

Approval of Prior Actuarial & Underwriting Committee Meeting Minutes

Summary	Review of December 10, 2025, Actuarial and Underwriting Committee Meeting Minutes to provide opportunity for corrections and historical accuracy.			
Approval Type	<input type="checkbox"/>	New Initiative	<input type="checkbox"/>	Amending Ongoing Contract
	<input type="checkbox"/>	Replacing Expiring Contract	<input checked="" type="checkbox"/>	Other (Explain in Summary)
Awarded Vendor(s)	N/A			
Contract Term Length	N/A			
Contract Estimated Spend	N/A			
Procurement Method	<input type="checkbox"/>	Competitive Solicitation	<input type="checkbox"/>	Single Source
	<input type="checkbox"/>	DMS Approved Contract	<input type="checkbox"/>	Emergency Procurement
	<input type="checkbox"/>	Statutory Exemption	<input checked="" type="checkbox"/>	Other (Explain in Summary)
Committee Consent	Staff recommends that the Committee approve the December 10, 2025 Actuarial and Underwriting Committee minutes.			
Board Consent	N/A			
Executive Sponsor(s)	Jennifer Montero, Chief Financial Officer			
	Jay Adams, Chief Insurance Officer			

CITIZENS PROPERTY INSURANCE CORPORATION

MINUTES OF THE ACTUARIAL AND UNDERWRITING COMMITTEE MEETING Wednesday, December 10, 2025

The Actuarial and Underwriting Committee (A&U) of Citizens Property Insurance Corporation (Citizens) convened at the Daytona Grande, Daytona, FL on Wednesday, December 10, 2025.

The following members of the A&U were present:

Carlos Beruff, Chair
Josh Becksmith
Frank White
Robert Spottswood
Fred Strauss (telephonically)

1. Approval of Prior Meeting's Minutes

A motion was made by Chairman Beruff and seconded to approve the June 25, 2025 minutes. All were in favor. Motion carried.

2. Chief Financial Officer Report 2026 Rate Filing Recommendation

BRIAN DONOVAN: Good afternoon, Chairman, Committee members. I'm Brian Donovan, the Chief Actuary at Citizens, and I'll talk through our proposal for the 2026 rate changes. Overall, the total uncapped indication for Citizens policy is 2.3%. With this proposal, we're proposing a change of minus 0.8%. This does vary a lot by line of business. For Personal Lines, the indication is minus 0.3% where we're proposing a minus 2.6% change. And for Commercial Lines, the indication is 18.8% where we're proposing a 10.4% change. These rates would be in effect 6/1/2026 through 5/31/2027. And, you know, and I'll talk a little bit about this in a couple of slides, but for the primary risk, we're recommending capping all indicated rate changes at minus 15% to plus 15%. And for the non-primary risk, we're proposing capping all rate changes at minus 15 to 50%.

Next slide, please. I do think it's important, and this has been talked about a lot, but I think it, you know, it's worth mentioning again is just the success of Senate Bill 2A. And, you know, we can just see the impact. So, like, for example, if you, if we just look at our main segment of business, homeowners, the HO3, HW2 Policy Forums, looking at that top box there, we can see, you know, back in 2023, when we're preparing our 2024 rates before any consideration of SB2A, the rate indication was 91.5%, basically meaning rates needed to be doubled to be actuarially sound. And that would have led to an average actuarially sound premium of about \$6,300. Here we are just over 2 year later, and we see that indication has dropped from 91.5 to -1.3%. And the average actuarially sound premium is now \$3,600. This, despite the fact of shedding as many policies as we had, we went from 650,000 policies to 390,000 policies. So it's really, really quite remarkable. And we can see in the other box there, the improvement has been across the state, all regions of the state. We can see for that, you know, I just said the indication was 91.5% before any consideration of SB2A. Well, when SB2A was first approved, we did make some adjustments. And that 91.5%, we came to the Board and said the indication was 55.2% in 2024. And we can see how that's improved each year, 2025, 25.2%, and then now where we are today, minus 1.3%.

