

Approval of Prior Exposure Reduction Committee (EXRE) Meeting Minutes

Summary	Review of December 10, 2025, EXRE 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 type="checkbox"/>	Other (Explain in Summary)
Committee Consent	Staff recommends that the Committee approve the December 10, 2025 EXRE minutes.			
Board Consent	N/A			
Executive Sponsor(s)	Jeremy Pope, Chief Administrative Officer Jennifer Montero, Chief Financial Officer			

CITIZENS PROPERTY INSURANCE CORPORATION

**Summary Minutes of the
Exposure Reduction Committee Meeting
Wednesday, December 10, 2025**

The Exposure Reduction Committee of Citizens Property Insurance Corporation (Citizens) convened at the Daytona Grande in Daytona Beach, FL on Wednesday, December 10, 2025.

The following members of the Exposure Reduction Committee were present:

Chair Carlos Beruff
Governor Jason Butts
Governor LeAnna Cumber
Governor Robert Spottswood
Jennifer Montero
Jeremy Pope

The following Board members were present:

Governor Charlie Lydecker
Governor Frank White
Governor Jamie Shelton

The following Citizens Staff were present:

Aditya Gavvala
Andrew Woodward
Brian Donovan
Brian Newman
Carl Rockman
Jay Adams
Joe Martins
Mark Kagy
Michael Peltier
Michael Wickersheim
Paul Kutter
Ravi Tadiparthi
Sudheer Kondabrolu
Time Cerio

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

CHAIR BERUFF: We'll entertain a motion to approve the minutes from the last meeting.

MS. CUMBER: To approve the minutes.

UNIDENTIFIED SPEAKER: Second.

CHAIR BERUFF: Minutes are moved. Thank you. And it is Mr. Pope.

2. Depopulation, Clearinghouse and FMAP Update

MR. POPE: All right. Thank you, Chair. And good morning to members of the committee. For the record, Jeremy Pope, Chief Administrative Officer. And joining me is Carl Rockman, our Vice President of Agency and Management Services. This morning, we have a very brief report out on some great news with our Depop program that we've talked about previously and some of the other committees, and also activity related to our clearinghouse. And we'll conclude with an agency management update that Carl will cover. So for this morning, I'll start on page four of your meeting materials today, which you've seen the slide before. We've got a recap of 2024. And I can tell you, next slide, please. I can tell you this time last year, we did not feel that 2025 was necessarily going to surpass 2024 with Depop, but we have. So as this committee is aware, last year, over 477,000 policies were removed from Citizens into the private sector. And year to date, which includes our November assumption numbers, 544,247 policies. I'm sorry, 546,091 policies have been removed from Citizens into the private sector. That breakout, \$8.5 billion in exposure on the commercial lines, representing 1,844 policies. And the personal lines, \$211.6 billion in exposure, and that represents 544,247 policies. And again, these figures do include our most recent assumption this past November. And while the majority of our policies continue to be HO3 policies that are removed from Citizens, we saw a significant spike last month with interest in our commercial book. A total of 1,605 commercial policies were successfully removed from Citizens. And it appears that interest will continue because in your meeting materials, we have the 2026 Depop calendar and our next commercial Depop kicks off in January. And we are already seeing interest, a little over 600 policies that we expect to be removed from Citizens back into the private sector. I will just share for December, the office approved a significant number of 576,000 policies. There was a total of 50,778 policies where the carriers have expressed interest in. We started off with 16 carriers participating in the December assumption. And for those carriers, we're starting to, I'll use Governor Lydecker's terminology. They're starting to overlook some of the policies. So four of those carriers backed out of our Depop for the month of December, and we feel that that may continue as we get to the less desirable policies, if you will. That's expected as our policy count continues to decline. I will share, though, some intelligence that we have with December. Ninety-seven percent of the offers that are being presented to consumers are making them ineligible for Citizens. So we continue to push those policies from Citizens into the private sector, another validation of a vibrant private sector. In January, I mentioned we have a little over 614 policies as of right now that we expect not to be eligible to remain with Citizens with our commercial lines book. And that represents 98% of the offers that are being presented to consumers. They're not eligible to remain with Citizens. Too early to tell, and it was referenced earlier, but we do have our February assumption for our

personal lines book. The approvals from the office stand at a little over 350,000. And as time goes on, we'll have more intelligence as those carriers continue to make their selections. And we will share that to the committee as appropriate in our future meeting. With that chair, I will turn over to Carl to walk through the clearinghouse and agency management updates if there's no questions.

CHAIR BERUFF: Perfect.

