



Florida Hurricane Catastrophe Fund

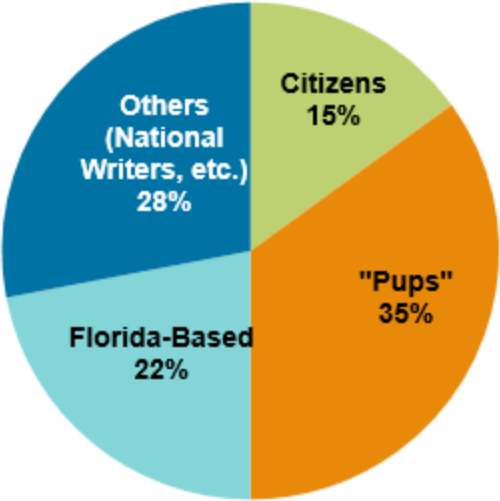
2015 Participating Insurers Workshop

Barry Gilway, President/CEO

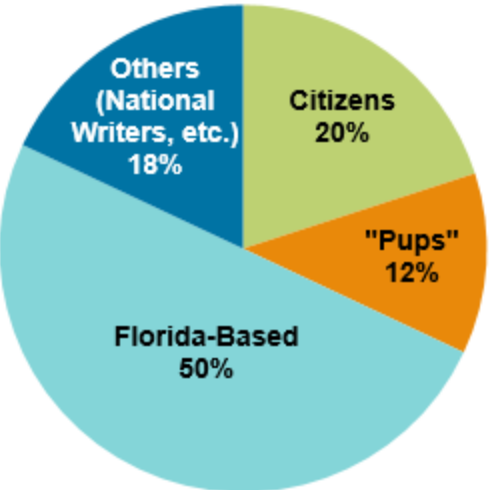


Market Share Based on Total Insured Value for Policies that Include Wind Coverage Only Florida Residential Property Insurance Market (Excludes CNR and includes State Farm)

