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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-42634

American Integrity Insurance Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**33-2925846**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5426 Bay Center Drive, Suite 600 Tampa, Florida	**33609**
(Address of principal executive offices)	**(Zip Code)**

(813) 880-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	**AII**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐

Non-accelerated filer ☒ Smaller reporting company ☒

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 9, 2025, there were 19,571,965 shares of common stock, par value of $0.001 per share, outstanding.

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EXPLANATORY NOTE

This Quarterly Report on Form 10-Q covers a period prior to the completion of our initial public offering (the "IPO") on May 9, 2025. In connection with the completion of the IPO, American Integrity Insurance Group, Inc. (the "Company," "we," "our" and "us") effected a corporate contribution in which the owners of the equity interests of American Integrity Insurance Group, LLC ("AIIG") contributed all of their equity interests in AIIG to the Company in exchange for an aggregate of 12,904,495 shares of the Company's common stock, par value $0.001 per share (the "Common Stock"). Except as otherwise noted herein, our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q are those of AIIG and its consolidated operations.

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q may be forward-looking statements. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to, statements regarding: our outlook; our business strategy; writing new business and retaining existing policies; availability of reinsurance coverage; expectations on future growth; future Citizens Property Insurance Corporation ("Citizens") take-out opportunities; anticipated future operating results and operating expenses, cash flows, capital resources and liquidity; reserves for losses and loss adjustment expenses; competition; future regulatory, judicial and legislative changes; forecasts of future revenues and appropriately planning our expenses; and our plans regarding our capital expenditures and investment portfolio as our business grows. In some cases, you can identify forward-looking statements by terms such as "anticipates," "believes," "contemplates," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "targets," "will," "would" or the negative of these terms or other similar expressions.

Forward-looking statements are neither historical facts nor assurances of future performance, and are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- the potential that we may face significant losses due to being a property and casualty insurer and our exposure to catastrophic events and severe weather conditions, which can be unpredictable;
- our loss reserves are estimates and may be inadequate to cover our actual liability for losses, and actual claims incurred have exceeded, and in the future may exceed, reserves established for claims;
- the dependence of our financial results on the regulatory, legal, economic and weather conditions in Florida due to the fact that we conduct substantially all of our business in Florida;
- changing climate conditions may increase the severity and frequency of catastrophic events and severe weather conditions;
- the severity and frequency of catastrophe events of which of are unpredictable;
- dependence upon the effectiveness of exclusions and other loss limitation methods in the insurance policies we assume or write;
- reliance upon third-party distribution partners, including independent insurance agents, homebuilder-affiliated agents and national insurance carriers;
- our ability to pursue Citizens' take-out opportunities;
- cyclical changes in the insurance industry;
- our ability to obtain reinsurance coverage at commercially reasonable rates, or at all;
- credit risk of our reinsurers who may suffer a downgrade;
- the inherent uncertainty of models and our reliance on such models as a tool to evaluate risk, and the dependence of our results upon our ability to accurately price the risks we underwrite;
- the possibility that our information technology systems may fail or be disrupted;
- our ability to expand our business and the possible need to acquire additional capital in the future to fund such expansion;
- the ability of our claims department, or the third-party claims adjusters whom we may engage, to effectively manage or remediate claims as well as unanticipated increases in the severity or frequency of claims;
- the possibility that actual renewals of our existing policies will not meet expectations;

- increased competition and market conditions, including changes in our financial stability and credit ratings;
- the extensive regulatory environment in which we operate that requires approval of rate increases, can mandate rate decreases, and that can dictate underwriting practices and mandate participation in loss sharing arrangements, and other potential further restrictive regulation we may face;
- mandatory assessments or competition for government entities may create short-term liabilities or affect our ability to underwrite more policies; and
- other risks identified in Part II, Item 1A "*Risk Factors*" in this Quarterly Report on Form 10-Q.

New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Balance Sheets

(In thousands, except unit and per unit data)

	March 31, 2025 (unaudited)	December 31, 2024
Assets		
Fixed maturities, available-for-sale, at fair value (amortized cost of $206,096 and $214,505, respectively)	$ 206,232	$ 214,045
Total investments	206,232	214,045
Cash and cash equivalents	236,416	173,220
Restricted cash	4,306	6,052
Premiums receivable, net	56,493	51,594
Accrued investment income	1,936	2,174
Prepaid reinsurance premiums	178,399	268,254
Reinsurance recoverable, net	439,704	462,097
Property and equipment, net	1,755	1,843
Right-of-use assets – operating leases	2,019	2,498
Other assets	7,488	16,368
Total assets	**$1,134,748**	**$ 1,198,145**
Liabilities and members' equity		
Liabilities:		
Unpaid losses and loss adjustment expenses	$ 431,620	$ 475,708
Income tax payable	18,290	11,873
Unearned premiums	423,875	421,881
Reinsurance payable	1,277	56,348
Advance premiums	20,512	6,561
Deferred income tax liability, net	33	1,122
Long-term debt	926	1,029
Lease liabilities – operating leases	2,110	2,612
Deferred policy acquisition costs, net unearned ceding commissions	26,836	31,931
Other liabilities and accrued expenses	23,211	26,688
Total liabilities	**948,690**	**1,035,753**
Commitments and contingencies (Note 18)		
Temporary members' equity:		
Class B units (27,900 authorized, issued and outstanding at March 31, 2025 and December 31, 2024, no par value)	—	—
Members' equity:		

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Balance Sheets

(In thousands, except unit and per unit data)

	March 31, 2025 (unaudited)	December 31, 2024
Class A units (92,096 authorized, issued and outstanding at March 31, 2025 and December 31, 2024, no par value)	10,287	10,287
Class C units (2,904 authorized, issued and outstanding at March 31, 2025 and December 31, 2024, no par value)	—	—
Retained earnings	175,653	152,432
Accumulated other comprehensive loss, net of taxes	118	(327)
Total members' equity	186,058	162,392
Total liabilities and members' equity	**$1,134,748**	**$ 1,198,145**

See accompanying notes to unaudited condensed consolidated financial statements.

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Statements of Operations and Comprehensive Income (Unaudited)

(In thousands, except unit and per unit data)

	Three Months Ended March 31,	
	2025	2024
Revenues:		
Gross premiums written	$ 212,150	$ 147,452
Change in gross unearned premiums	(1,994)	9,476
Gross premiums earned	210,156	156,928
Ceded premiums earned	(144,754)	(117,645)
Net premiums earned	65,402	39,283
Policy fees	2,204	1,554
Net investment income	4,103	3,248
Net realized gains (losses) on investments	16	6
Other income	161	217
Total revenues	71,886	44,308
Expenses:		
Losses and loss adjustment expenses, net	20,862	20,365
Policy acquisition expenses	3,107	5,354
General and administrative expenses	5,008	5,282
Total expenses	28,977	31,001
Income before income taxes	42,909	13,307
Income tax expense	4,813	1,201
Net income	**38,096**	**12,106**
Other comprehensive income:		
Unrealized holding gains on available-for-sale securities, net of taxes	457	41
Reclassification adjustment for net realized gains, net of taxes	(12)	(5)
Total other comprehensive income	445	36
Comprehensive income	**$ 38,541**	**$ 12,142**
Earnings per unit:		
Basic and diluted earnings per unit	$ 292.15	$ 94.27
Weighted average units outstanding – Basic and diluted	122,900	122,900

See accompanying notes to unaudited condensed consolidated financial statements.

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Statements of Changes in Members' Equity (Unaudited)

(In thousands)

	Class A Units	Class C Units	Retained Earnings	Accumulated Other Comprehensive Loss	Total Members' Equity
Balance as of December 31, 2023	**$ 10,287**	**$ —**	**$124,714**	**$ (1,035)**	**$133,966**
Distributions to members – tax advances and profit distributions ($32.73 per unit)	—	—	(4,022)	—	(4,022)
Total other comprehensive loss	—	—	—	36	36
Net income	—	—	12,106	—	12,106
Balance as of March 31, 2024	**$ 10,287**	**$ —**	**$132,798**	**$ (999)**	**$142,086**

	Class A Units	Class C Units	Retained Earnings	Accumulated Other Comprehensive Loss	Total Members' Equity
Balance as of December 31, 2024	**$ 10,287**	**$ —**	**$152,432**	**$ (327)**	**$162,392**
Distributions to members – tax advances and profit distributions ($121.03 per unit)	—	—	(14,875)	—	(14,875)
Total other comprehensive income	—	—	—	445	445
Net income	—	—	38,096	—	38,096
Balance as of March 31, 2025	**$ 10,287**	**$ —**	**$175,653**	**$ 118**	**$186,058**

See accompanying notes to unaudited condensed consolidated financial statements.

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands)

	Three Months Ended March 31,	
	2025	2024
Operating activities		
Net income	$ 38,096	$ 12,106
Adjustments to reconcile net income to net cash from operating activities:		
Amortization and depreciation	497	688
Deferred income taxes	(1,090)	(914)
Net realized (gains) losses	(16)	(6)
Changes in operating assets and liabilities:		
Premiums receivable	(4,899)	(3,183)
Accrued investment income	238	(253)
Prepaid reinsurance premiums	89,856	110,565
Reinsurance recoverable	22,394	(36,511)
Other assets	8,879	200
Unpaid losses and loss adjustment expense	(44,089)	(17,773)
Unearned premiums	1,994	(37,611)
Reinsurance payable	(55,072)	(61,061)
Advance premiums	13,950	11,135
Income taxes payable (recoverable)	6,418	2,120
Operating lease payments	(501)	(514)
Deferred policy acquisition costs, net unearned ceding commissions	(5,095)	7,677
Other liabilities and accrued expenses	(3,475)	(6,816)
Net cash from (used in) operating activities	68,085	(20,151)
Investing activities		
Purchases of property and equipment	(108)	(595)
Proceeds from sales and maturities of fixed maturity securities	59,870	3,532
Purchases of fixed maturity securities	(51,419)	(7,487)
Proceeds from sales and maturities of short-term investments	—	(14)
Net cash from (used in) investing activities	8,343	(4,564)
Financing activities		
Cash distributions to members	(14,875)	(4,022)
Repayment of long-term debt	(103)	(103)
Net cash used in financing activities	(14,978)	(4,125)
Net increase in cash and cash equivalents	61,450	(28,840)
Cash, cash equivalents and restricted cash at beginning of year	179,272	62,168
Cash, cash equivalents and restricted cash at end of year	**$ 240,722**	**$ 33,328**

American Integrity Insurance Group, LLC and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands)

	Three Months Ended March 31, 2025	2024
Supplemental disclosures of cash flow information		
Interest paid	$ 0	$ 30
Income taxes paid (refund)	$ 0	$ 0

See accompanying notes to unaudited condensed consolidated financial statements.

The following table is a reconciliation of cash, cash equivalents, and restricted cash reported within the Company's Condensed Consolidated Balance Sheets:

	March 31, 2025	December 31, 2024
Cash and cash equivalents	$236,416	$ 173,220
Restricted cash	4,306	6,052
Total cash, cash equivalents and restricted cash shown in the Condensed Consolidated Statements of Cash Flows	**$240,722**	**$ 179,272**

See accompanying notes to unaudited condensed consolidated financial statements.

American Integrity Insurance Group, LLC and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

1. Nature of Operations and Basis of Presentation

Organization and Description of the Company

American Integrity Insurance Group, LLC ("AIIG," and together with its wholly-owned subsidiaries, the "Company") was initially formed in 2006. On May 9, 2025, which was subsequent to the date of these financial statements, the holders of all of the outstanding equity of American Integrity Insurance Group, LLC, a Texas limited liability company, contributed all of their equity interests in American Integrity Insurance Group, LLC to American Integrity Insurance Group, Inc., a Delaware corporation, in exchange for shares of the Company's common stock, par value $0.001 per share (the "Common Stock"). This is further described in Note 18 – "*Subsequent Events*."

AIIG and its wholly-owned subsidiaries are engaged in the property and casualty insurance business. The Company's subsidiaries include American Integrity Insurance Company of Florida ("AIICFL"), a property and casualty insurance company domiciled in the state of Florida; American Integrity MGA, LLC ("AIMGA"), a Texas limited liability company operating as a managing general agency and functioning as a manager for the insurance subsidiary's business; American Integrity Claims Services, LLC ("AICS"), a Texas limited liability company operating as a third-party administrator and providing insurance claims processing services; Pinnacle Insurance Consultants, LLC ("PIC"), a Nevada limited liability company operating as a licensed insurance agency in the state of Florida; and Pinnacle Analytics, LLC ("PA"), a Texas limited liability company performing limited reinsurance brokerage functions for the insurance subsidiary's business. During 2023, the Company entered into an agreement with Artex SAC Limited ("Artex"), a Bermuda Licensed Segregated Accounts Company, to establish Catstyle Segregated Account ("Catstyle"). Catstyle is a segregated account controlled by the Company formed for the purpose of conducting reinsurance business.

The Company's property and casualty insurance is currently offered in Florida, South Carolina, and Georgia.

Basis of Presentation and Principles of Consolidation

The Company has prepared the accompanying unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information, and the Securities and Exchange Commission ("SEC") rules for interim financial reporting. Accordingly, these financial statements do not include all the information and footnotes required for complete financial statements and should be read in conjunction with the audited consolidated financial statements of the Company and the accompanying notes thereto for the year ended December 31, 2024. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation have been included in these financial statements. The results for interim periods do not necessarily indicate the results that may be expected for any interim period or for the full year.

The unaudited condensed consolidated financial statements include the accounts of AIIG and its wholly-owned subsidiaries, as well as variable interest entities ("VIE") in which the Company is determined to be the primary beneficiary. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. As a result, actual results could differ from those estimates. Management evaluates estimates on an ongoing basis when updated information related to such estimates becomes available. The most significant areas that require management judgment are the estimate of unpaid losses and loss adjustment expenses, evaluation of reinsurance recoverable, and valuation of investments.

2. Significant Accounting Policies

Changes to Significant Accounting Policies

There have been no changes to significant accounting policies as reported in the audited consolidated financial statements of the Company for the year ended December 31, 2024. The Company has included the deferred transaction costs policy, which is a newly added policy for the unaudited consolidated financial statements of the Company for the three months ended March 31, 2025. The Company has also included the fair value of financial instruments policy, which establishes the fair value hierarchy.

Deferred Transaction Costs

Deferred transaction costs consist of direct incremental legal, accounting, and consulting fees relating to the Company's initial public offering (the "IPO"). The deferred transaction costs were offset against the IPO proceeds upon the completion of the offering. As of March 31, 2025, there was $1,733 of deferred transaction costs capitalized in other assets in the condensed consolidated balance sheets. For the three months ended March 31, 2025, there was $3,114 of transaction costs expensed as incurred in general and administrative expenses in the condensed consolidated statements of operation and comprehensive income. There were no deferred offering costs recorded as of December 31, 2024.

Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date (an exit price). ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820") establishes a fair value hierarchy that prioritizes and ranks the level of observability of inputs used to measure investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment, characteristics specific to the investment, market conditions and other factors. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical investments at the measurement date are used.

Level 2: Pricing inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 pricing inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Pricing inputs are unobservable and include situations where there is little, if any, market activity for the asset or liability. The inputs used in determination of fair value require significant judgment and estimation.

When fair value inputs fall within different levels of the fair value hierarchy, the level in the fair value hierarchy within which the asset or liability is categorized in its entirety is determined based on the lowest level input that is significant to the asset or liability. Assessing the significance of a particular input to the valuation of an asset or liability in its entirety requires judgment and considers factors specific to the asset or liability. The categorization of an asset or liability within the hierarchy is based upon the pricing transparency of the asset or liability and does not necessarily correspond to the perceived risk of that asset or liability.

Cash and cash equivalents, and restricted cash approximate fair value and are therefore excluded from the leveling table seen in Note 5 – "*Fair Value Measurements*." The cost basis is determined to approximate fair value due to the short-term duration of the financial instruments.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which amended the guidance in ASC 740 to enhance the transparency and decision-usefulness of income tax disclosures, particularly in the rate reconciliation table and disclosures about income taxes paid. The guidance applies to all entities subject to income taxes and will be applied prospectively with the option to apply it retrospectively for each period presented. For public business entities, the new requirements will be effective for annual periods beginning after December 15, 2024. Management is currently evaluating the impact and does not expect that this update will have a material impact on its consolidated financial condition or results of operations, but the ASU will require additional disclosures in the annual financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*. This ASU requires disaggregated disclosure of income statement expenses, such as employee compensation and depreciation, for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. The ASU also requires disclosure of a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. ASU 2024-03 is effective for all public business entities for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company will adopt the guidance on December 31, 2027, and is currently assessing the impact of this ASU on the consolidated financial statements and related disclosures.

3. Variable Interest Entity

As part of the 2023-2024 catastrophe excess of loss reinsurance placement, which incepted on June 1, 2023, AIICFL entered into a reinsurance agreement with Catstyle, a segregated account controlled by the Company. Catstyle provides reinsurance coverage for layer one of the Company's catastrophe reinsurance program effective June 1, 2023 through May 31, 2024 and June 1, 2024 through May 31, 2025. Catstyle reinsurance eliminates in consolidation.

To establish the Catstyle, AIIG entered into a master preference shareholder agreement with Artex whereby AIIG purchased 1,000 non-voting redeemable preference shares, par value of $1.00, to become the sole shareholder of Catstyle. AIIG also contributed additional surplus in order to fully capitalize Catstyle.

The Company was determined to be the primary beneficiary of Catstyle, a silo that is a VIE within Artex, as AIIG has the power to direct the activities that significantly affect the economic performance as well as the

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

obligation to absorb losses and the right to receive benefits that could potentially be significant of Catstyle. Thus, AIIG has consolidated the assets, liabilities and operations of Catstyle in its condensed consolidated financial statements with intercompany balances and transactions eliminated in consolidation.

The following table presents, on a consolidated basis, the balance sheet classification and exposure of restricted cash and investments held in the segregated account, which are used to settle reinsurance obligations of the VIE as of the dates presented. Restricted cash and investments held in the segregated account are required to be held in a trust account solely for the benefit of the Company and can be used to settle activity under the reinsurance agreement. Any restricted cash or investments held in the segregated account not actively being used to settle activity under the reinsurance agreement can be paid to the Company by dividend based upon underwriting results of the segregated account or by expiration or termination of the reinsurance agreement. Catstyle cannot declare or pay dividends without necessary approvals from the Bermuda Monetary Authority (the "Authority").

	March 31, 2025	December 31, 2024
Restricted Cash	$ 3,766	$ 5,516
Fixed maturity securities	12,669	12,669
Total	$ 16,435	**$ 18,185**

4. Investments

Available-for-Sale Securities

The amortized cost and estimated fair value of available-for-sale securities are as follows:

	March 31, 2025				
	Amortized Cost	Allowance for Credit Loss	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and U.S. government agencies	$ 56,560	$ —	$ 6	$ (86)	$ 56,480
Corporate debt securities	129,481	—	326	(239)	129,568
Asset-backed securities	20,055	—	165	(36)	20,184
Total fixed maturity securities	206,096	—	497	(361)	206,232
Total available-for-sale investments	**$206,096**	**$ —**	**$ 497**	**$ (361)**	**$206,232**

	December 31, 2024				
	Amortized Cost	Allowance for Credit Loss	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and U.S. government agencies	$ 75,532	$ —	$ —	$ (298)	$ 75,234
Corporate debt securities	109,174	—	164	(548)	108,790
Asset-backed securities	29,799	—	262	(40)	30,021
Total fixed maturity securities	214,505	—	426	(886)	214,045
Total available-for-sale investments	**$214,505**	**$ —**	**$ 426**	**$ (886)**	**$214,045**

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

A summary of the aggregate estimated fair values of available-for-sale securities with unrealized losses segregated by time period in an unrealized loss position is as follows:

	March 31, 2025					
	Less than 12 months		12 months or greater		Total	
	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses
U.S. Treasury and U.S. government agencies	$ 33,998	$ (52)	$ 22,482	$ (35)	$ 56,480	$ (86)
Corporate debt securities	93,693	(43)	35,875	(196)	129,568	(239)
Asset-backed securities	13,099	(19)	7,085	(17)	20,184	(36)
Total	$140,790	(114)	65,442	(248)	206,232	(361)

	December 31, 2024					
	Less than 12 months		12 months or greater		Total	
	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses
U.S. Treasury and U.S. government agencies	$ 21,209	$ (145)	$ 41,355	$ (153)	$ 62,564	$ (298)
Corporate debt securities	60,993	(198)	47,797	(350)	108,790	(548)
Asset-backed securities	13,869	(11)	16,152	(29)	30,021	(40)
Total	**$ 96,071**	**$ (354)**	**$105,304**	**$ (532)**	**$201,375**	**$ (886)**

A summary of the amortized cost and estimated fair value of available-for-sale securities at March 31, 2025, by contractual maturity is as follows. The expected maturities may differ from the contractual maturities because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Estimated Fair Value
Years to maturity		
Government and corporate securities:		
Due in one year or less	$ 45,721	$ 45,709
Due after one year through five years	133,889	133,895
Due after five years through 10 years	6,431	6,444
Due after 10 years	—	—
Other securities, which provide for periodic payments:		
Asset-backed securities	20,055	20,184
Total	$ 206,096	$ 206,232

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

The following table presents components of the Company's net investment income for the three month period ended:

	Three Months Ended March 31,	
	2025	2024
Fixed maturities, available-for-sale	$ 2,131	$ 2,091
Cash and cash equivalents	2,115	1,193
Gross investment income	4,246	3,284
Investment expenses	(143)	(36)
Net investment income	$ 4,103	$ 3,248

Proceeds from sales or maturities of fixed maturity available-for-sale securities for the three months ended March 31, 2025 were $59,870 with $111 and $93 of gross realized gains and losses, respectively. Proceeds from sales of fixed maturity available-for-sale securities for the three months ended March 31, 2024 were $3,532 with $8 and $2 of gross realized gains and losses, respectively.

The Company did not record any activity pertaining to the allowance for credit losses, as of March 31, 2025 or December 31, 2024.

5. Fair Value Measurements

The tables below presents information about the Company's financial assets measured at fair value on a recurring basis:

	March 31, 2025			
	Total	Level 1	Level 2	Level 3
U.S. Treasury and U.S. government agencies	$ 56,480	$56,480	$ —	$ —
Corporate debt securities	129,568	20,413	109,155	—
Asset-backed securities	20,184	—	20,184	—
Short-term investments				
Total	$206,232	$76,893	$129,339	$ —

	December 31, 2024			
	Total	Level 1	Level 2	Level 3
U.S. Treasury and U.S. government agencies	$ 75,234	$ 75,234	$ —	$ —
Corporate debt securities	108,790	28,222	80,568	—
Asset-backed securities	30,021	—	30,021	—
Total	**$214,045**	**$103,456**	**$110,589**	**$ —**

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

The Company has no assets carried at fair value in the Level 3 category.

The Company classifies U.S. Treasury bonds and government agencies, short-term investments, and some corporate debt securities within Level 1 of the fair value hierarchy because they are valued based on quoted market prices in active markets. Corporate debt securities and asset-backed securities categorized as Level 2 were valued using a market approach. Valuations were based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

During the three months ended March 31, 2025, the Company had no event or circumstance change that would cause an instrument to be transferred between levels.

The following table summarizes the carrying value and estimated fair value of the Company's financial instruments not carried at fair value as of the date presented:

	March 31, 2025		December 31, 2024	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Long-term debt:				
Surplus note	$ 926	$ 784	$ 1,029	$ 885

The Company's long-term debt represents a surplus note and fair value was determined by management from the expected cash flows discounted using the interest rate quoted by the holder. The Florida State Board of Administration ("FSBA") is the holder of the surplus note, and the quoted interest rate is equivalent to the 10-year Constant Maturity Treasury Rate, adjusted quarterly. The Company's use of funds from the surplus note is limited by the terms of the agreement, therefore, the Company has determined the interest rate quoted by the FSBA to be appropriate for purposes of establishing the fair value of the surplus note (Level 3).

6. Deferred Policy Acquisition Costs, Net of Ceding Commissions

The tables below show the activity regarding deferred policy acquisition costs ("DPAC") for the three months ended March 31, 2025 and 2024. The ending DPAC balance is included in Other Liabilities in the Condensed Consolidated Balance Sheet.

	Three Months Ended March 31, 2025		
	DPAC, excluding unearned ceding commission	Unearned ceding commission	Total
DPAC, beginning of period	$ 38,803	$ (70,734)	$(31,931)
Policy acquisition costs deferred during the period:			
Producer commissions	18,086		18,086
Premium taxes	2,664		2,664
Other acquisition costs	2,490		2,490
Ceding commissions		(38,218)	(38,218)
Total policy acquisition costs	23,240	(38,218)	(14,978)
Amortization	(18,593)	38,666	20,073
DPAC, end of period	$ 43,450	$ (70,286)	$(26,836)

American Integrity Insurance Group, LLC and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

	Three Months Ended March 31, 2024		
	DPAC, excluding unearned ceding commission	Unearned ceding commission	Total
DPAC, beginning of period	$ 43,080	$ (48,217)	$ (5,137)
Policy acquisition costs deferred during the period:			
Producer commissions	15,839		15,839
Premium taxes	1,513		1,513
Other acquisition costs	1,936		1,936
Ceding commissions		(24,872)	(24,872)
Total policy acquisition costs	19,288	(24,872)	(5,585)
Amortization	(22,449)	25,494	3,044
DPAC, end of period	$ 39,919	$ (47,595)	$ (7,678)

7. Liability for Unpaid Losses and Loss Adjustment Expenses

The liability for unpaid losses and loss adjustment expenses ("LAE") includes an amount determined from loss reports and individual cases and an amount, based on past experience, for losses incurred but not yet reported.

The following table provides a reconciliation of changes in the liability for unpaid losses and LAE:

	Three Months Ended March 31,	
	2025	2024
Unpaid Loss and LAE beginning of period	$ 475,708	$ 279,392
Less: Reinsurance recoverables on unpaid losses and LAE	415,086	214,718
Net unpaid loss and LAE at beginning of period	60,622	64,674
Add: Losses and LAE, net of reinsurance, incurred related to:		
Current period	20,283	19,865
Prior period	579	500
Total net losses and LAE incurred	20,862	20,365
Less: Losses and LAE paid, net of reinsurance, related to:		
Current period	4,017	4,824
Prior period	15,701	17,213
Total net paid losses and LAE	19,718	22,037
Unpaid loss and LAE, net of reinsurance at end of period	61,766	63,001
Add: Reinsurance recoverables on unpaid losses and LAE	369,854	198,617
Unpaid loss and LAE at end of period	$ 431,620	$ 261,619

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

During the three months ended March 31, 2025, the liability for unpaid losses and loss adjustment expenses, prior to reinsurance, increased by $1,144 from $60,622 as of December 31, 2024 to $61,766 as of March 31, 2025. The increase was principally the result of an increase in reserves for Citizens assumed business of $3,201, partially offset by a decrease in reserves related to catastrophe and non-catastrophe storms.

Prior period development includes changes in estimated losses and LAE for all events occurring in prior periods including hurricanes and other weather. In 2025, the Company's net loss and LAE incurred for the three months ended March 31, 2025 reflected an unfavorable development of $579, which was a result of re-estimation of unpaid losses and LAE. These adjustments are generally the result of ongoing analysis of recent loss development trends. Original estimates are decreased or increased as additional information becomes known regarding individual claims.

8. Reinsurance

In order to limit the Company's potential exposure to individual risks and catastrophic events, the Company purchases reinsurance from third-party reinsurers as well as the Florida Hurricane Catastrophe Fund, a state-mandated catastrophe fund for Florida policies only. Most of the Company's reinsurance partners were rated "A-" or higher by A.M. Best Company, Inc. ("A.M. Best") or "BBB" or higher by Standard & Poor's Financial Services LLC ("S&P") or were fully collateralized.

In 2024, the Company also began participating in a "take-out program" through which the Company assumes insurance policies held by Citizens Property Insurance Corporation ("Citizens"), a Florida state-supported insurer. The take-out program is a legislatively mandated program designed to reduce the state's risk exposure by encouraging private companies to assume policies from Citizens.

The Company remains contingently liable in the event the reinsuring companies do not meet their obligations under these reinsurance contracts. Given the quality of the reinsuring companies, management believes this possibility to be remote.

Effect of Reinsurance

The effects of reinsurance on premiums written and earned are as follows:

	Three Months Ended March 31,			
	2025		2024	
	Written	Earned	Written	Earned
Direct premiums	$180,925	$ 166,771	$147,452	$ 156,928
Assumed Premiums	31,225	43,385	—	—
Gross Premiums	212,150	210,156	147,452	156,928
Ceded premiums	(58,754)	(144,754)	(40,987)	(117,645)
Net premiums	$153,396	$ 65,402	$106,465	$ 39,283

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

The Company's reinsurance arrangements affected certain items in the Condensed Consolidated Statement of Operations for the three months ended March 31, 2025 and 2024 by the following amounts:

	Three Months Ended March 31,	
	2025	2024
Ceded premiums earned	$ (144,754)	$ (117,645)
Ceded losses and loss adjustment expenses incurred	20,862	20,365
Ceded policy acquisition expenses	38,693	26,865

For the three months ended March 31, 2025 and 2024, recoveries received under reinsurance contracts were $36,285 and $72,260 respectively.

9. Regulatory Requirements and Restrictions

State laws and regulations, as well as national regulatory agency requirements, govern the operations of all insurers. The various laws and regulations require that insurers maintain minimum amounts of statutory surplus and risk-based capital; restrict insurers' ability to pay dividends; restrict the allowable investment types and investment mixes and subject the Company's insurers to assessments.

The Company's insurance subsidiary is subject to regulations and standards of the Florida Office of Insurance Regulation ("FLOIR"). It is also subject to regulations and standards of regulatory authorities in other states where they are licensed, although as a Florida-domiciled insurer, its principal regulatory authority is FLOIR.

The Company's insurance subsidiary prepares its statutory-basis financial statements in accordance with statutory accounting practices prescribed or permitted by FLOIR. The commissioner of FLOIR has the right to permit other practices that may deviate from prescribed practices. The Company's insurance subsidiary does not obtain and follow any permitted practice. As of March 31, 2025 and December 31, 2024, the Company's insurance subsidiary reported statutory capital and surplus of $164,586 and $149,586. For the three months ended March 31, 2025 and March 31, 2024, the Company's insurance subsidiary reported statutory net income of $17,886 and $301. Statutory-basis surplus differs from stockholders' equity reported in accordance with GAAP primarily because policy acquisition costs are expensed when incurred, certain assets that are not admitted assets are eliminated from the Consolidated Balance Sheet and surplus notes are reported as surplus rather than liabilities. In addition, the recognition of deferred tax assets is based on different recoverability assumptions.

The Florida statutes require a residential property insurance company to maintain statutory surplus as to policyholders of at least $1,500 or 10% of the insurer's total liabilities, whichever is greater. Accordingly, as of March 31, 2025 and December 31, 2024, the Company's insurance subsidiary exceeded the minimum statutory surplus requirement, which was $16,459 and $14,959, respectively.

Under Florida law, without regulatory approval, the Company's insurance subsidiary may pay dividends if they do not exceed the greater of: (1) the lesser of 10% of surplus or net income, not including realized capital gains, plus a two-year carry forward; (2) 10% of surplus, with dividends payable limited to unassigned funds minus 25% of unrealized capital gains; or (3) the lesser of 10% of surplus or net investment income plus a three-year carry forward with dividends payable limited to unassigned funds minus 25% of unrealized capital gains. The Company's insurance subsidiary did not pay any dividends during 2025, and it can still pay dividends without regulatory approval.

The Company's insurance subsidiary is also required annually to comply with the National Association of Insurance Commissioners ("NAIC") risk-based capital ("RBC") requirements. RBC requirements prescribe a method of measuring the amount of capital appropriate for an insurance company to support its overall business operations in light of its size and risk profile. NAIC RBC requirements are used by regulators to determine appropriate regulatory actions relating to insurers who show signs of a weak or deteriorating condition. As of March 31, 2025 and December 31, 2024, based on calculations using the appropriate NAIC RBC formula, the Company's insurance subsidiary reported total adjusted capital in excess of the requirements.

The Company's insurance subsidiary has maintained a cash deposit with the Insurance Commissioner of the State of Florida and other states in which the Company's insurance subsidiary is authorized to write business in to meet regulatory requirements.

In addition, Florida property and casualty insurance companies are required to adhere to prescribed premium-to-capital surplus ratios. Florida state law requires that the ratio of 90% of premiums written divided by surplus as to policyholders does not exceed 10 to 1 for gross premiums written or 4 to 1 for net premiums written. The Company's insurance subsidiary had a ratio of gross and net premiums written to surplus of 1.2 to 1 and 0.8 to 1, respectively, which has met the requirements.

The Company also has the Catstyle reinsurance segregated account, where the Company can withdraw from cash held in the segregated account, but must provide written notice to the trustee in the form of a withdrawal notice in order to access the funds. However, consent of the grantor is not required to access the funds, and the funds' use is not restricted. Catstyle is regulated by the Authority and is required to meet and maintain certain minimum levels of solvency and liquidity. Catstyle's statutory capital and surplus necessary to satisfy the regulatory requirements in the aggregate was $13,735 and $9,610 as of March 31, 2025 and December 31, 2024, respectively. As of March 31, 2025 and December 31, 2024, the actual amount of statutory capital and surplus was $13,735 and $9,610, respectively. The liabilities of Catstyle are fully collateralized and accordingly capital and surplus are available to be paid out in dividends and subject to approval in accordance with regulations of the Authority.

10. Members' Equity and Temporary Members' Equity

The Company has issued equity in the form of two classes of common units to its members and has issued temporary equity in the form of Class B common units (collectively the "Units"). The Company retains the corporate authority to issue additional units in accordance with the Company's LLC Operating Agreement. All unitholders are eligible to receive distributions and distributions have been proportionally allocated.

Common Units

Class A Units

Within Class A units, the Company has 92,096 units issued and outstanding as of March 31, 2025 and December 31, 2024. Class A unitholders are entitled to one vote for each unit. The A unitholders were entitled to the return of their original capital contributions made plus interest at the rate of 12% per annum. The capital contributions plus interest were repaid in 2007, the same year of issuance.

Class B Units

Within Class B units, the Company has 27,900 units issued and outstanding as of March 31, 2025 and December 31, 2024. Class B unitholders are entitled to one vote for each unit. The Class B units were issued as compensation to the founder of the Company upon the Company's formation in 2006 and vested immediately. The Class B units contained a right to convert into Class A units, which is exercisable upon termination of employment of the

founder. The Class B units also include a puttable redemption feature, which provides compensation to the Class B unitholders upon death or disability if while employed, thus these are determined to be temporary members' equity. Since the Class B units were issued upon the formation of the Company before the Company had any assets or substantive operations, it was determined that the Class B units had a grant date fair value of $0 upon issuance. Accordingly, no amounts have been recognized in the Company's financial statements for the Class B units. As of March 31, 2025, the Company concluded that the Class B units are not probable to become redeemable.

Class C Units

Within Class C units, the Company has 2,904 units issued and outstanding as of March 31, 2025 and December 31, 2024. Class C unitholders are not entitled to vote. The C units were issued to key employees at the Company upon the Company's formation in 2006 in exchange for services and vested immediately with no conversion options. Since the Class C units were issued upon the formation of the Company before the Company had any assets or substantive operations, it was determined that the Class C units had a grant date fair value of $0 upon issuance. Accordingly, no amounts have been recognized in the Company's financial statements for the Class C Units.

The Company has analyzed these awards under both ASC 718 and ASC 480 and concluded that the Class A and Class C awards should be classified as equity.

There were no changes in the number of Class A, Class B or Class C units issued and outstanding as of March 31, 2025 or the year ended December 31, 2024.

Refer to Note 18 – "*Subsequent Events*" for further information regarding changes in organizational structure and the contribution of these units subsequent to quarter end and in connection with the IPO.

Distributions

AIIG is a legal entity separate and distinct from its subsidiaries. As a holding company, the primary sources of cash needed to meet its obligations are distributions, dividends, and other permitted payments from its subsidiaries and consolidated VIEs. While there are no restrictions on distributions from AIMGA, AICS, PA, and PIC, dividends from AIICFL and Catstyle are restricted. See Note 9 – "*Regulatory Requirements and Restrictions*" for the restrictions on dividends from AIICFL and Note 3 – "*Variable Interest Entity*" for restrictions on dividends from Catstyle.

Taxable income is allocated to the members in accordance with the United States Internal Revenue Code and the Company's LLC Operating Agreement. Distributions to members totaling $4.9 million and $0.0 million characterized as tax distributions, were declared and paid during the three months ended March 31, 2025 and 2024, respectively.

Additionally, according to the Company's LLC Operating Agreement, the Company's Board of Directors may, at their discretion, declare distributions to the members in the form of: (1) a return of capital contribution plus interest for Class A unit holders and (2) distributions to holders of the Units proportionally in accordance with their respective percentage ownership interests. The Company made $10.0 million and $4.0 million of discretionary distributions to members during the three months ended March 31, 2025 and 2024, respectively.

American Integrity Insurance Group, LLC and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

11. Segment Reporting

The Company concluded that it has only one reportable operating segment. This conclusion is based on the three characteristics of an operating segment within ASC 280. As there is a single reportable segment, the chief operating decision maker uses information that is presented in the Consolidated Financial Statements to evaluate the performance of the single segment, including net income as the measure of profit or loss. The measure of segment assets is reported on the balance sheet as total consolidated assets.

12. Earnings Per Unit

Basic earnings per unit is computed by dividing net income available to unitholders by the weighted-average number of units outstanding during the year. Class A, B and C units all have the same rights to share in the Company's earnings and dividends.

The following table presents the net income and the weighted average number of units outstanding used in the earnings per unit calculations. There were no potentially dilutive instruments for the three months ended March 31, 2025 and 2024.

	Three Months Ended March 31,	
	2025	2024
Net income	$ 38,096	$ 12,106
Income allocated to participating securities	(2,190)	(521)
Net income attributable to unitholders	$ 35,906	$ 11,585
Weighted average number of units outstanding – basic and diluted	122,900	122,900
Basic and diluted earnings per unit	$ 292.15	$ 94.27

13. Other Comprehensive Income (Loss)

Comprehensive income (loss) includes changes in unrealized gains and losses on fixed maturities classified as available-for-sale. Reclassification adjustments for realized (gains) losses are reflected in net realized gains (losses) on investments on the Condensed Consolidated Statement of Operations.

The following tables are summaries of other comprehensive income (loss) and discloses the tax impact of each component of other comprehensive income (loss) for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31, 2025		
	Pre-Tax	Income Tax Benefit (Expense)	Net-of-Tax Amount
Net changes to available-for-sale securities:			
Unrealized holding gains (losses) arising during period	$ 612	$ (155)	$ 457
Reclassification adjustment for (gains) losses realized in net income	(16)	4	(12)
Other comprehensive income (loss)	$ 596	$ (151)	$ 445

American Integrity Insurance Group, LLC and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

	Three Months Ended March 31, 2024		
	Pre-Tax	Income Tax Benefit (Expense)	Net-of-Tax Amount
Net changes to available-for-sale securities:			
Unrealized holding gains (losses) arising during period	$ 48	$ (7)	$ 41
Reclassification adjustment for (gains) losses realized in net income	(7)	2	(5)
Other comprehensive income (loss)	$ 41	$ (5)	$ 36

14. Income Taxes

AIIG and its non-insurance subsidiaries, are included in a single partnership return for United States federal and state income tax purposes and are not subject to United States income tax. AIICFL is organized as a corporation and is a taxable entity. Consequently, the taxable income of AIIG and its non-insurance subsidiaries is reported to its members for inclusion in the respective income tax returns. The Company's LLC Operating Agreement requires distributions to members in order for each member to pay federal income taxes that may be owed by them due to the taxable income attributable to them from their interests in the Company.

During the three months ended March 31, 2025 and 2024, the Company recorded approximately $4,813 and $1,201, respectively, of income tax expense, which resulted in effective tax rates of 11.2% and 9.0%, respectively. The Company has evaluated the circumstances for the three months ended March 31, 2025 and 2024, respectively, and determined that it is unable to make a reliable estimate of its ordinary income or related tax expense for the fiscal year. Therefore, the Company has calculated the income tax expense for the three months ended March 31, 2025 and 2024, respectively, based on the discrete effective tax rate. The Company's estimated effective tax rate differs from the statutory federal tax rate due to state and income taxes as well as certain nondeductible and tax-exempt items.

A valuation allowance must be established for deferred tax assets when it is more likely than not that the deferred tax assets will not be realized based on available evidence both positive and negative, including recent operating results, available tax planning strategies, and projected future taxable income. As of December 31, 2024, management concluded, based on the evaluation of the positive and negative evidence, that it is more likely than not that the deferred tax assets will be realized and therefore no valuation allowance on the Company's deferred tax assets is required. The Company evaluates the realizability of its deferred tax assets each quarter, and as of March 31, 2025, based on all of the available evidence, management concluded that it is more likely than not that the deferred tax assets will be realized.

15. Related Party Transactions

The Company was a party to a management and financial advisory services agreement with a company owned by one of its members. The fees for financial advisory services were negotiated in good faith by both parties on a case-by-case basis. For financial oversight and monitoring services, the Company paid a fixed monthly fee under the terms of the agreement. During the three months ended March 31, 2025 and 2024, the Company incurred fees under the agreement of $234, which is recorded within general and administrative expenses. Subsequent to March 31, 2025, the management and financial advisory services agreement was terminated in conjunction with the planned offering for a payment of $3,000. There were no amounts payable at March 31, 2025 or December 31, 2024, related to the agreement. This information is included in Note 18, "*Subsequent Events*" as a one-time expense at the IPO date.

The Company incurs legal fees for legal services provided by law firms whose principals are members of the Company. For the three months ended March 31, 2025 and 2024, the Company incurred legal fees for services totaling approximately $30, which is recorded within general and administrative expenses.

16. Commitments and Contingencies

Obligations under Multi-Year Reinsurance Contracts

The Company purchases reinsurance coverage to protect its capital and to limit its losses when certain major events occur. The Company's reinsurance commitments generally run from June 1 of the current year to May 31 of the following year. From time to time, certain of the Company's reinsurance agreements may be for periods longer than one year. Amounts payable for coverage during the current June 1 to May 31 contract period are recorded as reinsurance payable in the Condensed Consolidated Balance Sheets. Multi-year contract commitments for future years are recorded at the beginning of the coverage period. As of March 31, 2025 and December 31, 2024, there were no multi-year reinsurance contract obligations.

Litigation

Lawsuits and other legal proceedings are filed against the Company from time to time. Many of these legal proceedings involve claims under insurance policies that the Company underwrites. The Company is also involved in various other legal proceedings and litigation unrelated to claims under the Company's contracts, which arise in the ordinary course of business. The Company accrues amounts resulting from claim-related legal proceedings in unpaid losses and loss adjustment expenses during the period it determines an unfavorable outcome becomes probable and amounts can be estimated. Management believes that the resolution of these legal actions will not have a material impact on the Company's financial statements. The Company contests liability and/or the amount of damages as appropriate in each pending matter.

Leases

On February 20, 2025, the Company entered into a 152-month lease agreement for approximately 75,000 square feet of new office space, where the Company will gain access to office suites in phases beginning in the first half of 2026. The asset has not been made available for use by the Company, and once made available for use, the Company will record the corresponding right-of-use asset and lease liability. The Company will begin paying rent on the leased space in December 2026 and future minimum lease commitments amount to $45,724 over the lease term.

Florida Insurance Guaranty Association

In April 2023, the Florida Insurance Guaranty Association ("FIGA") issued an order for the collection of a 1.0% FIGA assessment policy surcharge for policies effective October 1, 2023 through September 30, 2024. The order directed member insurance companies to collect policy surcharge amounts in advance and to remit those surcharge amounts to FIGA on a quarterly basis. The Company recorded an accrued liability totaling $1,799 and $1,195 in other liability and accrued expenses as of March 31, 2025 and December 31, 2024, which represents the policy surcharge amounts collected, but unremitted to FIGA as of that date.

Profit Participation Plan

The Company had a profit participation plan (the "PPP") whereby certain key employees were granted the right to receive cash distributions from the Company based on specific participation ratios and hurdle values determined at the time of grant. The hurdle value is based on the Board of Director's determination of the value of equity for the Company. The award agreement stipulates that cash distributions will only be made if the Company makes a cash distribution to unitholders and the equity value for the Company remains in excess of the hurdle value after the distribution to unitholders takes place. The distribution is also subject to approval by the Board of Directors.

(Dollar amounts in thousands, except unit and per unit data, unless otherwise stated)

As the payment for the participation plan is not certain until the Board of Directors approves the payment amounts, the Company has determined that the liability and compensation cost will not be recognized until the date that the Board of Directors declares the distributions effective each year. As of March 31, 2025 and December 31, 2024, there was no liability recorded related to PPP.

17. Leases

Operating lease cost was $543 and $542 for the three months ended March 31, 2025 and 2024, respectively, and is included in other operating expenses on the Condensed Consolidated Statement of Operations. Short-term and variable lease cost was immaterial for the three months ended March 31, 2025 and 2024.

The following table provides supplemental balance sheet information about the Company's leases as of March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Operating leases:		
Right-of-use assets	$ 2,019	$ 2,498
Lease liability	$ 2,110	$ 2,612
Weighted-average remaining lease term:		
Operating leases	0.96 years	1.18 years
Weighted-average discount rate:		
Operating leases	2.84%	2.75%

Supplemental disclosure of cash flow information related to leases was as follows for the for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 562	$ 545

The estimated future minimum payments of operating leases as of March 31, 2025 are as follows:

	Operating Leases
2025 remaining	$ 1,702
2026	428
2027	7
2028	—
2029	—
Thereafter	—
Total lease payments	2,137
Less: imputed interest	(27)
Present value of lease liabilities	**$ 2,110**

18. Subsequent Events

Initial Public Offering and Corporate Contribution

On May 9, 2025, immediately prior to the IPO of American Integrity Insurance Group, Inc., the holders of all of the outstanding equity interests in AIIG, contributed all of their equity interests in AIIG, to American Integrity Insurance Group, Inc., a Delaware corporation, in exchange for the issuance of an aggregate of 12,904,495 shares of Common Stock. As the entities were under common control, this transaction was accounted for as a transfer between entities under common control, with no change in the basis of the contributed equity interests.

In addition, the Company completed its IPO of an aggregate of 6,875,000 shares of Common Stock at a price to the public of $16.00 per share, 6,250,000 of which shares were sold by the Company and 625,000 of which shares were sold by certain selling stockholders. The gross proceeds to the Company from the IPO were $100 million and gross proceeds to the selling stockholders from the IPO were $10 million, before deducting underwriting discounts and commissions and estimated offering expenses of approximately $18.5 million, which consists of $7 million of underwriter commission, approximately $4.7 million of deferred offering expenses, of which $1.7 million was deferred during the first quarter of 2025 and other one-time expenses at the IPO date of $6.8 million. The Company did not receive any proceeds from the sale of shares of Common Stock in the offering by the selling stockholders. The selling stockholders granted the underwriters an option, for a period of 30 days, to purchase up to 1,031,250 additional shares of Common Stock (the “Option Shares”).

On May 12, 2025, the underwriters notified the Company and the Selling Stockholders that they had elected to exercise the option in full. The offering of the Option Shares closed on May 13, 2025. All of the Option Shares were sold by the Selling Stockholders. The Company did not receive any of the proceeds from the sale of the Option Shares by the Selling Stockholders, and gross proceeds to the Selling Stockholders for the sale of the Option Shares were $16.5 million.

The Company’s Common Stock is listed on the New York Stock Exchange under the symbol “AII.”

Restricted Stock Awards

Also in connection with the IPO, the Company effected the net issuance of approximately 417,470 shares of Common Stock in connection with the Restricted Stock Grants made upon the consummation of the IPO after giving effect to the withholding of approximately 234,587 shares of Common Stock to satisfy the estimated tax withholding and remittance obligations. This will result in approximately $10.4 million of stock compensation expense that will be recorded in the second quarter of 2025.

Profit Participation Plan Payout

Subsequent to March 31, 2025, but prior to the IPO an $8 million tax distribution was made to certain key employees that were a part of the profit participation plan.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion provides a detailed analysis of our financial condition, results of operations, liquidity, and capital resources. Investors should read this section alongside our unaudited financial statements and related notes included in this Quarterly Report on Form 10-Q, as well as our audited financial statements and related notes included in our prospectus, dated May 7, 2025 filed with the Securities and Exchange Commission pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on May 8, 2025. This analysis includes forward-looking statements, which are subject to various risks and uncertainties. Actual results may differ from projections due to factors beyond our control, as detailed under Part II, Item 1A "Risk Factors." References to the "Company," "American Integrity," "we," "us" or "our" refer to American Integrity Insurance Group, Inc. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to those differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q, particularly in "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Overview

We are a profitable and growing insurance group headquartered in Tampa, Florida. Through our insurance carrier subsidiary, American Integrity Insurance Company of Florida, Inc. ("AIICFL"), we provide personal residential property insurance for single-family homeowners and condominium owners, as well as coverage for vacant dwellings and investment properties, predominantly in Florida. 97.3% of our direct premiums written for the three months ended March 31, 2025 and 96.9% of our policies in-force as of March 31, 2025 were in Florida. More than 70% of our in-force premium is in the insurance market in which we underwrite and sell policies to policyholders where we may freely choose or reject without the assistance of residual market mechanisms (the "Voluntary Market") with 98% of such in-force premium in our core Florida market and 2% in Georgia and South Carolina, where we have strategically expanded to support and enhance our relationships with our builder agency network.

We strive to generate consistent adjusted underwriting profits, exclusive of investment income or gains and losses from the sale of invested assets. Our goal is to achieve long-term profitability across economic and insurance cycles by maintaining a conservative financial position, increasing premiums written and risk exposure when we believe market conditions are favorable, and reducing risk exposure during periods when we believe market conditions are unfavorable and earning profits is more challenging. AIICFL, our statutory insurance carrier, maintains a Financial Stability Rating of "A" (Exceptional) by Demotech, and a financial strength rating of "BBB+" with a stable outlook from the Kroll Bond Rating Agency, LLC. Additionally, the Company maintains a BB+ rating, with stable outlook, from the Kroll Bond Rating Agency, LLC.

We generate revenue primarily from insurance premiums earned, net of reinsurance ceded. We also generate revenue from policy fees, installment income fees, income generated through the investment of our assets, and realized gains or losses on the sale of our invested assets. Our financial results are highly seasonal due to the occurrence of hurricanes and tropical storms typically between June 1st and November 30th of each year in Florida and the other states in which we operate. Our reinsurance purchasing, including our catastrophe excess of loss reinsurance coverages, which commence on June 1st annually, also materially influences our financial results and are impacted by changes in reinsurance rates or alterations in terms and conditions, including in attachment or loss retention levels.

