Louisiana Citizens Property Insurance Corporation Board Meeting

Thursday, July 9, 2026 1:00 PM
Poydras Building - Hearing Room first floor, 1702 N. Third Street, Baton Rouge, Louisiana 70802

I.	**Call To Order**	**Speaker(s):** Chairman Temple
II.	**Pledge of Allegiance**	**Speaker(s):** Chairman Temple
III.	**Roll Call**	**Speaker(s):** Harper
IV.	**Chairman's Report**	**Speaker(s):** Chairman Temple
IV.A.	Certify Excess EA for Fortify Homes (Voteable)	**Speaker(s):** Chairman Temple
V.	**Minutes**	**Speaker(s):** Chairman Temple
VI.	**CEO Report**	**Speaker(s):** Newberry
VI.A.	Overview	**Speaker(s):** Newberry
VI.B.	Depopulation Round 24 Ceding Commission (Voteable)	**Speaker(s):** Newberry
VI.C.	Proposed Commercial Rate Filing (Voteable)	**Speaker(s):** Newberry
VI.D.	May Financials and Management Report	**Speaker(s):** Sciortino
VI.E.	2025 Audit Report	**Speaker(s):** Sciortino
VI.E.1.	Statutory Audit	**Speaker(s):** Sciortino
VI.E.2.	GASB Audit	**Speaker(s):** Sciortino
VI.F.	Complaints	**Speaker(s):** Harper
VI.G.	Executive Session	**Speaker(s):** Chairman Temple
VI.G.1.	Litigation Update	**Speaker(s):** Harper
VII.	**Adjournment**	**Speaker(s):** Chairman Temple

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

The following Resolution was offered by ________________________ and seconded by __________________________:

RESOLUTION

A RESOLUTION CERTIFYING SATISFACTION OF THE REQUIREMENTS OF LA. REV. STAT. § 22:2317(B); CERTIFYING THE AMOUNT OF EXCESS EMERGENCY ASSESSMENT MONIES; DIRECTING THE TRANSFER OF A PORTION OF SUCH MONIES TO THE STATE TREASURER FOR DEPOSIT INTO THE LOUISIANA FORTIFY HOMES PROGRAM FUND; AUTHORIZING PAYMENT OF CERTAIN COSTS; PROVIDING FOR THE EXECUTION OF CERTAIN INSTRUMENTS, DOCUMENTS, AND CERTIFICATES IN CONNECTION THEREWITH; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, Act No. 416 of the 2026 Regular Session of the Louisiana Legislature ("***Act No. 416***") amended and reenacted La. Rev. Stat. §§ 22:2297(D)(2), 22:2307(G), and 22:2317 and enacted La. Rev. Stat. § 22:2292(A)(13), relative to emergency assessments of the Louisiana Citizens Property Insurance Corporation (the "***Corporation***");

WHEREAS, Act No. 416 defines the term "***Excess Emergency Assessment Monies***" to mean monies derived from emergency assessments levied pursuant to La. Rev. Stat. § 22:2307 that are no longer required to pay, secure, or otherwise satisfy bonds or other indebtedness payable from, or secured by, emergency assessment revenues, together with any amounts required under the related financing documents for fees, expenses, reserves, and similar obligations;

WHEREAS, pursuant to La. Rev. Stat. § 22:2307(G)(2), after all bonds issued or other indebtedness incurred that are payable from, secured by, or otherwise related to emergency assessments levied pursuant to La. Rev. Stat. § 22:2307(E) have been paid in full or are no longer outstanding by reason of defeasance or other legally effective provision for payment, any excess emergency assessment monies may be retained for the payment of future debts or used for the purposes and in the manner provided for in La. Rev. Stat. § 22:2317(B), including as funding for the Louisiana Fortify Homes Program, as provided in La. Rev. Stat. § 22:1483.1;

WHEREAS, pursuant to La. Rev. Stat. § 22:2317(B), the Corporation shall not transfer, donate, expand, or otherwise dispose of emergency assessment monies for purposes of such Subsection unless and until all bonds or other indebtedness payable from or secured by emergency assessment revenues have been paid in full or are no longer outstanding by reason of defeasance or other legally effective provision for payment under the related financing documents;

WHEREAS, pursuant to La. Rev. Stat. § 22:2317(C), within ninety (90) days of the provisions of La. Rev. Stat. § 22:2317(B) being satisfied, the governing board of the Corporation is required to adopt a resolution certifying the requirements of La. Rev. Stat. § 22:2317(B) have been satisfied and the amount, if any, of excess emergency assessment monies and directing the transfer of such monies for the purposes authorized pursuant to La. Rev. Stat. § 22:2307(G) and La. Rev. Stat. § 22:2317;

WHEREAS, on June 1, 2026, all bonds and other indebtedness payable from or secured by emergency assessment revenues were paid in full, and the Board of Directors desires to certify that the requirements of La. Rev. Stat. § 22:2317(B) have been satisfied;

WHEREAS, the Corporation has determined that the amounts in the trustee funds currently total $63,959,746.23, which amount constitutes Excess Emergency Assessment Monies for purposes of La. Rev. Stat. §§ 22:2307(G) and 22:2317;

WHEREAS, the Board of Directors desires to direct the transfer of $50,000,000.00 of the Excess Emergency Assessment Monies to the State Treasurer for deposit into the state treasury for deposit into the Louisiana Fortify Homes Program Fund, in accordance with La. Rev. Stat. §§ 22:1483.1 and 22:2317(E), for the exclusive purpose of funding the Louisiana Fortify Homes Program; and

WHEREAS, the Corporation may expend a reasonable amount of Excess Emergency Assessment Monies to pay actual, necessary, and documented costs associated with determining the Excess Emergency Assessment Monies, supporting the certification, and effectuating the transfer of monies pursuant to La. Rev. Stat. § 22:2317.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors, as the governing authority of the Corporation, that:

SECTION 1. The Board of Directors of the Corporation hereby finds, determines, and certifies that (a) on June 1, 2026, all bonds or other indebtedness payable from or secured by emergency assessment revenues were paid in full and the requirements of La. Rev. Stat. § 22:2317(B) have been satisfied; and (b) the amount of Excess Emergency Assessment Monies currently held in trustee funds is $63,959,746.23.

SECTION 2. The Board of Directors of the Corporation hereby directs and authorizes the Corporation to transfer $50,000,000.00 of the Excess Emergency Assessment Monies to the State Treasurer for deposit into the state treasury for deposit into the Louisiana Fortify Homes Program Fund, in accordance with La. Rev. Stat. §§ 22:1483.1, 22:2307(G), and 22:2317, for the exclusive purpose of funding the Louisiana Fortify Homes Program. The balance of the Excess Emergency Assessment Monies not transferred pursuant to this Resolution shall be retained by the Corporation to be used for other legally required purposes unless and until otherwise directed by subsequent action of the Board of Directors in accordance with applicable law.

SECTION 3. The Board of Directors of the Corporation hereby approves and authorizes the Corporation to expend a reasonable amount of Excess Emergency Assessment Monies to pay actual, necessary, and documented costs associated with determining the Excess Emergency Assessment Monies, if any, supporting the certification made in this Resolution, and effectuating the transfer of monies pursuant to La. Rev. Stat. § 22:2317.

SECTION 4. The Chairperson, the Vice Chairman and the Secretary of the Board of Directors of the Corporation, and the Chief Executive Officer and the Vice President of Accounting and Finance of the Corporation, be and they are hereby authorized, empowered, and directed to execute any and all instruments, documents, and certificates necessary, convenient, or appropriate in connection with the certifications, directions, approvals, and authorizations set forth in this Resolution, including, without limitation, any directions, requisitions, notices, transfer instructions, and certificates required or appropriate to effectuate the transfer described herein. The signatures of the said Chairperson, Vice Chairman, Secretary, Chief Executive Officer, and Vice President of Accounting and Finance upon such documents or certificates as may be required for or necessary, convenient, or appropriate to the matters described in this Resolution are deemed to be conclusive evidence of their due exercise of the authority vested in them hereunder.

SECTION 5. The proper officers of the Corporation are hereby authorized, empowered, and directed to submit this Resolution to the House and Senate committees on insurance, to post this Resolution on the Corporation's public website, and, following the transfer of monies authorized herein, to submit and post the report required by La. Rev. Stat. § 22:2317(G), stating the amount transferred, the administrative costs paid in accordance with La. Rev. Stat. § 22:2317(F), and the date of transfer.

SECTION 6. The Chairperson and Vice Chairman of the Board of Directors and the Chief Executive Officer or the Vice President of Accounting and Finance of the Corporation are hereby authorized and directed to do any and all things necessary and incidental to carry out the provisions of this Resolution and effect the completion of the matters described herein.

This Resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the Resolution was declared adopted on this, the 9th day of July, 2026.

By: ________________________________
Tim Temple, Chairman

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Louisiana Citizens Property Insurance Corporation, do hereby certify that the foregoing pages constitute a true, accurate, and correct copy of the proceedings and actions taken by the Board of Directors of the Louisiana Citizens Property Insurance Corporation on July 9, 2026, at its regularly scheduled, properly noticed meeting.

IN FAITH WHEREOF, witness my official signature at Baton Rouge, Louisiana, on this, the 9th day of July, 2026.

____

Paige M. Harper, Secretary of the
Louisiana Citizens Property Insurance Corporation

Louisiana Citizens Property Insurance Corporation Board Meeting
Thursday, May 14, 2026 1:00 PM Central

Poydras Building - Hearing Room first floor
1702 N. Third Street
Baton Rouge, Louisiana 70802

Ben Albright:	Present
Eric Berger:	Absent
Daryl Burckel:	Absent
Brian Chambley:	Present
William Chauvin:	Present
Dana Dugas:	Present
Rep. Gabe Firment:	Absent
Renee' Free:	Absent
Jody Guillot:	Absent
Robert Page:	Present
Kevin Reinke:	Present
Bill Starr:	Present
Sen. Kirk Talbot:	Absent
Commissioner Tim Temple:	Present
Steven Werner:	Present
Sam Wilkinson:	Absent

Present: 9, Absent: 7.

I. Call To Order
Chairman Temple called the meeting to order at 1:00 p.m.

II. Pledge of Allegiance

III. Roll Call
Chairman Temple asked Ms. Harper to call roll.

IV. Chairman's Report

IV.A. Discussion of HB 1187

V. Minutes
Approval of Minutes of the prior meeting held on January 8, 2026. This motion, made by Ben Albright and seconded by Robert Page, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Bill Starr: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 8, Nay: 0, Absent: 8

VI. CEO Report

VI.A. Overview

VI.A.1. Chief Operating Officer Introduction (Voteable)
To approve the appointment of Dana Duhon, the Chief Operating Officer of LCPIC, as an officer of the company for 2026. This motion, made by William Chauvin and seconded by Dana Dugas, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Bill Starr: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 8, Nay: 0, Absent: 8

VI.A.2. Reinsurance Update

VI.A.3. Depopulation Update Rounds 23 and 24 (Voteable)
To approve the proposed timeline for Round 24 of depopulation. This motion, made by Brian Chambley and seconded by Steven Werner, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 9, Nay: 0, Absent: 7

VI.A.4. 2025 Actuarial Opinion

VI.B. Financials and Management Report

VI.B.1. 2025 Year-End Financials

VI.B.2. 2025 Yellow Book (Voteable)
To approve the 2025 Yellow Book financials, as well as their timely filing with the LDI. This motion, made by Kevin Reinke and seconded by William Chauvin, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 9, Nay: 0, Absent: 7

VI.B.3. Investment Summary (Voteable)
To approve the LCPIC Investment Summary as presented by LCPIC management. This motion, made by Dana Dugas and seconded by William Chauvin, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 9, Nay: 0, Absent: 7

VI.B.4. 2025 Audit

VI.B.5. March 2026 Financials

VI.B.6. 2026 1st Quarter Financials (Voteable)
To approve the LCPIC 1sr Quarter financials and their filing with the LDI. This motion, made by Steven Werner and seconded by Robert Page, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 9, Nay: 0, Absent: 7

VI.C. Complaints

VI.D. Executive Session
Executive Session was not needed.

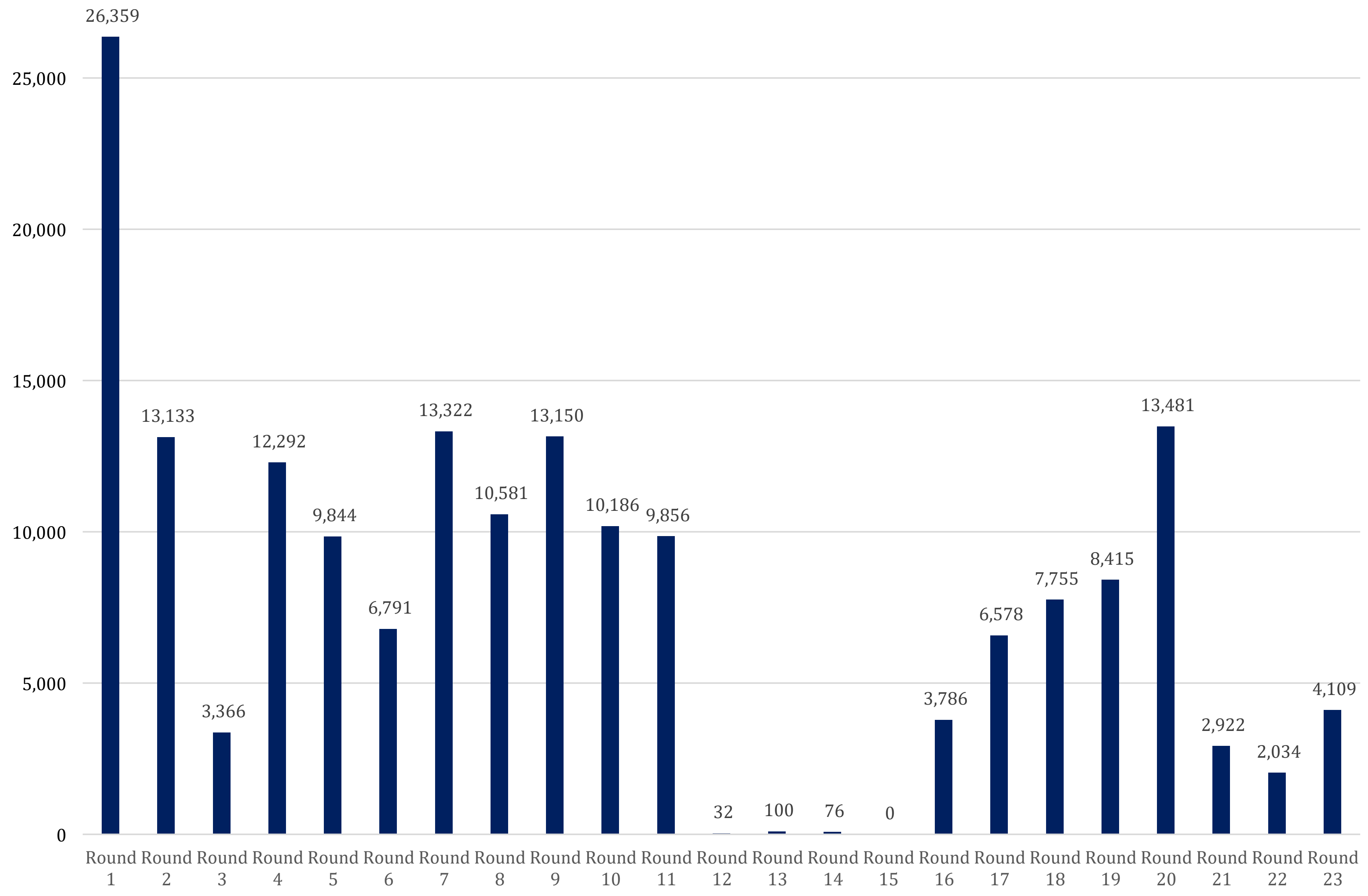
VII. Adjournment
With the conclusion of the agenda, and no further business to discuss, Chairman Temple asked for a motion to adjourn.

Approval of Adjourning the meeting at 2:05 pm. This motion, made by Kevin Reinke and seconded by William Chauvin, Carried.
Eric Berger: Absent, Daryl Burckel: Absent, Rep. Gabe Firment: Absent, Renee' Free: Absent, Jody Guillot: Absent, Sen. Kirk Talbot: Absent, Sam Wilkinson: Absent, Ben Albright: Yea, Brian Chambley: Yea, William Chauvin: Yea, Dana Dugas: Yea, Robert Page: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Commissioner Tim Temple: Yea, Steven Werner: Yea
Yea: 9, Nay: 0, Absent: 7

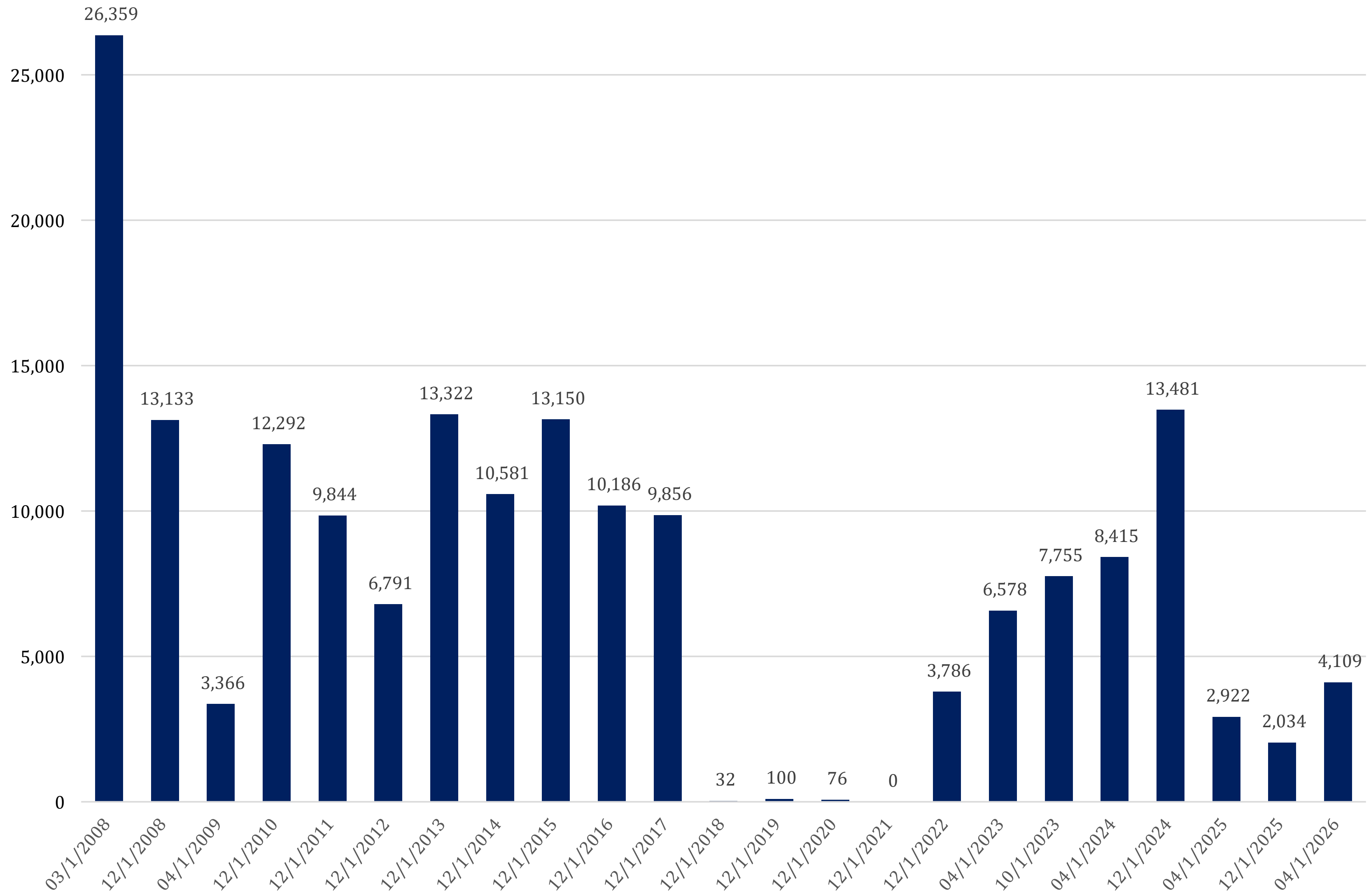
Proposed Round 24 Timeline – Assumption Date of December 1, 2026 (Tentative)

Date	Activity	Activity Details
7/1/2026	LCPIC policy data file available to companies	• Signed non-disclosure agreement required. • Initial data file available to download for data as of 6/30/2026.
8/14/2026	Deadline for companies to submit list of requested policies and required documents to LCPIC	• List of requested policies due from companies • Louisiana Certificate of Authority and all required financial documents due to LCPIC • LCPIC to analyze financial impact from requested policies and limit if necessary
9/10/2026	Board presentation of companies	Companies applying to participate in Round 24 will be presented to LCPIC board for approval.
9/11/2026	Notification of board decision	LCPIC to notify companies of board decision for company participation and policies selected
9/14/2026	Agent authorization portal opening	• Agents begin authorizing requested policies. • Authorization portal closes 10/31/2026. **Proof of approved forms and rates must be sent to LCPIC.* **Coverage comparison worksheet(s) must be submitted to LCPIC prior to agent authorization.*
10/31/2026	Agent authorization portal closing	Final day for agent authorizations.
11/6/2026	Final assumption list	Finalize assumption list of policies and send to companies.
11/20/2026	Assumption documents	• LCPIC to send assumption agreement to companies. • LCPIC to send letter of assumption to policyholders. • Companies to send assumption certificate to policyholders by 11/30/2026.
12/1/2026	Assumption period begins	• Authorized policy files transferred to companies.
12/1/2026–2/28/2027	Opt-out period	• Policyholders have until 2/28/2027 to opt-out of assumption. • LCPIC will continue to renew assumed policies renewing before 3/1/2027
3/1/2027	Company renewals start	• Renewals to be issued by assuming company.

Depop Policies Assumed by Round



Depop Policies Assumed by Round



Depopulation Round 23 Example

Date of assumption 04-01-2026

Unearned Premium for 4,109 policies 7,701,284.50

Deduction of 16% Ceding Commission 1,232,205.52

Net to company 6,469,078.98 For reducing 1,505,263,090.00 in LCPIC TIV

1.5 Billion in TIV costs LCPIC approximately 7.6 Million in reinsurance costs (.508%).

For example:
In round 23, we would not keep the 1,232,205.52 ceding commission to remove 1.5 billion in TIV and reduce our reinsurance spend by 7.6 million. Net savings to LCPIC of 6.4 million.

Interest With Zero Ceding Commission

Four companies now participating in round 24!

Only two companies participating in 20,22.

Only one company participating in 21,23.

Companies are being proactive with premiums, coverage, ITV, and underwriting on renewals.

ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT (the "*Agreement*") is executed as of the First day of December 2026 ("Execution Date") by and between:

<CompanyName> , an insurance company admitted and licensed to do business in Louisiana ("Insurer"); and

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION, a corporation created by the Legislature of the State of Louisiana ("LCPIC").

RECITALS

WHEREAS, Insurer desires to assume and remove from LCPIC the policies described in ***Exhibit A*** to this *Agreement* in accordance with LA RS 22:2314 Policy Take-out Program,

NOW THEREFORE, in consideration of the mutual covenants and *Agreement*s hereinafter set forth, the Parties hereto do covenant and agree as follows:

DEFINITIONS

For purposes of this *Agreement*:

A. "Aggregate Losses" shall mean those losses which include, but are not limited to, compensatory, punitive, bad faith and other damages arising from, and all loss adjustment expenses relating to, the adjustment or defense of any and all claims with respect to losses on policies of insurance of LCPIC or Insurer.

B. "Assumed Premium" shall mean Initial Assumed Premium after being adjusted by the Bordereau Process.

C. "Assumption" shall mean the transference of risks from LCPIC to the Insurer on a Removed Policy, whereby the Insurer is deemed to have directly issued the Removed Policy.

D. "Assumption Date" shall mean December 1, 2026, the date upon which the Assumption of a Removed Policy occurs.

E. "Assumption Procedures" shall mean the procedures outlined in *Louisiana Citizens Property Insurance Corporation Depopulation Process Round 24*, attached as ***Exhibit B***.

F. “Bordereau Process” shall mean a monthly financial reconciliation by LCPIC to account for policy cancellations, return premiums and policyholder requested coverage changes after the Assumption Date, with positive and negative adjustments.

G. “Ceding Commission Rate” shall mean sixteen (16%) percent.

H. “Coverage Comparison Worksheets” shall mean the worksheets provided by LCPIC for Insurer to complete with coverage details for the various policy types to be offered by Insurer to the depopulated policyholders. The details will be used in a comparison of coverages between Insurer and LCPIC for the benefit of producers and policyholders.

I. “Execution Date” shall mean the date this *Agreement* was executed by LCPIC, as evidenced at the beginning of this *Agreement*.

J. “Department” shall mean the Louisiana Department of Insurance.

K. “Initial Assumed Premium” shall mean Written Premium, less the Written Premium earned by LCPIC with respect to the Removed Policies as of the respective Assumption Dates of such policies.

L. “Initial Notice” shall mean the notice required under 2.B. to be mailed to the policyholder, with a copy to the producer, prior to the effective date of this *Agreement*, notifying the policyholder of the Assumption.

M. “Parties” shall mean the Insurer and LCPIC.

N. “Program” shall mean any program for the depopulation of policies by assumption or other take-out as approved by LCPIC and the Department pursuant to LA RS 22:2314 Policy Take-out Program.

O. “Replacement Policy” shall mean a policy offered or issued by Insurer on its own policy form, to take effect upon the expiration or cancellation of a Removed Policy.

P. “Removed Policy” or “Removed Policies” shall mean a LCPIC Policy that is assumed by the Insurer under this *Agreement*. These policies are identified by LCPIC policy number, insured name and address, producer name and address and effective and expiration dates on ***Exhibit A*** or any supplement thereto.

Q. “Retention” shall mean five (5%) percent of the Assumed Premium which will be held by LCPIC and from which sums owed by the Insurer will be deducted.

R. “Returned Policy” shall mean a Removed Policy that is returned to LCPIC as provided in Section 2.E. of this *Agreement*.

S. "Written Premium" shall mean the gross written premium of LCPIC on the Removed Policies, less policy cancellation and return premiums, as of the respective Assumption Dates of such policies. Written Premium shall not include fees or surcharges invoiced for collection by LCPIC on the Policies, including but not limited to: (i) market equalization surcharges, (ii) regular assessments, (iii) emergency assessments, (iv) application fees, (v) tax-exempt surcharges, or (vi) any other fees, taxes, assessments, or surcharges imposed on LCPIC policyholders as determined by LCPIC, the Department or the Legislature of the State of Louisiana.

TERMS AND CONDITIONS

1. <u>Agreement to Remove Policies.</u>

The Insurer and LCPIC have agreed upon those Removed Policies to be removed under the Program and assumed by the Insurer on the Assumption Date and set forth those Policies by LCPIC policy number, insured name and address, producer name and address and effective and expiration dates on ***Exhibit A*** or any supplement thereto, which ***Exhibit A*** or supplement shall be attached hereto and made a part hereof by reference.

2. <u>Terms of Assumption</u>

A. Liabilities.

(i) With respect to a Removed Policy, the Insurer is liable and obligated to pay all Aggregate Losses occurring on or after 12:01 A.M. Central Standard Time on the Assumption Date of a Removed Policy and LCPIC has no obligation or liability with respect to such Aggregate Losses.

(ii) The Insurer, in addition, agrees to assume and undertake all other obligations with respect to the Removed Policies in the manner provided herein. Such obligations include, but are not limited to, accepting that the policy as written, and assumed, may not accurately reflect the risk.

(iii) LCPIC shall remain liable for all Aggregate Losses for the Removed Policies occurring before the Assumption Date, and the Insurer shall have no responsibility with respect to such losses.

(iv) The Insurer shall comply with all applicable Assumption Procedures.

B. Notices to Policyholders.

(i) The Insurer shall mail an Initial Notice to each assumed policyholder prior to the Execution Date of this *Agreement*, with a copy to the producer. The notice needs prior approval of LCPIC. The cost of this notice and any ancillary documentation to current LCPIC policyholders to effectuate Assumption of the Removed Policies shall be borne solely by the Insurer.

(ii) The *Parties* shall coordinate the mailing of any notices required by this *Agreement*.

C. Assumed Premium.

LCPIC shall pay by wire transfer to the Insurer the Initial Assumed Premium minus the applicable Ceding Commission Rate, and minus a Retention of five (5%) percent of the Initial Assumed Premium less the applicable Ceding Commission Rate, on or before the 20th day of the month starting the month following the date of this Agreement. Any subsequent amounts due to or from LCPIC as a result of the monthly Bordereau Process shall be remitted to the appropriate Party net of Ceding Commission and the Retention within ten (10) days following the receipt of the report of the Bordereau Process. In the event any amount due is not received by the due date, a penalty shall be applied to the outstanding balance equal to the 30 day LIBOR plus 5% or $750, whichever is greater. This penalty does not constitute a waiver of the remedies described in Section 7 of this *Agreement*.

D. Servicing Policies.

Commencing on the Assumption Date of a Removed Policy:

(i) Until a Removed Policy is renewed onto the Insurer's policy form, on behalf of the Insurer LCPIC shall process endorsements and cancellations and provide other policy services with respect to the Removed Policy. The consideration for services to be performed by LCPIC on behalf of the Insurer is specifically encompassed in the Ceding Commission Rate.

(ii) On Removed Policies expiring after February 28, 2027, the Insurer is responsible for offering and processing offers of renewal coverage with respect to its Replacement Policies, utilizing its approved rates and forms. Insurer is responsible for all policyholder services with respect to its Replacement Policies.

(iii) For at least the first renewal on the Insurer's policy form, the Insurer must offer the coverages, rates, and forms provided by the Insurer on the Coverage Comparison Worksheets.

E. Returned Policies.

Any policyholder under a Removed Policy may return to LCPIC within 90 days of the Assumption Date by submitting a completed opt out form to LCPIC and coverage shall be resumed with LCPIC as of the Assumption Date, provided the policyholder is eligible for coverage with LCPIC. LCPIC shall be responsible for all losses occurring between the Assumption date and the date the request to return to LCPIC is received by either the Insurer or LCPIC. LCPIC shall notify Insurer of all such received policyholder requests to return to LCPIC, on a monthly basis. If Insurer receives any opt out forms, Insurer shall promptly notify LCPIC of such receipt and forward such to LCPIC for its records. Insurer shall not send out Replacement Policies to policyholders or policy interests once notification of opt out has been received.

F. Claims Servicing.

(i) LCPIC is solely responsible for the servicing of claims for losses occurring prior to the Assumption Date.

(ii) Insurer is solely responsible for the servicing of claims for losses occurring on or after the Assumption Date.

(iii) Insurer shall adjust claims for losses occurring on or after the Assumption Date, excluding claims filed against Replacement Policies, in accordance with LCPIC policies and claims handling procedures.

(iv) LCPIC shall have no responsibility for payment of losses or loss adjustment expenses or for the servicing of claims with respect to losses reported under any Removed Policy on or after the Execution Date.

(v) LCPIC agrees that in instances where the sharing of information will facilitate the resolution of a claim which has occurred after the Assumption Date, and in accordance with applicable state and federal laws, it will share prior claims, underwriting and other information with the Insurer. LCPIC reserves the right at any time to deny access to any and all such information or to seek the permission of the Policyholder for release of such information. Insurer agrees to treat all information provided to them as confidential and certifies that all such information provided to them by LCPIC shall be used strictly to adjust a claim and for no other purpose.

(vi) With regard to losses occurring on Removed Policies after the Assumption Date, LCPIC shall give notice promptly to the Insurer of any claim by a third party or the commencement of any legal proceedings against LCPIC with respect to such claim.

(vii) Any error or omission of LCPIC, its Board of Governors or the Department, or any of the foregoing's representatives, service providers, producers or employees in servicing or reporting claims shall in no way relieve the Insurer of its liability or obligations under this *Agreement*. It is understood and agreed that the Insurer shall follow and share the same fortune as LCPIC under all circumstances. See also Section 6 below.

(viii) LCPIC agrees to assign to the Insurer any and all salvage and subrogation rights arising with respect to losses occurring on or after an Assumption Date, which LCPIC may have with respect to the Removed Policies.

G. Implementation.

(i) The *Parties* hereto acknowledge that, pursuant to all applicable laws and this *Agreement*, LCPIC will use its sole judgment and discretion in implementing the Assumption Procedures.

(ii) LCPIC shall not enter into an agreement with any other insurer for the removal of the Removed Policies unless such policies are not removed by the Insurer in accordance with the terms and provisions of this *Agreement*, or are Returned Policies or are written new by LCPIC after their removal by Insurer.

3. <u>Conditions of Assumption.</u>

A. LCPIC shall provide, or has provided, to the Insurer, by electronic data transfer, or by such other means as is acceptable to LCPIC, relevant information regarding the Removed Policies. The Insurer understands that LCPIC cannot guarantee the reliability and accuracy of this data and the Insurer agrees that Removed Policies will not be cancelled or returned to LCPIC upon discovery that this information was not accurate, unless such inaccuracy amounts to a material misrepresentation or fraud on behalf of the insured.

B. Insurer warrants and represents that it has:

(i) Satisfactorily complied with all requirements of the Department for participation in the Program.

(ii) Satisfactorily complied with all requirements of LCPIC for participation in the Assumption, including but not limited to the Assumption Procedures and securing approval from the current producer to assume each Removed Policy, in accordance with LRS 22:23 and Step 2 of the Assumption Procedures.

C. The Insurer agrees that no bonus, incentive plan, or consideration beyond the Assumed Premium will be paid by LCPIC for the Insurer's removal of Removed Policies.

4. Department Oversight.

LCPIC shall provide a fully executed copy of this *Agreement* to the Department. The Insurer shall respond to any requests for information by the Department regarding the proposal or this *Agreement*. The Insurer and LCPIC are, and shall remain, subject to all applicable laws of the State of Louisiana and the supervision, rules, regulations and orders of the Department.

5. Right to Audit.

LCPIC or its representatives, upon reasonable advance written notice, shall be entitled to audit, at its own cost and expense, the relevant books and records of the Insurer during normal business hours to confirm the Insurer's compliance with the terms and conditions of this *Agreement*.

6. Release From Liability and Indemnification.

A. Release From Liability.

Except in the case of intentional or gross fault, Insurer releases LCPIC, its Board of Governors and the Department, and any of the foregoing's representatives, service providers, producers and employees ("LCPIC Indemnitees") from any liability for damages Insurer may sustain in connection with this *Agreement*, including but not limited to any for claims servicing. See also Section 2.F.(vii), above.

B. Indemnification.

Insurer shall defend, indemnify and hold harmless LCPIC Indemnitees against any costs, expenses (including reasonable counsel fees and costs of litigation), claims, demands, actions, losses or liabilities that LCPIC Indemnitees may suffer or that may be asserted or claimed against LCPIC Indemnitees, caused by or arising out any breach of this *Agreement*.

7. <u>Breach, Default, Cure, Termination and Other Remedies.</u>

A. Events of Default.

A default under this *Agreement* occurs in the event of any material breach of an obligation, representation or undertaking of a party as set forth in this *Agreement.*

B. Cure.

In the event of a default that may be cured, the non-defaulting party shall give the defaulting party written notice of the material breach or default. Failure of the defaulting party to cure the material breach or default within fifteen (15) days of the receipt of the written notice as herein provided shall constitute and be deemed a material breach and default of this *Agreement* unless the material breach or default is not capable of being cured within such period of time, and the defaulting party has commenced good faith efforts to cure such material breach or default within fifteen (15) days, and thereafter continues in good faith to diligently pursue curing until the material breach or default is cured to the reasonable satisfaction of the non-breaching party.

C. Termination and Other Remedies.

Should the Insurer materially breach or default in any obligation as set forth in this *Agreement* and not timely cure such material default and breach as set forth in this section, LCPIC may in its sole discretion, take any or all or some of the follow actions:

(i) Terminate this *Agreement* or declare this *Agreement* canceled or void.

(ii) Prohibit Insurer from further assumption of policies pursuant to any future agreement.

(iii) Notify the Department of the violation of the *Agreement* and request that the Department take appropriate administrative action.

(iv) Forfeiture of up to the entire amount of any Retention.

(v) In addition to any rights and remedies set forth in this *Agreement*, the non-defaulting party shall have all rights and remedies available at law and/or equity, including, but not being limited to, the right to specific performance, damages or injunctive relief.

D. Removed Policies.

Notwithstanding any breach of this *Agreement*, the Insurer shall remain responsible for Removed Policies unless and until a judicial determination is rendered relieving, altering or limiting Insurer's responsibility.

8. Benefits.

This *Agreement* shall be binding upon the Parties, their heirs, legal representatives, successors and assigns.

9. Captions.

The paragraph captions as to contents of the particular paragraphs herein are inserted only for convenience and are in no way to be construed as part of this *Agreement* or as a limitation of the scope of the particular paragraph in which they are referred.

10. Construction of the *Agreement*.

Words of a gender used in this *Agreement* shall be held to include any other gender, and words in a singular number shall be held to include the plural, when the sentence so requires.

11. Entire Agreement.

This *Agreement* contains all of the oral and/or previously written agreements, representations, and arrangements between the *Parties* hereto concerning the Program, and all rights which the respective *Parties* may have had under any prior written or oral agreements are hereby canceled and terminated, and all *Parties* agree that there are no representations or warranties other than those set forth herein.

12. Louisiana Law and Jurisdiction.

It is acknowledged that this *Agreement* shall be construed and governed in accordance with the laws of the State of Louisiana and the rules, orders and regulations of the Department in effect at the time of the execution of this *Agreement*. If any legal action is filed pursuant to this *Agreement* such action must be filed in a court of competent jurisdiction in East Baton Rouge Parish, Louisiana.

13. Assignment.

The Insurer may not assign or transfer this *Agreement*, or any benefit or right under this *Agreement* without LCPIC's prior written consent. Any change in control or ownership is deemed a transfer of this *Agreement* requiring LCPIC's written consent.

14. Invalidation.

In the event any provision of this *Agreement* is determined to be invalid by a court of competent jurisdiction, the remaining provisions of this *Agreement* remain in full force and effect.

15. No Intermediary.

The Insurer represents and warrants that it has not, and LCPIC represents and warrants that it has not, incurred an obligation to make payment of any fees to any intermediary with respect to the obligations afforded under this *Agreement*.

16. Modification.

No change or modification of this *Agreement* shall be valid unless the same shall be in writing and signed by all of the *Parties* hereto and not disapproved by the Department.

17. Notices to Parties.

Any and all notices, designations, consents, offers, acceptances, or any other communications provided for herein shall be given in writing, by hand delivery, by overnight mail, by registered or certified mail, or by facsimile transmission and shall be addressed as follows:

Notice to Insurer:

<FullName>
<Title>
<CompanyName>
<CompanyAddress>
<City>, <ST> <Zip>
<Telephone>

Notice to LCPIC:

Mr. Richard Newberry
CEO
Louisiana Citizens Property Insurance Corporation
1 Galleria Blvd., Ste 720
Metairie, LA 70001
(504) 831-6930
Fax: (504) 831-6676

Notices sent by hand delivery shall be deemed delivered on the date of hand delivery, Notices sent by overnight mail shall be deemed delivered on the next business day after being placed into the hands of the overnight carrier. Notices sent by registered or certified mail shall be deemed delivered on the third business day after being deposited into the post office. Notices sent by facsimile transmission shall be deemed to be delivered on the day when sent if sent prior to 4:30 p.m. CST otherwise they shall be deemed delivered on the next business day.

18. <u>Parties Represented.</u>

The *Parties* acknowledge that each party and its counsel have reviewed and revised this *Agreement* and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this *Agreement* or any amendments or exhibits hereto.

19. <u>Survival of Terms.</u>

Sections 2,, 3., 4., 5., 6., 7., 12., 13., 14. and 17. shall survive the termination of this *Agreement*.

IN WITNESS WHEREOF, the *Parties* hereto have set their hands in duplicate original as of the day and year first above set forth.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

By:____

Mr. Richard Newberry, CEO

<CompanyName>

By:____

<Fullname, Title>

[The balance of this page is intentionally blank. See next two pages for *Acknowledgements*.]

STATE OF LOUISIANA

PARISH OF ___________

ACKNOWLEDGMENT

BEFORE ME, the undersigned Notary Public, personally came and appeared:

RICHARD NEWBERRY

who after being duly sworn, did say that he is authorized to execute the foregoing *Agreement* and it was executed freely and for the purposes therein set forth.

____
NOTARY PUBLIC
[Print name, address and bar/notary number.]

[The rest of this page is intentionally blank.]

STATE OF _____________

_______ OF ___________

ACKNOWLEDGMENT

BEFORE ME, the undersigned Notary Public, on this _____ day of __________, 2026, personally came and appeared:

<FULLNAME>

who after being duly sworn, did say that he is authorized to execute the foregoing *Agreement* and it was executed freely and for the purposes therein set forth.

____
NOTARY PUBLIC
[Print name, address and bar/notary number.]

[The rest of this page is intentionally blank. See next page for *Exhibits*.]

Exhibits:

A. Schedule of Removed Policies (X pages)
B. *Louisiana Citizens Property Insurance Corporation Depopulation Process Round 24* (3 pages)

[The balance of this page is intentionally blank. Exhibits begin on the following page.]

COMMERCIAL RATE REVIEW

July 9th, 2026 Board of Directors Meeting

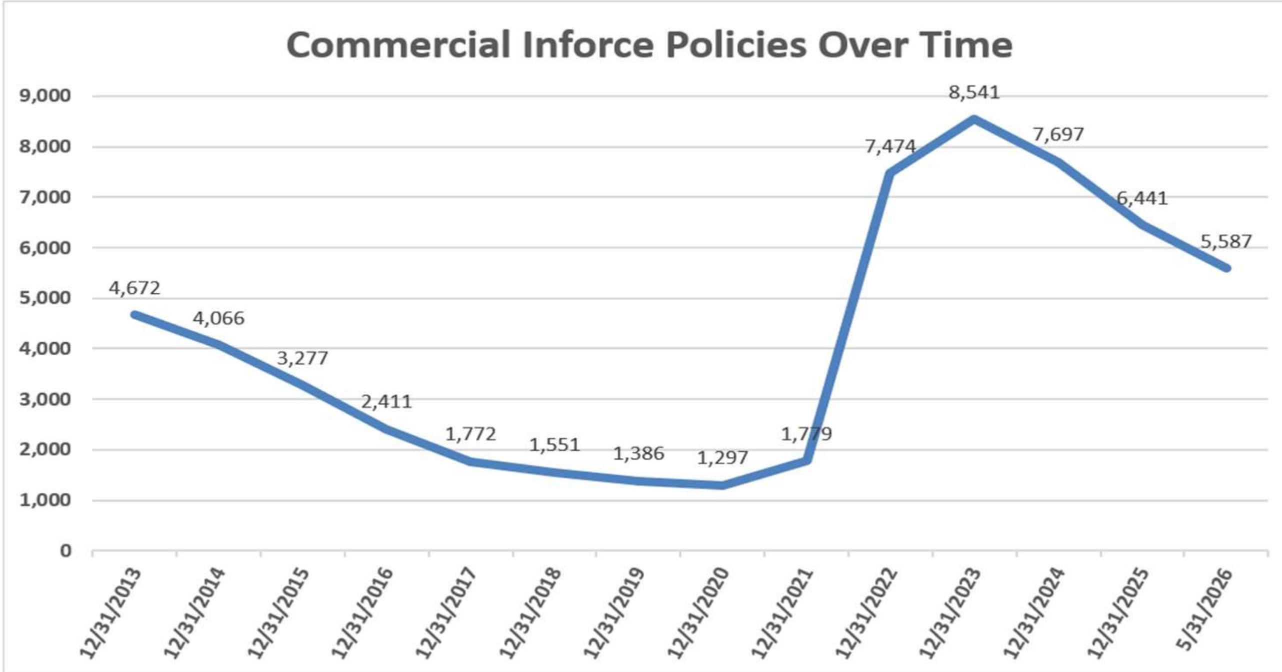
Current Book of Commercial Policies

5/31/26 Total Policies: **5,587**

Total Insured Value: **$5.2 Billion**

Ten Largest Parishes by Premium Volume (84% of Overall Commercial Premium)

Parish	Inforce Premium	Policies
Jefferson	$15.3 million	1,173
Orleans	$13.5 million	1,148
Terrebonne	$7.5 million	657
Lafourche	$3.8 million	369
St. Mary	$3.4 million	362
St. Tammany	$2.5 million	237
Plaquemines	$2.0 million	166
Iberia	$2.0 million	221
Calcasieu	$1.8 million	97
St. Bernard	$1.8 million	195


Commercial Inforce Policies Over Time
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
4,672
4,066
3,277
2,411
1,772
1,551
1,386
1,297
1,779
7,474
8,541
7,697
6,441
5,587
12/31/2013
12/31/2014
12/31/2015
12/31/2016
12/31/2017
12/31/2018
12/31/2019
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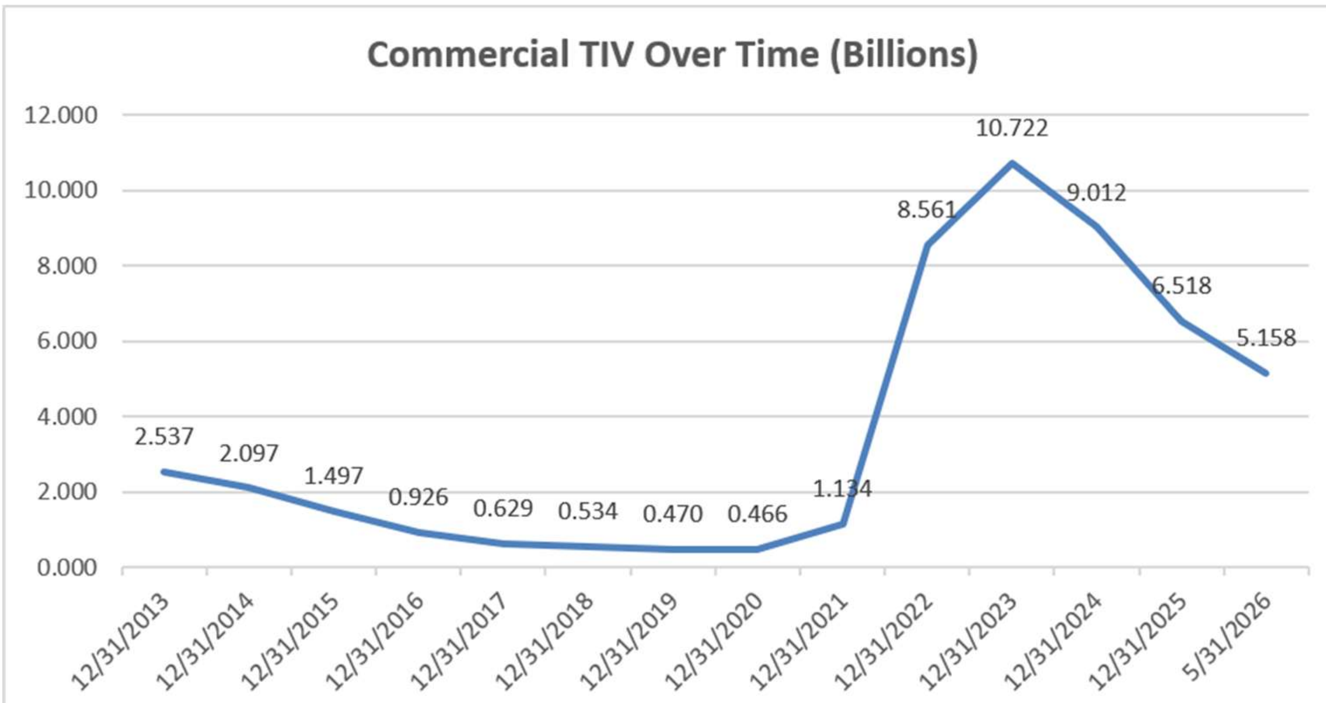
12/31/2024
12/31/2025
5/31/2026


Commercial TIV Over Time (Billions)
12.000
10.000
8.000
6.000
4.000
2.000
0.000
2.537
2.097
1.497
0.926
0.629
0.534
0.470
0.466
1.134
8.561
10.722
9.012
6.518
5.158
12/31/2013
12/31/2014
12/31/2015
12/31/2016
12/31/2017
12/31/2018
12/31/2019
12/31/2020
12/31/2021
12/31/2022
12/31/2023
12/31/2024
12/31/2025
5/31/2026

Commercial Rate Review

- Expected Commercial premium needed is based on the projection of the following categories of loss & expense listed in order of significance:

Loss/Expense Category	Basis of Estimate
Reinsurance Expense	Actual 2026 contracts
Catastrophe (PCS Event) Loss & ALAE	50/50 blend of RMS and AIR catastrophe models
Operating Expense	LCPIC historical expense ratios
Non-Catastrophe Loss & ALAE	Most recent five years of LCPIC claims

Proposed Commercial Rate Change Proposed to be Effective 11/1/26

Changes in both the cost of reinsurance and modeled loss are the primary drivers of a proposed overall rate change of -14.4%

Plan	Rate Change Indication	5-31-26 Inforce Policies	5-31-26 Average Premium per Policy
FAIR	-14.6%	5,330	$11,194
Coastal	-11.7%	257	$16,279

Note that as in prior years, LCPIC will also adopt the most recently approved ISO loss costs. While individual policies will see changes, the overall impact will be revenue neutral.

