



**EXAMINATION REPORT
OF**

**TypTap Insurance Company
Tampa, Florida**

NAIC Company Code: 15885

**as of
December 31, 2023**

**By
The Florida Office of Insurance Regulation**

TABLE OF CONTENTS

LETTER OF TRANSMITTAL	-
SCOPE OF EXAMINATION	1
SUMMARY OF SIGNIFICANT FINDINGS	2
CURRENT EXAMINATION FINDINGS	2
PREVIOUS EXAMINATION FINDINGS	2
COMPANY HISTORY	2
GENERAL	2
DIVIDENDS	2
CAPITAL STOCK AND CAPITAL CONTRIBUTIONS.....	2
SURPLUS NOTES	2
ACQUISITIONS, MERGERS, DISPOSALS, DISSOLUTIONS	3
MANAGEMENT AND CONTROL	3
CORPORATE GOVERNANCE	3
Holding Company System	4
SIMPLIFIED ORGANIZATIONAL CHART	5
TAX ALLOCATION AGREEMENT.....	6
COST ALLOCATION AGREEMENT	6
MANAGING GENERAL AGENT AGREEMENT.....	6
ACCOUNTS AND RECORDS	6
TERRITORY AND PLAN OF OPERATIONS	7
REINSURANCE	8
REINSURANCE ASSUMED.....	8
REINSURANCE CEDED.....	8
FINANCIAL STATEMENTS	9
ASSETS.....	10
LIABILITIES, SURPLUS AND OTHER FUNDS	11
STATEMENT OF INCOME	12
RECONCILIATION OF CAPITAL AND SURPLUS.....	13
COMMENTS ON FINANCIAL STATEMENT ITEMS	13
CAPITAL AND SURPLUS	13
SUBSEQUENT EVENTS	14
CAPITAL CONTRIBUTION	14
RECEIVABLE	14
ASSUMED REINSURANCE.....	14
ACQUISITIONS, MERGERS, DISPOSALS, DISSOLUTIONS	14
SIMPLIFIED ORGANIZATIONAL CHART	15
CONCLUSION	16

April 11, 2025

Michael Yaworsky
Commissioner
Office of Insurance Regulation
State of Florida
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with Section 624.316, Florida Statutes, Rule 69O-138.005, Florida Administrative Code, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (“the NAIC”), we have conducted an examination as of December 31, 2023, of the financial condition and corporate affairs of

TypTap Insurance Company

3001 SE Maricamp Road
Ocala, FL 34471

hereinafter referred to as “the Company.” Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2021 through December 31, 2023, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“the Office”) on May 9, 2024. The fieldwork concluded as of April 11, 2025. The Company’s last full scope examination by representatives of the Office covered the period of January 1, 2017 through December 31, 2020.

The examination was a multi-state examination conducted in accordance with the NAIC Financial Condition Examiners Handbook (“the Handbook”). The Handbook requires that the examination be planned and performed to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated both currently and prospectively. The examination was on Florida domestics only and did not involve participation from other states. The Company has business or licenses in multiple states.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with the NAIC Statements of Statutory Accounting Principles (“SSAP”).

This examination report includes information obtained from the examination of the records, accounts, files and documents of or relative to the Company and other information as permitted by Section 624.319, Florida Statutes. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

Current Examination Findings

There were no significant findings as a result of this examination.

Previous Examination Findings

There were no significant findings in the previous examination.

COMPANY HISTORY

General

The Company was incorporated in Florida on December 28, 2015, and commenced business on January 15, 2016. The Company is a wholly owned subsidiary of TypTap Insurance Group, Inc. ("TTIG"). TTIG was incorporated in Florida in July 2020 and had been a wholly owned subsidiary of HCI Group, Inc. ("HCI") up until February 26, 2021. TTIG was incorporated for the purpose of corporate restructuring which involved the transfer of ownership of certain subsidiaries from HCI to TTIG in October 2020. TTIG is 83% owned by HCI, the ultimate parent company.

Dividends

The Company did not declare or pay any dividends to its stockholders during the period under examination.

Capital Stock and Capital Contributions

As of December 31, 2023, the Company's capitalization was as follows:

Number of authorized common capital shares	2,500,000
Number of shares issued and outstanding	2,500,000
Total common capital stock	\$2,500,000
Par value per share	\$1.00

The Company received a cash capital contribution of \$15,000,000 from its parent, TTIG, in December 2022. The Company did not receive any additional contributions from its parent in 2023.