Key Factors Affecting Our Results of Operations and Comparability Between Periods

Florida Trends. Prior to the legislative reforms passed in December 2022, the legal and regulatory environment in Florida posed significant challenges for property and casualty insurers, particularly due to excessive litigation and aggressive claims practices relating to issues such as assignment of benefits abuse, extended statute of limitations, and attorney fee multipliers led to disproportionately high litigation rates in Florida relative to other geographies. These factors increased claims costs and reinsurance expenses, impacting the profitability of insurers operating in Florida. Recent legislative changes, however, have improved operating conditions in the Florida market, including reducing non-hurricane-related claims lawsuits by 24.3% since December 2022. We believe these legislative reforms provide greater opportunities for us to profitably underwrite residential property insurance in Florida.

Citizens "Take-out" Program. In late 2024, we strategically expanded our policy base, assuming 68,844 policies, representing $112.4 million in assumed unearned premiums from Citizens Property Insurance Corporation ("Citizens"). In the first quarter of 2025, the Company expanded the policy base, assuming 16,632 policies from Citizens, representing $31.2 million in assumed unearned premiums. These policies we assume carry no upfront acquisition costs and are covered by our current treaty year reinsurance program.

Over the past decade, market conditions did not support take-outs from Citizens that aligned with our underwriting and profitability standards. Prior to 2024, our last assumption of policies from Citizens was in 2014. However, we believe recent regulatory changes, improvements in the data that is made available on Citizens policies and rate increases implemented by Citizens making pricing more comparable to what we charge in the Voluntary Market have made the opportunity to assume policies from Citizens more attractive.

Take-out opportunities, however, are subject to a number of market, timing and execution risks, and future take-out opportunities may or may not materialize.

Changing Climate Conditions. Over the past two decades, the increasing frequency and severity of severe weather events have highlighted the unpredictable nature of climate trends. Climate change has the potential to influence the occurrence and intensity of natural disasters, including convective storms, hurricanes, tornadoes, hailstorms, severe winter storms, and flooding, among others. This unpredictability creates challenges in assessing future risks and exposures.

We continuously monitor climate data and collaborate with climate change and catastrophe modeling experts to refine our risk assessment models, enhancing our preparedness for evolving climate-related challenges.

Seasonality of our Business. Our business is seasonal as hurricanes and other named storms typically occur in the geographies where we operate between June 1st and November 30th of each year. This may result in significant variability in our losses and loss adjustment expenses ("LAE") depending on the number, location and strength of hurricanes and other named storms during these months as compared to other months. In addition, because our catastrophe reinsurance program renews on June 1st each year, the ceded premiums written recorded in the second quarter are typically substantially higher than any other quarter during a fiscal year. In some instances, this will cause our reported net premiums written to be negative (or substantially lower than other quarters) in the second quarter of each year.

Inflation. We may be adversely affected during periods of high inflation, primarily because of increased labor and material costs, which could cause claims and claim expenses to increase. This has been evident since the COVID-19 pandemic in early 2020. In addition, periods of high inflation can lead to periods of high interest rates, which may impact the performance of our investment portfolio. The impact of inflation on our results cannot be known with any certainty; however, we revise our reserves for unpaid losses as additional information becomes available, and reflect adjustments to our reserves, if any, in our earnings in the periods in which we determine the adjustments are necessary. We monitor inflation trends and factor them into the pricing of our new business and renewal policies.

Cost and Availability of Reinsurance. We purchase excess of loss and quota share reinsurance as part of our capital management strategy and in an effort to reduce volatility of earnings and protect our balance sheet from the impact of potential catastrophe events. Our ability to implement an effective reinsurance strategy is dependent, in part, on the cost and availability of reinsurance coverage. In recent years, reinsurance rates have significantly increased and terms and conditions have tightened (including reductions on what we are able to charge for claims administration), particularly for catastrophe exposed property lines of business. This can be attributed to a variety of factors, including high inflation and a rising interest rate environment, social inflation, the frequency and severity of natural catastrophes including large hurricanes in Florida such as Hurricane Ian and Milton, and reinsurance capacity constraints. We ceded 68.9% and 75.0% of our gross premiums earned in the three months ended March 31, 2025 and March 31, 2024, respectively.

Initial Public Offering and Corporate Contribution

On May 9, 2025, we completed our initial public offering (the "IPO") of an aggregate of 6,875,000 shares of the Company's common stock, par value $0.001 per share (the "Common Stock"), at a price to the public of $16.00 per share, 6,250,000 of which shares were sold by the Company and 625,000 of which shares were sold by certain selling stockholders. The gross proceeds to us from the IPO were $100 million, and gross proceeds to the selling stockholders from the IPO were $10 million, before deducting underwriting discounts and commissions and estimated offering expenses. On May 13, 2025, the underwriters completed the exercise of their option to purchase an additional 1,031,250 additional shares of Common Stock from the selling stockholders resulting in an additional $16.5 million in gross proceeds to the selling stockholders, before deducting underwriting discounts and commissions and estimated offering expenses. We did not receive any gross proceeds from the sales of shares of Common Stock by the selling stockholders. In connection with our IPO, we effected a net issuance of 417,470 shares of restricted stock to certain of our employees and consultants (the "Restricted Stock Grant") after giving effect to the withholding of approximately 234,587 shares of Common Stock to satisfy the estimated tax withholding and remittance obligations (the "Restricted Stock Grant Net Settlement"). We incurred a one-time share-based compensation expense of approximately $10.4 million in connection with the Restricted Stock Grant and paid approximately $3.8 million in connection with the Restricted Stock Grant Net Settlement. The compensation expense for these awards will be recognized in the second quarter of 2025. Immediately prior to the IPO, the owners of the equity interests of American Integrity Insurance Group, LLC ("AIIG") contributed all of their equity interests to the Company in exchange for an aggregate of 12,904,495 shares of Common Stock.

Results of Operations

Three Months Ended March 31, 2025 Compared to the Three Months Ended March 31, 2024

The following table summarizes our results of operations for the three months ended March 31, 2025 and the three months ended March 31, 2024.

($ in thousands)	Three Months Ended March 31, 2025	2024	$ Change	% Change
Gross premiums written	$ 212,150	$ 147,452	$ 64,699	43.9%
Change in gross unearned premiums	(1,994)	9,476	(11,470)	(121.0)%
Gross premiums earned	210,156	156,928	53,228	33.9%
Ceded premiums earned	(144,754)	(117,645)	(27,109)	23.0%
Net premiums earned	65,402	39,283	26,119	66.5%
Policy fees	2,204	1,554	650	41.8%
Net investment income	4,103	3,248	855	26.3%
Net realized gains (losses) on investments	16	6	9	153.9%
Other income	161	217	(57)	(26.1)%
Total Revenues	71,886	44,308	27,578	62.2%
Losses and loss adjustment expenses	20,862	20,365	496	2.4%
Policy acquisition expenses	3,107	5,354	(2,247)	(42.0)%
General and administrative expenses	5,008	5,282	(274)	(5.2)%
Total Expenses	28,977	31,001	(2,024)	(6.5)%
Income before taxes	42,909	13,307	29,602	222.5%
Income tax expense	4,813	1,201	3,613	300.9%
Net Income	$ 38,096	$ 12,106	$ 25,990	214.7%
Loss ratio[1]	30.9%	49.9%		
Expense ratio[2]	12.0%	26.0%		
Combined ratio[3]	42.9%	75.9%		
Annualized return on equity[4]	92.9%	39.5%		
Ceded catastrophe excess of loss premiums ratio[5]	41.4%	46.5%		
Underlying loss and loss adjustment expense ratio[6]	30.0%	43.1%		

(1) Loss ratio is a key business metric and is the ratio of losses and LAE to net premiums earned plus policy fees. Management uses this operating metric to analyze our loss trends and believes it is useful for investors to evaluate this component separately from our other operating expenses.

(2) Expense ratio is a key business metric and is the ratio of policy acquisition expenses and general and administrative expenses to net premiums earned plus policy fees. Management uses this metric to analyze our expense trends and believes it is useful for investors to evaluate these components separately from our loss and loss adjustment expenses.

(3) Combined ratio is a key business metric, defined as the sum of the loss ratio and the expense ratio. Management uses this operating metric to analyze our total expense trends and believes it is a key indicator for investors when evaluating the overall profitability of our business.

(4) Annualized return on equity is a key business metric, defined as net income, annualized, divided by the average beginning and ending members' equity during the applicable period.

(5) Ceded catastrophe excess of loss premiums ratio is a key business metric and a non-GAAP measure defined as ceded catastrophe excess of loss premiums earned divided by gross premiums earned. We view this ratio as meaningful to our business as it provides a view into the cost of our catastrophe reinsurance program. The most directly comparable GAAP financial measure is the ratio of ceded premiums earned to gross premiums earned. The Ceded Catastrophe Excess of Loss Premiums Ratio measure should not be considered a substitute for ceded premiums earned and does not reflect the overall profitability of our business.

(6) Underlying loss and loss adjustment expense ratio is a key business metric and a non-GAAP measure defined as the ratio of loss and LAE, net, less current year net catastrophe losses and net prior year reserve development divided by net premiums earned plus policy fees. We view this ratio as meaningful to our business as it allows us to analyze our loss trends before the impact of catastrophe losses and prior year reserve development. The most directly comparable GAAP measure is the loss ratio. The underlying loss and LAE ratio should not be considered a substitute for the loss ratio and does not reflect the overall profitability of our business.

Revenues

Gross premiums written are the amount received or to be received for insurance policies written or assumed by us during a specific period of time, in each case prior to amounts ceded to reinsurers. We utilize gross premiums written to assess the growth of our business excluding the effects of ceded reinsurance.

Gross premiums written is generally impacted by:

- Renewals of existing policies;
- New business submissions;
- Binding of new business submissions into policies;
- Bound policies going effective;
- Average premium of new and renewing policies;
- Premium rates of new and renewing policies; and
- Assumption of policies from third-party carriers and/or Florida state-supported insurers, including from the Citizens “depopulation” programs.

For the three months ended March 31, 2025, gross premiums written increased by $64.7 million, or 43.9%, to $212.2 million, compared to $147.5 million for the three months ended March 31, 2024. This increase was due largely to an increase in assumed written premiums related to our strategic participation in the Citizens take-out program, and to premium from new policies written through the Voluntary Market.

Policies in-force were 383,332 as of March 31, 2025, an increase of 42.9% compared to policies in-force of 268,326 as of March 31, 2024, and an increase of 7.6% compared to policies in-force of 356,108 as of December 31, 2024. The increase in our policies in-force was primarily due to new policies written through the Voluntary Market and first quarter 2025 Citizens take-outs. During the three months ended March 31, 2025, we wrote 24,554 policies in the Voluntary Market, which was an increase from 14,843 policies in the Voluntary Market during the three months ended March 31, 2024. We experienced policy retention rates of 78.1% during the first quarter of 2025, which represents a positive trend.

($ in thousands)	In-Force Premium	Policies In-Force
As of March 31, 2025		
Voluntary Market[1]	$ 652,888	293,577
Citizens Legacy Take-Outs[2]	28,661	7,106
Citizens Take-Outs[3]	35,364	13,256
FY 2024 Citizens Take-Outs[4][5]	144,998	52,875
FY 2025 Citizens Take-Outs[4][6]	47,628	16,518
Total	$ 909,539	383,332

(1) During the three months ended March 31, 2025, we wrote 24,554 policies in the Voluntary Market, which was an increase from 14,843 policies in the Voluntary Market during the three months ended March 31, 2024.
(2) Reflects policies assumed from Citizens in or prior to 2014 that have since been renewed directly with the Company. The Company did not conduct any take-outs in the years 2015 through 2023.
(3) Reflects policies assumed from Citizens that have since renewed directly with the Company.
(4) Reflects policies assumed from Citizens during the stated calendar year that have less than a year remaining under their current Citizens policy and will be offered a renewal policy with the Company upon expiration.
(5) There were 68,844 policies assumed from Citizens during the fourth quarter of 2024; and 66,131, or 96.1%, were still in-force as of March 31, 2025.
(6) There were 16,632 policies assumed from Citizens during the first quarter of 2025; and 16,518 policies, or 99.3%, were still in-force as of March 31, 2025.

Policies in-force represents the number of active insurance policies with coverage in effect as of the end of the period referenced. We utilize the change in the number of policies in force to assess the trajectories of our operations.

In-force premium represents the annual premium for active insurance policies with coverage in effect as of the end of the period referenced.

The following table shows the policies in-force and in-force premiums by product as of March 31, 2025 and March 31, 2024:

	As of March 31,			
	2025		2024	
($ in thousands)	Policies in-force	In-force premium	Policies in-force	In-force premium
HO-3	245,758	$ 592,821	165,860	$ 430,425
HO-4	3,773	1,064	3,930	1,105
HO-6	14,639	27,256	9,259	19,516
MHO	6,768	22,951	9,049	27,424
DP-1 (Including vacant)	27,894	66,868	28,014	65,150
DP-3	74,142	193,426	43,574	127,973
Watercraft	3,367	4,072	2,352	2,725
Golf Cart	6,916	1,053	5,372	814
Umbrella	75	28	916	354
Total	383,332	$ 909,539	268,326	$ 675,486

The following table shows the policies in-force and in-force premiums by county in Florida as of March 31, 2025 and March 31, 2024:

	As of March 31,			
	2025		2024	
($ in thousands)				
County	Policies in-force	In-force premium	Policies in-force	In-force premium
LEE	26,487	$ 74,914	23,728	$ 73,976
ORANGE	24,601	56,588	16,237	41,249
POLK	24,484	45,436	18,206	36,135
DUVAL	21,812	38,315	17,126	33,468
HILLSBOROUGH	20,370	50,440	15,914	43,601
PALM BEACH	19,355	79,869	2,880	14,705
PASCO	18,210	38,407	15,076	33,547
OSCEOLA	18,146	38,335	8,173	18,299
MARION	15,547	24,249	12,411	23,048
BREVARD	13,588	34,184	8,043	22,394
VOLUSIA	12,980	28,202	11,376	26,701
Others	167,752	400,600	119,156	308,363
Total	383,332	$ 909,539	268,326	$ 675,486

Gross premiums earned represent the earned portion of our gross premiums written, adjusted by the change in gross unearned premium. Premiums associated with written, and assumed policies are earned ratably over the remaining term of the policy, respectively, which is typically one year.

Gross premiums earned increased to $210.2 million for the three months ended March 31, 2025 from $156.9 million for the three months ended March 31, 2024. The $53.3 million, or 33.9%, increase was due largely to our increase in gross premiums written related to the Citizens take-outs.

Ceded premiums written represent the gross premiums written that are ceded to reinsurers under our reinsurance treaties. We enter into reinsurance contracts to limit our exposure to potential large catastrophe losses and severe non-catastrophe losses, and in the case of our quota share, to provide additional capacity for growth. Ceded premiums written are impacted by the level of our gross premiums written and decisions we make from time to time to adjust our net retention levels, quota share terms, facultative reinsurance terms, property per risk terms and catastrophe excess of loss terms and capacity, as well as the pricing and availability of reinsurance generally.

Ceded premiums earned represent the earned portion of our ceded premiums written, adjusted by the change in ceded unearned premiums. We recognize the cost of our reinsurance program and ceded premiums earned ratably over the 12-month term of the arrangements.

Ceded premiums earned increased $27.1 million, or 23.0%, to $144.8 million for the three months ended March 31, 2025 from $117.6 million for the three months ended March 31, 2024. The increase in ceded premiums earned was due to growth in our gross premiums earned.

Net premiums written reflect gross premiums written, less ceded premiums written.

Net premiums earned reflect gross premiums earned, less ceded premiums earned.

Net premiums earned grew by $26.1 million, or 66.5%, reaching $65.4 million for the three months ended March 31, 2025, up from $39.3 million for the three months ended March 31, 2024. This increase was due largely to the increase in gross premiums earned without a proportionate increase in ceded premiums earned, both driven largely by our participation the Citizens take-out program.

Policy fees represent various upfront policy fees paid by policyholders on new and renewal insurance policies. In accordance with ASC 606, policy fees are recognized and earned upon collection as they are not subject to refund, and our service obligation is fulfilled when the policy is issued.

Policy fees increased $0.6 million, or 41.8%, to $2.2 million for the three months ended March 31, 2025 from $1.6 million for the three months ended March 31, 2024. The increase in voluntary policies written during the three months ended March 31, 2025 contributed to the increase in policy fees.

Net investment income includes interest earned from cash, cash equivalents, fixed maturity securities and short-term investments. Our invested assets primarily consist of cash and fixed-maturity securities. The primary factors affecting net investment income include the size of our investment portfolio and the yield generated by the underlying securities held in the portfolio.

Net investment income increased $0.9 million, or 26.3%, to $4.1 million for the three months ended March 31, 2025 from $3.2 million for the three months ended March 31, 2024. The increase in net investment income was due to an increase in invested assets primarily driven by an increase in cash and cash equivalents and fixed-maturity securities.

Net realized gains (losses) on investments reflect the differences between the amount received by us upon the sale of a security and the amortized cost of the security, as well as allowances for credit losses recognized in earnings, if any.

We continuously seek to optimize our investment portfolio. Sales of available-for-sale debt securities resulted in net realized investment gains of $15,518 for the three months ended March 31, 2025 and net realized investment gains of $6,112 for the three months ended March 31, 2024.

Other income represents installment fees earned by us when policyholders elect to pay their premium over time as opposed to in full at inception of the policy and other miscellaneous items.

Other income decreased by $56,703, or 26.1%, to $160,672 for the three months ended March 31, 2025 from $217,375 for the three months ended March 31, 2024.

Expenses

Losses and loss adjustment expenses reflect losses and expenses paid to resolve claims, such as fees paid to claims adjusters, attorneys and investigators, and changes in our reserves for unpaid losses and LAE during the fiscal period, in each case net of losses and LAE ceded to reinsurers. Losses and LAE include a provision for claims that have occurred but have not yet been reported to us. These expenses are a function of the amount and type of insurance contracts we write, and the loss experience associated with the underlying coverage. Additionally, losses and LAE include the financial benefit from the management of claims, by American Integrity Claims Services, LLC, our in-house third-party administrator that earns fees for managing certain policies we issue, including claim fees ceded to reinsurers, which is an offset (contra expense) to LAE. Our losses and LAE are generally affected by:

- the occurrence, frequency and severity of claims associated with the particular types of insurance contracts that we write;
- the occurrence of large catastrophe weather events in the states where we operate: Florida, Georgia and South Carolina;
- the reinsurance agreements we have in place at the time of a loss;
- the mix of business written by us;
- changes in the legal or regulatory environment related to the business we write;
- trends in legal defense costs; and
- inflation in the cost of claims including inflation related to labor and building materials.

Losses and LAE increased $0.5 million, or 2.4%, to $20.9 million for the three months ended March 31, 2025 from $20.4 million for the three months ended March 31, 2024. The increase in losses and LAE was driven primarily by gross premiums earned.

Policy acquisition expenses are costs we incur in connection with the acquisition of an insurance policy including commissions paid to distribution partners at the time of policy issuance, policy administration fees paid to third-party administrators at the time of policy issuance, premium taxes, and inspection fees. These policy acquisition expenses are partially offset by ceding commission we receive from third-party reinsurers participating on our net quota share program in connection with us ceding a portion of our gross premiums written. We recognize policy acquisition expenses and ceding commissions ratably over the term of the underlying policies. Ceding commissions are reported as a reduction to policy acquisition costs and general and administrative expenses and allocated to each based upon the proportion these costs bear to production of new business.

Policy acquisition expenses decreased $2.2 million, or 42.0%, to $3.1 million for the three months ended March 31, 2025 from $5.4 million for the three months ended March 31, 2024. The decrease was due primarily to an increase in non-catastrophe ceded commissions and the lack of acquisition costs on the Citizens policies assumed during the fourth quarter of 2024 and first quarter of 2025 before they are renewed.

General and administrative expenses consist of expenses of our operations including employee compensation and benefits, technology costs, facilities costs and professional services fees, including legal, accounting and actuarial fees, as well as general corporate overhead expenses. As noted above, a certain portion of our ceding commissions are allocated to general and administrative expenses.

General and administrative expenses were $5.0 million for the three months ended March 31, 2025, consistent with $5.3 million for the three months ended March 31, 2024.

Income tax expense relates to federal and state income taxes. The amount of income tax expense or benefit recorded in future periods will depend on the jurisdictions in which we operate and the tax laws and regulations in effect. The Company is subject to payment of U.S. federal and state income taxes as a corporation.

Income tax expense was $4.8 million and $1.2 million for the three months ended March 31, 2025 and 2024, respectively. Our effective tax rate for the three months March 31, 2025 and 2024 was 11.2% and 9.0%, respectively. The increase was primarily due to a greater amount of taxable income.

Key Business Metrics and Ratios

Loss ratio, expressed as a percentage, is the ratio of losses and LAE to net premiums earned plus policy fees. We add policy fees to net premiums earned when calculating our loss and expense ratios to include the total revenue produced by a policy, given they are earned when a policy is written. Our loss ratio decreased by 19 percentage points for the three months ended March 31, 2025, to 30.9%, compared to 49.9% for the three months ended March 31, 2024. The decrease in the loss ratio was primarily due to the increase in net premiums earned driven largely by our recent participation in the Citizens take-out program.

Expense ratio, expressed as a percentage, is the ratio of policy acquisition expenses and general and administrative expenses to net premiums earned plus policy fees. Our expense ratio improved by 14% to 12.0% for the three months ended March 31, 2025 compared to 26.0% for the three months ended March 31, 2024 were due to the increase in net premiums earned driven largely by our recent participation in the Citizens take-out program.

Combined ratio is the sum of the loss ratio and the expense ratio. We utilize combined ratio to assess our underwriting performance. A combined ratio below 100% indicates an underwriting profit, while a combined ratio exceeding 100% indicates an underwriting loss. Overall, our combined ratio improved to 42.9% for the three months ended March 31, 2025 from 75.9% for the three months ended March 31, 2024. This improvement was due largely to our recent participation in the Citizens take-out program, which resulted in a financial benefit by reducing our expense ratio and loss ratio and resulted in a disproportionate increase in net earned premiums due to the ability to defer the purchase of additional catastrophe excess of loss reinsurance purchases on the newly assumed policies until the June 1, 2025 treaty year. We expect this benefit to decrease in future quarters as policies assumed in Citizens take-outs renew or are not renewed on their renewal date.

Annualized Return on equity is defined as net income, annualized, divided by the average beginning and ending members' equity during the applicable period. Our annualized return on equity increased to 92.9% for the three months ended March 31, 2025 from 39.5% for the three months ended March 31, 2024. The increase in our annualized return on equity ratio was due to the financial benefits related to our recent participation in the Citizens take-out program, primarily due to an increase in net income during the period.

Key Business Metrics and Non-GAAP Financial Measures

We utilize these non-GAAP financial measures to analyze our business and provide useful information about our financial performance. The non-GAAP financial measures are not recognized terms under GAAP and should not be considered as alternatives to the corresponding GAAP measures of financial performance, or any other performance measure derived in accordance with GAAP. Because not all companies use identical calculations, the presentation of the non-GAAP financial measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company. Our management uses these non-GAAP financial measures, in conjunction with GAAP financial measures, as an integral part of managing our business and to, among other things: (i) monitor and evaluate the performance of our business operations and financial performance; (ii) facilitate internal comparisons of the historical operating performance of our business operations; (iii) facilitate external comparisons of the

results of our overall business to the historical operating performance of other companies that may have different capital structures and debt levels and different go-to-market models; (iv) review and assess the operating performance of our management team; (v) analyze and evaluate financial and strategic planning decisions regarding future operating investments; and (vi) plan for and prepare future annual operating budgets and determine appropriate levels of operating investments.

We monitor the following key business metrics and non-GAAP financial measures that assist us in evaluating our business, measuring our performance, identifying trends and making strategic decisions. As such, we have presented the following non-GAAP measure, their most directly comparable GAAP measure, and key business metrics:

Non-GAAP Measure	Comparable GAAP Measure
Underwriting income (loss)	Income before taxes
Adjusted net income	Net income
Annualized adjusted return on equity	Annualized return on equity
Underlying loss and loss adjustment expense ratio	Losses and loss adjustment expense ratio
Ceded catastrophe excess of loss premiums ratio	Ceded premiums earned to gross premiums earned

Underwriting income (loss)

Underwriting income (loss) is a non-GAAP financial measure defined as income (loss) before income taxes, excluding net investment income, net realized gains and losses on investments, interest expense, other income and stock-based compensation expense. We use underwriting income as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our results of operations and our underlying business performance and provides insight into the results of how effective our policy underwriting is. Underwriting income (loss) should not be viewed as a substitute for net income calculated in accordance with GAAP, and other companies may define underwriting income differently.

Underwriting income (loss) increased $28.8 million, or 74.5%, to $38.6 million for the three months ended March 31,

2025 from $9.8 million for the three months ended March 31, 2024. The increase was due largely to the financial benefits of our recent participation in the Citizens take-out program.

Underwriting income for the three months ended March 31, 2025 and 2024 reconciles to income before taxes as follows:

($ in thousands)	Three Months Ended March 31, 2025	2024
Income before taxes	$ 42,909	$ 13,307
Less:		
Net investment income	4,103	3,248
Net realized losses on investments	16	6
Other income	161	217
Underwriting income	$ 38,629	$ 9,836

Adjusted net income (loss)

Adjusted net income (loss) is a non-GAAP financial measure defined as net income excluding net realized gains or losses on investments and excludes expenses incurred in connection with our IPO, net of tax impact. We use adjusted net income as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our results of operations and our underlying business performance excluding the impact of realized gains and losses on the sale of securities, which we do not view as core to the underlying trends in our business. Adjusted net income should not be viewed as a substitute for net income calculated in accordance with GAAP, and other companies may define adjusted net income differently.

Adjusted net income (loss) increased $26.0 million, or 214.7%, to $38.1 million for the three months ended March 31, 2025 from $12.1 million for the three months ended March 31, 2024. The increase was due largely to the financial benefits of our recent participation in the Citizens take-out program.

Adjusted net income (loss) for the three months ended March 31, 2025 and 2024 reconciles to net income as follows:

($ in thousands)	2025 Pre-tax	2025 After tax	2024 Pre-tax	2024 After tax
Net Income	$42,909	$38,096	$13,307	$12,106
Less:				
Net realized investment income	16	12	6	5
Adjusted net income (loss)	$42,893	$38,084	$13,301	$12,101

Annualized adjusted return on equity

Annualized adjusted return on equity is a non-GAAP financial measure defined as adjusted net income for the period on an annualized basis divided by the average of beginning and ending members' equity during the applicable period. We use annualized adjusted return on equity as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our underlying business performance. Annualized adjusted return on equity should not be viewed as a substitute for any metrics calculated in accordance with GAAP, and other companies may define annualized adjusted return on equity differently.

Annualized adjusted return on equity increased by 53.4 percentage points, to 92.9% for the three months ended March 31, 2025 from 39.5% for the year ended March 31, 2024. The increase in annualized adjusted return on equity over the prior period end balance was primarily due to results from operations and an increase in net income derived from the financial benefits of our recent participation in the Citizens take-out program.

Annualized adjusted return on equity for the three months ended March 31, 2025 and 2024 reconciles to annualized return on equity as follows:

($ in thousands)	For the Three months ended March 31, 2025	2024
Net income (loss)	$ 38,096	$ 12,106
Average beginning and ending members' equity	$ 164,072	$ 122,595
Annualized return on equity[1]	92.9%	39.5%
Adjusted net income (loss) (after tax), annualized	$ 38,084	$ 12,101
Average members' equity[2]	$ 164,072	$ 122,595
Annualized adjusted return on equity	92.9%	39.5%

(1) Annualized return on equity is net income divided by average beginning and ending members' equity, multiplied by four.
(2) Adjusted return on equity is the adjusted net income (loss) (after tax) divided by the average beginning and ending members' equity, multiplied by four.

Underlying loss and loss adjustment expense ratio

Underlying loss and loss adjustment expense ratio is a non-GAAP measure. We calculate the underlying loss and loss adjustment expense ratio by subtracting current year net catastrophe losses and prior year net reserve development from total net losses and LAE and dividing that amount by the sum of total net premiums earned plus policy fees. We use the underlying loss and LAE ratio to allow us to analyze our loss trends before the impact of catastrophe losses and prior year reserve development. These two items can have a significant impact on our loss trends in a given period. We believe it is useful for investors to evaluate these components both separately and in the aggregate when reviewing our performance. The most directly comparable GAAP measure is net loss and LAE ratio. The underlying loss and LAE ratio should not be considered a substitute for net loss and LAE ratio and does not reflect the overall profitability of our business.

We experienced unfavorable net prior year reserve development of $0.6 million for the three months ended March 31, 2025 and $0.5 million for the three months ended March 31, 2024. We experienced no catastrophe losses for the three months ended March, 31, 2025. For the three months ended March 31, 2024 we experienced $2.3 million of catastrophe losses related to PCS coded storm activity during the period.

The underlying loss and loss adjustment expense ratio decreased to 30.0% for the three months ended March 31, 2025 from 43.1% for the three months ended March 31, 2024, primarily due to improvements in the non-catastrophe loss environment and lower claims litigation trends and the disproportionate increase in net earned premium resulting from our recent participation in the Citizens take-out program.

The following table summarizes loss ratios and underlying loss and LAE ratios for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
($ in thousands)	2025	2024
Total Net Premiums Earned	$65,402	$39,283
Plus: Policy Fees	2,204	1,554
Total Net Premiums Earned Plus Policy Fees	$67,606	$40,837
Net	$20,862	$20,365
Losses and Loss Adjustment Expenses, Net		
Loss and Loss Adjustment Expense Ratio (% Net Premiums Earned Plus Policy Fees)	30.9%	49.9%
Less:		
Current Year Net Catastrophe Losses	$ —	$ 2,256
Prior Year Net Reserve Development	579	500
Underlying Loss and Loss Adjustment Expenses, Net	$20,283	$17,609
Underlying Loss and Loss Adjustment Expense Ratio (% Net Premiums Earned Plus Policy Fees)	30.0%	43.1%

Ceded catastrophe excess of loss premiums ratio

Ceded catastrophe excess of loss premiums ratio is a non-GAAP measure and, expressed as percentage, is defined as ceded catastrophe excess of loss premiums earned divided by gross premiums earned. We believe it is useful for investors to evaluate ceded catastrophe excess of loss premiums ratio as it provides a proxy for our cost of catastrophe reinsurance. The most directly comparable GAAP measure is the ratio of ceded premiums earned to gross premiums earned. The ceded catastrophe excess of loss premiums ratio measure should not be considered a substitute for ceded premiums earned and does not reflect the overall profitability of our business.

Ceded catastrophe excess of loss premiums ratio decreased 5.1 percentage points, to 41.4% for the three months ended March 31, 2025 from 46.5% for the three months ended March 31, 2024, primarily as a result of the disproportionate increase in gross earned premium related to our recent participation in the Citizens take-out program, partially offset by the increase in reinsurance costs from the June 1, 2024 catastrophe excess of loss reinsurance renewal.

The calculation of our ceded excess of loss premiums ratio is shown in the table below:

	Three Months Ended March 31,	
($ in thousands)	2025	2024
Gross Premiums Earned	$ 210,156	$ 156,928
Total Ceded Premiums Earned	$ (144,754)	$ (117,645)
Less: NCQSR and other ancillary reinsurance treaties	(57,731)	(44,654)
Ceded Catastrophe Excess of Loss Premiums Earned	$ (87,023)	$ (72,991)
Ceded Catastrophe Excess of Loss Premiums Ratio	41.4%	46.5%

Liquidity and Capital Resources

Liquidity is a measure of a company's ability to generate cash flows sufficient to meet the short-term and long-term cash requirements of its business operations. Funds generated from operations have been sufficient to meet our current and long-term liquidity requirements.

The liquidity of the Company, comprised of cash, cash equivalents and our liquid fixed income portfolio, fluctuates from time to time. As of March 31, 2025, our liquidity totaled $447.0 million. A portion of that liquidity is not held at AIICFL. The total cash and cash

equivalents not held at the insurance subsidiary is $33.6 million, as of March 31, 2025. Our liquidity framework is designed to support operational flexibility, ensuring we can fund claims obligations, capital expenditures, and growth initiatives without reliance on external financing. In the event of a large loss event, we may utilize proceeds from our investment portfolio as a source of liquidity to service claims.

On May 9, 2025, we consummated our IPO and received net proceeds of approximately $81.5 million, after (i) deducting underwriting discounts and commissions totaling $7.0 million as well as $4.7 million of other expenses related to the offering, (ii) using approximately $3.8 million of the proceeds from the offering to satisfy the Restricted Stock Grant Net Settlement and (iii) using $3.0 million of the proceeds of the offering to terminate the management services agreement by and between James Sowell Company, L.P. and AIIG.

We maintain a disciplined capital management approach, balancing organic growth investments with stockholder return considerations. Our capital resources include:

- Operating cash flow, which remains the primary source of funding for day-to-day operations and claim payments.
- Reinsurance arrangements, which provide financial resilience against catastrophe loss events.
- Potential strategic financing, including debt instruments or equity offerings, which may be considered to accelerate expansion opportunities.

Future capital requirements will be driven by business growth, regulatory capital needs, and evolving market conditions. Our goal is to optimize capital efficiency while maintaining a strong financial foundation for long-term success.

The principal source of liquidity at the Company is from its subsidiaries, including fees paid by the insurance subsidiary, AIICFL, and dividends paid by other subsidiaries generated from, among other things, income earned on policy fees and fees paid by AIICFL to American Integrity MGA, LLC ("AIMGA") for general agency, inspections, agent commissions, general operating expenses and claims adjusting services.

Future capital allocation decisions, including dividend distributions and share repurchases, will be determined by our Board of Directors based on profitability trends, regulatory considerations, and long-term stockholder value objectives.

As discussed in Note 9 — "*Regulatory Requirements and Restrictions*" in our Notes to the Unaudited Condensed Consolidated Financial Statements, there are limitations on the dividends a subsidiary may pay to its immediate parent company.

The maximum amount of dividends that can be paid by Florida insurance companies without prior approval of the Florida Office of Insurance Regulation is subject to restrictions as referenced below and in Note 9 — "*Regulatory Requirements and Restrictions*" in the Notes to our Unaudited Condensed Consolidated Financial Statements. Dividends from AIICFL can only be paid from accumulated unassigned funds derived from net operating profits and net realized capital gains. Subject to such accumulated unassigned funds, the maximum dividend that may be paid by AIICFL to the Company without prior approval is further limited to the lesser of statutory net income from operations of the preceding calendar year or statutory unassigned surplus as of the preceding year end. As of the date hereof, AIICFL has not declared dividends.

Liquidity for AIICFL is primarily required to cover payments for reinsurance premiums, claims payments including potential payments of catastrophe losses (offset by recovery of any reimbursement amounts under our reinsurance agreements), fees paid to affiliates for managing general agency services, claims adjusting services, premium and income taxes, regulatory assessments, general operating expenses, and interest and principal payments on debt obligations. Principal sources of liquidity for AIICFL consist of the revenue generated from the collection of written premiums and the collection of reinsurance recoverable.

Principal sources of liquidity for the Company include fees paid by our insurance subsidiary, AIICFL, and dividends paid by other subsidiaries generated from, among other things, income earned on policy fees and fees paid by AIICFL to AIMGA for general agency, inspections, agent commissions, general operating expenses and claims adjusting services.

Cash flows

Our most significant source of cash is from premiums received from our policyholders, which, for most policies, we receive at the beginning of the coverage period, although some policyholders elect to pay in installments over the duration of the policy. Our most significant cash outflow is for the cost of our reinsurance agreements in the form of ceded premiums and for claims that arise when a policyholder incurs an insured loss. Because the payment of claims occurs after the receipt of the premium, sometimes years later, we

invest the cash in various investment securities that earn interest and dividends. We also use cash to pay commissions to distribution partners, as well as to pay for ongoing operating expenses such as salaries, professional services and taxes. As described under "*Reinsurance*" below, we use reinsurance to manage the risk that we take on our policies. We cede, or pay out, part of the premiums we receive to our reinsurers and collect cash back when losses subject to our reinsurance coverage are paid.

The timing of our cash flows from operating activities can vary among periods due to the timing by which payments are made or received. Some of our payments and receipts, including loss settlements and subsequent reinsurance receipts, can be significant, so their timing can influence cash flows from operating activities in any given period. Management believes that cash receipts from premiums, proceeds from investment sales and redemptions and investment income are sufficient to cover cash outflows for the foreseeable future.

Our cash flows for the three months ended March 31, 2025 and 2024 were:

	Three months ended March 31,	
($ in thousands)	**2025**	**2024**
Cash and cash equivalents (net) provided by (used in): Operating activities	$ 68,085	$(20,151)
Cash and cash equivalents (net) provided by (used in): Investing activities	8,343	(4,564)
Cash and cash equivalents (net) (used in): Financing activities	(14,978)	(4,125)
Net increase (decrease) in cash and cash equivalents	$ 61,450	$(28,840)

Cash provided by operating activities was $68.1 million for the three months ended March 31, 2025 compared to $(20.2) million used in operating activities for the three months ended March 31, 2024. The increase in cash provided by operating activities resulted from our strategic expansion through our Citizen's take-out program.

Net cash provided by investing activities was $8.3 million for the three months ended March 31, 2025 compared to $(4.6) million used in investing activities for the three months ended March 31, 2024. The increase in net cash provided by investing activities was primarily attributable to the proceeds from sales and maturities of fixed income securities in excess of purchases of fixed maturity securities during the period.

Net cash used in financing activities was $(15.0) million for the three months ended March 31, 2025 compared to $(4.1) million used in financing activities for the three months ended March 31, 2024. The increase in net cash used in financing activities was primarily attributable to an increase in the distribution made to members to pay federal income tax and a discretionary distribution that was paid out to members. There was no capital raising activity for the three months ended March 31, 2025.

Capitalization

Capital resources provide protection for policyholders, furnish the financial strength to support the business of underwriting insurance risks and facilitate continued business growth. The following table provides our members' equity, total long-term debt, total capital resources, debt-to-total capital ratio and debt-to-equity ratio as of March 31, 2025, and December 31, 2024.

($ in thousands)	**March 31, 2025**	**December 31, 2024**
Members' equity	$186,058	$ 162,392
Long term debt	$ 926	$ 1,029
Total capital resources	$186,984	$ 163,421
Debt-to-total capital ratio	0.5%	0.6%
Debt-to-equity ratio	0.5%	0.6%

The debt-to-total capital ratio is calculated as total long-term debt divided by total capital resources, whereas the debt-to-equity ratio is calculated as total long-term debt divided by members' equity. These ratios help management measure the amount of financing leverage in place in relation to equity and future leverage capacity.

Critical Accounting Estimates

In order to align with GAAP, preparing financial statements requires us to forecast future events through estimates and assumptions. These projections, along with their underlying assumptions, significantly impact the reported values of assets and liabilities, the disclosure of potential assets and liabilities, and the recorded figures for revenues and expenses. Among the accounting estimates, the accounting estimates discussed below are those that demand judgment, where different decisions could lead to substantial alterations in the reported outcomes. For a detailed discussion of our accounting policies, see our Notes to the Unaudited Condensed Consolidated Financial Statements. Our current critical accounting estimates are:

Liability for unpaid losses and loss adjustment expense

We set aside reserves, net of estimated subrogation, to provide for the estimated costs of paying losses and LAE under insurance policies we issued. Liability for unpaid losses and LAE represent management's best estimate of the ultimate cost of settling all outstanding claims, including claims that have been incurred, but not yet reported ("IBNR") as of a financial statement date. With the assistance of an independent, actuarial firm, we use statistical analysis to establish liabilities for unpaid losses and LAE. We do not discount the liability for unpaid losses and LAE for financial statement purposes. In establishing the liability for unpaid losses and LAE, actuarial judgment is relied upon in order to make appropriate assumptions to estimate a best estimate of ultimate losses. Those estimates are based on our historical information, industry information and estimates of trends that may affect the ultimate frequency of incurred but not reported claims and changes in ultimate claims severity.

We regularly review our reserve estimates and adjust them as necessary as experience develops or as new information becomes known to us. Such adjustments are included in current operations. During the loss settlement period, if we have indications that claims frequency or severity exceeds our initial expectations, we generally increase our reserves for losses and LAE. Conversely, when claims frequency and severity trends are more favorable than initially anticipated, we generally reduce our reserves for losses and LAE once we have sufficient data to confirm the validity of the favorable trends. Even after such adjustments, the ultimate liability may exceed or be less than the revised estimates. Accordingly, the ultimate settlement of losses and the related LAE may vary significantly from the estimate included in our consolidated financial statements.

Reserving for reported claims relies on a detailed assessment of individual risks, understanding the specifics of each claim, and considering the insurance policy terms related to the particular type of loss. Reserving for unreported claims and LAE involves utilizing historical data per line of insurance adjusted to present circumstances. Typically, the reserving process implicitly considers inflation by analyzing costs, trends, and reviewing historical reserving outcomes across several years.

The process of estimating the reserves for losses and LAE requires a high degree of judgment and is subject to several variables. Reserve estimates for our ultimate liability are derived using several different actuarial estimation methods, depending on the type of loss:

- Loss development method: The loss development method uses actual loss data and the historical development profiles on older underwriting years to project more recent, less developed years to their ultimate position.
- Frequency/severity methods: These methods are similar to the paid and case incurred loss development methods except that estimates of ultimate claim counts (a measure of claim frequency) and ultimate average severity are derived separately and then multiplied together to provide an estimate of ultimate loss.
- Incremental cost per closed claim method: This method is similar to the frequency/severity method except that paid severities are selected for each incremental development period, and then are trending using selected short-term and long-term trend factors.
- Bornhuetter-Ferguson method: The Bornhuetter-Ferguson method uses as a starting point an assumed initial expected loss ratio and blends in the loss ratio, which is implied by the claims experience to date using benchmark loss development patterns on paid claims data or reported claims data.
- IBNR-to-case outstanding method: This method requires the estimation of consistent paid and reported (case) incurred loss development patterns and age-to-ultimate factors. These patterns imply a specific expected relationship between IBNR, including both development or known claims (bulk reserve) and losses on a true late reported claims, and reported case incurred losses.

- DCC development methods: When DCC data is evaluated separately from losses, historical paid and case incurred DCC data may be arranged in a triangular format and projected to ultimate using the same technique as used for losses (i.e., loss development methods). In addition, projections using triangles of ratios of paid DCC-to-paid loss and ratios of paid DCC-to-case incurred losses can be made; those triangles can be constructed using ratios of incremental (e.g. annual) amounts, or ratios of cumulative amounts. Indications that result from projecting these ratios must be multiplied by the ultimate loss selections to arrive at ultimate DCC indications. Similarly, triangles of ratios of paid DCC-to-closed or reported claim counts can be used. The results from projecting these ratios will require multiplication by ultimate claim count selections to arrive at ultimate DCC indications.

Each actuarial methodology requires the selection and application of various parameters and assumptions. The key parameters and assumptions include:

1) Loss development factors – These factors are key assumptions in the loss development methods which assume recent accident years will follow the development patterns of prior accident years.

2) Initial expected loss ratio selections – The initial expected loss ratio selection is the key assumption in the Bornhuetter-Ferguson methods. The selection was made based on average of development methods loss ratios and selected loss ratio trend.

3) Claim count decay ratios – The decay ratio is the key assumption in the projection of ultimate claim counts for catastrophe and non-catastrophe storms.

4) Short-term and long-term projected severity trends – These severity trends are the key assumption in projecting severities for accident years in their future development periods.

Our reserves are driven by several important factors, including litigation and regulatory trends, legislative activity, climate change, social and economic patterns and claims inflation assumptions. Our reserve estimates reflect current inflation in legal claims' settlements and assume we will not be subject to losses from significant new legal liability theories. Our reserve estimates assume that there will not be significant changes in the regulatory and legislative environment. The impact of potential changes in the regulatory or legislative environment is difficult to quantify in the absence of specific, significant new regulation or legislation. In the event of significant new regulation or legislation, we will attempt to quantify its impact on our business, but no assurance can be given that our attempt to quantify such inputs will be accurate or successful.

Our financial status, reported outcomes, and liquidity are susceptible to shifts in critical assumptions determining our loss reserves. While we do not anticipate changes in claim frequency to significantly impact our reserves, fluctuations in the severity of claims could influence these reserves.

These amounts fell within the range of total reserves provided by our independent actuary. As of March 31, 2025, we recorded $13.4 million in case reserves and an additional $418.2 million for IBNR reserves, totaling $431.6 million in reserves, with an added $439.7 million attributable to reinsurance claims payable.

For further detail, see Note 7 — "*Liability for Unpaid Losses and Loss Adjustment Expense*" in our Notes to the Unaudited Condensed Consolidated Financial Statements.

Reinsurance

We follow industry standards by reinsuring a portion of our risks. Reinsurance involves transferring, or "ceding," a share of the risk exposure from the policies we write to another insurer, known as a reinsurer. If our reinsurers are unable to fulfill their obligations under our reinsurance agreements, we remain accountable for the entire insured loss.

In cases where losses fall within our reinsurance coverage, we document recoverable amounts from our reinsurers for paid losses and an estimation of recoverable amounts on unpaid losses. The reinsurance recoverables on unpaid losses are estimated in a manner consistent with the Company's estimate of unpaid losses and LAE associated with the insured business, thus fluctuating with changes to our estimates of unpaid losses. The estimation of recoverable amounts from reinsurers on unpaid losses may change in the future, and if there is a change it could adversely affect the amounts stated in our consolidated financial statements.

We estimate uncollectible amounts receivable from reinsurers based on an assessment of factors including the creditworthiness of the reinsurers and the adequacy of collateral obtained, where applicable.

Investments

The Company currently classifies all of its investments in debt securities and short-term investments as available-for-sale and reports them at fair value. Short-term investments consist of investments in interest-bearing assets with original maturities of 12 months or less. The Company records subsequent changes in value through the date of disposition as unrealized holding gains and losses, net of taxes, and includes them as a component of accumulated other comprehensive income until reclassified to earnings upon sale. Realized gains and losses on the sale of investments are determined using the specific-identification method and included in earnings. The Company amortizes any premium or discount on fixed maturities over the remaining maturity period of the related securities using the effective interest method and reports the amortization in net investment income. The Company recognizes dividends and interest income when earned. We have a financial stability rating of A, "Exceptional" from Demotech, an independent financial firm specializing in evaluating the financial stability of regional and specialty insurers, and whose rating is accepted by major mortgage companies. We do not have a rating from A.M. Best.

Fair Value

In our disclosure of the fair value of our investments, we utilize a hierarchy based on the quality of inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets in order to estimate fair value. The three levels of the fair value hierarchy are described below:

- Level 1—Valuations based on quoted prices in active markets for identical assets and liabilities;
- Level 2—Valuations based on observable inputs that do not meet the criteria for Level 1, including quoted prices in inactive markets and quoted prices in active markets for similar, but not identical instruments; and
- Level 3—Valuations based on unobservable inputs, which are based upon the best available information when external market data is limited or unavailable.

We estimate the fair value of our investments using the closing prices on the last business day of the reporting period, obtained from active markets using independent pricing source. For securities for which quoted prices in active markets are unavailable, we use observable inputs such as quoted prices in inactive markets, quoted prices in active markets for similar instruments, benchmark interest rates, broker quotes and other relevant inputs. Our estimates of fair value reflect the interest rate environment that existed as of the close of business on March 31, 2025 and December 31, 2024. Changes in interest rates subsequent to March 31, 2025 may affect the fair value of our investments.

Investment securities are subject to fluctuations in fair value due to changes in issuer-specific circumstances, such as credit rating, and changes in industry-specific circumstances, such as movements in credit spreads based on the market's perception of industry risks. In addition, fixed maturities are subject to fluctuations in fair value due to changes in interest rates as a result of governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. A rise in interest rates would decrease the net unrealized holding gains of our investment portfolio, offset by our ability to earn higher rates of return on funds reinvested. Conversely, a decline in interest rates would increase the net unrealized holding gains of our investment portfolio, offset by lower rates of return on funds reinvested. Unrealized gains and losses on our fixed maturity securities are included in accumulated other comprehensive income as a separate component of total members' equity.

Impairment

Quarterly, the Company performs an assessment of all investments to determine if any are impaired as the result of a credit loss. An investment is impaired when the fair value of the investment declines to an amount less than the cost or amortized cost of that investment. For each fixed-income security in an unrealized loss position, if the intent is to sell the security or if it is more likely than not that the Company will be required to sell the security before recovering the cost or amortized cost basis for reasons such as liquidity needs, contractual or regulatory requirements, the security's entire decline in fair value is recorded in earnings. If the intent is not to sell the security or it is not more likely than not that the Company will be required to sell the security, the Company will evaluate whether any impairment is attributable to credit-related factors. Such evaluation includes consideration of factors such as:

- Failure of the issuer of the security to make scheduled interest or principal payment;
- Downgrades in the security's credit rating since acquisition by three or more notches;
- Adverse conditions specifically related to the security, an industry, or geographic area;
- Changes in the financial condition of the issuer of the security; and
- The payment structure of the security and the likelihood of the issuer being able to make payments that increase in the future.

Upon determination of a credit-related impairment, an allowance for credit losses will be recognized and is measured as the amount by which the security's amortized cost basis exceeds the entity's best estimate of the present value of cash flows expected to be collected. The allowance is limited to the difference between the amortized cost basis and the security's fair value. Subsequent recovery of any previously recorded impairment will be recognized through reversal of the allowance for credit losses.

Deferred income taxes

We account for taxes under the asset and liability method, under which we record deferred income taxes as assets or liabilities on our balance sheet to reflect the net tax effect of the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their respective tax bases. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect to recover or settle those temporary differences. Should a change in tax rates occur, we recognize the effect on deferred tax assets and liabilities in operations in the period that includes the enactment date. Realization of our deferred income tax assets depends upon our generation of sufficient future taxable income.

We recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. The amount of income tax expense or benefit recorded in future periods will depend on the jurisdictions in which we operate and the tax laws and regulations in effect. The Company is subject to payment of U.S. federal and state income taxes as a corporation.

Recent Accounting Pronouncements

We currently qualify as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Accordingly, we are provided the option to adopt new or revised accounting guidance either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. We have elected to avail ourselves of this extended transition period and, as a result, we will not be required to adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of $1.235 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of our IPO; (iii) the date on which we have issued more than $1 billion in nonconvertible debt during the previous three years; and (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

See Note 2 — "*Summary of Significant Accounting Policies*" in our Notes to the Unaudited Condensed Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of economic losses due to adverse changes in the estimated fair value of a financial instrument as the result of changes in interest rates, duration, equity prices, foreign currency exchange rates, and commodity prices. The primary components of market risk affecting us are interest rate risk, duration risk and credit risk. We do not have significant exposure to equity risk, foreign currency exchange rate risk or commodity risk.