Commercial Rate Review
Proposed Schedule to Implement

- **July 9th - Board meeting**
  - Vote to submit rates to the Department of Insurance

- **July / August**
  - Department of Insurance review of rate filing
  - Rates implemented if approved by DOI within +/-0.5% (*Provides LCPIC the time necessary for programming changes and meeting deadlines with respect to annual rate change required by statute*)

- **September – Board meeting**
  - Update on final rate changes approved by DOI
  - Vote to implement only if rates changed materially (+/- 0.5%) since July board meeting

- **November 1st - Proposed rate change effective**

Appendix

Exhibit 1

Louisiana Citizens Property Insurance Corporation
Indicated Commercial Rate Changes

(1)	2025 Direct Onlevel Earned Premium (2)	Actuarial Indications (3)	R.S. 22:2303 Adjustment (4)	R.S. 22:2303 Indications (5)
FAIR Plan	$ 93,732,593	-14.6%	1.00	-14.6%
Coastal Plan	$ 5,351,847	-11.7%	1.00	-11.7%
Statewide Total	**$ 99,084,440**	**-14.4%**		**-14.4%**

(2) See Exhibit 5 for FAIR, Exhibit 6 for Coastal
(3) See Exhibit 3, Page 1 for FAIR, Exhibit 4, Page 1 for Coastal
(4) Factor to adjust to 10% above according to Louisiana statutes. 1.00 being used temporarily per Act 757 of the 2024 Regular Session.
(5) {[1 + (3)] * (4)} - 1

Louisiana Citizens Property Insurance Corporation
2025 Earned Premium Distribution

Plan / Parish	2025 Earned Premium
	(1)
FAIR Plan	
Acadia	378,068
Allen	261,947
Ascension	708,365
Assumption	215,373
Avoyelles	24,754
Beauregard	303,455
Bienville	767
Bossier	100,801
Caddo	170,295
Calcasieu	3,445,351
Caldwell	-
Cameron	231,673
Catahoula	17,252
Claiborne	8,938
Concordia	13,796
DeSoto	(6)
East Baton Rouge	2,088,783
East Carroll	-
East Feliciana	21,556
Evangeline	116,854
Franklin	13,172
Grant	-
Iberia	2,819,597
Iberville	115,772
Jackson	-
Jefferson	22,930,371
Jefferson Davis	685,935
Lafayette	2,238,034
Lafourche	2,978,942
La Salle	1,129
Lincoln	13,296
Livingston	267,719
Madison	34,703
Morehouse	10,043
Natchitoches	12,299
Orleans	22,259,468
Ouachita	76,555
Plaquemines	1,680,118
Pointe Coupee	68,727
Rapides	147,840
Red River	3,140
Richland	7,475
Sabine	6,408
Saint Bernard	2,185,866
Saint Charles	1,926,804
Saint Helena	13,333
Saint James	420,912
Saint John the Baptist	833,753
Saint Landry	459,349
Saint Martin	332,047
Saint Mary	3,970,617
Saint Tammany	4,100,823
Tangipahoa	1,116,228
Tensas	2,718
Terrebonne	9,477,443
Union	73,700
Vermilion	1,464,564
Vernon	12,116
Washington	45,169
Webster	20,043
West Baton Rouge	226,214
West Carroll	-
West Feliciana	5,185
Winn	-
Total	91,165,649

2025 Earned Premium Distribution

Plan / Parish	2025 Earned Premium (1)
Coastal Plan	
Cameron	313,838
Iberia	-
Jefferson	982,027
Lafourche	1,966,751
Orleans	54,982
Plaquemines	767,056
Saint Bernard	66,261
Saint Mary	28,588
Terrebonne	1,350,073
Vermilion	9,197
Total	5,538,773
TOTAL (FAIR + Coastal)	96,704,422

Notes:
(1) See Exhibit 5 for FAIR, Exhibit 6 for Coastal

Louisiana Citizens Property Insurance Corporation

Statewide Rate Level Indication

FAIR Plan - Commercial

Accident Year Ending December 31,	Trended On Level Earned Premium	Trended and Developed Total Incurred Losses Excluding CAT	Loss Ratio	Weights
(1)	(2)	(3)	(4)	(5)
2021	$10,656,875	$83,240	0.78%	NA
2022	86,767,512	2,441,331	2.81%	NA
2023	151,336,420	1,377,919	0.91%	NA
2024	133,773,072	3,645,800	2.73%	NA
2025	97,405,457	1,083,228	1.11%	NA
Total	$479,939,336	$8,631,518	1.80%	XXX

(6)	Weighted Experience Non-Cat Loss & ALAE Ratio	1.80%
(7)	Expected Non-Cat Loss & ALAE Ratio	1.70%
(8)	Credibility	84.67%
(9)	Credibility Weighted Non-Cat Loss Ratio	1.78%
(10)	Expected Catastrophe Loss & ALAE	20.57%
(11)	Variable portion of ULAE as % of Expected Catastrophe Loss & ALAE	0.00%
(12)	Expected Catastrophe Loss, ALAE, and Variable ULAE	20.57%
(13)	Wtd Non-CAT & Expected CAT Loss, ALAE, and Variable ULAE Ratio	22.35%
(14)	Fixed Expense Ratio	3.25%
(15)	Reinsurance Expense Loading	51.49%
(16)	Variable Expenses	12.25%
(17)	Investment Income	2.50%
(18)	Credibility Weighted Indicated Rate Level Change	-14.60%
(19)	Dollar Change	($14,221,197)

Notes:
(2) See Exhibit 3, (Page 2 of 3), Column (6)
(3) See Exhibit 3, (Page 3 of 3), Column (5)
(4) =[(3) / (2)]
(5) Based on judgment
(6) Total line of column (4)
(7) See Exhibit 15
(8) Based on earned house years using 40,000 as fully credible, see Exhibit 14
(9) =(6)*(8)+[1-(8)]*(7)
(10) From Exhibit 17, item (8) (FAIR)
(11) See Exhibit 16
(12) =((10)*(1+(11))
(13) =(9)+(12)
(14) See Exhibit 16
(15) See Exhibit 18
(16) See Exhibit 16
(17) See Exhibit 23
(18) =((13)+(14)+(15))/(1.0-(16)+(17))-1.0
(19) =(18)*2025 (2)

Louisiana Citizens Property Insurance Corporation

Adjustments to Earned Premium

FAIR Plan - Commercial

Accident Year Ending December 31,	Earned Premium	On Level Factors	On Level Earned Premium	Trend Factor	Trended On Level Earned Premium
(1)	(2)	(3)	(4)	(5)	(6)
2021	$4,900,622	1.9412	$9,513,332	1.1202	$10,656,875
2022	$43,948,900	1.8836	$82,779,951	1.0482	86,767,512
2023	$109,097,226	1.3305	$145,152,002	1.0426	151,336,420
2024	$122,771,748	1.0460	$128,417,204	1.0417	133,773,072
2025	$91,165,649	1.0282	$93,732,593	1.0392	97,405,457
Total	$371,884,145	XXX	$459,595,082	XXX	$479,939,336

Notes:
(2) See Exhibit 5
(3) =[(4) / (2)]
(4) See Exhibit 5
(5) See Exhibit 13, Column (6)
(6) [(4) x (5)]

Louisiana Citizens Property Insurance Corporation

Adjustment of Losses

FAIR Plan - Commercial

Accident Year Ending December 31,	Non-Catastrophe Incurred Losses as of 12/31/2025	Loss Development Factor	Current Cost Factor	Trended and Developed Total Incurred Losses Excluding CAT
(1)	(2)	(3)	(4)	(5)
2021	$66,168	1.0040	1.2530	$83,240
2022	$2,013,917	1.0060	1.2050	2,441,331
2023	$1,178,282	1.0090	1.1590	1,377,919
2024	$3,196,007	1.0240	1.1140	3,645,800
2025	$906,288	1.1160	1.0710	1,083,228
Total	$7,360,661	XXX	XXX	$8,631,518

Notes:
(2) See Exhibit 7 (Includes ALAE)
(3) See Exhibit 11
(4) See Exhibit 12
(5) =[(2) x (3) x (4)]

Louisiana Citizens Property Insurance Corporation

Statewide Rate Level Indication

Coastal Plan - Commercial

Accident Year Ending December 31,	Trended On Level Earned Premium	Trended and Developed Total Incurred Losses Excluding CAT	Loss Ratio	Weights
(1)	(2)	(3)	(4)	(5)
2021	$1,997,742	$1,009	0.05%	NA
2022	5,564,898	1	0.00%	NA
2023	6,841,532	88	0.00%	NA
2024	6,184,328	34,347	0.56%	NA
2025	5,561,556	0	0.00%	NA
Total	$26,150,056	$35,445	0.14%	XXX

(6)	Weighted Experience Loss and Allocated Loss Adjustment Expense Ratio	0.14%
(7)	Expected Non-Cat Loss Ratio	1.10%
(8)	Credibility	18.08%
(9)	Credibility Weighted Non-Cat Loss Ratio	0.93%
(10)	Expected Catastrophe Loss & ALAE	20.43%
(11)	Variable portion of ULAE as % of Expected Catastrophe Loss & ALAE	0.00%
(12)	Expected Catastrophe Loss, ALAE, and Variable ULAE	20.43%
(13)	Wtd Non-CAT & Expected CAT Loss, ALAE, and Variable ULAE Ratio	21.36%
(14)	Fixed Expense Ratio	3.25%
(15)	Reinsurance Expense Loading	55.09%
(16)	Variable Expenses	12.25%
(17)	Investment Income	2.50%
(18)	Credibility Weighted Indicated Rate Level Change	-11.70%
(19)	Dollar Change	($650,702)

Notes:

(2) See Exhibit 4,(Page 2 of 3), Column(6)
(3) See Exhibit 4, (Page 3 of 3), Column (5)
(4) =[(3) / (2)]
(5) Based on judgment.
(6) Total line of column (4)
(7) See Exhibit 15
(8) Based on earned house years using 40,000 as fully credible, see Exhibit 14
(9) =(6)*(8)+[1-(8)]*(7)
(10) From Exhibit 17, item (8) (Coastal)
(11) See Exhibit 16
(12) =((10)*(1+(11))
(13) =(9)+(12)
(14) See Exhibit 16
(15) See Exhibit 18
(16) See Exhibit 16
(17) See Exhibit 23
(18) =((13)+(14)+(15))/(1.0-(16)+(17))-1.0
(19) =(18)*2025 (2)

Louisiana Citizens Property Insurance Corporation

Adjustments to Earned Premium

Coastal Plan - Commercial

Accident Year Ending December 31,	Earned Premium	On Level Factors	On Level Earned Premium	Trend Factor	Trended On Level Earned Premium
(1)	(2)	(3)	(4)	(5)	(6)
2021	$967,209	1.8438	$1,783,373	1.1202	$1,997,742
2022	$3,299,313	1.6092	$5,309,153	1.0482	5,564,898
2023	$5,975,549	1.0981	$6,561,950	1.0426	6,841,532
2024	$6,588,524	0.9011	$5,936,726	1.0417	6,184,328
2025	$5,538,773	0.9663	$5,351,847	1.0392	5,561,556
Total	$22,369,367	XXX	$24,943,049	XXX	$26,150,056

Notes:
- (2) See Exhibit 6
- (3) =[(4) / (2)]
- (4) See Exhibit 6
- (5) See Exhibit 13, Column (6)
- (6) [(4) x (5)]

Louisiana Citizens Property Insurance Corporation

Adjustment of Losses

Coastal Plan - Commercial

Accident Year Ending December 31,	Non-Catastrophe Incurred Losses as of 12/31/2025	Loss Development Factor	Current Cost Factor	Trended and Developed Total Incurred Losses Excluding CAT
(1)	(2)	(3)	(4)	(5)
2021	$802	1.0040	1.2530	$1,009
2022	$1	1.0060	1.2050	1
2023	$76	1.0090	1.1590	88
2024	$30,109	1.0240	1.1140	34,347
2025	$0	1.1160	1.0710	0
Total	$30,987	XXX	XXX	$35,445

Notes:
(2) See Exhibit 8 (Includes ALAE)
(3) See Exhibit 11
(4) See Exhibit 12
(5) =[(2) x (3) x (4)]

FAIR Plan Earned Premiun

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	Actual Earned Premium					Earned Premium at Current Rate Levels					Rate Change History							
Parish	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2/1/2020	2/1/2021	2/1/2022	11/1/2022	11/1/2023	11/1/2024	1/1/2025	11/1/2025
Acadia Parish	59,302	358,112	625,582	525,185	378,068	115,121	674,522	832,327	549,335	388,713	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Allen Parish	-	75,081	138,134	206,480	261,947	-	141,419	183,785	215,974	269,322	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Ascension Parish	20,585	580,525	1,007,726	1,066,625	708,365	39,961	1,093,448	1,340,762	1,115,672	728,310	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Assumption Parish	3,558	114,827	209,675	276,611	215,373	6,906	216,283	278,969	289,331	221,437	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Avoyelles Parish	1,215	4,515	25,820	57,471	24,754	2,358	8,504	34,354	60,114	25,451	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Beauregard Parish	3,846	56,248	76,918	260,505	303,455	7,466	105,946	102,338	272,484	311,999	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Bienville Parish	-	-	-	-	767	-	-	-	-	788	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Bossier Parish	11,314	72,896	77,020	88,100	100,801	21,963	137,302	102,473	92,152	103,639	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Caddo Parish	1,510	172,430	288,945	516,383	170,295	2,931	324,781	384,437	540,128	175,090	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Calcasieu Parish	619,075	2,401,010	5,726,443	6,316,285	3,445,351	1,201,779	4,522,422	7,618,935	6,606,729	3,542,361	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Caldwell Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Cameron Parish	69,775	142,176	224,209	240,962	231,673	135,450	267,796	298,307	252,042	238,196	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Catahoula Parish	2,789	11,866	9,480	4,642	17,252	5,414	22,350	12,613	4,856	17,738	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Claiborne Parish	-	-	3,617	7,722	8,938	-	-	4,812	8,077	9,190	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Concordia Parish	-	-	24,356	68,398	13,796	-	-	32,405	71,544	14,185	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
DeSoto Parish	424	3,439	6,700	3,331	(6)	824	6,477	8,915	3,484	(6)	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
East Baton Rouge Parish	44,981	900,403	2,435,951	2,841,628	2,088,783	87,320	1,695,954	3,240,991	2,972,296	2,147,597	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
East Carroll Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
East Feliciana Parish	3,288	14,935	48,106	34,212	21,556	6,383	28,131	64,004	35,785	22,163	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Evangeline Parish	1,892	50,304	76,845	124,246	116,854	3,674	94,751	102,240	129,959	120,144	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Franklin Parish	50	778	566	489	13,172	97	1,464	753	511	13,543	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Grant Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Iberia Parish	143,968	1,003,125	2,663,680	3,186,635	2,819,597	279,478	1,889,437	3,543,982	3,333,167	2,898,988	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Iberville Parish	20,904	25,898	129,670	239,334	115,772	40,580	48,780	172,524	250,340	119,032	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Jackson Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Jefferson Parish	1,124,593	10,859,639	27,454,708	30,216,783	22,930,371	2,183,116	20,454,674	36,528,022	31,606,251	23,576,020	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Jefferson Davis Parish	203,869	459,935	654,869	769,959	685,935	395,761	866,310	871,292	805,364	705,249	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Lafayette Parish	114,599	975,790	3,001,478	3,483,567	2,238,034	222,465	1,837,949	3,993,416	3,643,753	2,301,050	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Lafourche Parish	206,596	1,442,962	3,503,345	3,857,514	2,978,942	401,055	2,717,891	4,661,140	4,034,895	3,062,820	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
LaSalle Parish	3,066	3,971	1,993	3,290	1,129	5,951	7,479	2,652	3,441	1,161	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Lincoln Parish	-	-	70	2,498	13,296	-	-	93	2,613	13,671	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Livingston Parish	11,413	114,010	351,218	573,986	267,719	22,155	214,744	467,289	600,380	275,257	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Madison Parish	5,424	20,727	40,066	41,232	34,703	10,528	39,041	53,307	43,128	35,680	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Morehouse Parish	-	-	23	4,601	10,043	-	-	30	4,813	10,326	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Natchitoches Parish	-	442	1,482	3,621	12,299	-	833	1,972	3,788	12,645	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Orleans Parish	775,971	10,387,632	28,199,612	31,000,283	22,259,468	1,506,354	19,565,625	37,519,104	32,425,779	22,886,227	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Ouachita Parish	-	4,329	33,834	99,527	76,555	-	8,154	45,016	104,104	78,711	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Plaquemines Parish	116,884	660,109	1,681,285	2,346,450	1,680,118	226,902	1,243,349	2,236,921	2,454,347	1,727,425	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Pointe Coupee Parish	3,021	16,465	34,993	72,170	68,727	5,865	31,013	46,558	75,489	70,662	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Rapides Parish	16,958	15,953	84,649	192,957	147,840	32,920	30,049	112,624	201,830	152,003	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Red River Parish	-	1,963	4,436	3,948	3,140	-	3,698	5,902	4,130	3,229	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Richland Parish	-	3,254	6,671	3,677	7,475	-	6,129	8,876	3,846	7,686	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Sabine Parish	-	324	558	3,377	6,408	-	610	743	3,533	6,588	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Bernard Parish	117,798	758,261	2,058,146	2,382,905	2,185,866	228,675	1,428,222	2,738,329	2,492,479	2,247,413	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Charles Parish	20,993	1,019,128	2,495,929	2,545,278	1,926,804	40,753	1,919,579	3,320,790	2,662,318	1,981,057	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Helena Parish	-	9,006	17,603	20,890	13,333	-	16,963	23,421	21,850	13,708	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint James Parish	24,933	376,561	336,848	471,677	420,912	48,402	709,271	448,171	493,366	432,764	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint John Parish	51,637	694,645	1,134,836	1,476,632	833,753	100,240	1,308,398	1,509,880	1,544,532	857,229	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Landry Parish	8,670	217,647	674,701	637,789	459,349	16,831	409,949	897,679	667,116	472,282	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Martin Parish	22,325	144,658	321,153	430,953	332,047	43,338	272,471	427,289	450,769	341,396	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Mary Parish	374,211	1,631,587	3,570,716	4,451,238	3,970,617	726,436	3,073,175	4,750,777	4,655,921	4,082,417	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Saint Tammany Parish	107,833	2,190,476	6,055,777	6,485,019	4,100,823	209,330	4,125,870	8,057,109	6,783,222	4,216,289	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Tangipahoa Parish	27,799	508,503	1,443,214	1,582,182	1,116,228	53,964	957,791	1,920,171	1,654,936	1,147,658	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Tensas Parish	566	3,245	9,528	1,777	2,718	1,099	6,113	12,677	1,859	2,794	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Terrebonne Parish	415,433	4,859,133	10,666,618	11,632,429	9,477,443	806,459	9,152,419	14,191,754	12,167,327	9,744,299	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Union Parish	-	491	-	21,697	73,700	-	925	-	22,694	75,775	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Vermilion Parish	130,310	409,313	1,064,592	1,469,910	1,464,564	252,964	770,961	1,416,422	1,537,501	1,505,801	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Vernon Parish	-	1,616	62,188	57,934	12,116	-	3,044	82,740	60,598	12,457	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Washington Parish	5,298	40,063	108,296	106,343	45,169	10,285	75,461	144,086	111,233	46,441	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Webster Parish	1,642	3,437	11,751	21,917	20,043	3,188	6,473	15,634	22,925	20,608	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
West Baton Rouge Parish	-	121,921	203,761	220,336	226,214	-	229,644	271,100	230,468	232,584	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
West Carroll Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
West Feliciana Parish	304	3,136	6,832	10,159	5,185	591	5,907	9,090	10,626	5,331	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Winn Parish	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
NULL	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Unknown	-	-	-	-	-	-	-	-	-	-	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%
Total	4,900,622	43,948,900	109,097,226	122,771,748	91,165,649	9,513,332	82,779,951	145,152,002	128,417,204	93,732,593	0.87%	-0.23%	6.48%	71.05%	2.96%	8.90%	-9.09%	4.70%

(2) - (6) - Actual Earned Premium.
(7) - (11) -Calculated as (2)-(6) multiplied by the appropriate on-level factors from Exhibit 9
(12)-(21) - Source: Company Records

(22)-(31) - Cumulative product of (12)-(21)
(32)-(36) - Calculated as (7)-(11) multiplied by the appropriate trend factor in (37)
(37) See Exhibit 13

(1)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
	Cummulative Rate Change History								Trended Earned Premium at Current Rate Levels				
Parish	2/1/2020	2/1/2021	2/1/2022	11/1/2022	11/1/2023	11/1/2024	1/1/2025	11/1/2025	2021	2022	2023	2024	2025
Acadia Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	128,959	707,014	867,790	572,246	403,945
Allen Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	148,231	191,615	224,982	279,875
Ascension Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	44,764	1,146,120	1,397,887	1,162,203	756,848
Assumption Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	7,736	226,701	290,855	301,398	230,114
Avoyelles Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	2,641	8,914	35,818	62,621	26,448
Beauregard Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	8,363	111,049	106,698	283,848	324,225
Bienville Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	819
Bossier Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	24,603	143,916	106,839	95,995	107,700
Caddo Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	3,283	340,426	400,817	562,655	181,951
Calcasieu Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	1,346,238	4,740,270	7,943,551	6,882,274	3,681,167
Caldwell Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
Cameron Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	151,732	280,696	311,017	262,554	247,530
Catahoula Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	6,065	23,427	13,150	5,059	18,433
Claiborne Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	5,017	8,414	9,550
Concordia Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	33,786	74,528	14,741
DeSoto Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	923	6,789	9,295	3,629	(6)
East Baton Rouge Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	97,816	1,777,649	3,379,078	3,096,261	2,231,749
East Carroll Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
East Feliciana Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	7,150	29,486	66,731	37,277	23,031
Evangeline Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	4,116	99,315	106,596	135,379	124,852
Franklin Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	109	1,535	785	532	14,074
Grant Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
Iberia Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	313,072	1,980,452	3,694,979	3,472,183	3,012,583
Iberville Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	45,458	51,130	179,875	260,781	123,696
Jackson Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
Jefferson Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	2,445,536	21,439,988	38,084,353	32,924,446	24,499,834
Jefferson Davis Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	443,333	908,041	908,415	838,953	732,884
Lafayette Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	249,206	1,926,484	4,163,561	3,795,722	2,391,215
Lafourche Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	449,264	2,848,813	4,859,735	4,203,177	3,182,835
LaSalle Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	6,666	7,839	2,765	3,585	1,206
Lincoln Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	97	2,722	14,207
Livingston Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	24,818	225,088	487,199	625,420	286,043
Madison Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	11,794	40,922	55,578	44,927	37,078
Morehouse Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	31	5,014	10,731
Natchitoches Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	873	2,056	3,946	13,140
Orleans Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	1,687,424	20,508,113	39,117,662	33,778,154	23,783,012
Ouachita Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	8,547	46,934	108,446	81,795
Plaquemines Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	254,177	1,303,242	2,332,228	2,556,710	1,795,113
Pointe Coupee Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	6,570	32,507	48,542	78,637	73,431
Rapides Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	36,877	31,496	117,423	210,248	157,959
Red River Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	3,876	6,153	4,302	3,356
Richland Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	6,424	9,254	4,006	7,987
Sabine Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	639	775	3,680	6,846
Saint Bernard Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	256,163	1,497,020	2,855,000	2,596,432	2,335,477
Saint Charles Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	45,652	2,012,046	3,462,277	2,773,355	2,058,684
Saint Helena Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	17,780	24,419	22,761	14,245
Saint James Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	54,220	743,437	467,266	513,943	449,722
Saint John Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	112,289	1,371,424	1,574,211	1,608,949	890,819
Saint Landry Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	18,854	429,696	935,926	694,939	490,788
Saint Martin Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	48,547	285,596	445,494	469,569	354,773
Saint Mary Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	813,757	3,221,212	4,953,191	4,850,104	4,242,384
Saint Tammany Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	234,492	4,324,616	8,400,394	7,066,128	4,381,502
Tangipahoa Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	60,451	1,003,928	2,001,983	1,723,958	1,192,628
Tensas Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	1,231	6,407	13,217	1,937	2,903
Terrebonne Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	903,399	9,593,297	14,796,415	12,674,787	10,126,124
Union Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	970	-	23,640	78,744
Vermilion Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	283,371	808,099	1,476,771	1,601,625	1,564,805
Vernon Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	3,191	86,265	63,125	12,945
Washington Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	11,521	79,096	150,225	115,872	48,261
Webster Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	3,571	6,785	16,300	23,881	21,416
West Baton Rouge Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	240,706	282,651	240,080	241,698
West Carroll Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
West Feliciana Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	662	6,192	9,477	11,069	5,540
Winn Parish	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
NULL	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
Unknown	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	-	-	-	-	-
Total	1.956	1.939	1.944	1.826	1.067	1.037	0.952	1.047	10,656,873	86,767,510	151,336,422	133,773,068	97,405,455
		(33)	Trend Factors						1.120	1.048	1.043	1.042	1.039

Coastal Plan Earned Premium

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	Actual Earned Premium					Earned Premium at Current Rate Levels					Rate Change History						
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2/1/2020	2/1/2021	2/1/2022	11/1/2022	11/1/2023	11/1/2024	1/1/2025
Acadia Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Allen Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Ascension Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Assumption Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Avoyelles Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Beauregard Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Bienville Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Bossier Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Caddo Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Calcasieu Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Caldwell Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Cameron Parish	50,358	138,809	295,281	319,630	313,838	92,852	223,368	324,258	288,009	303,246	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Catahoula Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Claiborne Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Concordia Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
DeSoto Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
East Baton Rouge Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
East Carroll Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
East Feliciana Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Evangeline Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Franklin Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Grant Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Iberia Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Iberville Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Jackson Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Jefferson Parish	203,228	394,710	554,831	928,886	982,027	374,720	635,155	609,278	836,992	948,885	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Jefferson Davis Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Lafayette Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Lafourche Parish	350,559	1,714,381	2,962,732	2,936,055	1,966,751	646,373	2,758,729	3,253,475	2,645,594	1,900,376	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
LaSalle Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Lincoln Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Livingston Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Madison Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Morehouse Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Natchitoches Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Orleans Parish	4,406	53,552	64,072	65,970	54,982	8,124	86,174	70,360	59,444	53,126	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Ouachita Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Plaquemines Parish	286,988	419,113	743,882	862,293	767,056	529,158	674,424	816,882	776,987	741,169	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Pointe Coupee Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Rapides Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Red River Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Richland Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Sabine Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Bernard Parish	1,555	41,334	93,325	71,868	66,261	2,866	66,514	102,483	64,758	64,025	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Charles Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Helena Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint James Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint John Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Landry Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Martin Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Mary Parish	2,965	21,698	41,730	31,038	28,588	5,467	34,915	45,825	27,967	27,623	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Saint Tammany Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Tangipahoa Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Tensas Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Terrebonne Parish	67,150	510,940	1,207,507	1,359,433	1,350,073	123,813	822,189	1,326,003	1,224,946	1,304,510	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Union Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Vermilion Parish	-	4,776	12,190	13,349	9,197	-	7,685	13,386	12,029	8,887	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Vernon Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Washington Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Webster Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
West Baton Rouge Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
West Carroll Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
West Feliciana Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Winn Parish	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
NULL	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Unknown	-	-	-	-	-	-	-	-	-	-	-2.98%	17.70%	8.46%	79.30%	-6.83%	0.43%	-9.09%
Total	967,209	3,299,313	5,975,549	6,588,524	5,538,773	1,783,373	5,309,153	6,561,950	5,936,726	5,351,847	-3.42%	-2.98%	17.70%	8.46%	79.30%	0.43%	1.10%

(2) - (6) - Actual Earned Premium.
(7) - (11) -Calculated as (2)-(6) multiplied by the appropriate on-level factors from Exhibit 9
(12)-(21) - Source: Company Records

(22)-(31) - Cumulative product of (12)-(21)
(32)-(36) - Calculated as (7)-(11) multiplied by the appropriate trend factor in (37)
(37) See Exhibit 13

(1)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
		Cummulative Rate Change History								Trended Earned Premium at Current Rate Levels				
	11/1/2025	2/1/2020	2/1/2021	2/1/2022	11/1/2022	11/1/2023	11/1/2024	1/1/2025	11/1/2025	2021	2022	2023	2024	2025
Acadia Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Allen Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Ascension Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Assumption Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Avoyelles Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Beauregard Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Bienville Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Bossier Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Caddo Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Calcasieu Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Caldwell Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Cameron Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	104,013	234,128	338,073	300,021	315,129
Catahoula Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Claiborne Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Concordia Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
DeSoto Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
East Baton Rouge Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
East Carroll Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
East Feliciana Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Evangeline Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Franklin Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Grant Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Iberia Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Iberville Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Jackson Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Jefferson Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	419,763	665,751	635,237	871,900	986,067
Jefferson Davis Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Lafayette Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Lafourche Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	724,070	2,891,619	3,392,094	2,755,933	1,974,841
LaSalle Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Lincoln Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Livingston Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Madison Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Morehouse Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Natchitoches Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Orleans Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	9,101	90,325	73,358	61,923	55,208
Ouachita Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Plaquemines Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	592,765	706,911	851,686	809,393	770,211
Pointe Coupee Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Rapides Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Red River Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Richland Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Sabine Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint Bernard Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	3,211	69,718	106,849	67,459	66,534
Saint Charles Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint Helena Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint James Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint John Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint Landry Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint Martin Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Saint Mary Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	6,124	36,597	47,777	29,133	28,705
Saint Tammany Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Tangipahoa Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Tensas Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Terrebonne Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	138,696	861,794	1,382,499	1,276,035	1,355,627
Union Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Vermilion Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	8,055	13,956	12,531	9,235
Vernon Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Washington Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Webster Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
West Baton Rouge Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
West Carroll Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
West Feliciana Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Winn Parish	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
NULL	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Unknown	1.10%	1.910	1.968	1.672	1.542	0.860	0.923	0.919	1.011	-	-	-	-	-
Total	1.10%	2.202	2.280	2.350	1.996	1.841	1.027	1.022	1.011	1,997,743	5,564,898	6,841,529	6,184,328	5,561,557
			(33)	Trend Factors						1.120	1.048	1.043	1.042	1.039

Exhibit 7

FAIR Plan Incurred Losses and ALAE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Incurred Losses and ALAE					Trended Ultimate Losses and ALAE					2021-2025 Claim Count
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	
Acadia Parish	-	-	-	-	-	-	-	-	-	-	-
Allen Parish	-	-	7,169	-	268	-	-	8,384	-	320	2
Ascension Parish	28,792	52,420	-	-	-	36,220	63,545	-	-	-	4
Assumption Parish	-	1	-	-	-	-	1	-	-	-	1
Avoyelles Parish	-	-	-	-	-	-	-	-	-	-	-
Beauregard Parish	-	-	-	-	-	-	-	-	-	-	-
Bienville Parish	-	-	-	-	-	-	-	-	-	-	-
Bossier Parish	-	-	-	-	80,789	-	-	-	-	96,561	4
Caddo Parish	-	1	55,375	-	-	-	1	64,758	-	-	2
Calcasieu Parish	-	29,353	-	-	219,065	-	35,583	-	-	261,834	4
Caldwell Parish	-	-	-	-	-	-	-	-	-	-	-
Cameron Parish	-	-	-	-	-	-	-	-	-	-	-
Catahoula Parish	-	-	-	-	-	-	-	-	-	-	-
Claiborne Parish	-	-	-	-	-	-	-	-	-	-	-
Concordia Parish	-	-	-	-	-	-	-	-	-	-	-
DeSoto Parish	-	-	-	-	-	-	-	-	-	-	-
East Baton Rouge Parish	241	263,340	9,701	20,045	54,222	303	319,229	11,344	22,866	64,808	10
East Carroll Parish	-	-	-	-	-	-	-	-	-	-	-
East Feliciana Parish	-	-	1	-	-	-	-	1	-	-	2
Evangeline Parish	-	1	-	-	-	-	1	-	-	-	1
Franklin Parish	-	-	-	-	-	-	-	-	-	-	-
Grant Parish	-	-	-	-	-	-	-	-	-	-	-
Iberia Parish	-	7,916	89,659	3,504	-	-	9,596	104,850	3,997	-	11
Iberville Parish	269	-	-	-	-	338	-	-	-	-	1
Jackson Parish	-	-	-	-	-	-	-	-	-	-	-
Jefferson Parish	451	253,157	142,656	77,735	174,422	567	306,885	166,827	88,675	208,475	44
Jefferson Davis Parish	-	-	1	56,867	-	-	-	1	64,871	-	2
Lafayette Parish	1	1	123,453	-	10,722	1	1	144,370	-	12,815	8
Lafourche Parish	-	-	518	251	1	-	-	606	286	1	7
LaSalle Parish	-	-	-	-	-	-	-	-	-	-	-
Lincoln Parish	-	-	-	-	-	-	-	-	-	-	-
Livingston Parish	-	-	-	-	-	-	-	-	-	-	-
Madison Parish	-	-	-	267	-	-	-	-	305	-	1
Morehouse Parish	-	-	-	-	-	-	-	-	-	-	-
Natchitoches Parish	-	-	-	-	-	-	-	-	-	-	-
Orleans Parish	2,367	613,817	209,195	1,110,147	76,936	2,978	744,087	244,639	1,266,384	91,957	75
Ouachita Parish	-	-	-	-	-	-	-	-	-	-	-
Plaquemines Parish	-	-	-	-	-	-	-	-	-	-	-
Pointe Coupee Parish	-	-	-	-	-	-	-	-	-	-	-
Rapides Parish	-	-	-	-	-	-	-	-	-	-	-
Red River Parish	-	-	-	-	-	-	-	-	-	-	-
Richland Parish	-	-	-	-	-	-	-	-	-	-	-
Sabine Parish	-	-	-	-	-	-	-	-	-	-	-
Saint Bernard Parish	-	-	-	-	69,399	-	-	-	-	82,949	1
Saint Charles Parish	-	-	14,014	31,607	-	-	-	16,389	36,055	-	4
Saint Helena Parish	-	-	-	-	-	-	-	-	-	-	-
Saint James Parish	-	-	-	-	-	-	-	-	-	-	-
Saint John Parish	-	648,236	-	298,333	-	-	785,811	-	340,319	-	5
Saint Landry Parish	-	334	-	-	-	-	405	-	-	-	1
Saint Martin Parish	-	-	-	-	-	-	-	-	-	-	-
Saint Mary Parish	13,029	18,664	445,727	11,247	45,925	16,391	22,626	521,247	12,830	54,891	30
Saint Tammany Parish	2,441	301	16,326	174,289	153,769	3,070	364	19,092	198,817	183,790	26
Tangipahoa Parish	292	-	3,431	16,823	-	367	-	4,012	19,191	-	5
Tensas Parish	-	-	-	-	-	-	-	-	-	-	-
Terrebonne Parish	-	125,767	10,242	1,368,902	19,503	-	152,459	11,977	1,561,556	23,310	14
Union Parish	-	-	-	-	-	-	-	-	-	-	-
Vermilion Parish	-	580	50,813	25,991	1,269	-	704	59,422	29,648	1,516	9
Vernon Parish	-	-	-	-	-	-	-	-	-	-	-
Washington Parish	18,286	28	1	-	-	23,004	34	1	-	-	3
Webster Parish	-	-	-	-	-	-	-	-	-	-	-
West Baton Rouge Parish	-	-	-	-	-	-	-	-	-	-	-
West Carroll Parish	-	-	-	-	-	-	-	-	-	-	-
West Feliciana Parish	-	-	-	-	-	-	-	-	-	-	-
Winn Parish	-	-	-	-	-	-	-	-	-	-	-
Null	-	-	-	-	-	-	-	-	-	-	-
Total	66,168	2,013,917	1,178,282	3,196,007	906,288	83,239	2,441,332	1,377,920	3,645,800	1,083,227	277

		2021	2022	2023	2024	2025
(13)	Loss Development Factors	1.0040	1.0060	1.0090	1.0240	1.1160
(14)	Trend Factors	1.2530	1.2050	1.1590	1.1140	1.0710

(2) - (6) Source: LCPIC Data

(7) - (11) Based upon (2) through (6) adjusted by the appropriate LDF in (13) and the appropriate trend in (14)

(12) Source: LCPIC Data

(13) See Exhibit 11

(14) See Exhibit 12

Coastal Plan Incurred Losses and ALAE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Incurred Losses and ALAE					Trended Ultimate Losses and ALAE					2021-2025 Claim
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	Count
Cameron Parish	-	-	76	-	-	-	-	88	-	-	1
Iberia Parish	-	-	-	-	-	-	-	-	-	-	-
Jefferson Parish	-	-	-	-	-	-	-	-	-	-	-
Lafourche Parish	-	1	-	-	-	-	1	-	-	-	1
Orleans Parish	-	-	-	-	-	-	-	-	-	-	-
Plaquemines Parish	802	-	-	30,109	-	1,009	-	-	34,347	-	2
Saint Bernard Parish	-	-	-	-	-	-	-	-	-	-	-
Saint Mary Parish	-	-	-	-	-	-	-	-	-	-	-
Terrebonne Parish	-	-	-	-	-	-	-	-	-	-	-
Vermilion Parish	-	-	-	-	-	-	-	-	-	-	-
Totals	802	1	76	30,109	-	1,009	1	88	34,347	-	4
		(13)	Loss Development Factors			1.0040	1.0060	1.0090	1.0240	1.1160	
		(14)	Trend Factors			1.2530	1.2050	1.1590	1.1140	1.0710	

(2) - (6) Source: LCPIC Data

(7) - (11) Based upon (2) through (6) adjusted by the appropriate LDF in (13) and the appropriate trend in (14)

(12) Source: LCPIC Data

(13) See Exhibit 11

(14) See Exhibit 12

FAIR Plan Premium On-Level Factors

Parish	2021	2022	2023	2024	2025
Acadia Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Allen Parish	1.0000	1.8835	1.3305	1.0460	1.0282
Ascension Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Assumption Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Avoyelles Parish	1.9414	1.8836	1.3305	1.0460	1.0282
Beauregard Parish	1.9411	1.8836	1.3305	1.0460	1.0282
Bienville Parish	1.0000	1.0000	1.0000	1.0000	1.0278
Bossier Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Caddo Parish	1.9411	1.8836	1.3305	1.0460	1.0282
Calcasieu Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Caldwell Parish	1.0000	1.0000	1.0000	1.0000	1.0000
Cameron Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Catahoula Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Claiborne Parish	1.0000	1.0000	1.3305	1.0459	1.0282
Concordia Parish	1.0000	1.0000	1.3305	1.0460	1.0282
DeSoto Parish	1.9422	1.8836	1.3305	1.0461	1.0221
East Baton Rouge Parish	1.9413	1.8835	1.3305	1.0460	1.0282
East Carroll Parish	1.0000	1.0000	1.0000	1.0000	1.0000
East Feliciana Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Evangeline Parish	1.9415	1.8836	1.3305	1.0460	1.0282
Franklin Parish	1.9454	1.8829	1.3300	1.0454	1.0282
Grant Parish	1.0000	1.0000	1.0000	1.0000	1.0000
Iberia Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Iberville Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Jackson Parish	1.0000	1.0000	1.0000	1.0000	1.0000
Jefferson Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Jefferson Davis Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Lafayette Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Lafourche Parish	1.9413	1.8835	1.3305	1.0460	1.0282
LaSalle Parish	1.9413	1.8836	1.3307	1.0460	1.0285
Lincoln Parish	1.0000	1.0000	1.3254	1.0461	1.0282
Livingston Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Madison Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Morehouse Parish	1.0000	1.0000	1.3118	1.0460	1.0282
Natchitoches Parish	1.0000	1.8831	1.3305	1.0460	1.0282
Orleans Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Ouachita Parish	1.0000	1.8836	1.3305	1.0460	1.0282
Plaquemines Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Pointe Coupee Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Rapides Parish	1.9413	1.8836	1.3305	1.0460	1.0282

FAIR Plan Premium On-Level Factors

Parish	2021	2022	2023	2024	2025
Red River Parish	1.0000	1.8837	1.3305	1.0460	1.0282
Richland Parish	1.0000	1.8834	1.3305	1.0460	1.0282
Sabine Parish	1.0000	1.8839	1.3311	1.0461	1.0282
Saint Bernard Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Saint Charles Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Saint Helena Parish	1.0000	1.8836	1.3305	1.0460	1.0281
Saint James Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Saint John Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Saint Landry Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Saint Martin Parish	1.9413	1.8835	1.3305	1.0460	1.0282
Saint Mary Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Saint Tammany Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Tangipahoa Parish	1.9412	1.8836	1.3305	1.0460	1.0282
Tensas Parish	1.9409	1.8837	1.3305	1.0461	1.0280
Terrebonne Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Union Parish	1.0000	1.8839	1.0000	1.0460	1.0282
Vermilion Parish	1.9412	1.8835	1.3305	1.0460	1.0282
Vernon Parish	1.0000	1.8834	1.3305	1.0460	1.0281
Washington Parish	1.9413	1.8836	1.3305	1.0460	1.0282
Webster Parish	1.9415	1.8835	1.3305	1.0460	1.0282
West Baton Rouge Parish	1.0000	1.8835	1.3305	1.0460	1.0282
West Carroll Parish	1.0000	1.0000	1.0000	1.0000	1.0000
West Feliciana Parish	1.9422	1.8835	1.3304	1.0460	1.0281
Winn Parish	1.0000	1.0000	1.0000	1.0000	1.0000
NULL	1.0000	1.0000	1.0000	1.0000	1.0000
Unknown	1.0000	1.0000	1.0000	1.0000	1.0000
Total	1.9412	1.8836	1.3305	1.0460	1.0282

The on-level factors are determined by the parallelogram method.

Coastal Plan Premium On-Level Factors

Coastal Parishes	2021	2022	2023	2024	2025
Cameron Parish	1.8438	1.6092	1.0981	0.9011	0.9663
Iberia Parish	1.0000	1.0000	1.0000	1.0000	1.0000
Jefferson Parish	1.8438	1.6092	1.0981	0.9011	0.9663
Lafourche Parish	1.8438	1.6092	1.0981	0.9011	0.9663
Orleans Parish	1.8439	1.6092	1.0981	0.9011	0.9662
Plaquemines Parish	1.8438	1.6092	1.0981	0.9011	0.9663
Saint Bernard Parish	1.8436	1.6092	1.0981	0.9011	0.9663
Saint Mary Parish	1.8439	1.6091	1.0981	0.9011	0.9663
Terrebonne Parish	1.8438	1.6092	1.0981	0.9011	0.9663
Vermilion Parish	1.0000	1.6092	1.0981	0.9011	0.9662
Total	1.8438	1.6092	1.0981	0.9011	0.9663

The on-level factors are determined by the parallelogram method.