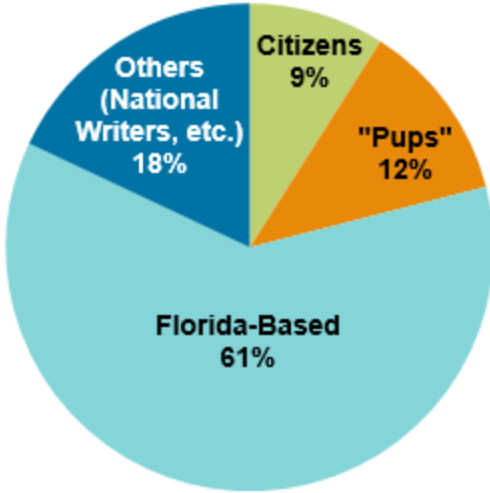
June 30, 2004



December 31, 2011



December 31, 2014



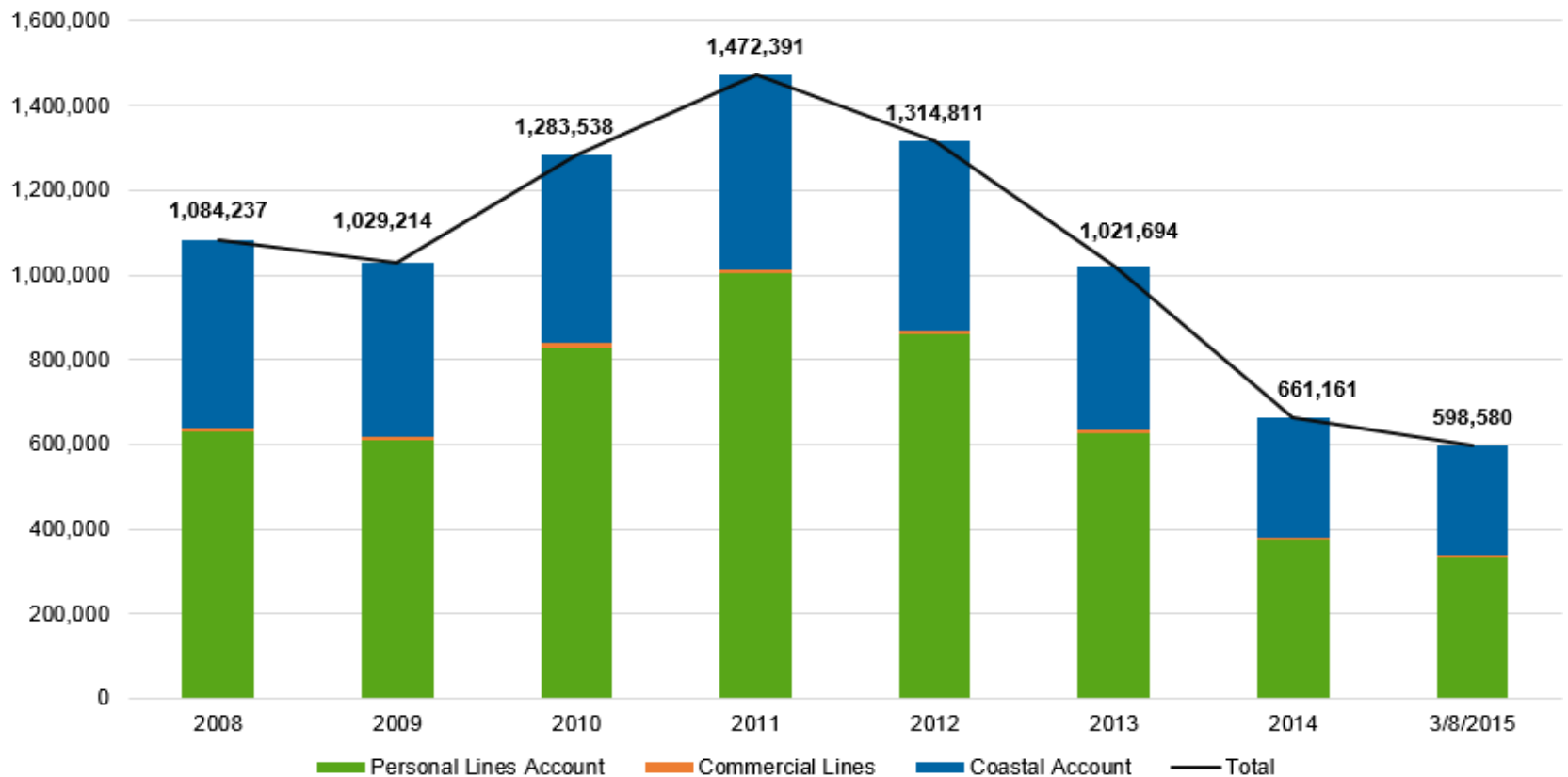
Insurer Category	Total Insured Value
Citizens	\$186,205,351,564
"Pups"	\$236,765,321,993
Florida-Based	\$1,257,351,019,728
Others	\$373,211,469,939
Total	\$2,053,533,163,225

Policies Assumed 1/1/12 through 5/31/15

American Colonial Ins Co	6,160
American Integrity Ins Co of FL	46,006
Anchor P&C Ins Co	29,605
Avatar P&C Ins Co	13,795
Capitol Preferred Ins Co	2,599
Cypress P&C Ins Co	1,247
Elements Property Ins Co	49,141
First Community Ins Co	28,769
Florida Peninsula Ins Co	52,298
Heritage P&C Ins Co	251,591
Homeowners Choice P&C Ins Co	135,990
Mount Beacon Ins Co	76,686
Olympus Ins Co	27,931
Prepared Ins Co	5,394
Safe Harbor Ins Co	13,705
Safepoint Ins Co	73,743
Southern Fidelity Ins Co	10,182
Southern Fidelity P&C Ins Co	114,801
Southern Oak Ins Co	68,113
Tower Hill Preferred Ins Co	24,035
Tower Hill Prime Ins Co	13,217
Tower Hill Select Ins Co	18,289
Tower Hill Signature Ins Co	13,676
United P&C Ins Co	58,794
Universal Ins Co of NA	8,808
Weston	42,950
Total	1,187,525

What does Citizens look like today?