As of March 31, 2025, and December 31, 2024, our investment portfolios contained fixed-maturity securities. These securities are not intended for trading or speculative purposes. Our primary aim is to maximize after-tax investment income while ensuring sufficient liquidity to fulfill policyholder obligations. Additionally, we strive to minimize market risk, which encompasses potential economic losses resulting from adverse fluctuations in securities' prices.

In developing our investment strategies, we consider various factors such as credit ratings, investment concentrations, regulatory requirements, expected interest rate fluctuations, durations, and prevailing market conditions. Our investment portfolio is managed by Goldman Sachs Asset Management, overseen by an investment committee appointed by our Board of Directors.

Our investment portfolios are predominantly exposed to interest rate risk, duration risk and credit risk. We classify these fixed-maturity securities as available-for-sale. Any unrealized gains or losses, adjusted for deferred income taxes, are reported as part of other comprehensive income within our members' equity. Consequently, significant temporary changes in their fair value could potentially affect the carrying value of our members' equity.

The effective weighted average duration of the portfolio as of was 1.31 years and 0.72 years at March 31, 2025 and 2024, respectively, and 0.95 years at December 31, 2024. As of March 31, 2025, the estimated weighted-average credit quality rating of the fixed maturity securities portfolio was A, at fair value, which was consistent with the average rating for the year-ended December 31, 2024. We have not experienced a material impact when compared to the tabular presentations of our interest rate and market risk sensitive instruments in our prospectus, dated May 7, 2025 filed with the Securities and Exchange Commission pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on May 8, 2025 for the year ended December 31, 2024.

Interest Rate Risk

Interest rate risk is the risk that we will incur economic losses due to adverse changes in interest rates. When market interest rates rise, the fair value of our fixed maturity securities decreases. Conversely, as interest rates fall, the fair value of our fixed maturity securities increases. Credit risk is the potential loss resulting from adverse changes in an issuer's ability to repay its debt obligations. Credit risk can expose us to potential losses arising principally from adverse changes in the financial condition of the issuers of our fixed maturity securities. We mitigate the risk by primarily investing in fixed-maturity securities that are rated "BBB" (S&P) or higher and diversifying our investment portfolio to avoid concentrations in any single issuer or business sector.

Credit Risk

Credit risk is the potential loss resulting from adverse changes in an issuer's ability to repay its debt obligations. We have exposure to credit risk as a holder of fixed maturity investments. Credit risk can expose us to potential losses arising principally from adverse changes in the financial condition of the issuers of our fixed maturity securities. We mitigate the risk by primarily investing in fixed-maturity securities that are rated "BBB" (S&P) or higher and diversifying our investment portfolio to avoid concentrations in any single issuer or business sector. Pursuant to our investment policy, only $1.0 million may be invested in below investment grade bonds.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in the Exchange Act, Rule 13a-15(e)) that are designed to assure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

As required by Exchange Act Rule 13a-15(b) or Rule 15d-15(b), as of the end of the period covered by this Quarterly Report, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2025, our disclosure controls and procedures were not effective due to the material weakness in our internal control over financial reporting described below.

Material Weakness in Internal Control Over Financial Reporting

As previously disclosed in our registration statement on Form S-1, we identified a material weakness in our internal control over financial reporting. The material weakness relates to the aggregate effect of multiple deficiencies in internal controls, which affected the control activities component of the Company's internal control framework, including with respect to controls that address claims payments in the Company's policy administrative system, reconciliation of claim payments used by the Company's actuaries to estimate reserves, reconciliation of premium receivable balances and reserve for credit losses, reconciliation of investments held by consolidated variable interest entities, and the reconciliation of ceding commission. The Company did not maintain sufficiently detailed and precise documentation in support of the design and operation of controls, which is pervasive throughout the Company's internal control environment.

Remediation Efforts

The Company is committed to remediating this material weakness as quickly as possible and will continue to monitor the effectiveness of these remediation measures. The Company is in the early stages of implementing a plan to remediate the material weaknesses identified. The current plan includes the below:

- Hiring additional experienced accounting, financial reporting and internal control personnel and changing roles and responsibilities of our personnel as we transition to being a public company and are required to comply with Section 404 of the Sarbanes Oxley Act of 2002 (the "Sarbanes-Oxley Act").
- Implementing company-wide internal control training to deepen our employees' understanding of their role in relation to our overall control environment and establish clear expectations for control documentation.
- Engaging external service providers to assist management as we enhance written policies and procedures to establish specific actions expected of control owners, such that sufficient documentation is maintained to demonstrate control activities are performed consistently throughout the organization and with an appropriate level of precision to meet objectives and mitigate risks to acceptable levels.
- Reviewing and enhancing the design of controls to evaluate accounting policies and establish processes and controls to review management's estimate of credit losses due to the cancellation of insurance policies.

The material weakness cannot be considered remediated until the enhanced controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting during our most recent quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are subject to routine legal proceedings in the ordinary course of business. We believe that the ultimate resolution of these matters will not have a material adverse effect on our business, financial condition, results of operations or cash flows.

Item 1A. Risk Factors

Summary of Risk Factors

Our business is subject to a number of risks and uncertainties that you should understand before making an investment decision. These include:

- As a property and casualty insurer, we may face significant losses, and exposure to catastrophic events and severe weather conditions may cause our financial results to significantly vary from period to period.
- Our loss reserves are estimates and may be inadequate to cover our actual liability for losses, which could adversely affect our business.
- Because we conduct substantially all of our business in Florida, our financial results depend on the regulatory, legal, economic and weather conditions in Florida.
- Changing climate conditions may increase the severity and frequency of catastrophic events and severe weather conditions, which may adversely affect our business.
- Actual claims incurred have exceeded, and in the future may exceed, reserves established for claims, adversely affecting our operating results and financial condition.
- Lack of effectiveness of exclusions and other loss limitation methods in the insurance policies we assume or write could have a material adverse effect on our financial condition or results of operations.
- Because we rely on third-party distribution partners, including independent insurance agents, homebuilder-affiliated agents and national insurance carriers who restrict the amount of business they write in Florida, the loss of these relationships and the business they control or our inability to attract distribution partners could have an adverse impact on our business.
- Although we believe that recent legislative reforms have driven a stabilization of rates, our results may fluctuate based on cyclical changes in the insurance industry.
- We may pursue opportunities to participate in Citizens' take-out programs and directly assume policies issued by Citizens to policyholders who were otherwise unable to obtain private insurance. Take-out opportunities are subject to a number of timing and execution risks, and we may fail to participate in Citizens' take-out programs on terms that are ultimately profitable to us, or at all.
- Reinsurance coverage may not be available to us in the future at commercially reasonable rates, or at all.
- Reinsurance subjects us to the credit risk of our reinsurers who may suffer a downgrade, and we risk not being able to collect reinsurance amounts in a timely manner, or at all, due to us under our contracts with reinsurers, which could materially harm our business and financial condition.
- The failure of the risk mitigation strategies we utilize could have a material adverse effect on our financial condition or results of operations.
- The inherent uncertainty of models and our reliance on such models as a tool to evaluate risk may have an adverse effect on our financial results.
- Our success depends on our ability to accurately price the risks we underwrite, which is subject to uncertainty.

- Our information technology systems may fail or be disrupted, which could adversely affect our business.
- If we are unable to expand our business because our capital must be used to pay greater than anticipated claims, our financial results may suffer, and we may require additional capital in the future which may not be available or may be available only on unfavorable terms.
- Unanticipated increases in the severity or frequency of claims could adversely affect our business or financial condition.
- If actual renewals of our existing policies do not meet expectations, our future premiums and results of operations could be materially adversely affected.
- The failure of our claims department, or the third-party claims adjusters whom we may engage, to effectively manage or remediate claims could adversely affect our business, financial results or capital requirements.
- Increased competition and market conditions, including changes in our financial stability and credit ratings, could affect the growth of our business and negatively affect our financial results.
- We are subject to extensive regulation, and potential further restrictive regulation may increase our operating costs and limit our growth and profitability.
- The effects of emerging claim and coverage issues in Florida on our business are uncertain.
- Mandatory assessments or competition for government entities may create short-term liabilities or affect our ability to underwrite more policies.
- We face financial exposure to unpredictable weather patterns and catastrophic storms and resulting regulation from the FLOIR.
- The Florida Hurricane Catastrophe Fund may not have enough resources to pay us for the coverage we purchased.
- A regulatory environment that requires approval of rate increases, can mandate rate decreases, and that can dictate underwriting practices and mandate participation in loss sharing arrangements may adversely affect our results of operations and financial condition.
- We have elected to rely on certain phase-in provisions of the SEC and/or the NYSE rules, and, as a result, we are not currently subject to certain corporate governance requirements otherwise required of NYSE-listed companies.
- We are not contractually obligated to pay regular cash dividends on our Common Stock. As a result, you may not receive any return on investment unless you sell your Common Stock for a price greater than that which you paid for it.

Risks Related to Our Business

As a property and casualty insurer, we may face significant losses, and exposure to catastrophic events and severe weather conditions may cause our financial results to significantly vary from period to period.

Because of the exposure of our property and casualty business to catastrophic events, our operating results or financial condition have varied, and may in the future vary, significantly from one period to the next, and our historical results of operations may not be indicative of future results of operations. Property damage resulting from catastrophes is the greatest risk of loss we face in the ordinary course of our business. Artificial or natural disasters, including but not limited to hurricanes, convective storms, tornadoes, tropical storms, sinkholes, windstorms, hailstorms and other severe weather events may cause catastrophes. The frequency and severity of property insurance claims typically increase when catastrophic events and severe weather conditions occur. Catastrophes are inherently unpredictable and difficult to project. As a result, we have in the past and may in the future, suffer financial loss due to unpredictable numbers of claims as catastrophes occur.

The loss estimates developed by the models we use are dependent upon assumptions or scenarios incorporated by a third-party developer and by us. When these assumptions or scenarios do not reflect the characteristics of catastrophic events that affect areas covered by our policies or the resulting economic conditions, then we become exposed to losses not covered by our reinsurance

program, which could adversely affect our financial condition, business or results of operations. Although we use widely recognized and commercially available models to estimate our exposure to loss from hurricanes and certain other catastrophes, other models exist that might produce a wider or narrower range of loss estimates, or loss estimates from perils considered less significant to our insured risks. These models are constantly changing, and we may utilize different models than we have historically. Despite our catastrophe management programs, we retain material exposure to catastrophic events. Additionally, the models themselves produce a range of results and associated probabilities of occurrence from which we can assess risks of exposure to catastrophic loss. Extreme catastrophe scenarios exist within the modeling results that may also have a material adverse effect on our results of operations during any reporting period due to increases in our losses. Catastrophes may reduce or otherwise impact liquidity, which could have a negative impact on our business. Catastrophes have eroded and in the future may erode our statutory surplus or ability to obtain adequate reinsurance which could negatively affect our ability to write new or renewal business. Catastrophic claim severity is impacted by the effects of inflation and increases in insured value and factors such as the overall claims, legal and litigation environments in affected areas, in addition to the geographic concentration of insured property.

Our loss reserves are estimates and may be inadequate to cover our actual liability for losses, which could adversely affect our business.

We maintain reserves to cover our estimated ultimate liabilities for losses and LAE, also referred to as loss reserves. Our loss reserves are based primarily on our historical data and statistical projections of what we believe the resolution and administration of claims will cost based on facts and circumstances then known to us.

Our claims experience and our experience with the risks related to certain claims are inherently limited. We use company historical data to the extent it is available and rely on industry historical data, which may not be indicative of future periods. As a result, our projections and our estimates may be inaccurate, which in turn may cause our actual losses to exceed our loss reserves. If our actual losses exceed our loss reserves, our financial results, our ability to expand our business and our ability to compete in the property and casualty insurance industry may be negatively affected.

Because of the inherent uncertainties in the reserving process, we cannot be certain that our reserves will be adequate to cover our actual losses and LAE. If our reserves for unpaid losses and LAE are less than actual losses and LAE, we will be required to increase our reserves with a corresponding reduction in our net income in the period in which the deficiency is identified. Future losses and LAE that exceed our reserves could substantially harm our results of operations or financial condition.

Because we conduct substantially all of our business in Florida, our financial results depend on the regulatory, legal, economic and weather conditions in Florida.

Though we are licensed to transact insurance business in other states, we write substantially all of our policies in Florida. Because of our concentration in Florida, we are exposed to hurricanes, windstorms and other catastrophes affecting Florida. We have incurred and may in the future incur higher catastrophe losses in Florida or elsewhere than those we experienced in prior years; those estimated by catastrophe models we use; the average expected level used in pricing; and our current reinsurance coverage limits. We are also subject to claims arising from non-catastrophic weather events such as rain, hail and high winds.

Additionally, in Florida, despite the recent decrease in the frequency of claims due in part to recent legislative reforms, the severity of costs associated with both catastrophe claims and non-catastrophe claims has continued to increase. The nature and level of future catastrophes, the incidence and severity of weather conditions in any future period, and the impact of catastrophes on behaviors related to non-catastrophe claims cannot be predicted and could materially and adversely impact our operations.

Therefore, prevailing regulatory, consumer behavior, legal, economic, political, demographic, competitive, weather and other conditions in Florida affect our revenues and profitability. The Florida legislature changes laws related to property insurance frequently and has done so more often in recent years. While some of these law changes have been designed to reduce abuses in the Florida market and reinvigorate admitted market interest in expanding writings, other law changes have imposed new or increased requirements on insurers that might prove to be detrimental to our business. In addition, extended implementation periods, ensuing regulatory rule making timelines and periods of uncertainty as opponents of the changes challenge them in court often follow changes to Florida's insurance laws. Resulting delays in the effectiveness of new laws, even when intended to be beneficial for the insurance industry, may limit or delay the laws' impact on our business.

Adverse changes in these conditions in Florida have a more pronounced effect on us than they would on other insurance companies that are more geographically diversified throughout the United States. A single catastrophic event, or a series of such events, specifically affecting Florida, particularly in the more densely populated areas of the state, have had and could have an adverse impact on our business, financial condition or results of operations. This is particularly true in certain Florida counties where we write a large amount of policies such that a catastrophic event or series of catastrophic events in these counties could have a significant impact on

our business, financial condition or results of operations. Our concentration in Florida subjects us to increased exposure to certain catastrophic events and destructive weather patterns such as hurricanes, tropical storms and tornadoes and to the ensuing claims-related behaviors that have characterized the Florida market in recent years.

While we operate substantially all of our business in Florida, we have expanded our business into other geographical markets, and there is no guarantee that such expansion will be successful or that the underwriting and profitability criteria we utilize in Florida will successfully translate to other states. In addition, we are and will continue to be subject to regulatory, legal, economic and weather conditions in the states where we will write policies, which are often different than the conditions we face in Florida. As a result, we may not be able to adjust to changing conditions in other states in which we write policies due to our focus and expertise in Florida, and as a result, our results of operations may be materially affected.

Changing climate conditions may increase the severity and frequency of catastrophic events and severe weather conditions, which may adversely affect our business.

Longer-term weather trends may be changing, and new types of catastrophe losses may be developing due to climate change, a phenomenon that has been associated with greenhouse gases and extreme weather events linked to rising temperatures, including effects on global weather patterns, sea, land and air temperature, sea levels, rain, and snow. To the extent the frequency or severity of weather events is exacerbated due to climate change, we may experience increases in catastrophe losses in both coastal and non-coastal areas. This may increase our claims-related and/or insurance costs or may negatively affect our ability to provide insurance to our policyholders. In addition, increased catastrophic events could result in increased credit exposure to the reinsurers that we work with. Our actual losses from catastrophic events might exceed levels that the third parties' reinsurance programs protect or might be larger than anticipated if one or more of our reinsurers fail to meet their obligations. Climate change may affect the occurrence of certain natural events, such as increasing the frequency or severity of convection storms, wind, tornado, hailstorm and thunderstorm events due to increased convection in the atmosphere. There could also be more frequent wildfires in certain geographies, more flooding and the potential for increased severity of hurricanes due to higher sea surface temperatures. As a result, incurred losses from such events and the demand, price and availability of reinsurance coverages for homeowners insurance may be affected. This may cause an increase in claims-related and/or reinsurance costs or may negatively affect our ability to provide homeowners insurance to our policyholders in the future.

In addition, we cannot predict how legal, regulatory and societal responses to concerns around climate change may impact our business. The inherent uncertainties associated with studying, understanding and modeling changing climate conditions, available analyses and models in this area typically relate to potential meteorological or sea level impacts and generally are not intended to analyze or predict impacts on insured losses.

Actual claims incurred have exceeded, and in the future may exceed, reserves established for claims, adversely affecting our operating results and financial condition.

We maintain loss reserves to cover our estimated ultimate liability for unpaid losses and LAE for reported and unreported claims as of the end of each accounting period. The reserve for losses and LAE is reported net of receivables for subrogation. Recorded claim reserves in the property and casualty business are based on our best estimates of what the ultimate settlement and administration of claims will cost, both reported and incurred but not reported. These estimates, which generally involve actuarial projections, are based on management's assessment of known facts and circumstances, including our experience with similar cases, actual claims paid, historical trends involving claim payment patterns, pending levels of unpaid claims and contractual terms. External factors are also considered, which include but are not limited to changes in the law, court decisions, changes to regulatory requirements, economic conditions including inflation as experienced in recent years, and consumer behavior (including as a result of any foreign or domestic tariffs, taxes or levies instituted in connection with ongoing global trade negotiations). Many of these factors are not quantifiable and are subject to change over time. The current Florida homeowners' insurance market is adversely impacted by changes in claimant behaviors resulting in losses and LAE exceeding historical trends, amounts experienced in other states, and amounts we previously estimated. The increases in losses and LAE are attributable to the active solicitation of claims activity by policyholder representatives, high levels of represented claims compared to historical patterns or patterns seen in other states, and a proliferation of inflated claims filed by policyholder representatives and vendors.

Additionally, there sometimes is a significant reporting lag between the occurrence of an event and the time it is reported to us. The inherent uncertainties of estimating reserves are greater for certain types of liabilities, particularly those in which the various considerations affecting the type of claim are subject to change and in which long periods of time elapse before a definitive determination of liability is made. We continually refine reserve estimates as experience develops and as subsequent claims are reported and settled. Adjustments to reserves are reflected in the financial statement results of the periods in which such estimates are changed. Inflationary pressures, rising energy prices, supply chain issues and other macroeconomic conditions (including as a result of any foreign or domestic tariffs, taxes or levies instituted in connection with ongoing global trade negotiations) have caused increases

in the cost of building materials and labor, which in turn have caused the cost to replace damaged or destroyed property to increase. We model expected costs (including expected inflation) associated with any policy we write in order to help determine the amount of premiums needed for the policy to yield our targeted profit. Inflation and other macroeconomic factors have increased our costs more than we anticipated and may continue to do so in the future. Because our policies generally carry a term of one year, replacement costs have, at times in the past, exceeded our estimates (including as a result of inflation), causing our targeted profit to be eroded or eliminated. This has resulted in our paid losses exceeding prior reserve estimates and in increases in our current estimates of unpaid losses and LAE. Because setting reserves is inherently uncertain and claims conditions change over time, the ultimate cost of losses has varied and, in the future, may vary materially from recorded reserves, and such variance may continue to adversely affect our operating results and financial condition. The full extent of the ongoing disruptions and claims behaviors in the Florida market, and the extent to which legislative efforts aimed at mitigating these concerns will be successful, is unknown and still unfolding.

Subrogation is a significant component of our total net reserves for losses and LAE. There has been a significant increase in our efforts to pursue subrogation against third parties responsible for property damage losses to our policyholders. More recently, changes in Florida's claims environment and legal climate have reduced the effectiveness of our efforts to properly apportion losses through subrogation. Responsible parties are increasingly using delays and defensive tactics to avoid subrogation and increase its costs, which in turn decreases its effectiveness. Our ability to recover recorded amounts remains subject to significant uncertainty, including risks inherent in litigation, collectability of the recorded amounts and potential law changes or judicial decisions that can hinder or reduce the effectiveness of subrogation.

Lack of effectiveness of exclusions and other loss limitation methods in the insurance policies we assume or write could have a material adverse effect on our financial condition or results of operations.

Provisions of our policies, such as limitations or exclusions from coverage, which are designed to limit our risks, may not be enforceable in the manner we intend. In addition, the policies we issue contain conditions requiring the prompt reporting of claims to us and our right to decline coverage in the event of a violation of that condition. While our insurance product exclusions and limitations reduce the loss exposure to us and help eliminate known exposures to certain risks, it is possible that a court or regulatory authority could nullify or void an exclusion or limitation, or legislation could be enacted that modifies or bars the use of such endorsements and limitations in a way that would adversely affect our loss experience, which could have a material adverse effect on our financial condition or results of operations.

Because we rely on third-party distribution partners, including independent insurance agents, homebuilder-affiliated agents and national insurance carriers who restrict the amount of business they write in Florida, the loss of these relationships and the business they control or our inability to attract distribution partners could have an adverse impact on our business.

Our business depends in part on the marketing efforts of third-party distribution partners, including independent insurance agents, homebuilder-affiliated agents and national insurance carriers who restrict the amount of business they write in Florida and our ability to offer products and services that meet the requirements of our third-party distribution partners and their customers' requirements. We write insurance policies in an insurance market where we may freely choose or reject without the assistance of residual market mechanisms (the "Voluntary Market") through various channels, including through a network of independent agents, which represents our largest distribution channel, as measured by gross premiums written for the year ended December 31, 2024. Many of our competitors also distribute through these same partners as these agents have the ability to write or re-write business with other carriers. As a result, we must compete with other insurers for our partners' business. Our competitors may offer a greater variety of insurance products, lower premiums for insurance coverage or higher commissions to their third-party distribution partners. If our products, pricing and commissions do not remain competitive, we may find it more difficult to attract business from our partners to sell our products. We cannot provide assurance that we will retain our current distribution relationships, or be able to establish new distribution relationships, with independent agents. We also rely on other third parties such as third-party claims adjusters as part of our claims management process and utilize third-party reinsurers to help cover losses. The inability to maintain these relationships with these third-party providers could have a material impact on our business and results of operations.

Although we believe that recent legislative reforms have driven a stabilization of rates, our results may fluctuate based on cyclical changes in the insurance industry.

The insurance industry historically has been cyclical, characterized by periods of intense price competition due to excessive underwriting capacity and periods of shortages of capacity that permitted an increase in pricing and, thus, more favorable underwriting profits. As premium levels increase, there may be new entrants to the market, which could lead to a decrease in policies written by us. Any of these factors could lead to a reduction in revenue in future periods, less favorable policy terms and fewer opportunities to underwrite insurance risks, which could have a material adverse effect on our results of operations and cash flows. In addition to these considerations, changes in the frequency and severity of losses suffered by policyholders and insurers may affect the cycles of the insurance business significantly.

We believe the legislative reforms in 2022 have driven a stabilization of rates within the insurance industry, however, we cannot predict whether market conditions will continue to improve, remain constant or deteriorate, and the characterization of the insurance market as a whole is subject to varying interpretations and opinions that fluctuate regularly. Negative market conditions may impair our ability to write insurance at rates that we consider appropriate relative to the risk assumed. If we cannot write insurance at appropriate rates, our business could be materially and adversely affected.

We may pursue opportunities to participate in Citizens' take-out programs and directly assume policies issued by Citizens to policyholders who were otherwise unable to obtain private insurance. Take-out opportunities are subject to a number of timing and execution risks, and we may fail to participate in Citizens' take-out programs on terms that are ultimately profitable to us, or at all.

Citizens acts as Florida's state-owned insurer of last resort, and is the largest homeowners insurer in Florida as measured by premiums in-force. From time to time, Citizens will transfer certain of its existing policies to private companies in order to reduce the State of Florida's risk exposure. We participated in four take-out opportunities in 2024 assuming 68,844 policies. As of December 31, 2024, 21% of our policies in-force were assumed from Citizens representing 24% of our premiums in-force. Prior to 2024, we had not pursued a take-out opportunity since 2014 and therefore have less recent experience in executing on these opportunities than certain of our peers. Although each policy we pursue from Citizens is run through our standard underwriting procedures, the amount of data made available to us by Citizens may be less or different from what is available to us in the Voluntary Market. The lack of availability of this information may pose a material risk to our underwriting profitability with respect to any take-outs we pursue.

Additionally, there can be no guarantee that Citizens will timely offer sizeable take-out opportunities to the private insurance market that would meet our underwriting and profitability criteria or continue the depopulation program at all. While Citizens does replenish its policies after conducting take-outs, there is no guarantee that such replenishments will meet our underwriting and profitability criteria or provide attractive take-out opportunities for us in the future, and our financial condition may suffer as a result. In addition, there may be a negative perception regarding our depopulations from Citizens or the desirability of the policies we assume, which could adversely affect the price of our Common Stock.

Further, the market for attractive take-out opportunities is highly competitive and is subject to a bidding process. If competing private insurers offer a lower premium than us for the same policy, Citizens is required to allocate that policy to the insurer who offers the lowest premium. In the past, certain of our peers have been able to offer lower premiums than us when pursuing the same take-out opportunities. Other carriers may also choose to re-enter or expand their business in Florida in light of potential attractive take-out opportunities and generally improving market conditions on the back of the legislative reforms in 2022. Additionally, following the term of each policy assumed from Citizens, the policyholder has the opportunity to renew their policy similar to our underwriting process in the Voluntary Market. There is no guarantee that we will be able to renew these assumed policies, and a lack of renewals could harm our financial condition.

Reinsurance coverage may not be available to us in the future at commercially reasonable rates, or at all.

Reinsurance is a method of transferring part of an insurance company's liability under an insurance policy to another insurance company, or reinsurer. We use reinsurance arrangements to limit and manage the amount of risk we retain, to stabilize our underwriting results and to increase our underwriting capacity. The cost of such reinsurance is subject to prevailing market conditions beyond our control, such as the amount of capital in the reinsurance market and the occurrence of natural and human-made catastrophes. We cannot be assured that reinsurance will remain continuously available to us in sufficient amounts or at prices acceptable to us. As a result, we may determine to increase the amount of risk we retain or look for other alternatives to reinsurance, which could in turn have a material adverse effect on our financial position, results of operations and cash flows.

Reinsurance subjects us to the credit risk of our reinsurers who may suffer a downgrade, and we risk not being able to collect reinsurance amounts in a timely manner, or at all, due to us under our contracts with reinsurers, which could materially harm our business and financial condition.

Reinsurance does not legally discharge us from our primary liability for the full amount of the risk we insure, although it may make the reinsurer liable to us in the event of a claim. In addition, our reinsurers may not pay the claims we incur on a timely basis, or they may not pay some or all of these claims. Our inability to collect a material recovery from a reinsurer or to collect such recovery in a timely fashion could have a material adverse effect on our operating results, financial condition and liquidity.

In addition, we are subject to credit risk with respect to our reinsurers as third-party rating agencies assess and rate the claims-paying ability of reinsurers based upon criteria established by the rating agencies. We address this credit risk by selecting reinsurers that have an A.M. Best Financial Strength Rating of "A-" (Excellent) or better at the time we enter into the agreement or for which we hold collateral equal to 100% of the reinsurance recoverable. Downgrades to the credit ratings of our reinsurance counterparties may result in the reduction of rating agency capital credit provided by those reinsurance contracts, which could limit our ability to write new

policies or renew existing policies. If one or more of our reinsurers were to suffer a credit downgrade, our financial condition may suffer, and we may be forced to consider various options to lessen the risk of asset impairment, including commutation, novation and letters of credit. The collectability of reinsurance recoverables is subject to uncertainty arising from many factors, including our reinsurers' (i) financial capacity, (ii) willingness to make payments under the terms of a reinsurance treaty or contract and (iii) whether insured losses meet the qualifying conditions and are recoverable under our reinsurance contracts for covered events or are excluded.

The failure of the risk mitigation strategies we utilize could have a material adverse effect on our financial condition or results of operations.

We utilize a number of strategies to mitigate our risk exposure including:

- employing proper underwriting processes;
- carefully evaluating the terms and conditions of our policies;
- selective underwriting with respect to certain geographic areas we consider high-risk due to the potential of catastrophe events or litigation; and
- ceding insurance risk to reinsurance companies.

However, there are inherent limitations in these strategies. We are unable to assure that an event or series of events will not result in loss levels that could have a material adverse effect on our financial condition or results of operations.

The inherent uncertainty of models and our reliance on such models as a tool to evaluate risk may have an adverse effect on our financial results.

We use models developed by third-party vendors in assessing our exposure to catastrophe losses, and these models assume various conditions and probability scenarios, most of which are not known to us or are not within our control. These models may not accurately predict future losses or accurately measure losses incurred. In addition, these models are constantly changing, and we may utilize different models than we have historically. Competing models may differ in assessing risk and often utilize different underlying assumptions. The accuracy of models in estimating insured losses from prior storms has varied considerably by catastrophe when compared to actual results from those catastrophes. If these models understate the exposures we assume, we may not properly assess the risk and we may make poor decisions relating to pricing, underwriting and selecting the related amount of reinsurance we purchase. This uncertainty may materially impact our financial results.

Our success depends on our ability to accurately price the risks we underwrite, which is subject to uncertainty.

The results of our operations and our financial condition depend on our ability to underwrite and accurately set premium rates for a variety of risks. Rate adequacy is necessary to generate sufficient premiums to pay losses, LAE, underwriting expenses and to earn a profit. To price our products accurately, we must collect and properly analyze a substantial amount of data; develop, test and apply appropriate rating formulas; closely monitor and timely recognize changes in trends; and project both severity and frequency of losses with reasonable accuracy. Our ability to undertake these efforts successfully, and thus, price our products accurately, is subject to several risks and uncertainties, some of which are outside of our control, including:

- the availability of sufficient reliable data;
- the uncertainties that inherently characterize estimates and assumptions;
- our selection and application of appropriate rating and pricing techniques;
- changes in legal standards, claim settlement practices, and restoration costs; and
- legislatively imposed consumer initiatives.

In addition, we could underprice risks, which could negatively affect our financial results. We could also overprice risks, which could reduce our retention, sales volume and competitiveness. The foregoing factors could materially and adversely affect our business and results of operations.

Our information technology systems may fail or be disrupted, which could adversely affect our business.

Our insurance business is highly dependent upon the successful and uninterrupted functioning of our computer and data processing systems. We rely on these systems to perform underwriting and other modeling functions necessary for writing policies and handling our policy administration process. The failure or disruption of these systems could interrupt our operations and result in a material adverse effect on our business. The increasing prevalence and severity of cyber-related threats and incidents may further increase the risk of disruption of our information technology systems. The increasing prevalence and severity of cyber-related threats and incidents may further increase the risk of disruption of our information technology systems.

The growth of our insurance business is dependent upon the successful development and implementation of advanced computer and data processing systems as well as the development and deployment of new information technologies to streamline our operations, including policy underwriting, production, administration and claim processing. The failure of these systems to function as planned could adversely affect our future business volume or results of operations. Additionally, our computer and data processing systems could become obsolete or could cease to provide a competitive advantage in policy underwriting, production, administration and claim processing which could negatively affect our results of operations.

If we are unable to expand our business because our capital must be used to pay greater than anticipated claims, our financial results may suffer, and we may require additional capital in the future, which may not be available or may be available only on unfavorable terms.

Our future growth and future capital requirements will depend on the number of insurance policies we write, the kinds of insurance products we offer and the geographic markets in which we do business versus the business risks we choose to assume. Growth initiatives require capital. Our existing sources of funds include potential sales of Common Stock, incurring debt and our earnings from operations and investments. Unexpected catastrophic events in our coverage areas, such as hurricanes, may result in greater claims losses than anticipated, which could require us to limit or halt our growth while we redeploy our capital to pay these unanticipated claims unless we are able to raise additional capital.

To the extent that our present capital is insufficient to meet future operating requirements or to cover losses, we may need to raise additional funds through financing or curtail our growth. Based on our current operating plan, we believe that our current capital together with our anticipated retained income will support our operations. However, we cannot provide any assurance that our current capital will support our current operating plan or future growth, since many factors will affect the amount and timing of our capital needs, including profitability of our business, the availability and cost of reinsurance, market disruptions and other unforeseeable developments. If we require additional capital, it is possible that equity or debt financing may not be available on acceptable terms or at all. In the case of equity financings, dilution to our stockholders could result, and in any case such securities may have rights, preferences and privileges that are senior to those of existing stockholders. If we cannot obtain adequate capital on favorable terms or at all, our business, financial condition or results of operations could be materially adversely affected.

Unanticipated increases in the severity or frequency of claims could adversely affect our business or financial condition.

Changes in the severity or frequency of claims affect our profitability. Although we aim to provide adequate and appropriate coverage under each of our policies, policyholders could purchase policies that prove to be inadequate or inappropriate. If such policyholders bring a claim or claims alleging that we failed in our responsibilities to provide them with the type or amount of coverage that they sought to purchase, we could be found liable for amounts significantly in excess of the policy limit, resulting in an adverse effect on our business, results of operations or financial condition.

Changes in homeowners' claim severity can be and have been driven by inflation in the construction industry, in building materials and in home furnishings, as well as by other economic and environmental factors, including increased demand for services and supplies in areas affected by catastrophes, supply chain disruptions, labor shortages, and prevailing attitudes towards insurers and the claims process, including increases in the number of litigated claims or claims involving representation as well as continuing efforts by policyholder representatives to seek larger settlements on pre-reform claims in recognition that the elimination of the statutory right to attorneys' fees and other law changes will apply to future claims. However, changes in the level of the severity of claims are not limited to the effects of inflation and demand surge in these various sectors of the economy or to Florida's disproportionately high incidence of represented claims. Increases in claim severity can also arise from unexpected events that are inherently difficult to predict. In addition, significant long-term increases in claim frequency also have an adverse effect on our operating results or financial condition. Further, the level of claim frequency we experience varies from period to period, and from region to region. Claim frequency can be influenced by natural conditions such as the number and types of severe weather events affecting areas where we write policies as well as by factors such as the prevalence of solicited and represented claims, including efforts by policyholder representatives to encourage claims activity related to policy periods predating law changes. Although we pursue various loss management initiatives in order to mitigate future increases in claim severity and frequency, there can be no assurances that these initiatives will successfully identify or reduce the effect of future increases in claim severity and frequency.

If actual renewals of our existing policies do not meet expectations, our future premiums and results of operations could be materially adversely affected.

We generally write our insurance policies for a one-year term, and we make assumptions about the renewal of our prior year's contracts, including for purposes of determining the amount of reinsurance we purchase. If actual renewals do not meet expectations or if we choose not to write on a renewal basis because of pricing conditions, our premiums written in future years and our future operations could be materially adversely affected, and we have in the past and may in the future purchase reinsurance beyond what we believe is the most appropriate level.

The failure of our claims department, or the third-party claims adjusters whom we may engage, to effectively manage or remediate claims could adversely affect our business, financial results or capital requirements.

We rely on our claims department and outsourced third-party claims adjusters and resources to facilitate and oversee the claims adjustment process for our policyholders. Many factors could affect the ability of our claims department to effectively manage claims by our policyholders, including:

- the accuracy of our adjusters or third-party claims adjusters as they make their assessments and submit their estimates of damages;
- the training, background and experience of our claims representatives and third-party claims adjusters;
- the ability of our claims department and third-party claims adjusters to ensure consistent claims handling;
- the ability of our claims department to translate the information provided by third-party adjusters into acceptable claims resolutions; and
- the ability of our claims department and third-party adjusters to maintain and update their claims handling procedures and systems as they evolve over time based on claims and geographical trends in claims reporting.

Any failure to effectively manage the claims adjustment process (including failure to manage our third-party adjusters), including failure to pay claims accurately, could lead to litigation, undermine our reputation in the marketplace, impair our corporate image and negatively affect our financial results. Further, the home insurance industry is regularly subject to negative publicity, including as a result of governmental investigations, adverse media coverage and political debate concerning industry regulation. Negative publicity may adversely affect our stock price, damage our reputation, and expose us to unexpected or unwarranted regulatory scrutiny.

Increased competition and market conditions, including changes in our financial stability and credit ratings, could affect the growth of our business and negatively affect our financial results.

The Florida residential insurance marketplace is currently dominated by single-state or regional insurance companies, with the larger national insurance carriers maintaining an overall smaller market share. Our lines of insurance are written by both these smaller insurers and the large national carriers, in addition to other markets such as Citizens, which are highly competitive. Many of these large national insurance companies have greater name recognition, established insurance agency networks and stronger financial resources to compete should they decide to recommit to Florida and begin writing new policies. Some of the regional or single-state carriers could merge to form a company larger than ours and be in a position to compete against us in a larger fashion by paying higher commissions or other tactics. New insurance companies are being formed in Florida and will bring more competition into the market. In addition, insurance agents are knowledgeable about insurance company strength, and some have a bias towards placing policyholders with better rated companies. We have a financial stability rating of A, "Exceptional" from Demotech, an independent financial firm specializing in evaluating the financial stability of regional and specialty insurers, and whose rating is accepted by major mortgage companies. Large national carriers may have a rating from a more recognized rating firm named A.M. Best, which we do not have. We could receive a downgrade from Demotech, which could result in the loss of business and an adverse impact on our results and operations. Additionally, a credit rating downgrade could also result in a significant reduction in the number of policies that we may be able to sell to our policyholders who may be sensitive to fluctuations in such ratings.

In addition, industry developments could further increase competition in our industry. These developments could include:

- an influx of new capital in the marketplace as existing companies attempt to expand their businesses and new companies attempt to enter the insurance business as a result of better premium pricing and/or policy terms;
- an increase in programs in which state-sponsored entities provide property insurance in catastrophe-prone areas;
- changes in state regulatory climates; and
- the passage of federal proposals for an optional federal charter that would allow some competing insurers to operate under regulations different or less stringent than those applicable to us.

These developments and others could make the property and casualty insurance marketplace more competitive by increasing the supply of insurance available. If competition limits our ability to write new business at adequate rates, our future results of operations could be adversely affected.

We rely on qualified and highly-skilled personnel and if we are unable to attract, retain or motivate key personnel, our business may be seriously harmed.

Our performance depends on the talents and efforts of highly-skilled and experienced individuals. Our operations are dependent on the efforts of our senior executive officers. The loss of their leadership, industry knowledge and experience could negatively impact our operations. However, we have management succession plans to lessen any such negative impact. Our future success depends on our continuing ability to identify, hire, develop, motivate and retain highly skilled and experienced personnel and, if we are unable to hire and train a sufficient number of qualified employees for any reason, we may not be able to maintain or implement our current initiatives or grow, or our business may contract and we may lose market share. Our competitors or other insurance or technology businesses may seek to hire our employees. We cannot assure that we will provide adequate incentives to attract, retain and motivate employees in the future. If we do not succeed in attracting, retaining and motivating highly qualified personnel, our business may be seriously harmed.

Our business could be materially adversely affected by geopolitical conditions, pandemics and macroeconomic conditions.

Geopolitical conditions such as changes in domestic or foreign policy, wars, conflicts, including those in Ukraine and in the Middle East, and other global events have and may bring increased uncertainty. In addition, rising inflation, changes in global trade policies and tariffs, high interest rates, supply chain issues, labor shortages, volatility in capital markets and other economic risk have and may continue to increase economic uncertainty. Inflation and interest rates directly impact the buying and selling of residences, which impacts our insurance policies as well as the rates we may offer on our insurance policies. Any one or combination of these conditions may materially impact our business, results of operations or financial condition.

Pandemics and other outbreaks of disease have had and can have significant and wide-spread impacts. As seen with the COVID-19 pandemic, outbreaks of disease can cause governments, public institutions and other organizations to impose or recommend, and businesses and individuals to implement, restrictions on various activities or take other actions to combat the disease's spread, such as warnings, restrictions and bans on travel, transportation or in-person gatherings; and local or regional closures or lockdowns. Outbreaks of disease, and actions taken in response to the outbreak, could materially negatively impact our workforce, business, operations and financial results, both directly and indirectly.

If we fail to comply with our obligations under license or technology agreements with third parties, or if we cannot license rights to use technology or data on reasonable terms, we could be required to pay damages, lose license rights that are critical to our business or be unable to commercialize new products and services in the future.

We license from third parties certain intellectual property, technology and data that are important to our business and, in the future, we may enter into additional agreements that provide us with licenses to valuable intellectual property, technology or data. If we fail to comply with any of our obligations under our license or technology agreements with third parties, we may be required to pay damages and the licensor may have the right to terminate the license. Termination by the licensor (or other applicable counterparty) may cause us to lose valuable rights, and could disrupt our operations and harm our reputation. Our business may suffer if any current or future licenses or other grants of rights to us terminate, if the licensors (or other applicable counterparties) fail to abide by the terms of the license or other applicable agreement, if the licensors fail to enforce the licensed intellectual property against infringing third parties or if the licensed intellectual property rights are found to be invalid or unenforceable.

In the future, we may identify additional third-party intellectual property, technology and data that we need, including to develop and offer new products and services. However, such licenses may not be available on acceptable terms or at all. Further, third parties from

whom we currently license intellectual property, technology and data could refuse to renew our agreements upon their expiration or could impose additional terms and fees that we otherwise would not deem acceptable requiring us to obtain the intellectual property or technology from another third party, if any is available, or to pay increased licensing fees or be subject to additional restrictions on our use of such third-party intellectual property or technology. Defense of any lawsuit or failure to obtain any of these licenses on favorable terms could prevent us from commercializing products or services, which could have a material adverse effect on our competitive position, business, financial condition and results of operations.

Cybersecurity attacks or other breaches of our systems could have an adverse impact on our business and reputation.

Our business and operations rely on the secure and efficient processing, storage and transmission of customer and company data, including policyholders' nonpublic personal information, financial information and proprietary business information, on our computer systems and networks. Unauthorized access to personally identifiable information, even if not financial information, could damage all affected parties. Breaches can involve attacks intended to obtain unauthorized access to nonpublic personal information, destroy data, disrupt or degrade service, sabotage systems or cause other damage, including through the introduction of computer viruses or malware, cyberattacks and other means. Breaches can also involve human error, such as employees falling victim to phishing schemes or computer coding errors that may leave data exposed.

Our computer systems may be vulnerable to unauthorized access and hackers, computer viruses and other scenarios in which our data may be exposed or compromised. Cyberattacks can originate from a variety of sources, including third parties who are affiliated with foreign governments or employees acting negligently or in a manner adverse to our interests. Third parties may seek to gain access to our systems either directly or using equipment or security passwords belonging to employees, policyholders, third-party service providers or other users of our systems. Our systems also may inadvertently expose, through a computer programming error or otherwise, confidential information as well as that of our policyholders and third parties with whom we interact. In addition, any significant data security breach of our independent agents or third-party vendors could harm our business and reputation.

Our computer systems have been, and likely will continue to be, subject to cyber hacking activities, computer viruses, other malicious codes or other computer-related penetrations. This is especially the case with employees who work remotely. We commit significant resources to administrative and technical controls to prevent cyber incidents and protect our information technology, but our preventative actions to reduce the risk of cyber threats may be insufficient to prevent physical and electronic break-ins and other cyberattacks or security breaches, including those due to human vulnerabilities. Any such event could damage our computers or systems; compromise our confidential information as well as that of our policyholders and third parties with whom we interact; significantly impede or interrupt business operations, including denial of service on our website; and could result in violations of applicable privacy and other laws, financial loss to us or to our policyholders, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure and reputational harm, all of which could have a material adverse effect on us. We expend significant additional resources to modify our protective measures and to investigate and remediate vulnerabilities, exposures, or information security events. Due to the complexity and interconnectedness of our systems, the process of enhancing our protective measures can itself create a risk of systems disruptions and security issues.

The increase in the use of cloud technologies and in consumer preference for online transactions can heighten cybersecurity and other operational risks. Certain aspects of the security of such technologies are unpredictable or beyond our control, and this lack of transparency may inhibit our ability to discover a failure by cloud service providers to safeguard their systems and prevent cyberattacks that could disrupt our operations and result in misappropriation, corruption or loss of confidential and other information. In addition, there is a risk that encryption and other protective measures, despite their sophistication, may be defeated, particularly to the extent that new computing technologies vastly increase the speed and computing power available.

Although we have no plans to do so, we are not restricted from incurring indebtedness and may do so in the future.

Subject to market conditions and availability, we are not restricted from incurring indebtedness and may do so in the future. We are permitted to enter into credit facilities (including term loans and revolving facilities) and to conduct public and private debt issuances. The amount of debt we may incur may vary depending on our available investment opportunities, our available capital and our ability to obtain and access financing arrangements with lenders. Our governing documents contain no limit on the amount of debt we may incur, and we may do so at any time without approval of our stockholders.

Incurring debt could subject us to many risks that, if realized, would materially and adversely affect us, including the risk that: our cash flow from operations may be insufficient to make required payments of principal of and interest on the debt, or we may fail to comply with covenants contained in our debt instruments;

- debt may increase our vulnerability to adverse economic, market and industry conditions with no assurance that our investment yields will increase to match our higher financing costs;

- we may be required to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing funds available for operations, future business opportunities, distributions to our stockholders or other purposes; and
- we may not be able to refinance maturing debts.

We have identified material weaknesses in our internal control over financial reporting. If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our business and operating results, and we may face litigation as a result.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented, or detected and corrected, on a timely basis. In connection with the preparation of the Company's financial statements as of and for the year ended December 31, 2024, management and our independent auditors identified material weaknesses in our internal control over financial reporting. The material weakness related to the following:

- *Control Documentation* – Management identified a material weakness in the Company's overall control environment due to the aggregate effect of multiple deficiencies in internal controls, which affected the control activities component of the Company's internal control framework, including with respect to controls that address claims payments in the Company's policy administrative system, reconciliation of claim payments used by the Company's actuaries to estimate reserves, reconciliation of premium receivable balances and reserve for credit losses, reconciliation of investments held by consolidated variable interest entities, and the reconciliation of ceding commission. The Company did not maintain sufficiently detailed and precise documentation in support of the design and operation of controls, which is pervasive throughout the Company's internal control environment.

Effective internal controls are necessary to provide reliable financial reports and prevent fraud. Material weaknesses could limit the ability to prevent or detect a misstatement of accounts or disclosures that could result in a material misstatement of annual or interim financial statements.

The Company's management continues to evaluate steps to remediate the material weaknesses. We are in the early stages of designing and implementing a plan to remediate the material weaknesses identified. Our current plan includes the below:

- hiring additional experienced accounting, financial reporting and internal control personnel and changing roles and responsibilities of our personnel as we transition to being a public company and are required to comply with Section 404 of the Sarbanes Oxley Act.
- implement company-wide internal control training to deepen our employees' understanding of their role in relation to our overall control environment and establish clear expectations for control documentation.
- engage external service providers to assist management as we enhance written policies and procedures to establish specific actions expected of control owners, such that sufficient documentation is maintained to demonstrate control activities are performed consistently throughout the organization and with an appropriate level of precision to meet objectives and mitigate risks to acceptable levels.
- review and enhance the design of controls to evaluate accounting policies and establish processes and controls to review management's estimate of credit losses due to the cancellation of insurance policies.

We cannot assure you that these measures will remediate the material weaknesses described above. The implementation of these remediation measures is in the early stages and will require validation and testing of the design and operating effectiveness of our internal controls over a sustained period of financial reporting cycles and, as a result, the timing of when we will be able to remediate the material weaknesses is uncertain and we may not remediate these material weaknesses during the years ended December 31, 2024 and 2025. If the steps we take do not remediate the material weaknesses in a timely manner, there could be a reasonable possibility that these control deficiencies or others may result in a material misstatement of our annual or interim financial statements that would not be prevented or detected on a timely basis. This, in turn, could jeopardize our ability to comply with our reporting obligations, limit our ability to access the capital markets and adversely impact our stock price.

Changes in accounting practices and future pronouncements may materially affect our reported financial results.

Developments in accounting practices may require us to incur considerable additional expenses to comply, particularly if we are required to prepare information relating to prior periods for comparative purposes or to apply the new requirements retroactively. The impact of changes in current accounting practices and future pronouncements cannot be predicted but may affect the calculation of net income, stockholder's equity and other relevant financial statement line items.

AIICFL is required to comply with statutory accounting principles, or SAP. SAP and various components of SAP are subject to constant review by the NAIC and its task forces and committees, as well as state insurance departments, in an effort to address emerging issues and otherwise improve financial reporting. Various proposals are pending before committees and task forces of the NAIC, some of which, if enacted and adopted on a state level, could have negative effects on insurance industry participants. The NAIC continuously examines existing laws and regulations. We cannot predict whether or in what form such reforms will be enacted and, if so, whether the enacted reforms will positively or negatively affect us.

Risks Related to Our Regulatory Environment

We are subject to extensive regulation, and potential further restrictive regulation may increase our operating costs and limit our growth and profitability.

Laws and regulations applicable to the insurance industry are complicated and subject to change. Compliance with these laws and regulations may increase the costs of running our business or slow our ability to respond effectively and quickly to operational opportunities. Insurance regulators change, are appointed by elected officials who are subject to re-election and changes in political headwinds and preferences, and the FLOIR could change its interpretation of one or more existing regulations to the detriment of the Company and its business. In addition, state legislatures enact new statutes, and can change existing statutes, which could have a material impact on our costs, operations and profitability. In addition, the Company is admitted in states outside of Florida, and legislatures or insurance regulators in those states might have differing interpretations or take positions that conflict with Florida regulators, which could impact our growth, expansion and profitability. The federal government may also seek to further regulate the insurance industry or establish federal charters. As a highly regulated entity, insurance regulators have the final say on major issues affecting our business including:

- what rates we may charge;
- what our policy forms must cover or exclude;
- claims practices and business operations;
- how much reinsurance we must purchase;
- participation in guaranty funds;
- various financial tests including ratios of how much premium we may write in relation to our net worth;
- risk-based capital ("RBC") measurements;
- restrictions on insurance company dividends;
- restrictive accounting requirements;
- regular financial and market conduct examinations;
- restrictions on investments;

- and many other requirements.

The FLOIR and regulators in other jurisdictions where we may become licensed and offer insurance products conduct periodic examinations of the affairs of insurance companies and require the filing of annual and other reports relating to financial condition, holding company issues and other matters. These regulatory requirements may adversely affect or inhibit our ability to achieve some or all of our business objectives. These regulatory authorities also conduct periodic examinations into insurers' business practices. These reviews may reveal deficiencies in our insurance operations or non-compliance with regulatory requirements.

