our mission as an organization. We really do appreciate it.

CHAIRMAN NEWELL: Yeah, you're right. Boots on the ground does make a difference for sure. So, okay. Anything else for Jeremy? All right, let's welcome Carl Rockman to the stage.

MR. ROCKMAN: Thank you, Chairman Newell. Good morning and good morning to committee members. For the record, Carl Rockman, Vice President of Agency and Market Services, like to present a quick update on our progress with the new Clearinghouse. The next slide will present the participating carriers. Very pleased to have 24 carriers participating in new business on the Clearinghouse and another 13 participating in the renewal portion of the Clearinghouse, which I'll cover in some detail. Clearinghouse works when there's carrier participation and we could not be more pleased. And I'm certain that the carriers are starting to see some returns on their participation on the Clearinghouse in terms of new business coming to them as agents try to qualify it for Citizens. On the next page, I'll talk about the results of the New Business Clearinghouse. Through 2025, 32% of the business presented to the New Business Clearinghouse is getting an offer within 20% of Citizens, which means it's ineligible to come to Citizens. That's an incredibly significantly good number in terms of integrity at the point of sale. Again, more carriers participating are driving that number, but we're very pleased as agents look to present risks to Citizens at new business. 32% of the time and other carriers out there reminding the agent that they're within 20% and obviously disqualifying that customer from coming to Citizens of new business. More significantly, though, are the volume. And the chart below will represent the volume of business still being presented. We are seeing a little bit of a decline in demand coming to us. Chairman, we attribute some of that to carriers' openness and markets availability. Agents may be going directly to carriers now versus having to come to Citizens, which is also a good sign. But again, the demand is creeping downward a little bit, as Jeremy mentioned. But again, that 32% rate of offer we're very, very pleased with, and I'm certain our carrier partners are as well. On the next slide, though, a very, very important component to the new Clearinghouse is a process we call overrides. We've acknowledged in the past that the question set on the new Clearinghouse is briefer. It doesn't account for every single scenario that an agent may encounter. So we've built an override process that should the agent feel, the customer won't qualify for that carrier making the offer, or the carrier does decline the offer once it's brought over to them. The agents can participate or submit an override request to us. This gives you an example of the volume of overrides we get per week. It's roughly about 6% of the business that ends up coming to us has some type of override to it. Our velocity and time service on these is less than a day, and we're very, very committed to that. Agents need decisions on these overrides quickly. We've appropriately staffed this team. And as agents get more comfortable with the process, we do anticipate the number of overrides

approved increasing as well as agents become more familiar with the requirements. But very pleased, again, with the override process in terms of our ability to keep up with the agents and get them an override decision within the prescribed time period. Next slide, we'll just talk about coverage averted. It all comes down to what isn't coming to Citizens. And overall, about $50 million, $50 billion in coverage A has been averted so far just through the New Business Clearinghouse. So again, it's really about qualifying offers and making sure that customers have options of point of sale. And this reflects not only monthly coverage A averted, but also in total. I'll take a pause there before I get into renewal. Is there any questions on the new business Clearinghouse from any committee members?

CHAIRMAN NEWELL: Well, thank you, Carl. Any questions for Carl for the committee on certainly the Clearinghouse before we get into the renewal aspect of it? All right, sir.

