FILED

JUL 17 2026

INSURANCE REGULATION
Docketed by

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2026-55

IN THE MATTER OF:

CASE NO.: 403124-26-CO

PRAXIS RECIPROCAL EXCHANGE
_____/

CONSENT ORDER

THIS CAUSE came for consideration as a result of PRAXIS RECIPROCAL EXCHANGE's ("PRAXIS") proposal to assume selected personal lines policies from CITIZENS PROPERTY INSURANCE CORPORATION ("CITIZENS"), which was submitted to the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for its review on or about May 20, 2026. Following a complete review of the entire record and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.

2. CITIZENS has been established in accordance with the provisions of section 627.351(6), Florida Statutes, as amended (2025)[1], to provide insurance for residential and commercial property qualified risks under circumstances specified in the statute.

3. The Florida Legislature enacted sections 627.351(6)(q)3.a. and 627.351(6)(ii)3. to encourage and provide a means for the depopulation of CITIZENS. Pursuant to this legislation, CITIZENS submitted a depopulation plan titled "Citizens Property Insurance Corporation Depopulation Plan" ("Plan"), which the OFFICE approved and adopted by Order No. 401992-25, on October 21, 2025. PRAXIS shall abide by the terms and conditions of the Plan and section

[1] All statutory citations contained herein refer to Florida Statutes (2025), unless otherwise noted.

627.351(6)(ii)3. as added by ch. 2022-271(8), Laws of Florida, as a condition for the issuance of this Consent Order.

4. PRAXIS is a Florida-domiciled property and casualty reciprocal insurer authorized to transact insurance in the State of Florida.

5. On or about May 20, 2026, PRAXIS submitted a proposal to assume selected policies from CITIZENS. The policies are expected to be assumed on or about October 20, 2026, and the proposal provides for an assumption of up to 5,000 policies, consisting of 4,500 personal residential multi-peril policies and 500 personal residential wind-only policies, from the CITIZENS' Account.

6. PRAXIS understands that the selected policies to be assumed from CITIZENS on October 20, 2026, or at a later date approved by the OFFICE and CITIZENS, will not be subject to any incentive or bonus plan, whether statutory or otherwise.

7. Coverage offered by PRAXIS must be "comparable coverage" as required by section 627.351(6). PRAXIS cannot establish comparable coverage through the offer of optional endorsements. Comparable coverage means, at a minimum, that the offer of coverage, without endorsements, include the same major covered perils at substantially similar levels of coverage as that already provided by CITIZENS. The premium calculation used to determine the 20% eligibility threshold detailed in section 627.351(6) must be calculated using offers of coverage that are comparable without the need to offer additional terms or endorsements.

8. Because of the potential harmful impact to Florida policyholders, PRAXIS shall not make takeout offers to CITIZENS policyholders that are more than 40% higher than the policyholder's estimated renewal premium with CITIZENS. PRAXIS must use rates that have either been approved by the OFFICE or rates that have been filed with the OFFICE as "use and

file" prior to the date by which PRAXIS must provide to CITIZENS its preferred policy selections and estimated renewal premiums for the subject assumption periods as specified in the 2026 Assumption Calendar published by CITIZENS. The estimated premium offered by PRAXIS must reflect the cost of an offer of comparable coverage.

9. PRAXIS is responsible for ensuring that it has entered or will enter into appropriate agreements with CITIZENS to effectuate the assumption of policies as authorized by this Consent Order. By entering into this Consent Order, PRAXIS represents that it will comply with any such agreements between it and CITIZENS.

10. PRAXIS must timely provide to CITIZENS all information required by the 2026 Assumption Calendar published by CITIZENS. PRAXIS acknowledges that neither approval by CITIZENS nor entry into this Consent Order by the OFFICE constitutes a guarantee that the above-referenced policies will ultimately be available to PRAXIS for assumption from CITIZENS, as the availability of policies for assumption may vary over time.