In certain states including Florida, insurance companies are subject to assessments levied by the states where they conduct their business. While we can recover these assessments from Florida policyholders through policy surcharges, our payment of the assessments and our recoveries may not offset each other in the same reporting period in our consolidated financial statements and may cause a material, adverse effect on our cash flows and results of operations in a particular reporting period.

In addition, regulatory authorities have relatively broad discretion to deny or revoke licenses for various reasons, including the violation of regulations. In some instances, we follow practices based on our interpretations of regulations or practices that we believe may be generally followed by the industry. These practices may turn out to be different from the interpretations of regulatory authorities. If we do not have the requisite licenses and approvals or do not comply with applicable regulatory requirements, insurance regulatory authorities could preclude or temporarily suspend us from carrying on some or all of our activities or otherwise penalize us. This could adversely affect our ability to operate our business.

Finally, changes in the level of regulation of the insurance industry or changes in laws or regulations themselves or interpretations by regulatory authorities could adversely affect our ability to operate our business, reduce our profitability and limit our growth.

The regulators powers include suspending our ability to write new business, suspending or revoking our licenses, forcing us to change our business plans and strategies, and financial fines and penalties. This substantial regulation could adversely affect our ability to execute portions of our business plans, or, if we were to have our ability to issue new policies restricted or our license revoked, have a material adverse effect on our results of operations, financial results, or ability to continue in the business.

The effects of emerging claim and coverage issues in Florida on our business are uncertain.

Despite declining loss frequencies, the severity of losses in the property and casualty insurance industry and multi-peril personal lines business has increased in recent years, often driven by financial and social inflation. Increased litigation in Florida regarding Assignment of Benefits ("AOB") and roof claims is an example of these trends. For example, in recent years, Florida homeowners have been assigning the benefit of their insurance recovery to third parties, which has resulted in increases in the size and number of claims and the amount of litigation, interference in the adjustment of claims, the assertion of bad faith actions and one-way rights to claim attorneys' fees. One-way fee shifting allows policyholders to recover attorneys' fees from their insurer when the policyholder prevails in a coverage action. The Florida legislature enacted several reform bills in recent years with the intention to limit AOB and frivolous litigation. Recently, Florida has repealed its one-way fee shifting statute and altered bad faith actions such that mere negligence alone is insufficient to constitute bad faith, and imposed a good faith requirement on policyholders. While the frequency of non-catastrophe claims has recently decreased due in part to these reforms, the severity of such claims has continued to increase. However, there can be no assurance that this new legislation will reduce the future impact of AOB or litigated claims practices nor is there any assurance that future changes to these or other standards or statutes may occur. In addition, there can be no assurance that the Florida legislature will not reverse these reforms or that future legislation will not mitigate or eliminate the effects of these reforms altogether or impose new burdens on us.

Many legal actions and proceedings have been brought on behalf of classes of complainants, which can increase the size of judgments. The propensity of policyholders and third-party claimants to litigate and the willingness of courts to expand causes of loss and the size of awards may render the loss reserves of AIICFL inadequate for current and future losses. In addition, as industry practices and social and other environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the number or size of claims. In some instances, these changes may not become apparent until sometime after we have issued insurance policies that are affected by the changes. As a result, the full extent of liability under our insurance policies may not be known at the time such policies are issued or renewed, and our financial position or results of operations may be adversely affected.

Mandatory assessments or competition for government entities may create short-term liabilities or affect our ability to underwrite more policies.

All states have guaranty funds that can assess us to pay the claims of insolvent insurers. Florida, where a substantial portion of our business resides, also has a Florida Hurricane Catastrophe Fund ("FHCF"), which can assess us if it needs funds to provide

reinsurance-like coverage to us and all residential insurers, and additionally, we can also be assessed to pay for shortfalls at Citizens, which provides insurance to residential consumers unable to procure insurance from the private market. While we can recoup or pass through these assessments to our policyholders, in many cases we may not be able to recoup them within the same annual accounting period creating a short-term drain on our resources. In addition, Citizens is structured to be an insurer of last resort, but based on varying involvement by the Florida legislature, the Governor of Florida and others, at times can instead compete against us and offer lower rates, causing us to lose market share or not underwrite as many new policies as we desire.

We face financial exposure to unpredictable weather patterns and catastrophic storms and resulting regulation from the FLOIR.

We write insurance policies covering homeowners, renters, condominium owners, and mobile home policyholders that cover property losses including those caused by hurricanes and other catastrophes. We manage our risk through strict underwriting, spreading our risk across our service area, and through the purchase of reinsurance. The substantial portion of our business is located in Florida, which is particularly susceptible to hurricanes. The FLOIR requires that we manage risk through reinsurance by purchasing up to or exceeding a 1-in-130 year storm, including coverage for multiple hurricane events in one season. Notwithstanding these requirements and our efforts to plan for and manage risk, a particularly strong storm, or a series of multiple storms in one hurricane season could exceed our reinsurance protection and may have a material adverse impact on our results of operations and financial condition.

The Florida Hurricane Catastrophe Fund may not have enough resources to pay us for the coverage we purchased.

The state-run FHCF charges all insurers premiums for coverage to assume part of the risk of their hurricane related losses. In addition, the FHCF may issue pre and post event bonds to raise capital to meet its commitment to us and other insurers. In the event of a significantly large storm, or multiple storms, the FHCF may not have the resources to pay us all of the coverage we purchased from them, including that the capital markets may not be able to support a large bond issuance by the FHCF. Further, Florida law allows the FHCF to not pay the remaining amount they owe insurers if they do not have enough resources to cover such claims.

A regulatory environment that requires approval of rate increases, can mandate rate decreases, and that can dictate underwriting practices and mandate participation in loss sharing arrangements may adversely affect our results of operations and financial condition.

From time to time, political events and positions affect the insurance market, including efforts to suppress rates to a level that may not allow us to reach targeted levels of profitability. For example, if our loss ratio compares favorably to that of the industry, state regulatory authorities may impose rate rollbacks, require us to pay premium refunds to policyholders, or challenge or otherwise delay our efforts to raise rates even if the homeowners industry generally is not experiencing regulatory challenges to rate increases.

In addition, certain states have enacted laws that require an insurer conducting business in that state to participate in assigned risk plans, reinsurance facilities and joint underwriting associations. Certain states also require insurers to offer coverage to all consumers, often restricting an insurer's ability to charge the price it might otherwise charge. In these markets, we may be compelled to underwrite significant amounts of business at lower-than-desired rates, possibly leading to an unacceptable return on equity. Our results of operations and financial condition could be adversely affected by any of these factors.

State insurance regulators impose additional reporting requirements regarding enterprise risk on insurance holding company systems, with which we must comply as an insurance holding company.

In the past decade, various state insurance regulators have increased their focus on risks within an insurer's holding company system that may pose enterprise risk to the insurer. In 2012, the NAIC adopted significant amendments to the Insurance Holding Company Act and related regulations, or the NAIC Amendments. The NAIC Amendments are designed to respond to perceived gaps in the regulation of insurance holding company systems in the United States. One of the major changes is a requirement that an insurance holding company system's ultimate controlling person submit annually to its lead state insurance regulator an "enterprise risk report" that identifies activities, circumstances or events involving one or more affiliates of an insurer that, if not remedied properly, are likely to have a material adverse effect upon the financial condition or liquidity of the insurer or its insurance holding company system as a whole. Other changes include the requirement that a controlling person submit prior notice to its domiciliary insurance regulator of a divestiture of control, detailed minimum requirements for cost sharing and management agreements between an insurer and its affiliates and expanding of the agreements between an insurer and its affiliates to be filed with its domiciliary insurance regulator, including states (if any) in which the insurer is commercially domiciled. The NAIC Amendments must be adopted by the individual state legislatures and insurance regulators in order to be effective, and many states have already done so.

In 2012, the NAIC also adopted the Risk Management and Own Risk and Solvency Assessment Model Act, or the ORSA Model Act. The ORSA Model Act, as adopted by the various states, requires an insurance holding company system's Chief Risk Officer to submit annually to its lead state insurance regulator an Own-risk and Solvency Assessment Summary Report ("ORSA"). The ORSA is an

internal assessment, tailored to the nature, scale, and complexity of an insurer or insurance group, conducted by that insurer or insurance group, of the material and relevant risks associated with the business plan of an insurer or insurance group and the sufficiency of capital resources to support those risks. Insurers that exceed $500 million in gross premiums written may be subjected to additional reporting and compliance requirements and costs.

There is also risk that insurance holding company systems may become subject to group capital requirements at the holding company level. In December 2020, the NAIC adopted additional amendments to the Insurance Holding Company System Regulatory Act and the Insurance Holding Company System Model Regulation to provide a framework intended to complement the current holding company analytics framework by providing additional information to the lead state regulator for use in assessing group risks and capital adequacy. The amendments to the Model Act and Model Regulation adopt a group capital calculation and liquidity stress test. We cannot predict whether or when these amendments may be adopted by Florida or the impact, if any, that the new regulatory requirements may have on our business, financial condition or results of operation.

In addition, the NAIC promulgated a Model Audit Rule, which places additional compliance duties and costs on insurers that exceed $500 million in direct premiums written. This rule includes the establishment of additional internal controls, disclosing unremediated material weaknesses and analysis of any limitations of internal control. As the Company grows, and exceeds these premium thresholds, additional costs and duties under these statutes and rules must be implemented, which can materially affect our results of operations.

Regulations limiting rate changes and requiring us to participate in loss sharing or assessments may decrease our profitability.

From time to time, public policy preferences and perceptions affect the insurance market, including insurers' efforts to effectively maintain rates that allow us to reach targeted levels of rate adequacy and profitability. Despite efforts to address rate needs and other operational issues analytically, facts and history demonstrate that public policymakers, when faced with unexpected events and adverse public sentiment, have acted and may in the future act in ways that impede our ability to maintain a satisfactory correlation between rates and risk. This has included, and in the future may include, policymakers' failures to take steps to address the causes of adverse market conditions. Such acts or failures to act may affect our ability to obtain approval for or implement rate changes that we believe are necessary to attain rate adequacy along with targeted levels of profitability and returns on equity. Additionally, because AIICFL often must obtain regulatory approval prior to changing rates, delays in the filing, review or implementation of rate changes can adversely affect our ability to attain rate adequacy. This is especially the case in hard markets such as the current Florida market, where many insurers are submitting filings for significant rate increases and consequently thereby affecting the FLOIR's workload and affecting its ability to timely review filings.

Our ability to afford reinsurance required to reduce our catastrophe risk also depends in part on our ability to adjust rates for our costs.

Additionally, we are required to participate in guaranty funds for insolvent insurance companies and other statutory insurance entities. The guaranty funds and other statutory entities periodically levy assessments against all applicable insurance companies doing business in the state, and the amounts and timing of those assessments are unpredictable. Although we seek to recoup these assessments from our policyholders, we might not be able to fully do so and at any point in time or for any period, our operating results and financial condition could be adversely affected by any of these factors.

The amount of statutory capital and surplus that AIICFL has and the amount of statutory capital and surplus it must hold vary and are sensitive to a number of factors outside of our control, including market conditions and the regulatory environment and rules.

AIICFL is subject to RBC standards and other minimum capital and surplus requirements imposed under applicable state laws. The RBC standards, based upon the Risk-Based Capital Model Act adopted by the NAIC, require us to report our results of RBC calculations to the FLOIR and the NAIC. These RBC standards provide for different levels of regulatory attention depending upon the ratio of an insurance company's total adjusted capital, as calculated in accordance with NAIC guidelines, to its authorized control level RBC. Authorized control level RBC is determined using the NAIC's RBC formula, which measures the minimum amount of capital that an insurance company needs to support its overall business operations.

An insurance company with total adjusted capital that (i) is at less than 200% of its authorized control level RBC, or (ii) falls below 300% of its RBC requirement and also fails a trend test, is deemed to be at a "company action level," which would require the insurance company to file a plan that, among other things, contains proposals of corrective actions the company intends to take that are reasonably expected to result in the elimination of the company action level event. Additional action level events occur when the insurer's total adjusted capital falls below 150%, 100%, and 70% of its authorized control level RBC. The lower the percentage, the more severe the regulatory response, including, in the event of a mandatory control level event (total adjusted capital falls below 70% of the insurer's authorized control level RBC), placing the insurance company into receivership.

In addition, AIICFL is required to maintain certain minimum capital and surplus and to limit premiums written to specified multiples of capital and surplus. AIICFL could exceed these ratios if their volume increases faster than anticipated or if their surplus declines due to catastrophe or non-catastrophe losses or excessive underwriting and operational expenses.

Any failure by AIICFL to meet the applicable RBC or minimum statutory capital requirements imposed by the laws of Florida (or other states where we currently or may eventually conduct business) could subject AIICFL to further examination or corrective action imposed by state regulators, including limitations on our writing of additional business, state supervision or receivership, which could have a material adverse impact on our reputation and financial condition. Any such failure also could adversely affect our financial strength and stability ratings.

Any changes in existing RBC requirements, minimum statutory capital requirements, or applicable writings ratios may require us to increase our statutory capital levels, which we may be unable to do, or require us to reduce the amount of premiums we write, which could adversely affect our business and our operating results.

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could adversely affect our operating results.

As a public company, we incur significant legal, accounting and other expenses that we did not previously incur as a private company, including costs associated with public company reporting and corporate governance requirements. For example, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are required to comply with the applicable requirements of the Sarbanes-Oxley Act, as well as rules and regulations implemented by the SEC and the NYSE, including the establishment and maintenance of effective disclosure controls and procedures and internal control over financial reporting and changes in corporate governance practices, subject to any applicable phase-in periods or other exemptions.

We expect that continuing to comply with these rules and regulations will substantially increase our legal and financial compliance costs and make some activities more time-consuming and costly. In addition, our management team will have to continue to adapt to the requirements of being a public company. In particular, we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act, which will increase to the extent we are no longer an emerging growth company, as defined by the JOBS Act, and are not a smaller reporting company. We cannot predict or estimate the amount of additional costs we may incur as a result of being a public company or the timing of such costs, which could adversely affect our operating results.

The increased costs associated with operating as a public company may decrease our net income or result in a net loss and may require us to reduce costs in other areas of our business or increase the prices of our solution. Additionally, if these requirements divert management's attention from other business concerns, they could have an adverse effect on our business, operating results or financial condition.

We have elected to rely on certain phase-in provisions of the SEC and/or the NYSE rules, and, as a result, we are not currently subject to certain corporate governance requirements otherwise required of NYSE-listed companies.

We currently rely on the phase-in rules of the SEC and the NYSE with respect to the independence of our compensation and audit committees and the requirement to have a majority of independent directors on our Board of Directors. These rules permit us to have an audit committee that has one member that is independent as of the date our Common Stock first traded on the NYSE, a majority of members that are independent within 90 days of the effectiveness of the registration statement for our IPO, which was May 7, 2025, and all members that are independent within one year of such date. Similarly, the rules permit us to have compensation committees that have one member that is independent by the date that our Common Stock first traded on the NYSE, a majority of members that are independent within 90 days of the listing date, which was May 8, 2025, and all members that are independent within one year of the listing date. Additionally, we have 12 months from the date of listing to satisfy the requirement that a majority of the Board of Directors be independent. During the phase-in periods, our stockholders will not have the same protections afforded to stockholders of companies that comply with the NYSE's independence requirements without reliance on the phase-in periods.

Risks Related to Our Investments

We are subject to market risk, which may adversely affect investment income.

Our primary market risk exposures are changes in interest rates, which impact our investment income and returns. Fluctuations in interest rates could expose us to increased financial risk. Since September 2024, the U.S. Federal Reserve has reduced the target range for the federal funds rate by an aggregate of 100 basis points. Declines in market interest rates can have an adverse effect on our investment income to the extent that we invest cash in new interest-bearing investments that yield less than our portfolio's average rate

of return or purchase longer-term or riskier assets in order to obtain adequate investment yields resulting in a duration gap when compared to the duration of liabilities. Conversely, increases in market interest rates also have in the past and can have an adverse effect on the value of our investment portfolio by decreasing the fair values of the available-for-sale debt securities that comprise a large portion of our investment. In addition, inflation, such as what we are seeing in the current economic environment, has adversely impacted our business and financial results and could in the future.

Our overall financial performance depends in part on the returns on our investment portfolio.

The performance of our investment portfolio is independent of the revenue and income generated from our insurance operations, and there is typically no direct correlation between the financial results of these two activities. Thus, to the extent that our investment portfolio does not perform well due to the factors discussed above or otherwise, our results of operations may be materially adversely affected even if our insurance operations perform favorably. Further, because the returns on our investment portfolio are subject to market volatility, our overall results of operations could likewise be volatile from period to period even if we do not experience significant financial variances in our insurance operations.

We have assets held at a financial institution that may exceed the insurance coverage offered by the Federal Deposit Insurance Corporation ("FDIC"), the loss of which could negatively impact our financial condition.

As a part of our cash management strategy, we maintain deposits in a U.S. financial institution in an amount intended to satisfy our immediate liquidity needs. Any amounts in excess of $100,000 are swept on a daily basis into a money market fund custodied outside of the financial institution and invested in short-term obligations issued or guaranteed by the U.S. government. Although balances we hold at the financial institution fluctuate daily based on a variety of factors, any exposure over the FDIC limit of $250,000 is limited to short intraday windows. However, in the event of a failure of the financial institution, there is a chance we may be unable to access such funds and may incur a loss to the extent such balance exceeds the FDIC insurance limit during the day prior to a sweep, which could have a negative impact on our liquidity and financial condition.

Risks Related to Our Common Stock

The trading price of our Common Stock could be volatile, which could cause the value of your investment to decline.

Our IPO occurred in May 2025. Therefore, there has only been a public market for our Common Stock for a short period of time. Although our Common Stock is listed on the NYSE, an active trading market for our Common Stock may not develop or, if developed, be sustained. The trading price of our Common Stock may fluctuate substantially in response to numerous factors, many of which are beyond our control. These fluctuations could cause you to lose all or part of your investment in our Common Stock. Factors that could cause fluctuations in the trading price of our Common Stock include the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- changes in economic conditions for companies in our industry;
- changes in market valuations of, or earnings and other announcements by, companies in our industry;
- declines in the market prices of stocks generally, particularly those of insurance companies;
- strategic actions by us or our competitors;
- changes in general economic or market conditions or trends in our industry or the economy as a whole and, in particular, in the insurance environment;
- changes in business or regulatory conditions;
- future sales of our Common Stock or other securities;

- investor perceptions of the investment opportunity associated with our Common Stock relative to other investment alternatives;
- the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- announcements relating to litigation or governmental investigations;
- guidance, if any, that we provide to the public, any changes in this guidance, or our failure to meet this guidance;
- the development and sustainability of an active trading market for our stock;
- changes in accounting principles; and
- other events or factors, including those resulting from system failures and disruptions, natural or man-made disasters, extreme weather events, war, acts of terrorism, an outbreak of highly infectious or contagious diseases or responses to these events.

Furthermore, the stock market may experience extreme volatility that, in some cases, may be unrelated or disproportionate to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the market price of our Common Stock, regardless of our actual operating performance. In addition, price volatility may be greater if the public float and trading volume of our Common Stock is low.

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and the attention of management from our business regardless of the outcome of such litigation.

As a result of becoming a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes-Oxley Act. We may not complete our analysis of our internal control over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in us and, as a result, the value of our Common Stock.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. We are in the early stages of the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404 of the Sarbanes-Oxley Act. We may not be able to complete our evaluation, testing and any required remediation in the time required. If we are unable to assert that our internal control over financial reporting is effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our Common Stock to decline, and we may be subject to investigation or sanctions by the SEC.

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting as of the end of the fiscal year that coincides with the filing of our second annual report on Form 10-K. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. We are also currently required to disclose changes made in our internal control and procedures on a quarterly basis. However, our independent registered public accounting firm is not required to report on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until the later of the year following our first annual report required to be filed with the SEC, or the date we are no longer an "emerging growth company" as defined in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating.

Additionally, the existence of the material weakness in our internal control over financial reporting that we identified, or any additional material weakness or a significant deficiency, requires management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies, and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of our material weakness in our internal control over financial reporting that we identified or any additional material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and

adversely affect our business and stock price. To comply with the requirements of being a public company, we are undertaking various costly and time-consuming actions, such as implementing new internal controls and procedures and hiring accounting or internal audit staff, which may adversely affect our business, financial condition, results of operations, cash flows and prospects.

The JOBS Act allows us to postpone the date by which we must comply with certain laws and regulations intended to protect investors and to reduce the amount of information we provide in our reports filed with the SEC. We cannot be certain if this reduced disclosure will make our Common Stock less attractive to investors.

The JOBS Act is intended to reduce the regulatory burden on "emerging growth companies." As defined in the JOBS Act, a public company whose initial public offering of common equity securities occurs after December 8, 2011, and whose annual net sales are less than $1.235 billion will, in general, qualify as an "emerging growth company" until the earliest of:

- the last day of its fiscal year following the fifth anniversary of the date of its initial public offering of common equity securities;
- the last day of its fiscal year in which it has annual gross revenue of $1.235 billion or more;
- the date on which it has, during the previous three-year period, issued more than $1 billion in nonconvertible debt; and
- the date on which it is deemed to be a "large accelerated filer," which will occur at such time as we (i) have an aggregate worldwide market value of common equity securities held by non-affiliates of $700 million or more as of the last business day of its most recently completed second fiscal quarter, (ii) have been required to file annual and quarterly reports under the Exchange Act, for a period of at least 12 months, and (iii) have filed at least one annual report pursuant to the Exchange Act.

We are an emerging growth company and may remain an "emerging growth company" until as late as the fifth anniversary of our IPO. For so long as we are an "emerging growth company," we will, among other things:

- not be required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act;
- not be required to hold a nonbinding advisory stockholder vote on executive compensation pursuant to Section 14A(a) of the Exchange Act;
- not be required to seek stockholder approval of any golden parachute payments not previously approved pursuant to Section 14A(b) of the Exchange Act;
- be exempt from the requirement of the Public Company Accounting Oversight Board regarding the communication of critical audit matters in the auditor's report on the financial statements; and
- be subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can use the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the "Securities Act") for complying with new or revised accounting standards. This permits an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have chosen to "opt out" of this transition period and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period is irrevocable.

We cannot predict if investors will find our Common Stock less attractive as a result of our decision to take advantage of some or all of the reduced disclosure requirements above. If some investors find our Common Stock less attractive as a result, there may be a less active trading market for our Common Stock and our stock price may be more volatile.

We are not contractually obligated to pay regular cash dividends on our Common Stock. As a result, you may not receive any return on investment unless you sell your Common Stock for a price greater than that which you paid for it.

We are not contractually obligated to pay regular cash dividends on our Common Stock. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, general and economic conditions, our results of operations and financial condition, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax, and regulatory restrictions, and such other factors that our Board of Directors may deem relevant.

In addition, our ability to pay dividends is, and may be, limited by covenants of any future outstanding indebtedness we or our subsidiaries incur. Therefore, any return on investment in our Common Stock may be solely dependent upon the appreciation of the price of our Common Stock on the open market, which may not occur.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company."

As a public company, we incur legal, accounting and other expenses that we did not previously incur as a private company. We are subject to the reporting requirements of the Exchange Act and the Sarbanes-Oxley Act, the listing requirements of the NYSE and other applicable securities rules and regulations. Compliance with these rules and regulations has and will continue to increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company." The Exchange Act requires that we file annual, quarterly and current reports with respect to our business, financial condition, results of operations, cash flows and prospects. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert our management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition, results of operations, cash flows and prospects. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations have and will continue to increase our legal and financial compliance costs and will make some activities more time-consuming and costly. These additional obligations could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We have and will continue to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of our management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and there could be a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Certain provisions of Delaware law and anti-takeover provisions in our organizational documents could delay or prevent a change of control.

Certain provisions of Delaware law, our amended and restated certificate of incorporation (the "Charter") and amended and restated bylaws (the "Bylaws") may have an anti-takeover effect and may delay, defer, or prevent a merger, acquisition, tender offer, takeover attempt, or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions provide for, among other things:

- a classified Board of Directors (until the declassification of our Board of Directors is completed by the annual meeting of stockholders to be held in 2031 (the "Sunset Date"));
- the ability of our Board of Directors to issue one or more series of preferred stock without stockholder approval;
- our stockholders may not take action by consent without a meeting, may only take action at a meeting of stockholders;
- vacancies on our Board of Directors are able to be filled only by our Board of Directors and not by stockholders;
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders;
- stockholders are unable to call a special meeting of stockholders;
- no cumulative voting in the election of directors;

- until the full declassification of our Board of Directors by the Sunset Date, directors may be removed only for cause and only upon the affirmative vote of holders of at least a majority of the voting power of our outstanding shares of capital stock entitled to vote thereon; and
- that certain provisions of the Charter may be amended only by the affirmative vote of holder of at least 66 2/3% of the voting power of our then-outstanding capital stock entitled to vote thereon.

These anti-takeover provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares.

In addition, we have opted out of Section 203 of the General Corporation Law of the State of Delaware (the "DGCL"), but our Charter provides that engaging in any of a broad range of business combinations with any "interested" stockholder (generally defined as any stockholder with 15% or more of our outstanding voting stock and any entity or person affiliated with or controlling or controlled by such stockholder) for a period of three years following the time on which the stockholder became an "interested" stockholder is prohibited (except with respect to Sowell Investment Holdings Co., LLC and any of its respective affiliates and any of their respective direct or indirect transferees of our Common Stock).

Our Charter designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Pursuant to our Charter, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the United States District Court for the District of Delaware) is, to the fullest extent permitted by law, the sole and exclusive forum for (i) a derivative action, suit or proceeding brought on behalf of our Company, (ii) an action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer or other employee or stockholder of the Company to the Company or to the Company's stockholders, (iii) an action, suit or proceeding arising pursuant to any provision of the DGCL or our Charter or our Bylaws or as to which the DGCL confers jurisdiction to the Court of Chancery of the state of Delaware, or (iv) an action, suit or proceeding asserting a claim against our Company governed by the internal affairs doctrine. This provision does not apply to any action or proceeding asserting a claim under the Securities Act or the Exchange Act for which the federal courts have exclusive jurisdiction or any other claim for which the federal courts have exclusive jurisdiction. Furthermore, our Charter provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States are the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, Exchange Act or any other claim for which federal courts of the United States have exclusive jurisdiction, against us or any director, officer, employee or agent of ours. However, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce a duty or liability created by the Securities Act or the rules and regulations thereunder; accordingly, we cannot be certain that a court would enforce such provision. Our Charter provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our Charter described above; however, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. The forum selection provisions in our Charter may have the effect of discouraging lawsuits against us or our directors and officers and may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. If the enforceability of our forum selection provision were to be challenged, we may incur additional costs associated with resolving such a challenge. While we currently have no basis to expect any such challenge would be successful, if a court were to find our forum selection provision to be inapplicable or unenforceable, we may incur additional costs associated with having to litigate in other jurisdictions, which could have an adverse effect on our business, financial condition and results of operations and result in a diversion of the time and resources of our employees, management and Board of Directors.

An active, liquid trading market for our Common Stock may not develop, which may limit your ability to sell your shares.

There has only recently been a public market for our Common Stock. Although we list our Common Stock on the NYSE, an active trading market for our Common Stock may never develop or be sustained. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our Common Stock. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing additional shares of our Common Stock or other equity or equity-linked securities and may impair our ability to make acquisitions using any such securities as consideration.

A significant portion of our total outstanding shares of Common Stock are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our Common Stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Common Stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares of Common Stock intend to sell shares, could reduce the market price of our Common Stock. As of the date of this filing, we had 19,571,965 shares of Common Stock outstanding. Approximately 11,665,715 shares of our Common Stock are currently subject to a 180-day lock-up period provided under lock-up agreements executed in connection with our IPO. All of these shares of Common Stock will, however, be able to be resold after the expiration of the lock-up period, as well as pursuant to customary exceptions thereto or upon the waiver of the lock-up agreement by the representatives of the underwriters for our IPO. We have also registered shares of Common Stock that we may issue under our long-term incentive plan. These shares can be freely sold in the public market upon issuance, subject to any lock-up agreements. As restrictions on resale end, the market price of our Common Stock could decline if the holders of currently restricted shares of Common Stock sell them or are perceived by the market as intending to sell them.

If securities or industry analysts do not publish research or reports about our business, if they publish unfavorable research or reports, or adversely change their recommendations regarding our Common Stock or if our results of operations do not meet their expectations, our stock price and trading volume could decline.

The trading market for our Common Stock is influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. As a newly public company, we may be slow to attract research coverage. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover us provide inaccurate or unfavorable research, issue an adverse opinion regarding our stock price or if our results of operations do not meet their expectations, our stock price could decline. Moreover, if one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our Common Stock, which could depress the price of our Common Stock.

Our Charter authorizes us to issue one or more series of preferred stock. Our Board of Directors has the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our Common Stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our Common Stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our Common Stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

During the three months ended March 31, 2025, there were no issuances of unregistered equity securities. On May 7, 2025, in connection with our IPO, we issued 417,400 shares of Common Stock in connection with grants of restricted stock outside of our long-term incentive plan to certain of our officers and employees, after giving effect to the withholding of approximately 234,587 shares of Common Stock to satisfy the estimated tax withholding and remittance obligations. The offers, sales, and issuances of the securities were deemed to be exempt from registration under Rule 506 promulgated under the Securities Act, or under Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering.

Use of Proceeds

On March 9, 2025, we completed our IPO, in which we issued and sold 6,250,000 shares of Common Stock for an aggregate offering price of $100 million for our account, and the selling stockholders sold an aggregate of 1,656,250 shares of Common Stock for an aggregate offering price of $26.5 million for their accounts (inclusive of the 1,031,250 shares of Common Stock sold by the selling stockholders pursuant to the underwriters' exercise in full of their over-allotment option). The shares of Common Stock sold in our IPO were sold at a price to the public of $16.00 per share. We received net proceeds of approximately $81.5 million, after (i) deducting underwriting discounts and commissions totaling $7.0 million as well as $4.7 million of other expenses related to the offering, (ii) using approximately $3.8 million of the proceeds from the offering to satisfy tax withholding and remittance obligations related to the net settlement of shares of restricted stock issued in connection with the IPO and (iii) using $3.0 million of the proceeds of the offering to terminate the management services agreement by and between James Sowell Company, L.P. and AIIG. There has been no material change in the expected use of the net proceeds from our IPO as described in our prospectus dated May 7, 2025 filed with the SEC pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on May 8, 2025. All shares of Common Stock sold were registered pursuant to a registration statement on Form S-1 (File No. 333-286524), as amended (the "Registration Statement"), declared effective by the SEC on May 7, 2025. Keefe, Bruyette & Woods, Inc. and Piper Sandler & Co. acted as representatives of the underwriters for the offering. The offering terminated after the sale of all securities registered pursuant to the Registration Statement. No payments for such expenses were made directly or indirectly to (i) any of our officers or directors or their associates, (ii) any persons owning 10% or more of any class of our equity securities or (iii) any of our affiliates.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

This item is not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

During the quarter ended March 31, 2025, no director or officer (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted, modified, or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits

The following exhibits are incorporated herein by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K):

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of American Integrity Insurance Group, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on May 9, 2025).
3.2	Amended and Restated Bylaws of American Integrity Insurance Group, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the Commission on May 9, 2025).
4.1*	Registration Rights Agreement, dated May 7, 2025, by and among the Company, Sowell Investments Holding Co., LLC and Robert Ritchie.
10.1†	American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8 filed with the Commission on May 22, 2025).
10.2†	Form of Restricted Stock Award Agreement (Employees) under the American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1 filed with the Commission on April 14, 2025).
10.3†	Form of Restricted Stock Award Agreement (Non-employee Directors) under the American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-1 filed with the Commission on April 14, 2025).
10.4†	Form of Restricted Stock Unit Award Agreement (Employees, Time-Based) under the American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form S-1 filed with the Commission on April 14, 2025).
10.5†	Form of Restricted Stock Unit Award Agreement (Employees, Performance-Based) under the American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form S-1 filed with the Commission on April 14, 2025).
10.6†	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-1 filed with the Commission on April 14, 2025).
10.7*†+	Employment Agreement, dated May 7, 2025, by and between the Company and Robert Ritchie.
10.8*†+	Employment Agreement, dated May 7, 2025, by and between the Company and David Clark.
10.9*†+	Employment Agreement, dated May 7, 2025, by and between the Company and Ben Lurie.
10.10*†+	Employment Agreement, dated May 7, 2025, by and between the Company and Jon Ritchie.
31.1*	Certification of Principal Executive Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1*	American Integrity Insurance Group, Inc. Insider Trading Policy.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document,
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** The certifications attached as Exhibit 32.1 are not deemed "filed" with the SEC and are not to be incorporated by reference into any filing of American Integrity Insurance Group, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

† Management compensatory plan or contract.

+ Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. American Integrity Insurance Group, Inc. agrees to furnish a copy of all omitted exhibits and schedules to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERICAN INTEGRITY INSURANCE GROUP, INC.

Date: June 10, 2025

By: /s/ Robert Ritchie
Robert Ritchie
Chief Executive Officer
(Principal Executive Officer)

Date: June 10, 2025

By: /s/ Ben Lurie
Ben Lurie
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 4.1

REGISTRATION RIGHTS AGREEMENT

by and among

AMERICAN INTEGRITY INSURANCE GROUP, INC.,

SOWELL INVESTMENTS HOLDING CO., LLC,

ROBERT C. RITCHIE

and

THE HOLDERS THAT ARE SIGNATORIES HERETO FROM TIME TO TIME

Dated as of May 7, 2025

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REGISTRATION RIGHTS AGREEMENT, dated as of May 7, 2025 (as amended, restated, modified or supplemented from time to time, this "Agreement"), by and among (i) American Integrity Insurance Group, Inc., a Delaware corporation (the "Company"), (ii) the Sowell Holders (as defined herein) and (iii) the Ritchie Holders (as defined herein).

RECITALS:

WHEREAS, the Company, the Sowell Holders and the Ritchie Holders are owners of shares of capital stock of the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company and its stockholders to effect an IPO (as defined herein).

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and obligations hereinafter set forth, the parties hereto hereby agree as follows:

Section 1. Certain Definitions. As used herein, the following terms shall have the following meanings:

"Additional Piggyback Rights" has the meaning ascribed to such term in Section 2.2(b).

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise. For the avoidance of doubt, neither the Company nor any Person controlled by the Company shall be deemed to be an Affiliate of any Holder.

"Agreement" has the meaning ascribed to such term in the Preamble.

"Assumption Agreement" means an agreement substantially in the form set forth in Exhibit A hereto or otherwise in form and substance reasonably satisfactory to the Company, the Sowell Holders and the Ritchie Holders whereby a Permitted Transferee of a Holder who acquires Registrable Securities becomes a party to, and agrees to be bound, to the same extent as its transferor, by the terms of this Agreement. For the avoidance of doubt, if the transferor of such shares was a Sowell Holder or Ritchie Holder, such transferee will be subject to the same (except as otherwise provided in such Assumption Agreement) rights and obligations as such Sowell Holder or Ritchie Holder.

"automatic shelf registration statement" has the meaning ascribed to such term in Section 2.1(a)(i).

"Board" means the Board of Directors of the Company.

"Business Day" means any day excluding Saturday, Sunday and any day that is a legal holiday under the laws of the State of New York or the State of Delaware, or is a day on which banking institutions located in the State of New York, the City of New York or the State of Delaware are authorized or required by Law or other governmental action to close.

"Claims" has the meaning ascribed to such term in Section 2.9(a).

"Common Stock" means all shares of common stock, par value $$0.001 per share, of the Company and any and all securities of any kind whatsoever which may be issued after the date hereof in respect of, or in exchange for, such shares of common stock of the Company pursuant to a stock dividend, stock split or combination of shares or in connection with a reclassification, recapitalization, merger, share exchange or conversion, consolidation or other reorganization.

"Common Stock Equivalents" means, with respect to the Company, all options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject) shares of Common Stock or other equity securities of the Company (including, without limitation, any note or debt security convertible into or exchangeable for shares of Common Stock or other equity securities of the Company).

"Company" has the meaning ascribed to such term in the Preamble.

"Company Shelf Notice" has the meaning ascribed to such term in Section 2.2(a).

"Company Shelf Underwriting" has the meaning ascribed to such term in Section 2.2(a).

"Company Underwritten Block Trade" has the meaning ascribed to such term in Section 2.2(a).

"Company Underwritten Block Trade Notice" has the meaning ascribed to such term in Section 2.2(a).

"Confidential Information" has the meaning ascribed to such term in Section 4.14.

"Demand Exercise Notice" has the meaning ascribed to such term in Section 2.1(a)(i).

"Demand Registration" has the meaning ascribed to such term in Section 2.1(a)(i).

"Demand Registration Request" has the meaning ascribed to such term in Section 2.1(a)(i).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC issued under such Act, as they may from time to time be in effect.

"Expenses" means any and all fees and expenses incident to the Company's performance of or compliance with Section 2, including, without limitation: (i) SEC, stock exchange, FINRA and all other registration and filing fees and all listing fees and fees with respect to the inclusion of securities on the New York Stock Exchange, Nasdaq or on any other U.S. or non-U.S. securities market on which the Common Stock is or may be listed or quoted, (ii) fees and expenses of

compliance with state securities or "blue sky" Laws of any state or jurisdiction of the United States or compliance with the securities Laws of foreign jurisdictions and in connection with the preparation of a "blue sky" survey, including, without limitation, reasonable fees and expenses of outside "blue sky" counsel and securities counsel in foreign jurisdictions, (iii) word processing, printing and copying expenses, (iv) messenger and delivery expenses, (v) expenses incurred in connection with any road show, (vi) fees and disbursements of counsel for the Company, (vii) with respect to each registration or underwritten offering, the fees and disbursements of counsel for the Participating Holders, together, in each case, with any local counsel, (viii) fees and disbursements of all independent public accountants (including the expenses of any audit/review and/or "cold comfort" letter and updates thereof (including, without limitation, any such audits, reviews and cold-comfort letters relating to financial statements pursuant to Rule 3-05 of Regulation S-X and Article 11 thereunder);) and fees and expenses of other Persons, including special experts, retained by the Company, (ix) fees and expenses payable to a Qualified Independent Underwriter (but expressly excluding any underwriting discounts and commissions and transfer taxes, if any, with respect to Registrable Securities of any Holder), (x) fees and expenses of any transfer agent or custodian, (xi) fees and expenses of any equity capital market advisors selected by the Sowell Holders or Ritchie Holders, (xii) any other fees and expenses customarily paid by issuers or sellers of securities, including fees and disbursements of underwriters (but expressly excluding any underwriting discounts and commission and transfer taxes, if any, with respect to Registrable Securities of any Holder) and reasonable fees and expenses of counsel for the underwriters in connection with any filing with or review by FINRA and (xiii) expenses for securities Law liability insurance and, if any, rating agency fees.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Governmental Authority" means any nation or government, any U.S. or non-U.S. federal, state, provincial, county, municipal or other political instrumentality or subdivision thereof and any U.S. or non-U.S. entity or body exercising executive, legislative, judicial, regulatory, administrative or taxing functions of or pertaining to government, including any court, arbitrator or stock exchange.

"Holder" or "Holders" means (i) any Person (other than the Company) who is a signatory to this Agreement, (ii) any Person (other than the Company) who executes a Joinder Agreement, or (iii) any Permitted Transferee of Registrable Securities to which any Person who is a signatory to this Agreement shall assign or transfer any rights hereunder; provided, that such transferee has agreed to be bound by the terms of this Agreement in respect of such Registrable Securities by executing an Assumption Agreement.

"Holder Representatives" has the meaning ascribed to such term in Section 4.14.

"Initiating Holders" has the meaning ascribed to such term in Section 2.1(a)(i).

"IPO" means (i) the initial bona fide underwritten public offering and sale of Common Stock (or other equity securities of the Company) pursuant to an effective registration statement (other than on Form S-4 or S-8 or any similar or successor forms) filed under the Securities Act.

"Joinder Agreement" means an agreement substantially in the form set forth in Exhibit B hereto or otherwise in form and substance reasonably satisfactory to the Company, the Sowell Holders and the Ritchie Holders whereby a Person who acquires Registrable Securities becomes a party to, and agrees to be bound, by the terms of this Agreement. For the avoidance of doubt, such Person may join this Agreement as a Sowell Holder or Ritchie Holder.

"Law" means (i) any federal, state, local or foreign constitution, treaty, law, statute, code, regulation, ordinance, order, decree, rule or other requirement with similar effect of any Governmental Authority (including common or case law) and (ii) any judgment, order, writ, injunction, decision, ruling, decree or award of any Governmental Authority.

"Litigation" means any claim, action, suit, proceeding, arbitration, or governmental investigation, audit or inquiry.

"Manager" has the meaning ascribed to such term in Section 2.1(c).

"Minimum Threshold" means $10 million.

"Opt-Out Request" has the meaning ascribed to such term in Section 4.16.

"Participating Holders" means all Holders of Registrable Securities which are to be included in any registration or offering of Registrable Securities pursuant to Section 2.1 or Section 2.2.

"Partner Distribution" has the meaning ascribed to such term in Section 2.1(a)(iv).

"Permitted Transferee" means (i) with respect to a Sowell Holder, any Affiliate or another Sowell Holder to whom Registrable Securities are transferred by such Sowell Holder or Affiliate thereof and (ii) with respect to a Ritchie Holder, any Affiliate or another Ritchie Holder to whom Registrable Securities are transferred by such Ritchie Holder or Affiliate thereof, provided, in each case, that such transferee executes an Assumption Agreement.

"Person" means any individual, firm, corporation, company, limited liability company, partnership, trust, joint stock company, business trust, incorporated or unincorporated association or organization, joint venture, governmental authority or other legal entity of any nature whatsoever.

"Piggyback Notice" has the meaning ascribed to such term in Section 2.2(a).

"Piggyback Shares" has the meaning ascribed to such term in Section 2.3(a)(iii).

"Postponement Period" has the meaning ascribed to such term in Section 2.1(b).

"Qualified Independent Underwriter" means a "qualified independent underwriter" within the meaning of FINRA Rule 5121.

"Registrable Securities" means (i) any shares of Common Stock held by the Holders at any time (including those held as a result of, or issuable upon, the conversion or exercise of Common Stock Equivalents), whether now owned or acquired by the Holders at a later time, (ii) any shares of Common Stock issued or issuable, directly or indirectly, in exchange for or with respect to the Common Stock referenced in clause (i) above by way of stock dividend, stock split or combination of shares or in connection with a reclassification, recapitalization, merger, share exchange or conversion, consolidation or other reorganization and (iii) any securities issued in replacement of or exchange for any securities described in clause (i) or (ii) above. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such securities shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (B) such securities shall have been sold in compliance with the requirements of Rule 144 (or any successor provision thereto), (C) such securities have been sold in a private transaction in which the transferor's rights under this Agreement are not assigned to the transferee of the securities, or (D) such securities have ceased to be outstanding. At such time that any Holder no longer holds any Registrable Securities, the rights and obligations of such Holder and of the Company with respect to such Holder, other than those rights and obligations contained in Sections 2.9 and 4.14, shall terminate and have no further force or effect.

"Ritchie Holders" means (i) Mr. Robert C. Ritchie, (ii) any Person that executes a Joinder Agreement as a Ritchie Holder, (iii) any Affiliate of any such Person, and (iv) any successor or Permitted Transferee of any of the foregoing that executes an Assumption Agreement and is designated therein as a "Ritchie Holder."

"Rule 144" and "Rule 144A" have the meaning ascribed to such terms in Section 4.2.

"SEC" means the U.S. Securities and Exchange Commission or such other federal agency which at such time administers the Securities Act.

"Section 2.3(a) Sale Number" has the meaning ascribed to such term in Section 2.3(a).

"Section 2.3(a)(x) Sale Number" has the meaning ascribed to such term in Section 2.3(a).

"Section 2.3(a) Block Trade Sale Number" has the meaning ascribed to such term in Section 2.3(a).

"Section 2.3(b) Sale Number" has the meaning ascribed to such term in Section 2.3(b).

"Section 2.3(b)(x) Sale Number" has the meaning ascribed to such term in Section 2.3(b).

"Section 2.3(b) Block Trade Sale Number" has the meaning ascribed to such term in Section 2.3(b).

"Section 2.3(c) Sale Number" has the meaning ascribed to such term in Section 2.3(c).

"Section 2.3(c)(x) Sale Number" has the meaning ascribed to such term in Section 2.3(c).

"Section 2.3(c) Block Trade Sale Number" has the meaning ascribed to such term in Section 2.3(c).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC issued under such Act, as they may from time to time be in effect.

"Shelf Registrable Securities" has the meaning ascribed to such term in Section 2.1(e).

"Shelf Registration Statement" has the meaning ascribed to such term in Section 2.1(a)(i).

"Shelf Underwriting" has the meaning ascribed to such term in Section 2.1(e).

"Shelf Underwriting Notice" has the meaning ascribed to such term in Section 2.1(e).

"Shelf Underwriting Request" has the meaning ascribed to such term in Section 2.1(e).

"Sowell" means Sowell Investments Holding Co., LLC, a Texas limited liability company.

"Sowell Holders" means (i) Sowell, (ii) any Person that executes a Joinder Agreement as a Sowell Holder, (iii) any general or limited partnership, corporation or limited liability company having as an investment advisor, general partner, controlling equity holder or managing member (whether directly or indirectly) a Person who is an investment advisor, general partner, controlling equity holder or managing member (whether directly or indirectly) of any Person described in clause (i) or (ii) or an Affiliate of any such Person, and (iv) any successor or Permitted Transferee of any of the foregoing that executes an Assumption Agreement and is designated therein as a "Sowell Holder"; provided that for the avoidance of doubt, for purposes of this definition neither "Sowell Holders" nor Affiliates thereof shall include any portfolio company of Sowell.

"Subsidiary" means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof.

"Underwritten Block Trade" has the meaning ascribed to such term in Section 2.1(e).

"Underwritten Block Trade Notice" has the meaning ascribed to such term in Section 2.1(e).

"Valid Business Reason" has the meaning ascribed to such term in Section 2.1(b).

"WKSI" has the meaning ascribed to such term in Section 2.1(a)(i).

Section 2. Registration Rights.

2.1. Demand Registrations.

(a) (i) Subject to Sections 2.1(b), 2.3 and 2.7, 180 days after the consummation of the IPO, at any time and from time to time each of the Sowell Holders and Ritchie Holders shall have the right to require the Company to file one (1) or more registration statements under the Securities Act covering all or any part of their and their respective Affiliates' Registrable Securities by delivering a written request therefor to the Company specifying the number of Registrable

Securities to be included in such registration and the intended method of sale or distribution thereof. Any such request by a Sowell Holder or Ritchie Holder pursuant to this Section 2.1(a)(i) is referred to herein as a "Demand Registration Request," and the registration so requested is referred to herein as a "Demand Registration" (with respect to any Demand Registration, the Sowell Holder(s) or the Ritchie Holders, as applicable, making such demand for registration being referred to as the "Initiating Holders"). The Sowell Holders shall be entitled to request (and the Company shall be required to effect) two demand registrations every fiscal year. The Ritchie Holders shall be entitled to request (and the Company shall be required to effect) a single demand registration during the term of this Agreement. Any Demand Registration Request may request that the Company register Registrable Securities on an appropriate form, including a shelf registration statement pursuant to Rule 415 under the Securities Act on Form S-3 (if the Company is eligible to file a shelf registration statement on Form S-3) or Form S-1 (any such shelf registration statement on Form S-3 or Form S-1, a "Shelf Registration Statement"), and, if the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act, a "WKSI"), an automatic shelf registration statement (as defined in Rule 405 under the Securities Act, an "automatic shelf registration statement"). The Company shall give written notice (the "Demand Exercise Notice") of such Demand Registration Request (1) to each of the Holders of record of Registrable Securities (other than individuals), at least five (5) Business Days prior to the filing of any registration statement under the Securities Act and (2) to each of the Holders of record of Registrable Securities that is an individual, no more than five (5) Business Days after the filing of the registration statement under the Securities Act (or, in the case of a request for the filing of an automatic shelf registration statement, at least five (5) Business Days prior to the filing of such registration statement). Notwithstanding the foregoing, the Company may delay any Demand Exercise Notice, including until after filing a registration statement, so long as all recipients of such notice have the same amount of time to determine whether to participate in a registration or an offering as they would have had if such notice had not been so delayed.

(ii) The Company, subject to Sections 2.3 and 2.6, shall include in a Demand Registration (x) the number of Registrable Securities of the Initiating Holders requested to be included therein and (y) the number of Registrable Securities of any other Holder of Registrable Securities requested by such Holder in a written request to the Company for inclusion in such registration pursuant to Section 2.2 within five (5) days following the receipt of any such Demand Exercise Notice.

(iii) The Company shall, as expeditiously as possible, but subject to Section 2.1(b), use its commercially reasonable efforts to (x) file with the SEC (no later than forty-five (45) days from the Company's receipt of the applicable Demand Registration Request) and cause to be declared effective such registration under the Securities Act as soon as reasonably practicable (including, without limitation, by means of a shelf registration pursuant to Rule 415 under the Securities Act if so requested and if the Company is then eligible to use such a registration) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with the intended method of distribution and (y) if requested by the Initiating Holders, obtain acceleration of the effective date of the registration statement relating to such registration.

(iv) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Sowell Holder or Ritchie Holder seeking to effect or considering a distribution to, and registered resale by, its members, partners or other equity holders (a "Partner Distribution"), file any prospectus supplement or post-effective amendments, or include in the initial registration statement any disclosure or language, or include in any prospectus supplement or post-effective amendment any disclosure or language, and otherwise take any action, deemed necessary or advisable by such Sowell Holder or Ritchie Holder to effect such Partner Distribution, including but not limited to the furnishing of any customary legal opinions, certificates or other documentation reasonably requested by the Company's transfer agent.