Louisiana Citizens Property Insurance Corporation
Special Property
Gross Basis
Non-CAT Only
Evaluation As Of December 31, 2024

Gross Reported Loss Development Factors

Loss & DCCE

AY	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204
2004	9,092,790	10,665,851	10,633,649	10,548,402	10,527,339	10,573,631	10,571,881	10,563,032	10,563,032	10,563,032	10,563,032	10,563,032	10,563,032	10,562,973	10,562,973	10,562,973	10,562,973
2005	66,353,892	31,302,626	33,661,669	33,239,617	34,481,906	34,613,496	34,969,944	35,779,205	35,382,517	35,378,535	35,380,714	35,380,610	34,444,130	34,444,130	34,444,130	34,444,130	34,444,129
2006	12,699,757	18,466,305	18,794,556	19,006,143	19,114,396	19,349,755	19,394,093	19,401,219	19,503,067	19,507,171	19,481,499	19,481,562	19,481,562	19,481,562	19,481,562	19,481,259	19,481,259
2007	17,992,125	18,676,643	18,736,188	18,778,045	18,829,301	18,852,512	18,867,361	18,877,406	19,147,076	19,146,948	19,146,798	19,146,798	19,146,798	19,146,798	19,146,798	19,146,798	19,146,798
2008	17,837,031	20,183,363	21,835,187	22,168,392	22,398,298	22,444,296	22,256,818	22,260,958	22,272,971	22,262,654	22,263,459	22,150,044	22,045,044	22,133,044	22,133,044	22,167,875	22,145,135
2009	17,303,707	18,094,891	18,081,692	18,115,210	18,108,299	18,118,758	18,131,767	18,088,900	18,074,596	18,074,596	18,074,596	18,074,596	18,074,596	18,082,101	18,083,230	18,083,144	18,083,144
2010	15,907,231	17,595,821	18,042,669	18,006,075	17,977,803	17,981,901	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	17,979,988	
2011	15,275,403	16,011,346	16,136,735	16,409,778	16,435,541	16,543,846	16,592,971	16,624,802	16,622,834	16,622,727	16,622,507	16,622,457	16,622,457	16,622,457	16,622,457		
2012	12,894,805	13,900,309	13,903,425	13,996,566	13,997,799	13,845,579	13,874,477	13,828,139	13,828,366	13,828,366	13,828,366	13,828,366	13,828,366	13,828,366			
2013	13,123,423	13,668,261	13,800,546	13,823,688	13,629,630	13,644,514	13,638,212	13,637,812	13,637,960	13,637,679	13,637,677	13,637,677	13,637,677				
2014	11,986,663	12,466,627	12,582,372	12,669,563	12,622,109	12,668,148	12,631,008	12,631,008	12,631,008	12,631,008	12,631,008	12,631,008					
2015	11,548,907	12,171,052	12,436,883	12,483,023	12,495,024	12,501,303	12,501,303	12,494,426	12,494,426	12,494,426	12,494,345						
2016	10,772,348	11,418,039	11,642,276	11,867,434	11,817,554	11,822,156	11,824,416	11,825,099	11,825,099	11,825,099							
2017	12,309,189	13,511,221	13,618,847	13,863,221	13,921,614	14,196,944	14,042,201	13,992,758	13,830,008								
2018	5,912,537	6,485,946	6,634,014	6,612,615	6,531,617	6,510,438	6,536,653	6,558,297									
2019	8,389,355	8,968,122	8,957,034	8,934,831	8,911,071	8,916,319	8,916,017										
2020	7,490,545	7,725,648	7,848,487	7,680,762	7,660,279	7,660,048											
2021	6,286,582	7,051,450	6,987,175	6,887,446	6,902,212												
2022	12,990,088	14,988,581	15,042,668	15,291,997													
2023	25,162,423	26,725,741	27,620,500														
2024	36,046,731	38,379,137															
2025	22,819,152																

Report-to-Report Development Factors

AY	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to 156	156 to 168	168 to 180	180 to 192	192 to 204	Tail
2004	1.173	0.997	0.992	0.998	1.004	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2005	0.472	1.075	0.987	1.037	1.004	1.010	1.023	0.989	1.000	1.000	1.000	0.974	1.000	1.000	1.000	1.000	
2006	1.454	1.018	1.011	1.006	1.012	1.002	1.000	1.005	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	
2007	1.038	1.003	1.002	1.003	1.001	1.001	1.001	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2008	1.132	1.082	1.015	1.010	1.002	0.992	1.000	1.001	1.000	1.000	0.995	0.995	1.004	1.000	1.002	0.999	
2009	1.046	0.999	1.002	1.000	1.001	1.001	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010	1.106	1.025	0.998	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011	1.048	1.008	1.017	1.002	1.007	1.003	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2012	1.078	1.000	1.007	1.000	0.989	1.002	0.997	1.000	1.000	1.000	1.000	1.000	1.000				
2013	1.042	1.010	1.002	0.986	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2014	1.040	1.009	1.007	0.996	1.004	0.997	1.000	1.000	1.000	1.000	1.000						
2015	1.054	1.022	1.004	1.001	1.001	1.000	0.999	1.000	1.000	1.000							
2016	1.060	1.020	1.019	0.996	1.000	1.000	1.000	1.000	1.000								
2017	1.098	1.008	1.018	1.004	1.020	0.989	0.996	0.988									
2018	1.097	1.023	0.997	0.988	0.997	1.004	1.003										
2019	1.069	0.999	0.998	0.997	1.001	1.000											
2020	1.031	1.016	0.979	0.997	1.000												
2021	1.122	0.991	0.986	1.002													
2022	1.154	1.004	1.017														
2023	1.062	1.033															
2024	1.065																

Averages	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to 156	156 to 168	168 to 180	180 to 192	192 to 204	Tail
Wtd - All Years	0.974	1.023	1.004	1.005	1.003	1.001	1.003	0.999	1.000	1.000	0.999	0.994	1.001	1.000	1.000	1.000	
Wtd - Ex 2005	1.093	1.017	1.006	1.000	1.003	0.999	1.000	1.001	1.000	1.000	0.999	0.999	1.001	1.000	1.000	1.000	
Wtd - Last 3 Years	1.079	1.018	0.999	0.999	0.999	0.996	0.999	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	
All Years	1.069	1.017	1.003	1.001	1.003	1.000	1.001	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000	
Last 3 Years	1.094	1.009	0.994	0.999	0.999	0.998	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	
All Years x Hi/Lo	1.080	1.015	1.003	1.000	1.002	1.000	1.000	0.999	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	
All Years x 2005	1.098	1.014	1.004	0.999	1.002	0.999	1.000	1.001	1.000	1.000	0.999	0.999	1.001	1.000	1.000	1.000	

Selected	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to 156	156 to 168	168 to 180	180 to 192	192 to 204	Tail
Prior	1.095	1.012	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Current	1.090	1.015	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Report-to-Ultimate Development Factors

Selected	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to 156	156 to 168	168 to 180	180 to 192	192 to 204	Tail
Prior	1.117	1.020	1.008	1.005	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Current	1.116	1.024	1.009	1.006	1.004	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

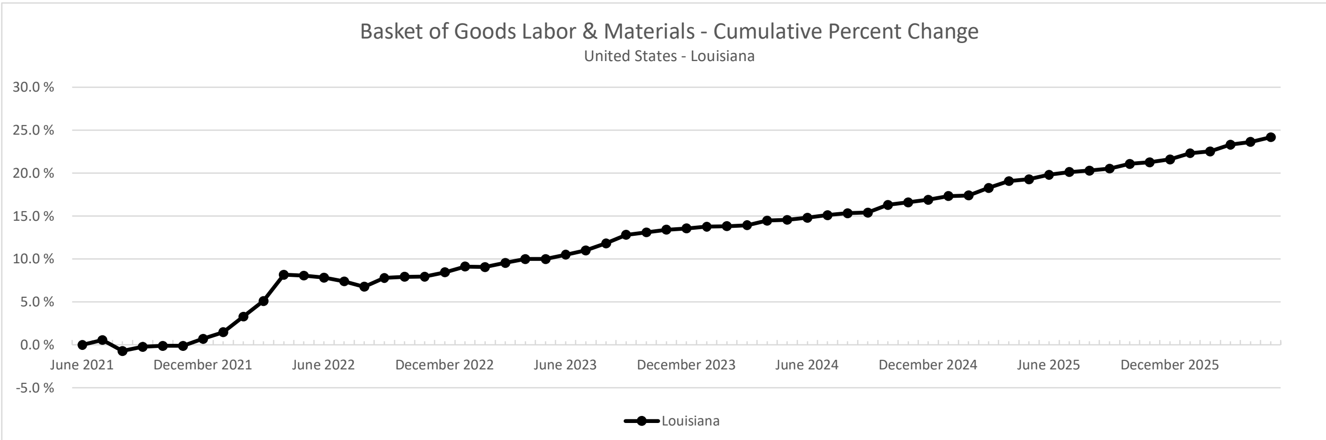
Notes
All figures adjusted to exclude Depop losses and all catastrophe losses.

Louisiana Citizens Property Insurance Corporation
Non-Catastrophe Loss Trend Analysis
LCPIC Commercial Property

Calendar Year	Pure Premium	4 Point Fitted PP	8 Point Fitted PP	All Point Fitted PP	Annual Change
	(1)	(2)	(3)	(4)	(5)
2009	109	240	12	129	
2010	372	242	15	130	242.2%
2011	290	245	18	132	-22.1%
2012	148	245	22	133	-48.8%
2013	122	247	27	134	-18.1%
2014	73	250	33	136	-39.9%
2015	106	250	40	136	44.7%
2016	101	252	49	137	-4.5%
2017	79	252	60	138	-21.4%
2018	140	255	73	140	76.5%
2019	77	257	89	141	-44.9%
2020	60	257	108	143	-22.3%
2021	63	260	132	144	4.7%
2022	290	262	161	144	361.9%
2023	161	262	194	145	-44.3%
2024	514	265	237	147	218.7%
2025	201	265	290	148	-60.9%
	Annnual Trend Rate:	0.0%	22.4%	0.7%	38.8%

(1) Rolling 12-month paid pure premium figures for LCPIC Commercial policies
(2) - (4) = Linear Regression fits on on the natural logarithm of (1)
(5) = Annual Rate of Change in (1)

Louisiana Citizens Property Insurance Corporation
Non-Catastrophe Loss Trend Indications
Industry Labor & Materials Five Year Trend



Six Year Trend from June 2021 to May 2026:	24%	Implied Average Annual Trend from June 2021 to May 2026:	3.7%
Three Year Trend from May 2023 to May 2026:	13%	Implied Average Annual Trend from May 2023 to May 2026:	4.1%

Source: Xactware Solutions, Inc. (Verisk)

Louisiana Citizens Property Insurance Corporation
Commercial Property
Indicated and Selected Non-Catastrophe Loss Trend

	Fitted Loss Trends		
	4-Point	8-Point	All-Point
(1) LCPIC	0.0%	22.4%	0.7%

(2a) Industry labor & materials six year implied annual trend :	3.7%
(2b) Industry labor & materials three year implied annual trend :	4.1%
(3) Industry rate filing trend :	5.9%

	Prior Selected	Selected Loss Trend
(4) Up-To-Date Selection:	5.0%	**4.0%**
(5) Projected Period Selection:	2.0%	**3.0%**

Mid Point of AY	Up-to-Date Period End	Projection Period End	Up-to-Date Trend Length	Projection Trend Length	Current Cost Factor
(6)	(7)	(8)	(9)	(10)	(11)
7/1/2021	7/1/2025	11/1/2027	4.00	2.33	1.253
7/1/2022	7/1/2025	11/1/2027	3.00	2.33	1.205
7/1/2023	7/1/2025	11/1/2027	2.00	2.33	1.159
7/1/2024	7/1/2025	11/1/2027	1.00	2.33	1.114
7/1/2025	7/1/2025	11/1/2027	0.00	2.33	1.071

Notes:
(1) Figures are from Exhibit 12, Page 1 of 3
(2) From Exhibit 12, Page 2 of 3
(3) From industry rate filing (PIAL-134670326)
(4) and (5) are based on (1), (2), (3), and actuarial judgment
(9) = # of Years between (6) and (7)
(10) = # of Years between (7) and (8)
(11) = (1+ Up-To-Date Selection) ^ (9) x (1 + Projected Period Selection) ^ (10)

Premium Trends

Mid Point of AY	Estimated One Year Coverage Increase	Cumulative Coverage Increase to 7/1/25	Selected 1% Annual Coverage Increase from 7/1/25 to 11/1/27	Total Estimated Coverage Increase to 11/1/27	Premium Trend Factor
(1)	(2)	(3)	(4)	(5)	(6)
7/1/2021	7.60%	10.8%	2.3%	13.4%	1.120
7/1/2022	0.59%	2.9%	2.3%	5.4%	1.048
7/1/2023	0.10%	2.3%	2.3%	4.7%	1.043
7/1/2024	0.27%	2.2%	2.3%	4.6%	1.042
7/1/2025	1.96%	2.0%	2.3%	4.4%	1.039

Notes:

(1) is the midpoint of each accident year.

(2) is based on actual average LCPIC Commercial coverage amounts changes.

(3) is the cumulative change of Column (2).

(4) is a selected annual coverage increase of 2%. (Assuming a 11/1/26 rate change with 11/1/27 average accident date)

(5) = [1 + Column (3)] x [1 + Column (4)] - 1.

(6) = 1 + .90 x Column (5). (Rerating current inforce policies shows that 1% more coverage results in .90% more premium.)

Louisiana Citizens Property Insurance Corporation
Credibility by Plan

(1) Plan	(2) Earned House Years 2021-2025	(3) Credibility
FAIR Plan	28,678	0.847
Coastal Plan	1,308	0.181

(2) Source: LCPIC Data

(3) Based on full credibitilty criterion of 40,000 earned house years;
partial credibility = (EHY's/40,000)^.5

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

Expected Non-Cat Loss Ratio Calculation

	(1) Non-Cat Loss Ratio	(2) Rate Change	(3) Loss & Prem. Trend	(4) Adj. Loss Ratio
FAIR Plan	1.7%	1.0470	1.021	1.7%
Coastal Plan	1.1%	1.0110	1.021	1.1%

(1) The credibility weighted Non-Cat loss ratio from last year's approved rate filing
(2) 11/1/2025 approved rate change
(3) = (1+Loss Trend)/(1+Prem. Trend) = 1.030 / 1.009 = 1.021
(4) = (1)/(2)*(3)

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

EXPENSE LOADING

Expense Component (as % of Premium)	FAIR			
	2025 Rate Indications		2026 Rate Indications	
	Allied Lines		Allied Lines	
	Variable	Fixed	Variable	Fixed
Commissions	9.60%	0.00%	9.90%	0.00%
General & Other Acq	1.50%	1.50%	1.25%	1.25%
Taxes, L, & F	1.40%	0.00%	1.10%	0.00%
ULAE (in-house)	0.00%	2.00%	0.00%	2.00%
TOTAL	12.50%	3.50%	12.25%	3.25%
ULAE (as % of Loss & ALAE)	0.00%		0.00%	

Expense Component (as % of Premium)	Coastal			
	2025 Rate Indications		2026 Rate Indications	
	Allied Lines		Allied Lines	
	Variable	Fixed	Variable	Fixed
Commissions	9.60%	0.00%	9.90%	0.00%
General & Other Acq	1.50%	1.50%	1.25%	1.25%
Taxes, L, & F	1.40%	0.00%	1.10%	0.00%
ULAE (in-house)	0.00%	2.00%	0.00%	2.00%
TOTAL	12.50%	3.50%	12.25%	3.25%
ULAE (as % of Loss & ALAE)	0.00%		0.00%	

Source: Exhibit F

Note: Service providers underwriting fees are included in general expenses and the claims fees are included in the variable portion of ULAE

Note: Exhibit F shows historical expenses and our 2026 budgeted expenses.

Note: The Tax Exempt Surcharge (TES) is not included and not loaded in the rates. The TES is calculated separately and added to premium just like the LCPIC assessment.

Note: Policy Fees are included in net income from Exhibit F. They are included here as a reduction of General & Other Acquisition.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
Expected Cat Loss & ALAE Expense Ratios

		FAIR PLAN
(1)	Adjusted Average Annual Loss (AAL)	$ 13,030,393
(2)	Location Premium	$ 66,390,494
(3)	AAL to Location Premium	19.63%
(4)	Allocated Loss Adjustment Expense (ALAE) Factor	1.0720
(5)	CAT Loss & ALAE as % of Premium	21.04%
(6)	Loss & Prem Trend Factor	1.0109
(7)	On Level Factor	1.0342
(8)	Expected CAT Loss & ALAE Ratio	20.57%

		COASTAL PLAN
(1)	Adjusted Average Annual Loss (AAL)	$ 883,559
(2)	Location Premium	$ 4,651,265
(3)	AAL to Location Premium	19.00%
(4)	Allocated Loss Adjustment Expense (ALAE) Factor	1.0720
(5)	CAT Loss & ALAE as % of Premium	20.36%
(6)	Loss & Prem Trend Factor	1.0109
(7)	On Level Factor	1.0076
(8)	Expected CAT Loss & ALAE Ratio	20.43%

Notes:

(1) From Exhibit 22
(2) Premium on 3/31/26 policies provided to reinsurance broker for modeling purposes
(3) = (1) / (2)
(4) See Exhibit 21
(5) = (3) x (4)
(6) Accounts for gap between trended TIV and trended premium growth.
between modeling date (3/31/26) and average accident date of exposure
period (11/1/27). 2% growth in TIV assumed with resulting 1.8% growth in premium.
See Exhibit 13 for assumptions on TIV and premium growth.
(7) Based on rate change effective 11/1/2025 and actual policies in modeling data.
(8) = (5) x (6) / (7)

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
Net Cost of Reinsurance and Risk Load Expense Ratios

		FAIR PLAN
(1)	Net Cost of Reinsurance	$ 35,780,000
(2)	Hurr Average Annual Loss (AAL) - FAIR Plan	$ 11,824,301
(3)	AAL - all products	$ 12,686,332
(4)	Allocated Net Cost of Reinsurance	$ 33,348,763
(4B)	Allocated Retained Risk Load	$ 2,002,154
(5)	Location Premium	$ 66,390,494
(6)	On-Level Factor	1.0342
(7)	On-Level Premium	$ 68,661,543
(8)	Net Cost of Reinsurance Load	51.49%

		COASTAL PLAN
(1)	Net Cost of Reinsurance	$ 35,780,000
(2)	Hurr Average Annual Loss (AAL) - Coastal Plan	$ 862,031
(3)	AAL - all products	$ 12,686,332
(4)	Allocated Net Cost of Reinsurance	$ 2,431,237
(4B)	Allocated Retained Risk Load	$ 150,700
(5)	Location Premium	$ 4,651,265
(6)	On-Level Factor	1.0076
(7)	On-Level Premium	$ 4,686,506
(8)	Net Cost of Reinsurance Load	55.09%

Notes:

(1) = Exhibit 19, Column (11)
(2) Modeled Hurricane loss using a blend of RMS Risklink v23 Long Term and Verisk Touchstone v12 Long Term.
(3) Sum of (2) for FAIR and Coastal Plans.
(4) = [(2) / (3)] * (1)
(4B) = Exhibit 20, Page 2, column (7).
(5) Premium on 3/31/26 policies provided to reinsurance broker for modeling purposes
(6) Based on rate changes effective 11/1/2025 and actual policies in modeling data.
(7) = (5) * (6)
(8) = (4) / (7)

Exhibit 19

Louisiana Citizens Property Insurance Corporation Net Reinsurance Costs

Layer	Limit		Retention	Placed	Total Cost Including RPP / Reinstatement	Commercial Modeled Hurr Recoveries	Personal Modeled Hurr Recoveries	Allocated Commercial Total Cost Including RPP / Reinstatement	Expected Revenue Sharing	Commercial Net Reinsurance Costs
					(1)	(2)	(3)	(4)	(5)	(6)
Layer 1	100,000,000	xs	200,000,000	80.0%	25,776,334	982,988	4,045,897	5,038,459	384,847	3,670,625
Layer 2	165,000,000	xs	300,000,000	37.4%	15,380,960	538,270	2,180,448	3,045,226	232,600	2,274,356
Layer 3	360,000,000	xs	465,000,000	100.0%	43,083,313	1,475,079	5,815,394	8,717,032	665,823	6,576,131
Bayou 24 B	75,000,000	xs	465,000,000	100.0%	14,205,086	485,738	1,930,847	2,855,247	0	2,369,509
Bayou 26 (150M p/o)	510,000,000	xs	540,000,000	29.4%	10,761,572	602,583	2,370,533	2,181,126	0	1,578,543
Layer 4	370,000,000	xs	825,000,000	100.0%	23,269,487	498,260	2,024,653	4,595,579	351,019	3,746,300
Bayou 25	280,000,000	xs	1,050,000,000	100.0%	20,483,424	624,688	2,465,276	4,141,068	0	3,516,380
Bayou 24 A	200,000,000	xs	1,330,000,000	100.0%	17,432,117	340,517	1,353,588	3,503,875	0	3,163,358
Layer 2 - PP/RPP	165,000,000	xs	300,000,000	62.7%	31,507,938	902,881	3,657,432	6,238,153	476,481	4,858,790
Top & Drop	100,000,000	xs	1,195,000,000	100.0%	21,000,000	169,666	702,226	4,086,491	312,134	3,604,692
L1 2nd Event	100,000,000	xs	200,000,000	20.0%	2,500,000	9,018	38,834	471,141	35,987	426,137
All Layers Combined					225,400,231	6,629,687	26,585,127	44,873,397	2,458,889	35,784,820
									(7) Selected Net Cost of Reinsurance:	35,780,000

(1) Per LCPIC's current reinsurance contracts effective June 1, 2026 (CAT Bonds premium & fees put on an annual basis)
(2) and (3) Hurricane loss recoveries based on 50/50 blend of RMS RiskLink v23 and Verisk Touchstone v12 models.
(4) = (1) x [(2) / [(2) + (3)]]
(5) = (8) x 7.6% (Based on the brokerage revenue sharing agreed to). Does not apply to the Cat Bonds.
(6) = (4) - (2) - (5)

Louisiana Citizens Property Insurance Corporation

2026 Retained Risk Load

Layer	Layer Bottom (millions)	Layer Top (millions)	Limit (millions)	Modeled AAL	Risk Transfer and Reinsurance Premiums	Placement	@ 100% Risk Transfer and Reinsurance Premiums	ROL	LOL	Reinsurers Expenses	Reinsurers Profit
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1A	0	100	100	18,098,199		0.0%	47,000,000	47.0%	18.1%	24.0%	8.0%
1B	100	200	100	8,711,132		0.0%	37,000,000	37.0%	8.7%	24.0%	8.0%
2	200	300	100	5,028,885	25,776,334	80.0%	32,220,418	32.2%	6.3%	24.0%	8.0%
3	300	465	165	7,279,031	46,888,898	100.0%	46,888,898	28.4%	4.4%	24.0%	8.0%
4	465	825	360	7,290,472	43,083,313	100.0%	43,083,313	12.0%	2.0%	24.0%	8.0%
5	465	540	75	2,416,585	14,205,086	100.0%	14,205,086	18.9%	3.2%	24.0%	8.0%
6	540	1,050	510	2,973,116	10,761,572	100.0%	10,761,572	2.1%	0.6%	24.0%	8.0%
7	825	1,195	370	2,522,913	23,269,487	100.0%	23,269,487	6.3%	0.7%	24.0%	8.0%
8	1,050	1,330	280	3,089,964	20,483,424	100.0%	20,483,424	7.3%	1.1%	24.0%	8.0%
9	1,330	1,530	200	1,694,105	17,432,117	100.0%	17,432,117	8.7%	0.8%	24.0%	8.0%

Layer	Layer Bottom (millions)	Layer Top (millions)	Margin Ratio	Margin On Line	$ Margin	Fixed Cost	Profit	Total $ Risk Load	Indicated Retained $ Risk Load	Selected Retained $ Risk Load
			(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1A	0	100	260%	28.9%	28,901,801	11,280,000	3,760,000	13,861,801	13,861,801	0
1B	100	200	425%	28.3%	28,288,868	8,880,000	2,960,000	16,448,868	16,448,868	8,225,000
2	200	300	513%	25.9%	25,934,312	7,732,900	2,577,633	15,623,778	3,124,756	3,000,000
3	300	465	644%	24.0%	39,609,866	11,253,335	3,751,112	24,605,419	0	0
4	465	825	591%	9.9%	35,792,841	10,339,995	3,446,665	22,006,181	0	0
5	465	540	588%	15.7%	11,788,501	3,409,221	1,136,407	7,242,873	0	0
6	540	1,050	362%	1.5%	7,788,456	2,582,777	860,926	4,344,753	0	0
7	825	1,195	922%	5.6%	20,746,574	5,584,677	1,861,559	13,300,338	0	0
8	1,050	1,330	663%	6.2%	17,393,460	4,916,022	1,638,674	10,838,765	0	0
9	1,330	1,530	1029%	7.9%	15,738,012	4,183,708	1,394,569	10,159,735	0	0

Selected Retained Risk Load: 11,225,000

Notes:

(2) Hurricane AAL generated by the 50/50 blend of RMS RiskLink v23 and Verisk Touchstone v12 models.
Losses have been adjusted to include estimated ALAE.
(3) Placed reinsurance and cat bond premiums for placed amounts
(4) = Placement %
(5) Layers 2 through 8 = (3) / (4)
(5) Layer 1 = (6) x (1) x 1,000,000
(6) Layers 2 through 8 = (5) / [(1) x 1,000,000]
(6) Layer 1 = Estimated based on current purchased layers and historical industry quotes.

(7) = (2) / [(1) x 1,000,000].
(8) Based on recent reinsurance industrywide results
(9) Based on recent reinsurance industrywide results
(10) = (6) / (7)
(11) = (6) - (7)
(12) = (11) x (1) x 1,000,000
(13) = (5) x (8)
(14) = (5) x (9)
(15) = (12) - (13) - (14)
(16) = (15) x [1 - (4)]
(17) Selected based on (16), excluding risk load for lowest deductible layer

	(1) Modeled Hurricane Losses	(2) Selected Risk Load	(3) Allocated Risk Load
Commercial	12,686,332		2,152,854
Personal	53,460,325		9,072,146
Total	66,146,657	11,225,000	11,225,000

	(4) Commercial Modeled Hurricane Losses	(5) Commercial Modeled Hurricane Loss Percentage	(6) FAIR / Coastal Selected Allocation Percentage	(7) Commercial FAIR / Coastal Risk Load
Commercial FAIR Plan	11,824,301	93.2%	93.0%	2,002,154.03
Commercial Coastal Plan	862,031	6.8%	7.0%	150,699.77
Total	12,686,332			2,152,853.79

(1), (4) are hurricane losses generated by a 50/50 blend of RMS RiskLink v23
and Verisk Touchstone v12 models.
(2) is the total of column (16) from Exhibit 20, Page 1.
(3) = (2) * (1) / total of (1)
(5) = (4) / total of (4)
(6) selected judgmentally based on (5) giving consideration to difference in variability of loss experience for FAIR and Coastal plans due to average distance to coast.
(7) = (6) x [(3) for Commercial]

Louisiana Citizens Property Insurance Corporation

Ratio of Catastrophe ALAE to Loss

Accident Year	Catastrophe Reported Loss	Catastrophe Reported ALAE*	ALAE/Loss Ratio
	(1)	(2)	(3) = (2) / (1)
2004	77,193	8,621	11.2%
2005	3,780,499	374,162	9.9%
2006	-	-	0.0%
2007	-	-	0.0%
2008	49,118,101	3,609,720	7.3%
2009	22,114	6,073	27.5%
2010	-	-	0.0%
2011	3,548,646	738,767	20.8%
2012	20,774,776	3,389,346	16.3%
2013	1,801,840	243,309	13.5%
2014	-	-	0.0%
2015	-	-	0.0%
2016	-	1,716	0.0%
2017	680,192	32,877	4.8%
2018	-	-	0.0%
2019	395,896	38,678	9.8%
2020	9,695,084	486,349	5.0%
2021	72,817,882	2,863,816	3.9%
2022	4,896,520	138,271	2.8%
2023	97,497	69,466	71.2%
2024	6,547,983	795,223	12.1%

Weighted Averages	
All Years	7.3%
2004-2019	10.5%
2004-2021	7.2%
2010-2021	7.1%
Prior Selected	7.50%
Selected	**7.20%**

Note:

* There's an immaterial amount of ALAE that are not included in this amount (e.g. certain service provider fees)

Exhibit 22

Louisiana Citizens Property Insurance Corporation

Severe Convective Storm
Actual vs Modeled Loss

	All Policies			
Policies Inforce As of	**Modeled Loss**	**Actual Loss**	**Actual vs. Modeled**	**Percentage Difference**
3/31/2016	2,650,124	3,792,508	1,142,384	43.1%
3/31/2017	2,036,650	1,321,867	(714,783)	-35.1%
3/31/2018	1,617,419	290,635	(1,326,784)	-82.0%
3/31/2019	1,501,418	1,834,424	333,006	22.2%
3/31/2020	1,424,794	1,520,345	95,551	6.7%
3/31/2021	1,444,719	2,331,417	886,698	61.4%
3/31/2022	2,311,682	3,986,482	1,674,800	72.4%
3/31/2023	12,723,282	6,097,249	(6,626,033)	-52.1%
3/31/2024	12,622,779	23,556,785	10,934,006	86.6%
3/31/2025	11,224,745	1,046,261	(10,178,485)	-90.7%

Average 2016 to 2025 Percentage Difference - Actual vs Modeled:	3.3%
Average 2019 to 2024 Percentage Difference - Actual vs Modeled:	15.2%
Selected Adjustment to Modeled SCS Loss:	10.0%
FAIR Plan Gross Hurr Modeled Commercial AAL	11,824,301
FAIR Plan Gross SCS Modeled Commercial AAL	1,096,447
SCS Actual vs Modeled Adjustment Factor	1.100
FAIR Plan Gross SCS Adjusted Commercial AAL	1,206,092
Total FAIR Plan Adjusted Modeled Commercial AAL	**13,030,393**
Coastal Plan Gross Hurr Modeled Commercial AAL	862,031
Coastal Plan Gross SCS Modeled Commercial AAL	19,571
SCS Actual vs Modeled Adjustment Factor	1.100
Coastal Plan Gross SCS Adjusted Commercial AAL	21,528
Total Coastal Plan Adjusted Modeled Commercial AAL	**883,559**

Louisiana Citizens Property Insurance Corporation

Investment Income

All Lines of Business

Calendar Year Ending December 31,	Earned Premium	Investment Income	Investment Income as a Percentage of Earned Premium
(1)	(2)	(3)	(4)
2021	63,200,731	452,778	0.72%
2022	228,672,286	1,743,279	0.76%
2023	524,271,006	9,440,742	1.80%
2024	584,741,249	19,544,147	3.34%
2025	495,171,094	21,907,352	4.42%
Total	1,896,056,367	53,088,298	2.80%

Selected Investment Income as a Percentage of Earned Premium: **2.50%**

Notes:
Source: Exhibit F, All Lines
(4) = (3) / (2)

HISTORICAL EXPENSES

Allied Lines

CALENDAR YEAR	WRITTEN PREMIUMS	EARNED PREMIUMS	LOSS INCURRED	ALAE INCURRED	ULAE INCURRED	TOTAL LOSS & LAE INCURRED	COMMISSION & BROKERAGE INCURRED	OTHER ACQUISITION COSTS	ULAE/(ALAE+LOSS)
2025	361,641,491	378,775,386	(47,173,772)	(8,148,075)	7,314,425	(48,007,423)	35,743,789	-	
2024	393,788,823	435,976,138	36,549,747	5,754,830	8,678,741	50,983,317	37,188,080	-	20.5%
2023	454,676,881	367,005,920	45,348,352	10,554,943	4,213,700	60,116,995	43,760,820	-	7.5%
2022	277,421,020	157,265,151	116,364,690	29,621,689	5,328,074	151,314,453	27,582,425	-	3.6%
2021	57,895,740	48,721,129	434,079,606	36,593,142	3,339,327	474,012,075	5,788,545	-	0.7%
2020	45,540,049	46,184,928	89,974,836	9,663,016	3,784,907	103,422,759	4,548,639	-	3.8%
2019	46,860,788	48,314,045	10,031,265	1,874,141	2,709,901	14,615,307	4,682,554	-	22.8%
2018	50,441,863	51,703,327	4,244,035	1,157,075	2,312,709	7,713,819	5,003,729	-	42.8%
2017	55,881,083	64,297,435	6,555,125	1,477,099	386,898	8,419,122	5,101,418	-	4.8%
2016	75,296,582	86,703,614	(2,697,972)	861,267	3,093,234	1,256,529	6,965,569	-	-168.4%
2015	96,338,774	101,345,680	18,892,607	2,852,327	3,688,169	25,433,103	9,038,075	-	17.0%
2014	105,464,034	107,609,369	43,333,175	2,408,953	3,588,418	49,330,546	10,039,253	-	7.8%
2013	106,441,112	104,622,703	24,464,830	3,939,150	3,775,157	32,179,137	10,101,947	-	13.3%
2012	103,050,686	98,054,748	97,299,950	16,324,744	5,705,179	119,329,873	10,018,664	-	5.0%
2011	94,652,899	93,766,174	31,875,167	3,925,421	4,827,127	40,627,715	9,097,480	-	13.5%
2010	92,150,557	92,440,387	21,033,388	4,925,263	3,825,333	29,783,984	8,921,231	-	14.7%
2009	92,829,758	99,019,291	26,428,307	(513,411)	13,944,755	39,859,651	9,145,529	-	53.8%
2008	107,552,437	104,837,054	142,889,278	14,255,950	7,874,430	165,019,658	10,758,243	-	5.0%
2007	91,361,586	62,688,691	4,553,862	(139,946)	4,266,575	8,680,491	9,144,264	-	96.7%
2006	40,798,805	30,597,555	91,958,887	(35,467,589)	19,601,140	76,092,438	4,079,967	-	34.7%
2005	25,278,990	27,641,915	581,355,331	97,987,008	7,884,015	687,226,354	2,527,549	-	1.2%
2004	25,852,634	13,478,235	4,083,366	641,498	399,596	5,124,460	2,585,263	-	8.5%
TOTAL	2,801,216,591	2,621,048,875	1,781,444,060	200,548,495	120,541,809	2,102,534,364	271,823,033	-	6.1%
2026 Budget	365,577,000	389,157,000	83,590,000	4,613,000	6,973,000	95,176,000	37,725,000	-	7.9%

CALENDAR YEAR	GENERAL EXPENSES	TAX, FEES, & LICENSE INCURRED	TOTAL UNDERWRITING EXPENSES INCURRED	DIVIDENDS PAID TO POLICY-HOLDERS	OTHER NET INCOME	UNDERWRITING GAIN OR LOSS	INVESTMENT INCOME (LOSS)	NET INCOME (LOSS)	OTHER ACQUISITION COSTS + GENERAL EXPENSES-OTHER NET INCOME
2025	12,532,060	2,153,256	50,429,105	-	3,037,525	379,391,229	16,320,419	395,711,648	9,494,535
2024	11,922,716	4,793,010	53,903,806	-	3,024,387	334,113,401	14,398,173	348,511,574	8,898,329
2023	13,384,120	5,795,424	62,940,364	-	3,557,640	247,506,201	6,526,385	254,032,586	9,826,480
2022	8,747,201	2,389,196	38,718,822	-	5,488,429	(27,279,695)	1,160,850	(26,118,845)	3,258,772
2021	5,167,625	235,164	11,191,334	-	658,096	(435,824,184)	326,679	(435,497,505)	4,509,529
2020	5,780,156	76,953	10,405,748	-	513,968	(67,129,611)	998,085	(66,131,526)	5,266,188
2019	5,946,163	211,973	10,840,690	-	482,946	23,340,994	2,154,926	25,495,920	5,463,217
2018	5,589,704	317,097	10,910,530	-	678,518	33,757,496	1,813,645	35,571,141	4,911,186
2017	5,458,225	318,252	10,877,895	-	760,176	45,760,594	840,266	46,600,860	4,698,049
2016	6,169,879	430,085	13,565,533	-	1,629,331	73,510,883	204,960	73,715,843	4,540,548
2015	6,464,410	512,145	16,014,630	-	1,465,151	61,363,098	54,394	61,417,492	4,999,259
2014	6,667,510	577,888	17,284,651	-	3,319,598	44,313,770	49,090	44,362,860	3,347,912
2013	7,308,076	768,029	18,178,052	-	(3,614,987)	50,650,527	73,022	50,723,549	10,923,063
2012	6,342,719	699,348	17,060,731	-	8,610,452	(29,725,404)	155,358	(29,570,046)	(2,267,733)
2011	5,813,750	674,551	15,585,781	-	(9,581,880)	27,970,798	180,269	28,151,067	15,395,630
2010	6,819,487	542,370	16,283,088	-	1,578,449	47,951,764	162,177	48,113,941	5,241,038
2009	5,886,758	621,385	15,653,672	-	780,619	44,286,587	144,798	44,431,385	5,106,139
2008	7,324,772	550,503	18,633,518	-	650,187	(78,165,935)	1,235,889	(76,930,046)	6,674,585
2007	6,660,721	1,051,798	16,856,783	-	8,799,207	45,950,624	2,671,254	48,621,878	(2,138,486)
2006	3,340,920	1,579,176	9,000,063	-	3,011,964	(51,482,982)	2,462,602	(49,020,380)	328,956
2005	4,424,829	45,716	6,998,094	-	(1,942,339)	(668,524,872)	992,264	(667,532,608)	6,367,168
2004	2,613,023	255,941	5,454,227	-	596,671	3,496,219	28,255	3,524,474	2,016,352
TOTAL	150,364,824	24,599,260	446,787,117	-	33,504,108	105,231,502	52,953,760	158,185,262	116,860,716
2026 Budget	17,288,000	1,510,000	56,523,000	-	3,264,000	240,722,000	20,412,000	261,134,000	14,024,000

HISTORICAL EXPENSES

Allied Lines

CALENDAR YEAR	LOSS INCURRED	ALAE INCURRED	ULAE INCURRED	TOTAL LOSS & LAE INCURRED	COMMISSION & BROKERAGE INCURRED	OTHER ACQUISITION COSTS	OTHER ACQUISITION COSTS + GENERAL EXPENSES-OTHER NET INCOME
	(EP)	(EP)	(EP)	(EP)	(WP)	(WP)	(WP)
2025	-12.45%	-2.15%	1.93%	-12.67%	9.88%	0.00%	2.63%
2024	8.38%	1.32%	1.99%	11.69%	9.44%	0.00%	2.26%
2023	12.36%	2.88%	1.15%	16.38%	9.62%	0.00%	2.16%
2022	73.99%	18.84%	3.39%	96.22%	9.94%	0.00%	1.17%
2021	890.95%	75.11%	6.85%	972.91%	10.00%	0.00%	7.79%
2020	194.81%	20.92%	8.20%	223.93%	9.99%	0.00%	11.56%
2019	20.76%	3.88%	5.61%	30.25%	9.99%	0.00%	11.66%
2018	8.21%	2.24%	4.47%	14.92%	9.92%	0.00%	9.74%
2017	10.20%	2.30%	0.60%	13.09%	9.13%	0.00%	8.41%
2016	-3.11%	0.99%	3.57%	1.45%	9.25%	0.00%	6.03%
2015	18.64%	2.81%	3.64%	25.10%	9.38%	0.00%	5.19%
2014	40.27%	2.24%	3.33%	45.84%	9.52%	0.00%	3.17%
2013	23.38%	3.77%	3.61%	30.76%	9.49%	0.00%	10.26%
2012	99.23%	16.65%	5.82%	121.70%	9.72%	0.00%	-2.20%
2011	33.99%	4.19%	5.15%	43.33%	9.61%	0.00%	16.27%
2010	22.75%	5.33%	4.14%	32.22%	9.68%	0.00%	5.69%
2009	26.69%	-0.52%	14.08%	40.25%	9.85%	0.00%	5.50%
2008	136.30%	13.60%	7.51%	157.41%	10.00%	0.00%	6.21%
2007	7.26%	-0.22%	6.81%	13.85%	10.01%	0.00%	-2.34%
2006	300.54%	-115.92%	64.06%	248.69%	10.00%	0.00%	0.81%
2005	2103.17%	354.49%	28.52%	2486.17%	10.00%	0.00%	25.19%
5yr avg (1)					9.78%		3.20%
5yr wtd (1)					9.71%		2.33%
8yr avg (1)					9.85%		6.12%
8yr wtd (1)					9.73%		3.06%
2026 Budget	21.48%	1.19%	1.79%	24.46%	10.32%	0.00%	3.84%
Prior selected expense ratio					9.60%		3.00%
Selected Expense ratio					**9.90%**		**2.50%**
Fixed Expense ratio (2)					**0.00%**		**1.25%**
Selected Variable Expense ratio (3)					**9.90%**		**1.25%**

CALENDAR YEAR	GENERAL EXPENSES	TAX, FEES, & LICENSE INCURRED (1)	TOTAL UNDERWRITING EXPENSES INCURRED	DIVIDENDS PAID TO POLICY-HOLDERS	OTHER NET INCOME	UNDERWRITING GAIN OR LOSS	INVESTMENT INCOME (LOSS)	NET INCOME (LOSS)	ALAE/LOSS INCURRED
	(WP)	(WP)	(WP)	(WP)	(WP)	(EP)	(EP)	(EP)	
2025	3.47%	0.60%	13.94%	0.00%	0.84%	100.16%	4.31%	104.47%	17.27%
2024	3.03%	1.22%	13.69%	0.00%	0.77%	76.64%	3.30%	79.94%	15.75%
2023	2.94%	1.27%	13.84%	0.00%	0.78%	67.44%	1.78%	69.22%	23.28%
2022	3.15%	0.86%	13.96%	0.00%	1.98%	-17.35%	0.74%	-16.61%	25.46%
2021	8.93%	0.41%	19.33%	0.00%	1.14%	-894.53%	0.67%	-893.86%	8.43%
2020	12.69%	0.17%	22.85%	0.00%	1.13%	-145.35%	2.16%	-143.19%	10.74%
2019	12.69%	0.45%	23.13%	0.00%	1.03%	48.31%	4.46%	52.77%	18.68%
2018	11.08%	0.63%	21.63%	0.00%	1.35%	65.29%	3.51%	68.80%	27.26%
2017	9.77%	0.57%	19.47%	0.00%	1.36%	71.17%	1.31%	72.48%	22.53%
2016	8.19%	0.57%	18.02%	0.00%	2.16%	84.78%	0.24%	85.02%	-31.92%
2015	6.71%	0.53%	16.62%	0.00%	1.52%	60.55%	0.05%	60.60%	15.10%
2014	6.32%	0.55%	16.39%	0.00%	3.15%	41.18%	0.05%	41.23%	5.56%
2013	6.87%	0.72%	17.08%	0.00%	-3.40%	48.41%	0.07%	48.48%	16.10%
2012	6.15%	0.68%	16.56%	0.00%	8.36%	-30.32%	0.16%	-30.16%	16.78%
2011	6.14%	0.71%	16.47%	0.00%	-10.12%	29.83%	0.19%	30.02%	12.31%
2010	7.40%	0.59%	17.67%	0.00%	1.71%	51.87%	0.18%	52.05%	23.42%
2009	6.34%	0.67%	16.86%	0.00%	0.84%	44.73%	0.15%	44.87%	-1.94%
2008	6.81%	0.51%	17.33%	0.00%	0.60%	-74.56%	1.18%	-73.38%	9.98%
2007	7.29%	1.15%	18.45%	0.00%	9.63%	73.30%	4.26%	77.56%	-3.07%
2006	8.19%	3.87%	22.06%	0.00%	7.38%	-168.26%	8.05%	-160.21%	-38.57%
2005	17.50%	0.18%	27.68%	0.00%	-7.68%	-2418.52%	3.59%	-2414.93%	16.85%
3yr avg (1)		1.03%					3.13%		
3yr wtd (1)		1.05%					3.03%		
8yr avg (1)		0.70%					2.62%		
8yr wtd (1)		0.95%					2.60%		
2026 Budget	4.73%	0.41%	15.46%	0.00%	0.89%	61.86%	5.25%	67.10%	5.52%
Prior selected expense ratio		1.40%							
Selected Expense ratio		**1.10%**							
Fixed Expense ratio (2)		**0.00%**							
Selected Variable Expense ratio (3)		**1.10%**							

(1) Different averages
(2) 50% of selected for Other Acq + General
(3) = Selected - (2)

Variable Portion of ULAE as a Percentage of Catastrophe Loss+ALAE

Prior Selected	Current Selected
0.00%	**0.00%**

Fixed Portion of ULAE as a Percentage of Premium

	Expected ULAE - Inhouse	Premium	Ratio	Prior Selected	Current Selected
2026 Estimated	6,222,450	389,157,000	1.60%	**2.00%**	**2.00%**

Note: LCPIC's reinsurance contract covers additional ULAE incurred as a result of a severe storm/ hurricane. Thus 0% is being selected for the Variable Portion of ULAE as a Percentage of Catastrophe Loss+ALAE.

LCPIC Operating Cash Summary

Rounded (000's)

	2025	2026										
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
							Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
TOTAL BEGINNING CASH & INVESTMENTS	**791,331**	**771,236**	**780,993**	**808,699**	**785,886**	**805,182**	**821,343**	**802,610**	**841,028**	**876,789**	**830,909**	**855,381**
+ Receipts	37,784	28,319	31,885	39,141	33,882	36,813	54,400	58,200	48,600	42,900	32,700	27,200
TOTAL RECEIPTS	**37,784**	**28,319**	**31,885**	**39,141**	**33,882**	**36,813**	**54,400**	**58,200**	**48,600**	**42,900**	**32,700**	**27,200**
- Rita/Katrina Claims		1										
- 2005 Class Action	14,135											
- Isaac Claims												
- Laura/Delta/Zeta Claims	28		6				70	40	0	0	20	0
- Ida Claims	268	321	291	43	629	206	220	60	180	140	90	70
- Francine Claims	53	66	33	88	522	15	50	30	20	30	10	10
- Other Claims	2,488	2,913	3,625	4,640	3,658	3,116	4,800	5,400	4,000	3,000	4,300	3,400
- Reinsurance Recoveries	(1,440)				(45)	(1,654)	(60)			(928)	(132)	(50)
- Cat LAE Expense	137	263	249	221	186	213	190	50	140	100	50	30
- Non Cat LAE Expense	276	319	313	363	258	256	450	510	380	280	400	320
- Commissions	2,755	3,516	2,891	3,083	3,781	3,279	4,390	5,940	6,020	4,860	4,290	3,270
- Reinsurance/Cat Bonds Expense	39,806	6,864	1,867	53,403	(345)	9,319	64,692	217	5,475	81,719	(2,199)	5,426
- Emergency Assessments												
- Depopulation	(58)	3,552	96	12	0	6,084	1,053	174	0	(2)		
- Transfer to(from) Trustee/Invest												
- Other	1,498	1,645	1,498	1,789	2,273	1,748	2,300	9,400	1,800	2,300	4,000	2,000
TOTAL EXPENSES	**59,946**	**19,460**	**10,869**	**63,641**	**10,916**	**22,583**	**78,155**	**21,821**	**18,015**	**91,499**	**10,829**	**14,476**
ENDING OPERATING CASH	**208,112**	**216,971**	**237,988**	**213,488**	**236,454**	**250,684**	**226,929**	**263,308**	**293,894**	**245,294**	**267,166**	**279,889**
INVESTED CASH/CASH EQUIVALENTS	**356,419**	**336,602**	**315,980**	**302,978**	**296,379**	**297,059**	**301,603**	**300,969**	**305,623**	**304,700**	**308,151**	**311,497**
TOTAL LCPIC OPERATING CASH	**564,531**	**553,573**	**553,967**	**516,466**	**532,832**	**547,743**	**528,532**	**564,277**	**599,517**	**549,994**	**575,316**	**591,387**
INVESTMENTS	**206,705**	**227,420**	**254,732**	**269,420**	**272,350**	**273,600**	**274,078**	**276,751**	**277,273**	**280,914**	**280,065**	**286,589**
TOTAL CASH & INVESTMENTS	**771,236**	**780,993**	**808,699**	**785,886**	**805,182**	**821,343**	**802,610**	**841,028**	**876,789**	**830,909**	**855,381**	**877,976**

Louisiana Citizens Property Insurance Corporation
Combined Statutory Income Statement
For the Month Ending May 31, 2026
Rounded (000's)

	2026 Budget Month	2026 Actual Month	Variance to Budget	2025 Actual Month	2026 Budget Year To Date	2026 Actual Year To Date	Variance to Budget	2025 Actual Year to Date
Direct Premiums Written	$45,501	$37,580	($7,921)	$44,169	$175,717	$150,798	($24,919)	$173,078
Direct Premiums Written - Depopulation	(544)	(846)	(301)	(241)	(4,261)	(8,519)	(4,258)	(3,695)
Ceded Premiums Written	(21,965)	(21,086)	879	(23,109)	(109,330)	(104,199)	5,131	(112,276)
Ceded Premiums Written - Facultative	0	0	0	250	0	(45)	(45)	6
Net Premiums Written	**22,992**	**15,649**	**(7,343)**	**21,069**	**62,127**	**38,036**	**(24,091)**	**57,112**
Change In Unearned Premium Reserve	(6,487)	653	7,140	2,411	17,125	38,847	21,722	60,618
Change In Unearned Premium Reserve - Depopulatior	(513)	(965)	(452)	(4,601)	1,393	2,235	842	(20,192)
Net Premiums Earned	**15,992**	**15,337**	**(655)**	**18,879**	**80,645**	**79,117**	**(1,527)**	**97,538**
Less Underwriting deductions:								
Direct Losses Incurred	4,693	4,190	(503)	3,987	18,674	17,238	(1,436)	14,764
Direct Losses Incurred - Class Action	0	0	0	0	0	0	0	0
Direct Allocated Loss Adjustment Expenses Incurrec	438	273	(164)	319	1,762	1,779	17	2,329
Direct Unallocated LAE (Home Office Expenses)	958	797	(160)	851	3,775	3,640	(135)	4,236
Ceded Losses and LAE	(83)	(1)	82	(9)	(417)	1,004	1,421	417
Net Losses and LAE Incurred	**6,005**	**5,259**	**(746)**	**5,147**	**23,795**	**23,661**	**(134)**	**21,746**
Commissions Incurred	4,550	3,758	(792)	4,417	17,572	15,080	(2,492)	17,308
Commissions Incurred - Depopulation	(87)	(135)	(48)	(39)	(682)	(1,363)	(681)	(591)
Underwriting Expenses Incurred (Home Office Expenses)	1,734	1,532	(202)	1,731	8,328	7,423	(905)	7,796
Total Other Underwriting Expenses Incurred	**6,197**	**5,155**	**(1,042)**	**6,109**	**25,218**	**21,140**	**(4,079)**	**24,513**
Net Underwriting Gain (Loss)	***3,790***	***4,923***	***1,133***	***7,623***	***31,631***	***34,317***	***2,685***	***51,280***
Other Income:								
Interest Earned	2,519	1,835	(683)	1,724	9,727	9,152	(576)	8,289
Other Income	372	211	(161)	308	1,488	976	(512)	1,379
Total Other Income	**2,891**	**2,047**	**(844)**	**2,033**	**11,215**	**10,127**	**(1,087)**	**9,668**
Net Operating Income	***6,681***	***6,969***	***289***	***9,656***	***42,846***	***44,444***	***1,598***	***60,948***
Bond Income/Expense:								
Emergency Assessment Income	(318)	(210)	108	(302)	(1,592)	(1,071)	521	(1,437)
Debt Service Expense	(88)	(123)	(34)	(224)	(442)	(614)	(171)	(1,108)
Earnings on Bond Assets	407	333	(74)	526	2,034	1,684	(350)	2,545
Net Bond Income/Expense	**0**	**0**	**0**	**0**	**0**	**(0)**	**(0)**	**0**
Net Income	***6,681***	***6,969***	***289***	***9,656***	***42,846***	***44,444***	***1,598***	***60,948***

Louisiana Citizens Property Insurance Corporation
Combined Statutory Change In Surplus
For the Month Ending May 31, 2026
Rounded (000's)

	2026 Year To Date	2025 Year End	2024 Year End
Surplus, Previous Year	$543,240	$386,338	$194,598
Net Income	44,444	169,996	175,766
Change In Nonadmitted Assets	29,779	(29,161)	(2,718)
Change In Provision For Reinsurance	0	80	(4)
Tax Exempt Surcharge, Current Year	5,690	15,987	18,694
Surplus, Current Year	***623,152***	***543,240***	***386,338***

*Tax Exempt Surcharge is collected per R.S 22:2303.4.(B) to maintain a federal tax exempt status and to augment the financial resources of the corporation. It is collected on each policy and represents an amount equal to the premium taxes paid which is 3% of the policy premium.