GOVERNOR LYDECKER: Mr. Chair, can I just make an observation on this slide? It's worth, you know, taking a deep breath for a second. Because I know when I got on this board, you know, the uncapped rates, it was just, you know, a terrible, terrible story. As Citizens was trying to turn things around, as you've pointed out, 1.3 million policy holders that are ultimately subjecting policy holders in the state that aren't customers in the state that aren't with Citizens to assessment. We've had to deal with assessment, but also exposing all taxpayers in the state of Florida. It was going from bad to worse. And as you've pointed out, tort reform, squeezing the fraud out of the system and sticking to underwriting. But you said something that I think is worth noting here, if I'm reading this correctly, which is in 2024, the uncapped rates were increasing 55%, then 25%. And now in 2026 minus 1.3%. The key, again, clarify for me, is you said that with depopulation for 1.3 million policyholders down to, did you say 485,000?

BRIAN DONOVAN: Our projection for the end of the year is 385,000.

GOVERNOR LYDECKER: 385,000. So, I mean, the end of the year is, you know, pretty nearby. So 385,000, which means private sector insurance companies have come back into the marketplace because the marketplace over the last two or three years has been stabilizing. A competitive marketplace has begun to develop. And when these are for-profit entities, they are literally cherry picking the portfolio as best they can because they're in the business of making money and they're going to be an insurance company that wants to make money on underwriting. And so Citizens, the portfolio has been cherry picked. The theory being that the 385,000 policy holders that are left are the ones that are hardest to place in the state of Florida, whether they're more subject to wind exposure, whether they're, you know, inferior construction, you know, I don't know what the story is on the 385,000, but they were looked over by the private sector coming in. So you have, you have a cherry-picked portfolio that has been greatly reduced. And we've had hurricane events. The state has, we have had, we have had weather events in the state of Florida that at least rise to the level of being really significant. And there's a rate decrease recommendation of minus 1.3%. So I just want to, am I thinking about that there correctly?

BRIAN DONOVAN: No, you're absolutely correct. And quite frankly, we see some signs, we're optimistic that this might, despite the fact that we're down to this 385,000, the worst risk that no one wants. We're not seeing signs that make us concerned that things are going to skyrocket up because we're left with this. We're seeing downward trends in frequency. And, you know, so you're exactly right. I agree with your comments. And there's reason to be optimistic going forward.

TIM CERIO: Mr. Chairman, can I jump in? Brian, I don't want to interrupt your flow here, but I think Governor Lydecker, you raised an important point. I mean, if you look at these rate indications, and again, the indicated rate is the rate that we need to be actuarially sound. And as all of you know, for the last several years, we were woefully actuarially unsound as a company. The indicated rate several years ago before 2A, Senate Bill 2A was 91.5%. That means we would need to almost double our rates to be actuarially sound. Senate Bill 2A passes, we can immediately, we immediately see and can forecast a reduction in litigation. That reduced litigation expense means we need less rate to be actuarially sound. The first year that the reforms kicked in, we needed \$900 million less in premium. And Brian, correct me if I'm wrong, to be actuarially sound. That is because we are trying to put those savings into our rate forecast. The next year, where it goes from, you know, it went from 91.5% to 55.2%. The next year it drops to 25.2%. That was a \$500 million, \$500 million less that we needed to be actuarially sound because of litigation savings. And now it's negative 1.3%. So you can see where litigation costs drive up rates for Citizens and the private sector. You get a handle on litigation, rates come down. This is all because of the reforms championed by the Governor. You are going to hear this, and I don't think it's unfair. We're going to beat this horse to death in this meeting because we have to appreciate the significance. And I do just real quickly, Governor Lydecker, you mentioned cherry picking and you get it. Everybody and I think in this room gets it, but I just want to say on the record, the cherry picking in Depop,

that is not a bad thing. You know, when companies come in, what they're doing is it's their capital, they're investing, and they're taking policies that based on the region, wherever they're writing, their risk allocation, these are good policies that belong in the private market. When those leave, the less desirable policies, and they may be beautiful houses, beautiful properties, but for whatever reason, the private market does not want to underwrite them. That's what belongs with a residual insurer or insurer of last resort. That is why we are now going to end the year at about 385,000 policies, which is smaller than Citizens has ever been. That is a result of the reforms. And frankly, more than that, the reforms are redefining what an insurer of last resort or what Citizens should be. A couple of years ago, we would say we would be lucky to get back into the 600,000. You know, the lowest we were before was, I believe, 427,000 policies in 2018. Less population in Florida. Now, we're far more populated than we were in 2018. Yet what we look like, what the insurer of last resort should look like, now we're talking the 300 thousands. And that is because getting a handle on litigation means that that pool of policies that the private sector may not be interested in is much smaller. That is a game changer and it's because of the reforms.