Historical Policy Count

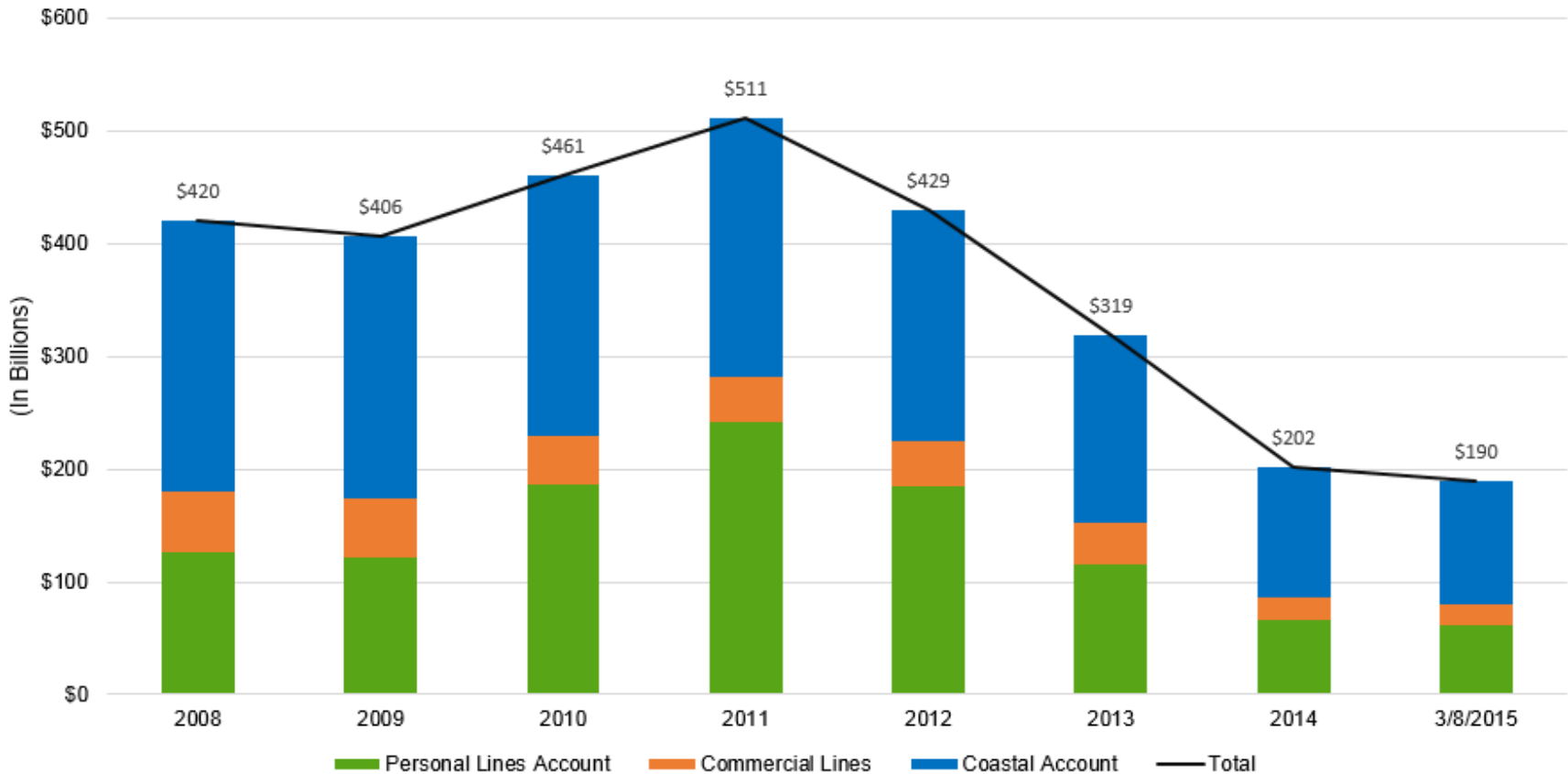


Notes:

1. Policy counts exclude risks tagged for depopulation
2. 2015 Policy Count data is as of March 2015

What does Citizens look like today?

Historical Exposure



Notes:

1. Exposure totals exclude risks tagged for depopulation
2. 2015 Exposure data is as of March 2015

Reduction in Policy Count & Exposure from Peak in 2011

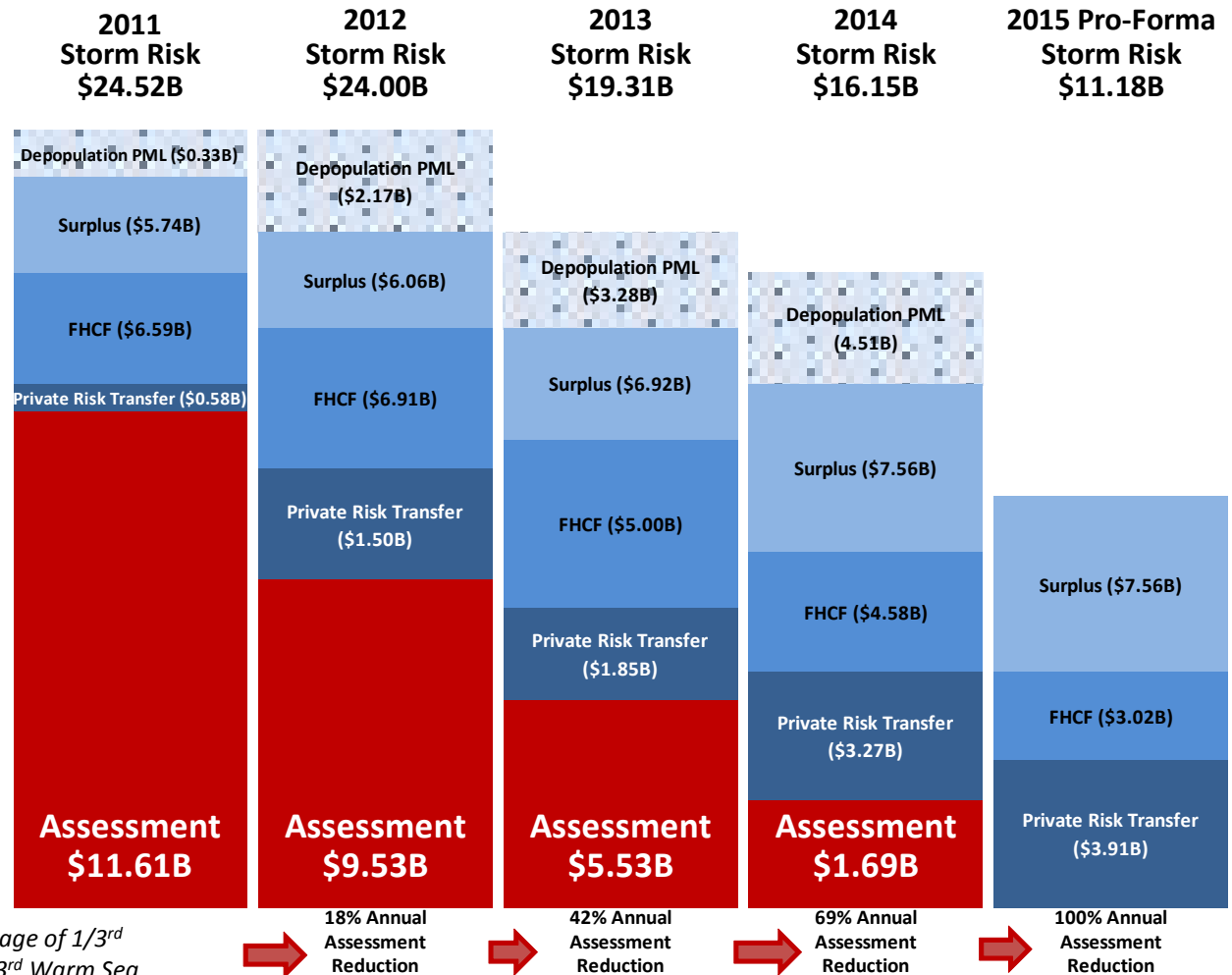
Account	2011		2012		2013		2014		3/8/2015		Percent Change from 12/31/11 to 03/08/15	
	Policy Count	Exposure (in billions)	Policy Count	Exposure (in billions)	Policy Count	Exposure (in billions)	Policy Count	Exposure (in billions)	Policy Count	Exposure (in billions)	Policy Count	Exposure (in billions)
Coastal	460,161	\$229	446,163	\$205	386,688	\$166	282,863	\$116	258,969	\$109	-44%	-52%
PLA	1,003,856	\$241	860,502	\$184	627,391	\$115	373,617	\$66	335,302	\$62	-67%	-74%
CLA	8,374	\$41	8,146	\$40	7,615	\$37	4,681	\$20	4,309	\$18	-49%	-55%
Total	1,472,391	\$511	1,314,811	\$429	1,021,694	\$319	661,161	\$202	598,580	\$190	-59%	-63%

Notes:

1. Policy counts and Exposure totals exclude risks tagged for depopulation
2. 2015 Policy Count and Exposure data is as of March 2015