MR. ROCKMAN: Okay, let's move into renewal. Now, reminder to the committee that we just started to roll out our renewal Clearinghouse capability over the last few weeks. A quick reminder on the process. The way the renewal Clearinghouse works is at day 60, day minus 60 to the renewal date, we are taking the agent's H03 DP and condo book and putting it into the Clearinghouse powered by EZLynx. That data is going out to the market and returns are coming back. If a qualifying offer comes back within 20%, then obviously the Citizens' policy is not eligible to renew. And if it isn't eligible to renew with Citizens, it's on a very short cycle to non-renew, a 53-day cycle. So very important that the agents engage this process because should the renewal Clearinghouse non-renew a policy, the agents have a short window to remarket that either to the company making the offer or to an alternate market. What we are discovering though, and I'll speak to this in more detail, both our pilot proved this and also at the rollout, there's a phenomenon in the renewal Clearinghouse called recoverable errors, recoverable errors. Again, the data set coming into the Renewal Clearinghouse is not 100% perfect. There can be some missing data that agents will need to fill in in order to make that renewal solid for the carriers to evaluate. We call those recoverable errors. Sometimes it's policy data, sometimes it's credentialing, but we are seeing most of the policies having a recoverable error in renewal. And we're obviously addressing that both with carriers, with our partners that applied and just in the process itself. But a reminder that the renewal Clearinghouse is set up to shop the agent's business at renewal, see if there's an offer out there within 20%. If there is, it's non-renewed. And if there isn't, then the policy can renew with Citizens and move on to the next cycle. On the next slide, just a quick update on our rollout, the left-hand side is pretty much done. We did pilot this successfully in six agencies, and we're so thankful to those agents that helped us pilot the renewal process. We made some significant improvements before we scaled it. I want to say thanks again to the pilot agencies. We're now currently in the mandatory training module mode. I want to report out verbally that we've had 7,801 agents successfully complete the mandatory training. It's around 41% of the agents have completed that. Another 11,000 to go, but we're giving agents until the 9th of January to complete that mandatory renewal Clearinghouse education module. Starting on 11/05, we began to scale this. This is a significant operational change in agency, so we did not want to launch it to every agent all at one time. We divided up the implementation into tranches, about 1,800 agencies in each tranche. Pleased to report that we're successfully through the third tranche and getting ready to do the final tranche on 12/1. We have also to support our mandatory education and to support our agents. We're running a series of webinars. Pleased to report that we've had 1,499 agents attend the seven webinars that we've conducted. And we have some more coming after Thanksgiving. So, we do encourage agents should they need a little extra support, a little extra knowledge on the

Renewal Clearinghouse, get into those webinars, along with tapping into our agency manager network. But again, we're looking at the rollout working as we had planned. We are picking up things every now and then in terms of process improvement and technology things that we're working on with Applied, but so far so good, steady progress. But we are acknowledging that this is a new thing for our agencies. It's a new process they have to engage in. We certainly respect that and want to give them all the support they need. But these policies are important. These are policies that are important to present the private market. These are policies that are not in the Depopulation world. These are policies that are in the agent's book of business that potentially could be moved to a carrier participating on the Clearinghouse. And just very quickly, I know some are taking interest on the next slide. What is the actual data corning in from the pilot on this recoverable error piece? So I just want to present to the committee the next slide, which will dimension out from the pilot. You can see that the majority of the 380 policies or so were able to pilot in the pilot. 354 had some type of recoverable error. We're very cognizant of this. We are looking at this closely. We like to reduce the volume of recoverable errors. We're going to work diligently to try that, but this may be with us for at least the short term just because of the question set that the carriers need in order to fully evaluate the risk. We did have 13 ineligible risks on those 380. We'll take that. Those are risks that appropriately should be in the private market and offers were made. But again, we're watching the recoverable error volume because of the additional operational piece that's putting on the agencies to manage this. And then the next slide, we'll just talk about the outcome of the recoverable errors. Most of the time, the vast majority of time, once the recoverable error is worked, the policy renews with Citizens. That means that the information provided, carriers looked at it, either made an offer above 20% to Citizens' premium, or the carriers declined outright. But the rest of the outcomes are small, but the biggest one is they're renewing with Citizens. So the coaching of the agents is, if you get the recoverable errors, let's address the question. The majority of time it's going to renew, but in certain circumstances, it will make it eligible for another carrier. And with that, that concludes my renewal Clearinghouse. I'll be happy to take any questions or comments.

CHAIRMAN NEWELL: Okay, thanks, Carl. Lissette, question?