(b) Notwithstanding anything to the contrary in Section 2.1(a), the Demand Registration rights granted in Section 2.1(a) and the Shelf Underwriting and Underwritten Block Trade rights granted in Section 2.1(e) are subject, as applicable, to the following limitations: (i) the Company shall not be required to cause a registration pursuant to Section 2.1(a) to be declared effective within a period of ninety (90) days after the effective date of any other registration of the Company filed pursuant to the Securities Act (other than a Form S-4 or Form S-8 or any similar or successor forms or forms filed in connection with an exchange offer or any employee benefit or dividend reinvestment plan); (ii) each registration in respect of a Demand Registration Request made by any Initiating Holder must include, in the aggregate, Registrable Securities having an aggregate market value of at least the lesser of (a) the Minimum Threshold (based on the Registrable Securities included in such registration by all Holders participating in such registration) and (b) the market value of the Initiating Holder's remaining Registrable Securities; and (iii) if the Board, in its good faith judgment, determines that any registration of Registrable Securities should not be made or continued because it would materially and adversely interfere with any *bona fide* existing or potential material financing, acquisition, corporate reorganization, merger, share exchange or other transaction or event involving the Company or any of its Subsidiaries or any parent company or because the Company does not yet have appropriate financial statements of the Company or any acquired or to be acquired entities available for filing and cannot obtain such financial statements on an expedited basis without undue burden and expense (in each case, a "Valid Business Reason"), then (x) the Company may postpone filing a registration statement relating to a Demand Registration Request until five (5) Business Days after such Valid Business Reason no longer exists, but in no event for more than forty-five (45) days after the date the Board determines a Valid Business Reason exists and (y) in case a registration statement has been filed relating to a Demand Registration Request, the Company may, to the extent determined in the good faith judgment of the Board to be reasonably necessary to avoid interference with any of the transactions described above, suspend use of or, if required by the SEC, cause such registration statement to be withdrawn and its effectiveness terminated or may postpone amending or supplementing such registration statement until five (5) Business Days after such Valid Business Reason no longer exists, but in no event for more than forty-five (45) days after the date the Board determines a Valid Business Reason exists (such period of postponement or withdrawal under this clause (iii), the "Postponement Period"). The Company shall give written notice to the Initiating Holders and any other Holders that have requested registration pursuant to Sections 2.1(a)(ii) or 2.2 of its determination to postpone or suspend use of or withdraw a registration statement and of the fact that the Valid Business Reason for such postponement or suspension or withdrawal no longer exists, in each case, promptly after the occurrence thereof; provided, however, the Company shall not be permitted to postpone or suspend use of or withdraw a registration statement after the expiration of any Postponement Period until twelve (12) months after the expiration of such Postponement Period.

If the Company shall give any notice of postponement or suspension or withdrawal of any registration statement pursuant to clause (iii) above, the Company shall not, during the Postponement Period, register any Common Stock, other than pursuant to a registration statement on Form S-4 or S-8 (or any similar or successor forms). Each Holder of Registrable Securities agrees that, upon receipt of any notice from the Company that the Company has determined to suspend use of, withdraw or postpone amending or supplementing any registration statement pursuant to clause (iii) above, such Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement. If the Company shall have suspended use of or withdrawn a registration statement filed under Section 2.1(a)(i) (whether pursuant to clause (iii) above or as a result of any stop order, injunction or other order or requirement of the SEC or any other Governmental Authority or court), the Company shall not be considered to have effected a Demand Registration for the purposes of this Agreement until the Company shall have permitted use of such suspended registration statement or filed a new registration statement covering the Registrable Securities covered by the withdrawn registration statement and such registration statement shall have been declared effective and shall not have been withdrawn. If the Company shall give any notice of suspension, withdrawal or postponement of a registration statement, the Company shall, not later than five (5) Business Days after the Valid Business Reason that caused such suspension, withdrawal or postponement no longer exists (but in no event later than forty-five (45) days after the date of the suspension, postponement or withdrawal), as applicable, permit use of such suspended registration statement or use its commercially reasonable efforts to effect the registration under the Securities Act of the Registrable Securities covered by the withdrawn or postponed registration statement in accordance with this Section 2.1 (unless the Initiating Holders shall have withdrawn such request, in which case the Company shall not be considered to have effected a Demand Registration for purposes of this Agreement and such request shall not count as a Demand Registration Request under this Agreement), and following such permission or such effectiveness such registration shall no longer be deemed to be suspended, withdrawn or postponed pursuant to clause (iii) of Section 2.1(b) above.

(c) In connection with any Demand Registration (including any Shelf Underwriting or Underwritten Block Trade), the Sowell Holders and Ritchie Holders, whoever shall have initiated such Demand Registration, shall have the right to designate the lead managing underwriter(s) (any lead managing underwriter for the purposes of this Agreement, the "Manager") in connection with any underwritten offering pursuant to such registration and each other managing underwriter for any such underwritten offering; provided that, in each case (other than in connection with an Underwritten Block Trade), each such underwriter is reasonably satisfactory to the Company, which approval shall not be unreasonably withheld, conditioned or delayed.

(d) No Demand Registration shall be deemed to have occurred for purposes of Section 2.1(a) (i) if the registration statement relating thereto (x) does not become effective, (y) is not maintained effective for a period of at least one hundred eighty (180) days after the effective date thereof (or, with respect to a Shelf Registration Statement on Form S-3, until all Registrable Securities covered by such registration statement shall have been sold or have otherwise ceased to be Registrable Securities) or such shorter period during which all Registrable Securities included in such registration statement have actually been sold (provided, however, that such period shall be extended for a period of time equal to the period during which the Holders of Registrable Securities refrain from selling any securities included in such registration statement at the request of the Company or an underwriter of the Company), or (z) is subject to a stop order, injunction, or

similar order or requirement of the SEC during such period, (ii) if the method of disposition is a firm commitment underwritten offering and any of the applicable Registrable Securities have not been sold pursuant thereto or (iii) if the conditions to closing specified in any underwriting agreement, purchase agreement or similar agreement entered into in connection with the offering relating to such request are not satisfied (other than as a result of a default or breach thereunder by the Sowell Holders or the Ritchie Holders) or are otherwise not waived by each of the Sowell Holders and the Ritchie Holders.

(e) Upon a Demand Registration Request made in accordance with Section 2.1(a), at any time following such time as the Company shall have become eligible to file a Shelf Registration Statement on Form S-3 in accordance with Rule 415 under the Securities Act, (i) the Company shall use its best efforts to file a Shelf Registration Statement on Form S-3 in accordance with Rule 415 under the Securities Act and to effect and maintain in effect a Shelf Registration Statement on Form S-3 in accordance with this Section 2.1(e) (including, if requested by a Sowell Holder or a Ritchie Holder, filing a replacement registration statement upon expiration of such Shelf Registration Statement), (ii) such Shelf Registration Statement shall provide for an offer to be made on a continuous basis pursuant to Rule 415 under the Securities Act relating to the offer and sale, from time to time, of all of those Registrable Securities that are requested to be registered on such Shelf Registration Statement and (iii) each of the Sowell Holders and Ritchie Holders shall have the right at any time and from time to time to elect (without limitation on the number of such elections) to sell pursuant to an underwritten offering Registrable Securities available for sale pursuant to such Shelf Registration Statement. Any of the Sowell Holders or the Ritchie Holders, subject to Section 2.7, may make such election to sell Registrable Securities pursuant to an underwritten offering by delivering to the Company a written request (a "Shelf Underwriting Request") for such underwritten offering specifying the number of Registrable Securities that such Sowell Holder or Ritchie Holder desires to sell pursuant to such underwritten offering (the "Shelf Underwriting"). As promptly as practicable, but no later than two (2) Business Days after receipt of a Shelf Underwriting Request, the Company shall give written notice (the "Shelf Underwriting Notice") of such Shelf Underwriting Request to the Holders of record of other Registrable Securities registered on such Shelf Registration Statement (the "Shelf Registrable Securities"). The Company, subject to Sections 2.3 and 2.6, shall include in such Shelf Underwriting (x) the number of Shelf Registrable Securities of the Initiating Holders requested to be included therein and (y) the number of Shelf Registrable Securities of any other Holder of Shelf Registrable Securities requested by such Holder in a written request to the Company for inclusion in such Shelf Underwriting pursuant to Section 2.2 within five (5) days following the receipt of any such Shelf Underwriting Notice. The Company shall, as expeditiously as possible (and in any event within twenty (20) days after the receipt of a Shelf Underwriting Request), but subject to Section 2.1(b), use its commercially reasonable efforts to facilitate such Shelf Underwriting. Notwithstanding the foregoing, if any Sowell Holder or Ritchie Holder wishes to engage in an underwritten block trade or similar transaction or other transaction with a 2-day or less marketing period (collectively, "Underwritten Block Trade") pursuant to a Shelf Registration Statement (either through filing an automatic shelf registration statement or through a take-down from an already effective Shelf Registration Statement, and, for the avoidance of doubt, if pursuant to the filing of an automatic shelf registration statement, the Company shall not be required to provide notice thereof to any other Holders of Registrable Securities pursuant to Sections 2.1 or 2.2), then notwithstanding the foregoing time periods, such Sowell Holder or Ritchie Holder only needs to notify (a "Underwritten Block Trade Notice") the Company of the Underwritten Block Trade two (2)

Business Days prior to the day such Underwritten Block Trade is to commence, and, if applicable, the Company (or such Sowell Holder or Ritchie Holder at its option) shall notify the other Sowell Holders and Ritchie Holders (in each case, if then a Holder of (i) Shelf Registrable Securities or (ii) Registrable Securities that may be added to such Shelf Registration Statement through the filing of a prospectus supplement), on the same day and such other Sowell Holders or Ritchie Holders, as applicable, must elect whether or not to participate by the next Business Day (i.e., one (1) Business Day prior to the date such offering is to commence), and the Company shall as expeditiously as possible, but subject to Section 2.1(b), use its commercially reasonable efforts to facilitate such Underwritten Block Trade (which may close as early as two (2) Business Days after the date it commences); provided, however, that the Sowell Holder(s) or Ritchie Holder(s) requesting such Underwritten Block Trade shall use commercially reasonable efforts to work with the Company and counsel to the underwriters prior to making such request in order to facilitate preparation of the registration statement (including, if applicable, filing an automatic shelf registration statement), prospectus and other offering documentation related to the Underwritten Block Trade. In the event any Sowell Holder or Ritchie Holder requests such an Underwritten Block Trade, notwithstanding anything to the contrary in this Section 2.1 or in Section 2.2, no other Holder that is not a Sowell Holder or Ritchie Holder shall have any right to notice of or to participate in such Underwritten Block Trade at any time. The Company shall, at the request of any Sowell Holder or Ritchie Holder requesting a Shelf Underwriting or an Underwritten Block Trade, file any prospectus supplement or, if the applicable Shelf Registration Statement is an automatic shelf registration statement, any post-effective amendment, and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such requesting Sowell Holder(s) (or Ritchie Holder(s), if applicable) to effect such Shelf Underwriting or Underwritten Block Trade, as applicable. Notwithstanding anything to the contrary in this Section 2.1(e), once a Shelf Registration Statement has been declared effective, with respect to such Shelf Registration Statement, the Sowell Holders may request, and the Company shall be required to facilitate, subject to Section 2.1(b), two Shelf Underwritings and Underwritten Block Trades, collectively, per fiscal year. The Ritche Holders may request, and the Company shall be required to facilitate, subject to Section 2.1(b), a single Shelf Underwriting or Underwritten Block Trade during the term of this Agreement. Notwithstanding anything to the contrary in this Section 2.1(e), each Shelf Underwriting and Underwritten Block Trade must include, in the aggregate, Registrable Securities having an aggregate market value of at least the lesser of (a) the Minimum Threshold (based on the Registrable Securities included in such Shelf Underwriting or Underwritten Block Trade by all Holders participating in such Shelf Underwriting or Underwritten Block Trade) and (b) the market value of the remaining Registrable Securities held by such Sowell Holder(s) or Ritchie Holder(s) requesting such Shelf Underwriting or Underwritten Block Trade, as applicable.

(f) Any Initiating Holder may withdraw or revoke a Demand Registration Request (or Shelf Underwriting Request or Underwritten Block Trade Notice) delivered by such Initiating Holder at any time prior to the effectiveness of such Demand Registration (or the sale pursuant to such Shelf Underwriting or Underwritten Block Trade) and such Demand Registration (or Shelf Underwriting or Underwritten Block Trade) shall have no further force or effect and such request shall not count as a Demand Registration Request (or Shelf Underwriting Request or Underwritten Block Trade) under this Agreement. The Company may, at its election, give written notice of such withdrawal or revocation to each Holder of record of Registrable Securities entitled to notice of such Demand Registration Request, Shelf Underwriting Request or Underwritten Block Trade Notice, as applicable, and thereupon will be relieved of its obligation to register any Registrable Securities in connection with such Demand Registration or sell any Registrable Securities in connection with such Shelf Underwriting or Underwritten Block Trade, as applicable.

2.2. Piggyback Registrations.

(a) If the Company proposes or is required (pursuant to Section 2.1 or otherwise) to register any of its equity securities for its own account or for the account of any other stockholder under the Securities Act (other than pursuant to registrations on Form S-4 or Form S-8 or any similar or successor forms), the Company shall give written notice (the "Piggyback Notice") of its intention to do so to the Sowell Holders and the Ritchie Holders promptly after deciding to undertake such registration (and in no event more than five (5) Business Days thereafter). Notwithstanding the foregoing, the Company may delay any Piggyback Notice, including until after filing a registration statement, so long as all recipients of such notice have the same amount of time to determine whether to participate in a registration or an offering as they would have had if such notice had not been so delayed. Upon the written request of any such Holder, made within five (5) days following the receipt of any such Piggyback Notice (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such Holder in such registration and the intended method of sale or distribution thereof), the Company shall, subject to Sections 2.2(c), 2.3 and 2.6 hereof, use its commercially reasonable efforts to cause all such Registrable Securities, the Holders of which have so requested the registration thereof, to be registered under the Securities Act with the securities which the Company at the time proposes to register to permit the sale or other disposition by the Holders (in accordance with the intended method of sale or distribution thereof) of the Registrable Securities to be so registered, including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the registration statement filed by the Company or the prospectus related thereto. There is no limitation on the number of such piggyback registrations pursuant to the preceding sentence which the Company is obligated to effect. No registration of Registrable Securities effected under this Section 2.2(a) shall relieve the Company of its obligations under Section 2.1 hereof. If the Company proposes to sell any of its equity securities for its own account in an underwritten offering pursuant to a Shelf Registration Statement (a "Company Shelf Underwriting"), the Company shall, as promptly as practicable, give written notice of such Company Shelf Underwriting (a "Company Shelf Notice") to each Holder of record of Shelf Registrable Securities. In addition to any equity securities that the Company proposes to sell for its own account in such Company Shelf Underwriting, the Company shall, subject to Sections 2.3 and 2.6, include in such Company Shelf Underwriting the Shelf Registrable Securities of any other Holder of Shelf Registrable Securities which shall have made a written request to the Company for inclusion in such Company Shelf Underwriting (which request shall specify the maximum number of Shelf Registrable Securities intended to be disposed of by such Holder in such offering) within five (5) days following the receipt of the Company Shelf Notice. If a Sowell Holder or Ritchie Holder proposes to sell any of its Registrable Securities in a Shelf Underwriting, then the provisions set forth in Section 2.1(e) shall apply to such Shelf Underwriting. Notwithstanding the foregoing, (x) if the Company wishes to sell any of its equity securities for its own account in an Underwritten Block Trade (a "Company Underwritten Block Trade") pursuant to a Shelf Registration Statement (either through filing an automatic shelf registration statement or through a take-down from an already effective Shelf Registration Statement), and, for the avoidance of doubt, if pursuant to the filing of an automatic shelf registration statement, the Company shall not be required to provide notice thereof to any

Holders of Registrable Securities pursuant to Sections 2.1 or 2.2 other than the Sowell Holders or Ritchie Holders, then notwithstanding the foregoing time periods, the Company only needs to notify (a "Company Underwritten Block Trade Notice") the Sowell Holders and the Ritchie Holders (in each case, if then a Holder of (i) Shelf Registrable Securities or (ii) Registrable Securities that may be added to such Shelf Registration Statement through the filing of a prospectus supplement) of the Company Underwritten Block Trade two (2) Business Days prior to the day such Company Underwritten Block Trade is to commence and such Sowell Holder or Ritchie Holder must elect whether or not to participate by the next Business Day (i.e., one (1) Business Day prior to the date such Company Underwritten Block Trade is to commence), and the Company shall as expeditiously as possible use its commercially reasonable efforts to facilitate such Company Underwritten Block Trade (which may close as early as two (2) Business Days after the date it commences), and (y) if a Sowell Holder or Ritchie Holder wishes to engage in an Underwritten Block Trade pursuant to a Shelf Registration Statement, then the provisions set forth in Section 2.1(e) shall apply to such Underwritten Block Trade. In the event the Company proposes to effect a Company Underwritten Block Trade, notwithstanding anything to the contrary in Section 2.1 or in this Section 2.2, no Holder that is not a Sowell Holder or Ritchie Holder shall have any right to notice of or to participate in such Company Underwritten Block Trade at any time. The Company shall, at the request of any Sowell Holder or Ritchie Holder requesting to participate in a Company Shelf Underwriting or Company Underwritten Block Trade, file any prospectus supplement or, if the applicable Shelf Registration Statement is an automatic shelf registration statement, any post-effective amendment, and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such requesting Sowell Holder(s) or Ritchie Holder(s) to effect such Company Shelf Underwriting or Company Underwritten Block Trade, as applicable.

(b) The Company, subject to Sections 2.3, 2.6 and 2.10, may elect to include in any registration or offering pursuant to demand registration rights by any Person or otherwise (other than in connection with an Underwritten Block Trade) (i) authorized but unissued shares of Common Stock or shares of Common Stock held by the Company as treasury shares and (ii) any other shares of Common Stock which are requested to be included in such registration or offering pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof in accordance with this Agreement ("Additional Piggyback Rights"); provided, however, that, with respect to any underwritten offering pursuant to a registration, such inclusion shall be permitted only to the extent that (x) in the case of a Shelf Underwriting, such shares of Common Stock are registered on the applicable Shelf Registration Statement, and (y) it is pursuant to, and subject to, the terms of the underwriting agreement or arrangements, if any, entered into by the Sowell Holders or Ritchie Holders.

(c) Other than in connection with a Demand Registration (or a Shelf Underwriting or Underwritten Block Trade), if, at any time after giving a Piggyback Notice (or a Company Shelf Notice or a Company Underwritten Block Trade Notice) and prior to the effective date of the registration statement filed in connection with such registration (or the sale pursuant to a Company Shelf Underwriting or Company Underwritten Block Trade), the Company shall determine for any reason not to register (or sell) or to delay registration (or sale) of such equity securities, the Company may, at its election, give written notice of such determination to each Holder of record of Registrable Securities (except, in the case of a Company Underwritten Block Trade, then, only to the Sowell Holders and the Ritchie Holders) and (i) in the case of a determination not to register

(or sell), shall be relieved of its obligation to register (or sell) any Registrable Securities in connection with such abandoned registration (or abandoned sale), without prejudice, however, to the rights of Holders of Registrable Securities under Section 2.1, and (ii) in the case of a determination to delay such registration (or sale) of its equity securities, shall be permitted to delay the registration (or sale) of such Registrable Securities for the same period as the delay in registering (or selling) such other equity securities.

(d) Any Holder shall have the right to withdraw its request for inclusion of its Registrable Securities in any registration statement or offering pursuant to this Section 2.2 by giving written notice to the Company of its request to withdraw; provided, however, that such request must be made in writing prior to the earlier of the execution of the underwriting agreement or the execution of any custody agreement with respect to such registration or offering or as otherwise required by the underwriters.

(e) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Sowell Holder or Ritchie Holder seeking to effect a Partner Distribution, file any prospectus supplement or post-effective amendments, or include in the initial registration statement any disclosure or language, or include in any prospectus supplement or post-effective amendment any disclosure or language, and otherwise take any action, deemed necessary or advisable by such Sowell Holder or Ritchie Holder to effect such Partner Distribution, including but not limited to the furnishing of any customary legal opinions, certificates or other documentation reasonably requested by the Company's transfer agent.

2.3. Allocation of Securities Included in Registration Statement.

(a) If any requested registration or offering made pursuant to Section 2.1 (including a Shelf Underwriting) involves (x) an underwritten offering and the Manager of such offering shall advise the Company that, in its view, the number of securities requested to be included in such underwritten offering by the Participating Holders, the Company or any other Persons exercising Additional Piggyback Rights exceeds the largest number (the "Section 2.3(a)(x) Sale Number") that can be sold in an orderly manner in such underwritten offering within a price range acceptable to the Sowell Holders and the Ritchie Holders or (y) an Underwritten Block Trade and the number of securities requested to be included in such Underwritten Block Trade by the Sowell Holders and the Ritchie Holders exceeds the number that are sold in any such Underwritten Block Trade (the "Section 2.3(a) Block Trade Sale Number" and, together with the Section 2.3(a)(x) Sale Number, the "Section 2.3(a) Sale Number"), the Company shall use its commercially reasonable efforts to include in such underwritten offering:

(i) first, all Registrable Securities requested to be included in such underwritten offering by the Holders thereof (including pursuant to the exercise of piggyback rights pursuant to Sections 2.1 and 2.2); provided, however, that if the number of such Registrable Securities exceeds the Section 2.3(a) Sale Number, the number of such Registrable Securities (not to exceed the Section 2.3(a) Sale Number) to be included in such underwritten offering shall be allocated on a pro rata basis among all Holders requesting that Registrable Securities be included in such underwritten offering (including pursuant to the exercise of piggyback rights pursuant to Sections 2.1 and 2.2), based on the number of Registrable Securities then beneficially owned by each such Holder requesting inclusion in relation to the aggregate number of Registrable Securities then beneficially owned by all Holders requesting inclusion;

(ii) second, to the extent that the number of Registrable Securities to be included pursuant to clause (i) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, any equity securities that the Company proposes to register or sell, up to the Section 2.3(a) Sale Number; and

(iii) third, to the extent that the number of Registrable Securities and equity securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, the remaining equity securities to be included in such underwritten offering shall be allocated on a pro rata basis among all Persons requesting that equity securities of the Company be included in such underwritten offering pursuant to the exercise of Additional Piggyback Rights ("Piggyback Shares"), based on the number of Piggyback Shares then beneficially owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares then beneficially owned by all Persons requesting inclusion, up to the Section 2.3(a) Sale Number.

(b) If any registration or offering made pursuant to Section 2.2 (including a Company Shelf Underwriting) involves (x) an underwritten primary offering on behalf of the Company after the date hereof and the Manager shall advise the Company that, in its view, the number of securities requested to be included in such underwritten offering by the Holders of Registrable Securities, the Company or any other Persons exercising Additional Piggyback Rights exceeds the largest number (the "Section 2.3(b)(x) Sale Number") that can be sold in an orderly manner in such underwritten offering within a price range acceptable to the Company or (y) a Company Underwritten Block Trade and the number of securities requested to be included in such Company Underwritten Block Trade by the Company, the Sowell Holders or the Ritchie Holders exceeds the number that are sold in any such Company Underwritten Block Trade (the "Section 2.3(b) Block Trade Sale Number" and, together with the Section 2.3(b)(x) Sale Number, the "Section 2.3(b) Sale Number"), the Company shall use its commercially reasonable efforts to include in such underwritten offering:

(i) first, all equity securities that the Company proposes to register or sell for its own account;

(ii) second, to the extent that the number of equity securities to be included pursuant to clause (i) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, the remaining equity securities to be included in such underwritten offering shall be allocated on a pro rata basis among all Holders requesting that Registrable Securities be included in such underwritten offering pursuant to the exercise of piggyback rights pursuant to Section 2.2(a), based on the number of Registrable Securities then beneficially owned by each such Holder requesting inclusion in relation to the aggregate number of Registrable Securities then beneficially owned by all Holders requesting inclusion, up to the Section 2.3(b) Sale Number; and

(iii) third, to the extent that the number of equity securities and Registrable Securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, the remaining equity securities to be included in such underwritten offering shall be allocated on a pro rata basis among all Persons requesting that equity securities of the Company be included in such underwritten offering pursuant to the exercise of Additional Piggyback Rights, based on the number of Piggyback Shares then beneficially owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares then beneficially owned by all Persons requesting inclusion, up to the Section 2.3(b) Sale Number.

(c) If any registration or offering made pursuant to Section 2.2 involves (x) an underwritten offering that was initially requested by any Person(s) (other than a Holder) to whom the Company has granted registration rights in accordance with this Agreement and the Manager shall advise the Company that, in its view, the number of securities requested to be included in such underwritten offering by the Company, any Holders of Registrable Securities or such Person(s) exceeds the number (the "Section 2.3(c)(x) Sale Number") that can be sold in an orderly manner in such underwritten offering within a price range acceptable to the Company or (y) a block trade that was initially requested by any Person(s) (other than a Holder) to whom the Company has granted registration rights in accordance with this Agreement and the number of securities requested to be included in such block trade by the Company, any Holders of Registrable Securities or any other Persons exceeds the number that are sold in any such block trade (the "Section 2.3(c) Block Trade Sale Number" and, together with the Section 2.3(c)(x) Sale Number, the "Section 2.3(c) Sale Number"), the Company shall use its commercially reasonable efforts to include in such underwritten offering:

(i) first, the equity securities requested to be included in such underwritten offering shall be allocated on a pro rata basis among the Person(s) requesting the registration or offering and all Holders requesting that Registrable Securities be included in such underwritten offering pursuant to the exercise of piggyback rights pursuant to Section 2.2(a), based on the aggregate number of equity securities of the Company or Registrable Securities, as applicable, then beneficially owned by each of the foregoing requesting inclusion in relation to the aggregate number of equity securities of the Company or Registrable Securities, as applicable, then beneficially owned by all such Holders and Persons requesting inclusion, up to the Section 2.3(c) Sale Number;

(ii) second, to the extent that the number of equity securities and Registrable Securities to be included pursuant to clause (i) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining equity securities to be included in such underwritten offering shall be allocated on a pro rata basis among all Persons requesting that equity securities be included in such underwritten offering pursuant to the exercise of Additional Piggyback Rights, based on the number of Piggyback Shares then beneficially owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares then beneficially owned by all Persons requesting inclusion, up to the Section 2.3(c) Sale Number; and

(iii) third, to the extent that the number of equity securities and Registrable Securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining equity securities to be included in such underwritten offering shall be allocated to equity securities the Company proposes to register or sell for its own account, up to the Section 2.3(c) Sale Number.

(d) If, as a result of the proration provisions set forth in clauses (a), (b) or (c) of this Section 2.3, any Holder shall not be entitled to include all Registrable Securities in an underwritten offering that such Holder has requested be included, such Holder may elect to withdraw such Holder's request to include Registrable Securities in such underwritten offering or the registration to which such underwritten offering relates or may reduce the number of Registrable Securities requested to be included; provided, however, that (x) such request must be made in writing prior to the earlier of the execution of the underwriting agreement or the execution of any custody agreement with respect to such registration or offering and (y) such withdrawal or reduction shall be irrevocable and, after making such withdrawal or reduction, such Holder shall no longer have any right to include Registrable Securities in such underwritten offering or the registration to which such withdrawal or reduction was made to the extent of the Registrable Securities so withdrawn or reduced.

2.4. Registration Procedures. If and whenever the Company is required by the provisions of this Agreement to effect or cause the registration of and/or participate in any offering or sale of any Registrable Securities under the Securities Act as provided in this Agreement (or use commercially reasonable efforts to accomplish the same), the Company shall, as expeditiously as possible:

(a) prepare and timely file all filings with the SEC and FINRA required for the effectiveness of the registration or the consummation of the offering, including preparing and filing with the SEC a registration statement (including all required exhibits and financial statements) on an appropriate registration form of the SEC for the disposition of such Registrable Securities in accordance with the intended method of disposition thereof, which registration statement (i) shall be selected by the Company (except as provided for in a Demand Registration Request), (ii) shall, in the case of a shelf registration, be available for the sale of the Registrable Securities by the Participating Holders thereof from time to time and (iii) shall comply as to form in all material respects with the requirements of the applicable registration form and include all financial statements required by the SEC to be filed therewith, and the Company shall use its commercially reasonable efforts to cause such registration statement to become effective (provided, however, that as far in advance as reasonably practicable before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or state "blue sky" Laws of any jurisdiction, or any free writing prospectus related thereto, the Company will furnish to counsel for the Sowell Holders and Ritchie Holders, as applicable, copies of reasonably complete drafts of all such documents proposed to be filed (excluding, unless otherwise expressly requested, copies of all exhibits thereto and each document incorporated by reference therein to the extent then permitted by the rules and regulations of the SEC), which documents will be subject to the reasonable review and reasonable comment of such counsel (including any objections to any information pertaining to any Participating Holder and its plan of distribution and otherwise to the extent necessary, if at all, to complete the filing or maintain the effectiveness thereof), and the Company shall make the changes reasonably requested by such counsel and shall not file any registration statement or amendment thereto, any prospectus or supplement thereto or any free writing prospectus related thereto to which either (i) the Manager, if any, (ii) the Sowell Holder or (iii) the Ritchie Holders, as applicable, shall reasonably object; provided, however, that, notwithstanding the foregoing, in no event shall the Company be required to file any document with the SEC which in the view of the Company or its counsel contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make any statement therein not misleading);

(b) (i) prepare and timely file with the SEC such pre- and post-effective amendments and supplements to such registration statement, such prospectuses related thereto and such supplements thereto, such free writing prospectuses and such Exchange Act reports, in each case, in all material respects in conformity with the requirements of the Securities Act and the Exchange Act, as applicable, (x) as may be necessary to keep such registration statement continuously effective for a period of at least one hundred eighty (180) days after the effective date thereof (or, with respect to a Shelf Registration Statement on Form S-3, until all Registrable Securities covered by such registration statement shall have been sold or have otherwise ceased to be Registrable Securities), (y) as may be reasonably requested by either (i) the Manager, if any, (ii) the Sowell Holders or (iii) the Ritchie Holders, if applicable, and (z) as may be necessary to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Securities covered by such registration statement, in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement and (ii) provide notice to such sellers of Registrable Securities and the Manager, if any, of the Company's reasonable determination that a post-effective amendment to a registration statement would be appropriate;

(c) furnish, without charge, to each Participating Holder and each underwriter, if any, of the securities covered by such registration statement such number of copies of such registration statement, each pre- and post-effective amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, each free writing prospectus utilized in connection therewith, and other documents, as such seller and underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable Laws of each such registration statement (or amendment or supplement thereto), each such prospectus (or preliminary or summary prospectus or supplement thereto), each such free writing prospectus and each such other document by each such Participating Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement);

(d) use its commercially reasonable efforts to register or qualify the Registrable Securities covered by such registration statement under such other securities or state "blue sky" Laws of such jurisdictions as any sellers of Registrable Securities or any managing underwriter, if any, shall reasonably request in writing, and do any and all other acts and things which may be reasonably necessary or advisable to enable such sellers or underwriter, if any, to consummate the disposition of the Registrable Securities in such jurisdictions in accordance with the intended methods of disposition (including keeping such registration or qualification in effect for so long as such registration statement remains in effect), except that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it would not, but for the requirements of this paragraph (d), be required to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(e) promptly notify each Participating Holder (that is not an individual) and each managing underwriter, if any: (i) when such registration statement, any pre- or post-effective amendment or supplement thereto, the prospectus related thereto or any supplement related thereto, or any free writing prospectus has been filed with the SEC and, with respect to such registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the SEC or state securities authority for amendments or supplements to such registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the SEC of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the securities or state "blue sky" Laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) of the existence of any fact of which the Company becomes aware which results in such registration statement or any amendment or supplement thereto, the prospectus related thereto or any supplement thereto, any document incorporated therein by reference or any free writing prospectus containing, in the case of the registration statement, an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading, and, in all other cases, an untrue statement of a material fact or omitting to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (which notice shall notify the Participating Holders only of the occurrence of such an event and shall provide no additional information regarding such event to the extent such information would constitute material non-public information); and (vi) if at any time the representations and warranties contemplated by any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct in all material respects; and, if the notification relates to an event described in clause (v), unless the Company has declared that a Postponement Period exists, the Company shall promptly prepare a supplement or amendment to such registration statement, the prospectus related thereto or any supplement thereto or free writing prospectus and furnish to each Participating Holder and each underwriter, if any, a reasonable number of copies of such supplement to or amendment of such registration statement, prospectus, prospectus supplement or free writing prospectus so that, as thereafter filed with the SEC or delivered to the purchasers of such Registrable Securities, as the case may be, such registration statement shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and such prospectus, prospectus supplement or free writing prospectus shall not include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) comply (and continue to comply) with all applicable rules and regulations of the SEC (including, without limitation, maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) in accordance with the Exchange Act), and make generally available to its security holders, as soon as reasonably practicable after the effective date of the registration statement (and in any event within forty-five (45) days, or ninety (90) days if it is a fiscal year, after the end of such twelve month period described hereafter), an earnings statement (which need not be audited) covering the period of at least twelve (12) consecutive months beginning with the first day of the Company's first calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(g) (i) (A) cause all such Registrable Securities covered by such registration statement to be listed on the principal securities exchange on which similar securities issued by the Company are then listed (if any), if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (B) if no similar securities are then so listed, to cause all such Registrable Securities to be listed on a national securities exchange and, without limiting the generality of the foregoing, take all actions that may be required by the Company as the issuer of such Registrable Securities in order to facilitate the managing underwriter's arranging for the registration of at least two market makers as such with respect to such shares with FINRA, and (ii) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(h) cause its senior management, officers, employees and independent public accountants to participate in, make themselves available, supply such information as may be reasonably requested and to otherwise facilitate and cooperate with, the preparation of the registration statement and prospectus and any amendments or supplements thereto and, in the case of any underwritten offering, any other offering documentation (including participating in meetings, drafting sessions, due diligence sessions and rating agency presentations) taking into account the Company's reasonable business needs;

(i) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities covered by such registration statement not later than the effective date of such registration statement and, in the case of any underwritten offering, to the extent necessary, provide and enter into any reasonable agreements with a custodian for the Registrable Securities;

(j) in the case of any underwritten offering, enter into such customary agreements (including, if applicable, an underwriting agreement) and take such other actions as either (i) the underwriters or (ii) the Sowell Holders or Ritchie Holders, as applicable, shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities;

(k) in the case of any underwritten offering, use its commercially reasonable efforts to (i) obtain opinions from the Company's counsel, including without limitation local and/or regulatory counsel, and a "cold comfort" letter, updates thereof and consents from the independent public accountants who have certified the financial statements of the Company (and/or any other financial statements, including financial statements pursuant to Rule 3-05 of Regulation S-X and Article 11 thereunder) included or incorporated by reference in such registration statement, in each case, in customary form and covering such matters as are customarily covered by such opinions and "cold comfort" letters (including, in the case of such "cold comfort" letter, events subsequent to the date of such financial statements) delivered to underwriters in underwritten offerings, which opinions and letters shall be dated the dates such opinions and "cold comfort" letters are customarily dated and addressed to the underwriters and otherwise reasonably satisfactory to (a) the underwriters and to (b) the Sowell Holders and Ritchie Holders, as applicable, and (ii) furnish to each Participating Holder upon its request and to each underwriter a copy of such opinions and letters addressed to such underwriter and each Participating Holder, as applicable, to the extent permitted by the Company's counsel and independent public accountants;

(l) deliver promptly to counsel for the Sowell Holders and Ritchie Holders, as applicable, and to each managing underwriter, if any, copies of all correspondence between the SEC and the Company, its counsel or auditors relating to such registration statement, and, upon receipt of such confidentiality agreements as the Company may reasonably request, make reasonably available for inspection by counsel for the Sowell Holders and Ritchie Holders, as applicable, and by counsel for any underwriter participating in any disposition to be effected pursuant to such registration statement and by any attorney, accountant or other agent retained by (i) any such underwriter or (ii) the Sowell Holders and Ritchie Holders, as applicable, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by counsel for the Sowell Holders and Ritchie Holders, as applicable, counsel for an underwriter or any attorney, accountant or agent retained by the foregoing in connection with such registration statement;

(m) use its commercially reasonable efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of such registration statement, or the lifting of any suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction, in each case, as promptly as reasonably practicable;

(n) provide a CUSIP number for all Registrable Securities, not later than the effective date of such registration statement and, if applicable, provide the applicable transfer agent with printed certificates for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company;

(o) use its commercially reasonable efforts to make available its senior management, employees and personnel for the preparation of and participation in "road shows" and other marketing efforts and otherwise provide reasonable assistance to the underwriters (taking into account the Company's reasonable business needs and the requirements of the marketing process) in the marketing of Registrable Securities in any underwritten offering;

(p) promptly prior to the filing of any document which is to be incorporated by reference into such registration statement or the prospectus (after the initial filing of such registration statement), and prior to the filing or use of any free writing prospectus, provide copies of such document to counsel for the Sowell Holders and Ritchie Holders as applicable, upon its request and to counsel for the underwriters, if any, upon its request and make the Company's representatives reasonably available for discussion of such document and make such changes in such document concerning the Participating Holders prior to the filing thereof as counsel for the Sowell Holders and Ritchie Holders as applicable, or counsel for the underwriters, if any, may reasonably request (provided, however, that, notwithstanding the foregoing, in no event shall the Company be required to file any document with the SEC which in the view of the Company or its counsel contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make any statement therein not misleading);

(q) furnish to counsel for the Sowell Holders and Ritchie Holders as applicable, upon its request, and to each managing underwriter upon its request, in each case, without charge, at least one conformed copy of such registration statement and any post-effective amendments or supplements thereto, including financial statements and schedules, all documents incorporated therein by reference, the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus and prospectus supplement filed under Rule 424 under the Securities Act and all exhibits (including those incorporated by reference) and any free writing prospectus utilized in connection therewith;

(r) cooperate with the Participating Holders and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates or book-entry statements, as the case may be, not bearing any restrictive legends representing the Registrable Securities to be sold, and, in each case, cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement at least two (2) Business Days prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Participating Holders at least two (2) Business Days prior to any sale of Registrable Securities and, to the extent permitted by the Securities Act, to instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof (and, in the case of Registrable Securities registered on a Shelf Registration Statement, at the request of any Holder, to the extent permitted by the Securities Act, prepare and deliver certificates or book-entry statements, as the case may be, representing such Registrable Securities not bearing any restrictive legends and deliver or cause to be delivered an opinion or instructions to the transfer agent in order to allow such Registrable Securities to be sold from time to time);

(s) include in any prospectus or prospectus supplement if requested by any managing underwriter updated financial or business information for the Company's most recent period or current quarterly period (including estimated results or ranges of results) if required for purposes of marketing the offering in the view of such managing underwriter;

(t) take no direct or indirect action prohibited by Regulation M under the Exchange Act; provided, however, that to the extent that any prohibition is applicable to the Company, the Company will use its commercially reasonable efforts to make any such prohibition inapplicable;

(u) use its commercially reasonable efforts to cause the Registrable Securities covered by the applicable registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Participating Holders or the underwriters, if any, to consummate the disposition of such Registrable Securities in accordance with the intended methods thereof;

(v) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities covered by such registration statement;

(w) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration or offering covered by Sections 2.1 or 2.2 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby, will not conflict with a related prospectus, prospectus supplement or related documents and, when taken together with the related prospectus, prospectus supplement and related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(x) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, promptly file with the SEC such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in the light of the circumstances under which they were made, be misleading;

(y) to the extent required by the rules and regulations of FINRA, retain a Qualified Independent Underwriter acceptable to the managing underwriters; and

(z) use commercially reasonable efforts to cooperate with the managing underwriters and the Participating Holders and their respective counsel in connection with the preparation and filing of any applications, notices, registrations and responses to requests for additional information with FINRA, the New York Stock Exchange, Nasdaq, or any other national securities exchange on which the shares of Common Stock are or are to be listed.

To the extent the Company is a WKSI at the time any Demand Registration Request is submitted to the Company, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its commercially reasonable efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which such automatic shelf registration statement is required to remain effective. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold in compliance with the SEC rules. If the automatic shelf registration statement expires, at or prior to such expiration, the Company shall promptly upon the request of any Sowell Holder or any Ritchie Holder refile a new automatic shelf registration statement covering the Registrable Securities that remain outstanding thereunder. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its commercially reasonable efforts to refile the Shelf Registration Statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any Shelf Registration Statement for the benefit of the holders of any of its securities other than the Holders, and the Holders do not request that their Registrable Securities be included in such Shelf Registration Statement, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders of Registrable Securities may be added to such Shelf Registration Statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

The Company may require that each Participating Holder as to which any registration or offering is being effected (i) furnish the Company such information regarding such seller and the sale or distribution of such securities as the Company may from time to time reasonably request, provided that such information is necessary for the Company to consummate such registration or offering and shall be used only in connection with such registration or offering and (ii) provide any underwriters participating in the sale or distribution of such securities such

information as the underwriters may request and execute and deliver any agreements, certificates or other documents as the underwriters may request. Each Participating Holder agrees to notify the Company as promptly as reasonably practicable of any inaccuracy or change in information previously furnished to the Company by such Participating Holder or of the occurrence of any event that would cause (i) any registration statement to include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) any prospectus or free writing prospectus to include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, in each case, to furnish to the Company, as promptly as practicable, any additional information required to correct and update the information previously furnished by such Holder such that (x) such registration statement shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (y) such prospectus or free writing prospectus shall not include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Each Holder of Registrable Securities agrees that upon receipt of any notice from the Company of the happening of any event of the kind described in clause (v) of paragraph (e) of this Section 2.4, such Holder will discontinue such Holder's disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such Holder's receipt of the copies of the supplemented or amended registration statement, prospectus, prospectus supplement or free writing prospectus contemplated by paragraph (e) of this Section 2.4 and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the registration statement, prospectus, prospectus supplement or free writing prospectus covering such Registrable Securities that was in effect at the time of receipt of such notice. In the event the Company shall give any such notice, the applicable period mentioned in paragraph (b) of this Section 2.4 shall be extended by the number of days during such period from and including the date of the giving of such notice to and including the date when each Participating Holder covered by such registration statement shall have received the copies of the supplemented or amended registration statement, prospectus, prospectus supplement or free writing prospectus contemplated by paragraph (e) of this Section 2.4. The period(s) during which the Holders are required to discontinue disposition of securities pursuant to this paragraph shall not exceed forty-five (45) days with respect to any one such period, or ninety (90) days during any period of three hundred sixty (360) days with respect to multiple such periods.

The Company agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, any prospectus, or any amendment of or supplement to the prospectus, or any free writing prospectus, that refers to any Sowell Holder or Ritchie Holder (or any of their respective Affiliates) covered thereby by name, or otherwise identifies any Sowell Holder or Ritchie Holder (or any of their respective Affiliates), without the consent of the applicable Sowell Holder or Ritchie Holder, as the case may be (such consent not to be unreasonably withheld or delayed). If any such registration statement or comparable statement under state "blue sky" Laws refers to any Holder (or any of its Affiliates) by name or otherwise as the Holder of any securities of the Company, then such Holder shall have the right to request the insertion therein of language, in form and substance reasonably satisfactory to such Holder and the Company, to the effect that the holding by such Holder of such securities is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company.

To the extent that any Sowell Holder or Ritchie Holder is or may be deemed to be an "underwriter" of Registrable Securities pursuant to any SEC comments or policies, the Company agrees that (1) the indemnification and contribution provisions contained in Section 2.9 shall be applicable to the benefit of the Sowell Holders or Ritchie Holders, as applicable, in their role as an underwriter or deemed underwriter in addition to their capacity as a Holder and (2) the Sowell Holders or Ritchie Holders, as applicable, shall be entitled to conduct the due diligence which they would normally conduct in connection with an offering of securities registered under the Securities Act, including without limitation receipt of customary opinions and comfort letters addressed to the Sowell Holders or Ritchie Holders, as applicable.

2.5. Registration Expenses.

(a) The Company shall pay all Expenses with respect to any registration or offering of Registrable Securities pursuant to Section 2, whether or not a registration statement becomes effective or the offering is consummated.

(b) Notwithstanding the foregoing, (x) the provisions of this Section 2.5 shall be deemed amended to the extent necessary to cause these expense provisions to comply with state "blue sky" Laws of each state in which the offering is made and (y) in connection with any underwritten offering hereunder, each Participating Holder shall pay all underwriting discounts and commissions and transfer taxes, if any, attributable to the sale of such Registrable Securities, pro rata with respect to payments of discounts and commissions in accordance with the number of shares sold in the offering by such Participating Holder.

2.6. Certain Limitations on Registration Rights. In the case of any registration or underwritten offering under Sections 2.1 or 2.2, if the Company has determined to enter into an underwriting agreement in connection therewith, all securities to be included in such registration or underwritten offering shall be subject to such underwriting agreement and no Person may participate in such registration or underwritten offering unless such Person (i) agrees to sell such Person's securities on the basis provided therein and timely completes and executes all reasonable questionnaires, certificates and other documents (including custody agreements and powers of attorney, if any) which must be executed in connection therewith; provided, however, that, subject to Sections 3.1 and 3.2, all such documents shall be consistent in all material respects with the provisions hereof and (ii) provides such other information to the Company or the underwriter as may be necessary to register or sell such Person's securities.

2.7. Limitations on Sale or Distribution of Other Securities.

(a) Each Holder agrees (whether or not such Holder can participate in any such offering), (i) to the extent requested by a managing underwriter of any underwritten offering effected pursuant to Section 2.1 (including any Shelf Underwriting or Underwritten Block Trade), not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144, any Common Stock or Common Stock Equivalent (other than as part of such underwritten offering) during the time period reasonably requested by the managing underwriter, not to exceed ninety (90) days from the pricing date of such offering or such shorter period as the managing underwriter shall agree to, and (ii) to the extent requested by a managing underwriter of any underwritten offering effected by the Company for its own account (including any offering in which one or more Holders is selling Registrable Securities pursuant to the exercise of piggyback rights under Section 2.2), not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144, any Common Stock or Common Stock Equivalent (other than as part of such underwritten offering) during the time period reasonably requested by the managing underwriter, which period shall not exceed ninety (90) days from the pricing date of such offering or such shorter period as the managing underwriter shall agree to. Each Holder agrees to execute and deliver customary lock-up agreements for the benefit of the underwriters when requested by the managing underwriter with such form and substance as the managing underwriter shall reasonably determine. The Company agrees to use its commercially reasonable efforts to cause each holder of Common Stock or Common Stock Equivalents, purchased or otherwise acquired from the Company (other than in a public offering) at any time to agree, and shall use its commercially reasonable efforts to cause each of its officers, directors and beneficial holders of 5% or more of the Company's outstanding Common Stock to agree, not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144, any Common Stock or Common Stock Equivalent (other than as part of such underwritten offering) during the period referred to in the first sentence of this clause (a).

(b) The Company hereby agrees, to the extent requested by a managing underwriter of any underwritten offering effected pursuant to Section 2.1 (including any Shelf Underwriting or Underwritten Block Trade), Section 2.2 (including any Company Shelf Underwriting or Company Underwritten Block Trade), not to sell, transfer or otherwise dispose of, any Common Stock or Common Stock Equivalent (other than as part of such underwritten offering or a registration on Form S-4 or Form S-8 or any similar or successor forms which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Common Stock Equivalent) during the time period reasonably requested by the managing underwriter, not to exceed ninety (90) days from the pricing date of such offering or such shorter period as the managing underwriter shall agree; and the Company shall so provide in any registration rights agreements hereafter entered into with respect to any of its securities.

2.8. No Required Sale. Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Holder to sell any Registrable Securities pursuant to any effective registration statement. A Holder is not required to include any of its Registrable Securities in any registration statement, is not required to sell any of its Registrable Securities which are included in any effective registration statement, and, subject to Section 2.7, may sell any of its Registrable Securities in any manner in compliance with the terms of this Agreement and applicable Law (including pursuant to Rule 144) even if such Registrable Securities are already included on an effective registration statement.

2.9. Indemnification.

(a) In the event of any registration or offer and sale of any securities of the Company under the Securities Act pursuant to this Section 2, the Company will (without limitation as to time), and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by Law, each Participating Holder, its directors, officers, fiduciaries, employees, stockholders, members, general and limited partners, agents, affiliates, consultants, representatives, successors and assigns (and the directors, officers, fiduciaries, employees, stockholders, members, general and limited partners, agents, affiliates, consultants, representatives, successors and assigns thereof), each other Person who participates as a seller (and its directors, officers, fiduciaries, employees, stockholders, members, general and limited partners, agents, affiliates, consultants, representatives, successors and assigns), underwriter or Qualified Independent Underwriter, if any, in the offering or sale of such securities, each officer, director, employee, stockholder, fiduciary, managing director, agent, affiliate, consultant, representative, successor, assign or partner of such underwriter or Qualified Independent Underwriter, and each other Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) such seller or any such underwriter or Qualified Independent Underwriter and each director, officer, employee, stockholder, fiduciary, managing director, agent, affiliate, consultant, representative, successor, assign or partner of such controlling Person, from and against any and all losses, claims, damages, penalties, judgments, suits or liabilities, joint or several, actions or proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively, "Claims"), insofar as such Claims arise out of, are based upon, relate to or are in connection with (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement, or any amendment or supplement thereto, or any document incorporated by reference therein, under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary, final or summary prospectus, or any amendment or supplement thereto, or any document incorporated by reference therein, or any free writing prospectus utilized in connection therewith, or the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed by the Company or any underwriter to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (iv) any violation by the Company of any federal, state or common Law rule or regulation applicable to the Company and relating to any action required of or inaction by the Company in connection with any such offering of Registrable Securities, and the Company will reimburse any such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; provided, however, that the Company shall not be liable to any such indemnified party in any such case to the extent such Claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in such registration statement or in any such prospectus or any preliminary, final or summary prospectus or in any amendment thereof or supplement thereto or in any document incorporated by reference therein or in any free writing prospectus in reliance upon and in strict conformity with written information furnished to the Company or its representatives by or on behalf of such indemnified party specifically for use therein. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such seller.

(b) Each Participating Holder (and, if the Company requires as a condition to including any Registrable Securities in any registration statement filed in accordance with Section 2.1 or 2.2, any underwriter and Qualified Independent Underwriter, if any) shall, severally and not jointly, indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a) of this Section 2.9), to the extent permitted by Law, the Company, its officers who signed the applicable registration statement and its directors, each Person controlling the Company within the meaning of the Securities Act and all other prospective sellers and their directors, officers, stockholders, fiduciaries, managing directors, agents, affiliates, consultants, representatives, successors, assigns or general and limited partners and respective controlling Persons with respect to any untrue statement or alleged untrue statement of any material fact in, or omission or alleged omission of any material fact from, such registration statement, any preliminary, final or summary prospectus contained therein, or any amendment or supplement thereto, or any document incorporated by reference therein, or any free writing prospectus utilized in connection therewith, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in strict conformity with written information furnished to the Company or its representatives by or on behalf of such Participating Holder or underwriter or Qualified Independent Underwriter, if any, specifically for use therein, and each such Participating Holder, underwriter or Qualified Independent Underwriter, if any, shall reimburse such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; provided, however, that the aggregate amount which any such Participating Holder shall be required to pay pursuant to this Section 2.9 (including pursuant to indemnity, contribution or otherwise) shall in no case be greater than the amount of the net proceeds received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim; provided, further, that such Participating Holder shall not be liable in any such case to the extent that prior to the filing of any such registration statement or prospectus or amendment thereof or supplement thereto, or any document incorporated by reference therein, or any free writing prospectus utilized in connection therewith, such Participating Holder has furnished in writing to the Company information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto or any document incorporated by reference therein or free writing prospectus which corrected or made not misleading information previously furnished to the Company. The Company and each Participating Holder hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such Participating Holders to the contrary, for all purposes of this Agreement, the only information furnished or to be furnished to the Company for use in any such registration statement, preliminary, final or summary prospectus or amendment or supplement thereto, or any document incorporated by reference therein, or any free writing prospectus, are statements specifically relating to (i) the beneficial ownership of shares of Common Stock by such Participating Holder and its Affiliates as disclosed in the section of such document entitled “Selling Stockholders” or “Principal and Selling Stockholders” or other documents thereof and (ii) the name, address and other information with respect to such Participating Holder that appears in the table and corresponding footnotes describing such Participating Holder in the section of such document entitled “Selling Stockholders” or “Principal and Selling Stockholders” or other documents

thereof. If any additional information about such Holder or the plan of sale or distribution (other than for an underwritten offering) is required by Law to be disclosed in any such document, then such Holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such Holder.