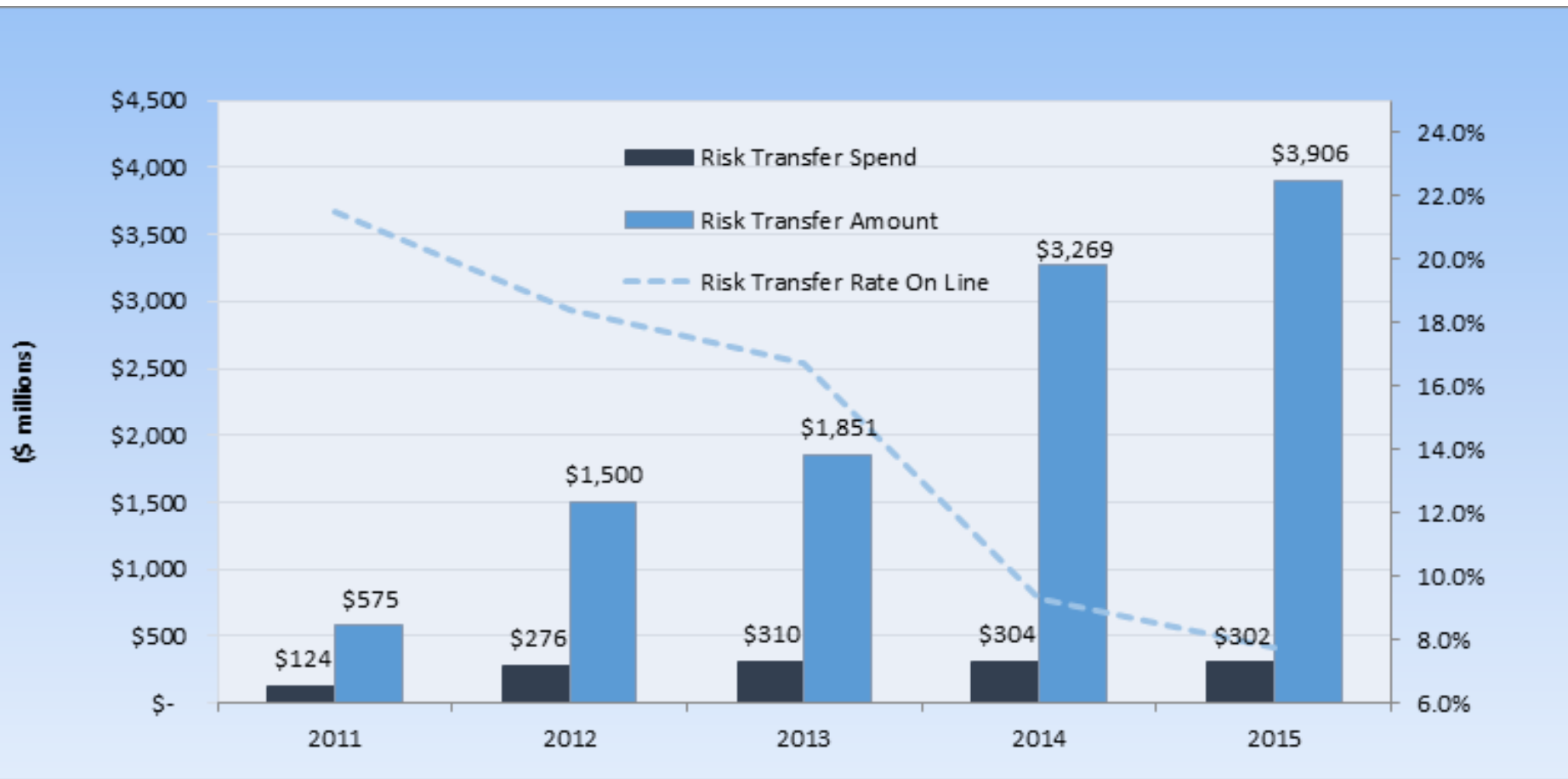
Citizens' Total Assessment Reduction – Coastal Account and PLA/CLA

- Citizens' total 1-100 year PML in the Coastal, PLA and CLA accounts decreased from \$24.52 billion in 2011 to \$11.18 billion in 2015, or by \$13.34 billion
- Citizens' depopulation efforts in the Coastal Account, PLA and CLA have completely eliminated the need for any potential assessments for a 1-100 year event
- For all three accounts (Coastal, PLA, and CLA), Citizens' need for potential assessments for a 1-100 year event was \$11.61 billion in 2011 and is completely eliminated for 2015



Note: PMLs from 2011-2014 use a weighted average of 1/3rd Standard Sea Surface Temperature (SSST) and 2/3rd Warm Sea Surface Temperature (WSST). 2015 PMLs reflect only SSST.