Louisiana Citizens Property Insurance Corporation
Combined Statutory Balance Sheet
For the Month Ending May 31, 2026
Rounded (000's)

	Current Year	Prior YTD	Prior Year-End
Assets			
Trustee Cash	$122,802	$171,822	$120,863
Operating Cash	250,684	262,617	208,112
Invested Operating Cash and Cash Equivalents	297,059	271,231	356,419
Restricted Cash for Escheatment	8,582	7,811	8,094
Operating Investments - Bonds	273,600	183,784	206,705
Premiums Receivable	49,286	62,210	57,939
Reinsurance Recoverable	1,121	2,098	638
Electronic Data Processing Equipment	434	68	75
Long-Term Emergency Assessment Receivable	57,655	113,000	57,655
Current Emergency Assessment Receivable	0	6,281	(0)
Reinsurance Premiums Advanced	0	168	0
Investments Due & Accrued	3,431	2,626	3,216
All Other Assets	192	111	1,016
Total Assets	**1,064,846**	**1,083,827**	**1,020,730**
Loss and Loss Adjustment Reserves	25,403	74,581	22,266
Loss and Loss Adjustment Reserves - Class Action	50	3,738	3,738
LCPIC Bonds	59,096	117,006	58,483
Advanced Assessments Collected	46,268	101,286	75,750
Restricted Assessments for Debt Service Reserves	74,513	72,330	43,709
Unearned Premiums	191,855	224,829	232,936
Advance Premiums	10,996	11,012	3,814
Unearned Tax Exempt Surcharge	5,978	7,174	7,143
Commissions Payable	8,257	9,895	9,727
Accounts Payable	150	656	368
Operating Expenses Payable	8,402	9,311	6,939
Depopulation Premiums Payable	726	196	3,552
Securities Payable	648	2,287	510
Reinsurance Premiums Payable	164	0	25
Provision for Reinsurance	10	91	10
Escheatment Payable	8,582	7,811	8,094
Contingent Liability	0	0	47
All Other Liabilities	596	276	376
Total Liabilities	**441,694**	**642,479**	**477,491**
Contributed Surplus - Emergency Assessments	**978,205**	**978,205**	**978,205**
Unassigned Surplus	**(355,053)**	**(536,857)**	**(434,965)**
Total Surplus	**623,152**	**441,348**	**543,240**
Total Liabilities, Surplus & Other Funds	**1,064,846**	**1,083,827**	**1,020,730**

Louisiana Citizens Property Insurance Corporation
Statement of Cash Flows
For the Month Ending May 31, 2026
Rounded (000's)

	Current Month	Year to Date 2026	Year to Date 2025
Operating Cash - Beginning of Period	$541,473	$572,624	$556,120
Cash from Operating Activities			
Net Income	6,969	44,444	60,948
Adjustments to Net Income for Non-Cash Items:			
Furniture & Equipment Depreciation	3	13	12
EDP Depreciation	25	117	137
Net changes in operating assets and liabilities:			
Premiums Receivable	(2,982)	6,669	10,404
Reinsurance Receivable	1,341	(483)	4,996
Prepaid Expenses	13,447	33,028	(14,977)
Other Assets	(5)	17	49
Losses & Loss Adjustment Expenses	1,080	(551)	(5,163)
Unearned Premiums	312	(41,082)	(40,426)
Advance Premiums	889	7,182	7,118
Commissions Payable	479	(1,470)	(1,831)
Accounts Payable	(3)	(218)	315
Reinsurance Premiums Payable	3	139	(135)
Reinsurance Premiums Refund Receivable	(1,496)	(0)	(0)
Funds Held By Company Under Reinsurance Treaty	0	(47)	0
Take-out Premium Payable	(5,358)	(2,827)	(29,164)
Escheatment Payable	(58)	488	1,074
Accrued Expenses	505	1,463	2,166
Other Liabilities	(17)	219	(1,449)
Tax Exempt Surcharge	1,128	4,524	5,187
Net cash provided by operating activities	16,263	51,626	(738)
Cash from Investing Activities			
Purchase of EDP Equipment	(566)	(952)	0
Payable for Securities	648	137	2,287
Operating Investments - Bonds	(1,250)	(66,895)	(15,990)
Accrued Interest	(242)	(215)	(19)
Net cash provided by investing activities	(1,410)	(67,924)	(13,722)
Cash From Financing Activities	0	0	0
Operating Cash - End of Period	**556,326**	**556,326**	**541,659**
Trustee Cash - Beginning of Period	122,862	120,863	142,431
Cash From Financing Activities			
Emergency Assessments Receivable	0	4	12,513
Bonds Payable	(60)	1,935	16,879
Net cash provided by financing activites	(60)	1,939	29,391
Trustee Cash - End of Period	**122,802**	**122,802**	**171,822**
Total Ending Cash	**$679,128**	**$679,128**	**$713,482**

Louisiana Citizens Property Insurance Corporation

Corporate Operating Expense Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Dept Driving Change	Budget Total
Direct Costs								
Salaries and Wages	660,734	644,053	(16,681)	3,375,385	3,262,034	(113,351)	Claims, Underwriting, Customer Service & IT	8,324,014
Benefits, Taxes, Contributions and Workers Comp	192,950	188,187	(4,763)	1,484,714	1,439,040	(45,674)	Claims, Underwriting, Customer Service & IT	4,415,283
Total Employee Salaries and Wages	853,684	832,240	(21,444)	4,860,099	4,701,075	(159,024)		12,739,296
Recruiting & Advertising	200	200	(0)	1,100	58,249	57,149	HR & Support Opps	29,000
Communication - Mobile Phones & Air Cards	3,335	3,282	(52)	16,673	15,905	(768)	All Departments	40,016
Office and Equipment Repairs and Maintenance	16,196	15,092	(1,104)	72,704	72,618	(86)	HR & Support Opps	326,567
Travel and Lodging	17,094	16,431	(663)	31,666	30,070	(1,596)	Executive	109,800
Furniture and Fixtures- Purchases < $5,000	42	-	(42)	2,208	4,945	2,737	Executive	11,500
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	3,673	3,673	(0)	12,786	12,763	(23)	IT	55,000
Computer Software - Purchases <$1,000,000	226,102	227,956	1,854	863,716	872,130	8,414	IT	2,415,364
Mele Printing	159,569	117,398	(42,171)	528,139	482,039	(46,100)	IT	1,341,039
Lexis Nexis	16,879	11,672	(5,207)	63,493	54,066	(9,427)	IT	150,000
Printing, Stationary, and Office Supplies	1,467	592	(875)	8,146	5,559	(2,587)	All Departments	18,721
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	82,975	81,596	(1,379)	362,473	350,630	(11,842)	Customer Service	1,690,993
Outside Services – One Inc – Claims Pay	5,943	4,037	(1,906)	27,164	22,101	(5,063)	Claims	68,763
External Management Fees	24,112	23,400	(712)	28,879	26,601	(2,278)	Claims	500,000
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	3,491	1,069	(2,421)	16,535	12,401	(4,135)	Executive	52,019
Total Direct Costs	**1,414,760**	**1,338,638**	**(76,122)**	**6,895,780**	**6,721,151**	**(174,629)**		**19,548,077**
Indirect Costs								
Rents, Leases, and Utilities	46,928	42,701	(4,227)	234,031	213,524	(20,507)	All Departments	582,785
Rent and Storage - Eatel/Iron Mountain	52,408	53,554	1,145	262,042	263,869	1,827	HR & Support Opps	628,900
Communication - Internet & Phone	21,334	16,064	(5,271)	106,671	100,001	(6,670)	All Departments	256,011
Depreciated Expense - Furniture & Fixtures	2,526	2,526	(0)	12,631	12,631	(0)		30,313
Depreciated Expense - EDP Equipment & Software	25,355	25,355	0	117,038	117,038	(0)		416,748
External Legal Expenses	12,500	16,038	3,538	62,500	61,276	(1,224)	Claims	150,000
Audit Fees	8,700	8,700	-	43,500	43,500	-		104,400
Actuarial Fees	24,829	24,829	(0)	124,146	124,146	(0)		297,950
Surveys and Underwriting Reports - Inspection & CLUE Reports	125,102	76,353	(48,749)	431,617	351,714	(79,904)	Underwriting	1,307,333
Taxes, Licensing, and other fees - Insurance Department	181,366	132,653	(48,713)	699,334	534,020	(165,314)	Accounting	1,932,289
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	332,318	266,732	(65,586)	1,281,396	1,033,767	(247,630)	Accounting	3,540,550
PIPSO Fees, ISO Fees, Xactware	48,327	73,548	25,221	241,636	373,554	131,918	Underwriting	621,609
Liability Insurance - LCPIC, Directors, Officers	27,705	24,861	(2,844)	132,952	127,264	(5,688)		326,887
Bank Service Charges (Credit Card)	363,057	224,055	(139,002)	1,434,944	969,308	(465,636)	Accounting	3,827,336
Postage & Courier Services	4,242	2,962	(1,280)	21,208	14,997	(6,211)	HR & Support Opps	50,900
Other Miscellaneous	433	203	(230)	2,166	1,107	(1,058)	Accounting & Executive	5,197
Total Indirect Costs	**1,277,131**	**991,134**	**(285,998)**	**5,207,813**	**4,341,715**	**(866,098)**		**14,079,207**
Home Office Expenses - P&L	**2,691,891**	**2,329,772**	**(362,119)**	**12,103,593**	**11,062,866**	**(1,040,727)**		**33,627,284**
Bank Service Charges - Unallocated	21,000	24,901	3,901	105,000	116,571	11,571	Accounting	252,000
Total Operating Expenses - Direct & Indirect	**2,712,891**	**2,354,673**	**(358,218)**	**12,208,593**	**11,179,437**	**(1,029,156)**		**33,879,284**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-	-	-	-	-	-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-	-	-	385,596	385,596	-	IT	658,827
Computer Software - Purchases >$1,000,000	-	-	-	-	-	-		3,400,000
Total Capital Purchases	**-**	**-**	**-**	**385,596**	**385,596**	**-**		

Louisiana Citizens Property Insurance Corporation

Claims Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	138,996	138,941	(54)	729,783	700,183	(29,600)	Down 1 FTE	1,853,654
Benefits, Taxes, Contributions and Workers Comp	40,885	41,316	432	262,095	251,463	(10,632)		810,463
Total Employee Salaries and Wages	179,881	180,258	377	991,878	951,647	(40,232)		2,664,118
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	600	663	63	2,860	2,650	(210)		7,059
Office and Equipment Repairs and Maintenance	-	-	-	-	-	-		-
Travel and Lodging	12,480	12,469	(10)	15,467	15,411	(55)		40,000
Furniture and Fixtures- Purchases < $5,000	-	-	-	1,000	-	(1,000)		1,000
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	2,443	2,485	42	8,662	8,870	208	Navigator license fee increase greater than anticipated	63,000
Mele Printing	-	-	-	-	-	-		-
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	94	-	(94)	573	479	(94)		1,375
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	347	341	(6)	3,472	3,398	(73)		593,750
Outside Services – One Inc – Claims Pay	5,943	4,037	(1,906)	27,164	22,101	(5,063)		68,763
External Management Fees	24,112	23,400	(712)	28,879	26,601	(2,278)		500,000
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	55	50	(5)	1,795	1,381	(414)		8,100
Total Direct Costs	**225,953**	**223,703**	**(2,251)**	**1,081,749**	**1,032,538**	**(49,211)**		**3,947,165**
Indirect Costs								
Rents, Leases, and Utilities	10,226	9,297	(929)	50,997	46,973	(4,024)		127,027
Rent and Storage - Eatel/Iron Mountain	-	-	-	-	-	-		-
Communication - Internet & Phone	4,565	3,446	(1,119)	22,826	21,529	(1,296)		54,782
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	10,417	16,038	5,621	52,083	39,276	(12,807)	Timing	125,000
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	26,353	24,107	(2,246)	131,766	126,350	(5,416)	Annual ISO fees lower than estimated	358,216
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	-	-	-	-	-	-		-
Other Miscellaneous	-	-	-	-	-	-		-
Total Indirect Costs	**51,561**	**52,888**	**1,327**	**257,673**	**234,128**	**(23,544)**		**665,025**
Home Office Expenses - P&L	**277,515**	**276,591**	**(924)**	**1,339,421**	**1,266,666**	**(72,755)**		**4,612,190**
Bank Service Charges - Unallocated	-	-	-	-	-	-		-
Total Operating Expenses - Direct & Indirect	**277,515**	**276,591**	**(924)**	**1,339,421**	**1,266,666**	**(72,755)**		**4,612,190**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-		-	-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-		-	-		-		-
Computer Software - Purchases >$1,000,000	-		-	-		-		-
Total Capital Purchases	-	-	-	-	-	-		

Louisiana Citizens Property Insurance Corporation

Underwriting Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	180,595	180,180	(415)	944,353	943,698	(655)		2,032,994
Benefits, Taxes, Contributions and Workers Comp	50,235	50,064	(172)	410,862	410,577	(285)		1,163,505
Total Employee Salaries and Wages	230,830	230,244	(586)	1,355,216	1,354,275	(941)		3,196,499
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	240	240	-	1,200	1,200	-		2,880
Office and Equipment Repairs and Maintenance	-	-	-	-	-	-		-
Travel and Lodging	-	-	-	-	-	-		3,000
Furniture and Fixtures- Purchases < $5,000	-	-	-	1,000	2,681	1,681	Senior Director's furniture	1,000
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	58,330	58,330	-	98,180	98,179	(1)		295,960
Mele Printing	-	-	-	-	-	-		-
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	83	-	(83)	417	-	(417)		1,000
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	-	1,209	1,209	-	1,209	1,209	Underwriting fraud investigation	-
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	-	15	15	1,605	1,618	13		15,850
Total Direct Costs	**289,484**	**290,038**	**554**	**1,457,617**	**1,459,162**	**1,544**		**3,516,189**
Indirect Costs								
Rents, Leases, and Utilities	14,203	12,918	(1,286)	70,830	64,524	(6,306)		176,427
Rent and Storage - Eatel/Iron Mountain	-	-	-	-	-	-		-
Communication - Internet & Phone	6,340	4,786	(1,555)	31,702	29,902	(1,800)		76,086
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	-	-	-	-	-	-		-
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	125,102	76,353	(48,749)	431,617	351,714	(79,904)	Reduced new business	1,307,333
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	21,974	49,441	27,467	109,870	247,204	137,334	PIAL assessment greater than anticipated 394k/year	263,392
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	-	-	-	-	-	-		-
Other Miscellaneous	8	-	(8)	42	-	(42)		100
Total Indirect Costs	**167,628**	**143,497**	**(24,131)**	**644,061**	**693,344**	**49,283**		**1,823,338**
Home Office Expenses - P&L	**457,112**	**433,535**	**(23,576)**	**2,101,678**	**2,152,505**	**50,827**		**5,339,528**
Bank Service Charges - Unallocated	-	-	-	-	-	-		-
Total Operating Expenses - Direct & Indirect	**457,112**	**433,535**	**(23,576)**	**2,101,678**	**2,152,505**	**50,827**		**5,339,528**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-			-		-		-
Computer Software - Purchases >$1,000,000	-			-		-		-
Total Capital Purchases	**-**	**-**	**-**	**-**	**-**	**-**		

Louisiana Citizens Property Insurance Corporation

Accounting Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	71,779	71,736	(43)	358,322	358,119	(204)		950,880
Benefits, Taxes, Contributions and Workers Comp	20,272	20,259	(13)	204,793	204,676	(117)		633,871
Total Employee Salaries and Wages	92,051	91,995	(56)	563,115	562,795	(320)		1,584,751
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	550	529	(20)	2,774	2,670	(104)		6,622
Office and Equipment Repairs and Maintenance	-	-	-	-	-	-		-
Travel and Lodging	131	131	(1)	341	338	(3)		8,400
Furniture and Fixtures- Purchases < $5,000	-	-	-	-	-	-		2,000
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	20,214	20,214	-	99,325	99,283	(41)		254,945
Mele Printing	60	67	7	300	993	693	Increased collection letters due to earned premium cancellations; 1099 printing not budgeted (new process)	720
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	546	-	(546)	2,729	1,598	(1,131)		6,550
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	-	-	-	470	462	(8)		5,650
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	120	120	-	120	120	-		5,976
Total Direct Costs	**113,672**	**113,055**	**(617)**	**669,174**	**668,260**	**(914)**		**1,875,614**
Indirect Costs								
Rents, Leases, and Utilities	6,249	5,682	(568)	31,165	28,905	(2,260)		77,628
Rent and Storage - Eatel/Iron Mountain	-	-	-	-	-	-		-
Communication - Internet & Phone	2,790	2,106	(684)	13,949	13,157	(792)		33,478
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	-	-	-	-	-	-		-
Audit Fees	8,700	8,700	-	43,500	43,500	-		104,400
Actuarial Fees	24,829	24,829	(0)	124,146	124,146	(0)		297,950
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	181,366	132,653	(48,713)	699,334	534,020	(165,314)	Reduced premiums	1,932,289
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	332,318	266,732	(65,586)	1,281,396	1,033,767	(247,630)	Reduced premiums	3,540,550
PIPSO Fees, ISO Fees, Xactware	-	-	-	-	-	-		-
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	363,057	224,055	(139,002)	1,434,944	969,308	(465,636)	One Inc Personal Lines not yet implemented	3,827,336
Postage & Courier Services	200	259	59	1,000	2,884	1,884	Increased collection letters due to earned premium cancellations; 1099 printing not budgeted (new process; cost offset in Support Ops)	2,400
Other Miscellaneous	83	-	(83)	417	-	(417)		1,000
Total Indirect Costs	**919,592**	**665,015**	**(254,577)**	**3,629,851**	**2,749,687**	**(880,164)**		**9,817,031**
Home Office Expenses - P&L	**1,033,264**	**778,070**	**(255,194)**	**4,299,025**	**3,417,947**	**(881,078)**		**11,692,645**
Bank Service Charges (Investment Fees) - Unallocated	21,000	24,901	3,901	105,000	116,571	11,571	Increased investment balances	252,000
Total Operating Expenses - Direct & Indirect	**1,054,264**	**802,972**	**(251,293)**	**4,404,025**	**3,534,518**	**(869,507)**		**11,944,645**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-			-		-		-
Computer Software - Purchases >$1,000,000	-			-		-		-
Total Capital Purchases	-	-	-	-	-	-		-

Louisiana Citizens Property Insurance Corporation

Executive Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	123,422	123,411	(11)	600,194	599,961	(233)		1,570,473
Benefits, Taxes, Contributions and Workers Comp	34,332	34,333	1	236,801	236,708	(93)		658,540
Total Employee Salaries and Wages	157,754	157,743	(10)	836,996	836,669	(326)		2,229,013
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	639	640	1	3,366	3,359	(7)		7,837
Office and Equipment Repairs and Maintenance	-	-	-	-	4,487	4,487	COO office and furniture relocation	-
Travel and Lodging	4,250	3,831	(419)	15,150	14,142	(1,008)		45,000
Furniture and Fixtures- Purchases < $5,000	-	-	-	-	2,264	2,264	COO furniture	5,000
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	7,614	7,528	(87)	38,072	37,490	(582)		91,372
Mele Printing	-	-	-	-	-	-		-
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	-	62	62	704	765	61		861
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	5,000	5,000	-	25,000	25,000	-		220,000
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	1,199	834	(365)	8,997	7,950	(1,047)		13,193
Total Direct Costs	**176,456**	**175,638**		**928,284**	**932,126**	**3,842**		**2,612,276**
Indirect Costs								
Rents, Leases, and Utilities	2,272	2,066	(206)	11,333	10,325	(1,008)		28,228
Rent and Storage - Eatel/Iron Mountain	-	-	-	-	-	-		-
Communication - Internet & Phone	1,014	766	(249)	5,072	4,784	(288)		12,174
Depreciated Expense - Furniture & Fixtures	2,526	2,526	(0)	12,631	12,631	(0)		30,313
Depreciated Expense - EDP Equipment & Software	25,355	25,355	0	117,038	117,038	(0)		416,748
External Legal Expenses	2,083	-	(2,083)	10,417	22,000	11,583	YTD: EA legal opinion	25,000
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	-	-	-	-	-	-		-
Liability Insurance - LCPIC, Directors, Officers	27,705	24,861	(2,844)	132,952	127,264	(5,688)	Reduced insurance premiums	326,887
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	-	-	-	-	-	-		-
Other Miscellaneous	166	78	(88)	829	389	(439)		1,988
Total Indirect Costs	**61,122**	**55,652**	**(5,471)**	**290,271**	**294,430**	**4,159**		**841,338**
Home Office Expenses - P&L	**237,578**	**231,290**	**(6,288)**	**1,218,555**	**1,226,556**	**8,001**		**3,453,614**
Bank Service Charges - Unallocated	-	-	-	-	-	-		-
Total Operating Expenses - Direct & Indirect	**237,578**	**231,290**	**(6,288)**	**1,218,555**	**1,226,556**	**8,001**		**3,453,614**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-			-		-		-
Computer Software - Purchases >$1,000,000	-			-		-		-
Total Capital Purchases	**-**	**-**	**-**	**-**	**-**	**-**		

Louisiana Citizens Property Insurance Corporation

Customer Service Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	27,775	19,106	(8,668)	142,209	97,047	(45,162)	Down 4 FTE	373,441
Benefits, Taxes, Contributions and Workers Comp	9,166	6,308	(2,857)	49,412	33,720	(15,692)		121,658
Total Employee Salaries and Wages	36,940	25,414	(11,526)	191,621	130,766	(60,855)		495,099
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	80	80	-	400	400	-		960
Office and Equipment Repairs and Maintenance	-	-	-	-	-	-		-
Travel and Lodging	-	-	-	-	-	-		-
Furniture and Fixtures- Purchases < $5,000	42	-	(42)	208	-	(208)		500
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	-	-	-	-	-	-		-
Mele Printing	-	-	-	-	-	-		-
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	42	-	(42)	208	-	(208)		500
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	9,814	6,668	(3,146)	40,505	29,775	(10,729)	Additional temps not yet brought on	109,200
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	17	-	(17)	83	-	(83)		200
Total Direct Costs	**46,934**	**32,162**		**233,026**	**160,942**	**(72,084)**		**606,459**
Indirect Costs								
Rents, Leases, and Utilities	4,545	4,132	(413)	22,665	20,136	(2,529)		56,457
Rent and Storage - Eatel/Iron Mountain	-	-	-	-	-	-		-
Communication - Internet & Phone	2,029	1,531	(498)	10,145	9,569	(576)		24,348
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	-	-	-	-	-	-		-
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	-	-	-	-	-	-		-
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	-	-	-	-	-	-		-
Other Miscellaneous	-	-	-	-	-	-		-
Total Indirect Costs	**6,574**	**5,664**	**(910)**	**32,810**	**29,705**	**(3,105)**		**80,804**
Home Office Expenses - P&L	**53,508**	**37,825**	**(15,682)**	**265,836**	**190,647**	**(75,189)**		**687,263**
Bank Service Charges - Unallocated	-	-	-	-	-	-		-
Total Operating Expenses - Direct & Indirect	**53,508**	**37,825**	**(15,682)**	**265,836**	**190,647**	**(75,189)**		**687,263**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-			-		-		-
Computer Software - Purchases >$1,000,000	-			-		-		-
Total Capital Purchases	**-**	**-**	**-**	**-**	**-**	**-**		

Louisiana Citizens Property Insurance Corporation

IT Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	98,204	90,734	(7,471)	498,160	460,735	(37,425)	Down 1 FTE	1,278,380
Benefits, Taxes, Contributions and Workers Comp	27,836	25,694	(2,143)	250,305	231,500	(18,805)		751,126
Total Employee Salaries and Wages	126,041	116,427	(9,613)	748,465	692,235	(56,230)		2,029,506
Recruiting & Advertising	-	-	-	-	-	-		-
Communication - Mobile Phones & Air Cards	1,146	1,050	(96)	5,674	5,227	(448)		13,697
Office and Equipment Repairs and Maintenance	13,969	13,166	(803)	59,073	54,934	(4,139)	Cost savings Cisco Smartnet Warranty	203,913
Travel and Lodging	-	-	-	125	122	(3)		12,000
Furniture and Fixtures- Purchases < $5,000	-	-	-	-	-	-		2,000
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	3,673	3,673	(0)	12,786	12,763	(23)		55,000
Computer Software - Purchases <$1,000,000	137,035	138,936	1,900	617,152	625,986	8,835	ITS Monthly Subscription kept on longer than anticipated $2.4k (to be terminated end of Q1 - Guidewire Data migration); Solar Winds price increase greater than anticipated $1.4k (Network security and monitoring)	1,705,956
Mele Printing	159,509	117,331	(42,177)	527,839	481,046	(46,793)		1,340,319
Lexis Nexis	16,879	11,672	(5,207)	63,493	54,066	(9,427)		150,000
Printing, Stationary, and Office Supplies	167	136	(30)	833	569	(264)		2,000
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	61,513	62,786	1,273	246,432	247,704	1,272	May: Sitefinity Upgrade Consulting greater than anticipated	654,970
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	2,100	50	(2,050)	2,750	150	(2,600)		6,600
Total Direct Costs	**522,031**	**465,227**	**(56,804)**	**2,284,622**	**2,174,802**	**(109,821)**		**6,175,961**
Indirect Costs								
Rents, Leases, and Utilities	6,817	6,198	(619)	33,998	30,461	(3,537)		84,685
Rent and Storage - Eatel/Iron Mountain	40,408	39,783	(626)	202,042	199,434	(2,608)		484,900
Communication - Internet & Phone	3,581	2,664	(917)	17,904	16,275	(1,629)		42,970
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	-	-	-	-	-	-		-
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	-	-	-	-	-	-		-
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	-	-	-	-	-	-		-
Other Miscellaneous	-	-	-	-	-	-		-
Total Indirect Costs	**50,807**	**48,645**	**(2,162)**	**253,944**	**246,170**	**(7,774)**		**612,555**
Home Office Expenses - P&L	**572,838**	**513,872**	**(58,966)**	**2,538,567**	**2,420,972**	**(117,595)**		**6,788,517**
Bank Service Charges - Unallocated	-	-		-	-	-		-
Total Operating Expenses - Direct & Indirect	**572,838**	**513,872**	**(58,966)**	**2,538,567**	**2,420,972**	**(117,595)**		**6,788,517**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-	-	-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-		-	385,596	385,596	-		658,827
Computer Software - Purchases >$1,000,000	-	-	-	-	-	-		3,400,000
Total Capital Purchases	**-**	**-**	**-**	**385,596**	**385,596**	**-**		

Louisiana Citizens Property Insurance Corporation

Human Resources/Operations Support Operating Statement - Budget

Fiscal Year 2026

	May			YTD				
	Budget	Actual	Variance	Budget	Actual	Variance	Primary Driver of Change	Budget Total
Direct Costs								
Salaries and Wages	19,964	19,945	(19)	102,363	102,292	(71)		264,190
Benefits, Taxes, Contributions and Workers Comp	10,224	10,213	(10)	70,446	70,396	(50)		276,120
Total Employee Salaries and Wages	30,187	30,158	(29)	172,808	172,687	(121)		540,310
Recruiting & Advertising	200	200	(0)	1,100	58,249	57,149	COO recruiting ($83,333 total including Dec25)	29,000
Communication - Mobile Phones & Air Cards	80	80	-	400	400	-		960
Office and Equipment Repairs and Maintenance	2,227	1,926	(301)	13,631	13,197	(433)		122,653
Travel and Lodging	233	-	(233)	583	57	(527)		1,400
Furniture and Fixtures- Purchases < $5,000	-	-	-	-	-	-		-
EDP Equipment (computers, printers, peripherals) - Purchases <$5,000	-	-	-	-	-	-		-
Computer Software - Purchases <$1,000,000	465	464	(1)	2,325	2,321	(5)		4,131
Mele Printing	-	-	-	-	-	-		-
Lexis Nexis	-	-	-	-	-	-		-
Printing, Stationary, and Office Supplies	536	394	(142)	2,681	2,147	(534)		6,435
Outside Services - CAT Readiness, D&O Employment Practices Deductible, Consulting	6,302	5,593	(709)	46,595	43,082	(3,513)	401k admin fee waived for Q1 2026 $1.6k/mo	107,423
Outside Services – One Inc – Claims Pay	-	-	-	-	-	-		-
External Management Fees	-	-	-	-	-	-		-
Other - Prof Fees, Dues, Subs, Training, Seminars, Miscellaneous	-	-	-	1,185	1,183	(2)		2,100
Total Direct Costs	**40,231**	**38,815**	**(1,415)**	**241,308**	**293,322**			**814,412**
Indirect Costs								
Rents, Leases, and Utilities	2,614	2,408	(206)	13,043	12,200	(843)		32,332
Rent and Storage - Eatel/Iron Mountain	12,000	13,771	1,771	60,000	64,435	4,435	Iron Mountain - 16% rate increase	144,000
Communication - Internet & Phone	1,014	766	(249)	5,072	4,784	(288)		12,174
Depreciated Expense - Furniture & Fixtures	-	-	-	-	-	-		-
Depreciated Expense - EDP Equipment & Software	-	-	-	-	-	-		-
External Legal Expenses	-	-	-	-	-	-		-
Audit Fees	-	-	-	-	-	-		-
Actuarial Fees	-	-	-	-	-	-		-
Surveys and Underwriting Reports - Inspection & CLUE Reports	-	-	-	-	-	-		-
Taxes, Licensing, and other fees - Insurance Department	-	-	-	-	-	-		-
Boards, Bureaus and Assoc - LDI Insurance Rating & Fraud Assessment	-	-	-	-	-	-		-
PIPSO Fees, ISO Fees, Xactware	-	-	-	-	-	-		-
Liability Insurance - LCPIC, Directors, Officers	-	-	-	-	-	-		-
Bank Service Charges (Credit Card)	-	-	-	-	-	-		-
Postage & Courier Services	4,042	2,703	(1,339)	20,208	12,113	(8,095)		48,500
Other Miscellaneous	176	125	(51)	879	718	(161)		2,109
Total Indirect Costs	**19,846**	**19,773**	**(74)**	**99,202**	**94,251**	**(4,952)**		**239,115**
Home Office Expenses - P&L	**60,077**	**58,588**	**(1,489)**	**340,511**	**387,573**	**47,062**		**1,053,527**
Bank Service Charges - Unallocated	-	-	-	-	-	-		-
Total Operating Expenses - Direct & Indirect	**60,077**	**58,588**	**(1,489)**	**340,511**	**387,573**	**47,062**		**1,053,527**
Capital Purchases								
Furniture and Fixtures- Purchases > $5,000	-			-		-		-
EDP Equipment (computers, printers, peripherals) - Purchases >$5,000	-			-		-		-
Computer Software - Purchases >$1,000,000	-			-		-		-
Total Capital Purchases	-	-	-	-	-	-		

LOUISIANA CITIZENS
Property Insurance Corporation

May 2026 Management Reports

July 9, 2026 Board Meeting

Overview

Corporate Overview

May 31, 2026

Underwriting Overview

Premium Written & Policies Issued

Premium Written (000s)	May-26	2026 YTD	May-25	2025 YTD
Direct Written Premium*	$37,580	$150,798	$44,169	$173,078
Takeout Written Premium	846	8,519	241	3,695
Net Written Premium Before Reinsurance	$36,735	$142,280	$43,928	$169,383
Earned Premium (000s)				
Direct Earned Premium	$38,233	$189,645	$46,580	$233,696
Takeout Earned Premium	1,811	6,284	4,842	23,888
Net Earned Premium Before Reinsurance	$36,423	$183,361	$41,738	$209,809
Counts				
Direct Policies Issued	12,580	52,168	13,599	55,591
Policies Takeout Initial	-	-	-	-
Policies Takeout Renewal	-	-	-	-
Net Policies Issued	12,580	52,168	13,599	55,591

Inforce Policies & Coverage Details

Count*	May-26	May-25
Direct Inforce Policies	120,387	130,866
Takeout Inforce Policies	4,835	11,307
Net Inforce Count	115,552	119,559
EPIC Inforce Policies (Multi to Single Policies)*	-	-
Total Net Inforce Policies	115,552	119,559
TIV (000s)*		
Direct TIV (Cov A-D)	$40,637,269	$45,645,368
Direct Cov E, F, Mold, BI	$2,392,056	$3,144,696
Total Direct Cov A-D, E, F, Mold , BI	$43,029,325	$48,790,064
Takeout TIV (Cov A-D)	$1,682,079	$3,704,721
Takeout Cov E, F, Mold, BI	$147,340	$362,913
Total Takeout Cov A-D, E, F, Mold, BI	$1,829,419	$4,067,634
Net TIV (Cov A-D)	$38,955,190	$41,940,646
Net Cov E, F, Mold, BI	$2,244,716	$2,781,783
Total Net Cov A-D, E, F, Mold, BI	$41,199,906	$44,722,430

Underwriting Overview

Net Inforce by Policy Type

		Net Inforce		
Commercial Lines	**Count**	**Premium (000s)**	**TIV Cov A-D (000s)**	**E, F, Mold, BI (000s)**
Builders Risk	2	$50	$3,037	$0
Commercial	1,468	15,138	749,518	19,533
Wind & Hail Only	4,117	48,659	4,405,248	179,242
Total Commercial	5,587	$63,848	$5,157,803	$198,775
Personal Lines				
Builders Risk	180	$859	$62,705	$0
Condo	1,016	1,045	84,321	-
Homeowners	8,862	72,306	8,844,815	2,045,941
Mobile Home	11,272	21,403	764,232	-
Residence	58,025	149,813	14,456,469	-
Wind & Hail Only	30,610	115,188	9,584,844	-
Total Personal	109,965	$360,613	$33,797,387	$2,045,941
Grand Total	**115,552**	**$424,461**	**$38,955,190**	**$2,244,716**

Written Premium Analysis - Month

	May-26		May-25	
Term Type ($000s)	**Written Premium**	**Counts**	**Written Premium**	**Counts**
New Business	$5,254	2,313	$10,652	3,839
Renewals	32,326	10,267	33,518	9,760
Total Direct Premium Written	$37,580	12,580	$44,169	13,599
New Business Written From ($000s)				
Cajun Underwriters	429	152	564	187
State Farm	188	77	299	117
Allstate	133	57	340	129
Sagesure	196	73	335	88
Others	4,308	1,954	9,114	3,318
Renewal	5,254	2,313	10,652	3,839
Total Renewals*	32,326	10,267	33,518	9,760
Total Direct Premium Written	37,580	12,580	44,169	13,599

Written Premium Analysis - Year-to-Date

	2026 YTD		2025 YTD	
Term Type ($000s)	**Written Premium**	**Counts**	**Written Premium**	**Counts**
New Business	$25,068	10,921	$41,884	15,845
Renewals	125,731	41,247	131,194	39,746
Total Direct Premium Written	$150,798	52,168	$173,078	55,591
New Business Written From ($000s)				
Cajun Underwriters	$2,342	803	$1,967	648
State Farm	798	431	864	406
Allstate	619	295	1,126	478
Sagesure	798	274	1,201	371
Others	20,511	9,118	36,725	13,942
Renewal	25,068	10,921	41,884	15,845
Total Renewals*	125,731	41,247	131,194	39,746
Total Direct Premium Written	$150,798	52,168	$173,078	55,591

Underwriting Overview

Net Premium Written & Earned by Policy Type

	Net Premium Written			Net Premium Earned		
	2026 YTD	2025 YTD	Variance	2026 YTD	2025 YTD	Variance
Policy Type						
Commercial	5,342	9,182	(3,839)	6,899	10,302	(3,404)
Commercial Builders Risk	(3)	-	(3)	23	29	(5)
Commercial Builders Risk Renovations	(7)	(188)	181	4	203	(199)
Commercial Builders Risk Renovations Wind & Hail Only	-	6	(6)	-	21	(21)
Commercial Builders Risk Wind & Hail Only	-	-	-	-	-	-
Commercial Wind & Hail Only*'	16,656	28,305	(11,648)	22,721	33,545	(10,824)
Total Commercial	21,989	37,304	(15,315)	29,647	44,100	(14,453)
DWG-1 Builders Risk	62	124	(63)	69	160	(91)
DWG-1 Builders Risk Renovation	168	392	(223)	291	549	(258)
DWG-1 Builders Risk Renovations Wind & Hail Only	-	-	-	-	-	-
DWG-1 Builders Risk Wind & Hail Only	-	(3)	3	0	16	(16)
DWG-1 Condo	339	294	45	440	468	(28)
DWG-1 Condo Wind & Hail Only	98	103	(5)	108	131	(23)
DWG-1 Mobile Home	9,113	7,989	1,124	8,680	7,802	878
DWG-1 Mobile Home Wind & Hail Only	2,433	2,081	352	2,280	2,027	252
DWG-1 Residence	29,044	29,927	(883)	33,652	34,695	(1,042)
DWG-1 Residence Wind & Hail Only	14,102	15,287	(1,184)	16,192	16,847	(655)
DWG-2 Residence	4,483	4,706	(223)	5,661	5,638	24
DWG-3 Residence	17,248	20,059	(2,811)	24,532	28,808	(4,276)
DWG-3 Residence Wind & Hail Only	23,280	24,956	(1,675)	30,153	32,533	(2,380)
Total Dwelling	100,372	105,915	(5,543)	122,058	129,673	(7,615)
HO-2 Broad Form*	2,156	3,187	(1,031)	3,655	4,122	(467)
HO-3 Special Form	17,573	22,723	(5,150)	27,774	31,417	(3,643)
HO-4 Contents Broad Form	53	53	0	42	46	(4)
HO-6 Unit Owners Form	139	179	(40)	163	200	(38)
HO-8 Modified Coverage Form	15	26	(11)	14	20	(6)
HO-R Homeowner Renovation	(16)	(3)	(13)	8	230	(222)
Total Homeowners	19,919	26,164	(6,244)	31,656	36,036	(4,380)
Net Premium Written & Earned Before Reinsurance	**142,280**	**169,383**	**(27,103)**	**183,361**	**209,809**	**(26,448)**
Ceded Reinsurance				104,244	112,270	(8,026)
Net Premium Earned as of 5/31				**79,117**	**97,539**	**(18,422)**

Premium Payment Collections Overview - May 2026

Checks

Payment Method	May-26 Count	May-26 Amount Collected	May-25 Count	May-25 Amount Collected	2026 YTD Count	2026 YTD Amount Collected	2025 YTD Count	2025 YTD Amount Collected
Mail	207	498,526	503	1,714,460	983	2,416,037	1,776	5,443,788
Walk-In	85	408,623	56	503,129	366	1,419,711	266	1,455,237
6370 Lockbox - Manual	3,417	13,831,152	4,477	17,629,976	16,236	62,885,506	20,010	76,892,673
3344 Lockbox - Upload	2,301	3,001,022	2,407	3,484,294	11,658	15,438,780	13,068	19,662,314
Total Checks	**6,010**	**$17,739,323**	**7,443**	**$23,331,859**	**29,243**	**$82,160,033**	**35,120**	**$103,454,011**

Credit Cards

Payment Method	May-26 Count	May-26 Amount Collected	May-25 Count	May-25 Amount Collected	2026 YTD Count	2026 YTD Amount Collected	2025 YTD Count	2025 YTD Amount Collected
Mail	0	0	0	0	0	0	0	0
Online	3,108	3,835,050	3,281	4,016,160	15,452	17,238,748	16,314	19,311,115
EPIC	5,117	4,903,686	6,301	6,968,144	24,994	22,574,394	29,137	32,133,389
Total Credit Cards	**8,225**	**$8,738,736**	**9,582**	**$10,984,304**	**40,446**	**$39,813,142**	**45,451**	**$51,444,505**

Electronic Funds Transfer (Checking or Saving)

Payment Method	May-26 Count	May-26 Amount Collected	May-25 Count	May-25 Amount Collected	2026 YTD Count	2026 YTD Amount Collected	2025 YTD Count	2025 YTD Amount Collected
Online	2,690	3,248,504	2,866	3,410,147	14,127	16,273,521	16,257	21,909,779
EPIC	3,801	4,432,947	5,263	10,472,243	18,958	20,413,403	23,218	42,984,902
Total EFTs	**6,491**	**$7,681,451**	**8,129**	**$13,882,390**	**33,085**	**$36,686,924**	**39,475**	**$64,894,682**

Payment Method

	May-26 Count	May-26 Amount Collected	May-25 Count	May-25 Amount Collected	2026 YTD Count	2026 YTD Amount Collected	2025 YTD Count	2025 YTD Amount Collected
Mail	207	498,526	503	1,714,460	983	2,416,037	1,776	5,443,788
Walk-In	85	408,623	56	503,129	366	1,419,711	266	1,455,237
Online	5,798	7,083,555	6,147	7,426,307	29,579	33,512,269	32,571	41,220,895
6370 Lockbox - Manual	3,417	13,831,152	4,477	17,629,976	16,236	62,885,506	20,010	76,892,673
3344 Lockbox - Upload	2,301	3,001,022	2,407	3,484,294	11,658	15,438,780	13,068	19,662,314
EPIC	8,918	9,336,633	11,564	17,440,386	43,952	42,987,796	52,355	75,118,292
Total Payments Collected	**20,726**	**$34,159,510**	**25,154**	**$48,198,552**	**102,774**	**$158,660,099**	**120,046**	**$219,793,197**

***Does not include NSF's or Refunds. Only includes payments submitted**

Depopulation Efforts Overview

Takeout Activity by Round Inception-to-Date

Assumption	Initial Assumption	Policies Assumed (As of 5/31/2026)	Premium Assumed (As of 5/31/2026)
03/1/2008 Round 1	26,359		
12/1/2008 Round 2	13,133		
04/1/2009 Round 3	3,366		
12/1/2010 Round 4	12,292	10,484	$12,701
12/1/2011 Round 5	9,844	8,360	$12,948
12/1/2012 Round 6	6,791	6,115	$7,839
12/1/2013 Round 7	13,322	11,790	$15,540
12/1/2014 Round 8	10,581	8,962	$12,757
12/1/2015 Round 9	13,150	10,827	$15,979
12/1/2016 Round 10	10,186	8,984	$12,399
12/1/2017 Round 11	9,856	7,067	$9,921
12/1/2018 Round 12	32	28	$37
12/1/2019 Round 13	100	89	$92
12/1/2020 Round 14	76	66	$94
12/1/2022 Round 16	3,786	3,337	$4,085
04/1/2023 Round 17	6,578	4,843	$17,010
10/1/2023 Round 18	7,755	5,751	$19,789
04/1/2024 Round 19	8,415	6,471	$17,150
12/1/2024 Round 20	13,481	10,174	$34,454
04/1/2025 Round 21	2,922	2,313	$6,740
12/1/2025 Round 22	2,034	1,576	$4,512
12/1/2025 Round 23	4,109	3,420	$8,564
Grand Total	178,168	110,657	212,610

Depopulation Summary by Round

	Round 23 ITD		Round 22 ITD		Round 21 ITD	
	Policy Count	Unearned Premium	Policy Count	Unearned Premium	Policy Count	Unearned Premium
Policies Selected	4,177		2,078		2,961	
Policies Cancelled as of Assumption	(68)		(44)		(39)	
Policies Initially Assumed	**4,109**	**7,701**	**2,034**	**4,313**	**2,922**	**5,640**
Activity on Assumed Policies:						
Optouts (Remaining with LCPIC)	(540)	(1,139)	(320)	(744)	(373)	(818)
Reinstated Policies	13	41	16	44	21	79
Policies Canceled	(73)	(135)	(103)	(200)	(182)	(313)
Policies Not Renewed	(2)	0	(2)	0	(4)	0
Renewals Not Included in Initial Assumption	0	0	0	0	0	0
Policies Expired by LCPIC-Renewing by Depop Company	0	0	(395)	0	(2,079)	0
Renewals Not Taken (Expired without Payment)	(89)	0	(49)	0	(72)	0
Renewals Issued on Behalf of Depop Company*	0	2,092	0	1,105	0	2,151
Payment for Endorsement Activity	0	(8)	0	(6)	0	(9)
Renewals Issued - Prior Term Canceled	2	12	0	0	1	10
Adjustments made for Report Errors	0	0	0	0	0	0
Total Activity - May 2026	**(689)**	**862**	**(853)**	**199**	**(2,688)**	**1,099**
Inforce with LCPIC	3,420		1,181		234	
Renewals Offered by Depop Companies	0		395		2,079	
Depopulated Policies	**3,420**	**$8,564**	**1,576**	**$4,512**	**2,313**	**$6,740**
***Renewals Offered and Expired**						
Initial Assumption - Renewals Offered	576		734		2,695	
Renewals Offered After Assumption - Not Included in Initial Assumption	1		0		0	
Renewals Not Offered	0		0		0	
Number of Renewals Processed by LCPIC	577		734		2,695	
Number of Policies Expired by LCPIC - Renewing by Depop Company	0		(395)		(2,079)	
Total Number of Policies Renewed by LCPIC	577		339		616	
Number of Expired Policies Without Payment	(89)		(49)		(72)	
Number of Policies Non-Renewed	(2)		(2)		(4)	
Number of Policies Canceled	(4)		(6)		(22)	
Optouts	(30)		(20)		(48)	
Renewals Issued-Prior Term Canceled	1		0		1	
Renewals Accepted On Behalf of Depop Company	**453**		**262**		**471**	

Claim Overview

Inception-to-Date Loss, Expense, & Claim Count - As of 3/31/26 (Updated Quarterly)