Surplus Notes

The Company did not have or issue any surplus notes during the period under review.

Acquisitions, Mergers, Disposals, Dissolutions

In February 2021, a fund affiliated with Centerbridge Partners, L.P. (“Centerbridge”) invested \$100 million in TTIG in exchange for preferred shares with liquidation, dividend, redemption and other rights and received from HCI a four-year warrant to purchase 750,000 HCI common shares at \$54.40 per share.

MANAGEMENT AND CONTROL

Corporate Governance

The annual shareholder meeting for the election of Board of Directors (“Board”) was held in accordance with Section 628.231, Florida Statutes. Board members serving as of December 31, 2023, are shown below:

Directors		
Name	City, State	Principal Occupation, Company Name
Pareshbhai Suryakant Patel ⁽¹⁾	Clearwater, Florida	Executive Chairman, HCI Group, Inc.
James Joseph Macchiarola	Tampa, Florida	Director, TypTap Insurance Company
Kevin Andrew Mitchell	Tampa, Florida	Director, TypTap Insurance Company
Irene Juwono Hurst	Tampa, Florida	Director, TypTap Insurance Company
Robert Andrew Lopes	Tampa, Florida	Director, TypTap Insurance Company
Loreen Marie Spencer	Tampa, Florida	Director, TypTap Insurance Company

⁽¹⁾ Chairman

In accordance with the Company’s Bylaws, the Board appointed the following Senior Officers:

Senior Officers		
Name	City, State	Title
Pareshbhai Suryakant Patel	Clearwater, Florida	Executive Chairman, HCI Group, Inc.
Kevin Andrew Mitchell	Tampa, Florida	President
Brook Armstrong Baker	New Port Richey, Florida	General Counsel and Secretary
Suela Bulku	Largo, Florida	Treasurer and Controller

The Company maintained an audit committee, as required by Section 624.424(8)(c), Florida Statutes.