Total Private Risk Transfer (2011-2015)



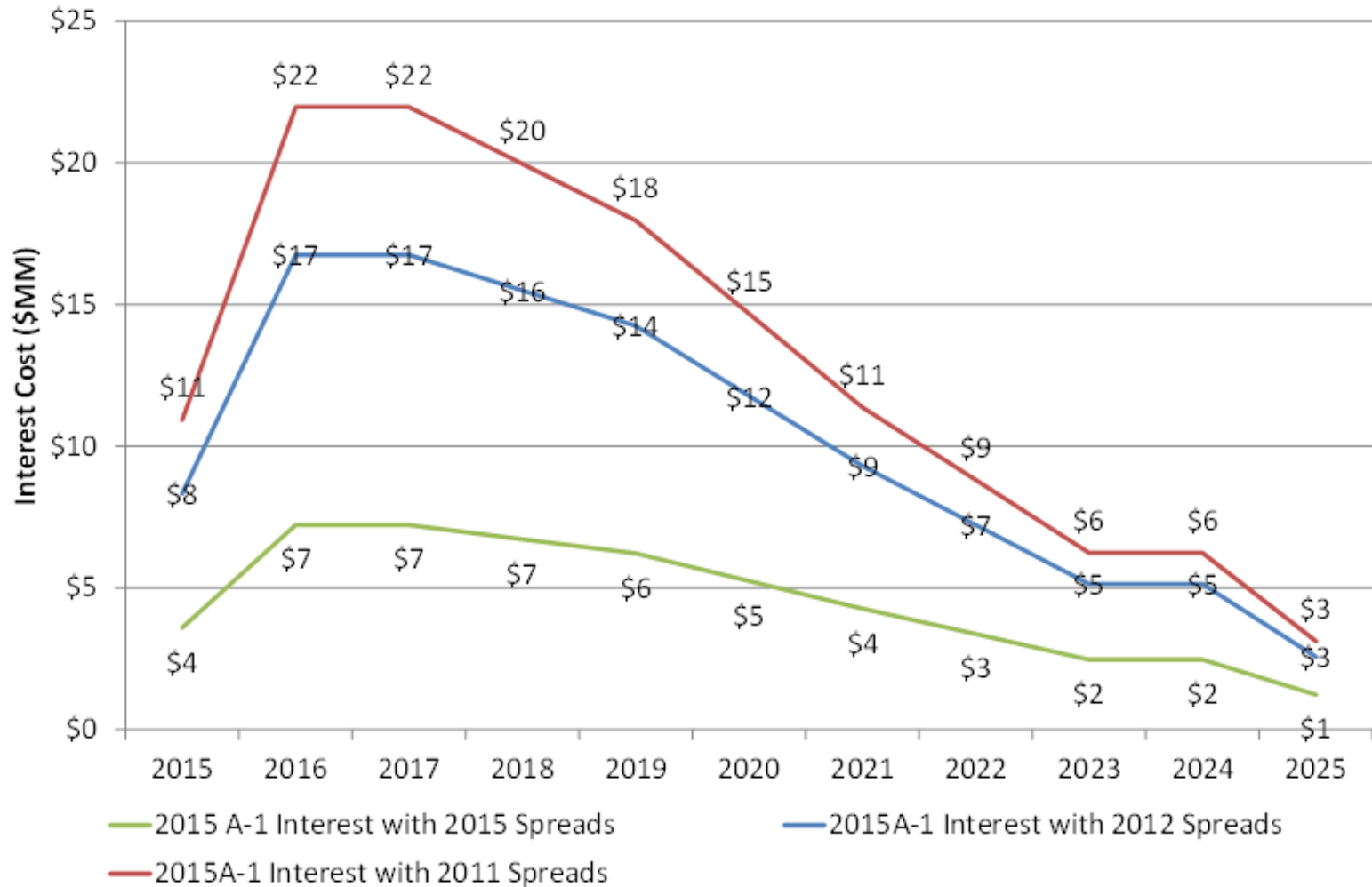
Historical Deal Spreads Analysis

For this analysis, we have assumed the Series 2015A bonds were issued all as fixed rate bonds at par and compared the interest cost of Series 2015A-1 bonds based only on the spread to MMD versus the potential interest costs if utilizing the fixed rate spreads to MMD from the PLA/CLA Series 2012A and Coastal Series 2011A transactions