	Loss Year	ITD Claims	ITD Loss & LAE (000s)*
Hurricanes:			
Hurricane Katrina	2005	66,139	$1,693,319
Hurricane Rita	2005	14,810	$194,558
Hurricane Gustav	2008	52,161	$331,976
Hurricane Ike	2008	3,402	$13,921
Hurricane Isaac	2012	17,820	$129,352
Hurricane Harvey	2017	121	$225
Hurricane Nate	2017	12	$17
Hurricane Barry	2019	618	$2,149
Hurricane Laura	2020	2,725	$101,005
Hurricane Sally	2020	6	$10
Hurricane Delta	2020	2,139	$22,952
Hurricane Zeta	2020	2,648	$20,998
Hurricane Ida	2021	14,299	$515,454
Hurricane Beryl	2024	17	$95
Hurricane Francine	2024	2,905	$25,576
Total Hurricanes		**179,822**	**3,051,605**
PCS Events:			
39-Wind & Thunderstorm Event	2011	125	$506
41-Wind & Thunderstorm Event	2011	3,050	$30,230
46-Wind & Thunderstorm Event	2011	263	$2,286
61-Tropical Storm Lee	2011	792	$4,010
92-Hail Storm	2013	2,869	$23,698
94-Wind & Thunderstorm Event	2013	60	$284
1644-Wind & Thunderstorm Event	2016	687	$623
1714-Wind & Hail Event	2017	208	$4,889
1730-Wind & Hail Event	2017	45	$170
1731-Wind & Hail Event	2017	207	$1,233
1700-Tropical Storm Cidy	2017	58	$114
1819 - Wind & Hail Event	2018	25	$162
1821 - Wind & Thunderstorm Event	2018	40	$161
1922 - Wind & Thunderstorm Event	2019	59	$226
1923 - Wind & Thunderstorm Event	2019	37	$122
1924 - Wind & Thunderstorm Event	2019	25	$74
1925 - Wind & Thunderstorm Event	2019	15	$63
1927 - Wind & Thunderstorm Event	2019	145	$1,132
1969 - Wind & Thunderstorm Event	2019	9	$35
Tropical Storm Olga	2019	103	$272
2012 - Wind and Thunderstorm Event	2020	78	$245
2018 - Wind and Thunderstorm Event	2020	3	$6
2020 - Wind and Thunderstorm Event	2020	33	$130
2021 - Wind and Thunderstorm Event	2020	80	$355
2022 - Wind and Thunderstorm Event	2020	32	$136
2023 - Wind and Thunderstorm Event	2020	26	$228
2024 - Wind and Thunderstorm Event	2020	67	$405
2027 - Wind and Thunderstorm Event	2020	6	$25
2029 - Wind and Thunderstorm Event	2020	8	$67
Tropical Storm Cristobal	2020	34	$161
2117 - Winter Storm	2021	164	$737
2125 - Wind & Hail Event	2021	33	$221
2126 - Wind & Hail Event	2021	86	$656
2131 - Wind & Hail Event	2021	42	$393
2132 - Wind & Hail Event	2021	57	$208
TS Claudette	2021	9	$26
TS Nicholas	2021	14	$307
2220 - Wind and Thunderstorm Event	2022	59	$1,673
2221 - Wind & Hail Event	2022	58	$715
2223 - Wind & Hail Event	2022	4	$28
2225 - Wind & Hail Event	2022	17	$171
2272 - Wind & Hail Event	2022	329	$12,792
2316 - Wind & Hail Event	2023	86	$803
2348 - Wind & Hail Event	2023	23	$137
2349 - Wind & Hail Event	2023	285	$4,061
2411 - Wind & Hail Event	2024	224	$3,185
2417 - Wind & Thunderstorm Event	2024	60	$223
2420 - Wind & Thunderstorm Event	2024	66	$1,048
2431 - Wind & Hail Event	2024	805	$16,874
2440 - Wind & Hail Event	2024	289	$4,743
2441 - Wind & Hail Event	2024	209	$2,000
2447 - Wind & Hail Event	2024	63	$1,256
2516 - Snow Event	2025	160	$603
2522 - Wind & Hail Event	2025	76	$847
2524 - Wind & Hail Event	2025	53	$591
2528 - Wind & Hail Event	2025	49	$385
2613 - Winter Storm/Freeze	2026	85	$575
Total PCS Events		**12,594**	**127,306**
Other Outsourced Claims:			
2015 Day Claims Outsourced to Worley	2015	666	$3,100
2016 Day Claims Outsourced to Worley	2016	59	$387
2018 Day Claims Outsourced to Worley	2018	75	$231
2019 Day Claims Outsourced to Worley	2019	35	$155
2020 Day Claims Outsourced to Alacrity	2020	51	$135
Outsourced Day Claims (2010-2013)	2010-2013	13,323	$114,263
Total Other Outsourced Claims		**14,209**	**118,269**
In-house Day Claims (2014 Forward)	2014-2026	**20,591**	**$239,974**
Total Claims		**227,216**	**3,537,155**

Claim Overview

Loss & Expense Reserves & Open Claim Counts as of May 31, 2026

		Open Claim Count				Reserves (000s)	
Catastrophe Name	Loss Year	Litigated	Non-Litigated	May-26 Total	May-25 Total	May-26	May-25
Hurricanes:							
Hurricane Katrina*	2005	1	-	1	1	$41	$305
Hurricane Isaac	2012	4	-	4	4	$980	$980
Hurricane Barry	2018	-	-	-	-	-	-
Hurricane Laura	2020	7	-	7	16	$45	$296
Hurricane Sally	2020	-	-	-	-	-	-
Hurricane Delta	2020	2	-	2	7	$12	$155
Hurricane Zeta	2020	5	-	5	11	$82	$265
Hurricane Ida	2021	82	-	82	204	$2,401	$6,727
Hurricane Beryl	2024	-	-	-	-	-	$14
Hurricane Francine	2024	23	19	42	79	$1,445	$2,284
Total Hurricanes		**124**	**19**	**143**	**322**	**$5,007**	**$11,025**
PCS Events:							
92-Hail Storm	2013	-	-	-	-	-	-
1644-Wind & Flooding Event	2016	-	-	-	-	-	-
1714-Wind & Hail Event	2017	-	-	-	1	-	$7
1821-Wind & Thunderstorm Event	2018	-	-	-	-	-	-
1923-Wind & Thunderstorm Event	2019	-	-	-	-	-	-
1927-Wind & Thunderstorm Event	2019	-	-	-	-	-	-
2020 - Wind and Thunderstorm Event	2020	-	-	-	-	-	-
2021 - Wind and Thunderstorm Event	2020	-	-	-	1	-	$19
2022 - Wind and Thunderstorm Event	2020	-	-	-	-	-	-
2023 - Wind and Thunderstorm Event	2020	-	-	-	-	-	-
2024 - Wind and Thunderstorm Event	2020	-	-	-	-	-	-
2027 - Wind and Thunderstorm Event	2020	-	-	-	-	-	-
Tropical Storm Cristobal	2020	-	-	-	-	-	-
2117 - Winter Storm	2021	-	-	-	-	-	-
2125 -Wind & Hail Event	2021	-	-	-	-	-	-
2126 - Wind & Hail Event	2021	-	-	-	-	-	-
2131 - Wind & Hail Event	2021	-	-	-	-	-	-
2132 - Wind & Hail Event	2021	-	-	-	1	-	$1
Tropical Storm Claudette	2021	-	-	-	-	-	-
Tropical Storm Nicholas	2021	-	-	-	-	-	-
2220 - Wind and Thunderstorm Event	2022	1	-	1	1	$4	$147
2221 - Wind & Hail Event	2022	1	-	1	1	$37	$44
2223 - Wind & Hail Event	2022	-	-	-	-	-	-
2225 - Wind & Hail Event	2022	-	-	-	-	-	-
2272 - Wind & Hail Event	2022	3	-	3	5	$153	$154
2299 - Wind & Hail Event	2022	-	-	-	-	-	-
2316 - Wind & Hail Event	2023	2	-	2	2	$55	$66
2348 - Wind & Hail Event	2023	-	-	-	1	-	$5
2349 - Wind & Hail Event	2023	1	-	1	-	$77	$1
2411 - Wind & Hail Event	2024	4	1	5	4	$80	$52
2417 - Wind and Thunderstorm Event	2024	-	-	-	-	-	-
2420 - Wind and Thunderstorm Event	2024	1	-	1	1	$5	$7
2431 - Wind & Hail Event	2024	7	4	11	17	$199	$927
2440 - Wind & Hail Event	2024	3	2	5	4	$350	$261
2441 - Wind & Hail Event	2024	-	-	-	3	-	$102
2447 - Wind & Hail Event	2024	-	-	-	1	-	$6
2516 - Snow Event	2025	-	-	-	5	$17	$89
2522 - Wind & Hail Event	2025	-	-	-	9	$12	$133
2524 - Wind & Hail Event	2025	-	-	-	4	-	$116
2528 - Wind & Hail Event	2025	-	3	3	7	$29	$49
2613 - Winter Storm/Freeze	2026	-	-	-	-	$38	-
Other	N/A	-	-	-	-	-	-
Total PCS Events		**23**	**10**	**33**	**68**	**$1,056**	**$2,184**
Other Outsourced Claims:							
2016 Day Claims Outsourced to Worley	2016	-	-	-	-	-	-
2018 Day Claims Outsourced to Worley	2018	-	-	-	-	-	-
2019 Day Claims Outsourced to Worley	2019	-	-	-	-	-	-
2020 Day Claims Outsourced to Alacrity	2020	-	-	-	-	-	-
2026 - Test Cat	2026	-	44	44	-	$358	-
Total Other Outsourced Claims		**-**	**44**	**44**	**-**	**$358**	**-**
Inhouse/Day Claims		79	198	277	330	**8,451**	**10,720**
Total Claims		**226**	**271**	**497**	**720**	**$14,872**	**$23,930**
IBNR						$31,616	$115,869
Total Reserve & IBNR						**$46,488**	**$139,799**

*2025 Claim Counts do not include EPIC & INow commercial claims.

Claim Overview

Claim Level Statistics - All Claims

	Month		Year-to-Date	
	May-26	May-25	2026 YTD	2025 YTD
New Reported Claims	235	298	975	1,314
Claims Reopened	98	183	433	792
Closed Claims, as of 5/31	257	455	1,181	1,990
Closed with Pay	179	331	643	1,089
Closed without Pay	106	154	391	620
Avg Severity of Closed Claims	19,123	22,182	23,200	24,878
Avg Days to Close	181	151	191	205
Avg Days Open	111	85	114	123
Open Large Losses (>$25K)	0	0	N/A	N/A

Claim Level Statistics - Hurricanes

New Reported Claims	0	7	3	62
Claims Reopened	11	47	51	294
Closed Claims, as of 5/31	21	71	105	549
Closed with Pay	15	73	77	425
Closed without Pay	2	11	15	93
Avg Severity of Closed Claims	76,189	40,534	56,963	40,557
Avg Days to Close	1,342	552	1,228	508
Avg Days Open	863	312	796	319
Open Large Losses (>$25K)	0	0	N/A	N/A

Claim Level Statistics - PCS Events

New Reported Claims	2	19	104	332
Claims Reopened	6	47	52	172
Closed Claims, as of 5/31	8	83	139	409
Closed with Pay	10	103	97	210
Closed without Pay	3	49	41	162
Avg Severity of Closed Claims	16,735	10,776	13,809	11,290
Avg Days to Close	272	90	149	94
Avg Days Open	121	49	75	48
Open Large Losses (>$25K)	0	0	N/A	N/A

Claim Level Statistics - Other Outsourced Claims

New Reported Claims	90	0	90	0
Claims Reopened	3	0	3	0
Closed Claims, as of 5/31	46	0	46	0
Closed with Pay	0	0	0	0
Closed without Pay	0	0	0	0
Avg Severity of Closed Claims	0	0	0	0
Avg Days to Close	9	0	9	0
Avg Days Open	9	0	9	0
Open Large Losses (>$25K)	0	0	N/A	N/A

Claim Level Statistics - Inhouse/Day Claims

New Reported Claims	143	272	778	920
Claims Reopened	78	89	327	326
Closed Claims, as of 5/31	182	301	891	1,032
Closed with Pay	154	155	469	454
Closed without Pay	101	94	335	365
Avg Severity of Closed Claims	15,151	23,062	20,864	21,154
Avg Days to Close	86	73	84	87
Avg Days Open	50	41	46	49
Open Large Losses (>$25K)	0	0	N/A	N/A

*Figures do not include EPIC & INow commercial claims

Monthly Claims Loss Adjustment Expense Overview

	LCPIC Mangement In-house		Management Outsourced	
	May-26	May-25	May-26	May-25
Claim Management Fees				
Creative Adjusting- Admin Fees	-	-	-	-
Eberl - Admin Fees	-	-	-	-
MD Claims LLC - Admin Fees	-	-	-	-
Maverick Claims - Admin Fees	-	-	-	17,652
IAS Services Group LLC - Admin Fees	-	-	-	-
Mid-Amercia - Admin Fees	-	-	-	2,800
Pacesetter - Admin Fees	-	-	-	2,700
SWA - Admin Fees	-	-	-	-
One Call - Call Center	-	-	-	-
Total Claim Management Fees	**$ -**	**$ -**	**$ -**	**$23,152**
Adjusting, Engineering, & Reinspection Expenses				
Elite Claims Service	24,662	54,343	-	-
Mid-America Catastrophe Service LLC	-	60,387	(775)	618
Pacesetter Claims Services Inc	11,434	31,601	4,423	-
SWA Claims Management Services LLC	17,483	34,097	786	-
Joffrion Services LLC DBA Coastal Fire Investigati	10,501	7,830	-	-
LEGION CLAIMS SOLUTIONS LLC	9,997	28,008	-	-
US Forensic (Engineering)	9,182	17,565	-	-
NEW ENGLAND FIRE CAUSE & ORIGIN INC	2,744	2,764	-	-
Jill S Smith DBA S & S Claims Professionals	2,000	-	-	2,000
Rimkus Consulting Group (Engineering)	-	-	-	-
STRIKE CHECK LLC	2,100	530	-	-
PRONET GROUP, INC	-	-	-	3,968
Forensic Investigations Group (Engineering)	525	-	-	-
Keystone Experts and Engineers LLC	-	-	-	-
Sift Fire Investigations LLC	-	5,641	-	-
All Other	19,823	7,815	-	2,000
Total Adjusting, Engineering, & Reinspection Exps	**$110,453**	**$250,580**	**$4,434**	**$8,586**
Total LAE Expenses	**$110,453**	**$250,580**	**$4,434**	**$31,738**
LCPIC Claims Payroll & Benefits*	161,097	186,892	19,160	9,704
Total Expenses	**$271,550**	**$437,472**	**$23,594**	**$41,442**

Average LAE Expenses - Open & Closed Claims Method (Measures Trend; Actual Cost Per Claim May Vary)

Total Expenses	271,550	437,472	23,594	41,442
Ending Open Claims (458) Ending Closed Claims (257)	639	1,117	76	58
Total Direct Labor Cost Per Claim Handled	**$425**	**$392**	**$310**	**$715**

Average LAE Expenses - Closed Claims Method

Total LAE Expenses Paid on Closed Claims	59,863	203,724	4,941	8,918
Allocated LCPIC Claims Payroll & Benefits**	53,951	71,778	10,841	4,350
Allocated Expenses - Call Center**	-	-	-	-
Total Expenses - Closed Claims	**$113,814**	**$275,503**	**$15,781**	**$13,268**
Closed Claims	214	429	43	26
Total Direct Labor Cost Per Closed Claim	**$532**	**$642**	**$367**	**$510**

*Claims Payroll & Benefits allocated based on total open & closed claims handled internally vs externally.

**Allocation Formula $= \left(\dfrac{Closed\ Claims}{Closed\ Claims + Open\ Claims}\right)$

***Counts do not include EPIC & INow commercial claims

YTD Claims Loss Adjustment Expense Overview

	LCPIC Mangement In-house		Management Outsourced	
	2026	**2025**	**2026**	**2025**
Claim Management Fees				
Creative Adjusting- Admin Fees	-	-	-	-
Eberl - Admin Fees	-	-	-	-
MD Claims LLC - Admin Fees	-	-	-	-
Maverick Claims - Admin Fees	-	-	2,826	137,060
IAS Services Group LLC - Admin Fees	-	-	-	-
Mid-Amercia - Admin Fees	-	-	-	28,925
Pacesetter - Admin Fees	-	-	375	19,900
SWA - Admin Fees	-	-	-	14,100
One Call - Call Center	-	-	-	-
Total Claim Management Fees	**$ -**	**$ -**	**$3,201**	**$199,985**
Adjusting, Engineering, & Reinspection Expenses				
Elite Claims Service	211,641	277,882	-	968
Mid-America Catastrophe Service LLC	138,627	261,129	(775)	11,551
Pacesetter Claims Services Inc	109,522	145,801	4,423	6,659
SWA Claims Management Services LLC	95,798	80,582	786	7,272
Joffrion Services LLC DBA Coastal Fire Investigati	94,257	19,472	-	-
LEGION CLAIMS SOLUTIONS LLC	64,575	126,610	1,550	-
US Forensic (Engineering)	63,286	142,143	-	64,658
NEW ENGLAND FIRE CAUSE & ORIGIN INC	27,394	38,557	-	-
Jill S Smith DBA S & S Claims Professionals	22,000	4,000	-	2,000
Rimkus Consulting Group (Engineering)	13,571	8,666	-	-
STRIKE CHECK LLC	6,375	9,880	-	-
PRONET GROUP, INC	4,977	10,892	-	8,658
Forensic Investigations Group (Engineering)	2,627	29,216	-	-
Keystone Experts and Engineers LLC	-	29,762	-	5,995
Sift Fire Investigations LLC	-	13,096	-	-
All Other	82,718	39,573	-	15,371
Total Adjusting, Engineering, & Reinspection Exps	**$937,365**	**$1,237,260**	**$5,984**	**$123,130**
Total LAE Expenses	**$937,365**	**$1,237,260**	**$9,185**	**$323,115**
LCPIC Claims Payroll & Benefits*	931,691	896,449	19,956	89,582
Total Expenses	**$1,869,056**	**$2,133,709**	**$29,140**	**$412,696**

Average LAE Expenses - Open & Closed Claims Method (Measures Trend; Actual Cost Per Claim May Vary)

Total Expenses	1,869,056	2,133,709	29,140	412,696
Ending Open Claims (458) Ending Closed Claims (1181)	1,560	2,409	79	301
Total Direct Labor Cost Per Claim Handled	**$1,198**	**$886**	**$369**	**$1,371**

Average LAE Expenses - Closed Claims Method

Total LAE Expenses Paid on Closed Claims	663,028	985,034	5,370	119,318
Allocated LCPIC Claims Payroll & Benefits**	345,797	309,610	11,636	50,831
Allocated Expenses - Call Center**	-	-	-	-
Total Expenses - Closed Claims	**$1,008,824**	**$1,294,644**	**$17,006**	**$170,149**
Closed Claims	1,135	1,721	46	269
Total Direct Labor Cost Per Closed Claim	**$889**	**$752**	**$370**	**$633**

Note: Worley/Alacrity claims were moved to LCPIC in April

*Claims Payroll & Benefits allocated based on total open & closed claims handled internally vs externally.

**Allocation Formula $= \left(\frac{Closed\ Claims}{Closed\ Claims + Open\ Claims}\right)$

***Counts do not include EPIC & INow commercial claims

Monthly Underwriting & Customer Service Labor Expense Overview

Underwriting & Customer Service Expenses

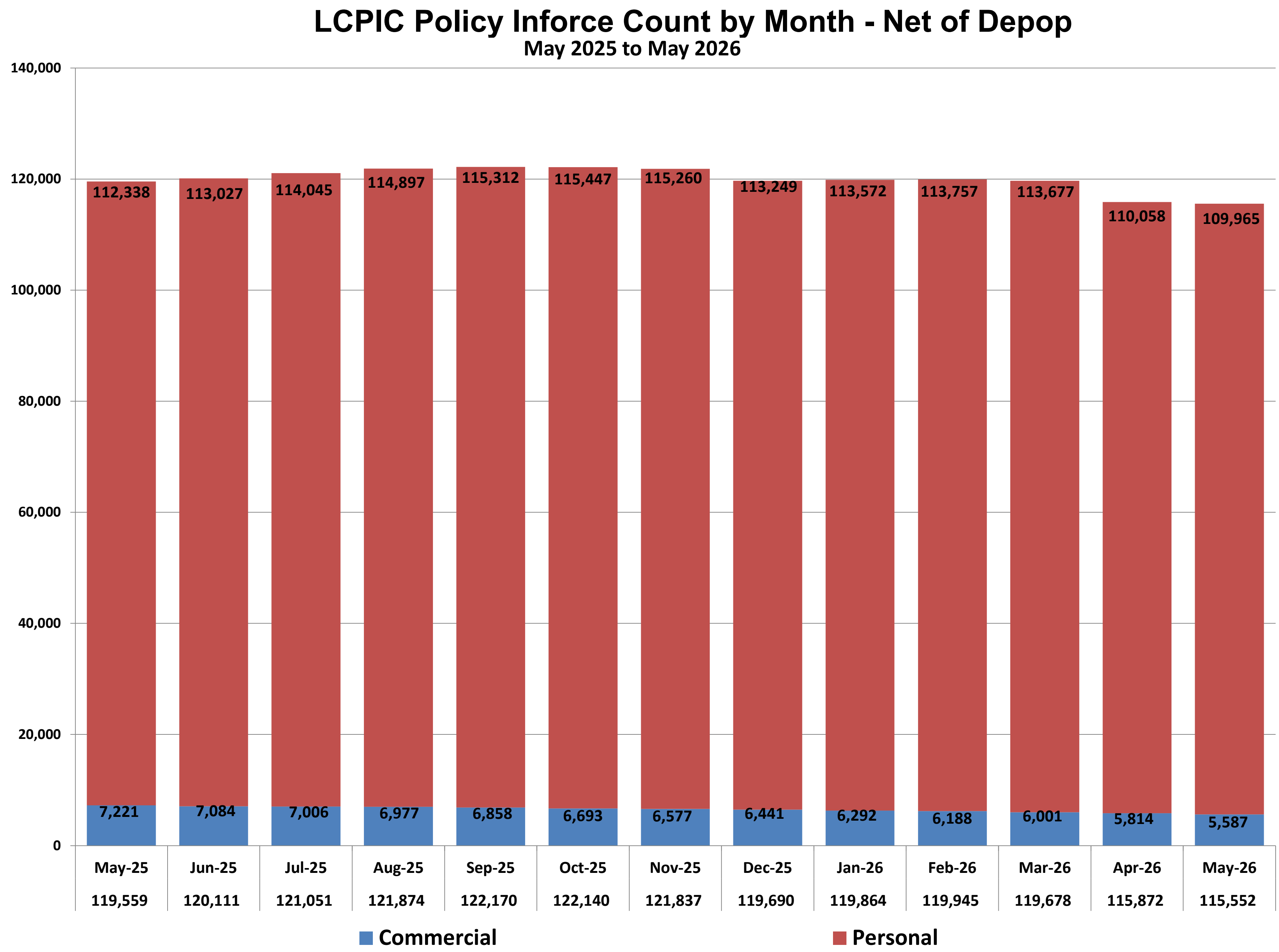
	Month		Year-to-Date	
	May-26	May-25	2026	2025
LCPIC Underwriting Payroll & Benefits*	230,244	234,510	1,354,275	1,157,593
LCPIC Customer Service Payroll & Benefits*	25,414	29,237	130,766	147,498
Temporary Labor - Customer Service	-	-	-	-
Total Payroll & Benefits	**$255,658**	**$263,746**	**$1,485,041**	**$1,305,091**
Total Expenses	**$255,658**	**$263,746**	**$1,485,041**	**$1,305,091**

Average Underwriting Expenses - Policies Issued Method

	May-26	May-25	2026	2025
Total Expenses	**$255,658**	**$263,746**	**$1,485,041**	**$1,305,091**
New Policies Issued	2,313	3,839	10,921	15,845
Renewal Policies issued	10,267	9,760	41,247	39,992
Total Policies Issued*	**12,580**	**13,599**	**52,168**	**55,837**
Average Cost Per Policy Issued	**$20.32**	**$19.39**	**$28.47**	**$23.37**

Average Underwriting Expenses - Average Inforce Method

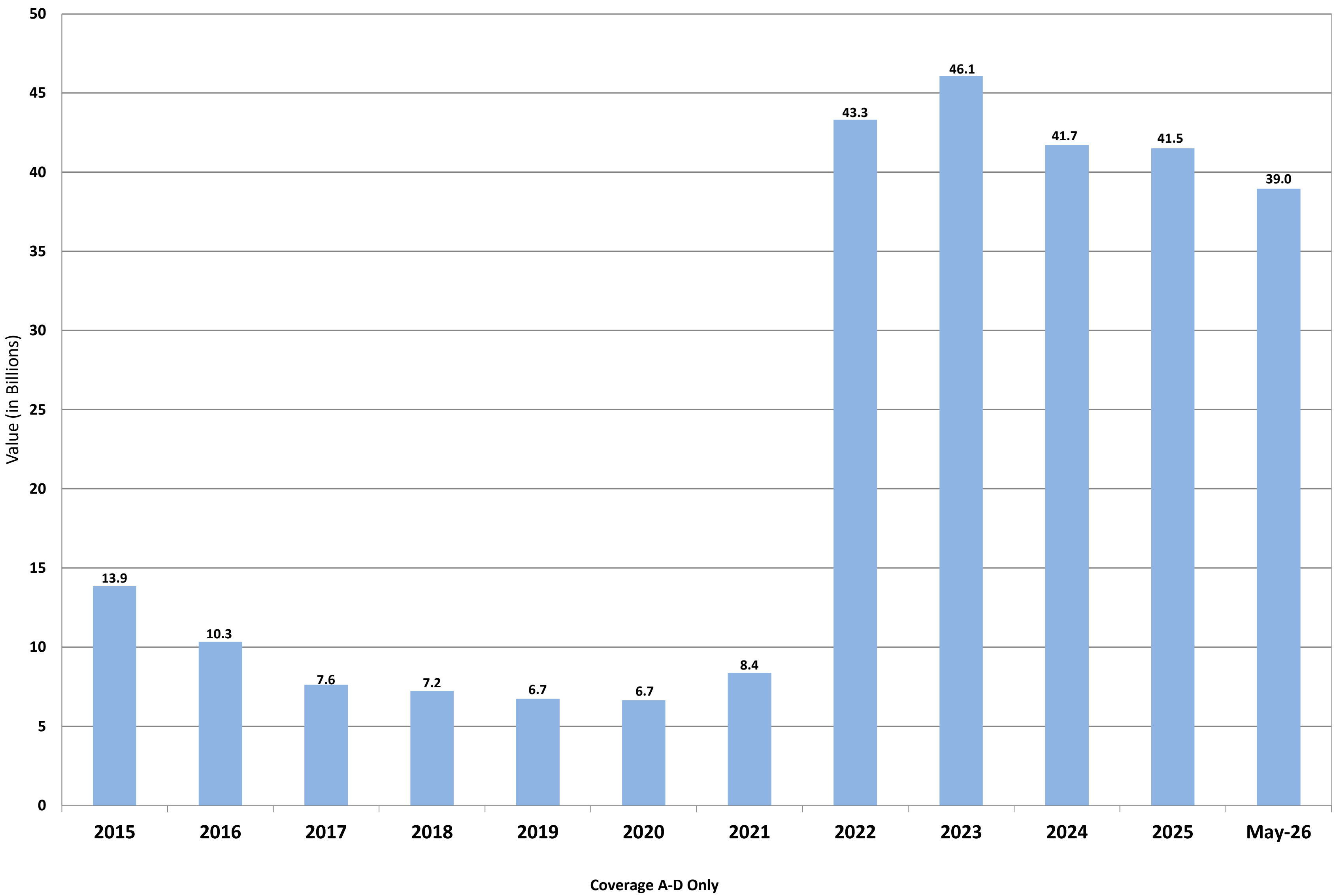
	May-26	May-25	2026	2025
Total Expenses	**$255,658**	**$263,746**	**$1,485,041**	**$1,305,091**
Average Inforce Policies	**120,757**	**130,963**	**121,842**	**131,665**
Average Cost Per Policy Inforce	**$2.12**	**$2.01**	**$12.19**	**$9.91**


LCPIC Policy Inforce Count by Month - Net of Depop
May 2025 to May 2026
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
112,338
113,027
114,045
114,897
115,312
115,447
115,260
113,249
113,572
113,757
113,677
110,058
109,965
7,221
7,084
7,006
6,977
6,858
6,693
6,577
6,441
6,292
6,188
6,001
5,814
5,587
May-25
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
119,559
120,111
121,051
121,874
122,170
122,140
121,837
119,690
119,864
119,945
119,678
115,872
115,552
Commercial
Personal

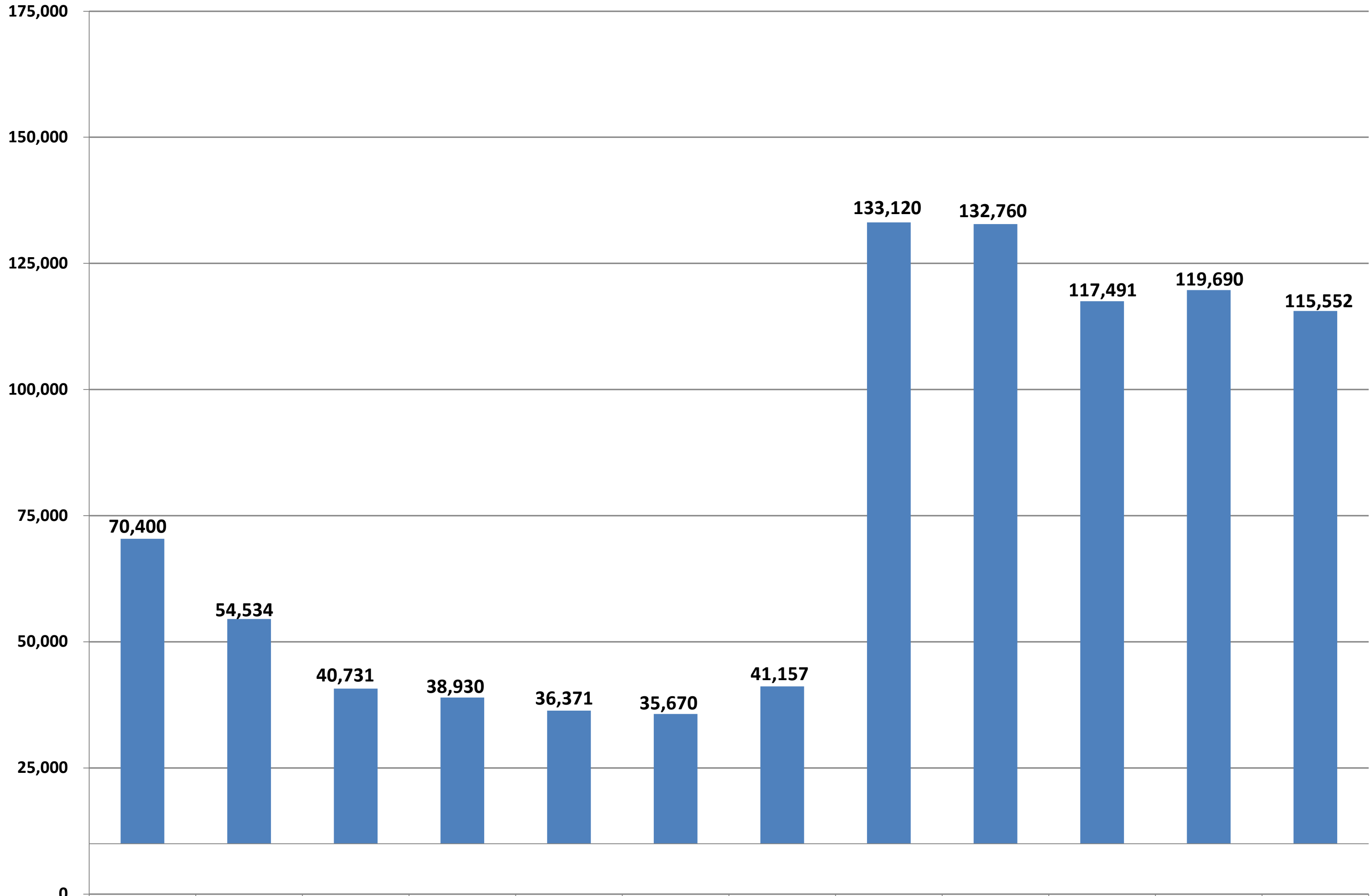
Inforce Policies by Business Type - Before and After Takeout

	Direct		Takeout		Net	
2018	Inforce Count	Inforce TIV (Cov A-D)	Inforce Count	Inforce TIV (Cov A-D)	Inforce Count	Inforce TIV (Cov A-D)
Commercial	1,566	541,521,424	15	7,560,569	1,551	533,960,855
Dwelling/Fire	36,134	6,118,634,043	1,045	185,721,160	35,089	5,932,912,883
Homeowners	2,343	790,049,943	53	19,531,860	2,290	770,518,083
Total	40,043	7,450,205,410	1,113	212,813,589	38,930	7,237,391,821
2019						
Commercial	1,386	469,575,313	0	0	1,386	469,575,313
Dwelling/Fire	33,142	5,631,461,706	94	17,081,940	33,048	5,614,379,766
Homeowners	1,937	659,608,641	0	0	1,937	659,608,641
Total	36,465	6,760,645,660	94	17,081,940	36,371	6,743,563,720
2020						
Commercial	1,297	466,376,258	0	0	1,297	466,376,258
Dwelling/Fire	32,711	5,598,707,747	79	18,066,970	32,632	5,580,640,777
Homeowners	1,742	612,865,456	1	1,444,760	1,741	611,420,696
Total	35,750	6,677,949,461	80	19,511,730	35,670	6,658,437,731
2021						
Commercial	1,779	1,133,671,054	0	0	1,779	1,133,671,054
Dwelling/Fire	37,500	6,526,506,708	11	2,422,920	37,489	6,524,083,788
Homeowners	1,889	725,972,182	0	0	1,889	725,972,182
Total	41,168	8,386,149,944	11	2,422,920	41,157	8,383,727,024
2022						
Commercial	7,474	8,561,010,734	0	0	7,474	8,561,010,734
Dwelling/Fire	106,924	23,841,758,550	3,326	531,178,970	103,598	23,310,579,580
Homeowners	22,394	11,576,418,915	346	137,274,580	22,048	11,439,144,335
Total	136,792	43,979,188,199	3,672	668,453,550	133,120	43,310,734,649
2023						
Commercial	8,541	10,721,652,318	0	0	8,541	10,721,652,318
Dwelling/Fire	116,228	26,760,245,133	7,300	1,785,715,050	108,928	24,974,530,083
Homeowners	17,450	11,357,400,168	2,159	981,099,070	15,291	10,376,301,098
Total	142,219	48,839,297,619	9,459	2,766,814,120	132,760	46,072,483,499
2024						
Commercial	8,299	9,621,962,070	602	609,851,189	7,697	9,012,110,881
Dwelling/Fire	111,026	26,301,989,144	11,826	2,840,495,515	99,200	23,461,493,629
Homeowners	12,749	10,602,755,833	2,155	1,361,892,095	10,594	9,240,863,738
Total	132,074	46,526,707,047	14,583	4,812,238,799	117,491	41,714,468,248
2025						
Commercial	6,508	6,587,324,353	67	68,828,088	6,441	6,518,496,265
Dwelling/Fire	106,103	26,013,605,346	2,918	735,529,110	103,185	25,278,076,236
Homeowners	10,476	9,971,227,654	412	265,301,480	10,064	9,705,926,174
Total	123,087	42,572,157,353	3,397	1,069,658,678	119,690	41,502,498,675
As of May 31, 2026						
Commercial	5,598	5,179,284,677	11	21,481,273	5,587	5,157,803,404
Dwelling/Fire	105,205	26,093,005,177	4,102	1,140,434,140	101,103	24,952,571,037
Homeowners	9,584	9,364,979,084	722	520,163,595	8,862	8,844,815,489
Total	120,387	40,637,268,938	4,835	1,682,079,008	115,552	38,955,189,930

Total Insured Value - After Takeout



Inforce Policy Count - After Takeout



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	May-26
Year End	70,400	54,534	40,731	38,930	36,371	35,670	41,157	133,120	132,760	117,491	119,690	115,552

Takeout Activity by Company Inception-to-Date

Round 21 Assumption 4/1/2025

As of 5/31/2026

Company	Initial Assumption	Opt Outs	Canceled/Reinstated Policies	Expired Policies	Policies Assumed	Premium Assumed
Cajun Underwriters	2,922	(373)	(161)	(75)	2,313	$6,740
Grand Total	**2,922**	**(373)**	**(161)**	**(75)**	**2,313**	**6,740**

Round 22 Assumption 12/1/2025

As of 5/31/2026

Company	Initial Assumption	Opt Outs	Canceled/Reinstated Policies	Expired Policies	Policies Assumed	Premium Assumed
Cajun Underwriters	1,065	(184)	(56)	(25)	800	$2,034
Ocean Harbor	969	(136)	(31)	(26)	776	$2,478
Grand Total	**2,034**	**(320)**	**(87)**	**(51)**	**1,576**	**4,512**

Round 23 Assumption 4/1/2026

As of 5/31/2026

Company	Initial Assumption	Opt Outs	Canceled/Reinstated Policies	Expired Policies	Policies Assumed	Premium Assumed
Cajun Underwriters	4,109	(540)	(60)	(89)	3,420	$8,564
Grand Total	**4,109**	**(540)**	**(60)**	**(89)**	**3,420**	**8,564**

LOUISIANA CITIZENS
PROPERTY INSURANCE CORPORATION

FINANCIAL REPORT
(STATUTORY BASIS)

DECEMBER 31, 2025 AND 2024

LOUISIANA CITIZENS
PROPERTY INSURANCE CORPORATION

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DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

April 29, 2026

To the Board of Directors of
Louisiana Citizens Property Insurance Corporation
Metairie, Louisiana

Opinion

We have audited the accompanying statutory financial statements of Louisiana Citizens Property Insurance Corporation (the "Company"), which comprise the statutory statements of admitted assets, liabilities, and surplus as of December 31, 2025 and 2024, and the related statutory statements of income, changes in surplus, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and surplus of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in accordance with the financial reporting practices prescribed and permitted by the Louisiana Department of Insurance as described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

As described in Note 1 to the financial statements, the financial statements were prepared by the Company in conformity with the financial reporting practices prescribed or permitted by the Louisiana Department of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the reporting requirements of Louisiana. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by the Louisiana Department of Insurance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the statutory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the statutory financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the statutory financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the statutory financial statements. The information has been subjected to the auditing procedures applied in the audit of the statutory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the statutory financial statements or to the statutory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the statutory financial statements as a whole.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management of the Company and the Louisiana Department of Insurance, is not intended to be, and should not be used by anyone other than these specified parties.

Duplantier, Hrapmann, Hogan and Maher, LLP

Metairie, Louisiana

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATUTORY STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND SURPLUS
DECEMBER 31, 2025 AND 2024

	2025	2024
ADMITTED ASSETS		
Cash and invested assets:		
Cash, cash equivalents, and short-term investments	$ 693,486,965	$ 698,550,795
Bonds	206,705,166	167,794,398
Total cash and invested assets	900,192,131	866,345,193
Interest and dividends receivable	3,216,228	2,606,670
Premium receivable and agent's balances, net	57,938,562	74,339,559
Reinsurance receivable, net	637,599	5,240,444
Admitted electronic data processing equipment and software, at cost less accumulated depreciation of approximately $19,762,360 and $19,415,030 at December 31, 2025 and 2024, respectively	74,894	114,115
Emergency assessments receivable - 2005 deficit	57,655,000	113,000,000
Emergency assessments receivable - companies	-	17,058,249
Other receivables	1,015,844	125,187
TOTAL ADMITTED ASSETS	$ 1,020,730,258	$ 1,078,829,417

See notes to statutory financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATUTORY STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND SURPLUS
DECEMBER 31, 2025 AND 2024

	2025	2024
LIABILITIES AND SURPLUS		
Liabilities:		
Loss reserves	$ 20,398,310	$ 70,310,939
Loss adjustment expense reserves	5,605,578	13,171,306
Commissions payable to agents	9,727,473	11,725,749
Unearned premiums	236,750,706	269,149,070
Other expenses (excluding taxes, licenses, and fees)	6,765,265	7,144,846
Taxes, licenses, and fees accrued	173,569	-
Provision for reinsurance	10,350	90,721
Accounts payable and other accrued expenses	12,881,296	38,157,192
Amounts retained or withheld from others	67,367	5,416
Ceded reinsurance premiums payable, net of ceding commissions	25,130	-
Unearned tax exempt surcharge	7,143,158	8,992,676
Interest payable	240,229	432,611
Bonds payable	58,242,592	115,468,370
Liability for funds restricted for debt service	119,459,573	157,842,852
Total liabilities	477,490,596	692,491,748
Surplus:		
Unassigned surplus	543,239,662	386,337,669
Total accumulated surplus	543,239,662	386,337,669
TOTAL LIABILITIES AND SURPLUS	$ 1,020,730,258	$ 1,078,829,417

See notes to statutory financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATUTORY STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUES:		
Premiums earned	$ 221,744,539	$ 305,699,501
LOSSES AND UNDERWRITING EXPENSES:		
Losses incurred	5,830,127	65,600,112
Loss adjustment expenses incurred	7,124,331	17,402,750
Other underwriting expenses	64,564,333	70,371,918
Total losses and underwriting expenses	77,518,791	153,374,780
NET UNDERWRITING GAIN	144,225,748	152,324,721
OTHER INCOME / LOSS:		
Investment income	27,061,489	25,426,642
Interest expense	(1,963,881)	(3,038,568)
Emergency assessment loss	(3,405,561)	(3,012,491)
Application and other miscellaneous fees	3,248,828	2,905,522
Finance and service charges not included in premiums	869,074	1,216,124
Net loss from agents or premium balances charged off	(39,592)	(55,517)
Total other income	25,770,357	23,441,712
NET INCOME	$ 169,996,105	$ 175,766,433

See notes to statutory financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATUTORY STATEMENTS OF CHANGES IN SURPLUS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
SURPLUS, BEGINNING OF YEAR	$ 386,337,669	$ 194,598,198
Net income	169,996,105	175,766,433
Change in nonadmitted assets	(29,161,252)	(2,717,513)
Change in provision for reinsurance	80,371	(3,633)
Tax exempt surcharge	14,137,252	17,142,446
Other gains and losses in surplus	1,849,517	1,551,738
SURPLUS, END OF YEAR	$ 543,239,662	$ 386,337,669

See notes to statutory financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATUTORY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING ACTIVITIES:		
Premiums collected, net of reinsurance	$ 174,929,210	$ 237,745,379
Commissions and expenses paid	(81,458,680)	(95,929,709)
Net investment income	26,449,925	23,404,177
Other revenues received	672,749	1,053,638
Losses and loss adjustment expenses paid	(49,286,442)	(69,695,772)
Net cash provided by operating activities	71,306,762	96,577,713
INVESTING ACTIVITIES:		
Proceeds from investments sold or matured	65,145,317	39,860,000
Cost of investments acquired	(105,507,480)	(96,150,844)
Net cash (used) by investing activities	(40,362,163)	(56,290,844)
FINANCING ACTIVITIES:		
Payments on borrowed funds	(57,418,161)	(56,591,436)
Other cash provided	21,409,732	130,387,239
Net cash provided (used) by financing activities	(36,008,429)	73,795,803
Net change in cash, cash equivalents, and short-term investments	(5,063,830)	114,082,672
Cash, cash equivalents, and short-term investments, beginning of year	698,550,795	584,468,123
CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS, END OF YEAR	$ 693,486,965	$ 698,550,795

See notes to statutory financial statements.

Louisiana Citizens Property Insurance Corporation was created in accordance with provisions of Louisiana Revised Statute (LRS) 22:2293 and began operations on January 1, 2004. The Company operates solely in Louisiana. The Company's principal business activity is to operate insurance plans which provide property insurance for residential and commercial property, solely for applicants who in good faith are entitled, but are unable to procure insurance through the voluntary market. The Company operates residual market insurance programs designated as the Coastal Plan and the Fair Access to Insurance Requirements Plan (FAIR Plan). The Coastal Plan is for property insurance written on locations between the Gulf of Mexico and the Intracoastal Waterway and the FAIR Plan is for property insurance written on locations above the Intracoastal Waterway.

Louisiana Citizens Property Insurance Corporation (the "Company") is a component unit of the State of Louisiana.

The Company is governed by a Board of Directors consisting of fifteen members, who serve without compensation. The Board consists of the Commissioner of the Department of Insurance, the State Treasurer, the chairman of the House Committee on Insurance, the chairman of the Senate Committee on Insurance or their designees, six representatives appointed by the Governor, three members appointed by the Commissioner of the Louisiana Department of Insurance, and two members appointed by the Governor.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation and Accounting:

The accompanying financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Louisiana Department of Insurance. The State of Louisiana generally requires that insurance companies domiciled in the State of Louisiana prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual. Such practices vary from accounting principles generally accepted in the United States of America (GAAP). The more significant variances from GAAP are as follows:

- Commissions and other costs of acquiring insurance are expensed when incurred rather than capitalized and amortized over the terms of the related policies as required by GAAP.

- Certain assets designated as "nonadmitted" are excluded from the balance sheet and are charged directly to unassigned surplus.

- Reserves for losses and loss adjustment expenses are reported net, rather than gross, of certain reinsurance recoverables.

- Gains and losses on the defeasance of debt are reported in the period the debt was extinguished rather than being amortized over the shorter of the remaining life of the old bonds or the life of the new bonds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation and Accounting: (Continued)

- The statement of cash flows is presented in the required statutory format. This format differs from the format specified by GAAP which requires a reconciliation of net income to net cash flow from operating activities and supplemental schedules of noncash financing and investing activities.

- Cash, cash equivalents, and short-term investments in the statement of cash flows represent cash balances and investments with initial maturities of one year or less. Under GAAP, the corresponding caption of cash and cash equivalents includes cash and cash equivalents with initial maturities of three months or less. Also, under GAAP, short-term investments are disclosed separately from cash and include investments with remaining maturities of one year or less.

- Lease payments in the statements of lessees are expensed when incurred, and lease receipts in the statements of lessors are recognized as revenue when earned. However, under GAAP, lease accounting is based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

- Subscription-based information technology arrangement (SBITA) payments are expensed when incurred. However, under GAAP, SBITA accounting is based on the principle that SBITAs are financings of the right to use an underlying subscription asset. The Company is required to recognize a right-to-use subscription asset and a corresponding subscription liability.

The aggregate effect on the accompanying statutory financial statements of the variations from GAAP is outlined in Note 14 to the financial statements.

Estimates:

The financial statements are prepared in conformity with accounting practices prescribed or permitted by the Louisiana Department of Insurance, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Statement of Cash Flows:

For the purpose of reporting cash flows, cash includes cash, cash equivalents, and short-term investments. Cash equivalents and short-term investments include all liquid investments with a maturity of one year or less when purchased.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Bond Investments:

Bonds, which consist solely of debt securities, are recorded as admitted asset values as prescribed by NAIC valuation procedures, and are rated in accordance with current NAIC guidelines. Debt securities are stated at amortized cost using the interest method. Bonds with a maturity of one year or less are recorded as cash and short-term investments within the Statutory Statements of Admitted Assets, Liabilities, and Surplus. Bonds with a maturity of greater than one year when purchased are recorded as bond investments.

Money Market Mutual Funds:

Money market mutual funds consist of investments in traditional money market funds and investments in exempt money market funds. Investments in money market mutual funds are classified as cash equivalents. Money market mutual funds are stated at fair value.

EDP Equipment and Operating System Software:

Electronic Data Processing (EDP) equipment and software purchased or developed for internal use with an original cost of over $1,000,000 is capitalized and depreciated using the straight-line method over the software’s useful life of three years for operating software and five years for non-operating software.

Depopulation:

The Company may undertake a depopulation effort on some or all of its in-force policies annually with the approval of the governing board of the Company per amended and reenacted Louisiana Revised Statute R.S. 22:2314(B)(1). The Company accounts for premiums of depopulated policies as a reduction of direct premiums written. Losses and other costs associated with depopulated policies are assumed by the acquiring entity and thus are removed from the Company's financial statements.