MS. PEREZ: Chair?

MR. ROCKMAN: Yes.

MS. PEREZ: Hi, Carl. It's Lissette.

MR. ROCKMAN: Hey.

MS. PEREZ: Can you give us some examples of what those recoverable errors may be?

MR. ROCKMAN: Yeah, they fall into two common buckets. One of the recoverable errors Lissette has to do with credentialing. It's really about the appropriate credential for that agent to connect to the carriers and EZLynx. Credentialing is relatively stable, but on occasion, there'll be a little glitch where the agent may need to reset a password or maybe contact the carrier. Those are common in the recoverable error world and candidly, easily remedied, but it is a little bit of a pain on the credentialing side. Another common one are information on the home, like age of water heater, for example, where it's not necessarily in our data set, but the carriers want to know about the age of water heater. We've told the agents that you can go back into our

records, pull that age off of the most recent four-point that you have, plug that in, and plug that into EZLynx in the Clearinghouse, and that will do the recoverable error. There's a small segment of them that might require a customer contact, but the vast majority of recoverable errors are either credentialing or information that the agent can obtain in the policy center record that they can just go to, plug in the data, and move forward. So we're going to monitor this and make sure there's not an undue burden to have to contact customers on these recoverable errors. But again, they are part of the process and something that we're monitoring very closely.

MS. PEREZ: And how does the agent know that there's an error? Is that corning up on our desktops? Is that an email? How does that process work?

MR. ROCKMAN: Two things, Lissette. Every day, the agents are getting an email from us saying, "You now have renewals in the renewal Clearinghouse. Please engage." And then once the agent clicks on the link that's included in that email, they're brought to a panel in the Clearinghouse in EZLynx. And there is where it's identified as recoverable error. The agents can clearly see that there's a recoverable error that needs to be addressed for this carrier, and that's when they can go in. And we're finding it's fairly intuitive. Always can be improved a bit, but the agents, once they get used to it, are seeing, I know what the reason for this error is, I know where to go. And that's a huge part of our training in the webinars and online.

MS. PEREZ: Understood. Thank you, Carl.

MR. ROCKMAN: You're welcome. Thank you.

CHAIRMAN NEWELL: Carl, this Dave Newell. Any thought with it seems like 354 and you mentioned it is kind of an outlier. Is there any thought of of maybe suspending or or delaying the full implementation until maybe you get a better read on those recoverable errors being such a large number of of the pilot program?

MR. ROCKMAN: Not at this time. I'm not looking at necessarily delaying the rollout because of the volume of recoverable. One thing we have communicated to the agents is our intention to withhold commissions if the recoverable error is not worked. And I want to explain that for just a second. When there's a recoverable error, if the agent doesn't fill in that information, the carriers can't evaluate it and my clock is ticking, which means I'm going to have to renew that policy. I'm going to have to offer that customer a renewal unless there's an offer within 20%. So if the agents fail to work recoverables, I can't send that information to the market to get a decision and I have to renew the customer. So that's one of the consequences of not working the recoverable error. Now we've signaled to the agents our intention to hold back commissions if they don't work them, but we've communicated we are taking a very slow approach. We need to better understand the volume, better understand what these things are before we move to that stage. And we've committed in our webinars to the agents and we'll commit here that we'll be doing a lot of communication to agents before we move to that step. But we are looking at first quarter of next year, once the recoverable errors settle down, once we understand them, maybe work to improve them, Dave, and reduce them a bit, we'll potentially be moving to a place where if the agent doesn't engage, the agent may lose commission on that one particular policy. But we have a lot more learning to do before we get to that stage. But right now, we feel like the volume of recoverable errors are what they are, and we're getting enough value out of the Renewal Clearinghouse that we want to keep it moving along. But we'll obviously have our ears open and

sense and respond to any big concerns agents have.

CHAIRMAN NEWELL: Okay.

