

2026 Risk Transfer Program



September 23, 2026

2026 Layer Chart

PML Return
Time

Single Agg OEP AEP
120 106 0.83% 0.94%

06/30/2026 PML with 10% LAE and 7.7% PR/CR, -10.8% CNR Growth Adjustment

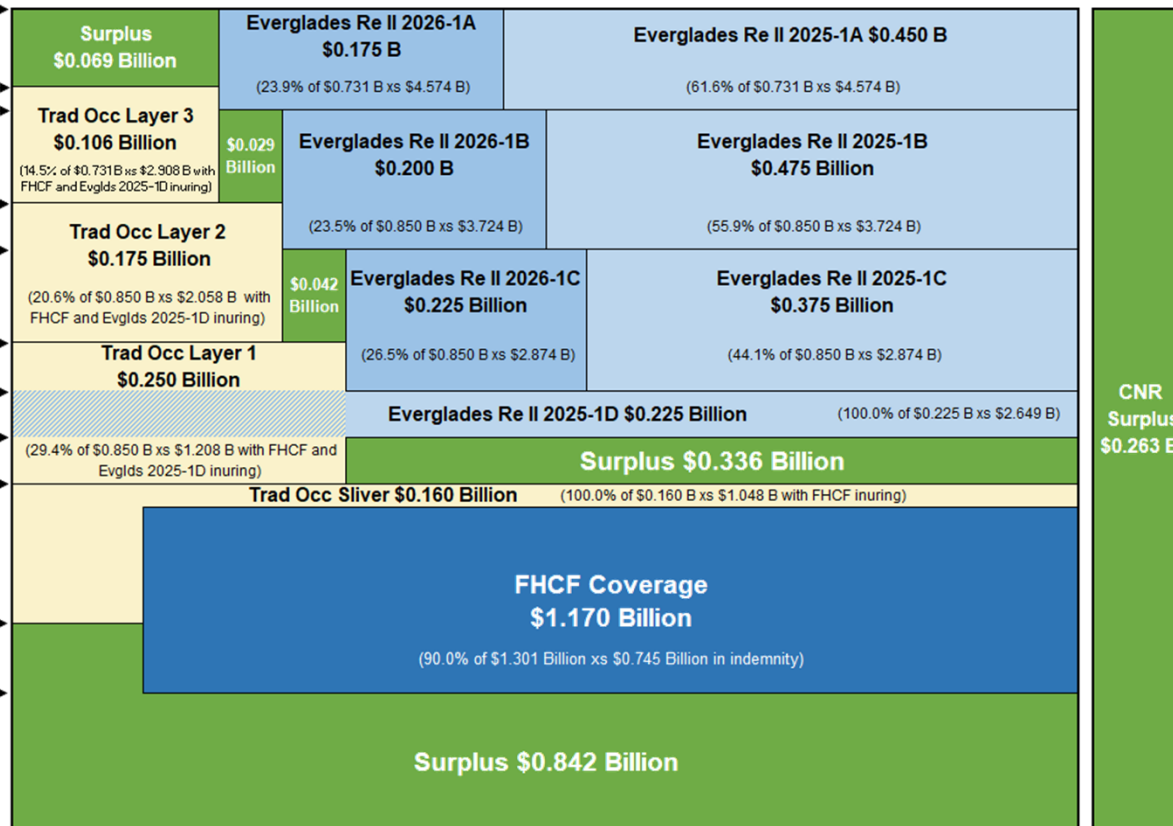
102 90 0.98% 1.11%
93 82 1.08% 1.21%

74 67 1.35% 1.49%
64 57 1.57% 1.76%

51 45 1.97% 2.21%
42 37 2.40% 2.68%

37 33 2.67% 3.01%
29 26 3.41% 3.84%

13 12 7.47% 8.12%
11 10 9.21% 9.95%



CNR Res + CNR
Loss + LAE Loss + LAE
\$0.263 B \$5.568 B

(Not to scale)

(\$ Billions)	
Surplus Used for 1-in-100	\$1.49
FHCF Coverage	\$1.17
New Risk Transfer Coverage	\$1.29
Existing Risk Transfer Coverage	\$1.53
Total Private Risk Transfer Program	\$2.82
Citizens Policyholder Surcharge	\$0.00
Emergency Assessment	\$0.00

Approximately 27% of surplus is exposed in a 1-in-100 year event. Surplus remaining after a 1-in-100 year storm is projected to fund a 1-in-69 year event, additional LAEs, or multiple smaller storms in this or subsequent years.



Notes and Assumptions - 2026 Storm Season

ASSUMPTIONS

- Citizens' 2026 Budget Projected DWP \$1.4 Billion
- Citizens' Policyholder Surcharge Maximum 15%
- 2025 Emergency Assessment Base (based on 2024 DWP) \$92.8 Billion
- PMLs are based on modeled losses as of June 30, 2026, Verisk Hurricane Model for the United States Version 3.0.0 as implemented in Touchstone (version 13.2.0). All PMLs reflect the 50K US Hurricane - Florida Regulatory Event Set including Demand Surge, excluding Storm Surge, and include 10% of loss to account for loss adjustment expense (LAE). Data is projected to September 30, 2026 using growth adjustment factors of 7.7% for PR/CR and -10.8% for CNR policy types. Interim Return Periods are derived by linear interpolation between 5-year intervals.
- 2026 Projected Surplus = Year end 2025 surplus + 2026 budget projected net income +/- adjustment for differences between budget and forecasted FHCF premium and cost of reinsurance placement
- FHCF pays 10% of reimbursed loss for loss adjustment expense
- Citizens' 2026 FHCF coverage is based on preliminary retention and coverage estimates. Actual Citizens' FHCF attachment and limits of coverage could differ significantly from estimates.

NOTES

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

- 1) PR/CR PML vs. CNR PML: An actual 100-year PML event in the Residential portion of the book (PR/CR) may not be a 100-year PML event for the Non-Residential (CNR) portion of the book. The relative magnitude of actual losses for the Residential and Non-Residential portions will depend on the storm size and path.
- 2) Non-residential exposure: Commercial non-residential (CNR) exposures are not reinsured by FHCF. CNR losses are shown in a stand-alone chart and correspond to the actual CNR's PML and return periods.
- 3) Liquidity: These charts do not show liquidity. Ample PML resources may still require liquidity as many of the resources are not available immediately following a major hurricane. The timing and magnitude of receivables such as FHCF recoveries and assessments are unknown.