CHAIR BERUFF: I don't disagree with anything you said. I actually agree with everything. The only problem, one of the things that I found five years ago when I first joined this Board is that Citizens doesn't own its book of business like every other insurance company does, right. So one of the downsides to the depopulation is that we should consider, see if we get legislative, when they take policies, they should take four good ones and one, whatever one we pick. Because at the end of the day, I don't want the exposure, which we have a higher exposure because of all the things that Governor Lydecker said. It's the people that can't qualify, the structures are older, whatever it is, but these people that are buying our policies are taking them out. They're not buying them because we're not making any money, right. Should also take some of the policies that are not to their standards. And we should talk about that in the long term because I think there's an appetite in the legislature to make those requirements since we don't control our book of business.

TIM CERIO: Chairman, I would be the last person to question your business acumen. And I'd like to discuss that with you. In my opinion. Anything that hampers depop, I'd be very concerned about. But if at the end of the day, there's a cost benefit to doing that, I'm 100% supportive.

CHAIR BERUFF: Cost benefit is there otherwise we wouldn't be depopulating at the rate we've been depopulating because the big animal in the room was, you know, we slayed that dragon, which was the tort reform. At least that's what's, unless somebody comes in and changes the laws that we currently have on the books, we're on a good path and Florida will become a healthy insurance market. And Mr. Lydecker, who's forgotten more about insurance than I will ever know, I think would agree with that comment.

GOVERNOR SPOTSWOOD: Chairman, can I jump in for just a moment?

CHAIR BERUFF: Yes, please.

GOVERNOR SPOTSWOOD: First of all, I support the comments that you've made and the Governor have made. And I've got a couple of questions. So if the indication is on a county-by-county basis or area, if it's an indicated decrease of 9.8%, just to pick the first one, that's to get to actuarially sound. That portfolio as a whole in that county.

BRIAN DONOVAN: Correct.

GOVERNOR SPOTSWOOD: So and maybe from policy to policy, it's different. But if you assume that was true across the portfolio there, is actuarially sound, is that the rate that the private market should be charging on a policy?

BRIAN DONOVAN: Not necessarily exactly the same because different companies have different expenses you know, and different underwriting. It could be higher or lower than what Citizens –

GOVERNOR SPOTSWOOD: Generally, should it be close?

BRIAN DONOVAN: Should be in alignment, but generally speaking, Citizens expenses are lower.

GOVERNOR SPOTSWOOD: Aren't there guidelines as to how much profit can be made?

BRIAN DONOVAN: Yes, there is.

GOVERNOR SPOTSWOOD: And so based upon those guidelines, and if the indication is that we need to reduce rates in that county by almost 10%, why wouldn't all of those policies be available to be taken out by the private market? I don't understand why all those policies wouldn't move to private market companies if we are now almost 10% above being actuarially sound.

BRIAN DONOVAN: The, you know, different companies have different underwriting guidelines and what fits in with the rest of their book of business. That's a big consideration. Additionally, different companies have a different expense structure, different reinsurance costs, different, you know, commission rates, Citizens pays less commission rates.

GOVERNOR SPOTSWOOD: Private companies make more money. They pay people more. So yes, yes. But, you know, if we're above actuarially sound, following up on the Governor's comments and the Chairman's comments, we should be able to find ways to incent the private market to take those policies off our books. We're above actuarially.