MS. AUGUSTYNIAK: Carl, it's Lori Augustyniak. Question in regards to the recoverable errors. Is there something that the agents can be proactive on to help avoid the recoverable errors?

MR. ROCKMAN: Well, we're looking at that, Lori. I don't know that that's anything they can be proactive on. There have been some agents that have expressed if there's some data extracts, we could give them that if there's some things we can do to help them prep for it versus having them go into policy center, we're certainly going to look at that. But there's nothing right now that comes to mind where agents need to go in and update the data. Typically, these recoverable errors are coming from things that aren't in the data set that need eyes on inspections and eyes on different documents. But we're always looking for an edge that we can give our agents to prep for this and we'll take any suggestions and our agency management team is very wired in to particularly the larger agencies that are dealing with this in volume. We're very committed if there's anything we can do to prep agents with better data or work with Applied and the carriers to reduce the number of these. We're certainly working on that every day.

CHAIRMAN NEWELL: Lissette, I think you had a question.

MS. PEREZ: I do. I have a follow up. Carl, just so that I understand, these policies that are now going through Clearinghouse, did they already go through the Depop process as well?

MR. ROCKMAN: Lissette, yes, they have been looked at by carriers for Depopulation, but for whatever reason, they've not been offered an assumption or tagged. So we definitely don't want to send anything that's been assumed or that's in the marketing process through the renewal Clearinghouse, and we're not doing that. So what's left here is policies that might be marginal, that the carriers have passed on, or what tends to happen is it might be a policy that had an older roof when it came to us, and now it's got a newer roof, and that's showing up now in the data, and it hasn't been able to be shopped in the Depop world yet. So I think we're picking up some marginal business that might be slipping through the cracks on Depop. But Depop is clearly the big driver for our success. But the Renewal Clearinghouse allows us to niche some of these that might have been missed by the Depop carriers and allows us to continue to move business out the private market. But there's no Depop mixed into the Renewal Clearinghouse. It kind of stands alone. And that's how the machine works.

MS. PEREZ: Right. I was just curious as to why it would qualify under Clearinghouse if it didn't qualify under Depop.

MR. ROCKMAN: Yeah, sometimes it's just coincidental or sometimes the risk has changed. Maybe there was some characteristic that the Depop carriers passed on, but then the conditions on the home changed, right? And that's where the Renewal Clearinghouse can pick it up as eligible for that company.

MS. PEREZ: And that makes sense why you would have the recoverable errors.

MR. ROCKMAN: Yes, exactly. But again, we're really looking at this recoverable error. If there's

one thing that we've seen on this Renewal Clearinghouse, it's the volume. We're looking at it. And again, when I single that commission opportunity or commission idea, we're going to be very diligent about our approach there and make sure that we're really understanding this piece before we lock that in.

MS. PEREZ: Yeah, I hope so. Thank you.

MR. ROCKMAN: You're welcome.

CHAIRMAN NEWELL: All right. Anything else for Carl? Great questions. So we got to keep you on your toes, Carl.

MR. ROCKMAN: I appreciate that. Appreciate the committee's support. Thank you.

MR. GORODETSKY: All right. Hey, Carl it's Lee, sorry. It does seem like, at least to me, that whatever we have left in Citizens seems to be DP3 type policies. Are those the ones that just aren't being taken?

MR. ROCKMAN: Yeah, yeah, Lee DP3. And then what's also happening is lower Cov A. We're getting into the $400,000 and below range for us. Those are more modest homes. And it looks like that's a market that we may be here to serve if the larger carriers don't really have an appetite or don't see that as part of their market mix. So yeah, definitely our business is really shifting into those more modest homes. And that's typically been maybe a place where people have had a need to find insurance. And we're here to serve that clearly. But we're definitely seeing a shift in our Cov A based on the improving, significantly improving market across the state.

MR. GORODETSKY: Thank you.

MR. ROCKMAN: Okay, thank you.