Loss Reserves and Loss Adjustment Expense Reserves:

The liabilities for losses and loss adjustment expenses include an amount determined from loss reports and individual cases and an amount, based on historical data, for losses incurred but not reported. Such liabilities are based on estimates and, while management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed, and any adjustments are reflected in current earnings.

Premiums:

Premiums are recorded as earned on a daily pro rata basis over the policy period. The portion of premiums not earned as of the end of the fiscal year are recorded as unearned premiums.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Premiums: (Continued)

Premiums receivable includes amounts due from policyholders for billed premiums. Billings are calculated using the annual premiums for each policy and are paid either through an installment plan offered by the Company or in their entirety at the inception of the policy.

Market Risk:

The Company underwrites residential and commercial property insurance policies in the State of Louisiana through the Coastal Plan and the FAIR Plan. Therefore, adverse economic changes or certain changes in the insurance laws of the State of Louisiana could have a significant impact on the Company's future financial position and results of operations.

The Coastal Plan is for property insurance written on locations between the Gulf of Mexico and the lntracoastal Waterway. The FAIR Plan is for property insurance above the lntracoastal Waterway. Therefore, severe storm activity in any of these areas or throughout the State of Louisiana could have a significant impact on the Company's future financial position and results of operations.

Assessments:

In the event that the Governing Board of the Company determines that a deficit exists in either the Coastal Plan or the FAIR Plan, the Company may levy a regular assessment for each affected Plan in order to remedy any deficit. All insurers who become authorized and then engage in writing property insurance within the State of Louisiana shall participate in regular assessment of the Coastal and FAIR Plans in the proportion that the net direct premium of such participant written in the state during the preceding calendar year bears to the aggregate net direct premiums written in the state by all insurers during the preceding calendar year as certified to the Governing Board by the Louisiana Department of Insurance.

When the deficit incurred in a particular calendar year is not greater than ten percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year, the entire deficit will be recovered through regular assessments. When the deficit incurred exceeds ten percent, the regular assessment may not exceed the greater of ten percent of the calendar year deficit or ten percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year. Any remaining deficit shall be recovered through an emergency assessment.

Upon determination by the Governing Board of the Company that a deficit exceeds the amount allowed to be recovered through regular assessment, the Governing Board shall levy an emergency assessment for as many years as necessary to cover all deficits. The amount of emergency assessment levied in a particular year shall be a uniform percentage of that year's

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Assessments: (Continued)

direct written premium for the subject lines of business. The total amount of emergency assessment levied in any calendar year will not exceed the greater of: (a) ten percent of the amount needed to cover the original deficit plus interest, fees, commissions, required reserves, and other costs associated with the financing of the original deficit; or (b) ten percent of the aggregate statewide direct written premiums for subject lines of business and for all plan accounts of the Company for the prior year, plus interest, fees, commissions, required reserves, and other costs associated with financing the original deficit. To the extent the aggregate amount of the emergency assessment will not exceed the greater of (a) or (b) above, the Governing Board shall impose an emergency assessment in the amount required by any applicable loan agreement, trust indenture, or other financing agreement.

All persons who procure a policy of insurance of one or more subject lines of business from an insurer who becomes authorized and then engages in writing property insurance within the State of Louisiana are subject to emergency assessment by the Company.

Liability for Funds Restricted For Debt Service and Related Accounting Changes:

The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. The Company received permission from the Louisiana Department of Insurance to classify, as a liability, the excess emergency assessments collected that were greater than the debt service costs since the inception of the bond debt in 2006 with the cumulative excess amount being $119,459,573 and $157,842,852 at December 31, 2025 and 2024, respectively. The Company records emergency assessment collections and costs through net income only in amounts sufficient to offset interest costs and amortization of bond issuance costs.

Reinsurance and Reinsurance Recoverables:

All catastrophe reinsurance premiums are recorded as premiums ceded and are amortized over the life of the hurricane season for which the payments apply. Reinsurance recoverables on unpaid losses are recorded as a reduction of losses incurred and loss adjustment expenses incurred. Reinsurance recoverable on paid losses is recorded as an asset in the accompanying statutory statements of admitted assets, liabilities, and surplus. Premiums ceded include catastrophe reinsurance purchased.

Income Taxes:

The Company is exempt from federal income tax pursuant to Private Letter Ruling 160165-03 from the Internal Revenue Service. Obligations issued by the Company constitute obligations of the State of Louisiana within the meaning of section 103(c)(l) of the Internal Revenue Code.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Instruments:

The carrying value of cash and cash equivalents, premiums receivable, other admitted assets, and other liabilities approximates fair value given their short-term nature.

Unlike private insurers that are subject to liquidation in the event of insolvency, the Company is able (and statutorily required) to levy assessments in the event of a deficit in any or all of its accounts.

2. CASH AND INVESTED ASSETS:

Cash, Cash Equivalents, and Short-Term Investments:

Cash, cash equivalents, and short-term investments as of December 31, 2025 and 2024 in the amount of $693,486,965 and $698,550,795, respectively, consisted of cash held in financial institutions, money market mutual funds, and bond investments with remaining maturities of one year or less at the time of acquisition. Money market mutual funds are reported at fair market value and short-term bond investments are reported at amortized cost. Cash, cash equivalents, and short-term investments as of December 31, 2025 and 2024 were as follows:

	2025	2024
Cash, Cash Equivalents, and Short-Term Investments:		
Cash	$ 216,188,324	$ 277,510,358
Cash Equivalents	5,779,061	3,136,929
Money Market Funds	446,427,173	400,061,384
Short-Term Bonds	25,092,407	17,842,124
Total Cash, Cash Equivalents, and Short-Term Investments	$ 693,486,965	$ 698,550,795

Bond Investments:

Bond investments as of December 31, 2025 and 2024 in the amount of $206,705,166 and $167,794,398, respectively, consisted of bonds with remaining maturities of one year or greater at the time of acquisition. Bond investments are reported at amortized cost.

3. ELECTRONIC DATA PROCESSING EQUIPMENT AND SOFTWARE:

Electronic Data Processing (EDP) equipment and software with an original cost of $19,837,254 and $19,529,145 at December 31, 2025 and 2024, respectively, is depreciated using the straight-line method over the asset's useful life of three years for operating software and five years for non-operating software, in accordance with NAIC statutory requirements. Depreciation expense for EDP equipment and operating system software totaled $347,330 and $558,559 for the years ended December 31, 2025 and 2024, respectively.

4. LIABILITIES FOR LOSS AND LOSS ADJUSTMENT EXPENSES:

Activity in the liabilities for loss and loss adjustment expenses, net of reinsurance recoverables on unpaid losses, are summarized as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Balance at January 1,	$ 83,482,245	$ 94,307,293
Incurred related to:		
Current year	44,387,119	114,932,580
Prior years	(31,432,661)	(31,929,718)
Total incurred	12,954,458	83,002,862
Paid related to:		
Current year	32,360,154	78,579,877
Prior years	38,072,661	15,248,033
Total paid	70,432,815	93,827,910
Balance at December 31,	$ 26,003,888	$ 83,482,245

For both catastrophic and non-catastrophic claims, the loss adjusting function is performed by the Company through its employees and through contracted independent adjusting firms. The Company compensates the independent adjusting firms, depending upon the type or nature of the claims, either on a per-day rate or on a graduated fee schedule based on the gross claim amount, consistent with industry standard methods of compensation.

The Company is involved in a class action lawsuit and a number of other legal proceedings arising out of various aspects of its business which have been reserved for above. See Note 15 for a description of these class action claims.

5. AGENT COMMISSIONS:

The Company's policies are written by various insurance agents licensed in the State of Louisiana. These agents are compensated at commission rates established by the Board and calculated as a percentage of direct written premiums, net of certain surcharges and assessments. Agent commissions are reported in the statutory statements of income as other underwriting expenses. Agent commissions incurred were $45,770,385 and $48,661,637 during the years ended December 31, 2025 and 2024, respectively. Agent commissions payable were $9,727,473 and $11,725,749 for the years ended December 31, 2025 and 2024, respectively.

6. UNASSIGNED SURPLUS:

Changes in balances of surplus from the prior year are, in part, due to collections made by the Company during the normal course of collecting policy component charges. The policy component charge affecting surplus funds is the tax-exempt surcharge.

The unassigned surplus as of December 31, 2025 and 2024 was $543,239,662 and $386,337,669, respectively.

7. LIABILITY FOR FUNDS RESTRICTED FOR DEBT SERVICE:

In 2005, the Company suffered losses of $1.8 billion as a result of Hurricanes Katrina and Rita. In 2006, the Company issued $978.2 million of bonds to pay for these losses. Under R.S. 22:2307, the Company may assess, in any one year, up to 10% of the total property premiums assessable statewide to pay the debt service on the bonds. The total statewide assessable premiums are approximately $4.7 billion.

Emergency assessments were as follows:		2025	2024
2007	3.60% assessment rate	$ 78,012,088	$ 78,012,088
2008	5.00% assessment rate	99,751,686	99,751,686
2009	5.00% assessment rate	116,753,866	116,753,866
2010	4.30% assessment rate	103,046,094	103,046,094
2011	4.00% assessment rate	101,027,353	101,027,353
2012	3.90% assessment rate	92,242,635	92,242,635
2013	3.74% assessment rate	95,503,384	95,503,384
2014	3.54% assessment rate	94,979,546	94,979,546
2015	3.42% assessment rate	91,158,917	91,158,917
2016	2.93% assessment rate	77,527,977	77,527,977
2017	2.52% assessment rate	63,336,149	63,336,149
2018	2.57% assessment rate	65,959,470	65,959,470
2019	2.65% assessment rate	70,269,691	70,269,691
2020	2.60% assessment rate	71,352,147	71,352,147
2021	2.49% assessment rate	76,657,333	76,657,333
2022	2.40% assessment rate	88,983,859	88,983,859
2023	2.10% assessment rate	86,541,054	86,541,054
2024	1.70% assessment rate	79,358,879	79,358,879
2025	1.36% assessment rate	13,556,161	-
Total assessments		1,566,018,289	1,552,462,128
Plus: cumulative bond earnings		51,828,360	46,453,419
Less: cumulative debt service		(1,498,387,076)	(1,441,072,695)
Liability for funds restricted for debt service		$ 119,459,573	$ 157,842,852

8. REINSURANCE AGREEMENTS:

The Company purchases private reinsurance through Guy Carpenter & Company, LLC, as licensed reinsurance intermediaries. The participating reinsurance companies will reimburse the Company, through the intermediary, a specified percentage of losses incurred if a prescribed retention is reached.

The Company purchases reinsurance based on levels of loss. The Company is liable for the first amount of ultimate net loss, shown in the table below as "Company's Retention", arising out of each loss occurrence. The reinsurer is then liable, as respects each excess layer, for the amount by which such ultimate net loss exceeds the Company's applicable retention for that layer. However, the liability of the reinsurer under any excess layer of reinsurance coverage provided does not exceed either of the following: (1) the amount shown below as "Reinsurer's Per Occurrence Limit" for that excess layer with respect to loss or losses arising out of any one loss occurrence or (2) the amount shown as "Reinsurer's Term Limit" for that excess layer. Each excess layer of reinsurance coverage provided during the years ended December 31, 2025 and 2024 was as follows:

December 31, 2025 (in thousands):

	January 1, 2025 to May 31, 2025					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's Retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's Per Occurrence Limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 670,000
Reinsurer's Term Limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 1,340,000
Annual Minimum Premium	$ 42,000	$ 66,000	$ 66,000	$ 35,000	$ 33,600	$ 67,000

	June 1, 2025 to December 31, 2025					
	First Excess	Second Excess	Third Excess	Fourth Excess	Sixth Excess	Seventh Excess
Company's Retention	$ 200,000	$ 300,000	$ 490,000	$ 800,000	$ 1,330,000	$ 1,775,000
Reinsurer's Per Occurrence Limit	$ 100,000	$ 190,000	$ 310,000	$ 250,000	$ 445,000	$ 175,000
Reinsurer's Term Limit	$ 200,000	$ 380,000	$ 620,000	$ 500,000	$ 890,000	$ 350,000
Annual Minimum Premium	$ 38,000	$ 56,525	$ 61,225	$ 30,625	$ 38,938	$ 13,563

8. REINSURANCE AGREEMENTS: (Continued)

December 31, 2024 (in thousands):

	January 1, 2024 to May 31, 2024					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's Retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's Per Occurrence Limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 420,000
Reinsurer's Term Limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 840,000
Annual Minimum Premium	$ 38,500	$ 57,500	$ 57,000	$ 34,375	$ 33,600	$ 44,100

	June 1, 2024 to December 31, 2024					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's Retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's Per Occurrence Limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 670,000
Reinsurer's Term Limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 1,340,000
Annual Minimum Premium	$ 42,000	$ 66,000	$ 66,000	$ 35,000	$ 33,600	$ 67,000

The premiums can also potentially be adjusted if the total insurable value is greater than 10% or less than 5% of the estimated total insurable value used to calculate the contract premium. In the event that all or any portion of the reinsurance under the excess layer above is exhausted by loss, the amount exhausted will be reinstated immediately upon payment of a reinstatement premium.

During the years ended December 31, 2025 and 2024, the Company purchased facultative reinsurance through Guy Carpenter & Company. Facultative reinsurance is coverage purchased by the Company to cover a single risk or policy. The Company obtained this reinsurance to cover high value policies against the risk of loss. The reinsurance covers the full length of the policy.

8. REINSURANCE AGREEMENTS: (Continued)

During the year ended December 31, 2024, the Company also purchased County Weighted Industry Loss reinsurance based on levels of loss. The Company is liable for the first amount of ultimate net loss, shown in the table below as "Company's Retention", arising out of each loss occurrence. The reinsurer is then liable, with respect to each excess layer, for the amount by which such ultimate net loss exceeds the Company's applicable retention for that layer. However, the liability of the reinsurer under any excess layer of reinsurance coverage provided does not exceed either of the following: (1) the amount shown below as "Reinsurer's Per Occurrence Limit" for that excess layer as respect to loss or losses arising out of any one loss occurrence or (2) the amount shown as "Reinsurer's Term Limit" for that excess layer. Each excess layer of reinsurance coverage provided during the year ended December 31, 2024 was as follows:

December 31, 2024 (in thousands):

	January 1, 2024 to December 31, 2024		
	Second/Third County Weighted Industry Loss	Fourth/Fifth County Weighted Industry Loss	Sixth County Weighted Industry Loss
Company's Retention	$ 300,000	$ 800,000	$ 1,330,000
Reinsurer's Per Occurrence Limit	$ 500,000	$ 530,000	$ 670,000
Reinsurer's Term Limit	$ 1,000,000	$ 1,060,000	$ 1,340,000
Annual Minimum Premium	$ 111,250	$ 55,650	$ 53,600

During the year ended December 31, 2025, the Company was able to secure full reinsurance coverage through traditional reinsurance and catastrophe bonds. Therefore, the Company did not have County Weighted Industry Loss reinsurance for the year ended December 31, 2025.

As of December 31, 2025, the Company had additional coverage through five catastrophe bonds. In 2025, the Company purchased a $280 million, Class A three-year catastrophe bond that provided coverage for 100% of up to $1.3 billion in losses in excess of $1.05 billion covered by retention and traditional reinsurance.

In 2024, the Company purchased a $200 million, Class A three-year catastrophe bond that provides coverage for 29.85% of up to $2 billion in losses in excess of $1.33 billion covered by retention and traditional reinsurance. The Company also purchased a $75 million, Class B three-year catastrophe bond that provides coverage for 25% of up to $800 million in losses in excess of $500 million covered by retention and traditional reinsurance.

8. REINSURANCE AGREEMENTS: (Continued)

In 2023, the Company purchased a $120 million, Class A three-year catastrophe bond that provides coverage for 48% of up to $1.05 billion in losses in excess of $800 million covered by retention and traditional reinsurance. The Company also purchased a $75 million, Class B three-year catastrophe bond that provides coverage for 25% of up to $800 million in losses in excess of $500 million covered by retention and traditional reinsurance.

In 2022, the Company purchased a $120 million, Class A three-year catastrophe bond that provides coverage for 53% of up to $525 million in losses in excess of $300 million covered by retention and traditional reinsurance. The Company also purchased a $55 million, Class B three-year catastrophe bond that provides coverage for 24% of up to $525 million in losses in excess of $300 million covered by retention and traditional reinsurance. The 2022 catastrophe bonds were retired during the year ended December 31, 2025.

In 2021, the Company purchased a $75 million, Class A three-year catastrophe bond that provides coverage for 75% of up to $345 million in losses in excess of $245 million covered by retention and traditional reinsurance. The Company also purchased a $50 million, Class B three-year that provides coverage for 100% of up to $120 million in losses in excess of $70 million covered by traditional reinsurance. The 2021 catastrophe bonds were retired during the year ended December 31, 2024.

The effect of reinsurance on premiums written and earned during the years ended December 31, 2025 and 2024 was as follows:

	2025 Premiums		2024 Premiums	
	Written	Earned	Written	Earned
Direct	$ 462,852,003	$ 495,171,095	518,276,701	$ 584,741,249
Ceded	(273,426,556)	(273,426,556)	(279,041,748)	(279,041,748)
Net premiums	$ 189,425,447	$ 221,744,539	$ 239,234,953	$ 305,699,501

Amounts recoverable from reinsurers on unpaid losses and loss adjustment expenses are estimated based on the allocation of estimated unpaid losses and loss adjustment expenses among coverage lines. Actual amount recoverable will depend on the ultimate settlement of losses and loss adjustment expenses. Reinsurance contracts do not relieve the Company from its obligation to policyholders. The Company remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet the obligations assumed under their reinsurance agreements.

The provision for reinsurance at December 31, 2025 and 2024 was $10,350 and $90,721, respectively

9. LINE OF CREDIT:

The Company maintains a line of credit providing for a maximum borrowing of $125,000,000 at December 31, 2025 and December 31, 2024. Interest on this note is payable monthly at a variable rate based on the 30-day Secured Overnight Financing Rate (SOFR) plus 2.0% for the years ended December 31, 2025 and December 31, 2024. SOFR at December 31, 2025 and December 31, 2024 was 3.79% and 4.53%, respectively. The line of credit is secured by all premiums and accounts receivable and revenue from all sources, exclusive of emergency assessments resulting from the 2005 catastrophes levied pursuant to LA R.S. 22:2307E. The line matures June 1, 2027. There was no balance outstanding on the line of credit at December 31, 2025 and 2024.

10. BONDS PAYABLE:

Series 2016AB:

In 2016, the Company issued $217,510,000 of assessment revenue refunding bonds in order to advance refund $213,195,000 principal amount of the Assessment Revenue Bonds Series 2006C1 through 2006C3, $49,785,000 principal amount of the Assessment Revenue Bond Series 2012R, and to pay the cost of issuance of the Series 2016AB bonds, which consisted of 2016A bonds of $160,810,000 and 2016B bonds of $56,700,000. The bonds were issued in denominations of $5,000 or any integral multiple thereof. The 2016A bonds bear interest of 5.00% per annum, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2016. The 2016A bond maturity dates range from June 1, 2023 to June 1, 2026. The 2016B bonds bear interest of 2.64% and 2.74% per annum, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2016. The 2016B bond maturity dates range from June 1, 2024 to June 1, 2025. Bond principal payments of $55,345,000 and $53,530,000 were made during the years ended December 31, 2025 and 2024, respectively. The outstanding balance due on these bonds as of December 31, 2025 and 2024 was $57,655,000 and $113,000,000, respectively.

A schedule of debt service requirements, including bond premiums as of December 31, 2025 was as follows:

Maturity	Principal	Interest	Premium	Total
2026	57,655,000	1,441,375	587,592	59,683,967
	$ 57,655,000	$ 1,441,375	$ 587,592	$ 59,683,967

10. BONDS PAYABLE: (Continued)

Series 2016AB: (Continued)

Net unamortized premium at December 31, 2025 and 2024 was $587,592 and $2,468,370, respectively.

The total interest expense on the bonds for the years ended December 31, 2025 and 2024 was $1,963,881 and $3,038,568, respectively, including annual amortized premiums of $1,880,779 and $2,909,991, respectively, which was recorded as interest expense in the accompanying Statutory Statements of Income.

11. RETIREMENT PLANS:

Defined Benefit Plan:

The Company sponsors a non-contributory defined benefit pension plan covering all employees that were hired prior to April 1, 2008, through a service agreement with Property Insurance Association of Louisiana (PIAL) in which retirement expenses were previously reimbursed to PIAL.

The table below sets forth the changes in projected benefit obligations, changes in plan assets, and components of the net periodic benefit costs for the years ended December 31:

	2025	2024
Change in projected benefit obligation:		
Beginning projected benefit obligation, January 1,	$ 1,736,219	$ 1,842,297
Interest cost	97,156	95,488
Actuarial (gain) loss	67,925	(48,806)
Benefit payments	(149,381)	(152,760)
Ending projected benefit obligation, December 31,	$ 1,751,919	$ 1,736,219

	2025	2024
Change in plan assets:		
Fair value of plan assets, January 1,	$ 1,923,065	$ 2,003,354
Employer contributions	72,652	42,126
Benefit payments	(149,381)	(152,760)
Actual return on plan assets	198,035	30,345
Fair value of plan assets, December 31,	2,044,371	1,923,065
Funded status	$ 292,452	$ 186,846

11. RETIREMENT PLANS: (Continued)

Assumptions used to determine projected benefit obligations and pension costs at December 31, 2025 and 2024 were as follows:

	2025	2024
Discount rate	5.75%	5.25%
Long-term rate of return on assets	6.00%	6.00%
Compensation increase rate	N/A	N/A

Net periodic benefit cost for the years ended December 31, 2025 and 2024 included the following components:

	2025	2024
Interest cost	$ 97,156	$ 95,488
Expected return on plan assets	(113,359)	(118,176)
Amortization net prior service cost	1,445	1,445
Amortization net loss	11,473	9,970
Ending net periodic benefit cost, December 31,	$ (3,285)	$ (11,273)

Changes in amounts recognized in accumulated surplus for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Unrecognized balances, January 1,	$ 484,896	$ 457,286
Net prior service credit recognized	(1,445)	(1,445)
Net gain recognized	(11,473)	(9,970)
Actuarial (gain) loss occurring	(16,751)	39,025
Ending unrecognized balances, December 31,	$ 455,227	$ 484,896

The fair value of assets as of December 31, 2025 was determined in a manner similar to the allocation method used for the funding policy of the PPIO, except that any contributions receivable for the plan year, but not yet paid by December 31, 2024 were excluded. The asset allocation method, in general, projects the assets from the prior year using the actual return on the PPIO fund for the years ended December 31, 2025 and 2024 and adjusting for actual payments and contributions.

11. RETIREMENT PLANS: (Continued)

Future benefit payments expected to be paid in each of the next five years and in the aggregate for the following five years:

Year ending December 31,		
2026	$	130,952
2027		133,304
2028		135,495
2029		136,720
2030		137,060
2031-2035		674,073
Total	$	1,347,604

Payables to the Pension Plan:

As of December 31, 2025 and 2024, the Company had no outstanding payables to the defined benefit plan.

Defined Contribution Plans:

Effective September 1, 2008, the Company froze its defined benefit pension plan and replaced it with a defined contribution plan. The Company contributes 11% of each employee's wages to the defined contribution plan. Contributions are expensed each month and the Company carried no assets or liabilities for the defined contribution plan on its statement of admitted assets, liabilities, and surplus. The Company's contributions to the plan were $779,596 and $803,246 during the years ended December 31, 2025 and 2024, respectively.

In addition, the Company sponsors a contributory 401k plan covering eligible employees for which the Company matches 75% of employee contributions up to a maximum of 6% of eligible compensation. The Company’s contributions to the 401k plan during the years ended December 31, 2025 and 2024 totaled $277,177 and $257,492, respectively.

12. OTHER POSTEMPLOYMENT BENEFITS:

Plan Description:

The Company provides postemployment medical and life insurance for qualified employees hired prior to January 1, 2010. Employees may qualify for participation in the plan by a) attaining age 55 and completing 14 years and one hour of service or b) attaining age 60; completing at least five years of service, two of which occur after October 28, 2010, being employed with the Company at the time of retirement and retire in good status.

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

Contribution Rates:

Plan members contribute 25% of medical premiums, including Medicare supplement, dental and vision coverage, and 100% of supplemental life insurance. Plan members are not required to contribute to basic life insurance.

Funding Policy:

The Company's plan is administered by the Company. The table below sets forth the changes in accumulated postemployment benefit obligation (APBO) for eligible participants, changes in plan assets, and components of the net periodic benefit costs for fiscal years ended December 31:

	2025	2024
Change in benefit obligation:		
Beginning APBO, January 1,	$ 2,567,837	$ 2,779,456
Service cost	27,934	32,621
Interest cost	145,562	143,844
Plan participants' contributions	29,602	19,833
Actuarial (gain)/loss	128,821	(331,939)
Benefit payments	(112,164)	(75,978)
Ending APBO, December 31,	$ 2,787,592	$ 2,567,837

	2025	2024
Change in plan assets:		
Fair value of plan assets, January 1,	$ -	$ -
Employer contributions	82,562	56,145
Plan participants' contributions	29,602	19,833
Benefit payments	(112,164)	(75,978)
Fair value of plan assets, December 31,	-	-
Funded status	$ (2,787,592)	$ (2,567,837)

Net periodic benefit cost for the years ended December 31, 2025 and 2024 included the following components:

	2025	2024
Service cost	$ 27,934	$ 32,621
Interest cost	145,562	143,844
Net prior service cost amortization	(22,709)	(22,709)
Amortization net loss	(84,330)	(43,123)
Ending net periodic benefit cost, December 31,	$ 66,457	$ 110,633

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

Funding Policy: (Continued)

Assumptions used to determine projected benefit costs at December 31, 2025 and 2024 were as follows:

	2025	2024
Discount rate	5.75%	5.25%
Long-term rate of return on assets	N/A	N/A
Rate of compensation increase	3.00%	3.00%
Assumed health care cost trend during first year	7.00%	7.00%
Ultimate health care cost trend rate	5.00%	5.00%
Year ultimate health care cost trend reached	2031	2030

The discount rate was chosen by the plan sponsor based on market information on the measurement date.

Changes in amounts recognized in accumulated surplus for the years ended December 31, 2025 and 2024 are included in the table below:

	2025	2024
Change in unrecognized balances		
Unrecognized balances, January 1,	$ (1,090,650)	$ (824,543)
Net prior service cost recognized	22,709	22,709
Net (gain)/loss recognized	84,330	43,123
Actuarial loss/(gain) occurring	128,821	(331,939)
Ending unrecognized balances, December 31,	$ (854,790)	$ (1,090,650)

Funded Status and Funding Progress:

The plan has no assets and has a funded ratio of zero.

Future benefit payments expected to be paid in each of the next five years and in the aggregate for the next five years:

Year ending December 31,	
2026	$ 91,012
2027	102,895
2028	123,229
2029	145,838
2030	168,070
2031-2035	928,954
Total	$ 1,559,998

13. LEASES:

The Company is obligated under a non-cancelable operating lease for office space that began on October 1, 2023, and will expire in March 2034. The future minimum payments as of December 31, 2025 were as follows:

Year ending December 31,	
2026	459,995
2027	469,195
2028	478,579
2029	488,150
2030	497,913
Thereafter	1,684,194
Total	$ 4,078,026

Rental expense for the years ended December 31, 2025 and 2024 was $471,803 and $416,605, respectively.

14. RECONCILIATION OF GAAP AND STATUTORY BASIS OF ACCOUNTING (UNAUDITED):

A reconciliation between the change in net position and the deficiency in net position as reported under GAAP basis and statutory basis for the years ended December 31, 2025 and 2024 was as follows:

	2025	2024
Change in net position - GAAP basis	$ 205,710,269	$ 283,659,758
Adjustments to:		
Pension plan expense	(525,770)	(142,194)
Other	(1,286,534)	(6,900,917)
Amortization expense - right of use asset	270,073	264,000
Amortization expense - right of use asset SBITA	515,613	515,613
Rent expense	(412,770)	(367,220)
Software maintenance expense	(681,716)	(681,451)
Interest expense	414,925	474,031
Investment increase (decrease) in fair value	(1,059,494)	10,367
Excess emergency assessments	(16,961,722)	(82,371,370)
Tax exempt surcharge	(15,986,769)	(18,694,184)
Net income - statutory basis	$ 169,996,105	$ 175,766,433

14. RECONCILIATION OF GAAP AND STATUTORY BASIS OF ACCOUNTING (UNAUDITED): (Continued)

	2025	2024
Net position - GAAP basis	$ 661,223,885	$ 455,513,616
Adjustments to:		
Non-admitted assets	(57,243,211)	(28,081,960)
Right of use assets	(2,256,294)	(2,498,174)
Right of use assets SBITA	(1,366,387)	(1,881,999)
Net pension asset	(4,440)	522,912
Lease liability	2,773,464	2,879,030
SBITA liability	1,207,498	1,741,232
SBITA accrued interest	27,304	39,372
Other accrued liabilities	17,705	22,200
Restricted assessments	(43,709,307)	(41,457,532)
Allowance for doubtful accounts	1,549,294	2,829,752
Investment increase in fair value	(874,233)	185,261
Emergency assessments receivable	(18,095,266)	(3,385,320)
Provision for reinsurance receivable	(10,350)	(90,721)
Accumulated surplus - statutory basis	$ 543,239,662	$ 386,337,669

15. COMMITMENTS AND CONTINGENCIES:

The Company is involved in certain litigation and disputes incidental to its operations. In the opinion of management, after consultation with legal counsel, there are substantial defenses to such litigation and disputes and any ultimate liability, in excess of reserves resulting there from, will not have a material adverse effect on the Company's financial condition or results of operations.

The Company is also involved in other potentially significant litigation described below; any of which could have a material adverse effect on the financial condition or results of operations. These matters raise difficult and complicated factual and legal issues and are subject to many uncertainties and complexities, including the underlying facts of each matter; novel legal issues; variations between jurisdictions in which matters are being litigated, heard, or investigated; differences in applicable laws and judicial interpretations; the length of time before many of these matters might be resolved by settlement, through litigation or otherwise; and the current legal environment faced by large corporations and insurance companies.

The outcome of these matters may be affected by decisions, verdicts, settlements, and the timing of such in other individual and class action lawsuits that involve the Company, other insurers, or other entities and by other legal, governmental, and regulatory actions that involve the Company, other insurers, or other entities. The outcome may also be affected by future state legislation, the timing, or substance of which cannot be predicted.

15. COMMITMENTS AND CONTINGENCIES: (Continued)

In lawsuits, plaintiffs seek a variety of remedies. In some cases, the monetary damages sought include punitive or treble damages. Often specific information about the relief sought, such as the amount of damages is not available. When specific monetary demands are made, they are often set just below a state court jurisdictional limit in order to seek the maximum amount available regardless of the specifics of the case.

For the reasons previously specified, it is often not possible to make meaningful estimates of the amount or range of loss that could result from the known and unknown matters described. The Company reviews these matters on an ongoing basis and follows appropriate accounting guidance when making accrual and disclosure decisions. When assessing "reasonably possible" and "probable" outcomes, the Company bases its decisions on its assessment of the ultimate outcome following all appeals. Additionally, in instances where a judgment, assessment or fine has been rendered against the Company, there is a presumption that criteria in reaching a “reasonably possible” and “probable” outcome have been met. In such instances, the amount of liability recorded by the Company will include the anticipated settlement amount, legal costs, insurance recoveries and other related amounts and take into account factors such as the nature of the litigation, progress of the case, opinions of legal counsel, and management's intended response to the litigation, claim, or assessment.

Due to the complexity and scope of the matters disclosed below and the many uncertainties that exist, the ultimate outcome of these matters cannot be reasonably predicted. In the event of an unfavorable outcome in any one or more of these matters, the ultimate liability may be in excess of amounts currently reserved.

A summary of potentially significant litigation is as follows:

Oubre v. Louisiana Citizens Property Insurance Corporation. The plaintiffs in this suit allege that the Company failed to timely initiate loss adjustment as required by Louisiana statutory law exposing the Company to penalties up to a mandatory limit of $5,000 per claim. On July 23, 2012, the Company settled the majority of this class action suit with a payment of $104.7 million to the plaintiff counsel for distribution to the current class members. The Company entered into a settlement with the class for the remaining Oubre claims. For the years ended December 31, 2025 and 2024, the Company paid $14,135,500 and $-0-, respectively, towards Oubre settlements. The Company has paid a total of $159.6 million towards the final settlement as of December 31, 2025. At December 31, 2025 and 2024, the Company had a reserve of $50,000 and $3,700,000, respectively, for this case for resolution of the remaining claims which the Company believes is adequate. The reserve is included in loss and loss adjustment reserves on the accompanying Statutory Statements of Admitted Assets, Liabilities, and Surplus.

15. COMMITMENTS AND CONTINGENCIES: (Continued)

Various other lawsuits against the Company have arisen in the course of the Company's business, including approximately 263 first-party suits, the majority of which are related to first party suits related to 2024 Hurricane Francine, 2021 Hurricane Ida and 2020 Hurricanes Laura. The Company believes it has established appropriate reserves for all lawsuits, in addition to class action claims described above. The Company has no assets that it considers to be impaired.

In addition to claims under the insurance policies it issues, the Company is potentially exposed to various risks of loss, including those related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As of December 31, 2025 and 2024, the Company had insurance protection in place from various commercial insurance carriers covering various exposures, including workers' compensation, property loss, employee liability, general liability, directors' and officers' liability, business auto, and cyber insurance. Management continuously revisits the limits of coverage and believes that current coverage is adequate. There were no significant reductions in insurance coverage from the previous year.

16. DEPOPULATION:

The Louisiana State Legislature created the Company to operate insurance plans as a residual market for residential and commercial property. The legislature further intended that the Company work toward the ultimate depopulation of these residual market plans also known as the Coastal Plan and the FAIR plan. To encourage the ultimate depopulation of these residual market plans, the Louisiana Citizens Property Insurance Corporation Policy Take-Out Program was created.

Under the take-out plan guidelines, not less than once per calendar year, the Company, with the approval of the governing board of the corporation, may offer some or all its in-force policies for removal to the voluntary market. The Company shall include in any offers for depopulation policies that, based on geographic and risk characteristics, serve to reduce the exposure of the corporation. Each insurer admitted to write homeowners insurance or insurance insuring one or two family owner occupied premises for fire and allied lines or insurance which covers commercial structures in the State of Louisiana may apply to the Company to become a take-out company. Insurers will be approved to participate in the depopulation of the Company based on statutory guidelines set forth in accordance with LRS 22:2314(C).

Policies may be removed from the Company at policy renewal or as part of a bulk assumption. In an assumption, the take-out company is responsible for losses occurring from the assumption date through the expiration of the Company's policy period.

Unearned premiums remitted to take-out companies pursuant to assumption agreements is reflected as a reduction in "Premiums earned" in the Statutory Statements of Income and totaled $37,911,741 and $38,027,279 for the years ended December 31, 2025 and 2024, respectively.

16. DEPOPULATION: (Continued)

The Company provides administration services with respect to the assumed policies. All agreements provide for the take-out company to adjust losses. The take-out company pays a ceding commission to the Company to compensate for policy acquisition costs, which includes servicing company fees and agent commissions. While the Company is not liable to cover claims after the assumption, the Company continues to service policies for items such as policyholder endorsements or cancellation refunds. Should the Company process and provide a refund to policyholders, such amount is subsequently collected from the take-out company. At December 31, 2025 and 2024, there were no assumed premiums due from certain take-out companies.

17. EMERGENCY ASSESSMENT RECEIVABLE:

In 2006, the Company recorded $978,205,000 long-term emergency assessment receivables for the issuance of the Assessment Revenue Bonds Series 2006. The receivable was recorded in relation to the 2005 plan year deficit. This represents the amounts to be collected from all policyholders ultimately to repay the 2005 deficit bonds outstanding. As of December 31, 2025 and 2024, the Company's emergency assessment receivable for the 2005 deficit was $57,655,000 and $113,000,000, respectively.

During the years ended December 31, 2025 and 2024, the Company has $-0- and $17,058,249, respectively, in emergency assessment receivable – companies. This receivable is the estimated emergency assessment from participating insurance companies, which is paid to the Bond Trustee for bond repayment.

As the money is collected from the insurance companies and individual policyholders, the emergency assessment receivable is reduced along with the reduction to bonds payable.

The Company has collected sufficient assessments to cover all remaining debt service obligations through June 2026. On January 9, 2025, the Board of Directors voted to discontinue the approved 1.36% assessment rate for 2025, effective April 1, 2025.

18. SUBSEQUENT EVENTS:

The Company has evaluated subsequent events through the date these financial statements were available to be issued, April 29, 2026.

The following is a summary of certain statutory financial data included in the supplemental investment risk interrogatories.

1. Total admitted assets as reported on the Statutory Statements of Admitted Assets, Liabilities, and Surplus $1,020,730,258

2. By investment category, the ten largest exposures to a single issuer/borrower/investment, excluding (i) U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the *SVO Purposes and Procedures Manual*, as exempt, (ii) property occupied by the Company, and (iii) policy loans.

Issuer	Description of Exposure	Amount	% of Total Admitted Assets
State of Louisiana	Bonds	$ 52,794,992	5.2%
Louisiana Local Government Environmental Facilities and Community Development Authority	Bonds	38,777,904	3.8%
Louisiana Public Facilities Authority	Bonds	17,747,882	1.7%
City of New Orleans, Louisiana	Bonds	8,519,248	0.8%
City of Lafayette, Louisiana	Bonds	8,508,431	0.8%
Livingston Parish Louisiana	Bonds	8,132,076	0.8%
Board of Supervisors of Louisiana State University and Agricultural and Mechanical College	Bonds	7,689,238	0.8%
East Baton Rouge Louisiana Sewerage Commission	Bonds	6,705,365	0.7%
Caddo Parish Louisiana Parish Wide School District	Bonds	6,194,579	0.6%
St. Tammany Parish Wide School District No 12 Louisiana	Bonds	3,568,245	0.3%

3. Amounts and percentages of total admitted assets held in bonds. Total bonds consist of $206,705,166 of bonds, $25,092,408 in short-term bonds, and $5,779,060 in cash equivalents, consisting of bonds maturing in three months or less from the purchase date, reported as cash, cash equivalents, and short-term investments on the Statutory Statement of Admitted Assets, Liabilities, and Surplus.

Exposure	Amount	% of Total Admitted Assets
Bonds	$ 237,576,634	23.28%

FINANCIAL REPORT

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

DECEMBER 31, 2025 AND 2024

LOUISIANA CITIZENS
PROPERTY INSURANCE CORPORATION

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DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

June 25, 2026

To the Board of Directors of
Louisiana Citizens Property Insurance Corporation
Metairie, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Louisiana Citizens Property Insurance Corporation (the “Company”), a component unit of the State of Louisiana, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Company’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the respective changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Louisiana Citizens Property Insurance Corporation and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Louisiana Citizens Property Insurance Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Citizens Property Insurance Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Louisiana Citizens Property Insurance Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Louisiana Citizens Property Insurance Corporation's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2026 on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Company's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan and Maher, LLP

Metairie, Louisiana

The Management's Discussion and Analysis of the Louisiana Citizens Property Insurance Corporation's (the Company) financial performance presents a narrative overview and analysis of the Company's activities for the years ended December 31, 2025 and 2024. This discussion and analysis focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. We encourage readers to consider the information presented here in conjunction with the additional information contained in the Company's financial statements.

Overview of the Financial Statements:

This discussion and analysis is intended to serve as an introduction to the Louisiana Citizens Property Insurance Corporation's basic financial statements. The Company's financial statements comprise three components: 1) Management's Discussion and Analysis, 2) the Basic Financial Statements (including the notes to the financial statements), and 3) Required Supplementary Information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Basic Financial Statements

The basic financial statements present information for the Company as a whole in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Fund Net Position, and the Statements of Cash Flows.

The Statement of Net Position presents information on all of the Company's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between them presented as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Company is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Position presents information showing how the Company's fund net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Company's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities as required by GASB 34.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Summary:

The following is a summary of the Statements of Net Position:

	2025	2024	2023
Current assets	$ 853,920,779	$ 874,345,810	$ 735,569,388
Capital assets	937,473	1,191,473	720,591
Right of use asset - lease	2,256,294	2,498,174	2,706,000
Right of use asset - SBITA	1,366,387	1,882,000	2,397,612
Other non-current assets	164,842,133	115,338,862	85,415,592
Total assets	1,023,323,066	995,256,319	826,809,183
Deferred outflows of resources	158,275	309,507	482,623
Current liabilities	348,065,615	467,816,845	525,457,144
Non-current liabilities	13,981,029	71,389,665	128,697,475
Total liabilities	362,046,644	539,206,510	654,154,619
Deferred inflows of resources	210,812	845,700	1,283,329
Net position:			
Net investment in capital assets	551,888	912,013	646,103
Restricted for debt service	249,443,320	287,826,600	258,985,230
Unrestricted	411,228,677	166,775,003	(87,777,475)
Total Net Position	$ 661,223,885	$ 455,513,616	$ 171,853,858

Financial Summary: (Continued)

The following is a summary of the Statements of Revenues, Expenses and Changes in Fund Net Position:

Condensed Statements of Revenues, Expenses and Changes in Fund Net Position

	2025	2024	2023
Operating revenue:			
Net premiums revenue	$ 221,098,436	$ 305,443,644	$ 260,542,110
Finance charges and other operating income	4,117,902	4,121,646	4,935,854
Total operating revenues	225,216,338	309,565,290	265,477,964
Operating expenses:			
Claims and underwriting expenses	73,842,024	144,662,745	164,175,702
Depreciation and amortization	1,166,646	1,368,090	848,097
Total operating expenses	75,008,670	146,030,835	165,023,799
Operating income	150,207,668	163,534,455	100,454,165
Noncapital subsidies:			
Emergency assessment income	13,556,161	79,358,879	98,975,601
Total noncapital subsidies	13,556,161	79,358,879	98,975,601
Operating income and noncapital subsidies	163,763,829	242,893,334	199,429,766
Non-operating revenues (expenses):			
Interest expense	(2,384,307)	(3,521,324)	(4,368,017)
Other revenue	44,330,747	44,287,748	30,954,100
Total non-operating revenues	41,946,440	40,766,424	26,586,083
Change in fund net position	205,710,269	283,659,758	226,015,849
Fund net position (deficit) at beginning of year	455,513,616	171,853,858	(54,161,991)
Fund net position at end of year	$ 661,223,885	$ 455,513,616	$ 171,853,858

In 2025, the Company implemented GASB 103 which resulted in a reclassification of emergency assessment income being presented as a noncapital subsidy previously reported as operating income for all years presented.

Detailed Analyses:

Assets

2025

Total assets increased by $28.1 million in 2025 compared to 2024 due to the reasons described below.

Other non-current assets, consisting primarily of the restricted cash related to escheatment and noncurrent investments, increased by $49.5 million in 2025. Other non-current assets increased primarily

Detailed Analyses: (Continued)

Assets (Continued)

due to noncurrent investments purchased from cash provided from the premiums received from policies. There were no major storms during 2025, and as such, the Company did not have to pay out many claims during the year ended December 31, 2025.

The increase in other non-current assets was offset by a corresponding decrease in current assets, consisting primarily of cash, cash equivalents, investments, and receivables. Current assets decreased by $20.4 million in 2025. The decrease in current assets was primarily due to a decrease in restricted investments held by bond trustee of $21.6 million. Restricted investments decreased primarily due to the Company ending emergency assessment collections as of April 1, 2025. The decreases in these accounts were offset by an increase in prepaid premiums reinsurance of $30.3 million. The increase was mainly due to the first quarter premium for the 2026 reinsurance contract being paid in advance.

2024

Total assets increased by $168.4 million in 2024 compared to 2023 due to the reasons described below.

Current assets, consisting primarily of cash, cash equivalents, investments, and receivables, increased by $138.8 million in 2024. The increase in current assets was primarily due to continued growth and rate changes in 2024. In addition, restricted investments held by bond trustee increased by $29.5 million primarily due to emergency assessment collections exceeding bond service costs. The emergency assessment rate is determined by comparing the annual bond service costs to prior year statewide premiums written. The emergency assessment collections are then attained by applying the assessment rate to current year insurer premiums written which inherently varies higher or lower than the prior year statewide premiums written used to determine the emergency assessment rate. Offsetting the increase in cash and cash equivalents was a decrease of $7.4 million in premiums receivable due to the policies depopulated during 2024.

Other non-current assets, consisting primarily of the restricted cash related to escheatment and noncurrent investments, increased by $29.9 million in 2024. Other non-current assets increased primarily due to noncurrent investments purchased from cash provided from the increase in new policies written.

Liabilities

2025

Total liabilities decreased by $177.2 million in 2025 compared to 2024 primarily due to the reasons described below.

The combined current and noncurrent bonds payable decreased by $57.2 million in 2025 compared to 2024 primarily due to $55.3 million in scheduled bond principal payments made in 2025, and amortization of bond premiums of $1.9 million in 2025.

Detailed Analyses: (Continued)

Liabilities (Continued)

Unearned premiums decreased by $32.4 million in 2025 compared to 2024 primarily as a result of less in-force policies written by the Company during 2025.

Claims reserves and claims adjustment expense reserves decreased by $57.9 million in 2025 compared to 2024. The decrease is primarily due to a decrease in the projected ultimate loss for Hurricane Ida in 2025 as a result of the year-end actuarial analysis.

Takeout premium payable increased by $25.8 million in 2025 compared to 2024 primarily due to the takeout premiums owed to the assuming insurers on the policies depopulated in Round 20 of depopulation in December 2024. In 2025, there were no significant payables owed to assuming insurers at year end as fewer policies were depopulated.

2024

Total liabilities decreased by $114.9 million in 2024 compared to 2023 primarily due to the reasons described below.

The combined current and noncurrent bonds payable decreased by $56.4 million in 2024 compared to 2023 primarily due to a $53.5 million in scheduled bond principal payments made in 2024, and amortization of bond premiums of $2.9 million in 2024.

Unearned premiums decreased by $66.4 million in 2024 compared to 2023 primarily as a result of less in-force policies written by the Company during 2024.

Claims reserves and claims adjustment expense reserves decreased by $10.4 million in 2024 compared to 2023. The decrease is primarily due to a decrease in the projected ultimate loss for Hurricane Ida in 2024 as a result of the year-end actuarial analysis.

Takeout premium payable increased by $27.9 million in 2024 compared to 2023 primarily due to the takeout premiums owed to the assuming insurers on the policies depopulated in Round 20 of depopulation in December 2024. In 2023, the latest round of depopulation took place in October 2023, so there were no significant payables owed to assuming insurers at year end.

Net Position

2025

The increase in net position of $205.7 million in 2025 compared to 2024 was primarily due to a net operating income of $150.2 million and a net non-operating income of $55.5 million.

Change in net position decreased $77.9 million in 2025 compared to 2024 due to the reasons described below.

Detailed Analyses: (Continued)

Net Position (Continued)

Net premium revenue was $84.3 million lower in 2025 compared to 2024. The decrease was a result of less premiums written in 2025, a decrease of commercial policies, and the removal of the 10% surcharge on all policies written by the Company effective January 1, 2025.

The claims and underwriting expense was $70.8 million lower in 2025 compared to 2024. The decrease in claims and underwriting expenses was primarily due to the decrease in the projected ultimate loss of Hurricane Ida in the December 2025 actuarial analysis.

Noncapital subsidies decreased by $65.8 million in 2025 compared to 2024. The decrease in 2025 was primarily attributable to a decrease in Emergency Assessment Income of $65.8 million. Other revenues had a decrease in tax exempt surcharge of $2.8 million and an increase in investment income of $2.8 million.