11. PRAXIS shall limit its actual assumption of policies from CITIZENS to the number and type of policies authorized by the OFFICE in this Consent Order. The OFFICE based its review on PRAXIS's current and projected reinsurance programs, catastrophe modeling, and financial statement projections, as well as the impact on policyholders. Such reinsurance program, catastrophe modeling, and financial statement profiles were based upon PRAXIS's current in-force book of property policies, PRAXIS's projected voluntary market writings, and the actual number of policies available in CITIZENS prior to the anticipated assumption date identified by PRAXIS as satisfying its filed and approved underwriting guidelines.

12. PRAXIS submitted the reinsurance documentation and financial projections for the assumption of up to the number and types of CITIZENS' policies as set forth in paragraph five (5)

above. Each additional assumption of CITIZENS policies by PRAXIS shall be subject to advance written approval by the OFFICE.

13. PRAXIS's acquisition of adequate reinsurance and maintenance of executed reinsurance agreements are material to the OFFICE's review and analysis of PRAXIS's proposal to assume selected policies from CITIZENS and to the OFFICE's approval of assumptions in the proposal.

14. PRAXIS understands that it must send communication to selected CITIZENS policyholders that, at minimum, describes the purpose and function of a reciprocal insurer and how a reciprocal insurer differs from a property and casualty insurer, explains that the estimated renewal premium includes a 10% surplus contribution, and defines the surplus contribution and under what circumstances a subscriber would or would not receive a return of the surplus contribution.

15. PRAXIS agrees that any policyholder communication related to the assumption of CITIZENS policies on October 20, 2026, must be submitted to and receive approval by the OFFICE prior to being sent to selected CITIZENS policyholders, unless such policyholder communication has previously been approved by the OFFICE.

16. PRAXIS expressly waives its right to any hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all other and further proceedings herein to which it may be entitled by law or by rules of the OFFICE. PRAXIS agrees not to appeal or otherwise contest this Consent Order in any forum now or in the future available to it, including its right to any administrative proceeding, state or federal court action, or any appeal.

17. PRAXIS represents that all explanations and documents made or submitted to the OFFICE as part of its proposal to assume selected policies from CITIZENS, including all attachments and supplements thereto, fully describe all transactions, agreements, and understandings relating to the assumption of policies from CITIZENS by PRAXIS. However, all

draft documents and non-executed agreements relating to PRAXIS's plan shall not be deemed approved by this Consent Order until such time as executed agreements or final documents are submitted to and approved by the OFFICE.

18. The parties agree this Consent Order will be deemed executed when the OFFICE has signed a copy of this Consent Order bearing the signature of the authorized representative of PRAXIS, notwithstanding the fact that the copy was transmitted to the OFFICE electronically. PRAXIS agrees the signature of its representative as affixed to this Consent Order shall be under seal of a Notary Public.

19. Each party to this action shall bear its own costs and attorney fees.

IT IS THEREFORE ORDERED that:

(A) Upon consideration of the proposal to assume selected policies from CITIZENS, including its attachments, the OFFICE approves the assumption of selected policies from CITIZENS, subject to adherence to the terms and conditions of this Consent Order by PRAXIS.

(B) The OFFICE approves the assumption of CITIZENS' policies up to the amounts set forth above in paragraph five (5), in accordance with any agreements between PRAXIS and CITIZENS, and this Consent Order.

(C) Regarding all reinsurance matters, PRAXIS shall:

(i) Secure and maintain catastrophe reinsurance at such levels that are acceptable to the OFFICE but in no event less than that evidenced to the OFFICE in the proposal to assume selected policies from CITIZENS;

(ii) Notify the OFFICE of any termination of any of its reinsurance agreements. The notification shall be made to the OFFICE in writing sixty days prior to the effective date of any such termination; and

(iii) Comply with the requirements of section 624.610 with regard to all of its reinsurance arrangements.

(D) PRAXIS shall participate annually in any examination of PRAXIS's reinsurance program as requested by the OFFICE. Based upon the OFFICE's review of the models and plans, PRAXIS may be required at the OFFICE's sole discretion to take corrective action to cure any overexposure identified by the OFFICE. Such action may include obtaining additional amounts of reinsurance coverage as directed by the OFFICE or suspending writing of any additional business, including the CITIZENS policies.