MR. ROCKMAN: All right. Mr. Chairman, if it's your pleasure, I'll move through the Depop results very quickly.

CHAIRMAN NEWELL: Yeah, yeah. Well, Jeremy stole some of your thunder but go ahead.

MR. ROCKMAN: Jeremy's covered this very high level, and I'm going to be very brief, but I just want to provide additional details on the Depopulation program. This chart will really break down by month how the Depop piece has been working. You'll see the big number of 416 assumed total. But this gives you some idea of the volume of assumptions by month. Significantly, though, you'll see November, as Jeremy reported, we've got final numbers there. Then our December Depop should be hopefully fairly significant, too. This just gives you a breakdown by month, but also what's also interesting is the number of policies that are assumed with premiums less or within 20% of Citizens. That's the big dynamic we've seen this year. The next slide, though, will provide information on the participating carriers. So again, thank you. We can't do Depopulation without the carriers. And this is a list of the carriers that are participating currently in Depop in the months. And Chairman Newell, you'll see some additional new carriers on there along with some great partners that we've had throughout the years. Again, a reflection

of a healthy marketplace that carriers are looking for assumptions, looking to do Depopulation. It signals really a healthy marketplace. And we're very pleased to support all 16 carriers that are on here and hopefully a few more to come next year. Next slide, please. This is also significant. And Stephen signaled this. We're very, very pleased and excited about the participation on commercializing. This is an unexpected pleasure that we've had participation from Florida domestics in the Depopulation space for commercial. We wanted to signal our support and thanks to the carriers here that have stood up commercial programs and participated in Depopulation. And we also see that we have some already signaling interest for 2026. This, again, is another big part of our exposure reduction strategy, and we couldn't be more pleased that carriers have stepped up to help us in the commercial space. And we're going to continue to support them. Next slide, please. I'll be brief on these next few. This just gives you a breakdown. This is 2024. These are the participating carriers, a little pie chart on their participation. Next slide, we'll present that for 2025. Just another graphic way to represent the slides that preceded it. But again, a big thank you for our 2025 participants that are on the next slide. Great, great participation. The next slide, though, gets into what did leave. And here you can see that we're getting action in almost every product line that we have. Obviously, H03 dominates it, but we're getting good participation in our DP markets, our wind only markets, surprisingly, and then a little bit of mobile home as well. So if carriers are out there listening, we're standing by to support you with Depopulation. But this gives you an example of where our success has been and by what product line. And next slide just does 2024 by carrier. So it gives you a little bit better breakdown of the carriers and their level of participation. Some are more modest than others, but again, we do say thanks to all the carriers that are participating at whatever level is appropriate for them. And the next few slides, 2024 Depopulation, 2020, this is 2025 broken down. Thank you for that. And then the next slide, 2024, what this slide does is we're always interested in Tri-County is Depop a Tri-County phenomenon. And you'll see in 2024, the green bar represents Depopulation action in the Tri-County area. The blue is the remaining. I think 2024 is interesting, but I'd like you to contrast that with 2025. And 2025 is interesting on the next slide because you'll see, this is 2024 commercial lines. You'll see a little bit of action there and 2025 for commercial lines as well. And next slide. Okay, and this is 2025. You'll see that there is, again, significant action in Tri-County, particularly on the October Depop. Carriers seem to be looking at Tri-County, and that's a good thing for all of us. But again, our top five counties remain Pinellas, Hillsboro Brevard, Orange, and Pasco. But again, Tri-County is getting their fair share of Depopulation interests. Next slide, please. And last but not least, Dave, I was -- Chairman Newell. I always liked this slide because one of the common conversations we're always in with agents, hey, we Depopulate it, it gets assumed, but then it all comes back. We continue to monitor deep business that is assumed that returns as new business. We monitor it rigorously. And so far, on the aggregate, it's holding it about 2%. And so we're very, very pleased not only with the volume of assumption, but the fact that the consumer and the agent are sticking with that assumed carrier, or they're finding another market alternate to Citizens. But with the volume of Depopulation we're doing, it would be a spinning wheel if it was all coming back as new business. That is not the case. That's not the case at all. We're going to continue to monitor this and report this. But again, this is a very good reflection of a healthy marketplace, the fact that those assumptions are sticking and where the customer may be finding an alternate to that assumed policy. So good numbers here. We're very pleased to report that. Any questions on Depopulation?