2024

The increase in net position of $283.7 million in 2024 compared to 2023 was primarily due to a net operating income of $163.5 million and a net non-operating income of $120.1 million.

Change in net position increased $57.6 million in 2024 compared to 2023 due to the reasons described below.

Net premium revenue was $44.9 million higher in 2024 compared to 2023. The increase was a result of the unearned premiums in 2023 becoming earned in 2024 and less premium written in 2024.

The claims and underwriting expense was $19.3 million lower in 2024 compared to 2023. The decrease in claims and underwriting expenses was primarily due to the decrease in the projected ultimate loss of Hurricane Ida in the December 2024 actuarial analysis.

Interest expense decreased by $847 thousand in 2024 compared to 2023. The decrease in 2024 was primarily attributable to a decrease in interest expense due to a reduction in the amortization of deferred outflows from advanced refunding.

Noncapital subsidies decreased by $6.3 million in 2024 compared to 2023. The decrease in 2024 was primarily attributable to a decrease in Emergency Assessment Income of $19.6 million. Other revenues increased by $13.3 million from an increase in tax exempt surcharge of $2.4 million, and an increase in investment income of $10.9 million.

Detailed Analyses: (Continued)

Cash Flow and Liquidity

Cash Flow

Sources of cash include cash receipts from customers, principally, premiums collected, emergency assessments and amounts received from restricted investments. Primary uses of cash include cash payments for services provided, cash payments to employees, and principal and interest paid on debt.

The other cash flow from non-capital financing activities is primarily assessment collections less debt service costs on long-term debt obligations from restricted cash.

Liquidity

All liquid funds held by the Company are kept in commercial bank accounts that are FDIC insured or 100% collateralized.

In addition to policy holder premiums, the Company has a much broader range of resources available to pay losses and repay debt obligations than does a typical insurer. Presently, the Company can institute a regular assessment up to approximately $418 million on the state insurance industry derived from 10% of their written premium for deficits each year, and an emergency assessment up to approximately $470 million derived from 10% of the premium written on property policyholders of the State of Louisiana for each calendar year of a storm to pay debt incurred in previous years. Emergency assessments levied in any calendar year can remain in place each year until any borrowings from that year have been repaid.

In June 2025, the Company renewed the $125 million line of credit with Regions Bank for an additional two years that matures in June 2027.

Significant Capital Asset and Long-Term Financing Activity:

In 2005, the Company did not have sufficient funds to pay 80,000 claims resulting from Hurricanes Katrina and Rita. In 2006, the Company issued $678.2 million of assessment revenue bonds and $300.0 million in auction rate securities. After multiple refinancings, the Company has approximately $113 million of fixed rate assessment revenue bonds outstanding as of December 31, 2024. The debt service of these bonds is paid through emergency assessments on property insurance policies written in the State of Louisiana. As of December 31, 2024, Louisiana Citizens Property Insurance Corporation collected sufficient assessments to cover all remaining debt service obligations through June 2026. On January 9, 2025, the Board of Directors voted to discontinue the approved 1.36% assessment rate for 2025, effective April 1, 2025.

No material capital asset activity was identified as primary driver of financial changes. The Company's most significant capital assets relate to the electronic data processing equipment, the right of use lease asset for the Galleria office building space, and the subscription-based information technology arrangement right of use asset for the Guidewire software.

Currently Known Facts, Decisions, or Conditions:

Pending Litigation

As of December 31, 2025 there were 263 open litigation matters against the Company. The majority of these lawsuits are first-party suits related to 2024 Hurricane Francine, 2021 Hurricane Ida and 2020 Hurricane Laura. Excluding the Oubre class action suit described below, unpaid loss and loss adjustment expenses in the amount $9.8 million are included in the claims reserve and claims adjustment expense reserves on the statement of net position. The balance of the litigated matters are first party losses, third-party bodily injury claims, subrogation or claims where the issue of coverage is in dispute.

Oubre v. Louisiana Citizens Property Insurance Corporation. The plaintiffs in this suit allege that the Company failed to timely initiate loss adjustment as required by Louisiana statutory law exposing the Company to penalties up to a mandatory limit of $5,000. On July 23, 2012, the Company settled the first phase of this class action suit with a payment of $104.7 million to the plaintiff counsel for distribution to the class members. The Company entered into a settlement with the class for the remaining Oubre claims. During the year ended December 31, 2025, the Company paid $14.1 million towards the Oubre settlements. The Company has paid a total $159.6 million towards the final settlement as of December 31, 2025 and has a reserve of $50 thousand for the remaining settlement (included in unpaid losses on the statement of net position). The Company will continually review the reserve to ensure that it meets the anticipated settlement costs.

Emergency Assessments

The Company terminated the emergency assessment collections effective April 1, 2025, which will eliminate a significant historical revenue source for the Company. The debt obligations associated with the assessment revenues will be fully retired in 2026.

Depopulation

The Company plans to continue its depopulation efforts in future years to reduce overall exposure and policy counts.

Future Plans for Reinsurance

The Company had $1,863.3 million in total reinsurance and cat bonds in place for the 2025 storm season, which provided 1 in 122 year storm coverage. The cat bonds include three three-year catastrophe bonds for $195 million, $275 million and $280 million. In addition to the reinsurance program and cat bonds, the Company has reinstatement premium protection and second event catastrophe coverage. The amount of reinsurance purchased by the Company is determined by many factors, which include losses projected by catastrophe models, insured values of the company, reinsurance market prices, and availability of cash. The reinsurance coverage, excluding cat bonds, described above expires on May 31, 2026. The Company is in the process of negotiating a new reinsurance program for the 2026 storm season and it is anticipated to provide a minimum of 1 in 100 year storm coverage.

Contacting Louisiana Citizens Property Insurance Corporation's Management:

This financial report is designed to provide the citizens and taxpayers of Louisiana, customers, and creditors with a general overview of the Company's finances. If you have questions about this report or need additional financial information, contact Adam Bourgeois, Senior Accountant, at (504) 832-3214 or abourgeois@lacitizens.com.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATEMENTS OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS:		
Current assets:		
Cash	$ 208,111,666	$ 270,773,306
Cash equivalents	331,343,876	260,767,787
Bond investments	76,070,610	77,022,907
Restricted cash equivalents	120,862,607	142,430,865
Premium receivables and agent's balances, net	57,938,563	74,339,559
Reinsurance recoverables	637,599	5,206,945
Emergency assessments receivable	-	17,058,249
Prepaid reinsurance premiums	52,874,180	22,604,101
Net pension asset	349,429	200,127
Other current assets	5,732,249	3,941,964
Total current assets	853,920,779	874,345,810
Noncurrent assets:		
Restricted cash for escheatment	8,093,845	6,737,052
Bond investments	156,583,759	108,428,014
Capital assets	937,473	1,191,473
Right of use assets - leases	2,256,294	2,498,174
Right of use assets - SBITA	1,366,387	1,882,000
Other noncurrent assets	164,529	173,796
Total noncurrent assets	169,402,287	120,910,509
Total assets	1,023,323,066	995,256,319
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows - pension and OPEB	158,275	309,507
Total deferred outflows of resources	$ 158,275	$ 309,507

See accompanying notes to the financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATEMENTS OF NET POSITION (Continued)
DECEMBER 31, 2025 AND 2024

	2025	2024
LIABILITIES:		
Current liabilities:		
Claims reserves	$ 20,398,310	$ 70,310,939
Claims adjustment expense reserves	4,287,978	12,358,062
Unearned premiums	236,750,706	269,149,070
Bonds payable, net of unamortized premium	58,242,592	57,225,779
Unearned tax exempt surcharge	7,143,158	8,992,675
Commissions payable to agents	9,727,473	11,725,749
Taxes, licenses, and fees due	5,963,885	5,863,990
Accrued bond interest	240,229	432,611
Lease liability	192,970	133,759
SBITA liability	579,398	533,734
SBITA accrued interest	27,304	39,372
Takeout premium payable	3,552,382	29,359,777
Other current liabilities	959,230	1,691,328
Total current liabilities	348,065,615	467,816,845
Noncurrent liabilities:		
Bonds payable, net of unamortized premium	-	58,242,591
Escheatment payable	8,093,845	6,737,052
Lease liability	2,580,494	2,745,271
SBITA liability	628,100	1,207,498
Other postemployment benefits	2,678,590	2,457,253
Total noncurrent liabilities	13,981,029	71,389,665
Total liabilities	362,046,644	539,206,510
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows - pensions and OPEB	210,812	845,700
Total deferred inflows of resources	210,812	845,700
FUND NET POSITION:		
Net investment in capital assets	551,888	912,013
Restricted for debt service	249,443,320	287,826,600
Unrestricted	411,228,677	166,775,003
Total fund net position	$ 661,223,885	$ 455,513,616

See accompanying notes to the financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES:		
Premiums earned	$ 494,524,992	$ 584,485,392
Premiums ceded	(273,426,556)	(279,041,748)
Net premiums revenue	221,098,436	305,443,644
Finance and service charges	3,267,768	4,074,871
Other operating income	850,134	46,775
Total operating revenues	225,216,338	309,565,290
OPERATING EXPENSES:		
Claims and claim adjustment expenses	10,012,609	74,893,336
Commissions and brokerage	45,770,385	48,661,637
Salary and related items	4,212,702	4,101,946
Board, bureaus and associations	3,760,214	3,890,075
Taxes, licenses and fees	2,755,991	6,308,246
Equipment, depreciation, and repairs and maintenance	1,091,914	1,032,419
Amortization - right of use leased assets	270,073	264,000
Amortization - right of use SBITA assets	515,613	515,613
General office	4,005,716	3,598,463
Employee benefits	1,476,084	1,298,121
Other underwriting expenses	1,137,369	1,466,979
Total operating expenses	75,008,670	146,030,835
Operating income	150,207,668	163,534,455
NONCAPITAL SUBSIDIES		
Emergency assessment income	13,556,161	79,358,879
Total noncapital subsidies	13,556,161	79,358,879
Operating income and noncapital subsidies	163,763,829	242,893,334
OTHER NONOPERATING REVENUES (EXPENSES):		
Interest expense	(1,969,381)	(3,047,293)
Interest expense - lease liability	(279,011)	(295,339)
Interest expense - SBITA liability	(135,915)	(178,692)
Investment income	28,343,978	25,593,564
Tax exempt surcharge	15,986,769	18,694,184
Total other nonoperating revenues	41,946,440	40,766,424
CHANGE IN FUND NET POSITION	205,710,269	283,659,758
Fund net position, beginning of year	455,513,616	171,853,858
FUND NET POSITION, END OF YEAR	$ 661,223,885	$ 455,513,616

See accompanying notes to the financial statements.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Premiums collected	$ 203,214,100	$ 239,128,228
Finance and service charges collected	3,267,768	4,074,871
Other receipts	2,206,927	753,742
Claims recovered (paid)	(47,399,474)	(62,373,859)
Claim adjustments recovered (paid)	(14,420,865)	(17,581,673)
Underwriting expense paid	(124,349,596)	(57,944,145)
Net cash provided by operating activities	22,518,860	106,057,164
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Emergency assessments received	30,614,410	82,300,630
Tax exempt surcharge received	14,137,252	17,142,446
Amounts remitted to bond trustee, net	(55,345,000)	(53,530,000)
Interest paid on capital debt	(4,469,535)	(6,593,867)
Net cash provided (used) by noncapital financing activities	(15,062,873)	39,319,209
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of capital assets	(126,961)	(1,059,359)
Principal payments on right of use leased asset	(133,759)	(71,881)
Principal payments on right of use SBITA asset	(533,734)	(491,652)
Net cash used by capital and related financing activities	(794,454)	(1,622,892)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(231,132,635)	(184,807,766)
Investment income received	26,723,165	24,273,145
Proceeds from sale of investments	185,450,921	115,332,453
Net cash used by investing activities	(18,958,549)	(45,202,168)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(12,297,016)	98,551,313
Cash and cash equivalents, beginning of year	680,709,010	582,157,697
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 668,411,994	$ 680,709,010
Reconciliation of cash and cash equivalents to the Statements of Net Position:		
Cash - current	$ 208,111,666	$ 270,773,306
Cash equivalents - current	331,343,876	260,767,787
Restricted cash equivalents - current	120,862,607	142,430,865
Restricted cash for escheatment - noncurrent	8,093,845	6,737,052
	$ 668,411,994	$ 680,709,010

See accompanying notes to the financial statements.

	2025	2024
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$ 150,207,668	$ 163,534,455
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense - capital assets	380,961	588,477
Amortization - right of use leased assets	270,073	264,000
Amortization - right of use SBITA assets	515,613	515,613
Changes in assets and liabilities:		
Decrease (increase) in:		
Premiums receivable and agents' balances	16,400,996	7,386,124
Reinsurance recoverables	4,569,346	(779,448)
Prepaid reinsurance premiums	(30,270,079)	(8,532,115)
Deferred outflows	151,232	173,116
Other current assets	(1,320,761)	(368,958)
Increase (decrease) in:		
Claims and claim adjustment expense reserves	(57,478,358)	(10,825,048)
Unearned premiums	(32,398,364)	(66,379,626)
Accrued taxes, licenses and fees due	(404,460)	(6,637,179)
Commissions payable to agents	(1,998,276)	(1,403,535)
Deferred inflows	(634,888)	(437,629)
Escheatment payable	1,356,793	706,968
Other postemployment benefits	221,337	(177,679)
Takeout premium payable	(25,807,395)	27,912,205
Other current liabilities	(1,242,578)	517,423
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 22,518,860	$ 106,057,164

See accompanying notes to the financial statements.

NATURE OF THE BUSINESS:

Louisiana Citizens Property Insurance Corporation (the "Company") is a component unit of the State of Louisiana. The Company's principal business activity is to operate insurance plans that provide property insurance for residential and commercial property, solely for applicants who are in good faith entitled, but are unable to procure insurance through the voluntary market. Louisiana Citizens Property Insurance Corporation was created in accordance with provisions of Louisiana Revised Statutes (LRS) 22:2291 - 22:2371 and began operations on January 1, 2004. The Company operates solely in Louisiana. The Company operates residual market insurance programs designated as the Coastal Plan and the Fair Access to Insurance Requirements Plan (FAIR Plan). The Coastal Plan is for property insurance written on locations between the Gulf of Mexico and the Intracoastal Waterway and the FAIR Plan is property insurance above the Intracoastal Waterway.

The Company is governed by a Board of Directors consisting of fifteen members, who serve without compensation. The Board consists of the Commissioner of the Department of Insurance, the State Treasurer, the chairman of the House Committee on Insurance, the chairman of the Senate Committee on insurance or their designees, six representatives appointed by the Governor, two members appointed by the Commissioner of the Louisiana Department of Insurance, and three members appointed by the Governor.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity:

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. Application of these criteria determines potential component units for which the primary government is financially accountable and the organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading or incomplete. Based on the application of these criteria, the Company is a component unit of the State of Louisiana and its financial activity is reported in the state's Annual Comprehensive Financial Report by discrete presentation.

The financial statements presented herein relate solely to the financial position and results of operations of the Company and are not intended to present the financial position of the State of Louisiana or the results of its operations or its cash flow.

Basis of Accounting:

The accounting policies and practices of the Company conform to accounting principles generally accepted in the United States applicable to a proprietary fund of a governmental entity. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Company applies all applicable GASB pronouncements as they become effective.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Accounting: (Continued)

The financial statements of proprietary funds are prepared using the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. All assets and liabilities associated with the operations of the Company are included in the statements of net position. The statements of cash flows provides information about how the Company finances and meets the cash flow needs of its activities. Proprietary funds also distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this criteria are reported as non-operating revenues and expenses.

GASB Statement No. 34 established standards for financial reporting for all state and local governmental entities, which includes a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows. It requires net position to be classified and reported in three components: net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net investment in capital assets - this component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation, right of use assets, net accumulated amortization, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets as adjusted for deferred inflows and outflows associated with the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted net position - this component of net position includes assets subject to external constraints imposed by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - this component of net position consists of net position that did not meet the definition of "restricted" or "net investment in capital assets".

Cash and Cash Equivalents:

Cash and cash equivalents include all financial institution deposits and liquid investments with an original maturity of three months or less when purchased. Cash equivalents are stated at fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Investments:

Investments are recorded at fair value. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specified identification method.

Policy Acquisition Costs:

Costs associated with the production of renewing policies and servicing existing insurance policies, such as net agent commissions, servicing company fees and other taxes and fees are expensed as incurred.

Depopulation:

The Company is required to undertake a depopulation effort annually per Louisiana State Statute LRS 22:2314. The Company accounts for premiums of depopulated policies as a reduction of direct premiums written. Losses and other costs associated with depopulated policies are removed from the financial statements.

Capital Assets:

The Company's capital assets include items such as furniture, office equipment and electronic data processing equipment (EDP). The Company has a capitalization policy whereby thresholds are applied to determine if the asset should be capitalized or expensed. All movable property, not including computer software, over $5,000 is capitalized based upon a variable useful life depending on the descriptive category for which that property meets. Office furniture and fixtures are capitalized and depreciated over a 10-year life. Computers and peripheral equipment such as hard drives, printer, monitor, keyboards, and such are capitalized and depreciated over a three-year life. Office machinery and equipment other than computers are capitalized and depreciated over a six-year life. All computer software purchased or developed for internal use over $1,000,000 is capitalized and amortized over three years for operating software, and over five years for non-operating software. The straight-line depreciation method is used for depreciation of capital assets, and the assets are assumed to have no salvage value. A full year of depreciation will be taken in the year the asset is placed into service and a full year of depreciation will be taken in the year of disposal also. All depreciation expense is allocated between loss adjustment expenses and underwriting expenses.

Leases:

The Company accounts for leases and leasing transactions in accordance with GASB Statement No. 87, *Leases*. This Statement outlines a single model for lease accounting based on the foundational principle that leases are financings of the right to use of an underlying asset. Other than short term leases, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources, thereby enhancing the relevance and consistency of information

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases: (Continued)

about governments' leasing activities. The Company determines if an agreement is a lease or contains a lease at inception. The lease term for accounting purposes may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise. Right of use assets and the corresponding lease liabilities are recorded at the commencement date based on the present value of lease payments over the expected lease term.

Subscription-Based Information Technology Arrangements:

The Company accounts for subscription-based information technology arrangements (SBITAs) in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for a SBITA for governments. A SBITA is a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. It establishes that a SBITA results in a right of use subscription asset and corresponding subscription liability.

Long-Term Obligations:

Long-term debt and other long-term obligations are reported as liabilities in the statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Noncurrent liabilities include estimated amounts for other postemployment benefits, leases, and subscription-based information technology arrangements that will not be paid within the next fiscal year.

Information relating to the Company's other postemployment benefits obligation, deferred inflows and deferred outflows of resources, and other postemployment benefits expense, was calculated by the Company's actuary, Willis Tower Watson.

Claims Reserves and Claim Adjustment Expense Reserves:

The liabilities for claims and claim adjustment expenses include an amount determined from loss reports and individual cases and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on estimates and, while management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in current earnings.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Outflows/Inflows of Resources:

Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The Company records deferred outflows of resources related to pensions and other postemployment benefits.

Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Company records deferred inflows of resources related to pensions and other postemployment benefits.

Premiums:

Premiums are recorded as earned on a daily pro rata basis over the policy period. The portion of premiums not earned at the end of the period is recorded as unearned premiums.

Premiums receivable includes amounts due from policyholders for billed premiums. Billings are calculated using the estimated annual premiums for each policy and are paid either through an installment plan offered by the Company or in their entirety at the inception of the policy.

Assessments:

In the event that the Governing Board of the Company determines that a deficit exists in either the Coastal Plan or the FAIR Plan, the Company may levy a regular assessment for each affected Plan in order to remedy any deficit. All insurers who become authorized and then engage in writing property insurance within Louisiana shall participate in regular assessment of the Coastal and FAIR Plans in the proportion that the net direct premium of such participant written in the state during the preceding calendar year bears to the aggregate net direct premiums written in the state by all insurers during the preceding calendar year as certified to the Governing Board by the Louisiana Department of Insurance.

When the deficit incurred in a particular calendar year is not greater than ten percent of the aggregate state wide direct written premium for the subject lines of business for the prior calendar year, the entire deficit will be recovered through regular assessments. When the deficit incurred exceeds ten percent, the regular assessment may not exceed the greater of ten percent of the calendar year deficit, or ten percent of the aggregate statewide direct written premium for the subject lines of business for the prior calendar year. Any remaining deficit shall be recovered through an emergency assessment.

All persons who procure a policy of insurance of one or more subject lines of business from an insurer who becomes authorized and then engages in writing property insurance with Louisiana from the FAIR or Coastal plans are subject to emergency assessment by the Company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Assessments: (Continued)

Upon determination by the Governing Board of the Company that a deficit exceeds the amount allowed to be recovered through regular assessment, the Governing Board shall levy an emergency assessment for as many years as necessary to cover all deficits. The amount of emergency assessment levied in a particular year shall be a uniform percentage of that year's direct written premium for the subject lines of business. The total amount of emergency assessment levied in any calendar year will not exceed the greater of: (a) ten percent of the amount needed to cover the original deficit plus interest, fees, commissions, required reserves, and other costs associated with the financing of the original deficit, or (b) ten percent of the aggregate state wide direct written premium for the subject lines of business and for all plan accounts of the Company for the prior year, plus interest, fees, commissions, required reserves, and other costs associated with the financing of the original deficit. To the extent the aggregate amount of the emergency assessment will not exceed the greater of (a) or (b), the Governing Board shall impose an emergency assessment in the amount required by any applicable loan agreement, trust indenture, or other financing agreement.

Reinsurance:

Premiums ceded under reinsurance agreements are recorded as a reduction of earned premiums. Reinsurance recoverables on paid or unpaid losses are recorded as receivables. All catastrophe reinsurance payments are recorded as premiums ceded and are amortized over the life of the contract period for which the payments apply. Premiums ceded included catastrophe reinsurances purchases.

Bond Issuance Costs:

Bond issuance costs are incurred in connection with acquiring bonds payable and are expensed as incurred.

Income Taxes:

The Company constitutes an integral part of the State of Louisiana and its income is exempt from federal income tax pursuant to Private Letter Ruling 160165-03 from the Internal Revenue Service. Obligations issued by the Company constitute obligations of the State of Louisiana within the meaning of Section 103(c)(1) of the Internal Revenue Code.

Pension:

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the net position, and changes in net position of the defined benefit pension plan in which the Company participates, has been determined on the same basis as it was reported by the respective defined

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Pension: (Continued)

benefit pension plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Market Risk:

The Company underwrites residential and commercial property insurance policies in the State of Louisiana through Coastal Plan and FAIR Plan. Therefore, adverse economic changes or certain changes in the insurance laws of the State of Louisiana could have a significant impact on the Company's future financial position and results of operations.

The Coastal Plan is for property insurance written on locations between the Gulf of Mexico and the Intracoastal Waterway. The FAIR Plan is property insurance above the Intracoastal Waterway. Therefore, severe storm activity in any of these areas or throughout the State of Louisiana could have a significant impact on the Company's future financial position and results of operations.

Unlike private insurers that are subject to liquidation in the event of insolvency, the Company is able (and statutorily required) to levy assessments in the event of a deficit in any or all of its accounts.

Takeout Premium Payable:

As a part of the depopulation process, the Company owes a takeout premium to the insurance companies assuming the policies. The premium is based on the total unearned premium at the time of assumption less a ceding commission percentage and retention percentage. The takeout premium is due and payable at the time of assumption.

New Accounting Pronouncements:

During the year ended December 31, 2024, the following statement was implemented as of January 1, 2024: GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 101 provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. It establishes a consistent

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

New Accounting Pronouncements: (Continued)

approach for all types of leave, eliminating potential comparability issues between governments with different leave policies. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The implementation of this standard did not require any restatement of prior periods or cumulative effect adjustment recorded in the year of adoption.

During the year ended December 31, 2025, the following statement was implemented as of January 1, 2025: GASB Statement No. 102, *Certain Risk Disclosures*. GASB Statement No. 102 requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If the government determines that those criteria have been met for a concentration or constraint, it should disclose the information in notes to financial statements in sufficient detail. The implementation of this standard resulted in additional disclosure – see Note 21.

During the year ended December 31, 2025, the following statement was implemented as of January 1, 2025: GASB Statement No. 103, *Financial Reporting Model Improvements*. GASB Statement No. 103 enhances the effectiveness of the government financial reporting model to improve decision-making and accountability. The implementation of GASB Statement No. 103 resulted in enhanced format and content of Management's Discussion and Analysis and enhanced presentation within the proprietary fund financial statements, including clarification of operating versus nonoperating activities. GASB Statement No. 103 is effective for fiscal years beginning after June 15, 2025. The Company elected to early implement this Statement, as the Company is a component unit of the State of Louisiana, and is included in the State's financial statements for the year ending June 30, 2026. The implementation of this standard did not result in a restatement of beginning net position – see Note 22 for additional information.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Cash:

Cash is stated at cost, which approximates market value. State statute authorizes the Company to invest in U.S. bonds, treasury notes, or certificates. The Company may also invest in direct repurchase agreements of any federal bank. The collateral for the agreement can only include securities as described above.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Cash: (Continued)

The Company's cash, including cash restricted for escheatment, consisted of the following:

	Carrying Amount	Bank Balance
December 31, 2025		
Demand Deposits	$ 216,205,511	$ 235,165,671
	$ 216,205,511	$ 235,165,671
December 31, 2024		
Demand Deposits	$ 277,510,358	$ 288,152,175
	$ 277,510,358	$ 288,152,175

Included in cash at December 31, 2025 and 2024 is unclaimed property, consisting of outstanding checks totaling $8,093,845 and $6,737,052, respectively, which is restricted for escheatment to the appropriate states.

Custodial Credit Risk - Deposits:

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Company will not be able to recover deposits or collateral securities that are in possession of an outside party. The Company does not have a formal policy for custodial credit risk. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

As of December 31, 2025 and 2024, none of the Company's cash was exposed to custodial credit risk. These deposits were either secured by the pledge of securities owned by the fiscal agent bank or covered by the FDIC Insurance.

Investments and Cash Equivalents:

The Company's investment objectives and guidelines are created to enable the Company to invest funds prudently for the benefit of the Company to provide reasonable risk characteristics while emphasizing safety of principal first, liquidity second and yield third. The consideration of sufficient short-term funds in order to continue operations is paramount and during certain times sufficient liquidity should be maintained in order to meet peak demands which may be adjusted due to reinsurance coverage and other circumstances.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Investments and Cash Equivalents: (Continued)

The Company is authorized to invest retained funds pursuant to the limitations set forth in Title 22 for insurers. As of December 31, 2025 and 2024, the Company had investments and cash equivalents totaling $684,860,852 and $588,649,573, respectively.

The Company categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value measurements are categorized as follows:

Level 1 – investments that have readily available quoted prices in active markets where significant transparency exists in the executed/quoted price.

Level 2 – investments that have quoted prices with data inputs which are observable either directly or indirectly, but do not represent quoted prices from an active market.

Level 3 – investments for which prices are based on significant unobservable inputs.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Investments and Cash Equivalents: (Continued)

The Company has the following recurring fair value measurements as of December 31, 2025 and 2024:

		Fair Value Measurement Using:		
	December 31, 2025	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Unrestricted investments and cash equivalents:				
Bond investments	$ 232,654,369	$ -	$ 232,654,369	$ -
Cash equivalents	331,343,876	331,343,876	-	-
Total Unrestricted	$ 563,998,245	$ 331,343,876	$ 232,654,369	$ -
Restricted cash equivalents	$ 120,862,607	$ 120,862,607	$ -	$ -
Total Investments and Cash Equivalents	$ 684,860,852	$ 452,206,483	$ 232,654,369	$ -

		Fair Value Measurement Using:		
	December 31, 2024	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Unrestricted investments and cash equivalents:				
Bond investments	$ 185,450,921	$ -	$ 185,450,921	$ -
Cash equivalents	260,767,787	260,767,787	-	-
Total Unrestricted	$ 446,218,708	$ 260,767,787	$ 185,450,921	$ -
Restricted cash equivalents	$ 142,430,865	$ 142,430,865	$ -	$ -
Total Investments and Cash Equivalents	$ 588,649,573	$ 403,198,652	$ 185,450,921	$ -

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Investments and Cash Equivalents: (Continued)

The following methods and assumptions were used to estimate fair value of each class of financial instruments:

Bond investments consist of investments in short-term state and local government bonds. Bond investments were measured using observable inputs; however, the market for these bond investments was not active.

Cash equivalents consist of investments in both traditional and government money market funds. Money market mutual fund investments were measured based on quoted prices for identical assets in active markets.

Custodial Credit Risk – Investments and Cash Equivalents:

Custodial credit risk is defined as the risk that, in the event of the failure of the counter-party to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Company does not presently have a formal policy for custodial credit risk. Investments and cash equivalents are exposed to custodial risk if the securities and money market funds are uninsured and unregistered with securities held by a financial institution or agent, and in the Company's name. The Company's investments and cash equivalents were not exposed to custodial credit risk as of December 31, 2025 and 2024.

Interest Rate Risk:

Interest rate risk is defined as the risk a government may face should interest rate variances adversely affect the fair value of investments. The fair value of fixed-maturity investments fluctuates in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair value of those instruments. The fair value of interest sensitive instruments may also be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments and other general market conditions. The Company does not presently have a formal policy that addresses interest rate risk.

The fair values of investments and cash equivalents at December 31, 2025 and 2024, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or repay obligations with or without call or prepayment penalties.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Interest Rate Risk: (Continued)

2025		Investment Maturities		
	Total	Less than 1 year	1-5 years	5-10 years
Unrestricted investments and cash equivalents:				
Bond investments	$ 232,654,369	$ 76,070,610	$ 152,148,796	$ 4,434,963
Cash equivalents	331,343,876	331,343,876	-	-
Total	$ 563,998,245	$ 407,414,486	$ 152,148,796	$ 4,434,963
Restricted Cash Equivalents	$ 120,862,607	$ 120,862,607	$ -	$ -

2024		Investment Maturities		
	Total	Less than 1 year	1-5 years	5-10 years
Unrestricted investments and cash equivalents:				
Bond investments	$ 185,450,921	$ -	$ 185,450,921	$ -
Cash equivalents	260,767,787	260,767,787	-	-
Total	$ 446,218,708	$ 260,767,787	$ 185,450,921	$ -
Restricted Cash Equivalents	$ 142,430,865	$ 142,430,865	$ -	$ -

Restricted cash equivalents in the amount of $120,862,607 and $142,430,865 as of December 31, 2025 and 2024, respectively, were held by a bond trustee for the repayment of the Company's emergency assessment revenue bonds issued to cover the 2005 plan year deficit resulting from Hurricanes Rita and Katrina.

Credit Risk:

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The Company may be invested in direct United States Treasury Obligations, United States Government Agency Obligations, direct security repurchase and reverse repurchase agreements, time certificates of deposit, investment grade commercial paper, investment grade corporate notes and bonds, investment grade municipal bonds and money market funds consisting solely of securities otherwise eligible for investment.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Credit Risk: (Continued)

As of December 31, 2025, the Company had the following exposure to credit risk:

	Total	Government Money Market Fund	Trust Cash Sweep Money Market Funds	Bond Investments
A1	$ 29,864,423	$ -	$ -	$ 29,864,423
A2	11,465,625	-	-	11,465,625
A3	14,243,635	-	-	14,243,635
Aa1	1,541,089	-	-	1,541,089
Aa2	34,666,940	-	-	34,666,940
Aa3	3,885,451	-	-	3,885,451
Aaa	449,569,809	325,564,566	120,862,607	3,142,636
Baa3	1,415,291	-	-	1,415,291
N/A	137,439,490	4,790,872	-	132,648,618
W/R	769,099	-	-	769,099
Total	$ 684,860,852	$ 330,355,438	$ 120,862,607	$ 233,642,807

As of December 31, 2024, the Company had the following exposure to credit risk:

	Total	Government Money Market Fund	Trust Cash Sweep Money Market Funds	Bond Investments
A1	$ 15,414,512	$ -	$ -	$ 15,414,512
A2	18,522,311	-	-	18,522,311
A3	993,011	-	-	993,011
Aa2	41,110,342	-	-	41,110,342
Aa3	16,359,213	-	-	16,359,213
Aaa	404,493,375	257,630,519	142,430,865	4,431,991
Baa2	1,429,660	-	-	1,429,660
N/A	90,055,162	250,300	-	89,804,862
W/R	271,987	-	-	271,987
Total	$ 588,649,573	$ 257,880,819	$ 142,430,865	$ 188,337,889

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Concentration of Credit Risk:

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Company, shall not, except in the case of investments in or loans upon the security of general obligations of the government of the United States or of any state or territory of the United States, or the District of Columbia, have a single security that compromises more than 5 percent of the fair value of the Company's portfolio.

The Company had the following cash equivalents, which are obligations of the Federal government and are excluded from the 5% restriction:

Issuer	2025	2024
FIMM Government Portfolio Class I	$ 325,564,566	$ 260,016,878
FIMM Treasury Portfolio Class III	120,862,607	112,953,333

Foreign Currency Risk:

Foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. The Company does not presently have a formal policy that addresses foreign currency risk. The Company's exposure to foreign currency risk is limited to investments in global or pooled non-U.S. equity mutual funds. The Company had no investments in global or pooled non-U.S. equity mutual funds at December 31, 2025 and 2024.

3. ASSESSMENTS RECEIVABLE:

Louisiana Revised Statute 22:2299-2300 provides that any insurer who engages in writing property insurance with the State shall become an assessable insurer in the Coastal Plan and FAIR Plan. In the event that the governing board of the Company determines that a deficit exists in either the Coastal Plan or the FAIR Plan, the Company may levy regular assessments against assessable insurers for each affected plan to help offset such deficit. Furthermore, assessable insurers are permitted to recoup all regular assessments from their policyholders by applying a surcharge to all policies. Any amounts recouped by the insurers in excess of amounts assessed are required to be forwarded to the Company. The Company did not execute a regular assessment in 2025 and 2024.

3. ASSESSMENTS RECEIVABLE: (Continued)

Upon a determination by the governing board that a deficit in a plan exceeds the amount that will be recovered through regular assessments, the governing board is authorized to levy, after verification by the Department of Insurance, emergency assessments for as many years as necessary to cover the deficit. The board determined that the 2005 plan year deficit exceeded the amounts levied under the 2005 regular assessment and has levied an emergency assessment beginning in 2007. Assessment rates for the years ended December 31, 2025 and 2024 were 1.36% and 1.70% of written premiums, respectively. The assessments are collected by the insurers and remitted to the Company's bond trustee quarterly. The total of emergency assessments levied for the years ended December 31, 2025 and 2024 amounted to $13,556,161 and $79,358,879, respectively, of which approximately $-0- and $17,058,249 remained outstanding as of December 31, 2025 and 2024, respectively. The Board of Directors voted to discontinue the approved 1.36% assessment rate for 2025, effective April 1, 2025.

4. CAPITAL ASSETS:

Depreciation expense for capital assets for the years ended December 31, 2025 and 2024 was $380,961 and $588,477, respectively, and was allocated to loss adjustment expenses and underwriting expenses.

A summary of changes in capital assets and accumulated depreciation follows:

2025	Beginning Balance	Additions	Disposals	Ending Balance
Depreciable capital assets:				
Electronic data processing equipment	$ 20,402,215	$ 89,841	$ -	$ 20,492,056
Office equipment	1,404,824	37,120	-	1,441,944
Total depreciable assets	21,807,039	126,961	-	21,934,000
Less accumulated depreciation				
Electronic data processing equipment	(19,415,030)	(347,330)	-	(19,762,360)
Office equipment	(1,200,536)	(33,631)	-	(1,234,167)
Total accumulated depreciation	(20,615,566)	(380,961)	-	(20,996,527)
Capital assets, net	$ 1,191,473	$ (254,000)	$ -	$ 937,473

4. CAPITAL ASSETS: (Continued)

2024	Beginning Balance	Additions	Disposals	Ending Balance
Depreciable capital assets:				
Electronic data processing equipment	$ 19,360,373	$ 1,059,359	$ (17,517)	$ 20,402,215
Office equipment	1,404,824	-	-	1,404,824
Total depreciable assets	20,765,197	1,059,359	(17,517)	21,807,039
Less accumulated depreciation:				
Electronic data processing equipment	(18,873,988)	(558,559)	17,517	(19,415,030)
Office equipment	(1,170,618)	(29,918)	-	(1,200,536)
Total accumulated depreciation	(20,044,606)	(588,477)	17,517	(20,615,566)
Capital assets, net	$ 720,591	$ 470,882	$ -	$ 1,191,473

5. LINE OF CREDIT:

The Company maintains a line of credit providing for a maximum borrowing of $125,000,000 at December 31, 2025 and December 31, 2024. Interest on this line is payable monthly at a variable rate based on the 30-day Secured Overnight Financing Rate (SOFR) plus 2.0% for the year ended December 31, 2025 and December 31, 2024. SOFR at December 31, 2025 and December 31, 2024 was 3.79% and 4.53%, respectively. The line of credit is secured by all premiums and accounts receivable and revenue from all sources, exclusive of emergency assessment levied pursuant to LA R.S. 22:2307E. The line matures June 1, 2027. There was no balance outstanding on the line of credit at December 31, 2025 and 2024.

6. RESTRICTED ASSETS:

Restricted assets in the Company at December 31, 2025 and 2024 consisted of the following:

	2025	2024
Cash for escheatment	$ 8,093,845	$ 6,737,052
Cash equivalents with bond trustee	120,862,607	142,430,865
Total	$ 128,956,452	$ 149,167,917

The cash for escheatment is held by the Company until escheated. Cash equivalents with bond trustee includes money market funds held by a bond trustee for the repayment of the Company's emergency assessment revenue bond issued to cover the 2005 plan year deficit resulting from Hurricanes Katrina and Rita.

7. LIABILITIES FOR CLAIMS RESERVES AND CLAIM ADJUSTMENT EXPENSES:

The liabilities for claims reserves and claim adjustment expense reserves for the years ended December 31, 2025 and 2024 were $51,704,650 and $150,405,605, respectively. The reinsurance recoverables on unpaid claims for the years ended December 31, 2025 and 2024 were $25,700,762 and $66,923,360, respectively. The total liabilities for claims reserves and claim adjustment expense reserves, net of reinsurance recoverables on unpaid claims, for the years ended December 31, 2025 and 2024 were $26,003,887 and $83,482,245, respectively.

Included in the net balances above were liabilities of $1,317,599 and $813,244, which were included in other line items on the Statements of Net Position.

Unpaid claims and claim adjustment expenses are stated as the Company's estimate of the ultimate cost, excluding reinsurance, of settling all incurred but unpaid claims. Unpaid claims and claim adjustment expenses are not discounted and no estimate for salvage and subrogation is applied as a reduction to the unpaid losses. The estimate for unpaid claims and claim adjustment expenses is closely monitored and adjusted for changes in economic, social, judicial and legislative conditions, as well as historical trends. The Company uses various development modeling techniques to assist in the evaluation of its reserves under the direction of its chief actuary.

Management believes that the loss reserves are adequate, but establishing reserves is a judgmental and inherently uncertain process. It is, therefore, possible that as conditions and experience develops, reserve adjustments may be required in the future.

For both catastrophic and non-catastrophic claims, the loss adjusting function is performed by Company employees and contracted independent adjusting firms. The Company compensates the independent adjusting firms, depending upon the type or nature of the claims, either on per-day rate or on a graduated fee schedule based on the gross claim amount, consistent with industry standard methods of compensation.

The Company is involved in a class action lawsuit and a number of other legal proceedings arising out of various aspects of its business which have been reserved for above. See Note 16 for a description of the class action claim and other legal proceedings.

8. LONG-TERM LIABILITIES:

Bonds Payable:

In 2016, the Company issued $217,510,000 of assessment revenue refunding bonds in order to advance refund $213,195,000 principal amount of the Assessment Revenue Bonds Series 2006C1 through 2006C3, $49,785,000 principal amount of the Assessment Revenue Bond Series 2012R, and to pay the cost of issuance of the Series 2016AB bonds, which consisted of 2016A bonds of $160,810,000 and 2016B bonds of $56,700,000. The bonds were issued in denominations of $5,000 or any integral multiple thereof. The 2016A bonds bear interest of 5.00% per annum, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2016. The 2016A bond maturity dates range from June 1, 2023 to June 1, 2026. The 2016B bonds bear interest of 2.64% and 2.74% per annum, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2016. The 2016B bond maturity dates range from June 1, 2024 to June 1, 2025. Bond principal payments of $55,345,000 and $53,530,000 were made during the years ended December 31, 2025 and 2024, respectively. The outstanding balance due on these bonds as of December 31, 2025 and 2024 was $57,655,000 and $113,000,000, respectively.

The Emergency Assessment Revenue Bond Series 2016AB are considered to be direct placements. The Company's revenue refunding bonds are secured by pledge revenues, which consists solely of the 2005 Emergency Assessments and are not secured by any other revenues or assets of the Company. In the event of default, the Company will levy the 2005 Emergency Assessment for each year in the maximum amount permitted under the Citizens Act. If the default continues, the refunding bonds are subject to acceleration, but no assurance is given that pledged revenues or other assets of the Company would be available to pay principal of and interest on the refunding bonds in full upon acceleration.

A schedule of debt service requirements, including bond premiums, as of December 31, 2025 was as follows:

	Series 2016AB	
Maturity	Principal	Interest
2026	$ 57,655,000	$ 1,441,375
	$ 57,655,000	$ 1,441,375
Plus Bond Premium	587,592	
Total Net Debt Service Requirement	$ 58,242,592	

8. LONG-TERM LIABILITIES: (Continued)

Net unamortized premium at December 31, 2025 and 2024 was $587,592 and $2,468,370, respectively. The total interest expense on the fixed rate bonds for the years ended December 31, 2025 and 2024 was $1,969,381 and $3,047,293, respectively, including annual amortized net premium of $1,880,778 and $2,909,991, and is included in "Interest Expense" in the accompanying Statements of Revenues, Expenses and Changes in Fund Net Position.

The following is a summary of long-term debt transactions of the Company for the years ended December 31, 2025 and 2024:

	Beginning Balance	Additions	Payments/ Expenditures	Ending Balance	Due within one year
December 31, 2025					
Series 2016AB Bonds	$ 113,000,000	$ -	$ (55,345,000)	$ 57,655,000	$ 57,655,000
Bond premium	2,468,370	-	(1,880,778)	587,592	587,592
Lease liability	2,879,030	28,193	(133,759)	2,773,464	192,970
SBITA liability	1,741,232	-	(533,734)	1,207,498	579,398
OPEB liability	2,457,253	303,899	(82,562)	2,678,590	-
Total	$ 122,545,885	$ 332,092	$ (57,975,833)	$ 64,902,144	$ 59,014,960

	Beginning Balance	Additions	Payments/ Expenditures	Ending Balance	Due within one year
December 31, 2024					
Series 2016AB Bonds	$ 166,530,000	$ -	$ (53,530,000)	$ 113,000,000	$ 55,345,000
Bond premium	5,378,361	-	(2,909,991)	2,468,370	1,880,779
Lease liability	2,894,737	56,174	(71,881)	2,879,030	133,759
SBITA liability	2,232,884	-	(491,652)	1,741,232	533,734
OPEB liability	2,634,932	-	(177,679)	2,457,253	-
Total	$ 179,670,914	$ 56,174	$ (57,181,203)	$ 122,545,885	$ 57,893,272

9. AGENT COMMISSIONS:

The Company policies are written by various insurance agents licensed in the State of Louisiana. These agreements provide for commissions to be paid to the agents at rates established by the Board and calculated as a percentage of direct written premiums, net of certain surcharges and assessments. Agent commissions were $45,770,385 and $48,661,637 during the years ended December 31, 2025 and 2024, respectively. Agent commissions payable were $9,727,473 and $11,725,749 for the years ended December 31, 2025 and 2024, respectively.

10. REINSURANCE:

The Company purchases private reinsurance through Guy Carpenter & Company, LLC, as licensed reinsurance intermediaries. The participating reinsurance companies will reimburse the Company, through the intermediary, a specified percentage of losses incurred if a prescribed retention is reached.

10. REINSURANCE: (Continued)

The Company purchases reinsurance based on levels of loss. The Company is liable for the first amount of ultimate net loss, shown in the table below as "Company Retention," arising out of each loss occurrence. The reinsurer is then liable, as respects each excess layer, for the amount by which such ultimate net loss exceeds the Company's applicable retention for that layer. However, the liability of the reinsurer under any excess layer of reinsurance coverage provided does not exceed either of the following: (1) the amount shown below as "Reinsurer Per Occurrence Limit" for that excess layer as respects loss or losses arising out of any one loss occurrence, or (2) the amount shown as "Reinsurer's Term Limit" for that excess layer. Each excess layer of reinsurance coverage provided was as follows:

Reinsurance in place for the year ended December 31, 2025 was as follows:

	January 1, 2025 to May 31, 2025 (in thousands)					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's per occurrence limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 670,000
Reinsurer's term limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 1,340,000
Annual minimum premium	$ 42,000	$ 66,000	$ 66,000	$ 35,000	$ 33,600	$ 67,000

	June 1, 2025 to December 31, 2025 (in thousands)					
	First Excess	Second Excess	Third Excess	Fourth Excess	Sixth Excess	Seventh Excess
Company's retention	$ 200,000	$ 300,000	$ 490,000	$ 800,000	$ 1,330,000	$ 1,775,000
Reinsurer's per occurrence limit	$ 100,000	$ 190,000	$ 310,000	$ 250,000	$ 445,000	$ 175,000
Reinsurer's term limit	$ 200,000	$ 380,000	$ 620,000	$ 500,000	$ 890,000	$ 350,000
Annual minimum premium	$ 38,000	$ 56,525	$ 61,225	$ 30,625	$ 38,938	$ 13,563

Reinsurance in place for the year ended December 31, 2024 was as follows:

	January 1, 2024 to May 31, 2024 (in thousands)					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's per occurrence limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 420,000
Reinsurer's term limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 840,000
Annual minimum premium	$ 38,500	$ 57,500	$ 57,000	$ 34,375	$ 33,600	$ 44,100

	June 1, 2024 to December 31, 2024 (in thousands)					
	First Excess	Second Excess	Third Excess	Fourth Excess	Fifth Excess	Sixth Excess
Company's retention	$ 200,000	$ 300,000	$ 500,000	$ 800,000	$ 1,050,000	$ 1,330,000
Reinsurer's per occurrence limit	$ 100,000	$ 200,000	$ 300,000	$ 250,000	$ 280,000	$ 670,000
Reinsurer's term limit	$ 200,000	$ 400,000	$ 600,000	$ 500,000	$ 560,000	$ 1,340,000
Annual minimum premium	$ 42,000	$ 66,000	$ 66,000	$ 35,000	$ 33,600	$ 67,000

10. REINSURANCE: (Continued)

The premiums can also potentially be adjusted if the total insurable value is greater than 10% or less than 5% of the estimated total insurable value used to calculate the contract premium.

During the years ended December 31, 2025 and 2024, the Company also purchased facultative reinsurance through Guy Carpenter & Company. Facultative reinsurance is coverage purchased by the Company to cover a single risk or policy. The Company obtained this reinsurance to cover high value policies against the risk of loss. The reinsurance covers the full length of the policy.