GOVERNOR BUTTS: If I could just make a comment to Governor Spotswood, I think your point is taken in terms of a premium perspective, but some of the policies that are in, let's just say, Dade, with your example, maybe somebody has two pit bulls or they have multiple claims or things like that. The companies don't have a premium or a desire, excuse me, for that particular risk. They may not have coverage for that particular person. And so though the premium may be attractive, the risk itself is not for the premium. And that's why, again, I think to Mr. Cerio's point that we are finally becoming that market of last resort, which is great. I do appreciate your comment too, Mr. Chairman, in terms of trying to push some of those lesser quality policies in with a good batch, right. Because that's what insurance is. You're insuring a lot to make sure. And so I appreciate that. But I do agree. I think that there is nothing we'd want to do to keep this Depop train from continuing to roll. In fact, I think based on some of the numbers that Mr. Pope and Mr. Rockman are going to share, that we're sitting around 390,000, whatever that number is less than 400,000. But come February on the takeout, there's another 350,000 that have been identified to be taken out. Now those may be some duplicates. So the uniques may be less. But again, I think that we're going to continue to see that number drop and drop substantially. If I may ask a question to Mr. Donovan, how does your 2026, you said the rates would be effective 6/1. How does the continued drop in reinsurance rates when you go in to make those actuarially sound recommendations, as well as I'm assuming our costs at Citizens with the policy account coming down, our expenses, I'm assuming, are going down. How did those two factors play in your recommendation?

BRIAN DONOVAN: So there's two components to our reinsurance cost. One is what we actually paid. And based on, Jennifer just showed in that layer chart, there's seven cat bonds, which are in effect now. And you know will be, I think the majority, if not all of them, will be in effect next year. So that's built in. That's not going to change. The second component of our reinsurance costs are the layers where we didn't actually buy reinsurance, but we, you know, put in a current rate online. And I think that's what you're asking as well, next year for 2026, you know, how does that come into play. Because right now, the reinsurance rates are based upon what we know today, what they are today. A big portion of them will still be in effect next year. But it could, based on the discussion we're hearing, the early indications from the reinsurance market and discussion earlier today, you know, there's reason to believe that those rates online could come down. And so theoretically, you know, what a reinsurance can, what a company can do when the reinsurance rates have changed from the time they made their filing is make what's called a true up filing, where they say, all right, we based our indications on the rates as we know them today. Six months have gone by. We've gotten new information and new rates online. And so you can go and adjust the rates based upon. Did that address your question?

GOVERNOR BUTTS: Yes, thank you. Again, to Governor Lydecker's point, as well as the Chairman's on our reinsurance and how aggressive we are, I'm assuming you're, again, staying with the data example that the negative 9.8% is assuming a conservative approach and not an aggressive approach, which has been kind of discussed this morning.

CHAIR BERUFF: My experience is when we go, we make our best, put our best foot forward when we go in for the rates. And we cooperate with OIR to make sure that the consumer ends up at the best place we can. But we want to make sure that we continue to depopulate Citizens needs to be smaller than it is now. And we have an opportunity to do that because of the tort reform has put us in that place. So, when it comes to reinsurance, this Board's already been pretty clear as to our position when you go to the markets. And that position will stay constant. And if we have to, if we don't have to, if we choose not to buy reinsurance because the rates are not what people who know more about insurance than I do on this Board recommend, then we won't buy insurance, period. It's not the first time this Board has not done that. But before me, it was done a few times. So, I'd like to get this committee moving. So, Ms. Montero, are you done, Mr. Donovan?

BRIAN DONOVAN: I can be.

CHAIR BERUFF: I think you should be.

BRIAN DONOVAN: Okay.

CHAIR BERUFF: We understand where we need to be. And we have a Board meeting yet to get ahead of us. So, Ms. Montero, do you have comments you need to make?

BRIAN DONOVAN: Well, I do need to make the recommendation for –

CHAIR BERUFF: Make your recommendation. We'll look for motion.

BRIAN DONOVAN: Our recommendation is that the A&U committee recommends that the Board approve these filings with the OIR, the proposed rates.

CHAIR BERUFF: Mr. Ciero, I see you have a look of concern on your face. I certainly don't want to step on your parade.

TIM CERIO: No, sir. No, no, no. The motions being made, I will chime in with some comments if I may before your vote, but I don't want to step on the discussion of the committee members.