(c) Indemnification similar to that specified in the preceding paragraphs (a) and (b) of this Section 2.9 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any applicable securities and state "blue sky" Laws.

(d) Any Person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 2.9, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 2.9, except to the extent the indemnifying party is materially and actually prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Section 2. In case any action or proceeding is brought against an indemnified party and such indemnified party shall have notified the indemnifying party of the commencement thereof (as required above), the indemnifying party shall be entitled to participate therein and, unless in the reasonable opinion of outside counsel to the indemnified party a conflict of interest between such indemnified and indemnifying parties may exist in respect of such Claim, to assume the defense thereof jointly with any other indemnifying party similarly notified, to the extent that it chooses, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party that it so chooses, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that: (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within twenty (20) days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; or (ii) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party reasonably shall have concluded that there may be one or more legal or equitable defenses available to such indemnified party which are not available to the indemnifying party or which may conflict with or be different from those available to another indemnified party with respect to such Claim; or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one counsel for all indemnified parties in each jurisdiction, except to the extent any indemnified party or parties reasonably shall have made a conclusion described in clause (ii) or (iii) above) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (A) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (B) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(e) If for any reason the foregoing indemnity is unavailable, unenforceable or is insufficient to hold harmless an indemnified party under Sections 2.9(a), (b) or (c), then each applicable indemnifying party shall contribute to the amount paid or payable to such indemnified party as a result of any Claim in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, with respect to such Claim. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. If, however, the allocation provided in the second preceding sentence is not permitted by applicable Law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults but also the relative benefits of the indemnifying party and the indemnified party as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if any contribution pursuant to this Section 2.9(e) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentences of this Section 2.9(e). The amount paid or payable in respect of any Claim shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Notwithstanding anything in this Section 2.9(e) to the contrary, no indemnifying party (other than the Company) shall be required pursuant to this Section 2.9(e) to contribute any amount greater than the amount of the net proceeds received by such indemnifying party from the sale of Registrable Securities pursuant to the registration statement giving rise to such Claim, less the amount of any indemnification payment made by such indemnifying party pursuant to Sections 2.9(b) and (c). In addition, no Holder of Registrable Securities or any Affiliate thereof shall be required to pay any amount under this Section 2.9(e) unless such Person or entity would have been required to pay an amount pursuant to Section 2.9(b) if it had been applicable in accordance with its terms.

(f) The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to Law or contract and shall remain operative and in full force and effect regardless of any investigation made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party.

(g) The indemnification and contribution required by this Section 2.9 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

2.10. Limitations on Registration of Other Securities. From and after the date of this Agreement, the Company shall not, without the prior written consent of each of the Sowell Holders, enter into any agreement with any holder or prospective holder of any securities of the Company giving such holder or prospective holder any registration rights.

2.11. No Inconsistent Agreements. The Company shall not hereafter enter into any agreement with respect to its securities that is inconsistent in any material respects with the rights granted to the Holders in this Agreement.

2.12. Other Registration Rights. The Company represents and warrants that no person, other than a holder of Registrable Securities, has any right to require the Company to register any securities of the Company for sale or to include such securities of the Company in any Registration Statement filed by the Company for the sale of securities for its own account or for the account of any other person. Further, the Company represents and warrants that this Agreement supersedes any other registration rights agreement or agreement with similar terms and conditions and in the event of a conflict between any such agreement or agreements and this Agreement, the terms of this Agreement shall prevail..

Section 3. Underwritten Offerings.

3.1. Requested Underwritten Offerings. If requested by the underwriters for any underwritten offering pursuant to a registration or offering requested under Section 2.1, the Company shall enter into a customary underwriting agreement with the underwriters. Such underwriting agreement shall (i) be satisfactory in form and substance to each of the Sowell Holders and Ritchie Holders, (ii) contain terms not inconsistent with the provisions of this Agreement in any material respect, unless otherwise agreed by (1) each of the Sowell Holders and Ritchie Holders and (2) the underwriters for such underwritten offering, and (iii) contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities and contribution agreements. Any Participating Holder shall be a party to such underwriting agreement and may, at its option, require (unless otherwise agreed by (i) the underwriters and (ii) each of the Sowell Holders and Ritchie Holders) that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder; provided, however, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in any registration statement or prospectus. Unless otherwise agreed by (i) the underwriters and (ii) each of the Sowell Holders and Ritchie Holders, each Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in any registration statement or prospectus and its intended method of sale or distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement for indemnity, contribution or otherwise shall in no case be greater than the amount of the net proceeds received by such Participating Holder upon the sale of Registrable Securities pursuant to such underwriting agreement and in no event shall relate to anything other than information about such Participating Holder specifically provided by such Participating Holder for use in any registration statement or prospectus.

3.2. Piggyback Underwritten Offerings. In the case of a registration or offering pursuant to Section 2.2, if the Company shall have determined to enter into an underwriting agreement in connection therewith, all of the Participating Holders' Registrable Securities to be included in such registration or offering shall be subject to such underwriting agreement. Any Participating Holder may, at its option, require (unless otherwise agreed by (i) the underwriters and (ii) each of the Sowell Holders and Ritchie Holders) that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; provided, however, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in any registration statement or prospectus. Unless otherwise agreed by (i) the underwriters and (ii) each of the Sowell Holders and Ritchie Holders, each Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in any registration statement or prospectus and its intended method of sale or distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement for indemnity, contribution or otherwise shall in no case be greater than the amount of the net proceeds received by such Participating Holder upon the sale of Registrable Securities pursuant to such underwriting agreement and in no event shall relate to anything other than information about such Participating Holder specifically provided by such Participating Holder for use in any registration statement or prospectus.

Section 4. General.

4.1. Adjustments Affecting Registrable Securities. The Company agrees that it shall not effect or permit to occur any combination or subdivision of shares of Common Stock which would adversely affect the ability of any Holder of any Registrable Securities to include such Registrable Securities in any registration or offering contemplated by this Agreement or the marketability of such Registrable Securities in any such registration or offering. Subject to the foregoing, the Company agrees that it will take all reasonable steps necessary to effect a combination or subdivision of shares of Common Stock if in the reasonable judgment of (i) each of the Sowell Holders and Ritchie Holders, as applicable, or (ii) the managing underwriter for the offering, such combination or subdivision would enhance the marketability of the Registrable Securities. Each Holder agrees with the Company to take all actions reasonably necessary, to permit the Company to carry out the intent of the preceding sentence. In any event, the provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company, any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) or any Subsidiary or parent company of the Company which may be issued in respect of, in exchange for, or in substitution for Registrable Securities and shall be appropriately adjusted for any dividends, stock splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

4.2. Rule 144 and Rule 144A. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of the Common Stock or Common Stock Equivalents, the Company covenants that (i) so long as it remains subject to the reporting provisions of the Exchange Act, it will timely file the reports required to be filed by it under the Securities Act or the Exchange Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1)(i) of Rule 144 under the Securities Act, as such Rule may be amended ("Rule 144")) or, if the Company is not required to file such reports, it will, upon the request of any Holder of Registrable Securities, make publicly available other information so long as necessary to permit sales by such Holder under Rule 144, Rule 144A under the Securities Act, as such Rule may be amended ("Rule 144A"), or any similar rules or regulations hereafter adopted by the SEC, and (ii) subject to Section 2.7, it will take such further action as any Holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144, (B) Rule 144A, (C) Regulation S under the Securities Act or (D) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

4.3. Nominees for Beneficial Owners. If Registrable Securities are held by a nominee for the beneficial owner thereof, the beneficial owner thereof may, at its option, be treated as the Holder of such Registrable Securities for purposes of any request or other action by any Holder or Holders of Registrable Securities pursuant to this Agreement (or any determination of any number or percentage of shares constituting Registrable Securities held by any Holder or Holders of Registrable Securities contemplated by this Agreement); provided, however, that the Company shall have received assurances reasonably satisfactory to it of such beneficial ownership.

4.4. Amendments and Waivers. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or any Holder unless such modification, amendment or waiver is approved in writing by the Company, the Sowell Holders and, solely with respect to their enumerated rights hereunder, the Ritchie Holders; provided, however, that any such amendment, modification or waiver that adversely and disproportionately affects the Ritchie Holders, as compared to any other Holder or Holders, shall require the prior written consent of the Ritchie Holders. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar). No failure or delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof or of any other or future exercise of any such right, power or privilege.

4.5. Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) if personally delivered, on the date of delivery, (ii) if delivered by express courier service of national standing (with charges prepaid), on the Business Day following the date of delivery to such courier service, (iii) if deposited in the United States mail, first class postage prepaid, on the fifth (5th) Business Day following the date of such deposit or (iv) if via e-mail communication, on the date of delivery. All notices, demands and other communications hereunder shall be delivered as set forth below and to any other recipient at the email address or address indicated on Schedule A hereto and to any subsequent holder of securities subject to this Agreement at such email address or address as indicated in the Company's records, or pursuant to such other instructions as may be designated by the party to receive such notice:

if to the Company, to:

American Integrity Insurance Group, Inc.

5426 Bay Center Drive, Suite 600
Tampa, FL 33609
Attention: Mr. Ben Lurie
Email: [****]

with a copy (which shall not constitute notice) to:

Haynes and Boone, LLP
2801 N. Harwood St. Suite 2300
Dallas, Texas 75201
Attention: Matthew L. Fry, Esq.; Logan J. Weissler, Esq.
Email: matt.fry@haynesboone.com; logan.weissler@haynesboone.com

if to the Sowell Holders, to:

c/o Sowell Investment Holdings Co., LLC
1601 Elm St Suite 3500
Dallas, TX 75201
Attention: James E. Sowell
Email: [****]

If to the Ritchie Holders, to:

Robert C. Ritchie
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
Attention: Robert C. Ritchie
Email: [****]

with a copy (which shall not constitute notice) to:

Holland & Knight LLP
50 North Laura Street, Suite 3900
Jacksonville, Florida 32202
Attention: Ivan A. Colao, Esq.
Email: ivan.colao@hklaw.com

4.6. Successors and Assigns. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and the respective successors, permitted assigns, heirs and personal representatives of the parties hereto, whether so expressed or not. This Agreement may not be assigned by the Company without the prior written consent of the Sowell Holders and the Ritchie Holders. This Agreement may not be assigned by any Holder without the consent of the Company; provided, that any Sowell Holder or Ritchie Holder may assign any of its rights and obligations under this Agreement to any Permitted Transferee without the consent of the Company provided, further, that any assigning Holder and the applicable assignee each executes and delivers to the Company an Assumption Agreement;

and provided, further, that the assigning Holder shall not be liable for any obligations hereunder of the assignee, other than with respect to any assignee that is an Affiliate of the assigning Holder. Upon any such permitted assignment, such assignee shall have and be able to exercise and enforce all rights of the assigning Holder which are assigned to it (to the extent set forth in the Assumption Agreement) and, to the extent such rights are assigned, any reference to the assigning Holder shall be treated as a reference to the assignee (to the extent set forth in the Assumption Agreement).

4.7. Entire Agreement. This Agreement and the other documents referred to herein or delivered pursuant hereto which form part hereof constitute the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

4.8. Governing Law; Jurisdiction; Court Proceedings; Waiver of Jury Trial. This Agreement shall in all respects be governed by, and construed in accordance with, the Laws (excluding conflict of laws rules and principles) of the State of Delaware applicable to agreements made and to be performed entirely within such State, including all matters of construction, validity and performance. Any Litigation against any party to this Agreement arising out of or relating to this Agreement shall be brought in any federal or state court located in the County of New Castle in the State of Delaware, and each of the parties hereby submits to the exclusive jurisdiction of such courts for the purpose of any such Litigation. A final judgment in any such Litigation shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. To the extent that service of process by mail is permitted by applicable Law, each party irrevocably consents to the service of process in any such Litigation in such courts by the mailing of such process by registered or certified mail, postage prepaid, at its address for notices provided for herein. Each party irrevocably agrees not to assert (a) any objection which it may ever have to the laying of venue of any such Litigation in any federal or state court located in the County of New Castle in the State of Delaware, and (b) any claim that any such Litigation brought in any such court has been brought in an inconvenient forum. **EACH PARTY WAIVES ANY RIGHT TO A TRIAL BY JURY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, AND AGREES THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY IN ANY LITIGATION WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR THE CONTEMPLATED TRANSACTIONS.**

4.9. Interpretation; Construction.

(a) The table of contents and headings in this Agreement are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

4.10. Counterparts. This Agreement may be executed by portable document format (PDF or similar format) or DocuSign signatures and in any number of separate counterparts with the same effect as if all signatory parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same agreement.

4.11. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

4.12. Remedies. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, without the posting of any bond, and, if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at Law. All remedies, either under this Agreement, by Law, or otherwise afforded to any party, shall be cumulative and not alternative.

4.13. Further Assurances. Each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

4.14. Confidentiality. Each Holder agrees that any non-public information which such Holder may receive relating to the Company or its Subsidiaries or parent company or relating to any proposed registration or offering pursuant to this Agreement (including any notice thereof) (the "Confidential Information") will be held strictly confidential and will not be disclosed by it to any Person without the express written permission of the Company for the period in which it owns shares of Common Stock and for two (2) years thereafter; provided, however, that the Confidential Information may be disclosed (i) in the event of any compulsory legal process or to comply with any applicable Law, subpoena or other similar legal process or in connection with any filings that the Holder may be required to make with any regulatory authority; provided, however, that in the event of compulsory legal process, unless prohibited by applicable Law or that process, each Holder agrees (A) to give the Sowell Holders, the Ritchie Holders and the Company prompt notice thereof and to cooperate with the Company, the Ritchie Holders and the Sowell Holders in securing a protective order in the event of compulsory disclosure and (B) that any disclosure made pursuant

to public filings will be subject to the prior reasonable review of the Company, the Sowell Holders and the Ritchie Holders, (ii) to any foreign or domestic governmental or quasi-governmental regulatory authority, including without limitation, any stock exchange or other self-regulatory organization having jurisdiction over such party, (iii) (x) to each Holder's Affiliates or to its or its Affiliates' officers, directors, employees, partners, beneficiaries, accountants, lawyers and other professional advisors and current or prospective lenders (or other sources of debt financing) for use relating solely to management of the investment or administrative purposes with respect to such Holder and (y) to current or prospective limited partners, investors or other holders of equity in any Sowell Holder or Ritchie Holder to the extent such information is required to be provided or is customarily provided to current limited partners, investors or holders of equity of any such Holder or any Affiliate thereof (collectively, "Holder Representatives"); provided, that such Holder shall be liable for any breach of this Section 4.14 by such Holder Representative who has received Confidential Information from such Holder, (iv) to a bona fide proposed transferee of securities of the Company held by a Holder in accordance with this Agreement; provided, however, that such Holder informs the proposed transferee of the confidential nature of the information and the proposed transferee agrees in writing to comply with the restrictions in this Section 4.14 and delivers a copy of such writing to the Company, (v) by any Sowell Holder or Ritchie Holder, in the course of its normal reporting activities to its investors, and current and prospective partners, equity holders and beneficiaries with respect to the following types of Confidential Information related to the investment by such Sowell Holder or Ritchie Holder, as applicable, in shares of Common Stock: (1) the cost and value of such Sowell Holder's or Ritchie Holder's shares of Common Stock and (2) a general description of the Company and its Subsidiaries, including their respective names and industry and information regarding their respective businesses, financial conditions and results of operations; provided, that this clause (v) shall not be deemed to permit any Sowell Holder or Ritchie Holder to make any disclosure of Confidential Information (including the name of the Company or any of its Subsidiaries) by way of a press release or otherwise, and (vi) to any rating agency when required by it (it being understood that prior to such disclosure, such rating agency shall undertake to preserve the confidentiality of such Confidential Information).

4.15. [Reserved].

4.16. Opt-Out Requests. Each Holder of the Company's outstanding Common Stock shall have the right, at any time and from time to time, to elect to not receive any notice that the Company or any other Holders are otherwise required to deliver pursuant to this Agreement by delivering to the Company a written statement signed by such Holder that it does not want to receive any notices hereunder (an "Opt-Out Request"); in which case, and notwithstanding anything to the contrary in this Agreement, the Company or other Holders shall not be required to, and shall not, deliver any notice or other information required to be provided to Holders hereunder to the extent that the Company or such other Holders reasonably expect such notice or information would result in a Holder acquiring material non-public information within the meaning of Regulation FD promulgated under the Exchange Act. An Opt-Out Request may state a date on which it expires or, if no such date is specified, shall remain in effect indefinitely. A Holder who previously has given the Company an Opt-Out Request may revoke such request at any time, and there shall be no limit on the ability of a Holder to issue and revoke subsequent Opt-Out Requests.

4.17. Legend Removal. The restrictive legend on any Registrable Securities covered by this Agreement shall be removed if (i) such Registrable Securities are sold pursuant to an effective registration statement, (ii) (A) a registration statement covering the resale of such Registrable Securities is effective under the Securities Act and the applicable holder of such Registrable Securities delivers to the Company a representation letter agreeing that such Registrable Securities will be sold under such effective registration statement, or (B) six months after the date of this Agreement, such Holder has held such shares for at least six months and is not, and has not been in the preceding three months, an Affiliate of the Company (as defined in Rule 144), and such holder or permitted assignee provides to the Company any other information the Company deems reasonably necessary to deliver to the transfer agent an instruction to so remove such legend, (iii) such Registrable Securities may be sold by the holder thereof free of restrictions pursuant to Rule 144(b) under the Securities Act or (iv) such Registrable Securities are being sold, assigned or otherwise transferred pursuant to Rule 144 under the Securities Act; provided, that with respect to clause (iii) or (iv) above, the holder of such Registrable Securities has provided all necessary documentation and evidence (which may include an opinion of counsel) as may reasonably be required by the Company to confirm that the legend may be removed under applicable securities law. The Company shall cooperate with the applicable holder of Registrable Securities covered by this Agreement to effect removal of the legend on such shares pursuant to this Section 4.17 as soon as reasonably practicable after delivery of notice from such holder that the conditions to removal are satisfied (together with any documentation required to be delivered by such holder pursuant to the immediately preceding sentence). The Company shall bear all direct costs and expenses associated with the removal of a legend pursuant to this Section 4.17.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

THE COMPANY:

American Integrity Insurance Group, Inc.

By: /s/ Ben Lurie
Name: Ben Lurie
Title: Chief Financial Officer

[Signature Page to Registration Rights Agreement]

SOWELL HOLDERS:

Sowell Investments Holding Co., LLC

By: /s/ James Sowell
Name: James Sowell
Title: Sole Manager

[Signature Page to Registration Rights Agreement]

RITCHIE HOLDERS:

By: /s/ Robert Ritchie
Name: Robert Ritchie

[Signature Page to Registration Rights Agreement]

Schedule A
Notices

Holder Name	Email Address and Address
Sowell Holders	
1. [ ]	[ ]
Ritchie Holders	
1. [ ]	[ ]

FORM OF ASSUMPTION AGREEMENT

This Assumption Agreement (this "Assumption Agreement") is made as of [_____], by and among [_____] (the "Transferring Holder") and [_____], a Permitted Transferee of the Transferring Holder (the "New Holder"), in accordance with that certain Registration Rights Agreement, dated as of [_____] (as amended, restated, modified or supplemented from time to time, the "Agreement"), by and among American Integrity Insurance Group, Inc. , a Delaware corporation (the "Company"), and the other Holders party thereto.

WHEREAS, the Agreement requires the New Holder, as a condition to the assignment of the Transferring Holder's rights and obligations under the Agreement, to become a party to the Agreement by executing this Assumption Agreement;

WHEREAS, this Assumption Agreement has been entered into to record and effect the admission of the New Investor as a "Holder" and ["Sowell Holder"] ["Ritchie Holder"] for the purpose of the Agreement; and

WHEREAS, upon the New Holder signing this Assumption Agreement, the Agreement will be deemed to be amended to include the New Holder as a Holder and ["Sowell Holder"] ["Ritchie Holder"] under the Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Party to the Agreement. By execution of this Assumption Agreement, the Transferring Holder hereby assigns to the New Holder, and the New Holder hereby accepts and assumes, all of the rights and obligations that the Transferring Holder has in and to the Agreement. By execution of this Assumption Agreement, the New Holder hereby agrees to become a party to the Agreement and to be bound by, and subject to, all of the terms, conditions and provisions of the Agreement that are applicable to, and assignable under the Agreement by, the Transferring Holder, in the same manner as if such undersigned New Holder were an original signatory to the Agreement and named as a Holder and ["Sowell Holder"] ["Ritchie Holder"] under the Agreement. By execution of this Assumption Agreement, the Company hereby consents to and confirms its acceptance of the New Holder as a Holder and ["Sowell Holder"] ["Ritchie Holder"] under the Agreement. For the avoidance of doubt, the parties hereto hereby acknowledge and agree that (x) the shares of Common Stock acquired by the New Holder shall be deemed "Registrable Securities" under the Agreement, and (y) the New Holder shall be subject to the terms of the Agreement applicable to it as a Holder and ["Sowell Holder"] ["Ritchie Holder"] thereunder. Execution and delivery of this Assumption Agreement by the New Holder shall also constitute execution and delivery by the New Holder of the Agreement, without further action of any party.

2. Defined Terms. Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement unless otherwise noted.

3. Representations, Warranties and Acknowledgements of the New Holder. The New Holder hereby represents, warrants and acknowledges to the Company as follows:

a. Authorization. The New Holder has all requisite power and authority and has taken all action necessary in order to duly and validly approve the New Holder's execution and delivery of, and performance of its obligations under, this Assumption Agreement. This Assumption Agreement has been duly executed and delivered by the New Holder and constitutes a legal, valid and binding agreement of the New Holder, enforceable against the New Holder in accordance with its terms.

b. Non-Contravention. The execution and delivery of this Assumption Agreement by the New Holder and the consummation of the transactions contemplated hereby do not require the New Holder to file any notice, report or other filing with, or to obtain any consent, registration, approval, permit or authorization of or from, any governmental or regulatory authority of the United States, any State thereof or any foreign jurisdiction, and do not constitute a material breach or violation of, or a material default under, any provision of any mortgage, lien, lease, agreement, license, instrument, law, regulation, order, arbitration, award, judgment or decree to which the New Holder is a party or by which the New Holder's property is bound, in any such case which could prevent, materially delay or materially burden the transactions contemplated by this Assumption Agreement.

c. No Conflict. The New Holder is not under any obligation or restriction, nor shall it assume any such obligation or restriction, that does or would materially interfere or conflict with the performance of its obligations under this Assumption Agreement.

d. Notice Under the Agreement. The New Holder's address details for notices under the Agreement are set forth on the signature page hereto.

4. Further Assurances. The parties agree to execute and deliver any further instruments or perform any acts which are or may become necessary to effectuate the purposes of this Assumption Agreement.

5. Governing Law. This Assumption Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

6. Counterparts. This Assumption Agreement may be executed in counterparts, including by electronic transmission, each of which will be deemed an original hereof but all of which together shall constitute one and the same instrument.

7. Entire Agreement. This Assumption Agreement, the Agreement and the other documents referred to herein or delivered pursuant hereto which form part hereof contain the entire understanding, whether oral or written, among the parties with respect to the subject matter hereof and supersede any prior agreement between the parties hereto concerning the subject matter hereof. Except as herein provided, the Agreement shall remain unchanged and in full force and effect.

Exhibit A

IN WITNESS WHEREOF, intending to be legally bound hereby, the undersigned parties have executed this Assumption Agreement as of the date first above written.

TRANSFERRING HOLDER

[_____]

By: _____
Name:
Title:

NEW HOLDER

[_____]

By: _____
Name:
Title:

Notice Address: [_____]
[_____]
[_____]
Attn: [_____]
Email: [_____]

Accepted and Agreed to as of the date first written above:

COMPANY

American Integrity Insurance Group, Inc.

By: _____
Name:
Title:

FORM OF JOINDER AGREEMENT

This Joinder Agreement (this "Joinder Agreement") is made as of [_____], by and among [_____] (the "New Investor") and [_____], a [_____] [corporation] (the "Company").

WHEREAS, concurrently with the execution of this Joinder Agreement, [[_____] (the "Seller") / the Company] and the New Investor are entering into that certain [Subscription Agreement], dated as of the date hereof (the "[Subscription Agreement]"), pursuant to which the New Investor is acquiring from the [Seller / Company] [_____] [newly issued] shares of Common Stock as set forth therein;

WHEREAS, in connection with the transactions contemplated by the [Subscription Agreement], the New Investor is required to execute and deliver this Joinder Agreement to that certain Registration Rights Agreement, dated as of [_____] (as amended, restated, modified or supplemented from time to time, the "Agreement"), by and among the Company and the stockholders of the Company party thereto;

WHEREAS, this Joinder Agreement has been entered into to record and effect the admission of the New Investor as a "Holder" and ["Sowell Holder"] ["Ritchie Holder"] for the purpose of the Agreement; and

WHEREAS, upon the New Investor signing this Joinder Agreement, the Agreement will be deemed to be amended to include the New Investor as a Holder and ["Sowell Holder"] ["Ritchie Holder"] under the Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Party to the Agreement. By execution of this Joinder Agreement, the New Investor hereby agrees to become a party to the Agreement and to be bound by, and subject to, all of the terms, conditions and provisions of the Agreement in the same manner as if such undersigned New Investor were an original signatory to the Agreement and named as a Holder and ["Sowell Holder"] ["Ritchie Holder"] thereunder. By execution of this Joinder Agreement, the Company hereby consents to and confirms its acceptance of the New Investor as a Holder and ["Sowell Holder"] ["Ritchie Holder"] under the Agreement. For the avoidance of doubt, the parties hereto hereby acknowledge and agree that (x) the shares of Common Stock sold to the undersigned New Investor pursuant to the [Subscription Agreement] shall be deemed "Registrable Securities" under the Agreement, and (y) the New Investor shall be subject to the terms of the Agreement applicable to it as a Holder and ["Sowell Holder"] ["Ritchie Holder"] thereunder. Execution and delivery of this Joinder Agreement by the New Investor shall also constitute execution and delivery by the New Investor of the Agreement, without further action of any party.

2. Defined Terms. Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement unless otherwise noted.

3. Representations, Warranties and Acknowledgements of the New Investor. The New Investor hereby represents, warrants and acknowledges to the Company as follows:

a. Authorization. The New Investor has all requisite power and authority and has taken all action necessary in order to duly and validly approve the New Investor's execution and delivery of, and performance of its obligations under, this Joinder Agreement. This Joinder Agreement has been duly executed and delivered by the New Investor and constitutes a legal, valid and binding agreement of the New Investor, enforceable against the New Investor in accordance with its terms.

b. Non-Contravention. The execution and delivery of this Joinder Agreement by the New Investor and the consummation of the transactions contemplated hereby do not require the New Investor to file any notice, report or other filing with, or to obtain any consent, registration, approval, permit or authorization of or from, any governmental or regulatory authority of the United States, any State thereof or any foreign jurisdiction, and do not constitute a material breach or violation of, or a material default under, any provision of any mortgage, lien, lease, agreement, license, instrument, law, regulation, order, arbitration, award, judgment or decree to which the New Investor is a party or by which the New Investor's property is bound, in any such case which could prevent, materially delay or materially burden the transactions contemplated by this Joinder Agreement.

c. No Conflict. The New Investor is not under any obligation or restriction, nor shall it assume any such obligation or restriction, that does or would materially interfere or conflict with the performance of its obligations under this Joinder Agreement.

d. Notice Under the Agreement. The New Investor's address details for notices under the Agreement are set forth on the signature page hereto.

4. Further Assurances. The parties agree to execute and deliver any further instruments or perform any acts which are or may become necessary to effectuate the purposes of this Joinder Agreement.

5. Governing Law. This Joinder Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

6. Counterparts. This Joinder Agreement may be executed in counterparts, including by electronic transmission, each of which will be deemed an original hereof but all of which together shall constitute one and the same instrument.

7. Entire Agreement. This Joinder Agreement, the Agreement and the other documents referred to herein or delivered pursuant hereto which form part hereof contain the entire understanding, whether oral or written, among the parties with respect to the subject matter hereof and supersede any prior agreement between the parties hereto concerning the subject matter hereof. Except as herein provided, the Agreement shall remain unchanged and in full force and effect.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, intending to be legally bound hereby, the undersigned parties have executed this Joinder Agreement as of the date first above written.

COMPANY

[_____]

By: _____
Name:
Title:

NEW INVESTOR

[_____]

By: _____
Name:
Title:

Notice Address: [_____]
[_____]
[_____]
Attn: [_____]
Email: [_____]

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "***Agreement***") is dated as of May 7, 2025 (the "***Effective Date***") and is entered into by and between Robert Ritchie ("***Executive***") and American Integrity Insurance Group, Inc., a Delaware corporation (the "***Company***"). The Company and Executive shall be referred to herein as the "***Parties***." This Agreement amends and replaces in its entirety that certain Employment Agreement by and between Executive and American Integrity Insurance Group, LLC dated June 23, 2006 (the "***Prior Agreement***").

RECITALS

WHEREAS, the Company desires to employ Executive as Chief Executive Officer ("***CEO***") and Executive desires to serve the Company in such capacity;

WHEREAS, the Company and Executive desire to set forth in writing the terms and conditions of their agreement and understandings with respect to Executive's employment by the Company; and

WHEREAS, the Company hereby employs Executive, and Executive hereby accepts employment with the Company for the period and upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I.
SERVICES TO BE PROVIDED BY EXECUTIVE

A. **Position and Responsibilities.** During the Term (defined below), the Company shall employ Executive as CEO. Executive shall report directly to the Company's Board of Directors (the "***Board***"). Executive shall also have such other duties and responsibilities that are commensurate with his position as specifically delegated to him from time to time by the Board.

B. **Performance.** During the Term, Executive shall devote on a full-time basis substantially all of Executive's business time to the performance of Executive's duties hereunder in a manner that will faithfully and diligently further the business and interests of the Company and its direct and indirect subsidiaries, including American Integrity Insurance Group, LLC (the "***Company Group***"), and shall exercise reasonable best efforts to perform Executive's duties in a diligent, trustworthy, good faith and business-like manner, all for the purpose of advancing the business of the Company Group. During the Term, Executive shall act in a manner consistent with Executive's position. During the Term, without the prior written consent of the Board, Executive (i) shall not be employed with any other entity, (ii) shall not serve as a member of any board of directors or similar governing body of any Person other than a member of the Company Group or (iii) shall not serve as a trustee of, or in any other similar capacity with, any present or future agency or organization, except in each case of clauses (i)-(iii), that without the consent of the Board, Executive may (a) engage in such civic, religious, trade or industry group activities as

Executive determines (and may hold board, trustee and similar positions in connection with the foregoing) and (b) Executive may serve on the board of directors or similar governing bodies for up to two non-competitive companies, provided that such activities described in the foregoing clauses (a) and (b) do not materially interfere with Executive's duties to the Company Group (whether individually or in the aggregate), create a conflict of interest or otherwise violate the terms of this Agreement.

C. **Compliance.** During the Term, Executive shall act in accordance with high business and ethical standards. During the Term, Executive shall comply with the written policies, codes of conduct, codes of ethics and written manuals of the Company Group (collectively, the "***Policies***"), in each case, which are applicable to Executive and which shall be provided in writing to Executive from time to time.

D. **Representations.** Executive represents and warrants to the Company Group that Executive (i) is not violating and will not violate any contractual, legal, or fiduciary obligations or burdens to which Executive is subject by entering into this Agreement or by providing services for the Company Group; (ii) is under no contractual, legal, or fiduciary obligation or burden that will interfere with Executive's ability to perform services for the Company Group; (iii) is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party; and (iv) has no previous convictions under any law, disputes with regulatory agencies, or other similar circumstances, in any case, that would reasonably be expected to have a material adverse effect on the Company Group. Executive shall not disclose in an unauthorized manner to the Company Group or induce the Company Group to use in an unauthorized manner any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE II.
COMPENSATION FOR SERVICES

As compensation for all services Executive will perform for the Company Group during the Term, the Company will pay Executive, and Executive shall accept as full compensation, the following:

A. **Compensation.** Executive shall be eligible to earn an annual salary in the amount of $925,000 ("***Base Salary***"), payable in accordance with the Company's normal payroll practices and prorated for any partial years of employment. Executive's Base Salary may be increased, but not decreased, from time to time in the Company's sole discretion, provided that Executive's Base Salary shall be reviewed for increase no less frequently than annually.

B. **Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual performance-based bonus pursuant to the terms of the applicable annual bonus plan established by the Company (the "***Annual Bonus***"). Any earned Annual Bonus with respect to any calendar year during the Term shall be paid to Executive between January 1st and March 15th of the immediately following calendar year, provided that, except as provided in Article III.B(ii) and Article III.B(iii), Executive is employed by the Company on the date such Annual Bonus is paid. Executive's target Annual Bonus with respect to each calendar year during the Term shall be 135% of Executive's Base Salary. The payment of any Annual Bonus shall be subject to all federal, state and withholding taxes, social security deductions and other general withholding obligations. Award of an Annual Bonus with respect to a particular calendar year does not guarantee the award of an Annual Bonus in any subsequent calendar year.

C. **Equity Awards**. With respect to each calendar year during the Term, commencing with the calendar year beginning January 1, 2026, provided that Executive is employed by the Company on the applicable date of grant, Executive shall receive annual long-term incentive awards under the Company's long-term equity incentive plan (the "***LTIP***") on such terms and conditions as the Board and the Compensation Committee of the Board shall determine in their sole discretion. All awards granted to Executive under the LTIP shall be subject to and governed by the terms and provisions of the LTIP as in effect from time to time and the award agreements evidencing such awards.

D. **Expenses.** The Company agrees that, during Executive's employment, it will reimburse Executive for out-of-pocket expenses reasonably incurred in connection with Executive's performance of Executive's services hereunder, upon the presentation by Executive of an itemized accounting of such expenditures, with supporting receipts, provided that Executive submits such expenses for reimbursement within ninety (90) days of the date such expenses were incurred in accordance with the Company's expense reimbursement policy. Reimbursements shall be in compliance with the Company's expense reimbursement policies.

E. **Vacation.** Executive shall be entitled to paid vacation pursuant to the Company's standard written policies, as may be amended by the Company from time to time in its sole discretion. Vacation shall be taken at such times and intervals as shall be determined by Executive, subject to the reasonable business needs of the Company.

F. **Benefits.** Executive may participate in any group health insurance plan, retirement plan, disability plan, group life plan, and any other benefit or welfare program or policy that is made generally available, from time to time, to other employees of the Company, on a basis consistent with such participation and subject to the terms of the plan documents, as such plans may be modified, amended, terminated, or replaced from time to time by the Company, in its sole discretion.

ARTICLE III.
TERM; TERMINATION

A. **Term of Employment.** The term of Executive's employment under this Agreement shall begin on the Effective Date and shall continue in effect for three (3) years following the Effective Date (the "***Initial Term***"), unless earlier terminated by any Party in accordance with Article III.B. Upon the expiration of the Initial Term, this Agreement shall automatically renew for additional, successive one (1) year terms (each, a "***Renewal Term***" and together with the Initial Term, the "***Term***") unless either Party delivers written notice to the other Party not less than thirty (30) days prior to the expiration of the Initial Term or any Renewal Term of such Party's intention not to renew this Agreement.

B. **Termination.** Any Party may terminate Executive's employment at any time during the Term upon sixty (60) days' written notice of termination (the "***Notice Period***"), except that the Company need not provide advance notice for termination of Executive's employment for Cause pursuant to Article III.B(i) (except as otherwise provided therein). The date of Executive's termination shall be (i) if Executive's employment is terminated by his death, the date of his death; or (ii) the date stated in the notice of termination. Upon termination of Executive's employment for any reason, the Company shall pay Executive (i) any unpaid Base Salary earned and accrued through the date of termination (payable in the normal course or such earlier time required by applicable law); (ii) any accrued but unused vacation through the date of termination (payable at the time of the payment described in clause (i) above); (iii) vested benefits in accordance with the Company Group's employee benefit plans; and (iv) any unreimbursed business expenses properly incurred prior to such termination, to be reimbursed in accordance with the Company's business expense reimbursement policy (collectively, the "***Accrued Obligations***").

(i) Termination for Cause by the Company or Resignation by Executive without Good Reason. If, at any time during the Term the Company terminates Executive's employment for Cause (defined below) or Executive voluntarily resigns without Good Reason (defined below), the Company may, in its sole discretion, shorten or eliminate the Notice Period and determine the date of termination without any obligation to pay Executive any additional compensation other than the Accrued Obligations, and without triggering a termination of Executive's employment without Cause.

(ii) Termination Without Cause by the Company or Resignation by Executive for Good Reason. If, at any time during the Term, the Company terminates Executive's employment without Cause or Executive resigns his employment for Good Reason, the Company Group shall have no further liability or obligation to Executive under this Agreement for compensation or employee benefits, but the Company shall pay or provide the following amounts to Executive: (x) the Accrued Obligations; and (y) subject to Executive's continued compliance with Article IV of this Agreement and the execution and timely return by Executive of a release of claims in the form attached hereto as Exhibit A (the "***Release***"), which shall be executed and delivered by Executive within thirty (30) days after Executive's termination of employment and which shall be irrevocable, (1) an amount equal to two (2) times the sum of (a) Executive's Base Salary as of immediately prior to such termination of employment (without giving effect to

any reduction that would or did give rise to Good Reason) and (b) Executive's target Annual Bonus opportunity as of immediately prior to such termination of employment (without giving effect to any reduction (or any Base Salary reduction) that would or did give rise to Good Reason) (the "***Severance Pay***"), payable in equal installments in accordance with the Company's regular payroll practice over the twenty-four (24) month period immediately following the termination date (the "***Severance Period***"), (2) a lump sum payment equal to 18 months of the cost of Executive's and Executive's eligible dependents' COBRA premiums for the coverage in effect immediately prior to Executive's termination of employment (the "***COBRA Payments***"), and (3) the Prior Year Bonus (the Severance Pay, the COBRA Payments and the Prior Year Bonus, collectively, the "***Severance Benefits***"). The first installment of the Severance Pay and the lump sum payment of the COBRA Payments shall be provided on the first payroll date after the effective date of the Release, provided that the first installment of the Severance Pay shall include a catch-up for any payments that would have been made prior to such first installment had the Release been effective on the date of Executive's termination of employment. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, to the extent required by Code Section 409A, if the timing of when Executive executes the Release (regardless of when Executive actually executes the Release) could result in the payment of any portion of the Severance Benefits commencing in more than one calendar year, then all portions of the Severance Benefits that otherwise would have been paid in such first calendar year instead shall be paid on the first day of the immediately following calendar year (with all remaining installments to be paid as if no such delay had occurred). In the event Executive fails to comply with the terms of Article IV or does not timely execute and return (or revokes) the Release, no amount shall be payable to Executive pursuant to this Article III.B(ii) (other than the Accrued Obligations).

(iii) Termination Due to Death or Disability. If, at any time during the Term, Executive's employment is terminated due to his death or Disability (defined below), the Company Group shall have no further liability or obligation to Executive for compensation or employee benefits under this Agreement, except that the Company shall pay or provide (a) the Accrued Obligations; (b) the Prior Year Bonus; and (c) accelerated vesting (and for restricted stock units and similar awards, accelerated settlement) of all equity and equity-based awards (provided that any performance-based award shall be settled assuming the target level of performance was achieved, unless prior to such termination, a higher level of performance was certified by the Compensation Committee of the Board, in which case settlement shall occur at such higher level of achievement). All amounts that may be due to Executive under this Article III.B(iii) shall be paid to Executive or to Executive's heirs, estate, legal representatives, and assignees, as may be appropriate. Settlement of any restricted stock units and similar awards under clause (c) shall be made as soon as administratively practicable but in no event later than thirty (30) days after the date of such termination of employment.

(iv) Definitions. For purposes of this Agreement:

(a) "***Affiliate***" of any Person means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person.

(b) "***Cause***" means the occurrence of any of the following events: (i) an act or acts of theft of material property, embezzlement or fraud by Executive, regardless of whether it relates to the Company Group; (ii) a willful or material misrepresentation by Executive that relates to the Company Group and has (or would be reasonably expected to have) a materially adverse impact on the Company Group; (iii) any violation by Executive of any fiduciary duties owed by Executive to the Company Group; (iv) Executive's conviction of, or pleading nolo contendere or guilty to, a felony (other than a traffic infraction); (v) Executive's material breach of the Company's written code of conduct and business ethics or other material written policy or procedure applicable to Executive in effect from time to time relating to personal conduct, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged violation; (vi) Executive's continued and willful refusal to substantially perform Executive's responsibilities to the Company under this Agreement, after written demand for substantial performance has been given by the Board that specifically identifies how Executive has not substantially performed Executive's responsibilities, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged failure or refusal; or (vii) a material breach by Executive of this Agreement or any other agreement to which Executive and any member the Company Group are parties, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged breach.

(c) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(d) "***Control***" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

(e) "***Disability***" means that Executive has become eligible to receive long-term disability benefits under the long-term disability policy of the Company Group then covering Executive.

(f) "***Good Reason***" means the occurrence of any of the following events without Executive's prior written consent: (i) a material diminution in Executive's authority, responsibilities, title or duties; (ii) a material reduction in Executive's Base Salary; (iii) a material breach of this Agreement by the Company; (iv) a relocation of Executive's primary office location to a distance of more than fifty (50) miles from its location as of the Effective Date (provided that such relocation materially increases Executive's commute); or (v) the Company provides a notice of non-renewal to Executive pursuant to Article III.A. Executive shall give the Company written notice within thirty (30) days after the occurrence of the event or events alleged to constitute Good Reason of an intent to terminate his employment for Good Reason and specifying the reasons for such alleged Good Reason and provide the Company with thirty (30) days after receipt of such notice from Executive to remedy the alleged action(s) giving rise to the Good Reason event. In the event the Company does not timely cure the violation, if Executive does not terminate Executive's employment within fifteen (15) days following the last day of the cure period, the occurrence of the violation shall not subsequently serve as Good Reason for purposes of this Agreement; provided, however, that notwithstanding the foregoing, in order to resign for Good

Reason under clause (v) above, Executive must provide written notice of resignation to the Company within twenty (20) days after Executive's receipt of the Company's notice of non-renewal (the "Non-Renewal Notice"), and the Company shall have five (5) days following its receipt of written notice from Executive of his intent to terminate his employment for Good Reason to rescind its Non-Renewal Notice (if the Company does not so timely rescind the Non-Renewal Notice, Executive's resignation for Good Reason shall be effective automatically on the date immediately prior to the expiration of the Term).

(g) "***Person***" means a natural person or any corporation, limited liability company, partnership, limited partnership, joint venture, unincorporated organization, trust, estate, governmental entity, or other entity.

(h) "***Prior Year Bonus***" means the Annual Bonus payable with respect to the calendar year immediately preceding the calendar year in which Executive's employment with the Company terminates, to the extent unpaid prior to such termination of employment, and to be paid at the same time as if no such termination of employment had occurred.

C. **Survival**. Executive's post-termination obligations in Article IV shall continue as provided in this Agreement.

ARTICLE IV.
RESTRICTIVE COVENANTS

A. **Confidentiality.**

(i) **Confidential Information.** During Executive's employment with any member of the Company Group, the Company Group shall provide Executive otherwise prohibited access to certain trade secrets and confidential information which is not known to the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group over a long period of time and/or at its substantial expense, and which is of great competitive value to the Company Group, and access to the Company Group's customers and clients. For purposes of this Agreement, "***Confidential Information***" means all trade secrets and confidential and proprietary information of the Company Group, including, but not limited to, the following: all documents or information, in whatever form or medium, concerning or relating to any of the Company Group's operations; processes; products; services; programming standards; business practices; policies; strategies; training manuals; principals; vendors; suppliers; customers and potential customers; contractual relationships; regulatory status; research; development; know-how; technical data; designs; formulas; software; product construction and product specifications; product, methods, and techniques; plans for research or future products; improvements; discoveries; interpretations, and analyses; production information; database schemas or tables; infrastructure; development tools or techniques; marketing methods; finances; business plans; marketing and sales plans and strategies; budgets; financial information and data; pricing and pricing strategies; costs; customer and client lists and profiles; customer and client nonpublic personal information; supplier lists; business records; audits; management methods and information; reports, recommendations and conclusions; information regarding the names, contact information, skills and compensation of employees and contractors; and other business

information disclosed or made available to Executive by the Company Group, either directly or indirectly, in writing, orally, or by drawings or observation, that is not known to the public or any of the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group and/or at its expense, and which is of value to the Company Group. Confidential Information prepared or compiled by Executive during the Term and/or the Company Group or furnished to Executive during Executive's employment with any member of the Company Group shall be the sole and exclusive property of the Company Group, and none of such Confidential Information or copies thereof, shall be retained by Executive following his termination of employment with the Company. Executive acknowledges that the Company Group does not voluntarily disclose Confidential Information, but rather takes precautions to prevent dissemination of Confidential Information beyond those employees such as Executive entrusted with such information. Executive further acknowledges that the Confidential Information: (i) is entrusted to Executive because of Executive's position with the Company Group; and (ii) is of such value and nature as to make it reasonable and necessary for Executive to protect and preserve the confidentiality and secrecy of the Confidential Information. Executive acknowledges and agrees that the Confidential Information is a valuable, special, and a unique asset of the Company Group, the disclosure of which could cause substantial injury and loss of profits and goodwill to the Company Group.

(ii) **No Unauthorized Use or Disclosure.** Executive acknowledges and agrees that Confidential Information is proprietary to and a trade secret of the Company Group and, as such, is a special and unique asset of the Company Group, and that any unauthorized disclosure or unauthorized use of any Confidential Information by Executive will cause irreparable harm and loss to the Company Group. Executive understands and acknowledges that each and every component of the Confidential Information (i) has been developed by the Company Group at significant effort and expense and is sufficiently secret to derive economic value from not being generally known to other parties, and (ii) constitutes a protectable business interest of the Company Group. Executive acknowledges and agrees that the Company Group owns the Confidential Information. Executive agrees not to dispute, contest, or deny any such ownership rights either during or after Executive's employment with any member of the Company Group. Executive agrees to preserve and protect the confidentiality of all Confidential Information. Executive agrees that during the period of Executive's employment with any member of the Company Group and after his termination from employment for any reason, Executive shall not directly or indirectly, disclose to any unauthorized person or use for Executive's own account any Confidential Information without the CEO's or the Board's prior written consent. Throughout Executive's employment with any member of the Company Group and thereafter: (i) Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company Group policies protecting the Confidential Information; and (ii) Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of Executive's duties. Further, Executive shall not, directly or indirectly, use the Company Group's Confidential Information to: (1) call upon, solicit business from, attempt to conduct business with, conduct business with, interfere with or divert business away from any customer, client, service provider, supplier or vendor of the Company Group with whom or which the Company Group conducted business; and/or (2) recruit, solicit, hire or attempt to recruit, solicit, or hire, directly or by assisting others, any persons employed by any member of the Company Group.

(iii) **Return of Property and Information.** Promptly after the termination of Executive's employment for any reason or by earlier request by the CEO or the Board, Executive shall return and deliver to the Company Group any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to the Company Group or relate to the Company Group's business and which are in Executive's possession, custody or control, whether prepared by Executive or others. If at any time after termination of Executive's employment Executive determines that Executive has any Confidential Information in Executive's possession or control, Executive shall promptly return to the Company Group all such Confidential Information in Executive's possession or control, including all copies and portions thereof.

(iv) **No Interference.** Notwithstanding any other provision of this Agreement, Executive may disclose Confidential Information when required to do so by a court of competent jurisdiction, by any governmental agency having authority over Executive or the business of the Company Group or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order Executive to divulge, disclose or make accessible such information. The Parties agree that nothing in this Agreement is intended to interfere with Executive's right to (a) discuss Executive's employment terms or conditions; (b) report possible violations of federal, state or local law or regulation to any governmental agency or entity charged with the enforcement of any laws; (c) make other disclosures that are protected under applicable law, including Section 7 of the National Labor Relations Act and the whistleblower provisions of federal, state or local law or regulation; (d) file a claim or charge with any federal, state or local government agency or entity; or (e) testify, assist, or participate in an investigation, hearing, or proceeding conducted by any federal, state or local government or law enforcement agency, entity or court. In making or initiating any such reports or disclosures, Executive need not seek the CEO's or the Board's prior authorization and is not required to notify the Company Group of any such reports or disclosures.

(v) **Defend Trade Secrets Act.** Executive is hereby notified that 18 U.S.C. § 1833(b)(1) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, Executive has the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of Law. Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

B. **Non-Competition.** Executive agrees that during Executive's employment with any member of the Company Group and for a period of twenty-four (24) months after Executive's employment with a member of the Company Group terminates for any reason (the "***Restricted Period***"), other than in connection with Executive's performance of Executive's duties for the Company Group, Executive shall not, without the prior written consent of the Board, directly or indirectly, either individually or as a principal, partner, stockholder, manager, agent, consultant, contractor, distributor, employee, lender, investor, or as a director or officer of any corporation or association, or in any other manner or capacity whatsoever, (i) control, manage, operate, establish, take steps to establish, lend money to, invest in, solicit investors for, or otherwise provide capital to, or (ii) become employed by, join, perform services for, consult for, do business with or otherwise engage in any Competing Business within the Restricted Area. For purposes of this Agreement, given the scope of Confidential Information to be provided to Executive and job duties to be performed by Executive, "***Restricted Area***" means the State of Florida, and any other geographic area for which Executive performed any services, or about which Executive received Confidential Information during his employment with any member of the Company Group. For purposes of this Agreement, "***Competing Business***" means any business, individual, partnership, firm, corporation or other entity that is competing or that is preparing to compete with the Company Group with respect to the sale and provision of residential insurance coverage in the State of Florida.