CHAIRMAN NEWELL: Hey, Carl, this Dave Newell. I guess two questions. Number one, do they show a reason why that policy would come back? Do they have to indicate something of that

nature? And what remind us what that policy is. It comes back as new business, correct? Tell us a little bit about that.

MR. ROCKMAN: Yeah, that is correct. So if a policy is assumed, obviously it's assumed on a certain date, and then the actual renewal will come up months later. What happens is the assumption carrier will actually issue that primary deck page on that accurate effective date. And that premium will reflect the carrier's premium at that time, net of any rate increases or policy changes that they may have taken between the assumption date and the actual renewal date. The primary reason people come back is that premium now might have changed a bit, and the agent wants to reevaluate that premium relative to Citizens' new business premium. We permit that because we know that carriers do take filed and approved rate changes between the assumption and when the effective date comes, that will happen. And so we've built this program where the agent can present that the primary reason these come back is that price differential. But the agent will need to present that new business risk to the Clearinghouse, number one. But if it does come to Citizens, as you've seen in the past, we have a program where we waive our inspections and waive other administrative requirements to ease the burden of the customer coming back. So we've compromised. If a customer is caught up in a little bit of a rate change, we can bring them back to Citizens, assuming they come back through the Clearinghouse and they're all clear there. We'll waive the administrative requirements. But the primary driver of people returning is a little bit of a price difference when the actual price comes out on the actual renewal day.

CHAIRMAN NEWELL: Okay, cool. All right. Anything else to Carl about this process? All right, I guess we'll move on to depopulation timelines.

MR. ROCKMAN: Yeah, no timelines today, Chairman Newell. We're closing up December and we're open for business next year and we'll be communicating with carriers. I'll touch briefly on FMAP, just the next slide. FMAP, as a lot of you know, is a referral program that we administer. 462 agents participating. Those agents have been able to place 138 pieces of business in the private market, 748 requests. This is a program that agents can sign up for if they have appropriate number of appointments. It's a referral program that we administer, just bringing some visibility to it. It's rather small compared to Clearinghouse and Depop, but we do like to remind everybody that it is an existing program. If agents want to sign up for FMAP leads, they can go right to our website and become an FMAP agent if they have the appropriate number of appointments.

CHAIRMAN NEWELL: Okay.

MR. ROCKMAN: Next slide. And David, with your permission, I'll move quickly into our Agency Management Services update with a few items that might be of interest to our agents.

CHAIRMAN NEWELL: Yeah, go ahead, Carl.

4. Agency Management Services Update

MR. ROCKMAN: Super. All right, the next slide, our traditional report on agent count. You'll see that our agency count is down. We're attributing this to consolidation. We are seeing some buy-sell activity. We are seeing agents combined maybe to become a little bit more efficient. But