CHAIR BERUFF: Okay, do I hear a motion to approve the action item that Mr. Donovan promoted.

GOVERNOR LYDECKER: Lydecker moves first.

CHAIR BERUFF: Do we have a second?

UNIDENTIFIED SPEAKER: Second.

GOVERNOR SPOTSWOOD: Find ways and I like what I'm seeing. I'm liking the overall decrease of 1.3%. What I'm not liking is continuing to have indicated increases for certain counties. And I think that those are truly the counties that this entity was set up for. They are counties of last resort where there is no private market. And we need to figure out a way to, whether it's separating them out into a different portfolio or doing something different. And I'll just talk to Monroe County, which is home for me. But what I hear all the time is we cannot suffer through continually increasing rates. We've got to find a way to turn it around. Whether it's changing the guidelines that we underwrite by or whatever it is, I would ask this organization and this board to support finding ways to reduce rates in Monroe County.

GOVERNOR LYDECKER: May I make an additional comment?

CHAIR BERUFF: Please.

GOVERNOR LYDECKER: Based on what I was reading in here, and I'm not an actuary, but there's a distinction between, and I'll speak personal lines just for a second, primary versus non-primary homeowners. And when I hear primary, I think people's first homes, living in the state of Florida, and citizens of the state of Florida, and citizens of the United States, residents in the state of Florida, primary residents. And non-primary residents, and correct me if I'm not doing this right, I think of second homes. I think if they live somewhere else, perhaps outside of the state of Florida, and they have a home in Florida, but they're not a resident of the state of Florida. And as you all continue to work on this and think about it, I, for one, am more concerned about primary residents. And in the finite world of actuarial science, which I feel like I'm about to violate. And so I hope, you don't become upset at me. But if non-primary got more and primary got less, I for one am for that.

CHAIR BERUFF: Here, here.

BRIAN DONOVAN: Well, certainly that is, you know, well within the preview of the Board. And that kind of goes beyond actuarial, like what we would do is, actuarially speaking.

CHAIR BERUFF: That's not your job.

BRIAN DONOVAN: Exactly.

CHAIR BERUFF: We understand that. We certainly understand that. And Mr. Cerio has a comment to make. But to mimic the Governor Lydecker's comments.

TIM CERIO: Thank you.

CHAIR BERUFF: I think as a Board, it is our responsibility to help those people in most need, okay. We are the insurer of last resort for one. And the people that are primary, people that are making, living here, they're paying their taxes. When you're non-primary, again, I could be misinterpreting non-primary, but non-primary is a second home. You make a decision to have a vacation home or a second home in Florida, and we want you to. But I want to try to focus our help on the primary because they've had a hard, they've had a hard run the last four or five years between inflation and increased taxes and insurance rates. And let's help them first. And then a year or two from now, if it continues to get as good as it's been, we can be more helpful to the non-primary.

GOVERNOR LYDECKER: And piggybacking on the Chairman's comments, I referenced personal lines. Now I'll reference commercial lines. And as I understand it, commercial means and includes condominium buildings, the actual building, which up and down the coast, lots of condominium apartment buildings. And those increases on those buildings are shared with the tenants inside the unit holders inside. So the unit holders are in the personal lines numbers, but the condo associations, which it's easily kind of for me at least, to think abstractly and say, well, it's commercial. You know, like to the Chairman's point, we're thinking about primary residents. That's really our initial target. But the condominium, the condominium buildings, the actual buildings have an association. The association pays the insurance and then charges all the unit holders. So they get it as a unit holder on their personal belongings and they get it on the association fees. So I just throw that in there as something we just want to make sure we're not losing sight of that. You know, one of the things in my world is that I'm in the insurance world and we are a retail insurance agent. Foundation Risk Partners is a retail insurance agent. And we have offices throughout the state and we interface with customers. And so I hear the screaming, you know that it's coming from people to the point that the Governor has made about Monroe County or probably especially Key West, you can only imagine. I preach this behind the scenes. We do not want rates to go up. As insurance salespeople, we do not want rates to come up. We want to make our money by providing superior services, by increasing sales, creating more customers, creating, we are for a stable marketplace. We want a competitive, stable marketplace so that we can pit insurance companies against each other in a for-profit world, for-profit environment. And they have to fight to get that client. Now is the first time that is starting to occur. So, I hope everybody does feel good about it, but I also feel like I have to explain myself once in a while because I leave here and I talk to like competitors who are like, what are you doing? We like rate increases. That's a recipe for, that's a very short-term view of the insurance marketplace. And it's not the right approach. The right approach is we want a stable, competitive market.