Notwithstanding the restrictions contained herein, Executive may own, directly or indirectly, solely as an investment, securities of any Competing Business traded on any national securities exchange, provided that Executive is not a controlling person of, or member of a group that controls such business, and provided further that Executive does not, directly or indirectly, own two percent (2%) or more of any class of securities of such business or have the power, directly or indirectly, to control or direct the management or affairs of any such business and is not involved in the management of such business. The restrictions contained in this Agreement also shall not limit or restrict Executive from investing in a private equity fund, venture capital fund, mutual fund or other investment similar to any of the foregoing, in each case, that has an interest in a Competing Business, provided that such investment is passive and Executive does not participate in the management or operations of any such fund or portfolio company thereof that is engaged in a Competing Business. Additionally, Executive may, after his employment with the Company Group terminates, become employed or engaged with a Competing Business in the Restricted Area during the Restricted Period if Executive does not perform the same or similar services for the Competing Business as Executive provided for the Company Group during Executive's employment with any member of the Company Group, and Executive is employed or engaged by the Competing Business in a manner that the Company Group's Confidential Information would not be used by Executive to assist or further the Competing Business (Executive must provide such Competing Business with a copy of this Agreement and, if requested, such Competing Business must provide the Company Group written assurances to the reasonable satisfaction of the CEO and the Board that Executive's employment or engagement with such Competing Business will comply with Article IV prior to Executive beginning employment or engagement with such Competing Business).

C. **Non-Solicitation.**

(i) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any Person, (x) solicit business from, attempt to conduct business with, or conduct business with, any client or customer of the Company Group, in connection with any product or service lines offered by the Company Group, and who or which: (A) Executive called on, serviced, did business with, or had contact with during his employment with any member of the Company Group; or (B) Executive received Confidential Information about; or (y) interfere with, or attempt to interfere with, the relationship between any member of the Company Group and any of their respective clients or customers.

(ii) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any other Person, solicit, interfere with, induce or attempt to solicit, interfere with or induce, engage or hire, on behalf of Executive or any other Person, any employee of the Company Group or any person who was employed by any member of the Company Group within the preceding twelve (12) months, or is or was a consultant to the Company Group during the preceding twelve (12) months; provided, however that the foregoing shall not (A) prevent Executive or any Person associated with Executive from placing general solicitations for hiring online, on job boards or in any other medium, provided that such general solicitation is not specifically targeted at any employee of the Company Group or (B) apply to consultants (other than consultants who are individual natural persons or single-member LLCs or sole proprietorships) who typically service multiple clients simultaneously (e.g., accountants, attorneys, etc.).

D. **Mutual Non-Disparagement.** Executive agrees that the Company Group's goodwill and reputation are assets of great value to the Company Group which have been obtained and maintained through great costs, time and effort. Therefore, Executive agrees that during Executive's employment and after the termination of Executive's employment, Executive shall not in any way disparage, libel or defame the Company Group, its business or business practices, its products or services, or its employees, officers or directors. A violation or threatened violation of this prohibition may be enjoined by the courts. The Company agrees that during Executive's employment and after the termination of Executive's employment, the Company shall direct each member of the Board to not, and the Company will not direct or authorize any other person to, disparage, libel or defame Executive. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded the parties under this provision are in addition to any and all rights and remedies otherwise afforded by law. Nothing in this provision shall prohibit (i) Executive, any member of the Board or any other person from making truthful statements in good faith in connection with any litigation, arbitration, governmental proceeding or similar proceeding, to defend or prosecute any claim or to the extent required by applicable law, legal process, subpoena, court order or similar requirement; (ii) Executive from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis, and provided such criticism or other statement is not presented in a disruptive or insubordinate

manner, concerning the Company Group's or any employee's or other service provider's performance or nonperformance; and (iii) any named executive officer or member of the Board from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis concerning Executive's performance or nonperformance of Executive's duties or responsibilities for the Company Group.

E. **Works.**

(i) **Definition of Work Product.** For the purposes of this Agreement, the term "***Work Product***" shall mean, collectively, all work product, information, inventions, original works of authorship, ideas, know-how, processes, designs, computer programs, photographs, illustrations, developments, trade secrets and discoveries, including improvements thereto, and all other intellectual property, including patents, trademarks, copyrights and trade secrets, that Executive conceives, creates, develops, makes, reduces to practice, or fixes in a tangible medium of expression, either alone or with others.

(ii) **Assignment of Work Product.** Executive hereby assigns and shall be deemed to have assigned to the Company Group or its designee upon creation, all of Executive's right, title, and interest in and to any and all Work Product conceived, created, developed, made, reduced to practice, or fixed in a tangible medium of expression, in any case, during the period of Executive's employment with any member of the Company Group, whether prior to or following the Effective Date, that (a) relates in any manner to the previous, existing or contemplated business, work, or investigations of the Company Group; (b) is or was suggested by, has resulted or will result from, or has arisen or will arise out of any work that Executive has done or may do for or on behalf of the Company Group; (c) has resulted or will result from or has arisen or will arise out of any materials or information that may have been disclosed or otherwise made available to Executive as a result of duties assigned to Executive by the Company Group; or (d) has been or will be otherwise made through the use of the Company Group's time, information, facilities, or materials, even if conceived, created, developed, made, reduced to practice, or fixed during other than working hours. Executive shall, both during and after Executive's employment with any member of the Company Group, sign all documents and otherwise assist the Company Group, or its designee, at the Company Group's expense, to secure the Company Group's rights in Work Product.

F. **Tolling.** If Executive violates any of the restrictions contained in this Article IV, the Restricted Period with respect to such restriction shall be suspended and shall not run in favor of Executive from the time of the commencement of any violation until the time when Executive is no longer in violation of such provision; the period of time in which Executive is in breach shall be added to the Restricted Period.

G. **Remedies.** Executive acknowledges that the restrictions contained in Article IV of this Agreement, in view of the nature of the Company Group's business and Executive's position with the Company Group, are reasonable and necessary to protect the Company Group's legitimate business interests and that any violation of Article IV of this Agreement would result in irreparable injury to the Company Group. In the event of a breach by Executive of Article IV of this Agreement, Executive immediately forfeits any unpaid Severance Payments from the date of such

breach, and the Company Group shall be entitled to (i) cease payment of any unpaid Severance Payments and (ii) recover any Severance Payments paid to Executive from the date of such breach. In addition, the Company Group shall be entitled to a temporary restraining order and injunctive relief restraining Executive from the commission of any breach or threatened breach, in addition to damages, reasonable attorney's fees and costs. If a bond is required to secure such equitable relief, the Parties agree that a bond not to exceed $1,000 shall be sufficient and adequate in all respects to protect the rights and interests of the Parties. Such remedies shall not be deemed the exclusive remedies for a breach or threatened breach of this Article IV but shall be in addition to all remedies available at law or in equity, including the recovery of damages and reasonable attorneys' fees from Executive, Executive's agents, any future employer of Executive, and any person that conspires or aids and abets Executive in a breach or threatened breach of this Agreement. A Dispute, as defined in Article V, under this Article IV, is not subject to the Dispute Resolution provisions in Article V.

H. **Reasonableness.** Executive hereby represents to the Company Group that Executive has read and understands, and agrees to be bound by, the terms of this Article IV. Executive acknowledges that the geographic scope and duration of the covenants contained in this Article IV are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Company Group's business; (ii) Executive's level of control over and contact with the business; and (iii) the amount of compensation, trade secrets and Confidential Information that Executive is receiving in connection with Executive's employment with any member of the Company Group. It is the desire and intent of the Parties that the provisions of Article IV be enforced to the fullest extent permitted under applicable law, whether now or hereafter in effect and therefore, to the extent permitted by applicable law, Executive and the Company Group hereby waive any provision of applicable law that would render any provision of Article IV invalid or unenforceable.

I. **Reformation.** The Company Group and Executive agree that the foregoing restrictions set forth in Article IV are reasonable under the circumstances and that any breach of the covenants contained in Article IV would cause irreparable injury to the Company Group. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses but acknowledges that Executive shall receive Confidential Information and trade secrets, as well as sufficiently high remuneration and other benefits as an employee of the Company Group to justify such restrictions. If any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the Parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company Group and Executive intend to make this provision enforceable under the law or laws of all applicable jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal.

J. **No Previous Restrictive Agreements.** Executive represents that, except as disclosed in writing to the Company Group, Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. Executive further represents that Executive's performance of all the terms of this Agreement and Executive's work duties for the Company Group do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by Executive in confidence or in trust prior to Executive's employment with any member of the Company Group. Executive shall not disclose to the Company Group or induce the Company Group to use any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE V.
MISCELLANEOUS PROVISIONS

A. **Dispute Resolution.** In the event of any dispute, controversy or claim arising out of, or in connection with or relating to this Agreement or any other agreement between Executive and any member of the Company Group, Executive's employment, or Executive's relationship with the Company Group or any of its predecessors or successors (any such matter, a "***Dispute***"), *except for* any Dispute arising under Article IV of this Agreement:

(i) The parties to such Dispute shall use commercially reasonable efforts to resolve such Dispute through negotiation between individuals with the authority to settle the Dispute on behalf of the parties (each, an "***Authorized Decision Maker***"). To this end, each such party shall cause an Authorized Decision Maker to consult and negotiate with an Authorized Decision Maker of the other party, and the parties shall attempt to reach a resolution satisfactory to both parties, recognizing that their mutual interests may not be aligned (and that each such party shall be entitled to reasonably seek to promote such party's own interests in such resolution).

(ii) If the parties to a Dispute do not resolve such Dispute within thirty (30) days of the first negotiation between Authorized Decision Makers, then upon written notice by either party to the other, the Dispute shall be submitted to non-binding mediation to be administered in Tampa, Florida, by the American Arbitration Association or its successor (the "***AAA***") (or another mediator upon the mutual agreement of Executive and the applicable member of the Company Group). Such mediation session shall take place within sixty (60) days of the date of receipt of the written request for mediation. If the parties are not able to agree regarding the identity of the mediator within twenty (20) days from the party's delivery of the mediation demand to the other party, the AAA shall appoint a neutral mediator upon written request to the AAA by either party.

(iii) In the event the applicable member of the Company Group and Executive are unable to resolve any Dispute pursuant to Article V.A.(i) or (ii) above, the parties shall resolve such Dispute by binding arbitration under the Employment Arbitration rules of the AAA then in effect, and in accordance with applicable law, including the Federal Arbitration Act and the Federal Rules of Civil Procedure, but subject to the following agreed provisions and except where applicable federal or state law requires otherwise. Subject to legal privileges, the arbitrator shall have the power to permit discovery as allowed under the Federal Rules of Civil Procedure. The arbitration shall be conducted in Tampa, Florida, and the proceedings shall be kept strictly confidential by the parties, their respective attorneys and the arbitrators. Notice of papers or processes relating to any arbitration proceeding, or for the confirmation of award and entry of judgment on an award may be served on each of the parties by registered or certified mail.

The arbitrator shall be selected by agreement of the parties; but if no agreement can be reached, the arbitrator shall be appointed pursuant to the procedures of the AAA. The arbitrator shall be of good reputation and character and have legal expertise relating to the Dispute. The applicable member of the Company Group, on the one hand, and Executive, on the other hand, shall each pay one-half of the arbitrator's expenses. Each party shall pay its own legal expenses, except where prohibited by law. The arbitrator shall have no authority to consolidate the claims of other employees into a class action or otherwise fashion, consider, preside over, or award relief to any form of a representative, collective, or class proceeding. The arbitrator shall provide a written opinion supporting his/her conclusions, including detailed findings of fact and conclusions of law. Such findings of fact shall be final and binding on the parties. The arbitrator may award damages and/or permanent injunctive relief, but in no event shall the arbitrator have the authority to award punitive or exemplary damages, except where authorized by statute. Notwithstanding anything to the contrary in this Article V, the applicable member of the Company Group and Executive may apply to a court of competent jurisdiction to enforce the covenants set forth in Article IV. If proper notice of any hearing has been given, the arbitrator shall have full power to proceed to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any party who fails to appear. If any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect and validity of the remaining portion hereof.

B. **Cooperation.** After the termination of Executive's employment, Executive agrees to reasonably cooperate and provide reasonable assistance, at the request of the Company Group, in any and all investigations or other legal proceedings which involve any matters for which Executive worked on or had responsibility during Executive's employment with any member of the Company Group. This includes but is not limited to testifying (and preparing to testify) as a witness in any proceeding or otherwise providing information or reasonable assistance to the Company Group in connection with any investigation, claim or suit, and cooperating with the Company Group regarding any investigation, litigation, claims or other disputed items involving the Company Group that relate to matters within the knowledge or responsibility of Executive. Specifically, Executive agrees (i) to provide truthful testimony to any court, agency or other adjudicatory body in any matter covered by this Article V.B; and (ii) to provide the Company Group with prompt notice of contact or subpoena received by Executive from any nongovernmental adverse party as to matters relating to the Company Group; provided however, the Company Group shall reimburse Executive for all reasonable expenses incurred by Executive in providing the cooperation required by this Article V.B (including, without limitation, reasonable legal fees for Executive's own counsel, to the extent such expenses are pre-approved by the Board in writing (such approval not to be unreasonably withheld, conditioned or delayed)). Notwithstanding the foregoing or anything contained in this Article V.B to the contrary, (i) all cooperation required by this Article V.B shall be provided remotely unless remote cooperation is not possible or reasonably practical, (ii) any cooperation required by this Article V.B shall be provided at times that are mutually convenient to Executive and the Company Group, (iii) cooperation under this Article V.B shall not take up more than a *de minimis* amount of Executive's time and (iv) Executive is not required to provide cooperation under this Article V.B. in any matter that is adverse to Executive.

C. **No Mitigation; No Set Off.** Executive is under no obligation or duty to seek employment or work following his termination of employment with the Company, and in no event shall any payments or benefits to be provided to Executive from any member of the Company Group following Executive's termination of employment be reduced or offset by any amounts earned by Executive from another employer or otherwise following Executive's termination of employment with the Company.

D. **Headings.** The paragraph headings contained in this Agreement are for convenience only and shall in no way or manner be construed as a part of this Agreement.

E. **Severability.** In the event that any court of competent jurisdiction holds any provision in this Agreement to be invalid, illegal or unenforceable in any respect, the remaining provisions shall not be affected or invalidated and shall remain in full force and effect.

F. **Reformation.** In the event any court of competent jurisdiction holds any restriction in this Agreement to be unreasonable and/or unenforceable as written, the court may reform this Agreement to make it enforceable, and this Agreement shall remain in full force and effect as reformed by the court.

G. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties, and fully supersedes any and all prior agreements, understanding or representations between the Parties pertaining to or concerning the subject matter of this Agreement, including, without limitation, Executive's employment with any member of the Company Group, including, without limitation, the Prior Agreement. The Parties have voluntarily agreed to define their rights, liabilities and obligations relating to or arising out of Executive's employment with any member of the Company Group exclusively in contract (except for statutory obligations) pursuant to the express terms and provisions of this Agreement and any other written agreement signed by any member of the Company Group and Executive. No oral statements or prior written material relating to the subject matter of this Agreement that is not specifically incorporated in this Agreement shall be of any force and effect, and no changes in or additions to this Agreement shall be recognized, unless incorporated in this Agreement by written amendment, such amendment to become effective on the date stipulated in it. Any amendment to this Agreement must be signed by all parties to this Agreement.

H. **Disclaimer of Reliance.** Except for the specific representations expressly made by the Company in this Agreement or a written agreement specifically signed by Executive and any member of the Company Group, Executive specifically disclaims that Executive is relying upon or has relied upon any communications, promises, statements, inducements, or representation(s) that may have been made, oral or written, regarding the subject matter of this Agreement, the terms of Executive's employment, any compensation or benefits to which Executive may be entitled. Executive represents that Executive relied solely and only on Executive's own judgment in making the decision to enter into this Agreement.

I. **No Fiduciary Relationship by the Company Group.** This Agreement does not create, nor shall it be construed as creating, any principal and agent, trust, or other fiduciary duty or special relationship running from the Company Group to Executive.

J. **Waiver.** No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches. The failure of either Party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition but the obligations of either Party with respect thereto shall continue in full force and effect. The breach by one Party to this Agreement shall not preclude equitable relief, injunctive relief or the obligations in Article IV.

K. **Modification; Counterparts.** The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof. This Agreement may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

L. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns. Further, to the extent applicable, each member of the Company Group shall be deemed a third-party beneficiary and may enforce the applicable rights and obligations under this Agreement. Neither party may assign this Agreement to a third party without the prior written consent of the other party, provided that the Company may assign its rights, together with its obligations hereunder, without Executive's consent to any successor to the Company's business in connection with an internal restructuring or internal reorganization.

M. **Certain Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Internal Revenue Code of 1986, as amended (the "***Code***")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its Affiliates or other payor, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then such payments and benefits shall be either (a) reduced (but not below zero) so that the present value of such total payments and benefits shall be one dollar ($1.00) less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind in a similar order, and then reducing equity or equity-based benefits (reduced in the order of highest value to lowest value under Code Section

280G). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary (or whether Executive would be subject to such excise tax) shall be made at the expense of the Company by a firm of independent accountants, a law firm, or other valuation specialist selected by the Board in good faith prior to the consummation of the applicable change in control transaction, and the applicable independent accountants, law firm, or other valuation specialist shall consider the value, if any, of Executive's restrictive covenants (including the non-competition restrictions set forth herein) as part of its analysis as may be appropriate under Section 280G of the Code. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits used in determining if a "parachute payment" exists, exceeds one dollar ($1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Article V.M. shall require the Company to provide a gross-up payment to Executive with respect to Executive's excise tax liabilities under Section 4999 of the Code. Notwithstanding the foregoing, in the event that no stock of the Company or its applicable Affiliates is readily tradable on an established securities market or otherwise (within the meaning of Section 280G) as of immediately prior to an applicable transaction that constitutes a "change in ownership or control" for purposes of Section 280G of the Code, the Company shall submit to a vote of stockholders for approval the portion of the payments and benefits payable to Executive that equal or exceeds three times the Executive's "base amount" (the "***Excess Parachute Payments***") in accordance with Treas. Reg. §1.280G-1; provided, that Executive has first, in Executive's sole discretion, executed a customary waiver of such Excess Parachute Payments (the Company makes no guarantee regarding the outcome of any such vote). If such stockholder approval is obtained in accordance with Section 280G of the Code, then the payments and benefits shall not be subject to reduction as described above.

N. **Clawback.** To the extent required by Company policy, applicable law, government regulation or any applicable securities exchange listing standards, amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company Group and applicable to executives of the Company Group generally, including pursuant to applicable law, government regulation or applicable securities exchange listing requirements, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group in the event of material misstatements, financial restatements, other bad acts (or inaction), or other events or occurrences consistent with any government regulation or securities exchange listing requirement. The Company Group reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures that are consistent with the immediately preceding sentence, including such policies and procedures applicable to this Agreement and under the LTIP or any incentive plan of the Company Group with retroactive effect.

O. **Section 409A.** This Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Code ("***Section 409A***") or shall comply with the requirements of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a "deferral of compensation" within

the meaning of Section 409A. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Section 409A upon or following a termination of Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A. Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on Executive's termination of employment, Executive is a "specified employee" within the meaning of Section 409A, any payments or benefits that are payable as the result of a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treasury Regulation section 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treasury Regulation section 1.409A-1(b)(9)(iii)(A)) and that otherwise would have been paid within six (6) months following such termination of employment, shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (x) the date which is six (6) months and one day after Executive's separation from service for any reason other than death, and (y) the date of Executive's death (but not earlier than such payments or benefits would have been made absent this provision), and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit. With respect to any expense reimbursement benefit or in-kind benefit provided pursuant to this Agreement or otherwise, (1) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year shall not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (2) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made promptly, but in all events on or before the last day of the calendar year immediately following the calendar year in which the applicable expense is incurred, and (3) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit. Each payment under this Agreement to Executive shall be deemed a separate payment for purposes of Section 409A.

P. **Indemnification**. Executive shall be entitled to indemnification and advancement of expenses for acts and omissions that occurred during Executive's employment or other service with the Company or any of its Subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date) in accordance with the terms of the Company's (or as applicable, its subsidiaries' and Affiliates') by-laws and other governing documents (unless such action or omission was not taken or made by Executive in good faith). In addition, during the Term and for at least six (6) years thereafter, the Company shall maintain a directors & officers insurance policy providing for market levels of coverage (or higher), and shall cause Executive to be an insured under such policy with respect to actions and omissions that occurred during Executive's employment or other service with the Company or any of its subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date). The Company's obligations under this Article V.P. shall survive the termination of the Term and the termination of Executive's employment.

Q. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida, without regard to any conflicts of law provision that would result in the application of the law of any other jurisdiction.

{Remainder of Page Intentionally Left Blank. Signature Page Follows.}

IN WITNESS WHEREOF, the Company and Executive have caused this Agreement to be executed on the date first set forth above, to be effective as of the Effective Date.

EXECUTIVE:

/s/ Robert Ritchie
Robert Ritchie

THE COMPANY:

AMERICAN INTEGRITY INSURANCE GROUP, INC.

By: /s/ Ben Lurie
Name: Ben Lurie
Title: Chief Financial Officer

{Signature Page to Employment Agreement}

Exhibit A

Release

(see attached)

EXHIBIT A TO EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "***Agreement***") is dated as of May 7, 2025 (the "***Effective Date***") and is entered into by and between David Clark ("***Executive***") and American Integrity Insurance Group, Inc., a Delaware corporation (the "***Company***"). The Company and Executive shall be referred to herein as the "***Parties***."

RECITALS

WHEREAS, the Company desires to employ Executive as Chairman ("***Chairman***") and Executive desires to serve the Company in such capacity;

WHEREAS, the Company and Executive desire to set forth in writing the terms and conditions of their agreement and understandings with respect to Executive's employment by the Company; and

WHEREAS, the Company hereby employs Executive, and Executive hereby accepts employment with the Company for the period and upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I.
SERVICES TO BE PROVIDED BY EXECUTIVE

A. **Position and Responsibilities.** During the Term (defined below), the Company shall employ Executive as Chairman. Executive shall report directly to the Company's Board of Directors (the "***Board***"). Executive shall also have such other duties and responsibilities that are commensurate with his position as specifically delegated to him from time to time by the Board.

B. **Performance.** During the Term, Executive shall devote on a full-time basis substantially all of Executive's business time to the performance of Executive's duties hereunder in a manner that will faithfully and diligently further the business and interests of the Company and its direct and indirect subsidiaries, including American Integrity Insurance Group, LLC (the "***Company Group***"), and shall exercise reasonable best efforts to perform Executive's duties in a diligent, trustworthy, good faith and business-like manner, all for the purpose of advancing the business of the Company Group. During the Term, Executive shall act in a manner consistent with Executive's position. During the Term, without the prior written consent of the Board, Executive (i) shall not be employed with any other entity, (ii) shall not serve as a member of any board of directors or similar governing body of any Person other than a member of the Company Group or (iii) shall not serve as a trustee of, or in any other similar capacity with, any present or future agency or organization, except in each case of clauses (i)-(iii), that without the consent of the Board, Executive may (a) engage in such civic, religious, trade or industry group activities as

Executive determines (and may hold board, trustee and similar positions in connection with the foregoing) and (b) Executive may serve on the board of directors or similar governing bodies for up to two non-competitive companies, provided that such activities described in the foregoing clauses (a) and (b) do not materially interfere with Executive's duties to the Company Group (whether individually or in the aggregate), create a conflict of interest or otherwise violate the terms of this Agreement. In addition, and notwithstanding the foregoing, nothing herein shall prohibit or otherwise impede Executive from engaging in the Permitted Activity (as defined in **Exhibit A**), subject to the terms of this Agreement, including **Exhibit A**, and only to the extent that the Permitted Activity in no way violates the terms of this Agreement, including Article IV herein, or any other agreement by and between Executive and any member of the Company Group.

C. **Compliance.** During the Term, Executive shall act in accordance with high business and ethical standards. During the Term, Executive shall comply with the written policies, codes of conduct, codes of ethics and written manuals of the Company Group (collectively, the "***Policies***"), in each case, which are applicable to Executive and which shall be provided in writing to Executive from time to time.

D. **Representations.** Executive represents and warrants to the Company Group that Executive (i) is not violating and will not violate any contractual, legal, or fiduciary obligations or burdens to which Executive is subject by entering into this Agreement or by providing services for the Company Group; (ii) is under no contractual, legal, or fiduciary obligation or burden that will interfere with Executive's ability to perform services for the Company Group; (iii) is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party; and (iv) has no previous convictions under any law, disputes with regulatory agencies, or other similar circumstances, in any case, that would reasonably be expected to have a material adverse effect on the Company Group. Executive shall not disclose in an unauthorized manner to the Company Group or induce the Company Group to use in an unauthorized manner any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE II.
COMPENSATION FOR SERVICES

As compensation for all services Executive will perform for the Company Group during the Term, the Company will pay Executive, and Executive shall accept as full compensation, the following:

A. **Compensation.** Executive shall be eligible to earn an annual salary in the amount of $750,000 ("***Base Salary***"), payable in accordance with the Company's normal payroll practices and prorated for any partial years of employment. Executive's Base Salary may be increased, but not decreased, from time to time in the Company's sole discretion, provided that Executive's Base Salary shall be reviewed for increase no less frequently than annually.

B. **Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual performance-based bonus pursuant to the terms of the applicable annual bonus plan established by the Company (the "***Annual Bonus***"). Any earned Annual Bonus with respect to any calendar year during the Term shall be paid to Executive between January 1st and March 15th of the immediately following calendar year, provided that, except as provided in Article III.B(ii) and Article III.B(iii), Executive is employed by the Company on the date such Annual Bonus is paid. Executive's target Annual Bonus with respect to each calendar year during the Term shall be 67% of Executive's Base Salary. The payment of any Annual Bonus shall be subject to all federal, state and withholding taxes, social security deductions and other general withholding obligations. Award of an Annual Bonus with respect to a particular calendar year does not guarantee the award of an Annual Bonus in any subsequent calendar year.

C. **Equity Awards**. With respect to each calendar year during the Term, commencing with the calendar year beginning January 1, 2026, provided that Executive is employed by the Company on the applicable date of grant, Executive shall receive annual long-term incentive awards under the Company's long-term equity incentive plan (the "***LTIP***") on such terms and conditions as the Board and the Compensation Committee of the Board shall determine in their sole discretion. All awards granted to Executive under the LTIP shall be subject to and governed by the terms and provisions of the LTIP as in effect from time to time and the award agreements evidencing such awards.

D. **Expenses.** The Company agrees that, during Executive's employment, it will reimburse Executive for out-of-pocket expenses reasonably incurred in connection with Executive's performance of Executive's services hereunder, upon the presentation by Executive of an itemized accounting of such expenditures, with supporting receipts, provided that Executive submits such expenses for reimbursement within ninety (90) days of the date such expenses were incurred in accordance with the Company's expense reimbursement policy. Reimbursements shall be in compliance with the Company's expense reimbursement policies.

E. **Vacation.** Executive shall be entitled to paid vacation pursuant to the Company's standard written policies, as may be amended by the Company from time to time in its sole discretion. Vacation shall be taken at such times and intervals as shall be determined by Executive, subject to the reasonable business needs of the Company.

F. **Benefits.** Executive may participate in any group health insurance plan, retirement plan, disability plan, group life plan, and any other benefit or welfare program or policy that is made generally available, from time to time, to other employees of the Company, on a basis consistent with such participation and subject to the terms of the plan documents, as such plans may be modified, amended, terminated, or replaced from time to time by the Company, in its sole discretion.

ARTICLE III.
TERM; TERMINATION

A. **Term of Employment.** The term of Executive's employment under this Agreement shall begin on the Effective Date and shall continue in effect for three (3) years following the Effective Date (the "***Initial Term***"), unless earlier terminated by any Party in accordance with Article III.B. Upon the expiration of the Initial Term, this Agreement shall automatically renew for additional, successive one (1) year terms (each, a "***Renewal Term***" and together with the Initial Term, the "***Term***") unless either Party delivers written notice to the other Party not less than thirty (30) days prior to the expiration of the Initial Term or any Renewal Term of such Party's intention not to renew this Agreement.

B. **Termination.** Any Party may terminate Executive's employment at any time during the Term upon sixty (60) days' written notice of termination (the "***Notice Period***"), except that the Company need not provide advance notice for termination of Executive's employment for Cause pursuant to Article III.B(i) (except as otherwise provided therein). The date of Executive's termination shall be (i) if Executive's employment is terminated by his death, the date of his death; or (ii) the date stated in the notice of termination. Upon termination of Executive's employment for any reason, the Company shall pay Executive (i) any unpaid Base Salary earned and accrued through the date of termination (payable in the normal course or such earlier time required by applicable law); (ii) any accrued but unused vacation through the date of termination (payable at the time of the payment described in clause (i) above); (iii) vested benefits in accordance with the Company Group's employee benefit plans; and (iv) any unreimbursed business expenses properly incurred prior to such termination, to be reimbursed in accordance with the Company's business expense reimbursement policy (collectively, the "***Accrued Obligations***").

(i) Termination for Cause by the Company or Resignation by Executive without Good Reason. If, at any time during the Term the Company terminates Executive's employment for Cause (defined below) or Executive voluntarily resigns without Good Reason (defined below), the Company may, in its sole discretion, shorten or eliminate the Notice Period and determine the date of termination without any obligation to pay Executive any additional compensation other than the Accrued Obligations, and without triggering a termination of Executive's employment without Cause.

(ii) Termination Without Cause by the Company or Resignation by Executive for Good Reason. If, at any time during the Term, the Company terminates Executive's employment without Cause or Executive resigns his employment for Good Reason, the Company Group shall have no further liability or obligation to Executive under this Agreement for compensation or employee benefits, but the Company shall pay or provide the following amounts to Executive: (x) the Accrued Obligations; and (y) subject to Executive's continued compliance with Article IV of this Agreement and the execution and timely return by Executive of a release of claims in the form attached hereto as Exhibit B (the "***Release***"), which shall be executed and delivered by Executive within thirty (30) days after Executive's termination of employment and which shall be irrevocable, (1) an amount equal to two (2) times the sum of (a) Executive's Base Salary as of immediately prior to such termination of employment (without giving effect to

any reduction that would or did give rise to Good Reason) and (b) Executive's target Annual Bonus opportunity as of immediately prior to such termination of employment (without giving effect to any reduction (or any Base Salary reduction) that would or did give rise to Good Reason) (the "***Severance Pay***"), payable in equal installments in accordance with the Company's regular payroll practice over the twenty-four (24) month period immediately following the termination date (the "***Severance Period***"), (2) a lump sum payment equal to 18 months of the cost of Executive's and Executive's eligible dependents' COBRA premiums for the coverage in effect immediately prior to Executive's termination of employment (the "***COBRA Payments***"), and (3) the Prior Year Bonus (the Severance Pay, the COBRA Payments and the Prior Year Bonus, collectively, the "***Severance Benefits***"). The first installment of the Severance Pay and the lump sum payment of the COBRA Payments shall be provided on the first payroll date after the effective date of the Release, provided that the first installment of the Severance Pay shall include a catch-up for any payments that would have been made prior to such first installment had the Release been effective on the date of Executive's termination of employment. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, to the extent required by Code Section 409A, if the timing of when Executive executes the Release (regardless of when Executive actually executes the Release) could result in the payment of any portion of the Severance Benefits commencing in more than one calendar year, then all portions of the Severance Benefits that otherwise would have been paid in such first calendar year instead shall be paid on the first day of the immediately following calendar year (with all remaining installments to be paid as if no such delay had occurred). In the event Executive fails to comply with the terms of Article IV or does not timely execute and return (or revokes) the Release, no amount shall be payable to Executive pursuant to this Article III.B(ii) (other than the Accrued Obligations).

(iii) Termination Due to Death or Disability. If, at any time during the Term, Executive's employment is terminated due to his death or Disability (defined below), the Company Group shall have no further liability or obligation to Executive for compensation or employee benefits under this Agreement, except that the Company shall pay or provide (a) the Accrued Obligations; (b) the Prior Year Bonus; and (c) accelerated vesting (and for restricted stock units and similar awards, accelerated settlement) of all equity and equity-based awards (provided that any performance-based award shall be settled assuming the target level of performance was achieved, unless prior to such termination, a higher level of performance was certified by the Compensation Committee of the Board, in which case settlement shall occur at such higher level of achievement). All amounts that may be due to Executive under this Article III.B(iii) shall be paid to Executive or to Executive's heirs, estate, legal representatives, and assignees, as may be appropriate. Settlement of any restricted stock units and similar awards under clause (c) shall be made as soon as administratively practicable but in no event later than thirty (30) days after the date of such termination of employment.

(iv) Definitions. For purposes of this Agreement:

(a) "***Affiliate***" of any Person means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person.

(b) "***Cause***" means the occurrence of any of the following events: (i) an act or acts of theft of material property, embezzlement or fraud by Executive, regardless of whether it relates to the Company Group; (ii) a willful or material misrepresentation by Executive that relates to the Company Group and has (or would be reasonably expected to have) a materially adverse impact on the Company Group; (iii) any violation by Executive of any fiduciary duties owed by Executive to the Company Group; (iv) Executive's conviction of, or pleading nolo contendere or guilty to, a felony (other than a traffic infraction); (v) Executive's material breach of the Company's written code of conduct and business ethics or other material written policy or procedure applicable to Executive in effect from time to time relating to personal conduct, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged violation; (vi) Executive's continued and willful refusal to substantially perform Executive's responsibilities to the Company under this Agreement, after written demand for substantial performance has been given by the Board that specifically identifies how Executive has not substantially performed Executive's responsibilities, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged failure or refusal; or (vii) a material breach by Executive of this Agreement or any other agreement to which Executive and any member the Company Group are parties, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged breach.

(c) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(d) "***Control***" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

(e) "***Disability***" means that Executive has become eligible to receive long-term disability benefits under the long-term disability policy of the Company Group then covering Executive.

(f) "***Good Reason***" means the occurrence of any of the following events without Executive's prior written consent: (i) a material diminution in Executive's authority, responsibilities, title or duties; (ii) a material reduction in Executive's Base Salary; (iii) a material breach of this Agreement by the Company; (iv) a relocation of Executive's primary office location to a distance of more than fifty (50) miles from its location as of the Effective Date (provided that such relocation materially increases Executive's commute); or (v) the Company provides a notice of non-renewal to Executive pursuant to Article III.A. Executive shall give the Company written notice within thirty (30) days after the occurrence of the event or events alleged to constitute Good Reason of an intent to terminate his employment for Good Reason and specifying the reasons for such alleged Good Reason and provide the Company with thirty (30) days after receipt of such notice from Executive to remedy the alleged action(s) giving rise to the Good Reason event. In the event the Company does not timely cure the violation, if Executive does not terminate Executive's employment within fifteen (15) days following the last day of the cure period, the occurrence of the violation shall not subsequently serve as Good Reason for purposes of this Agreement; provided, however, that notwithstanding the foregoing, in order to resign for Good

Reason under clause (v) above, Executive must provide written notice of resignation to the Company within twenty (20) days after Executive's receipt of the Company's notice of non-renewal (the "Non-Renewal Notice"), and the Company shall have five (5) days following its receipt of written notice from Executive of his intent to terminate his employment for Good Reason to rescind its Non-Renewal Notice (if the Company does not so timely rescind the Non-Renewal Notice, Executive's resignation for Good Reason shall be effective automatically on the date immediately prior to the expiration of the Term).

(g) "***Person***" means a natural person or any corporation, limited liability company, partnership, limited partnership, joint venture, unincorporated organization, trust, estate, governmental entity, or other entity.

(h) "***Prior Year Bonus***" means the Annual Bonus payable with respect to the calendar year immediately preceding the calendar year in which Executive's employment with the Company terminates, to the extent unpaid prior to such termination of employment, and to be paid at the same time as if no such termination of employment had occurred.

C. **Survival**. Executive's post-termination obligations in Article IV shall continue as provided in this Agreement.

ARTICLE IV.
RESTRICTIVE COVENANTS

A. **Confidentiality.**

(i) **Confidential Information.** During Executive's employment with any member of the Company Group, the Company Group shall provide Executive otherwise prohibited access to certain trade secrets and confidential information which is not known to the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group over a long period of time and/or at its substantial expense, and which is of great competitive value to the Company Group, and access to the Company Group's customers and clients. For purposes of this Agreement, "***Confidential Information***" means all trade secrets and confidential and proprietary information of the Company Group, including, but not limited to, the following: all documents or information, in whatever form or medium, concerning or relating to any of the Company Group's operations; processes; products; services; programming standards; business practices; policies; strategies; training manuals; principals; vendors; suppliers; customers and potential customers; contractual relationships; regulatory status; research; development; know-how; technical data; designs; formulas; software; product construction and product specifications; product, methods, and techniques; plans for research or future products; improvements; discoveries; interpretations, and analyses; production information; database schemas or tables; infrastructure; development tools or techniques; marketing methods; finances; business plans; marketing and sales plans and strategies; budgets; financial information and data; pricing and pricing strategies; costs; customer and client lists and profiles; customer and client nonpublic personal information; supplier lists; business records; audits; management methods and information; reports, recommendations and conclusions; information regarding the names, contact information, skills and compensation of employees and contractors; and other business

information disclosed or made available to Executive by the Company Group, either directly or indirectly, in writing, orally, or by drawings or observation, that is not known to the public or any of the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group and/or at its expense, and which is of value to the Company Group. Confidential Information prepared or compiled by Executive during the Term and/or the Company Group or furnished to Executive during Executive's employment with any member of the Company Group shall be the sole and exclusive property of the Company Group, and none of such Confidential Information or copies thereof, shall be retained by Executive following his termination of employment with the Company. Executive acknowledges that the Company Group does not voluntarily disclose Confidential Information, but rather takes precautions to prevent dissemination of Confidential Information beyond those employees such as Executive entrusted with such information. Executive further acknowledges that the Confidential Information: (i) is entrusted to Executive because of Executive's position with the Company Group; and (ii) is of such value and nature as to make it reasonable and necessary for Executive to protect and preserve the confidentiality and secrecy of the Confidential Information. Executive acknowledges and agrees that the Confidential Information is a valuable, special, and a unique asset of the Company Group, the disclosure of which could cause substantial injury and loss of profits and goodwill to the Company Group.

(ii) **No Unauthorized Use or Disclosure.** Executive acknowledges and agrees that Confidential Information is proprietary to and a trade secret of the Company Group and, as such, is a special and unique asset of the Company Group, and that any unauthorized disclosure or unauthorized use of any Confidential Information by Executive will cause irreparable harm and loss to the Company Group. Executive understands and acknowledges that each and every component of the Confidential Information (i) has been developed by the Company Group at significant effort and expense and is sufficiently secret to derive economic value from not being generally known to other parties, and (ii) constitutes a protectable business interest of the Company Group. Executive acknowledges and agrees that the Company Group owns the Confidential Information. Executive agrees not to dispute, contest, or deny any such ownership rights either during or after Executive's employment with any member of the Company Group. Executive agrees to preserve and protect the confidentiality of all Confidential Information. Executive agrees that during the period of Executive's employment with any member of the Company Group and after his termination from employment for any reason, Executive shall not directly or indirectly, disclose to any unauthorized person or use for Executive's own account any Confidential Information without the CEO's or the Board's prior written consent. Throughout Executive's employment with any member of the Company Group and thereafter: (i) Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company Group policies protecting the Confidential Information; and (ii) Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of Executive's duties. Further, Executive shall not, directly or indirectly, use the Company Group's Confidential Information to: (1) call upon, solicit business from, attempt to conduct business with, conduct business with, interfere with or divert business away from any customer, client, service provider, supplier or vendor of the Company Group with whom or which the Company Group conducted business; and/or (2) recruit, solicit, hire or attempt to recruit, solicit, or hire, directly or by assisting others, any persons employed by any member of the Company Group.

(iii) **Return of Property and Information.** Promptly after the termination of Executive's employment for any reason or by earlier request by the CEO or the Board, Executive shall return and deliver to the Company Group any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to the Company Group or relate to the Company Group's business and which are in Executive's possession, custody or control, whether prepared by Executive or others. If at any time after termination of Executive's employment Executive determines that Executive has any Confidential Information in Executive's possession or control, Executive shall promptly return to the Company Group all such Confidential Information in Executive's possession or control, including all copies and portions thereof.

(iv) **No Interference.** Notwithstanding any other provision of this Agreement, Executive may disclose Confidential Information when required to do so by a court of competent jurisdiction, by any governmental agency having authority over Executive or the business of the Company Group or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order Executive to divulge, disclose or make accessible such information. The Parties agree that nothing in this Agreement is intended to interfere with Executive's right to (a) discuss Executive's employment terms or conditions; (b) report possible violations of federal, state or local law or regulation to any governmental agency or entity charged with the enforcement of any laws; (c) make other disclosures that are protected under applicable law, including Section 7 of the National Labor Relations Act and the whistleblower provisions of federal, state or local law or regulation; (d) file a claim or charge with any federal, state or local government agency or entity; or (e) testify, assist, or participate in an investigation, hearing, or proceeding conducted by any federal, state or local government or law enforcement agency, entity or court. In making or initiating any such reports or disclosures, Executive need not seek the CEO's or the Board's prior authorization and is not required to notify the Company Group of any such reports or disclosures.

(v) **Defend Trade Secrets Act.** Executive is hereby notified that 18 U.S.C. § 1833(b)(1) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, Executive has the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of Law. Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

B. **Non-Competition.** Executive agrees that during Executive's employment with any member of the Company Group and for a period of twenty-four (24) months after Executive's employment with a member of the Company Group terminates for any reason (the "***Restricted Period***"), other than in connection with Executive's performance of Executive's duties for the Company Group, Executive shall not, without the prior written consent of the Board, directly or indirectly, either individually or as a principal, partner, stockholder, manager, agent, consultant, contractor, distributor, employee, lender, investor, or as a director or officer of any corporation or association, or in any other manner or capacity whatsoever, (i) control, manage, operate, establish, take steps to establish, lend money to, invest in, solicit investors for, or otherwise provide capital to, or (ii) become employed by, join, perform services for, consult for, do business with or otherwise engage in any Competing Business within the Restricted Area. For purposes of this Agreement, given the scope of Confidential Information to be provided to Executive and job duties to be performed by Executive, "***Restricted Area***" means the State of Florida, and any other geographic area for which Executive performed any services, or about which Executive received Confidential Information during his employment with any member of the Company Group. For purposes of this Agreement, "***Competing Business***" means any business, individual, partnership, firm, corporation or other entity that is competing or that is preparing to compete with the Company Group with respect to the sale and provision of residential insurance coverage in the State of Florida.

Notwithstanding the restrictions contained herein, Executive may own, directly or indirectly, solely as an investment, securities of any Competing Business traded on any national securities exchange, provided that Executive is not a controlling person of, or member of a group that controls such business, and provided further that Executive does not, directly or indirectly, own two percent (2%) or more of any class of securities of such business or have the power, directly or indirectly, to control or direct the management or affairs of any such business and is not involved in the management of such business. The restrictions contained in this Agreement also shall not limit or restrict Executive from investing in a private equity fund, venture capital fund, mutual fund or other investment similar to any of the foregoing, in each case, that has an interest in a Competing Business, provided that such investment is passive and Executive does not participate in the management or operations of any such fund or portfolio company thereof that is engaged in a Competing Business. Additionally, Executive may, after his employment with the Company Group terminates, become employed or engaged with a Competing Business in the Restricted Area during the Restricted Period if Executive does not perform the same or similar services for the Competing Business as Executive provided for the Company Group during Executive's employment with any member of the Company Group, and Executive is employed or engaged by the Competing Business in a manner that the Company Group's Confidential Information would not be used by Executive to assist or further the Competing Business (Executive must provide such Competing Business with a copy of this Agreement and, if requested, such Competing Business must provide the Company Group written assurances to the reasonable satisfaction of the CEO and the Board that Executive's employment or engagement with such Competing Business will comply with Article IV prior to Executive beginning employment or engagement with such Competing Business).

C. **Non-Solicitation.**

(i) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any Person, (x) solicit business from, attempt to conduct business with, or conduct business with, any client or customer of the Company Group, in connection with any product or service lines offered by the Company Group, and who or which: (A) Executive called on, serviced, did business with, or had contact with during his employment with any member of the Company Group; or (B) Executive received Confidential Information about; or (y) interfere with, or attempt to interfere with, the relationship between any member of the Company Group and any of their respective clients or customers.

(ii) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any other Person, solicit, interfere with, induce or attempt to solicit, interfere with or induce, engage or hire, on behalf of Executive or any other Person, any employee of the Company Group or any person who was employed by any member of the Company Group within the preceding twelve (12) months, or is or was a consultant to the Company Group during the preceding twelve (12) months; provided, however that the foregoing shall not (A) prevent Executive or any Person associated with Executive from placing general solicitations for hiring online, on job boards or in any other medium, provided that such general solicitation is not specifically targeted at any employee of the Company Group or (B) apply to consultants (other than consultants who are individual natural persons or single-member LLCs or sole proprietorships) who typically service multiple clients simultaneously (e.g., accountants, attorneys, etc.).

D. **Mutual Non-Disparagement.** Executive agrees that the Company Group's goodwill and reputation are assets of great value to the Company Group which have been obtained and maintained through great costs, time and effort. Therefore, Executive agrees that during Executive's employment and after the termination of Executive's employment, Executive shall not in any way disparage, libel or defame the Company Group, its business or business practices, its products or services, or its employees, officers or directors. A violation or threatened violation of this prohibition may be enjoined by the courts. The Company agrees that during Executive's employment and after the termination of Executive's employment, the Company shall direct each member of the Board to not, and the Company will not direct or authorize any other person to, disparage, libel or defame Executive. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded the parties under this provision are in addition to any and all rights and remedies otherwise afforded by law. Nothing in this provision shall prohibit (i) Executive, any member of the Board or any other person from making truthful statements in good faith in connection with any litigation, arbitration, governmental proceeding or similar proceeding, to defend or prosecute any claim or to the extent required by applicable law, legal process, subpoena, court order or similar requirement; (ii) Executive from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis, and provided such criticism or other statement is not presented in a disruptive or insubordinate

manner, concerning the Company Group's or any employee's or other service provider's performance or nonperformance; and (iii) any named executive officer or member of the Board from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis concerning Executive's performance or nonperformance of Executive's duties or responsibilities for the Company Group.

E. **Works.**

(i) **Definition of Work Product.** For the purposes of this Agreement, the term "***Work Product***" shall mean, collectively, all work product, information, inventions, original works of authorship, ideas, know-how, processes, designs, computer programs, photographs, illustrations, developments, trade secrets and discoveries, including improvements thereto, and all other intellectual property, including patents, trademarks, copyrights and trade secrets, that Executive conceives, creates, develops, makes, reduces to practice, or fixes in a tangible medium of expression, either alone or with others.

(ii) **Assignment of Work Product.** Executive hereby assigns and shall be deemed to have assigned to the Company Group or its designee upon creation, all of Executive's right, title, and interest in and to any and all Work Product conceived, created, developed, made, reduced to practice, or fixed in a tangible medium of expression, in any case, during the period of Executive's employment with any member of the Company Group, whether prior to or following the Effective Date, that (a) relates in any manner to the previous, existing or contemplated business, work, or investigations of the Company Group; (b) is or was suggested by, has resulted or will result from, or has arisen or will arise out of any work that Executive has done or may do for or on behalf of the Company Group; (c) has resulted or will result from or has arisen or will arise out of any materials or information that may have been disclosed or otherwise made available to Executive as a result of duties assigned to Executive by the Company Group; or (d) has been or will be otherwise made through the use of the Company Group's time, information, facilities, or materials, even if conceived, created, developed, made, reduced to practice, or fixed during other than working hours. Executive shall, both during and after Executive's employment with any member of the Company Group, sign all documents and otherwise assist the Company Group, or its designee, at the Company Group's expense, to secure the Company Group's rights in Work Product.

F. **Tolling.** If Executive violates any of the restrictions contained in this Article IV, the Restricted Period with respect to such restriction shall be suspended and shall not run in favor of Executive from the time of the commencement of any violation until the time when Executive is no longer in violation of such provision; the period of time in which Executive is in breach shall be added to the Restricted Period.

G. **Remedies.** Executive acknowledges that the restrictions contained in Article IV of this Agreement, in view of the nature of the Company Group's business and Executive's position with the Company Group, are reasonable and necessary to protect the Company Group's legitimate business interests and that any violation of Article IV of this Agreement would result in irreparable injury to the Company Group. In the event of a breach by Executive of Article IV of this Agreement, Executive immediately forfeits any unpaid Severance Payments from the date of such

breach, and the Company Group shall be entitled to (i) cease payment of any unpaid Severance Payments and (ii) recover any Severance Payments paid to Executive from the date of such breach. In addition, the Company Group shall be entitled to a temporary restraining order and injunctive relief restraining Executive from the commission of any breach or threatened breach, in addition to damages, reasonable attorney's fees and costs. If a bond is required to secure such equitable relief, the Parties agree that a bond not to exceed $1,000 shall be sufficient and adequate in all respects to protect the rights and interests of the Parties. Such remedies shall not be deemed the exclusive remedies for a breach or threatened breach of this Article IV but shall be in addition to all remedies available at law or in equity, including the recovery of damages and reasonable attorneys' fees from Executive, Executive's agents, any future employer of Executive, and any person that conspires or aids and abets Executive in a breach or threatened breach of this Agreement. A Dispute, as defined in Article V, under this Article IV, is not subject to the Dispute Resolution provisions in Article V.

H. **Reasonableness.** Executive hereby represents to the Company Group that Executive has read and understands, and agrees to be bound by, the terms of this Article IV. Executive acknowledges that the geographic scope and duration of the covenants contained in this Article IV are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Company Group's business; (ii) Executive's level of control over and contact with the business; and (iii) the amount of compensation, trade secrets and Confidential Information that Executive is receiving in connection with Executive's employment with any member of the Company Group. It is the desire and intent of the Parties that the provisions of Article IV be enforced to the fullest extent permitted under applicable law, whether now or hereafter in effect and therefore, to the extent permitted by applicable law, Executive and the Company Group hereby waive any provision of applicable law that would render any provision of Article IV invalid or unenforceable.

I. **Reformation.** The Company Group and Executive agree that the foregoing restrictions set forth in Article IV are reasonable under the circumstances and that any breach of the covenants contained in Article IV would cause irreparable injury to the Company Group. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses but acknowledges that Executive shall receive Confidential Information and trade secrets, as well as sufficiently high remuneration and other benefits as an employee of the Company Group to justify such restrictions. If any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the Parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company Group and Executive intend to make this provision enforceable under the law or laws of all applicable jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal.