while our agency count is going down, our agent and LCR counts are going up. So we do see this as potentially some increased credentialing, particularly with the guides we may have just issued on VA. So our agent counts are up, but that's primarily due to our credentialing standards. I don't see this as necessarily increased demand for Citizens, but we are reporting increased agent counts both statewide and then a bit in the Tri-County area. The agent segmentation, if you compared this chart to last year, you'll see a lot less reliance on Citizens. Agents are shrinking their Citizens' books primarily due to Depop and the Clearinghouse. That's a good thing for us and a good thing for the agents if they're less reliant on Citizens and there's other markets available. But we are seeing the volume of business in agencies drop as Depop and Clearinghouse starts to take that impact. And right now, 64% of our agencies have less than 50 policies in force. So again, we're liking that number. And I know our carrier partners like that number because obviously it shows the availability in the marketplace and less reliance on Citizens. I'll move quickly then to a couple of quick updates. On the next slide, I want to remind the committee that we did update, with your support, changes to our performance programs and late submissions and performance violations. This is an example of the bulletin that we sent, but on the next slide, it'll provide an overview and reminder of what did change. The biggest change in this program is in our performance violation ones and twos. Those are the most severe performance violations. They have to do with eligibility and insurability condition of the property. We've moved to a three violations. You get a warning notice. Three, you'll be suspended. And one, we will move in a different direction with the agency. Also on PV3's and 4s, we move to more of an aggregate standard where we'll be identifying and working with agents in the top 25 percentile in the state of Florida. Chairman Newell, we communicated this change the beginning of October. We are in a little bit of a probationary period on the next slide, if we can go to that. The timeline on this, as you recall, we went through rigorous conversations with stakeholders, with our agent roundtable, presented to you folks in September. We're currently in soft launch phase. We communicated this to the agents. We're in soft launch, but I'm pleased to report since the launch of the program in October, and we've raised the awareness to the agents that the standards are changing, we've had less than 10 performance violations in PVI and 2. Less than 10. Less than 10 statewide in October.

CHAIRMAN NEWELL: It's always good to raise a big stick, isn't it?

MR. ROCKMAN: Well, you know, we didn't do it. Well, yeah. So we do appreciate the agents.

CHAIRMAN NEWELL: Those are my words.

MR. ROCKMAN: We do appreciate the support. We definitely needed to make some improvements there over the years. We just weren't moving that number significantly. So we do appreciate the agents engagement here. We are getting the support we need. And that's a good sign that we won't have agents when the calendar turns get into a situation where we don't want any agents caught up in a bad situation on these programs. But we're pleased to report that the PV1's and two's are less than 10, and the threes and fours are really less than 100 so far. So we're feeling very good about raising the awareness, about this soft launch period settling in. Again, our goal is when the calendar turns and we go to full implementation, we have very few agents that aren't aware of the program, but have had plenty of time to respond and improve so we don't get into a situation where we have to warrant or suspend. So very pleased to report on that. All right.

CHAIRMAN NEWELL: Thank you, sir.

MR. ROCKMAN: And next slide, just for awareness, we did communicate guidance on virtual assistance. We had had lots of discussion here internally and with stakeholders around the use of virtual assistants. We provided some guidance to the agents on our positions on virtual assistance. It's incredibly tough for us to support a virtual assistant platform just due to security standards and licensing requirements. There's a lot that went into the decision, but we did feel it was important to issue guidance to agents on what is our stance. And we did that. We've had some conversations with agents responding to this. But generally, I think the agents now at least understand where we are and they can sense and respond based on their agency operational needs. So I want to remind the committee that that's communicated and out. Next to last slide, results of our voice of customer survey. Customers that call our call center, they're offered a chance for a survey on their satisfaction with Citizens. If they were involved in a claim, their satisfaction with claim. But we ask them a question about how satisfied are they with their Citizens' agent? And this chart reflects the answers to those questions. You can see some ups and downs over the months. 2025, we did see a little bit of a trend July, August, September, a little downward trend. A lot of that probably had to do with volumes of Depop flying through these agencies. But I'm pleased to report that in October, we had an 82% number. So we have seen that number climb for October. They didn't make the cut in time for these slides. But we're going to continue to monitor. And again, what's our goal to work with those agencies whose customers have a concern about their ability to deliver. Our job is to engage those agents, make them aware, and help them in any way we can. So that's why we rigorously monitor VoC. And to conclude, Chairman Newell, a lot to do with virtual assistance, the performance programs, Renewal Clearinghouse. On the next slide, I just want to give a shout out, not just to everybody at Citizens that had a hand in helping us, but to our great agency managers. These folks are working day and night to support agents with the operational changes that we're putting on agents. Very pleased to have this great group of professionals tied in to our agent community. If there's any agents out there listening, these folks are standing by to take your call. They're operational experts. They have best practices. They can be your advocate for anything you need with our underwriting department. So I just encourage the agents out there to reach out. This is an important part of our support platform. We have five for 14,000 agents. It's a very modest footprint, but these guys are very effective. And they're a big part of why Dave, we've been able to implement the Renewal Clearinghouse, the PV programs, the virtual assistant, because these folks are able to communicate to agents if they have questions or need additional support on why we're doing things. So just want to give these folks some recognition and make sure that obviously the committee was aware that this is still a very active group, highly engaged and very, very committed to provide a great agent experience. With that, Chairman Newell, that concludes my report.