CHAIR BERUFF: Mr. Cerio.

TIM CERIO: Thank you, Mr. Chair.

CHAIR BERUFF: You've been very patient.

TIM CERIO: Governor Lydecker, your comments are spot on. But I want to address, and I want to address some comments and make a commitment. So, first of all, Governor Spotswood, you know that this team has spent some time in Monroe County. Monroe County has some very unique and special challenges that the rest of the state has not faced and is not facing. Some unique solutions have been brought to bear in Monroe County in the past. And I know the reforms, great. It's wonderful. The indicated rate from Monroe County went from 124.7%, meaning they would need to almost have a double rate increase to be actuarially sound. Then it goes to 60%, now it's 10.8%. On paper, that sounds wonderful. But in reality, folks need better relief. We are committed to doing that. You know, as you know, we spent a lot of time with Fair Insurance Rates in Monroe (FIRM) and Mel down there and his team. We are committed to continuing to try and find solutions. On the primary versus non-primary question, I mean, we agree, Brian, correct me if I'm wrong, but you know if you pass this recommended rate filing, 46.2% of Citizens primary

policyholders are going to get a decrease. That decrease is around 11.2%. Some will get a little bit more, some will get a little bit less. Is that right, Brian? So we are definitely committed to helping the primary policyholders. And that's why we can recommend this. But we will also do, we've heard this Board. Governor DeSantis has been very public as far as thinking that we need to, you know, rates need to come down. The reforms have been in place. Consumers need relief. CFO Ingoglia has said the same thing. Speaker Perez, President Albritton. And this Citizen's team, we feel the time is right too. This meeting was scheduled for five weeks ago and we postponed it. I mean, the numbers were changing, the markets were changing. What we are recommending to you today is better than it would have been five weeks ago as far as rate relief for our policyholders. I think that the picture may get better over the next several weeks. So what we are going to commit to do is we are going to commit, continue to provide updated information to the OIR after, you know, if you all pass this recommendation, we're going to continue to provide them with updated analysis and hopefully be a good partner and resource for them, because hopefully they'll grant even greater relief than what we can recommend right now at this time. The market is only continuing to improve and these takeouts at the end of the year have been a game changer. So we will commit to doing that. And I know I speak for the whole team where we're staying on this. We're not going to let up.

CHAIR BERUFF: We have a motion and a second.

GOVERNOR SPOTTSWOOD: Board comment before you take a vote?

CHAIR BERUFF: Yes.

UNIDENTIFIED SPEAKER: I would like to acknowledge and thank Tim and his team for coming to Key West and talking to me a lot about the Keys and things you're focused on trying to do. I'm going to support this today because it's going in the right direction. I like the progress that's being made. But I really appreciate the acknowledgement from you and the assurance that we'll continue to look at. And I agree with your comments about primary versus non-primary and condominiums in the commercial aspect for condominiums. But business in general is getting hurt as well. I mean, commercial rates are just, we've got to find a way to bring rates down across the board in the Keys and continue on this path that we're doing for the state. So I applaud the work that you're doing in starting to turn rates around instead of just going up every single year. And I ask you to please continue the work in progressing in this manner. So thank you very much for your efforts.

CHAIR BERUFF: Thank you. Mr. Shelton.

GOVERNOR SHELTON: Quick question, Tim. You made a comment just then about continuing to look at the data as it comes in and it's ever changing. And five weeks ago, you were recommending to the Board not as good a reduction. So just so I'm clear and understand that there's nothing to preclude us as we move forward that if we approve this today that would take effect whatever period in the future for next year, we can come back and say we've got more data now. You're looking at it and we can reduce rates what I call mid-year. We don't have to be locked into the decision today to fund policies for the next 12 months.