MR. ROCKMAN: Thank you, committee members. For the record, Carl Rockman Vice President of Agency and Market Services. I'd like to brief the committee on our progress implementing our clearinghouse platform. On the next page, you'll be reminded of the robust panel we have on our clearinghouse program. These represent some of the most productive carriers in the state of Florida. We're very happy to have 24 of them on our new business panel and 13 participating in our newly implemented renewal clearinghouse, which I'll cover in just a second. The next slide, more importantly, will indicate the results of the clearinghouse. Pleased to report that year to date, 32% of the new business presented to the clearinghouse is getting an offer that is deeming the policy ineligible for Citizens. This is a great reflection of the health of the private marketplace. If an agent is attempting to place a piece of business with Citizens and it's presented to the clearinghouse carriers, 32% of the time, an offer is coming in within 20% of Citizens. That's a great reflection in all the things that we've represented here earlier today. The volume numbers are represented below. And while 32% is a year-to-date number, I'm pleased to report that for October, 43% were deemed ineligible. For November, 46%. So what does that reflect? Continuing pricing, continuing the carrier sharpening their pencil. We're seeing nothing but positive trends in the ability for carriers to make bids on that new business and deem it ineligible for Citizens and place that customer in the private market. On the next slide, it's a little detail, but our agent stakeholders take a great deal of interest in a process we call overrides. Obviously, the new clearinghouse platform has some issues in it where the agents may need to apply to us to get an override. The clearinghouse may say that the policy isn't eligible for Citizens, but it indeed may be. It's a manual process. It's about 6% of the time this occurs. This slide just represents not only the volume, but the precision on the agent. How many times is the request for an override being declined or accepted? My team takes a great deal of interest in declined requests because we just need to educate the agent on how to request that appropriately. But 6% of the time, the agents are having to request an override. We don't think that's an enormous burden given the net benefit of the clearinghouse and what it's able to do to present offers from the private market. And the next slide we'll just talk about in the aggregate, how much coverage A have we averted at new business? And this will represent, since we've stood it up starting in March of 2025, \$50 billion of coverage A has not come to Citizens. It's been placed in the private market. And again, this speaks to the power of the new business clearinghouse. And we're very, very pleased with the new business performance. I'll pause here for any questions on the new business clearinghouse.

UNIDENTIFIED SPEAKER: Mr. Chairman.

UNIDENTIFIED SPEAKER: What's the number one reason for an override request from an agent?

MR. ROCKMAN: Number one reason for the override is typically it's a question that our clearinghouse questionnaire won't present, a water heater or condition of the property. The agent knows that the property may not pass that carrier's underwriting qualifications and they can present those conditions to us and we understand what the carriers take or don't. And then we can override that request rather than burden the agent. So it's typically something the agent

has information on that's credible and accurate that we can help with and then override that request and let it come to Citizens. Okay. Hearing no questions on new, I'll turn my attention to clearinghouse renewals. Pleased to report on the next page. This is the sequence. I won't go through all the details on how the renewal clearinghouse actually operates timeline wise, but think of it as it is a renewal event. We will take an agent's HO3 and DP policies. We will feed them into the clearinghouse where carriers can then make bids on them. There'll be a result. Either it's eligible to renew with Citizens because no carriers made an offer. It may be ineligible to renew with Citizens, but carriers did, or it may have what we call a recoverable error where the agent has to give a little additional information in order for the carriers to make an evaluation. We're feeding those in 60 days prior to renewal. The agents have from day 60 to day 53 to work those recoverable errors and work with those customers. But should an offer be made that's within 120% of Citizens, that policy is non-renewed from Citizens. And then it's the agent's obligation to get that customer placed in the private market. So that's how the renewal clearinghouse works. On the next page, our rollout strategy. We're fully implemented as of a week ago. And also pleased to report, particularly Governor Lydecker, you had particular pointed comments on agent education. We did make education on the renewal clearinghouse process mandatory for our 14,000 agents. Mandatory means if you don't take it, there is a consequence to not taking it. Suspension of your ability to write business with Citizens up to maybe breaking our relationship. But I'm pleased to report that we've had over 9,201 agents take the education so far. The deadline to complete it is the 9th of January. That's about a 65% completion rate and we will be working with those agents that haven't completed it to get them over the finish line. But we're very pleased with the agent engagement. We also had over 1,400 agents attend our live webinars. Again, showing that the agents with larger books of business are very interested in how this operates because they want to support the customer. And it is a net win for the agent. If the agent can take that Citizen's policy and move it to the private market appropriately, more coverage may be available, maybe a higher commission. There's a lot of incentives for the agents to work the program, but fully implemented on renewal, and we'll be pleased to report our progress on renewal clearinghouse and what it's doing at the next board meeting. With that, there's some details on recoverable errors in the back and the next two slides, but that concludes my report on clearinghouse. And also with your indulgence, Jeremy's given you the high level numbers on depopulation. So we'll take any questions that you have on depopulation.

UNIDENTIFIED SPEAKER: Mr. Chairman, I have a question if I may. Mr. Rockman, with all of the new insurance companies that have filed to come in, I believe it's 18 over the last two years, do we anticipate more of those carriers joining the renewal clearinghouse? So a lot of these on this sheet are marked off on the new business side, but do we anticipate more taking part in the renewal clearinghouse as well?

MR. ROCKMAN: The participation in the renewal clearinghouse is a technical issue, but I will point out Patriot Select is a great example of a brand new carrier coming into the marketplace, wanting to do Depop, and then wrote direct. So Patriot Select is one of the newest entrants on the clearinghouse. We're seeing great interest from new entrants that come in that do want to do direct business to come onto this platform. And with your support, we've gotten your support to help them administratively and economically join that platform. Renewal, though, is a technical nuance. If the carrier can quote 60 days in advance, they're automatically on the renewal clearinghouse. It's really, does the carrier want to quote that far in advance? Some carriers don't like to quote that far, some carriers do. So we're encouraging the carriers, though, if you'll quote 60 days in advance, we can open up our renewal book to you as well. We make that known and some will make that accommodation if they see fit.

UNIDENTIFIED SPEAKER: Thank you.

UNIDENTIFIED SPEAKER: Just a comment too, if I may, you know, seeing Mr. Pope and Mr. Rockman's involvement in the agent community, it has continued to, one, meet with carriers to try to push them to get involved in this. But two, the education of the agents showing up at events. I know that you guys attend just about every agent, you know, meeting that there is in the state. So I applaud you for that. And I think that that really does two things. One, educates the agents to try to keep the business out of Citizens, but two, it really, you guys have opened great communication channels with the actual carriers themselves and are responsive. So continue to hear great things in the marketplace. So, job well done.

UNIDENTIFIED SPEAKER: Thank you.

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