Audit Committee		
Loreen Spencer ⁽¹⁾	James Macchiarola	Bob Lopes

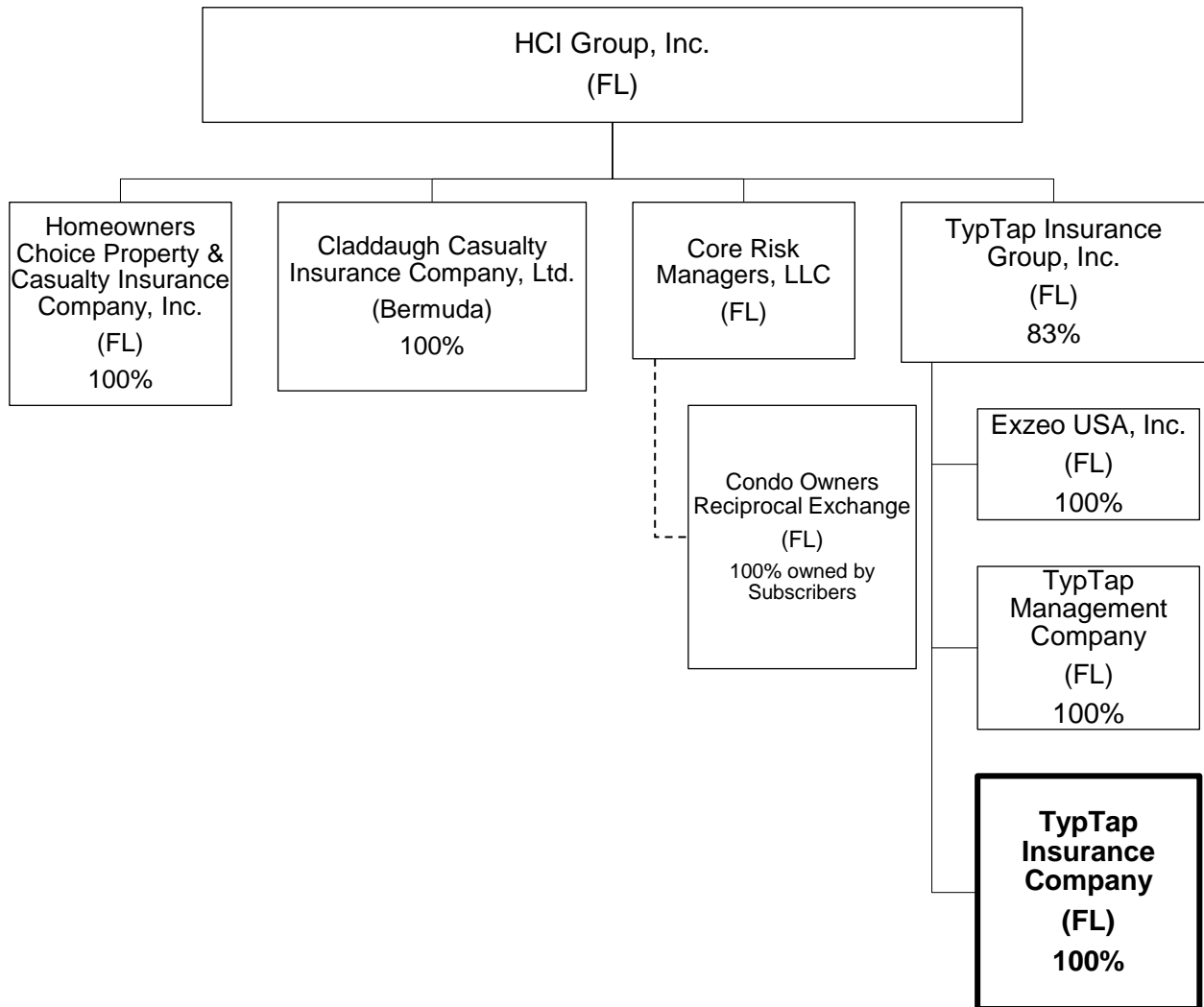
⁽¹⁾ Chairman

Holding Company System

A simplified organizational chart as of December 31, 2023, reflecting the holding company system, is shown on the following page. Schedule Y of the Company's 2023 annual statement provided a list of all related companies of the holding company group.

TypTap Insurance Company

**Simplified Organizational Chart
December 31, 2023**



The following agreements were in effect between the Company and its affiliates:

Tax Allocation Agreement

The Company, along with HCI, and other affiliated companies filed a consolidated federal income tax return. On December 31, 2023, the method of allocation between the Company and HCI was on a separate-entity basis. Each member of the group recorded an inter-company income tax receivable or payable with HCI. Within sixty (60) days of the remittance by HCI of any income tax payment to the taxing authorities, all inter-company tax receivables/payables are to be settled.

Cost Allocation Agreement

The Company entered into a Cost Allocation Agreement with other affiliated companies and its parent, TTIG, dated January 1, 2021. The agreement allocated costs based upon the scope of work and responsibilities performed for the benefit of the affiliated company.

Managing General Agent Agreement

The Company entered into a Managing General Agency (“MGA”) Agreement with its affiliate, TypTap Management Company (“TTMC”) on November 5, 2020. The agreement is continuous unless terminated by either party. MGA fees were based on twenty-one and a half percent (21.5%) of direct written premium and three and a half percent (3.5%) of gross written (direct and assumed) premiums for claim service fees and reimbursement of TTMC for catastrophe management fees based on a fee schedule and incurred loss and loss adjustment expenses. Effective September 1, 2022, TTMC amended the agreement to a per claim fee which will be \$1,200 plus four percent (4%) of the amount expended for indemnification of the loss. Fees incurred relating to this agreement for the period ending December 31, 2023, amounted to \$82,492,519. TTMC waived \$15,000,000 during this same period.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Tampa, Florida.

TERRITORY AND PLAN OF OPERATIONS

The Company was authorized to transact insurance in the following states:

Alaska	Arizona	Arkansas
Connecticut	Florida	Georgia
Illinois	Indiana	Iowa
Kansas	Kentucky	Maryland
Massachusetts	Michigan	Mississippi
Missouri	Montana	Nebraska
Nevada	New Jersey	New Mexico
North Carolina	North Dakota	Ohio
Oklahoma	Pennsylvania	Rhode Island
South Carolina	South Dakota	Utah
Washington	West Virginia	

The Company was authorized to transact insurance in Florida on January 15, 2016, and is currently authorized for the following lines of business in Florida as of December 31, 2023:

- Allied Lines
- Fire
- Homeowners Multiple Peril

The Company primarily writes homeowners multiple peril policies in Florida. The Company ceased to offer flood insurance policies in Florida on January 12, 2023. The total direct premiums written as of December 31, 2023, was \$352,989,256.