CHAIR BERUFF: Well, first of all, yes, I think is that comment correct? Yeah, it's a yes or no question.

TIM CERIO: Yes.

CHAIR BERUFF: Okay. So, in addition to that, until OIR reviews our rate filings and comes back with its recommendations, we really don't know what the rates are going to be. Our commitment, I think this

board's commitment to the staff is that we will support you 100% to get the lowest rates possible for Citizens of Florida that we insure, period. I mean, that's the game, okay. And you've got all of the tools in the tool chest to get that done. And hopefully OIR will cooperate to that end.

TIM CERIO: And just to clarify for the record, everybody in the room knows, but for folks that may be listening, yes, OIR sets our rates. We make a recommendation. They set our rates. I think the Commissioner has been very clear that he would like to see rates come down. And so we are going to thank you, Mr. Chair. We are going to continue to provide any and all information we can. And hopefully they will even do better than what we're recommending to you today. And then we can come along if something happens midyear, Brian, if we want to update our rate filing, something to that, we can.

CHAIR BERUFF: Well, I'd like to finish this question in the motion that's pending. All those in favor signal by saying aye. Motion carries.

A motion was made by Governor Lydecker and seconded to recommend that the Board approve the proposed Board Consent for the 2026 Rate Filing Recommendation. Governor Lydecker voted in error, as he is not a committee member. This was clarified later under New Business, and a corrected vote was taken, and was approved unanimously.

Actuarial Consulting Services

JENNIFER MONTERO: I have one Consent item for the Board's consideration. It is Actuarial Consulting Services. These services supplement the in-house actuarial staff with a scalable, flexible outside resource. The support includes peer reviews of Citizens year in reserves, reports and ad hoc actuarial related projects as needed. This is a replacing contract. Insurance Services Office ISO is the awarded vendor. It's a five-year initial term with two optional two-year renewals. Estimated annual spend is about \$65,000 a year and it was competitively solicited.

A motion was made by Governor Spotswood and seconded to recommend that the Board approve the proposed Board Consent for Actuarial Consulting Services. All were in favor. Motion carried.

3. Chief Insurance Officer Report

JAY ADAMS: I just have one quick consent item here for Product Updates. This has no rate impact. And what we're trying to do is strengthen our personalized and commercial lines contract language against material misrepresentation of fraud committed by an agent or representative of the insured. We would like to make that filing and move that forward.

A motion was made by Governor Lydecker and seconded by Governor Spottswood to recommend that the Board approve the proposed Board Consent for Product Updates – December 2025. Governor Lydecker voted in error, as he is not a committee member. This was clarified later under New Business, and a corrected vote was taken, and was approved unanimously.

4. New Business

CHAIR BERUFF: Is there any new business?

BONNIE GILLILAND: What we'd like to gain clarity on are the three Consent Items from the A&U committee meeting, which is the Rate Filing Recommendation, the Actuarial Consulting Services, and the Product Updates – December 2025.

CHAIR BERUFF: Do we need Governor Spotswood to make that motion?

BONNIE GILLILAND: That would be wonderful.

CHAIR BERUFF: All right. So we have a motion and we have a second from that was on that committee. Who's on that committee with me, Bonnie?

BONNIE GILLILAND: Governor Butts, Governor Cumber and Governor Spotswood. I'm sorry, pardon me. It was Governor White, Governor Spotswood and yourself.

GOVERNOR WHITE: Second.

CHAIR BERUFF: All the comments during discussion will obviously be part of the vote.

BONNIE GILLILAND: Yes, Sir.

CHAIR BERUFF: I see a yes nod. So we're good with that. And then let's vote on it. Are we all good? All right. All right. Motion carries. Thank you for the correction, Bonnie.

A motion was made by Governor Spotswood and seconded to Governor White recommend that the Board approve the proposed Board Consents for Rate Filing Recommendation, the Actuarial Consulting Services, and the Product Updates – December 2025. All were in favor. Motion carried.

(End of proceedings.)