CHAIRMAN NEWELL: Okay, well, thank you, Carl. That's certainly a lot of good information. Any questions from the committee to Carl on the last few items? All right, we do have a piece of new business. I'm going to invite Jeremy Pope back into the conversation, and then we'll finish up today's meeting. So Jeremy, you want to rejoin us for future new business.

New Business

MR. POPE: Sure thing. Sure thing. Thanks, Chair Newell. And I would be remiss if we did not recognize Lori, who represents PIA. This will be her last MAAC meeting as the incoming

president for next year. Kim Goodwin, who will represent PIA, will take a lead with the committee. And Lori's been part of the MAAC committee since early 2023. And just on behalf of our organization, just a huge thanks for how engaged she's been with this, not just this committee, but also her peer group and the industry has been very active, has helped from us bouncing various ideas off, sending various things in. I know Carl will receive things through her periodically and his team. And just a huge thank you to Lori for just being so active and helping us and partnering with us. And we just wish her the best in her next step and appreciate her participation on this committee.

MS. AUGUSTYNIAK: Thank you, Jeremy.

CHAIRMAN NEWELL: I second that for sure, Jeremy. Thank you, Lori, for all you do and have done for the industry, this committee, and agents as a whole. So wish you the best in your future endeavors and maybe enjoy a thing or two, you know, outside of the agency community. So thank you.

MS. AUGUSTYNIAK: Thank you. I appreciate it.

CHAIRMAN NEWELL: Yeah. All right. Anything else, Lee, you unmuted any other new business, Lee?

MR. GORODETSKY: No, I'm just wondering if you guys are going to start to downsize the population of Citizens employees with the policy count down so far.

MR. POPE: Lee, I'll jump in. It's Jeremy for the record. I mean, I would say we are always wanting to make sure one of our, you know, us being fiscally prudent, regardless of Depop is always important. So I will say one of the reasons, you know, we shared that forecast, that 395,000. I think I mentioned we use that for operational planning. That definitely ties into our staffing plans. So we are always continuing to be fiscally prudent, not back filling positions and things like you can imagine. So yes, that's definitely at the forefront of our organization to make sure that we are the right size as an organization, but also ensuring that we can still fulfill our mission as an organization, which is critical. So, yeah, thank you for your question.

MR. GORODETSKY: You're welcome.

CHAIRMAN NEWELL: Yeah, Lee, great question. But again, let's remind everyone, those policies stay on the books for a while once they're depopulated. So there's still still some needs and expectations, like Jeremy said, of the Citizens team to fulfill those obligations till they actually renew on the Depop's carrier form. All right, with that in mind, I'll take a motion to adjourn the meeting.

MR. GORODETSKY: Motion to adjourn.

MS. AUGUSTYNIAK: I second.

CHAIRMAN NEWELL: I was hoping you were going to unmute there, Lori.

CHAIRMAN NEWELL: So well, thanks very much. Meeting adjourned. Y'all have a great holiday

next week, and we'll talk to you soon. Take care.

MR. GORODETSKY: Happy holidays.

MS. AUGUSTYNIAK: Thank you. Same to you. (End of proceedings.)