REINSURANCE

The reinsurance agreements reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, transfer of risk, reporting and settlement information deadlines.

Reinsurance Assumed

The Company elected to participate in the Depopulation Program through which they assume insurance policies held by Citizens Property Insurance Corporation (“Citizens”), a Florida state-supported insurer. The Depopulation Program is a legislatively mandated program designed to reduce the state’s risk exposure by encouraging private companies to assume policies from Citizens. As of December 31, 2023, the Company assumed approximately 7,000 policies from Citizens, representing approximately \$29,653,000 in annualized gross premiums written.

During the course of the examination period, the Company had quota share agreements covering the Northeast (Connecticut, New Jersey, Massachusetts, and Rhode Island) and Southeast (Georgia, North Carolina, and South Carolina) regions with United Property & Casualty Insurance Company (“United”). On February 27, 2023, United was placed into receivership by the State of Florida due to its financial insolvency. The quota share agreements with United were then terminated.

Reinsurance Ceded

The Company cedes a portion of its homeowners’ insurance exposure to other entities under catastrophe excess of loss reinsurance treaties.

Claddaugh Casualty Insurance Company Ltd. (“Claddaugh”), an affiliate of the Company is a participant in the Company’s reinsurance treaties. The reinsurance program for 2023/24 included treaties for Property Catastrophe Excess of Loss. These agreements were submitted and approved by the Office.

FINANCIAL STATEMENTS

The following includes the Company's statutory Statement of Assets, Liabilities, Surplus and Other Funds; statutory Statement of Income and the statutory Analysis of Changes in Surplus for the year ended December 31, 2023. The financial statements are based on the statutory financial statements filed by the Company with the Florida Office of Insurance Regulation and present the financial condition of the Company for the period ending December 31, 2023. (Note: Failure of the columns to add to the totals reflected in this Report is due to rounding.)

TypTap Insurance Company
Assets
December 31, 2023

	Per Company		
	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$118,651,666		\$118,651,666
Stocks:			
Common stocks	2,399,889		2,399,889
Cash and short-term investments	129,991,514		129,991,514
Receivables for securities	50,000,000		50,000,000
Subtotals, cash and invested assets	\$301,043,069		\$301,043,069
Investment income due and accrued	1,614,609		1,614,609
Premiums and considerations:			
Uncollected premiums and agents' balances	21,890,763		21,890,763
Deferred premiums, agents' balances and installments	15,663,199		15,663,199
Reinsurance:			
Amounts recoverable from reinsurers	8,790,491		8,790,491
Funds held by or deposited with reinsured companies	27,822,898		27,822,898
Other amounts receivable under reinsurance contracts	15,832,355		15,832,355
Receivable from parent, subsidiaries and affiliates	243,165		243,165
Aggregate write-in for other than invested assets	4,537,451	\$4,486,492	50,989
Totals	\$397,438,000	\$4,486,492	\$392,951,508

TypTap Insurance Company
Liabilities, Surplus and Other Funds
December 31, 2023

	Per Company
Losses	\$107,959,815
Reinsurance payable on paid losses and loss adjustment expenses	190,744
Loss adjustment expenses	2,708,075
Other expenses	87,632
Taxes, licenses and fees	2,868,072
Current federal and foreign income taxes	3,710,626
Unearned premiums	137,590,149
Advance premiums	10,802,103
Ceded reinsurance premiums payable	22,756,522
Amounts withheld or retained by company for account of others	6,746,286
Provision for reinsurance	1,170,000
Payable to parent, subsidiaries and affiliates	1,024,806
Aggregate write-in for liabilities	2,877,782
Total liabilities	\$300,492,613
Common capital stock	2,500,000
Gross paid-in and contributed surplus	157,148,092
Unassigned funds (surplus)	(67,189,197)
Surplus as regards policyholders	\$92,458,895
Totals	\$392,951,508