During the year ended December 31, 2024, the Company also purchased County Weighted Industry Loss reinsurance based on levels of loss. The Company is liable for the first amount of ultimate net loss, shown in the table below as "Company Retention," arising out of each loss occurrence. The reinsurer is then liable, as respects each excess layer, for the amount by which such ultimate net loss exceeds the Company's applicable retention for that layer. However, the liability of the reinsurer under any excess layer of reinsurance coverage provided does not exceed either of the following: (1) the amount shown below as "Reinsurer Per Occurrence Limit" for that excess layer as respects loss or losses arising out of any one loss occurrence, or (2) the amount shown as "Reinsurer's Term Limit" for that excess layer. Each excess layer of reinsurance coverage provided during the year ended December 31, 2024 was as follows:

December 31, 2024 (in thousands):

	Second/Third County Weighted Industry Loss	Fourth/Fifth County Weighted Industry Loss	Sixth County Weighted Industry Loss
Company's Retention	$ 300,000	$ 800,000	$ 1,330,000
Reinsurer's Per Occurrence Limit	$ 500,000	$ 530,000	$ 670,000
Reinsurer's Term Limit	$ 1,000,000	$ 1,060,000	$ 1,340,000
Annual Minimum Premium	$ 111,250	$ 55,650	$ 53,600

During the year ended December 31, 2025, the Company was able to secure full reinsurance coverage through traditional reinsurance and catastrophe bonds. Therefore, the Company did not have County Weighted Industry Loss reinsurance for the year ended December 31, 2025.

10. REINSURANCE: (Continued)

As of December 31, 2025, the Company had additional coverage through five catastrophe bonds. In 2025, the Company purchased additional coverage through a $280 million, Class A three-year catastrophe bond that provides coverage for 100% of up to $1.33 billion in losses in excess of $1.05 billion covered by retention and traditional reinsurance.

In 2024, the Company purchased additional coverage through a $200 million, Class A three-year catastrophe bond that provides coverage for 29.85% of up to $2 billion in losses in excess of $1.33 billion covered by retention and traditional reinsurance. The Company also purchased a $75 million, Class B three-year catastrophe bond that provides coverage for 25% of up to $800 million in losses in excess of $500 million covered by retention and traditional reinsurance.

In 2023, the Company purchased additional coverage through a $120 million, Class A three-year catastrophe bond that provides coverage for 48% of up to $1.05 billion in losses in excess of $800 million covered by retention and traditional reinsurance. The Company also purchased a $75 million, Class B three-year catastrophe bond that provides coverage for 25% of up to $800 million in losses in excess of $500 million covered by retention and traditional reinsurance.

In 2022, the Company purchased additional coverage through a $120 million, Class A three-year catastrophe bond that provides coverage for 53% of up to $525 million in losses in excess of $300 million covered by retention and traditional reinsurance. The Company also purchased a $55 million, Class B three-year catastrophe bond that provides coverage for 24% of up to $525 million in losses in excess of $300 million covered by retention and traditional reinsurance. The 2022 catastrophe bonds were retired during the year ended December 31, 2025.

In 2021, the Company purchased additional coverage through a $75 million, Class A three-year catastrophe bond that provides coverage for 75% of up to $345 million in losses in excess of $245 million covered by retention and traditional reinsurance. The Company also purchased additional coverage through a $50 million, Class B three-year catastrophe bond that provides coverage for 100% of up to $120 million in losses in excess of $70 million covered by retention and traditional reinsurance. The 2021 catastrophe bonds were retired during the year ended December 31, 2024.

10. REINSURANCE: (Continued)

The effect of reinsurance on premiums written and earned during the years ended December 31, 2025 and 2024 were as follows:

Year ended December 31, 2025

	Premiums	
	Written	Earned
Direct	$ 462,852,003	$ 494,524,992
Ceded	(273,426,556)	(273,426,556)
Net premiums	$ 189,425,447	$ 221,098,436

Year ended December 31, 2024

	Premiums	
	Written	Earned
Direct	518,276,701	$ 584,485,392
Ceded	(279,041,748)	(279,041,748)
Net premiums	$ 239,234,953	$ 305,443,644

Amounts recoverable from reinsurers on unpaid losses and loss adjustment expenses are estimated based on the allocation of estimated unpaid losses and loss adjustment expenses among coverage lines. Actual amount recoverable will depend on the ultimate settlement of losses and loss adjustment expenses. Reinsurance contracts do not relieve the Company from its obligation to policyholders. The Company remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet the obligations assumed under their reinsurance agreements.

At December 31, 2025 and 2024, the Company had reinsurance receivables on unpaid claims of $25,700,762 and $66,923,360 and reinsurance recoverables on paid losses of $637,599 and $5,206,945, respectively. The reinsurance receivable on unpaid claims is netted with the loss reserve liability on the Statements of Net Position.

11. RETIREMENT PLANS:

Prior to September 1, 2008, the Company sponsored a non-contributory agent multiple-employer defined benefit pension plan covering all employees that were hired prior to April 1, 2008, through a services agreement with Property Insurance Association of Louisiana (PIAL) to participate in the Pension Plan for Insurance Organization (PPIO).

11. RETIREMENT PLANS: (Continued)

Benefits Provided:

PPIO provides retirement and survivor's benefits to all qualified employees of the Company. The following is a brief description of the plan and its benefits. Participants should refer to the detailed plan description for more complete information.

Normal Retirement Benefit:

Normal retirement benefit is the annual benefit that is payable as a life annuity beginning on individual's normal retirement date. Normal retirement benefit is equal to the following:

- 1.15% of average annual compensation up to covered compensation multiplied by years of credited service (maximum 35 years); plus
- 1.55% of average annual compensation in excess of covered compensation multiplied by years of credited service (maximum 35 years); plus
- 0.5% of average annual compensation multiplied by years of credited service from 35 to 45 years.

Under a life annuity, participant will receive monthly payments for the rest of his/her life. No benefits will be paid after the death.

Minimum Retirement Benefit

Normal retirement benefit cannot be less than the benefit the participant would have received on any earlier retirement date or the benefit accrued as of December 31, 1988. Also, if the participant has completed at least 15 years of vesting service, normal retirement benefit will not be less than $1,200 per year. If the participant has completed less than 15 years of vesting service, the $1,200 will be reduced by $80 for each year of vesting service that is less than 15 years.

Adjustment of Pension Benefit Payment Before or After Normal Retirement Date

Following the termination of employment, the participant may decide when to begin pension benefit payments. The amount of the pension benefit that a member may receive as a life annuity may vary if he/she receives pension benefit payments on a date other than normal retirement date. Generally, the following rules apply:

- If participant has completed at least 15 years of vesting service, the life annuity he/she could begin to receive on normal retirement date will be unreduced if individual begins to receive pension benefit payments as of the first day of any month between the first day of the month after attaining age 62 and before normal retirement date.

11. RETIREMENT PLANS: (Continued)

Benefits Provided: (Continued)

- If participant has completed at least 15 years of vesting service, the life annuity he/she could begin to receive on normal retirement date will be reduced, but by less than a full actuarial reduction, if individual begins to receive pension benefit payments as of the first day of any month between the first day of the month after attaining age 55 and before the first day of the month after attaining age 62.

- If participant has completed at least 5 years of vesting service but less than 15 years of vesting service, the life annuity he/she could begin to receive on normal retirement date will be actuarially reduced if individual begins to receive pension benefit payments as of the first day of any month between the first day of the month after attaining age 55 and before normal retirement date.

- If participant begins pension benefit payments after the normal retirement date, the life annuity, he/she could begin to receive on normal retirement date (or upon termination of employment if later) will be actuarially increased until the benefit commencement date.

Early Retirement Benefit

If participant terminates employment and begins to receive a pension benefit as a life annuity before normal retirement date, the life annuity may be reduced because it commences early. The reduction for early commencement is described below.

Age 55 with at Least 5, but Less Than 15 Years of Vesting Service

Individuals may begin receiving pension benefits before normal retirement date if he/she is age 55 or older and has completed at least 5, but less than 15, years of vesting service. Pension benefits will be actuarially reduced based on member's age when commenced benefit to reflect the longer period over which pension benefit will be paid.

The following factors are used to determine the amount of benefit a participant would receive as a life annuity on an earlier retirement date. Normal retirement benefit would be multiplied by the factors below (which are adjusted for partial years) to determine reduced pension amount payable as a life annuity:

11. RETIREMENT PLANS: (Continued)

Benefits Provided: (Continued)

Age at early retirement:	Early retirement reduction factor for normal retirement benefit
64	0.909
63	0.828
62	0.756
61	0.693
60	0.636
59	0.586
58	0.540
57	0.499
56	0.462
55	0.428

Age 55 with at Least 15 Years of Vesting Service

The participant may begin receiving pension benefits before normal retirement date if he/she is age 55 or older and has completed at least 15 years of vesting service. Pension benefit will have less of an early retirement reduction than if the participant had completed fewer than 15 years of vesting service.

If the participant terminates employment with at least 15 years of vesting service and elects to commence pension benefits on or after reaching age 62 but before reaching age 65, pension benefit payable as a life annuity will be equal to the amount payable as a life annuity beginning on normal retirement date.

If the participant terminates employment with at least 15 years of vesting service and elects to commence pension benefits on or after reaching age 55 but prior to age 62, pension benefit payable as a life annuity will be equal to the amount of a normal retirement benefit, but reduced to take into account younger age and the longer period over which benefit payments will be received.

The following factors are used to determine the amount of benefit participant would receive as a life annuity beginning on an earlier retirement date. Normal retirement benefit would be multiplied by the factors below (which are adjusted for partial years) to determine a reduced pension amount payable as a life annuity:

11. RETIREMENT PLANS: (Continued)

Benefits Provided: (Continued)

Age at early retirement:	Early retirement reduction factor for normal retirement benefit
61	0.97
60	0.94
59	0.89
58	0.84
57	0.79
56	0.74
55	0.69

Special Social Security Supplement

In addition to the pension benefits described above, if the participant begins receiving benefits before age 62, completed at least 15 years of vesting service, and elects to receive retirement benefits as a life annuity, the individual will receive, from benefit commencement date to the first day of the month on or after 62nd birthday (or date of death if earlier), the amount described as follows, reduced by the applicable early retirement reduction factor above: 0.4% of average annual compensation up to covered compensation multiplied by years of credited service, up to a maximum of 35 years. This amount is then adjusted by the early retirement reduction factor of 0.89. The participant would receive an additional amount equal to $575 per month until age 62.

If the member elects to receive a pension benefit in a form of payment other than a life annuity, the special social security supplement will be adjusted to reflect that other form of payment.

Once the member has attained age 62, the special social security supplement will cease. If the participant elects to receive pension benefits as a life annuity, the special social security supplement will cease at date of death if he/she would die before reaching age 62. The special social security supplement is intended to provide bridge payments until the participant is eligible to begin receiving social security retirement benefits. This supplement will cease at age 62, regardless of whether or not the member has applied for social security benefits.

Small Benefit and Younger Than Age 55

If the participant terminates employment after becoming vested and the value of pension benefits when he/she terminates employment exceeds $5,000, the participant may begin to receive pension benefits as of the first day of any month following termination of employment provided that the value of pension benefits does not exceed $20,000 as of that time. Individual may elect to receive pension benefits in a lump sum or in another form of payment. If the participant elects to receive pension benefits beginning before age 55, pension benefits will be actuarially reduced based on age when a member commences benefit to reflect the longer period over which pension benefits will be paid.

11. RETIREMENT PLANS: (Continued)

Benefits Provided: (Continued)

Pension Guarantees

Pension benefits under this plan are insured by the PBGC, a Federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits. The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if a participant becomes disabled before the plan terminates;
- Certain benefits for survivors.

Employees Covered by the Benefit Terms

As of December 31, 2025 and 2024, the following employees were covered by the Plan:

	2025	2024
Active employees	17	17
Inactive employees or beneficiaries currently receiving benefits	18	19
Inactive employees entitled to but not yet receiving benefits	4	6
Total	39	42

Contributions:

Contributions to pay for plan benefits are paid by the participating employers to a trust administered by the Principal Trust Company (the Trust), or its successors or assigns. When participants retire, the necessary amount will be allocated from the available funds under the Trust to provide pension benefits. Both the participant and employer contribute toward social security taxes throughout the participant’s career; however, the cost of the plan is paid entirely by participating employers. Participants are not required to contribute to the plan.

Net Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

As of December 31, 2025 and 2024, the Company reported an asset of $349,429 and $200,127, respectively, for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2025 and 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of those dates.

11. RETIREMENT PLANS: (Continued)

Net Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

For the years ended December 31, 2025 and 2024, the Company recognized pension benefit of $149,302 and pension expense of $83,718, respectively. As of December 31, 2025 and 2024, the Company reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 31,095	$ 662
Change of assumptions	7,059	22,254
Net difference between projected and actual earnings on pension plan investments	32,654	-
Total	$ 70,808	$ 22,916

2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 43,527	$ 1,768
Change of assumptions	-	90,289
Net difference between projected and actual earnings on pension plan investments	225,953	-
Total	$ 269,480	$ 92,057

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(benefit) as follows:

Year ending:	Amount
2026	$ 96,572
2027	(20,373)
2028	(6,884)
2029	(21,423)
2030	-
Total	$ 47,892

11. RETIREMENT PLANS: (Continued)

Actuarial Assumptions:

The total pension liability in the December 31, 2025 and 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2025	2024
Discount Rate	6.00%	6.00%
Investment Rate of Return	6.00%	6.00%
Inflation	3.00%	3.00%
Salary Increase	N/A	N/A
Mortality Rates	Pri-2012: separate employee, retiree and contingent annuitant with MP-2021 mortality adjusted with a 0.98 multiplier for post-retirement rates	Pri-2012: separate employee, retiree and contingent annuitant with MP-2021 mortality improvement scale applied on a generational basis

Discount Rate:

The discount rate used to measure the total pension liability for the years ended December 31, 2025 and 2024 was 6.00%. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Plan's Net Pension Asset:

Changes in the Plan's net pension asset for the years ended December 31, 2025 and 2024 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiducuary Net Position	Net Pension Asset
Balance, December 31, 2024	$ 1,722,938	$ 1,923,065	$ 200,127
Change for the year:			
Service cost	-	-	-
Interest cost	98,895	-	(98,895)
Difference between expected and actual experience	12,223	-	(12,223)
Changes of assumptions	10,267	-	(10,267)
Employer contributions	-	72,652	72,652
Net investment income	-	219,553	219,553
Benefit payments	(149,381)	(149,381)	-
Administrative expenses	-	(21,518)	(21,518)
Net changes	(27,996)	121,306	149,302
Balance, December 31, 2025	$ 1,694,942	$ 2,044,371	$ 349,429

11. RETIREMENT PLANS: (Continued)

Changes in Plan's Net Pension Asset: (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance, December 31, 2023	$ 1,719,509	$ 2,003,354	$ 283,845
Change for the year:			
Service cost	-	-	-
Interest cost	98,587	-	(98,587)
Difference between expected and actual experience	57,602	-	(57,602)
Changes of assumptions	-	-	-
Employer contributions	-	42,126	42,126
Net investment income	-	50,610	50,610
Benefit payments	(152,760)	(152,760)	-
Administrative expenses	-	(20,265)	(20,265)
Net changes	3,429	(80,289)	(83,718)
Balance, December 31, 2024	$ 1,722,938	$ 1,923,065	$ 200,127

Sensitivity of the Company's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate:

The following presents the Company's proportionate share of the net pension liability or net pension asset using the discount rate for the years ended December 31, 2025 and 2024 of 6.00%, as well as what the employer's proportionate share of the net pension liability or net pension asset would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate at the years ended December 31, 2025 and 2024:

2025	1.0% Decrease 5.00%	Current Discount Rate 6.00%	1.0% Increase 7.00%
Company's proportionate share of the net pension (liability) asset	$ 183,385	$ 349,429	$ 491,036

2024	1.0% Decrease 5.00%	Current Discount Rate 6.00%	1.0% Increase 7.00%
Company's proportionate share of the net pension (liability) asset	$ 24,846	$ 200,127	$ 348,822

11. RETIREMENT PLANS: (Continued)

Payables to the Pension Plan:

As of December 31, 2025 and 2024, the Company had no outstanding payables to the defined benefit plan.

Defined Contribution Plans:

Effective September 1, 2008, the Company froze its defined benefit pension plan and replaced it with a defined contribution plan. The Company contributes 11% of each employee's wages to the defined contribution plan. Contributions are expensed each month, and the Company carried no assets or liabilities for the defined contribution plan on its statement of net position. The Company's contribution to the plan was approximately $779,596 and $803,246 during the years ended December 31, 2025 and 2024, respectively.

In addition, the Company sponsors a contributory 401k savings plan covering eligible employees for which the Company matches 75% of employee contributions up to a maximum of 6% of eligible compensation. The Company's matching contributions to the plan totaled approximately $277,177 and $257,492 for the years ended December 31, 2025 and 2024, respectively. Both defined contribution plans are 401k saving plans and are administered by Prudential Financial, Inc.

12. COMPENSATED ABSENCES:

Employees earn and accrue vacation leave at various rates, depending on their years of service. Employees are given 8 days of sick leave on December 1 each year. Additionally, on December 1, the Company will pay employees for up to a maximum of 5 unused sick days from the previous year. Unused sick leave does not carryover at the end of the year. The maximum vacation carryover at the end of the year is five days.

Upon termination, employees are compensated for any unused vacation and sick leave at the employee's hourly rate of pay at the time of termination. The liability for unused vacation leave and sick leave at December 31, 2025 and 2024 was approximately $374,945 and $408,536, respectively, and is included in other current liabilities on the Statements of Net Position.

13. LEASES:

The Company adopted the guidelines of the Louisiana Office of Statewide Reporting and Accounting Policy for the GASB 87 reporting of leases. Leases with a total contract value (the gross (undiscounted) aggregate value of fixed and fixed-in-substance cash flows remaining over the term of the contract, including reasonably certain renewal periods) of $100,000 are evaluated for lease reporting under GASB 87. Leases with a total contract value under $100,000 are recorded in the same manner as a short-term lease with rent payments reported as expense or revenue in the statement of revenues, expenses, and changes in net position as those payments are due based on the terms of the lease.

13. LEASES: (Continued)

The Company leased office space under a non-cancelable lease with the Galleria, which originally expired in September 2023. This office space was leased for a term of 120 months, effective October 1, 2013. The lease was subsequently extended from November 1, 2023 until March 2034, a total of 125 additional months. Lease payments are due monthly, with the monthly payments increasing on an annual basis over the life of the lease. Interest due by the Company for late payments shall be at the lessor's discount rate of 4% plus the annual prime rate as published from time to time in the Wall Street Journal, with the highest rate being used if a range of rates is published. The Company evaluated its lease for embedded lease components and determined that no significant non-lease components were present.

The Galleria office lease, including the original lease and subsequent modifications, is summarized as follows:

Description	Start Date	Payment Terms	Payment Amount	Interest Rate	Lease Liability Total	Lease Liability 12/31/2025
Galleria lease	10/1/2013	245 months	Variable	9.67%	$6,055,730	$2,773,464

As of December 31, 2025 and 2024, a right of use asset, net of amortization, of $2,256,294 and $2,498,174, respectively, and a lease liability of $2,773,464 and $2,879,030, respectively, are recorded in the Company's Statements of Net Position.

Annual requirements to amortize the obligation and related interest on the amended Galleria office lease are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 192,970	$ 259,507	$ 452,477
2027	237,892	238,821	476,713
2028	263,474	215,105	478,579
2029	300,117	188,033	488,150
2030	340,664	157,250	497,914
Thereafter	1,438,347	245,847	1,684,194
	$2,773,464	$1,304,563	$ 4,078,027

14. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs):

The Company adopted the guidelines of the Louisiana Office of Statewide Reporting and Accounting Policy for the GASB 96 reporting of SBITAs. SBITAs with a total contract value (the gross (undiscounted) aggregate value of fixed and fixed-in-substance cash flows remaining over the term of the contract, including reasonably certain renewal periods) of $100,000 are evaluated for SBITA reporting under GASB 96. SBITAs with a total contract value under $100,000 are recorded in the same manner as a short-term SBITA with SBITA payments reported as expense or revenue in the statement of revenues, expenses, and changes in fund net position as those payments are due based on the terms of the SBITA.

The Company entered into a SBITA with Guidewire Software, Inc., for the use of certain subscription services for InsuranceNow Cloud US. The term of the agreement is five years commencing on September 30, 2023 and ending on September 30, 2028. Subscription payments are due annually. The first minimum annual payment due in accordance with the agreement is $327,776 and each of the four subsequent payments due are $655,551, with no interest rate explicit in the lease. The interest rate for this SBITA is the Company’s incremental borrowing rate at the time of commencement of 8.50%. As of December 31, 2025 and 2024, a right to use asset, net of amortization, of $1,320,052 and $1,815,071, respectively, a SBITA liability of $1,161,055 and $1,674,292, respectively, and SBITA accrued interest of $24,672 and $35,579, respectively, was recorded in the Company’s Statements of Net Position.

The Company entered into a SBITA with Sapiens Americas Corporation, for the use of their FinancialPro, CheckPro, and F9 Report Writer accounting software. The term of the agreement is five years, with F9 Report Writer services commencing on January 1, 2023 and ending on December 31, 2027, and FinancialPro and CheckPro services commencing on April 1, 2023 and ending on March 31, 2028. Subscription payments are due annually, with the minimum annual payments due in accordance with the agreement increasing on an annual basis. The interest rate for this SBITA is the Company’s incremental borrowing rate at the time of commencement of 8.50%. As of December 31, 2025 and 2024, a right to use asset, net of amortization of $46,335 and $66,929, respectively, a SBITA liability of $46,443 and $66,940, respectively, and SBITA accrued interest of $2,632 and $3,793, respectively, was recorded in the Company’s Statements of Net Position.

Annual requirements to amortize the SBITA obligations and related interest on the SBITAs are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 579,398	$ 89,476	$ 668,874
2027	628,100	39,111	667,211
	$1,207,498	$ 128,587	$ 1,336,085

15. UNAUDITED RECONCILIATION BETWEEN GAAP AND STATUTORY NET INCOME:

Accounting principles generally accepted in the United States of America (GAAP basis) differ in certain respects from the accounting practices prescribed or permitted by insurance regulatory authorities (statutory basis). A reconciliation between the change in fund net position and the net position as reported under GAAP basis and statutory basis for the years ended December 31, 2025 and 2024 follows:

	2025	2024
Change in fund net position - GAAP basis	$ 205,710,269	$ 283,659,758
Adjustments to:		
Pension plan expense	(525,770)	(142,194)
Other	(1,286,534)	(6,900,917)
Amortization expense - right of use leased assets	270,073	264,000
Amortization expense - right of use SBITA assets	515,613	515,613
Rent expense	(412,770)	(367,220)
Software maintenance expense	(681,716)	(681,451)
Interest expense	414,925	474,031
Investment change in fair value	(1,059,494)	10,367
Excess emergency assessments	(16,961,722)	(82,371,370)
Tax exempt surcharge	(15,986,769)	(18,694,184)
Net income - statutory basis	$ 169,996,105	$ 175,766,433

	2025	2024
Net position - GAAP basis	$ 661,223,885	$ 455,513,616
Adjustments to:		
Non-admitted assets	(57,243,211)	(28,081,960)
Right of use asset - lease	(2,256,294)	(2,498,174)
Right of use asset - SBITA	(1,366,387)	(1,881,999)
Net pension asset	(4,440)	522,912
Lease liability	2,773,464	2,879,030
SBITA liability	1,207,498	1,741,232
SBITA accrued interest	27,304	39,372
Other accrued liabilities	17,705	22,200
Restricted assessments	(43,709,307)	(41,457,532)
Allowance for doubtful accounts	1,549,294	2,829,752
Investment change in fair value	(874,233)	185,261
Emergency assessments receivable	(18,095,266)	(3,385,320)
Provision for reinsurance receivable	(10,350)	(90,721)
Accumulated surplus - statutory basis	$ 543,239,662	$ 386,337,669

16. COMMITMENTS AND CONTINGENCIES:

The Company is involved in certain litigation and disputes incidental to its operations. In the opinion of management, after consultation with legal counsel, there are substantial defenses to such litigation and disputes and any ultimate liability, in excess of reserves resulting there from, will not have a material adverse effect on the Company's financial condition or results of operations.

The Company is also involved in other potentially significant litigation described below; any of which could have a material adverse effect on the financial condition or results of operations. These matters raise difficult and complicated factual and legal issues and are subject to many uncertainties and complexities, including the underlying facts of each matter; novel legal issues; variations between jurisdictions in which matters are being litigated, heard, or investigated; differences in applicable laws and judicial interpretations; the length of time before many of these matters might be resolved by settlement through litigation or otherwise; and the current legal environment faced by large corporations and insurance companies.

The outcome of these matters may be affected by decisions, verdicts, settlements and the timing of such other individual and class action lawsuits that involve the Company, other insurers, or other entities and by other legal, governmental, and regulatory actions that involve the Company, other insurers, or other entities. The outcome may also be affected by future state legislation, the timing or substance of which cannot be predicted.

In lawsuits, plaintiffs seek a variety of remedies. In some cases, the monetary damages sought to include punitive or treble damages. Often specific information about the relief sought, such as the amount of damages is not available. When specific monetary demands are made, they are often set just below a state court jurisdictional limit in order to seek the maximum amount available regardless of the specifics of the case.

For the reasons previously specified, it is often not possible to make meaningful estimates of the amount or range of loss that could result from the known and unknown matters described. The Company reviews these matters on an ongoing basis and follows appropriate accounting guidance when making accrual and disclosure decisions. When assessing "reasonably possible" and "probable" outcomes, the Company bases its decisions on its assessment of the ultimate outcome following all appeals. Additionally, in instances where a judgment, assessment or fine has been rendered against the Company, there is a presumption that criteria in reaching a "reasonably possible" and "probable" outcome have been met. In such instances, the amount of liability recorded by the Company will include the anticipated settlement amount, legal costs, insurance recoveries and other related amounts and take into account factors such as the nature of the litigation, progress of the case, opinions of legal counsel, and management's intended response to the litigation, claim or assessment.

Due to the complexity and scope of the matters disclosed below and the many uncertainties that exist, the ultimate outcome of these matters cannot be reasonably predicted. In the event of an unfavorable outcome in any one or more of these matters, the ultimate liability may be in excess of the amounts currently reserved.

16. COMMITMENTS AND CONTINGENCIES: (Continued)

A summary of potentially significant litigation follows:

Oubre v. Louisiana Citizens Property Insurance Corporation. The plaintiffs in this suit allege that the Company failed to timely initiate loss adjustment as required by Louisiana statutory law exposing the Company to penalties up to a mandatory limit of $5,000 per claim. On July 23, 2012, the Company settled the majority of this class action suit with a payment of $104.7 million to the plaintiff counsel for distribution to the current class members. The Company entered into a settlement with the class for the remaining Oubre claims. For the years ended December 31, 2025 and 2024, the Company paid $14,135,000 and $-0-, respectively, towards the Oubre settlements. The Company has paid a total of $159.6 million towards the final settlement as of December 31, 2025. At December 31, 2025 and 2024, the Company had a reserve of $50,000 and $3,700,000, respectively, for this case for resolution of the remaining claims, which the Company believes, is adequate. The reserve is included in claims and claims adjustment reserves on the accompanying Statements of Net Position.

As of December 31, 2025, there were 263 open litigation matters against the Company. The majority of these lawsuits are related to first party suits related to 2024 Hurricane Francine, 2021 Hurricane Ida and 2020 Hurricane Laura. The Company believes it has established appropriate reserves for all lawsuits, in addition to class action claims described above.

In addition to claims under the insurance policies it issues, the Company is potentially exposed to various risks of loss, including those related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As of the years ended December 31, 2025 and 2024, the Company had insurance protection in place from various commercial insurance carriers covering various exposures, including workers' compensation, property loss, employee liability, general liability, directors' and officers' liability, and business auto and cyber insurance. Management continuously revisits the limits of coverage and believes that current coverage is adequate. There were no significant reductions in insurance coverage from the previous year.

17. DEPOPULATION:

The Louisiana State Legislature created the Company to operate insurance plans as a residual market for residential and commercial property. The legislature further intended that the Company work toward the ultimate depopulation of these residual market plans also known as the Coastal Plan and FAIR Plan. To encourage the ultimate depopulation to these residual market plans, the Louisiana Citizens Property Insurance Corporation Policy Take-Out Program was created.

Under the take-out plan guidelines, not less than once per calendar year, the Company, with the approval of the governing board of the Company, may offer some or all its in-force policies for removal to the voluntary market. The Company shall include in any offers for depopulation policies that, based on geographic and risk characteristics, serve to reduce the

17. DEPOPULATION: (Continued)

exposure of the Company. Each insurer admitted to write homeowners insurance or insurance, insuring one or two-family owner occupied premises for fire and allied lines or insurance which covers commercial structures in the State of Louisiana may apply to the Company to become a take-out company. Insurers will be approved to participate in the depopulation of the Company based on statutory guidelines set forth in accordance with LRS 22:2314(C).

Policies may be removed from the Company at policy renewal or as part of a bulk assumption. In an assumption, the take-out company is responsible for losses occurring from the assumption date through the expiration of the Company's policy period.

Unearned premiums remitted to take-out companies pursuant to assumption agreements is reflected as a reduction in "premium earned" in the Statements of Revenues, Expenses, and Changes in Fund Net Position and totaled $37,911,741 and $38,027,279 for the years ended December 31, 2025 and 2024, respectively.

The Company provides administration services with respect to the assumed policies. All agreements provide for the take-out company to adjust losses. The take-out company pays a ceding commission to the Company to compensate the Company for policy acquisition costs, which includes servicing company fees and agent commissions. While the Company is not liable to cover claims after the assumption, the Company continues to service policies for items such as policyholder endorsements or cancellation refunds. Should the Company process and provide a refund to policyholders, such amount is subsequently collected from the take-out company. At December 31, 2025 and 2024, there were no assumed premiums due from certain take-out companies.

18. RESTRICTED FUND NET POSITION:

The Statement of Net Position includes $249,443,320 and $287,826,600 of funds restricted by enabling legislation for the repayment of Special Assessment Revenue Bonds as of December 31, 2025 and 2024, respectively. The amounts equal the excess of unspent emergency assessment collected to satisfy the debt service requirements for the year.

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB):

The Louisiana Citizens Property Insurance's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB Plan administered by the Company. The authority to establish and/or amend the obligation of the employer, employees and retirees' rests with the Company. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Plan Description:

The Company provides postemployment medical and life insurance for qualified employees hired prior to January 1, 2010. Employees may qualify for participation in the plan by: a) attaining age 55 and completing 14 years and one hour of service or b) attaining age 60; completing at least 5 years of service, two of which occur after October 28, 2010, be employed with the Company at the time of retirement and retire in good status.

Contribution Rates:

Plan members contribute 25% of medical premiums, including Medicare supplement, dental and vision coverage, and 100% of supplemental life insurance. Plan members are not required to contribute for basic life insurance. For the years ended December 31, 2025 and 2024, the Company paid $82,562 and $56,145, respectively, for retiree insurance premiums.

Employees Covered by Benefit Terms:

At December 31, 2025 and 2024, the following employees were covered by the benefit terms:

	2025	2024
Active employees	21	22
Inactive employees or beneficiaries currently receiving benefits	28	27
Inactive employees entitled to but not yet receiving benefits	-	-
Total	49	49

Actuarial Methods and Assumptions:

The total OPEB liability in the December 31, 2025 and 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	2025	2024
Actuarial Cost Method	Entry Age	Entry Age
Discount Rate	5.75%	5.75%
Salary Increase Rate	3.00%	3.00%
Healthcare Cost Trend Rate	7.00%	7.00%
Year of Ultimate Trend Loss	2032	2031
Mortality Assumptions	Pri-2012/MP2021	Pri-2012/MP2021

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Actuarial Methods and Assumptions: (Continued)

The discount rates were chosen by the plan sponsor based on market information on the measurement date as required by U.S. GAAP.

Actuarial valuations involve estimates of the value of the reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for postemployment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years if service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Company and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Company and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Changes in the Total OPEB Liability:

Changes in the Plan's OPEB liability for the years ended December 31, 2025 and 2024 were as follows:

	Total OPEB Liability
Balance at December 31, 2024	$ 2,457,253
Changes for the year:	
Service cost	44,898
Interest cost	141,500
Differences between expected and actual experience	55,950
Changes of assumptions	61,551
Benefit payments	(82,562)
Net changes	221,337
Balance at December 31, 2025	$ 2,678,590

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Changes in the Total OPEB Liability: (Continued)

	Total OPEB Liability
Balance at December 31, 2023	$ 2,634,932
Changes for the year:	
Service cost	53,312
Interest cost	139,659
Differences between expected and actual experience	(233,607)
Changes of assumptions	(80,898)
Benefit payments	(56,145)
Net changes	(177,679)
Balance at December 31, 2024	$ 2,457,253

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the Company's total OPEB liability using the discount rate for the years ended December 31, 2025 and 2024 of 5.75% and 5.75%, respectively, as well as what the Company's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate at the years ended December 31, 2025 and 2024:

2025	1.0% Decrease 4.75%	Current Discount 5.75%	1.0% Increase 6.75%
Total OPEB Liability	$ 3,048,650	$ 2,678,590	$ 2,373,170

2024	1.0% Decrease 4.75%	Current Discount 5.75%	1.0% Increase 6.75%
Total OPEB Liability	$ 2,804,299	$ 2,457,253	$ 2,171,406

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the Company's total OPEB liability using the healthcare cost trend rate for the years ended December 31, 2025 and 2024 of 7.00%, as well as what the Company's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rate at years ended December 31, 2025 and 2024:

2025	1.0% Decrease 6.00%	Current Discount 7.00%	1.0% Increase 8.00%
Total OPEB Liability	$ 2,372,774	$ 2,678,590	$ 3,051,828

2024	1.0% Decrease 6.00%	Current Discount 7.00%	1.0% Increase 8.00%
Total OPEB Liability	$ 2,170,822	$ 2,457,253	$ 2,808,122

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

As of December 31, 2025 and 2024, the Company reported total OPEB liability of $2,678,590 and $2,457,253, respectively. The total OPEB liability was measured as of December 31, 2025 and 2024, and was determined by an actuarial valuation of that date.

For the year ended December 31, 2025 and 2024, the Company recognized OPEB income of $316,641 and $287,974, respectively.

As of December 31, 2025 and 2024, the Company reported deferred outflows of resources and deferred inflows of resources to OPEB from the following sources:

2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 36,657	$ 156,028
Change of assumptions	50,810	31,868
Total	$ 87,467	$ 187,896

19. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: (Continued)

2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 12,075	$ 333,484
Change of assumptions	27,952	420,159
Total	$ 40,027	$ 753,643

Amounts reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending:	
2026	$ (108,306)
2027	7,877
Total	$ (100,429)

Payables to the OPEB Plan:

As of December 31, 2025 and 2024, the Company had no outstanding payables to the OPEB plan.

20. DISAGGREGATION OF RECEIVABLE BALANCES:

Receivable balances at December 31, 2025 and 2024 were as follows:

Description	2025	2024
Premiums receivable	$ 5,104,756	$ 5,201,538
Premiums deferred	54,383,101	70,080,805
Allowance for doubtful accounts	(1,549,294)	(942,784)
Total premium receivables, net	$ 57,938,563	$ 74,339,559
Emergency assessment receivable	$ -	$ 17,058,249
Reinsurance recoverables on paid losses	$ 637,599	$ 7,093,913
Allowance for doubtful accounts	-	(1,886,968)
Total reinsurance recoverables on paid losses, net	$ 637,599	$ 5,206,945

21. CERTAIN RISK DISCLOSURES:

In accordance with GASB Statement No. 102, *Certain Risk Disclosures*, management evaluated concentrations and constraints that could make the Company vulnerable to the risk of a substantial impact on its financial position or its ability to meet its obligations as they come due.

The Company provides property insurance coverage primarily to policyholders who are unable to obtain coverage in the voluntary insurance market, with a geographic concentration of policies within the State of Louisiana. As a result, the Company is subject to a concentration of risk related to catastrophic weather events, including hurricanes and other severe storms. Management has evaluated whether this concentration makes it vulnerable to the risk of a substantial impact. During the 12 month period following the date the financial statements were available to be issued, no specific events had occurred, had begun to occur, or were considered more likely than not to occur that would materially impact the Company's ability to meet its obligations after consideration of available reinsurance coverage and statutory assessment mechanisms.

The Company operates under statutory and regulatory requirements established by the State of Louisiana, including limitations on rate-setting, assessment authority, and policy eligibility. These constraints limit the Company's ability to independently adjust premiums or otherwise modify operations in response to changing market or loss conditions. Management has evaluated the impact of these constraints in conjunction with known events and conditions. No events associated with these constraints were identified as having occurred, begun to occur, or more likely than not to occur within the next 12 months that would result in a substantial adverse financial impact.

In managing these risks, the Company maintains a comprehensive risk management program that includes the purchase of reinsurance, participation in the capital markets, ongoing monitoring of exposure concentrations, and adherence to statutory assessment provisions designed to provide additional funding following significant loss events. Management believes these actions significantly mitigate the identified risks.

22. CHANGE IN ACCOUNTING PRINCIPLE:

For the year ended December 31, 2025, the Company implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, which resulted in changes to the presentation and classification of revenues and expenses in the Statement of Revenues, Expenses, and Changes in Fund Net Position. Emergency assessment income previously reported as other nonoperating revenues is now reported as noncapital subsidies. The prior year amounts presented have been reclassified to conform with the current year's presentation. The implementation did not result in a restatement of beginning fund net position.

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:										
Service cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	98,895	98,587	95,614	89,788	90,066	94,584	95,307	97,458	97,099	98,542
Difference between expected and actual experience	12,223	57,602	(3,980)	17,870	10,181	60,606	24,723	(52,455)	(14,459)	(1,330)
Change of assumptions	10,267	-	(133,518)	(163,574)	5,787	57,104	132,883	(4,249)	(10,143)	89,909
Benefit payments, including refunds	(149,381)	(152,760)	(119,652)	(116,696)	(107,685)	(97,341)	(90,830)	(68,903)	(63,010)	(65,094)
Net change in total pension liability	(27,996)	3,429	(161,536)	(172,612)	(1,651)	114,953	162,083	(28,149)	9,487	122,027
Total pension liability - beginning	1,722,938	1,719,509	1,881,045	2,053,657	2,055,308	1,940,355	1,778,272	1,806,421	1,796,934	1,674,907
Total pension liability - ending	$ 1,694,942	$ 1,722,938	$ 1,719,509	$ 1,881,045	$ 2,053,657	$ 2,055,308	$ 1,940,355	$ 1,778,272	$ 1,806,421	$ 1,796,934
Plan fiduciary net position:										
Net investment income (loss)	$ 219,553	$ 50,610	$ 219,064	$ (524,982)	$ 163,725	$ 279,992	$ 413,597	$ (129,494)	$ 267,353	$ 134,212
Contributions - employer	72,652	42,126	-	-	45,928	6,107	23,873	29,923	10,821	-
Benefit payments, including refunds	(149,381)	(152,760)	(119,652)	(116,696)	(107,685)	(97,341)	(90,830)	(68,903)	(63,010)	(65,094)
Administrative expense	(21,518)	(20,265)	(19,349)	(19,388)	(8,901)	(8,220)	(10,658)	(9,558)	(10,948)	(12,277)
Net change in plan fiduciary net position	121,306	(80,289)	80,063	(661,066)	93,067	180,538	335,982	(178,032)	204,216	56,841
Plan fiduciary net position - beginning	1,923,065	2,003,354	1,923,291	2,584,357	2,491,290	2,310,752	1,974,770	2,152,802	1,948,586	1,891,745
Plan fiduciary net position - ending	$ 2,044,371	$ 1,923,065	$ 2,003,354	$ 1,923,291	$ 2,584,357	$ 2,491,290	$ 2,310,752	$ 1,974,770	$ 2,152,802	$ 1,948,586
Net pension asset - ending	$ 349,429	$ 200,127	$ 283,845	$ 42,246	$ 530,700	$ 435,982	$ 370,397	$ 196,498	$ 346,381	$ 151,652
Plan fiduciary net position as a % of total pension liability	120.62%	111.62%	116.51%	102.25%	125.84%	121.21%	119.09%	111.05%	119.17%	108.44%
Covered employee payroll	-	-	-	-	-	-	-	-	-	-
Net pension asset as % of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN THE
OPEB LIABILITY AND RELATED RATIOS
FOR THE EIGHT YEARS ENDED DECEMBER 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:								
Service cost	$ 44,898	$ 53,312	$ 51,738	$ 98,109	$ 123,686	$ 96,203	$ 78,979	$ 90,909
Interest cost	141,500	139,659	156,120	120,388	123,330	139,104	149,963	125,688
Differences between expected and actual experience	55,950	(233,607)	(383,999)	30,371	38,812	33,516	127,419	220,101
Changes of assumptions	61,551	(80,898)	62,890	(1,273,579)	(592,087)	361,184	403,418	(313,203)
Benefit payments	(82,562)	(56,145)	(77,240)	(129,394)	(150,483)	(143,874)	(126,357)	(135,115)
Net change in total OPEB liability	221,337	(177,679)	(190,491)	(1,154,105)	(456,742)	486,133	633,422	(11,620)
Total OPEB liability - beginning:	2,457,253	2,634,932	2,825,423	3,979,528	4,436,270	3,950,137	3,316,715	3,328,335
Total OPEB liability - ending:	$ 2,678,590	$ 2,457,253	$ 2,634,932	$ 2,825,423	$ 3,979,528	$ 4,436,270	$ 3,950,137	$ 3,316,715
Covered-employee payroll	$ 2,864,107	$ 2,871,095	$ 2,897,495	$ 2,753,332	$ 2,737,460	$ 2,737,121	$ 2,806,790	$ 2,890,594
Total OPEB liability as a % of covered-employee payroll	93.52%	85.59%	90.94%	102.62%	145.37%	162.08%	140.74%	114.74%

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

1. PENSION:

Changes in Benefit Terms:

There were no changes of benefit terms for any of the years presented in the Schedule of Changes in Net Pension Asset and Related Ratios.

Changes in Assumptions:

Amounts reported for 2024 reflect a decrease in the inflation used in calculations from 3.50% to 3.00%. Also, the assumed rate of return used in calculations was increased from 5.25% to 6.00%.

Amounts reported for 2023 reflect an increase to the discount rate used to measure total pension liability from 5.25% to 6.00%. Also, the inflation used in calculations was increased from 3.00% to 3.50%.

Amounts reported for 2022 reflect an increase to the discount rate used to measure total pension liability from 4.50% to 5.25%. Also, the assumed investment rate of return used in calculations was increased from 4.50% to 5.25%.

Amounts reported for 2021 reflect a change to the use of the PRI-2012 mortality tables with the MP-2021 mortality improvement scale applied on a generational basis.

Amounts reported for 2020 reflect a change to the use of the PRI-2012 mortality tables with the MP-2020 mortality improvement scale applied on a generational basis. Also, the discount rate used to measure the total pension liability was reduced from 5.00% to 4.50%.

Amounts reported for 2019 reflect a change to the use of the PRI-2012 mortality tables with the MP-2019 mortality improvement scale applied on a generational basis. Also, the discount rate used to measure the total pension liability was reduced from 5.50% to 5.00%.

Amounts reported for 2018 reflect a change to the use of the RP-2014 mortality tables with the MP-2018 mortality improvement scale applied on a generational basis.

Amounts reported for 2017 reflect a change to the use of the RP-2014 mortality tables with the MP-2017 mortality improvement scale applied on a generational basis.

Amounts reported for 2016 reflect a change to the use of the RP-2014 mortality tables with the MP-2016 mortality improvement scale applied on a generational basis. Also, in 2016, the discount rate used to measure the total pension liability was reduced from 6.00% to 5.50%.

2. OTHER POSTEMPLOYMENT BENEFITS (OPEB):

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 19 to the financial statements.

There were no changes in benefit terms for the years presented.

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

Changes in Assumptions:

The discount rate changed from 5.25% as of December 31, 2023 to 5.75% as of December 31, 2024.

The discount rate changed from 5.50% as of December 31, 2022 to 5.25% as of December 31, 2023.

The discount rate changed from 3.00% as of December 31, 2021 to 5.50% as of December 31, 2022.

The discount rate changed from 2.75% as of December 31, 2020 to 3.00% as of December 31, 2021.

The discount rate changed from 3.50% as of December 31, 2019 to 2.75% as of December 31, 2020.

The discount rate changed from 4.50% as of December 31, 2018 to 3.5% as of December 31, 2019.

SUPPLEMENTARY INFORMATION

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF BOARD MEMBER COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2025

Board Members	Per Diem	Expense Reimbursement	Total Compensation
Ben Albright	$ -	$ -	$ -
Brian E. Chambley	-	-	-
Dana Dugas	-	207	207
Daryl V. Burckel	-	189	189
Eric Berger	-	-	-
Joseph "Jody" Guillot	-	573	573
Kevin Reinke	-	-	-
Kirk Talbot	-	-	-
Michael "Gabe" Firment	-	-	-
Renee Free	-	-	-
Robert Page	-	-	-
Samuel Wilkinson	-	-	-
Steven Werner	-	-	-
Tim Temple	-	-	-
William P. Chauvin	-	-	-
William Starr	-	98	98
	$ -	$ 1,067	$ 1,067

DHHM
certified public accountants

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Hrapmann
Hogan &
Maher, LLP

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 25, 2026

To the Board of Directors of
Louisiana Citizens Property Insurance Corporation
Metairie, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Louisiana Citizens Property Insurance Corporation (the "Company"), a component unit of the State of Louisiana, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Company's basic financial statements, and have issued our report thereon dated June 25, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan and Maher, LLP

Metairie, Louisiana

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
SUMMARY SCHEDULE OF FINDINGS
DECEMBER 31, 2025

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of Louisiana Citizens Property Insurance Corporation for the year ended December 31, 2025 was unmodified.

2. There were no significant deficiencies or material weaknesses required to be disclosed by Government Auditing Standards.

3. There were no instances of noncompliance considered material to the financial statements, as defined by Government Auditing Standards.

FINDINGS – FINANCIAL STATEMENT AUDIT:

NONE

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
DECEMBER 31, 2025

STATUS OF PRIOR YEAR AUDIT FINDINGS:

NONE

Complaint ID #	Date Complaint Received from DOI	Claims or Policy Issue?	Complaint Description	Date Response Due	Date response Submitted
1004046	5/4/2026	Claims	Duplicate complaint filed due to the insured's request to have his roof replaced after the inspection showed only wear and tear.	5/19/2026	5/5/2026
1004502	5/7/2026	Policy	Complaint filed due to the insured's request to get a refund on a canceled policy.	5/25/2026	5/25/2026
1005290	5/15/2026	Policy	Complaint filed due to the insured's concerns with having to return a refund check.	6/1/2026	6/1/2026
1003686	5/20/2026	Policy	Complaint filed againt the insured's agent due to delays in getting the policy cancelled at the request of the insured.	5/29/2026	5/29/2026
1006285	6/2/2026	Claims	Complaint filed due to the insured having water damage to his roof but only being compensated for his shingles.	6/17/2026	6/17/2026
1006485	6/3/2026	Policy	Complaint filed due to the insured's coverage increasing without her knowledge. The insured would like LCPIC to honor the amount of the policy she agreed too.	6/18/2026	6/18/2026
1007095	6/10/2026	Policy	Complaint filed due to the insured alleging the sqft of his property was calculated incorrectly which caused his premium to increase.	7/9/2026	
1010060	6/17/2026	Claims	Comlaint filed due to the insured's claim being denied.	7/9/2026	

1009999	6/17/2026	Claims	Complaint filed due to the insured's claim being denied.	7/1/2026	7/1/2026
1007095	6/17/2026	Policy	insured alleging the sqft of his property was calculated incorrectly.	7/9/2026	
1010246	6/23/2026	Claims	Complaint filed due to the insured's claim being denied.	7/8/2026	
1010853	6/30/2026	Claims	Complaint filed due to the insured's claim being denied.	7/15/2026	