**CITIZENS PROPERTY INSURANCE CORPORATION**

**MINUTES OF THE CLAIMS COMMITTEE MEETING**
**Thursday, February 19, 2026**

The Claims Committee of Citizens Property Insurance Corporation (Citizens) convened on Thursday, February 19, 2026, at 1:00 p.m. Eastern.

**The following members of the Claims Committee were present:**

Josh Becksmith, Chair
Jason Butts
Erin Knight
Jon Palmquist

**1. Approval of Prior Meeting's Minutes (November 20, 2025)**
**A motion was made by Governor Butts and seconded by Mr. Palmquist to approve the November 20, 2025 minutes. All were in favor. Motion carried.**

**2. Chief Insurance Officer Report**
**Jay Adams:** Good afternoon, Chairman and committee members. I do have two Consent Items today. Hopefully both will be pretty easy. The first one we have is the Contractor Managed Repair Program. And this is a program that we currently have today. We did a new solicitation, and we have a new vendor to award: Sedgwick Claims Management Services, Inc. And what these services do is they provide a credentialed list of contractors who provide Citizens with emergency services and the permanent repair processes. This is a $0 contract, meaning we're not paying Sedgwick anything for this contract. They are paid a percentage of the estimate of the contract when Citizens agrees on the price. And I'll pause there, Chairman, to see if there's any questions before reading the Consent Item.

**Chairman Becksmith**: Thanks, Jay. Any questions from the committee on this? Please proceed with the consent.

**Jay Adams:** All right, thank you. The committee recommends that the Board approve the proposed Board consent for Contractor Managed Repair Services. We would like to do that with Sedgwick Claims Management Services, Inc.

**A motion was made by Mr. Palmquist and seconded by Governor Knight to recommend that the Board approve the proposed Board Consent for Contractor Managed Repair Services. All were in favor. Motion carried.**

**Chairman Becksmith:** Mr. Adams, our next favorite thing that we always like to talk about.

**Jay Adams:** Yes, our Claims Legal Services. Here, what we're doing is we're just trying to make a request for our next $50 million draw for our claims legal billing. And I do want to point out we've been telling this committee, probably for the last year or year and a half, that we continue to believe that our numbers are going to improve as time goes forward. We've seen record reductions in our overall pending litigation. And we are

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starting to actually see that in our legal billing. Now, I will remind this committee that we were within budget if we extracted any legal billing associated with a catastrophe. That's what caused us to ask this committee and the Board for additional spending. We are still seeing about 50% of all legal billing associated with catastrophe claims. But the great news is, since August of last year, we were running historically $12-14 million per month. And we're seeing a pretty steady drop month over month. So, for August, it dropped down to $11.7 million. For September, it dropped to $10.2 million. October was $8.7 million. November was $7.75 million. And December was a little over $4.5 million. So, we're making great progress, and we still believe that we're going to be able to bring this in at the Board-approved amount over the full term of this. And I'll pause to see if there's any questions, Chairman.

**Chairman Becksmith:** Thanks, Jay. So, if it keeps going down, is there a time when we see that at zero at some point in time?

**Jay Adams:** That would be the goal, but I highly doubt that we'll ever get to zero.

**Chairman Becksmith:** No, no, no. Well, good work by you and your team. Are there any questions from the committee on this?

**Jay Adams:** And just for the record, if I could read the consent please? The committee recommends that the Board approve the proposed Board Consent for $50 million in spend under the Claims Legal Service Contracts.

**Chairman Becksmith:** Thank you. We'll entertain a motion.

**A motion was made by Governor Knight and seconded by Governor Butts to recommend that the Board approve the proposed Board Consent for $50 million in spend under the Claims Legal Services Contracts. All were in favor. Motion carried.**

**Chairman Becksmith:** Mr. Adams, is there anything else?

**Jay Adams:** No, Sir, that would conclude the claims presentation from staff.

**Chairman Becksmith:** Perfect. Alright, well, great.

**3. New business**

**Chairman Becksmith:** Well, I appreciate everybody jumping on. Is there any new business or questions from the committee that we'd like to address or ask at this point in time? Taking silence as a no. With that, we will go ahead and adjourn the meeting, and I look forward to seeing my fellow Board members here in a couple weeks, and everybody take care till then. (Whereupon the meeting was adjourned.)

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