TypTap Insurance Company
Statement of Income
December 31, 2023

	Per Company
Underwriting Income	
Premiums earned	\$217,035,826
Deductions	
Losses Incurred	126,333,675
Loss adjustment expenses incurred	25,907,059
Other underwriting expenses incurred	62,672,943
Aggregate write-ins for underwriting deductions	2,119,408
Total Underwriting deductions	216,633,085
Net underwriting gain (loss)	\$402,741
Investment Income	
Net investment income earned	13,352,120
Net realized capital gains or (losses)	(21,521)
Net investment gain or (loss)	\$13,330,599
Other Income	
Net gain or (loss) from agents' or premium balances charged off	31,371
Finance and service charges not included in premiums	230,106
Aggregate write-ins for miscellaneous income	
Total other income	261,477
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	13,994,816
Dividends to policyholders	
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	13,994,816
Federal & foreign income taxes incurred	(422,989)
Net Income	\$14,417,805
Capital and Surplus Account	
Surplus as regards policyholders, December 31 prior year	\$76,735,819
Net Income	14,417,805
Change in net unrealized capital gains or losses less capital gains tax	177,885
Change in net deferred income taxes	47,286
Change in non-admitted assets	2,250,099
Change in provision for reinsurance	(1,170,000)
Change in surplus as regards policyholders for the year	\$15,723,075
Surplus as regards policyholders, December 31, current year	\$92,458,895

**TypTap Insurance Company
Reconciliation of Capital and Surplus
December 31, 2023**

Capital/Surplus Change during Examination Period			
Surplus at December 31, 2021, per Company			\$38,518,070
	Increase	Decrease	
Net Income/Loss		46,717,484	
Change in net unrealized capital gain (loss)		94,691	
Change in net deferred income tax		2,166,858	
Change in non-admitted assets		3,558,234	
Change in provision for reinsurance		1,170,000	
Change in paid in surplus	107,648,092		
Transferred to surplus			
Net increase (or decrease)			53,940,825
Surplus at December 31, 2023, per Company			\$92,458,895

No adjustments were made to surplus as regards policyholders as a result of this examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Capital and Surplus

The amount of capital and surplus reported by the Company of \$92,458,895, exceeded the minimum of \$15,000,000 required by Section 624.408, Florida Statutes.

SUBSEQUENT EVENTS

Capital Contribution

In December 2024, the Company received a cash contribution of \$36,000,000 from its ultimate parent company, HCI.

Receivable

On January 2, 2024, a \$50,000,000 receivable from maturities of fixed-maturity securities was collected by the Company.

Assumed Reinsurance

On January 23, 2024, the Company assumed approximately 9,500 policies from Citizens, representing approximately \$48,012,000 in annualized premium.

On October 22, 2024, the Company assumed approximately 20,500 policies from Citizens, representing approximately \$84,000,000 in annualized premium.