- As a result, the total calculated interest cost differential is \$93.2 million over a 10-year period for an annual weighted average interest cost differential of \$14.5 million based on an average life of 6.422 years
- The Series 2015A net interest cost was \$182.6 million and if the transaction utilized the spreads from the Coastal Series 2011A transaction, the net interest cost would have been \$275.8 million, or \$93.2 million higher

Year	2015 A-1 Interest with 2015 Spreads	2015A-1 Interest with 2012 Spreads	2015A-1 Interest with 2011 Spreads	Difference between 2015 and 2011
2015	\$3.6	\$8.3	\$10.9	\$7.3
2016	\$7.2	\$16.8	\$22.0	\$14.7
2017	\$7.2	\$16.8	\$22.0	\$14.7
2018	\$6.7	\$15.5	\$20.0	\$13.2
2019	\$6.2	\$14.3	\$18.0	\$11.7
2020	\$5.3	\$11.8	\$14.7	\$9.4
2021	\$4.3	\$9.3	\$11.4	\$7.1
2022	\$3.4	\$7.2	\$8.8	\$5.4
2023	\$2.5	\$5.1	\$6.2	\$3.8
2024	\$2.5	\$5.1	\$6.2	\$3.8
2025	\$1.2	\$2.6	\$3.1	\$1.9
Total	\$50.1	\$112.8	\$143.3	\$93.2

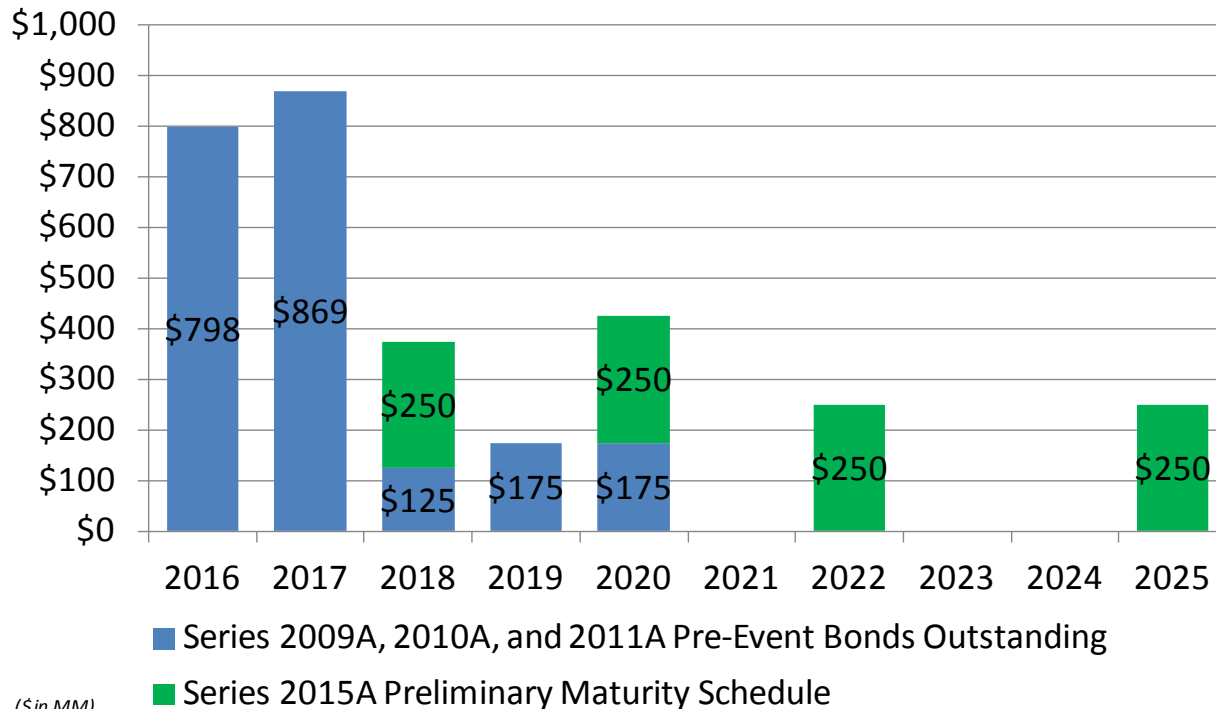
Historical Deals Analysis – Interest Costs Based on Spread to MMD