(E) Upon the expiration of the assumed CITIZENS policies, PRAXIS shall provide coverage substantially equivalent to that afforded by CITIZENS at rates that have either been approved by the OFFICE or rates that have been filed with the OFFICE as "use and file", unless such policies are cancelled or nonrenewed by PRAXIS for a lawful reason.

(F) At the time PRAXIS assumes any policy of insurance from CITIZENS, PRAXIS shall either obtain a new policy application from each affected policyholder or maintain in its files a copy of the policyholder's application on file with CITIZENS. If PRAXIS chooses the former option, PRAXIS may not initiate any retroactive increase in rates or premium or any retroactive decrease in coverage provided under the assumed CITIZENS policy (if applicable) as a result of the information obtained from or through the new policy application.

(G) For a period of three (3) years immediately following the date of entry of this Consent Order, PRAXIS shall abide by the proposal to assume selected policies from CITIZENS in all material respects. Further, PRAXIS shall abide by all terms of this Consent Order and all provisions of any agreements entered into with CITIZENS.

(H) Should the OFFICE determine PRAXIS has failed to materially comply with the terms of this Consent Order, the proposal to assume selected policies from CITIZENS, including its attachments and amendments thereto as submitted to the OFFICE, or terms of any agreements with CITIZENS, PRAXIS shall, upon receipt of notice of such material non-compliance, have sixty days to cure its material non-compliance. In the event PRAXIS fails to cure any such material non-compliance within the 60-day period, PRAXIS expressly agrees the OFFICE may enter an order directing it to immediately cease writing personal lines or other lines of insurance within the State of Florida, imposing such other sanctions authorized by statute or rule, or imposing other restrictions as may be deemed appropriate by the OFFICE.

WHEREFORE, the assumption of up to 5,000 policies, consisting of 4,500 personal residential multi-peril policies and 500 personal residentially wind-only policies, from the CITIZENS' Account, subject to the terms and conditions of this Consent Order, is hereby APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 17 day of July, 2026.

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, PRE RISK MANAGEMENT, LLC, as attorney-in-fact of PRAXIS RECIPROCAL EXCHANGE, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions therein. The undersigned represents that they have the authority to bind PRAXIS RECIPROCAL EXCHANGE to the terms and conditions of this Consent Order.

PRE Risk Management, LLC
Attorney-in-Fact

[Corporate Seal]

Jennifer Gravelle, President and CFO
PRE Risk Management, LLC

STATE OF Florida

COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me by means of ☑ physical presence or ☐ online notarization, this 17th day of July 2026, by Jennifer Gravelle (name of person) as President and CFO (type of authority: e.g., officer, trustee, attorney-in-fact) for Pre Risk Management LLC (company name).

Notary Public State of Florida
Alexander Rodriguez
My Commission HH 669178
Expires 4/24/2029

(Signature of the Notary)

Alexander Rodriguez
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification ____

Type of Identification Produced ____

My Commission Expires: 4/24/2029

COPIES FURNISHED TO:

Judy Grunewald, Assistant Director
Depopulation & FMAP
Citizens Property Insurance Corporation
2101 Maryland Circle
Tallahassee, FL 32303
depop.questions@citizensfla.com

Kevin Neja
Assistant General Counsel
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Kevin.neja@floir.com

Jennifer Gravelle, President and CFO
PRE Risk Management, LLC
6093 Congress Street
New Port Richey, FL 34653
jennifer@praxisinsures.com

Jeremy Baczkiewicz, SVP Product & Underwriting
PRE Risk Management, LLC
6093 Congress Street
New Port Richey, FL 34653
jeremy@praxisinsures.com

Jane Nelson, Deputy Commissioner
Property & Casualty
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Jane.Nelson@floir.com

Bradley Trim, Director
P&C Financial Oversight
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Bradley.Trim@floir.com

Corey Hubbard, Chief Financial Analyst
P&C Financial Oversight
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Corey.Hubbard@floir.com