Acquisitions, Mergers, Disposals, Dissolutions

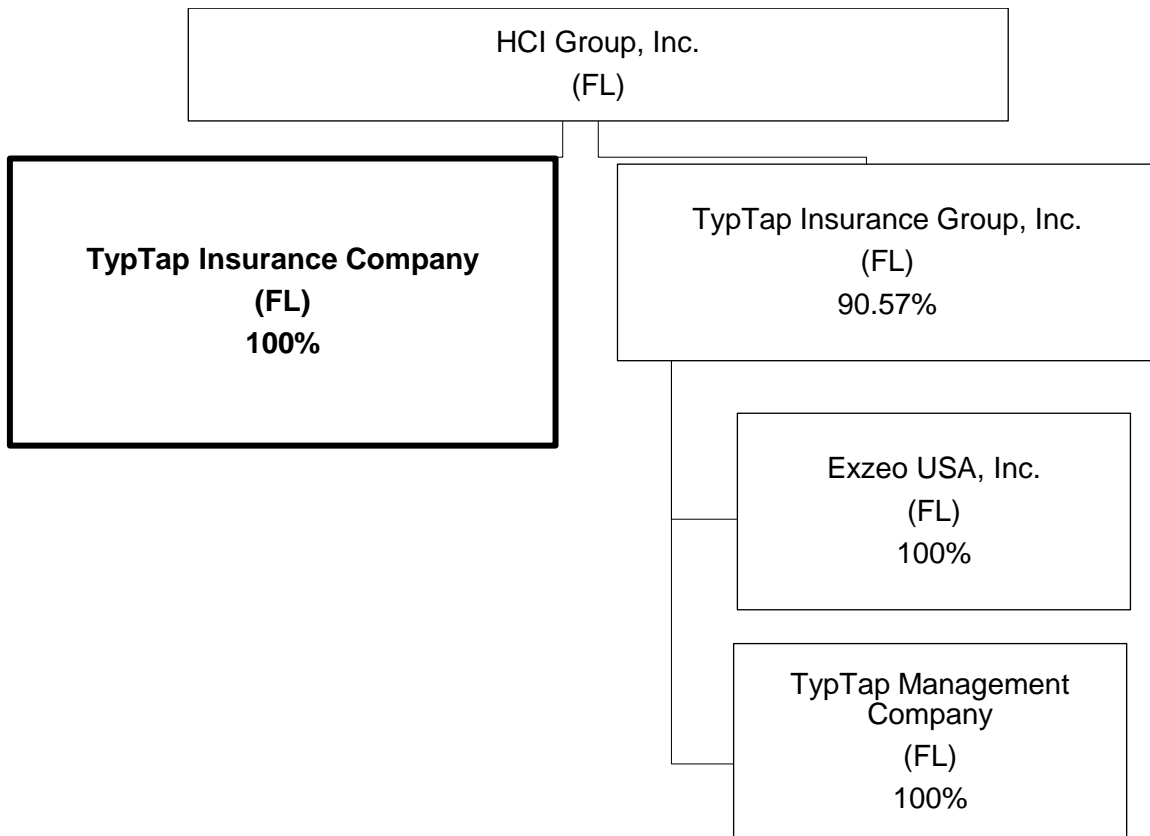
On January 22, 2024, TTIG entered into a stock Redemption Agreement with Centerbridge which allowed TTIG to redeem all of the TTIG Series A Preferred Stock held by Centerbridge. The redemption totaled \$100,000,000 plus accrued and unpaid dividends of approximately \$2,923,000. At redemption, the difference between the consideration transfer of \$102,923,000 and the redemption date carrying value of \$96,695,000 is recorded as a deemed dividend and is included in net income attributable to redeemable noncontrolling interest which is subtracted from net income when calculating income available to common stockholders. To finance the redemption, TTIG issued a \$100,000,000 promissory note to HCI. The promissory note bears an annual interest rate of 5.50% and matures on January 22, 2029.

On July 1, 2024, HCI entered into a stock purchase agreement with TTIG. TTIG transferred to HCI 2,500,000 shares of TypTap \$1 par value common stock which represented all the issued and outstanding capital stock of TypTap. In exchange, HCI agreed to consider 3 promissory notes issued by TTIG, totaling approximately \$118,000,000 in principle as fully repaid with the exception of a 2% promissory note due June 1, 2025. The promissory note will remain in effect with its

principal balance reduced from \$40,000,000 to approximately \$3,000,000. The transaction received approval from the Office on June 27, 2024. As TTIG is a majority-owned subsidiary of HCI, there was no change in control and the transaction had no material impact on the Company's financial position or results of operations.

A simplified organizational chart as of December 31, 2024, reflecting the holding company system, is shown on the following page. Schedule Y of the Company's 2024 annual statement provided a list of all related companies of the holding company group.

**TypTap Insurance Company
Simplified Organizational Chart
December 31, 2024**



In February 2025, TTIG filed articles of amendment to its Restated Articles of Incorporation, changing its name from TypTap Insurance Group, Inc. to Exzeo Group, Inc.

CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of TypTap Insurance Company as of December 31, 2023, consistent with the insurance laws of the State of Florida.

In addition to the undersigned, the following individuals from the Office and the firm Examination Resources, LLC (“ER”) also participated in the examination:

Natalie Howe, CFE, CFE (Fraud), ACI	Examination Manager	ER
William Fedak, CFE	Financial Examiner	ER
Hollylynn Ford, AFE	Financial Examiner	ER
Solomon Frazier, FCAS, FSA, MAAA	Actuarial Specialist	ER
Daniel Walker	Actuarial Specialist	ER
James Gowins, CISA, AES, AFE, MMC	Managing IT Specialist	ER
Lori Shores, CISA	IT Specialist	ER
Casey Hengstebeck, APIR	Financial Examiner	Office

Respectfully submitted,



April Spevak, CFE
Examiner in Charge
Examination Resources, LLC
Representing the Florida Office of Insurance Regulation



Chad Mason, PIR
Chief Financial Examiner
Property & Casualty Financial Oversight
Florida Office of Insurance Regulation