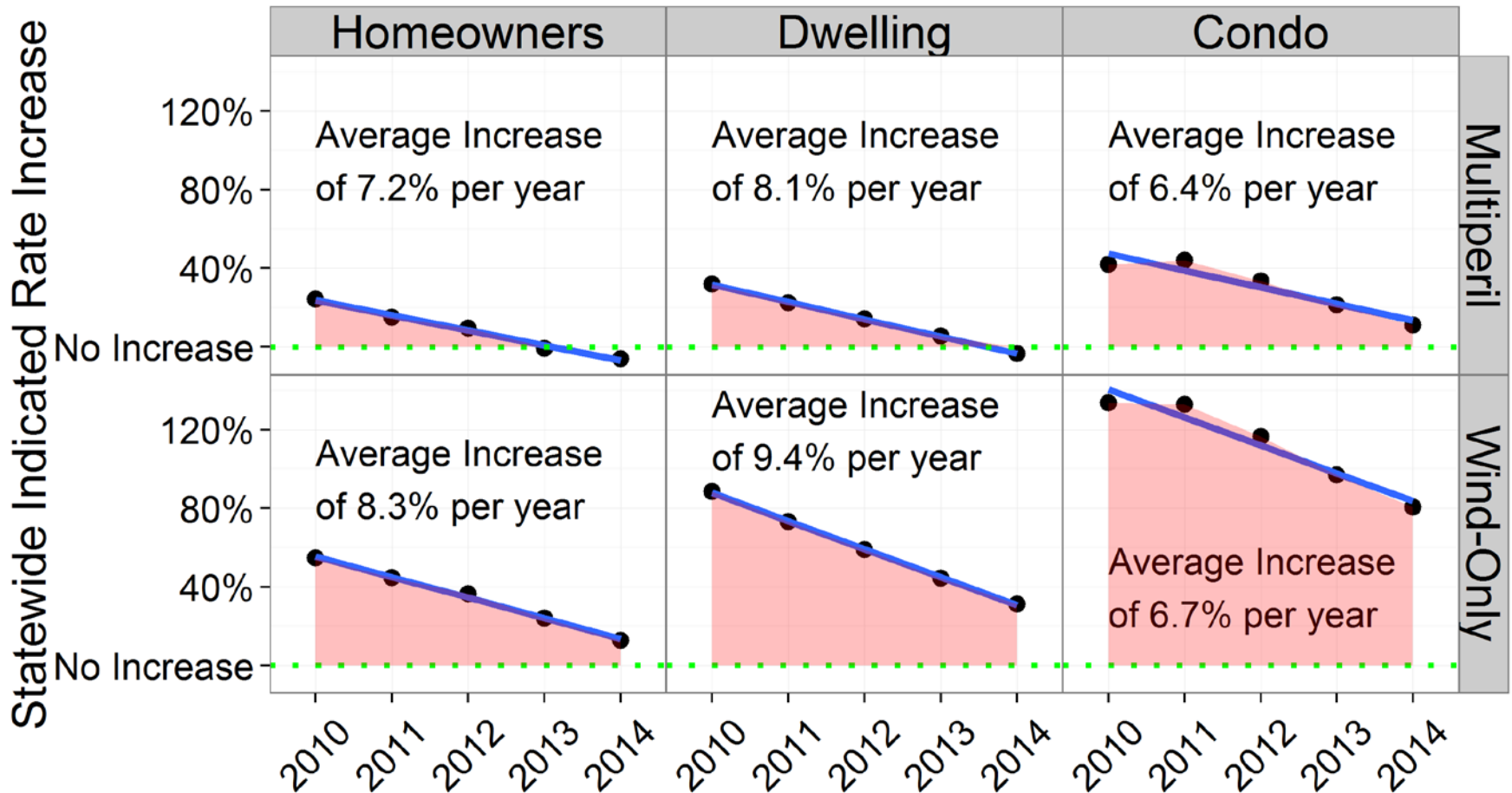
Series 2015A Financing Plan

An additional \$1 billion partially to replace Coastal Account 2016 and 2017 maturing bonds to bolster and extend its liquidity resources while locking in historically low rates in order to achieve the most efficient liquidity cost

Citizens Coastal Account
Pre-Event Bonds Outstanding and Preliminary Series 2015A
Maturity Schedule



The Glide Path has Steadily Restored Rate Adequacy, but Gaps Remain in Wind-Only Lines



Florida Domestic Insurance Market 2014 Year End (Composite)

- 20% increase in gross written premium.
- 19.7% increase in policyholder surplus.
- \$220 Million increase in underwriting gain.
- \$115 Million growth in after tax income.
- 80.7% combined ratio.