J. **No Previous Restrictive Agreements.** Executive represents that, except as disclosed in writing to the Company Group, Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. Executive further represents that Executive's performance of all the terms of this Agreement and Executive's work duties for the Company Group do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by Executive in confidence or in trust prior to Executive's employment with any member of the Company Group. Executive shall not disclose to the Company Group or induce the Company Group to use any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE V.
MISCELLANEOUS PROVISIONS

A. **Dispute Resolution.** In the event of any dispute, controversy or claim arising out of, or in connection with or relating to this Agreement or any other agreement between Executive and any member of the Company Group, Executive's employment, or Executive's relationship with the Company Group or any of its predecessors or successors (any such matter, a "***Dispute***"), *except for* any Dispute arising under Article IV of this Agreement:

(i) The parties to such Dispute shall use commercially reasonable efforts to resolve such Dispute through negotiation between individuals with the authority to settle the Dispute on behalf of the parties (each, an "***Authorized Decision Maker***"). To this end, each such party shall cause an Authorized Decision Maker to consult and negotiate with an Authorized Decision Maker of the other party, and the parties shall attempt to reach a resolution satisfactory to both parties, recognizing that their mutual interests may not be aligned (and that each such party shall be entitled to reasonably seek to promote such party's own interests in such resolution).

(ii) If the parties to a Dispute do not resolve such Dispute within thirty (30) days of the first negotiation between Authorized Decision Makers, then upon written notice by either party to the other, the Dispute shall be submitted to non-binding mediation to be administered in Tampa, Florida, by the American Arbitration Association or its successor (the "***AAA***") (or another mediator upon the mutual agreement of Executive and the applicable member of the Company Group). Such mediation session shall take place within sixty (60) days of the date of receipt of the written request for mediation. If the parties are not able to agree regarding the identity of the mediator within twenty (20) days from the party's delivery of the mediation demand to the other party, the AAA shall appoint a neutral mediator upon written request to the AAA by either party.

(iii) In the event the applicable member of the Company Group and Executive are unable to resolve any Dispute pursuant to Article V.A.(i) or (ii) above, the parties shall resolve such Dispute by binding arbitration under the Employment Arbitration rules of the AAA then in effect, and in accordance with applicable law, including the Federal Arbitration Act and the Federal Rules of Civil Procedure, but subject to the following agreed provisions and except where applicable federal or state law requires otherwise. Subject to legal privileges, the arbitrator shall have the power to permit discovery as allowed under the Federal Rules of Civil Procedure. The arbitration shall be conducted in Tampa, Florida, and the proceedings shall be kept strictly confidential by the parties, their respective attorneys and the arbitrators. Notice of papers or processes relating to any arbitration proceeding, or for the confirmation of award and entry of judgment on an award may be served on each of the parties by registered or certified mail.

The arbitrator shall be selected by agreement of the parties; but if no agreement can be reached, the arbitrator shall be appointed pursuant to the procedures of the AAA. The arbitrator shall be of good reputation and character and have legal expertise relating to the Dispute. The applicable member of the Company Group, on the one hand, and Executive, on the other hand, shall each pay one-half of the arbitrator's expenses. Each party shall pay its own legal expenses, except where prohibited by law. The arbitrator shall have no authority to consolidate the claims of other employees into a class action or otherwise fashion, consider, preside over, or award relief to any form of a representative, collective, or class proceeding. The arbitrator shall provide a written opinion supporting his/her conclusions, including detailed findings of fact and conclusions of law. Such findings of fact shall be final and binding on the parties. The arbitrator may award damages and/or permanent injunctive relief, but in no event shall the arbitrator have the authority to award punitive or exemplary damages, except where authorized by statute. Notwithstanding anything to the contrary in this Article V, the applicable member of the Company Group and Executive may apply to a court of competent jurisdiction to enforce the covenants set forth in Article IV. If proper notice of any hearing has been given, the arbitrator shall have full power to proceed to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any party who fails to appear. If any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect and validity of the remaining portion hereof.

B. **Cooperation.** After the termination of Executive's employment, Executive agrees to reasonably cooperate and provide reasonable assistance, at the request of the Company Group, in any and all investigations or other legal proceedings which involve any matters for which Executive worked on or had responsibility during Executive's employment with any member of the Company Group. This includes but is not limited to testifying (and preparing to testify) as a witness in any proceeding or otherwise providing information or reasonable assistance to the Company Group in connection with any investigation, claim or suit, and cooperating with the Company Group regarding any investigation, litigation, claims or other disputed items involving the Company Group that relate to matters within the knowledge or responsibility of Executive. Specifically, Executive agrees (i) to provide truthful testimony to any court, agency or other adjudicatory body in any matter covered by this Article V.B; and (ii) to provide the Company Group with prompt notice of contact or subpoena received by Executive from any nongovernmental adverse party as to matters relating to the Company Group; provided however, the Company Group shall reimburse Executive for all reasonable expenses incurred by Executive in providing the cooperation required by this Article V.B (including, without limitation, reasonable legal fees for Executive's own counsel, to the extent such expenses are pre-approved by the Board in writing (such approval not to be unreasonably withheld, conditioned or delayed)). Notwithstanding the foregoing or anything contained in this Article V.B to the contrary, (i) all cooperation required by this Article V.B shall be provided remotely unless remote cooperation is not possible or reasonably practical, (ii) any cooperation required by this Article V.B shall be provided at times that are mutually convenient to Executive and the Company Group, (iii) cooperation under this Article V.B shall not take up more than a *de minimis* amount of Executive's time and (iv) Executive is not required to provide cooperation under this Article V.B. in any matter that is adverse to Executive.

C. **No Mitigation; No Set Off.** Executive is under no obligation or duty to seek employment or work following his termination of employment with the Company, and in no event shall any payments or benefits to be provided to Executive from any member of the Company Group following Executive's termination of employment be reduced or offset by any amounts earned by Executive from another employer or otherwise following Executive's termination of employment with the Company.

D. **Headings.** The paragraph headings contained in this Agreement are for convenience only and shall in no way or manner be construed as a part of this Agreement.

E. **Severability.** In the event that any court of competent jurisdiction holds any provision in this Agreement to be invalid, illegal or unenforceable in any respect, the remaining provisions shall not be affected or invalidated and shall remain in full force and effect.

F. **Reformation.** In the event any court of competent jurisdiction holds any restriction in this Agreement to be unreasonable and/or unenforceable as written, the court may reform this Agreement to make it enforceable, and this Agreement shall remain in full force and effect as reformed by the court.

G. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties, and fully supersedes any and all prior agreements, understanding or representations between the Parties pertaining to or concerning the subject matter of this Agreement, including, without limitation, Executive's employment with any member of the Company Group. The Parties have voluntarily agreed to define their rights, liabilities and obligations relating to or arising out of Executive's employment with any member of the Company Group exclusively in contract (except for statutory obligations) pursuant to the express terms and provisions of this Agreement and any other written agreement signed by any member of the Company Group and Executive. No oral statements or prior written material relating to the subject matter of this Agreement that is not specifically incorporated in this Agreement shall be of any force and effect, and no changes in or additions to this Agreement shall be recognized, unless incorporated in this Agreement by written amendment, such amendment to become effective on the date stipulated in it. Any amendment to this Agreement must be signed by all parties to this Agreement.

H. **Disclaimer of Reliance.** Except for the specific representations expressly made by the Company in this Agreement or a written agreement specifically signed by Executive and any member of the Company Group, Executive specifically disclaims that Executive is relying upon or has relied upon any communications, promises, statements, inducements, or representation(s) that may have been made, oral or written, regarding the subject matter of this Agreement, the terms of Executive's employment, any compensation or benefits to which Executive may be entitled. Executive represents that Executive relied solely and only on Executive's own judgment in making the decision to enter into this Agreement.

I. **No Fiduciary Relationship by the Company Group.** This Agreement does not create, nor shall it be construed as creating, any principal and agent, trust, or other fiduciary duty or special relationship running from the Company Group to Executive.

J. **Waiver.** No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches. The failure of either Party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition but the obligations of either Party with respect thereto shall continue in full force and effect. The breach by one Party to this Agreement shall not preclude equitable relief, injunctive relief or the obligations in Article IV.

K. **Modification; Counterparts.** The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof. This Agreement may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

L. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns. Further, to the extent applicable, each member of the Company Group shall be deemed a third-party beneficiary and may enforce the applicable rights and obligations under this Agreement. Neither party may assign this Agreement to a third party without the prior written consent of the other party, provided that the Company may assign its rights, together with its obligations hereunder, without Executive's consent to any successor to the Company's business in connection with an internal restructuring or internal reorganization.

M. **Certain Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Internal Revenue Code of 1986, as amended (the "***Code***")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its Affiliates or other payor, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then such payments and benefits shall be either (a) reduced (but not below zero) so that the present value of such total payments and benefits shall be one dollar ($1.00) less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind in a similar order, and then reducing equity or equity-based benefits (reduced in the order of highest value to lowest value under Code Section

280G). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary (or whether Executive would be subject to such excise tax) shall be made at the expense of the Company by a firm of independent accountants, a law firm, or other valuation specialist selected by the Board in good faith prior to the consummation of the applicable change in control transaction, and the applicable independent accountants, law firm, or other valuation specialist shall consider the value, if any, of Executive's restrictive covenants (including the non-competition restrictions set forth herein) as part of its analysis as may be appropriate under Section 280G of the Code. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits used in determining if a "parachute payment" exists, exceeds one dollar ($1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Article V.M. shall require the Company to provide a gross-up payment to Executive with respect to Executive's excise tax liabilities under Section 4999 of the Code. Notwithstanding the foregoing, in the event that no stock of the Company or its applicable Affiliates is readily tradable on an established securities market or otherwise (within the meaning of Section 280G) as of immediately prior to an applicable transaction that constitutes a "change in ownership or control" for purposes of Section 280G of the Code, the Company shall submit to a vote of stockholders for approval the portion of the payments and benefits payable to Executive that equal or exceeds three times the Executive's "base amount" (the "***Excess Parachute Payments***") in accordance with Treas. Reg. §1.280G-1; provided, that Executive has first, in Executive's sole discretion, executed a customary waiver of such Excess Parachute Payments (the Company makes no guarantee regarding the outcome of any such vote). If such stockholder approval is obtained in accordance with Section 280G of the Code, then the payments and benefits shall not be subject to reduction as described above.

N. **Clawback.** To the extent required by Company policy, applicable law, government regulation or any applicable securities exchange listing standards, amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company Group and applicable to executives of the Company Group generally, including pursuant to applicable law, government regulation or applicable securities exchange listing requirements, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group in the event of material misstatements, financial restatements, other bad acts (or inaction), or other events or occurrences consistent with any government regulation or securities exchange listing requirement. The Company Group reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures that are consistent with the immediately preceding sentence, including such policies and procedures applicable to this Agreement and under the LTIP or any incentive plan of the Company Group with retroactive effect.

O. **Section 409A.** This Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Code ("***Section 409A***") or shall comply with the requirements of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a "deferral of compensation" within

the meaning of Section 409A. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Section 409A upon or following a termination of Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A. Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on Executive's termination of employment, Executive is a "specified employee" within the meaning of Section 409A, any payments or benefits that are payable as the result of a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treasury Regulation section 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treasury Regulation section 1.409A-1(b)(9)(iii)(A)) and that otherwise would have been paid within six (6) months following such termination of employment, shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (x) the date which is six (6) months and one day after Executive's separation from service for any reason other than death, and (y) the date of Executive's death (but not earlier than such payments or benefits would have been made absent this provision), and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit. With respect to any expense reimbursement benefit or in-kind benefit provided pursuant to this Agreement or otherwise, (1) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year shall not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (2) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made promptly, but in all events on or before the last day of the calendar year immediately following the calendar year in which the applicable expense is incurred, and (3) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit. Each payment under this Agreement to Executive shall be deemed a separate payment for purposes of Section 409A.

P. **Indemnification**. Executive shall be entitled to indemnification and advancement of expenses for acts and omissions that occurred during Executive's employment or other service with the Company or any of its Subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date) in accordance with the terms of the Company's (or as applicable, its subsidiaries' and Affiliates') by-laws and other governing documents (unless such action or omission was not taken or made by Executive in good faith). In addition, during the Term and for at least six (6) years thereafter, the Company shall maintain a directors & officers insurance policy providing for market levels of coverage (or higher), and shall cause Executive to be an insured under such policy with respect to actions and omissions that occurred during Executive's employment or other service with the Company or any of its subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date). The Company's obligations under this Article V.P. shall survive the termination of the Term and the termination of Executive's employment.

Q. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida, without regard to any conflicts of law provision that would result in the application of the law of any other jurisdiction.

{Remainder of Page Intentionally Left Blank. Signature Page Follows.}

IN WITNESS WHEREOF, the Company and Executive have caused this Agreement to be executed on the date first set forth above, to be effective as of the Effective Date.

EXECUTIVE:

/s/ David Clark
David Clark

THE COMPANY:

AMERICAN INTEGRITY INSURANCE GROUP, INC.

By: /s/ Ben Lurie
Name: Ben Lurie
Title: Chief Financial Officer

{Signature Page to Employment Agreement}

Exhibit A

Permitted Activity

The Parties agree that during the Term, Executive may continue to provide consulting services to Sowell & Co. (the "***Permitted Activity***") at the same levels and in the same manner as Executive provided such services immediately prior to the Effective Date.

EXHIBIT A TO EMPLOYMENT AGREEMENT

Exhibit B

Release

(see attached)

EXHIBIT B TO EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "***Agreement***") is dated as of May 7, 2025 (the "***Effective Date***") and is entered into by and between Ben Lurie ("***Executive***") and American Integrity Insurance Group, Inc., a Delaware corporation (the "***Company***"). The Company and Executive shall be referred to herein as the "***Parties***."

RECITALS

WHEREAS, the Company desires to employ Executive as Chief Financial Officer ("***CFO***") and Executive desires to serve the Company in such capacity;

WHEREAS, the Company and Executive desire to set forth in writing the terms and conditions of their agreement and understandings with respect to Executive's employment by the Company; and

WHEREAS, the Company hereby employs Executive, and Executive hereby accepts employment with the Company for the period and upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I.
SERVICES TO BE PROVIDED BY EXECUTIVE

A. **Position and Responsibilities.** During the Term (defined below), the Company shall employ Executive as CFO. Executive shall report directly to the Company's Board of Directors (the "***Board***"), Chief Executive Officer ("***CEO***"), and President. Executive shall also have such other duties and responsibilities that are commensurate with his position as specifically delegated to him from time to time by the Board, the CEO, and the President.

B. **Performance.** During the Term, Executive shall devote on a full-time basis substantially all of Executive's business time to the performance of Executive's duties hereunder in a manner that will faithfully and diligently further the business and interests of the Company and its direct and indirect subsidiaries, including American Integrity Insurance Group, LLC (the "***Company Group***"), and shall exercise reasonable best efforts to perform Executive's duties in a diligent, trustworthy, good faith and business-like manner, all for the purpose of advancing the business of the Company Group. During the Term, Executive shall act in a manner consistent with Executive's position. During the Term, without the prior written consent of the Board, Executive (i) shall not be employed with any other entity, (ii) shall not serve as a member of any board of directors or similar governing body of any Person other than a member of the Company Group or (iii) shall not serve as a trustee of, or in any other similar capacity with, any present or future agency or organization, except in each case of clauses (i)-(iii), that without the consent of the Board, Executive may (a) engage in such civic, religious, trade or industry group activities as

Executive determines (and may hold board, trustee and similar positions in connection with the foregoing) and (b) Executive may serve on the board of directors or similar governing bodies for up to two non-competitive companies, provided that such activities described in the foregoing clauses (a) and (b) do not materially interfere with Executive's duties to the Company Group (whether individually or in the aggregate), create a conflict of interest or otherwise violate the terms of this Agreement. In addition, and notwithstanding the foregoing, nothing herein shall prohibit or otherwise impede Executive from engaging in the Permitted Activity (as defined in **Exhibit A**), subject to the terms of this Agreement, including **Exhibit A**, and only to the extent that the Permitted Activity in no way violates the terms of this Agreement, including Article IV herein, or any other agreement by and between Executive and any member of the Company Group.

C. **Compliance.** During the Term, Executive shall act in accordance with high business and ethical standards. During the Term, Executive shall comply with the written policies, codes of conduct, codes of ethics and written manuals of the Company Group (collectively, the "***Policies***"), in each case, which are applicable to Executive and which shall be provided in writing to Executive from time to time.

D. **Representations.** Executive represents and warrants to the Company Group that Executive (i) is not violating and will not violate any contractual, legal, or fiduciary obligations or burdens to which Executive is subject by entering into this Agreement or by providing services for the Company Group; (ii) is under no contractual, legal, or fiduciary obligation or burden that will interfere with Executive's ability to perform services for the Company Group; (iii) is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party; and (iv) has no previous convictions under any law, disputes with regulatory agencies, or other similar circumstances, in any case, that would reasonably be expected to have a material adverse effect on the Company Group. Executive shall not disclose in an unauthorized manner to the Company Group or induce the Company Group to use in an unauthorized manner any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE II.
COMPENSATION FOR SERVICES

As compensation for all services Executive will perform for the Company Group during the Term, the Company will pay Executive, and Executive shall accept as full compensation, the following:

A. **Compensation.** Executive shall be eligible to earn an annual salary in the amount of $450,000 ("***Base Salary***"), payable in accordance with the Company's normal payroll practices and prorated for any partial years of employment. Executive's Base Salary may be increased, but not decreased, from time to time in the Company's sole discretion, provided that Executive's Base Salary shall be reviewed for increase no less frequently than annually.

B. **Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual performance-based bonus pursuant to the terms of the applicable annual bonus plan established by the Company (the "***Annual Bonus***"). Any earned Annual Bonus with respect to any calendar year during the Term shall be paid to Executive between January 1st and March 15th of the immediately following calendar year, provided that, except as provided in Article III.B(ii) and Article III.B(iii), Executive is employed by the Company on the date such Annual Bonus is paid. Executive's target Annual Bonus with respect to each calendar year during the Term shall be 89% of Executive's Base Salary. The payment of any Annual Bonus shall be subject to all federal, state and withholding taxes, social security deductions and other general withholding obligations. Award of an Annual Bonus with respect to a particular calendar year does not guarantee the award of an Annual Bonus in any subsequent calendar year.

C. **Equity Awards**. With respect to each calendar year during the Term, commencing with the calendar year beginning January 1, 2026, provided that Executive is employed by the Company on the applicable date of grant, Executive shall receive annual long-term incentive awards under the Company's long-term equity incentive plan (the "***LTIP***") on such terms and conditions as the Board and the Compensation Committee of the Board shall determine in their sole discretion. All awards granted to Executive under the LTIP shall be subject to and governed by the terms and provisions of the LTIP as in effect from time to time and the award agreements evidencing such awards.

D. **Expenses.** The Company agrees that, during Executive's employment, it will reimburse Executive for out-of-pocket expenses reasonably incurred in connection with Executive's performance of Executive's services hereunder, upon the presentation by Executive of an itemized accounting of such expenditures, with supporting receipts, provided that Executive submits such expenses for reimbursement within ninety (90) days of the date such expenses were incurred in accordance with the Company's expense reimbursement policy. Reimbursements shall be in compliance with the Company's expense reimbursement policies.

E. **Vacation.** Executive shall be entitled to paid vacation pursuant to the Company's standard written policies, as may be amended by the Company from time to time in its sole discretion. Vacation shall be taken at such times and intervals as shall be determined by Executive, subject to the reasonable business needs of the Company.

F. **Benefits.** Executive may participate in any group health insurance plan, retirement plan, disability plan, group life plan, and any other benefit or welfare program or policy that is made generally available, from time to time, to other employees of the Company, on a basis consistent with such participation and subject to the terms of the plan documents, as such plans may be modified, amended, terminated, or replaced from time to time by the Company, in its sole discretion.

ARTICLE III.
TERM; TERMINATION

A. **Term of Employment.** The term of Executive's employment under this Agreement shall begin on the Effective Date and shall continue in effect for three (3) years following the Effective Date (the "***Initial Term***"), unless earlier terminated by any Party in accordance with Article III.B. Upon the expiration of the Initial Term, this Agreement shall automatically renew for additional, successive one (1) year terms (each, a "***Renewal Term***" and together with the Initial Term, the "***Term***") unless either Party delivers written notice to the other Party not less than thirty (30) days prior to the expiration of the Initial Term or any Renewal Term of such Party's intention not to renew this Agreement.

B. **Termination.** Any Party may terminate Executive's employment at any time during the Term upon sixty (60) days' written notice of termination (the "***Notice Period***"), except that the Company need not provide advance notice for termination of Executive's employment for Cause pursuant to Article III.B(i) (except as otherwise provided therein). The date of Executive's termination shall be (i) if Executive's employment is terminated by his death, the date of his death; or (ii) the date stated in the notice of termination. Upon termination of Executive's employment for any reason, the Company shall pay Executive (i) any unpaid Base Salary earned and accrued through the date of termination (payable in the normal course or such earlier time required by applicable law); (ii) any accrued but unused vacation through the date of termination (payable at the time of the payment described in clause (i) above); (iii) vested benefits in accordance with the Company Group's employee benefit plans; and (iv) any unreimbursed business expenses properly incurred prior to such termination, to be reimbursed in accordance with the Company's business expense reimbursement policy (collectively, the "***Accrued Obligations***").

(i) Termination for Cause by the Company or Resignation by Executive without Good Reason. If, at any time during the Term the Company terminates Executive's employment for Cause (defined below) or Executive voluntarily resigns without Good Reason (defined below), the Company may, in its sole discretion, shorten or eliminate the Notice Period and determine the date of termination without any obligation to pay Executive any additional compensation other than the Accrued Obligations, and without triggering a termination of Executive's employment without Cause.

(ii) Termination Without Cause by the Company or Resignation by Executive for Good Reason. If, at any time during the Term, the Company terminates Executive's employment without Cause or Executive resigns his employment for Good Reason, the Company Group shall have no further liability or obligation to Executive under this Agreement for compensation or employee benefits, but the Company shall pay or provide the following amounts to Executive: (x) the Accrued Obligations; and (y) subject to Executive's continued compliance with Article IV of this Agreement and the execution and timely return by Executive of a release of claims in the form attached hereto as Exhibit B (the "***Release***"), which shall be executed and delivered by Executive within thirty (30) days after Executive's termination of employment and which shall be irrevocable, (1) an amount equal to two (2) times the sum of (a) Executive's Base Salary as of immediately prior to such termination of employment (without giving effect to

any reduction that would or did give rise to Good Reason) and (b) Executive's target Annual Bonus opportunity as of immediately prior to such termination of employment (without giving effect to any reduction (or any Base Salary reduction) that would or did give rise to Good Reason) (the "***Severance Pay***"), payable in equal installments in accordance with the Company's regular payroll practice over the twenty-four (24) month period immediately following the termination date (the "***Severance Period***"), (2) a lump sum payment equal to 18 months of the cost of Executive's and Executive's eligible dependents' COBRA premiums for the coverage in effect immediately prior to Executive's termination of employment (the "***COBRA Payments***"), and (3) the Prior Year Bonus (the Severance Pay, the COBRA Payments and the Prior Year Bonus, collectively, the "***Severance Benefits***"). The first installment of the Severance Pay and the lump sum payment of the COBRA Payments shall be provided on the first payroll date after the effective date of the Release, provided that the first installment of the Severance Pay shall include a catch-up for any payments that would have been made prior to such first installment had the Release been effective on the date of Executive's termination of employment. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, to the extent required by Code Section 409A, if the timing of when Executive executes the Release (regardless of when Executive actually executes the Release) could result in the payment of any portion of the Severance Benefits commencing in more than one calendar year, then all portions of the Severance Benefits that otherwise would have been paid in such first calendar year instead shall be paid on the first day of the immediately following calendar year (with all remaining installments to be paid as if no such delay had occurred). In the event Executive fails to comply with the terms of Article IV or does not timely execute and return (or revokes) the Release, no amount shall be payable to Executive pursuant to this Article III.B(ii) (other than the Accrued Obligations).

(iii) Termination Due to Death or Disability. If, at any time during the Term, Executive's employment is terminated due to his death or Disability (defined below), the Company Group shall have no further liability or obligation to Executive for compensation or employee benefits under this Agreement, except that the Company shall pay or provide (a) the Accrued Obligations; (b) the Prior Year Bonus; and (c) accelerated vesting (and for restricted stock units and similar awards, accelerated settlement) of all equity and equity-based awards (provided that any performance-based award shall be settled assuming the target level of performance was achieved, unless prior to such termination, a higher level of performance was certified by the Compensation Committee of the Board, in which case settlement shall occur at such higher level of achievement). All amounts that may be due to Executive under this Article III.B(iii) shall be paid to Executive or to Executive's heirs, estate, legal representatives, and assignees, as may be appropriate. Settlement of any restricted stock units and similar awards under clause (c) shall be made as soon as administratively practicable but in no event later than thirty (30) days after the date of such termination of employment.

(iv) Definitions. For purposes of this Agreement:

(a) "***Affiliate***" of any Person means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person.

(b) "***Cause***" means the occurrence of any of the following events: (i) an act or acts of theft of material property, embezzlement or fraud by Executive, regardless of whether it relates to the Company Group; (ii) a willful or material misrepresentation by Executive that relates to the Company Group and has (or would be reasonably expected to have) a materially adverse impact on the Company Group; (iii) any violation by Executive of any fiduciary duties owed by Executive to the Company Group; (iv) Executive's conviction of, or pleading nolo contendere or guilty to, a felony (other than a traffic infraction); (v) Executive's material breach of the Company's written code of conduct and business ethics or other material written policy or procedure applicable to Executive in effect from time to time relating to personal conduct, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged violation; (vi) Executive's continued and willful refusal to substantially perform Executive's responsibilities to the Company under this Agreement, after written demand for substantial performance has been given by the Board that specifically identifies how Executive has not substantially performed Executive's responsibilities, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged failure or refusal; or (vii) a material breach by Executive of this Agreement or any other agreement to which Executive and any member the Company Group are parties, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged breach.

(c) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(d) "***Control***" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

(e) "***Disability***" means that Executive has become eligible to receive long-term disability benefits under the long-term disability policy of the Company Group then covering Executive.

(f) "***Good Reason***" means the occurrence of any of the following events without Executive's prior written consent: (i) a material diminution in Executive's authority, responsibilities, title or duties; (ii) a material reduction in Executive's Base Salary; (iii) a material breach of this Agreement by the Company; (iv) a relocation of Executive's primary office location to a distance of more than fifty (50) miles from its location as of the Effective Date (provided that such relocation materially increases Executive's commute); or (v) the Company provides a notice of non-renewal to Executive pursuant to Article III.A. Executive shall give the Company written notice within thirty (30) days after the occurrence of the event or events alleged to constitute Good Reason of an intent to terminate his employment for Good Reason and specifying the reasons for such alleged Good Reason and provide the Company with thirty (30) days after receipt of such notice from Executive to remedy the alleged action(s) giving rise to the Good Reason event. In the event the Company does not timely cure the violation, if Executive does not terminate Executive's employment within fifteen (15) days following the last day of the cure period, the occurrence of the violation shall not subsequently serve as Good Reason for purposes of this Agreement; provided, however, that notwithstanding the foregoing, in order to resign for Good

Reason under clause (v) above, Executive must provide written notice of resignation to the Company within twenty (20) days after Executive's receipt of the Company's notice of non-renewal (the "Non-Renewal Notice"), and the Company shall have five (5) days following its receipt of written notice from Executive of his intent to terminate his employment for Good Reason to rescind its Non-Renewal Notice (if the Company does not so timely rescind the Non-Renewal Notice, Executive's resignation for Good Reason shall be effective automatically on the date immediately prior to the expiration of the Term).

(g) "***Person***" means a natural person or any corporation, limited liability company, partnership, limited partnership, joint venture, unincorporated organization, trust, estate, governmental entity, or other entity.

(h) "***Prior Year Bonus***" means the Annual Bonus payable with respect to the calendar year immediately preceding the calendar year in which Executive's employment with the Company terminates, to the extent unpaid prior to such termination of employment, and to be paid at the same time as if no such termination of employment had occurred.

C. **Survival**. Executive's post-termination obligations in Article IV shall continue as provided in this Agreement.

ARTICLE IV.
RESTRICTIVE COVENANTS

A. **Confidentiality.**

(i) **Confidential Information.** During Executive's employment with any member of the Company Group, the Company Group shall provide Executive otherwise prohibited access to certain trade secrets and confidential information which is not known to the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group over a long period of time and/or at its substantial expense, and which is of great competitive value to the Company Group, and access to the Company Group's customers and clients. For purposes of this Agreement, "***Confidential Information***" means all trade secrets and confidential and proprietary information of the Company Group, including, but not limited to, the following: all documents or information, in whatever form or medium, concerning or relating to any of the Company Group's operations; processes; products; services; programming standards; business practices; policies; strategies; training manuals; principals; vendors; suppliers; customers and potential customers; contractual relationships; regulatory status; research; development; know-how; technical data; designs; formulas; software; product construction and product specifications; product, methods, and techniques; plans for research or future products; improvements; discoveries; interpretations, and analyses; production information; database schemas or tables; infrastructure; development tools or techniques; marketing methods; finances; business plans; marketing and sales plans and strategies; budgets; financial information and data; pricing and pricing strategies; costs; customer and client lists and profiles; customer and client nonpublic personal information; supplier lists; business records; audits; management methods and information; reports, recommendations and conclusions; information regarding the names, contact information, skills and compensation of employees and contractors; and other business

information disclosed or made available to Executive by the Company Group, either directly or indirectly, in writing, orally, or by drawings or observation, that is not known to the public or any of the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group and/or at its expense, and which is of value to the Company Group. Confidential Information prepared or compiled by Executive during the Term and/or the Company Group or furnished to Executive during Executive's employment with any member of the Company Group shall be the sole and exclusive property of the Company Group, and none of such Confidential Information or copies thereof, shall be retained by Executive following his termination of employment with the Company. Executive acknowledges that the Company Group does not voluntarily disclose Confidential Information, but rather takes precautions to prevent dissemination of Confidential Information beyond those employees such as Executive entrusted with such information. Executive further acknowledges that the Confidential Information: (i) is entrusted to Executive because of Executive's position with the Company Group; and (ii) is of such value and nature as to make it reasonable and necessary for Executive to protect and preserve the confidentiality and secrecy of the Confidential Information. Executive acknowledges and agrees that the Confidential Information is a valuable, special, and a unique asset of the Company Group, the disclosure of which could cause substantial injury and loss of profits and goodwill to the Company Group.

(ii) **No Unauthorized Use or Disclosure.** Executive acknowledges and agrees that Confidential Information is proprietary to and a trade secret of the Company Group and, as such, is a special and unique asset of the Company Group, and that any unauthorized disclosure or unauthorized use of any Confidential Information by Executive will cause irreparable harm and loss to the Company Group. Executive understands and acknowledges that each and every component of the Confidential Information (i) has been developed by the Company Group at significant effort and expense and is sufficiently secret to derive economic value from not being generally known to other parties, and (ii) constitutes a protectable business interest of the Company Group. Executive acknowledges and agrees that the Company Group owns the Confidential Information. Executive agrees not to dispute, contest, or deny any such ownership rights either during or after Executive's employment with any member of the Company Group. Executive agrees to preserve and protect the confidentiality of all Confidential Information. Executive agrees that during the period of Executive's employment with any member of the Company Group and after his termination from employment for any reason, Executive shall not directly or indirectly, disclose to any unauthorized person or use for Executive's own account any Confidential Information without the CEO's or the Board's prior written consent. Throughout Executive's employment with any member of the Company Group and thereafter: (i) Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company Group policies protecting the Confidential Information; and (ii) Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of Executive's duties. Further, Executive shall not, directly or indirectly, use the Company Group's Confidential Information to: (1) call upon, solicit business from, attempt to conduct business with, conduct business with, interfere with or divert business away from any customer, client, service provider, supplier or vendor of the Company Group with whom or which the Company Group conducted business; and/or (2) recruit, solicit, hire or attempt to recruit, solicit, or hire, directly or by assisting others, any persons employed by any member of the Company Group.

(iii) **Return of Property and Information.** Promptly after the termination of Executive's employment for any reason or by earlier request by the CEO or the Board, Executive shall return and deliver to the Company Group any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to the Company Group or relate to the Company Group's business and which are in Executive's possession, custody or control, whether prepared by Executive or others. If at any time after termination of Executive's employment Executive determines that Executive has any Confidential Information in Executive's possession or control, Executive shall promptly return to the Company Group all such Confidential Information in Executive's possession or control, including all copies and portions thereof.

(iv) **No Interference.** Notwithstanding any other provision of this Agreement, Executive may disclose Confidential Information when required to do so by a court of competent jurisdiction, by any governmental agency having authority over Executive or the business of the Company Group or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order Executive to divulge, disclose or make accessible such information. The Parties agree that nothing in this Agreement is intended to interfere with Executive's right to (a) discuss Executive's employment terms or conditions; (b) report possible violations of federal, state or local law or regulation to any governmental agency or entity charged with the enforcement of any laws; (c) make other disclosures that are protected under applicable law, including Section 7 of the National Labor Relations Act and the whistleblower provisions of federal, state or local law or regulation; (d) file a claim or charge with any federal, state or local government agency or entity; or (e) testify, assist, or participate in an investigation, hearing, or proceeding conducted by any federal, state or local government or law enforcement agency, entity or court. In making or initiating any such reports or disclosures, Executive need not seek the CEO's or the Board's prior authorization and is not required to notify the Company Group of any such reports or disclosures.

(v) **Defend Trade Secrets Act.** Executive is hereby notified that 18 U.S.C. § 1833(b)(1) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, Executive has the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of Law. Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

B. **Non-Competition.** Executive agrees that during Executive's employment with any member of the Company Group and for a period of twenty-four (24) months after Executive's employment with a member of the Company Group terminates for any reason (the "***Restricted Period***"), other than in connection with Executive's performance of Executive's duties for the Company Group, Executive shall not, without the prior written consent of the Board, directly or indirectly, either individually or as a principal, partner, stockholder, manager, agent, consultant, contractor, distributor, employee, lender, investor, or as a director or officer of any corporation or association, or in any other manner or capacity whatsoever, (i) control, manage, operate, establish, take steps to establish, lend money to, invest in, solicit investors for, or otherwise provide capital to, or (ii) become employed by, join, perform services for, consult for, do business with or otherwise engage in any Competing Business within the Restricted Area. For purposes of this Agreement, given the scope of Confidential Information to be provided to Executive and job duties to be performed by Executive, "***Restricted Area***" means the State of Florida, and any other geographic area for which Executive performed any services, or about which Executive received Confidential Information during his employment with any member of the Company Group. For purposes of this Agreement, "***Competing Business***" means any business, individual, partnership, firm, corporation or other entity that is competing or that is preparing to compete with the Company Group with respect to the sale and provision of residential insurance coverage in the State of Florida.

Notwithstanding the restrictions contained herein, Executive may own, directly or indirectly, solely as an investment, securities of any Competing Business traded on any national securities exchange, provided that Executive is not a controlling person of, or member of a group that controls such business, and provided further that Executive does not, directly or indirectly, own two percent (2%) or more of any class of securities of such business or have the power, directly or indirectly, to control or direct the management or affairs of any such business and is not involved in the management of such business. The restrictions contained in this Agreement also shall not limit or restrict Executive from investing in a private equity fund, venture capital fund, mutual fund or other investment similar to any of the foregoing, in each case, that has an interest in a Competing Business, provided that such investment is passive and Executive does not participate in the management or operations of any such fund or portfolio company thereof that is engaged in a Competing Business. Additionally, Executive may, after his employment with the Company Group terminates, become employed or engaged with a Competing Business in the Restricted Area during the Restricted Period if Executive does not perform the same or similar services for the Competing Business as Executive provided for the Company Group during Executive's employment with any member of the Company Group, and Executive is employed or engaged by the Competing Business in a manner that the Company Group's Confidential Information would not be used by Executive to assist or further the Competing Business (Executive must provide such Competing Business with a copy of this Agreement and, if requested, such Competing Business must provide the Company Group written assurances to the reasonable satisfaction of the CEO and the Board that Executive's employment or engagement with such Competing Business will comply with Article IV prior to Executive beginning employment or engagement with such Competing Business).

C. **Non-Solicitation.**

(i) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any Person, (x) solicit business from, attempt to conduct business with, or conduct business with, any client or customer of the Company Group, in connection with any product or service lines offered by the Company Group, and who or which: (A) Executive called on, serviced, did business with, or had contact with during his employment with any member of the Company Group; or (B) Executive received Confidential Information about; or (y) interfere with, or attempt to interfere with, the relationship between any member of the Company Group and any of their respective clients or customers.

(ii) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any other Person, solicit, interfere with, induce or attempt to solicit, interfere with or induce, engage or hire, on behalf of Executive or any other Person, any employee of the Company Group or any person who was employed by any member of the Company Group within the preceding twelve (12) months, or is or was a consultant to the Company Group during the preceding twelve (12) months; provided, however that the foregoing shall not (A) prevent Executive or any Person associated with Executive from placing general solicitations for hiring online, on job boards or in any other medium, provided that such general solicitation is not specifically targeted at any employee of the Company Group or (B) apply to consultants (other than consultants who are individual natural persons or single-member LLCs or sole proprietorships) who typically service multiple clients simultaneously (e.g., accountants, attorneys, etc.).

D. **Mutual Non-Disparagement.** Executive agrees that the Company Group's goodwill and reputation are assets of great value to the Company Group which have been obtained and maintained through great costs, time and effort. Therefore, Executive agrees that during Executive's employment and after the termination of Executive's employment, Executive shall not in any way disparage, libel or defame the Company Group, its business or business practices, its products or services, or its employees, officers or directors. A violation or threatened violation of this prohibition may be enjoined by the courts. The Company agrees that during Executive's employment and after the termination of Executive's employment, the Company shall direct each member of the Board to not, and the Company will not direct or authorize any other person to, disparage, libel or defame Executive. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded the parties under this provision are in addition to any and all rights and remedies otherwise afforded by law. Nothing in this provision shall prohibit (i) Executive, any member of the Board or any other person from making truthful statements in good faith in connection with any litigation, arbitration, governmental proceeding or similar proceeding, to defend or prosecute any claim or to the extent required by applicable law, legal process, subpoena, court order or similar requirement; (ii) Executive from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis, and provided such criticism or other statement is not presented in a disruptive or insubordinate

manner, concerning the Company Group's or any employee's or other service provider's performance or nonperformance; and (iii) any named executive officer or member of the Board from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis concerning Executive's performance or nonperformance of Executive's duties or responsibilities for the Company Group.

E. **Works.**

(i) **Definition of Work Product.** For the purposes of this Agreement, the term "***Work Product***" shall mean, collectively, all work product, information, inventions, original works of authorship, ideas, know-how, processes, designs, computer programs, photographs, illustrations, developments, trade secrets and discoveries, including improvements thereto, and all other intellectual property, including patents, trademarks, copyrights and trade secrets, that Executive conceives, creates, develops, makes, reduces to practice, or fixes in a tangible medium of expression, either alone or with others.

(ii) **Assignment of Work Product.** Executive hereby assigns and shall be deemed to have assigned to the Company Group or its designee upon creation, all of Executive's right, title, and interest in and to any and all Work Product conceived, created, developed, made, reduced to practice, or fixed in a tangible medium of expression, in any case, during the period of Executive's employment with any member of the Company Group, whether prior to or following the Effective Date, that (a) relates in any manner to the previous, existing or contemplated business, work, or investigations of the Company Group; (b) is or was suggested by, has resulted or will result from, or has arisen or will arise out of any work that Executive has done or may do for or on behalf of the Company Group; (c) has resulted or will result from or has arisen or will arise out of any materials or information that may have been disclosed or otherwise made available to Executive as a result of duties assigned to Executive by the Company Group; or (d) has been or will be otherwise made through the use of the Company Group's time, information, facilities, or materials, even if conceived, created, developed, made, reduced to practice, or fixed during other than working hours. Executive shall, both during and after Executive's employment with any member of the Company Group, sign all documents and otherwise assist the Company Group, or its designee, at the Company Group's expense, to secure the Company Group's rights in Work Product.

F. **Tolling.** If Executive violates any of the restrictions contained in this Article IV, the Restricted Period with respect to such restriction shall be suspended and shall not run in favor of Executive from the time of the commencement of any violation until the time when Executive is no longer in violation of such provision; the period of time in which Executive is in breach shall be added to the Restricted Period.

G. **Remedies.** Executive acknowledges that the restrictions contained in Article IV of this Agreement, in view of the nature of the Company Group's business and Executive's position with the Company Group, are reasonable and necessary to protect the Company Group's legitimate business interests and that any violation of Article IV of this Agreement would result in irreparable injury to the Company Group. In the event of a breach by Executive of Article IV of this Agreement, Executive immediately forfeits any unpaid Severance Payments from the date of such

breach, and the Company Group shall be entitled to (i) cease payment of any unpaid Severance Payments and (ii) recover any Severance Payments paid to Executive from the date of such breach. In addition, the Company Group shall be entitled to a temporary restraining order and injunctive relief restraining Executive from the commission of any breach or threatened breach, in addition to damages, reasonable attorney's fees and costs. If a bond is required to secure such equitable relief, the Parties agree that a bond not to exceed $1,000 shall be sufficient and adequate in all respects to protect the rights and interests of the Parties. Such remedies shall not be deemed the exclusive remedies for a breach or threatened breach of this Article IV but shall be in addition to all remedies available at law or in equity, including the recovery of damages and reasonable attorneys' fees from Executive, Executive's agents, any future employer of Executive, and any person that conspires or aids and abets Executive in a breach or threatened breach of this Agreement. A Dispute, as defined in Article V, under this Article IV, is not subject to the Dispute Resolution provisions in Article V.

H. **Reasonableness.** Executive hereby represents to the Company Group that Executive has read and understands, and agrees to be bound by, the terms of this Article IV. Executive acknowledges that the geographic scope and duration of the covenants contained in this Article IV are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Company Group's business; (ii) Executive's level of control over and contact with the business; and (iii) the amount of compensation, trade secrets and Confidential Information that Executive is receiving in connection with Executive's employment with any member of the Company Group. It is the desire and intent of the Parties that the provisions of Article IV be enforced to the fullest extent permitted under applicable law, whether now or hereafter in effect and therefore, to the extent permitted by applicable law, Executive and the Company Group hereby waive any provision of applicable law that would render any provision of Article IV invalid or unenforceable.

I. **Reformation.** The Company Group and Executive agree that the foregoing restrictions set forth in Article IV are reasonable under the circumstances and that any breach of the covenants contained in Article IV would cause irreparable injury to the Company Group. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses but acknowledges that Executive shall receive Confidential Information and trade secrets, as well as sufficiently high remuneration and other benefits as an employee of the Company Group to justify such restrictions. If any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the Parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company Group and Executive intend to make this provision enforceable under the law or laws of all applicable jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal.

J. **No Previous Restrictive Agreements.** Executive represents that, except as disclosed in writing to the Company Group, Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. Executive further represents that Executive's performance of all the terms of this Agreement and Executive's work duties for the Company Group do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by Executive in confidence or in trust prior to Executive's employment with any member of the Company Group. Executive shall not disclose to the Company Group or induce the Company Group to use any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE V.
MISCELLANEOUS PROVISIONS

A. **Dispute Resolution.** In the event of any dispute, controversy or claim arising out of, or in connection with or relating to this Agreement or any other agreement between Executive and any member of the Company Group, Executive's employment, or Executive's relationship with the Company Group or any of its predecessors or successors (any such matter, a "***Dispute***"), *except for* any Dispute arising under Article IV of this Agreement:

(i) The parties to such Dispute shall use commercially reasonable efforts to resolve such Dispute through negotiation between individuals with the authority to settle the Dispute on behalf of the parties (each, an "***Authorized Decision Maker***"). To this end, each such party shall cause an Authorized Decision Maker to consult and negotiate with an Authorized Decision Maker of the other party, and the parties shall attempt to reach a resolution satisfactory to both parties, recognizing that their mutual interests may not be aligned (and that each such party shall be entitled to reasonably seek to promote such party's own interests in such resolution).

(ii) If the parties to a Dispute do not resolve such Dispute within thirty (30) days of the first negotiation between Authorized Decision Makers, then upon written notice by either party to the other, the Dispute shall be submitted to non-binding mediation to be administered in Tampa, Florida, by the American Arbitration Association or its successor (the "***AAA***") (or another mediator upon the mutual agreement of Executive and the applicable member of the Company Group). Such mediation session shall take place within sixty (60) days of the date of receipt of the written request for mediation. If the parties are not able to agree regarding the identity of the mediator within twenty (20) days from the party's delivery of the mediation demand to the other party, the AAA shall appoint a neutral mediator upon written request to the AAA by either party.

(iii) In the event the applicable member of the Company Group and Executive are unable to resolve any Dispute pursuant to Article V.A.(i) or (ii) above, the parties shall resolve such Dispute by binding arbitration under the Employment Arbitration rules of the AAA then in effect, and in accordance with applicable law, including the Federal Arbitration Act and the Federal Rules of Civil Procedure, but subject to the following agreed provisions and except where applicable federal or state law requires otherwise. Subject to legal privileges, the arbitrator shall have the power to permit discovery as allowed under the Federal Rules of Civil Procedure. The arbitration shall be conducted in Tampa, Florida, and the proceedings shall be kept strictly confidential by the parties, their respective attorneys and the arbitrators. Notice of papers or processes relating to any arbitration proceeding, or for the confirmation of award and entry of judgment on an award may be served on each of the parties by registered or certified mail.

The arbitrator shall be selected by agreement of the parties; but if no agreement can be reached, the arbitrator shall be appointed pursuant to the procedures of the AAA. The arbitrator shall be of good reputation and character and have legal expertise relating to the Dispute. The applicable member of the Company Group, on the one hand, and Executive, on the other hand, shall each pay one-half of the arbitrator's expenses. Each party shall pay its own legal expenses, except where prohibited by law. The arbitrator shall have no authority to consolidate the claims of other employees into a class action or otherwise fashion, consider, preside over, or award relief to any form of a representative, collective, or class proceeding. The arbitrator shall provide a written opinion supporting his/her conclusions, including detailed findings of fact and conclusions of law. Such findings of fact shall be final and binding on the parties. The arbitrator may award damages and/or permanent injunctive relief, but in no event shall the arbitrator have the authority to award punitive or exemplary damages, except where authorized by statute. Notwithstanding anything to the contrary in this Article V, the applicable member of the Company Group and Executive may apply to a court of competent jurisdiction to enforce the covenants set forth in Article IV. If proper notice of any hearing has been given, the arbitrator shall have full power to proceed to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any party who fails to appear. If any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect and validity of the remaining portion hereof.

B. **Cooperation.** After the termination of Executive's employment, Executive agrees to reasonably cooperate and provide reasonable assistance, at the request of the Company Group, in any and all investigations or other legal proceedings which involve any matters for which Executive worked on or had responsibility during Executive's employment with any member of the Company Group. This includes but is not limited to testifying (and preparing to testify) as a witness in any proceeding or otherwise providing information or reasonable assistance to the Company Group in connection with any investigation, claim or suit, and cooperating with the Company Group regarding any investigation, litigation, claims or other disputed items involving the Company Group that relate to matters within the knowledge or responsibility of Executive. Specifically, Executive agrees (i) to provide truthful testimony to any court, agency or other adjudicatory body in any matter covered by this Article V.B; and (ii) to provide the Company Group with prompt notice of contact or subpoena received by Executive from any nongovernmental adverse party as to matters relating to the Company Group; provided however, the Company Group shall reimburse Executive for all reasonable expenses incurred by Executive in providing the cooperation required by this Article V.B (including, without limitation, reasonable legal fees for Executive's own counsel, to the extent such expenses are pre-approved by the Board in writing (such approval not to be unreasonably withheld, conditioned or delayed)). Notwithstanding the foregoing or anything contained in this Article V.B to the contrary, (i) all cooperation required by this Article V.B shall be provided remotely unless remote cooperation is not possible or reasonably practical, (ii) any cooperation required by this Article V.B shall be provided at times that are mutually convenient to Executive and the Company Group, (iii) cooperation under this Article V.B shall not take up more than a *de minimis* amount of Executive's time and (iv) Executive is not required to provide cooperation under this Article V.B. in any matter that is adverse to Executive.

C. **No Mitigation; No Set Off.** Executive is under no obligation or duty to seek employment or work following his termination of employment with the Company, and in no event shall any payments or benefits to be provided to Executive from any member of the Company Group following Executive's termination of employment be reduced or offset by any amounts earned by Executive from another employer or otherwise following Executive's termination of employment with the Company.

D. **Headings.** The paragraph headings contained in this Agreement are for convenience only and shall in no way or manner be construed as a part of this Agreement.

E. **Severability.** In the event that any court of competent jurisdiction holds any provision in this Agreement to be invalid, illegal or unenforceable in any respect, the remaining provisions shall not be affected or invalidated and shall remain in full force and effect.

F. **Reformation.** In the event any court of competent jurisdiction holds any restriction in this Agreement to be unreasonable and/or unenforceable as written, the court may reform this Agreement to make it enforceable, and this Agreement shall remain in full force and effect as reformed by the court.

G. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties, and fully supersedes any and all prior agreements, understanding or representations between the Parties pertaining to or concerning the subject matter of this Agreement, including, without limitation, Executive's employment with any member of the Company Group. The Parties have voluntarily agreed to define their rights, liabilities and obligations relating to or arising out of Executive's employment with any member of the Company Group exclusively in contract (except for statutory obligations) pursuant to the express terms and provisions of this Agreement and any other written agreement signed by any member of the Company Group and Executive. No oral statements or prior written material relating to the subject matter of this Agreement that is not specifically incorporated in this Agreement shall be of any force and effect, and no changes in or additions to this Agreement shall be recognized, unless incorporated in this Agreement by written amendment, such amendment to become effective on the date stipulated in it. Any amendment to this Agreement must be signed by all parties to this Agreement.

H. **Disclaimer of Reliance.** Except for the specific representations expressly made by the Company in this Agreement or a written agreement specifically signed by Executive and any member of the Company Group, Executive specifically disclaims that Executive is relying upon or has relied upon any communications, promises, statements, inducements, or representation(s) that may have been made, oral or written, regarding the subject matter of this Agreement, the terms of Executive's employment, any compensation or benefits to which Executive may be entitled. Executive represents that Executive relied solely and only on Executive's own judgment in making the decision to enter into this Agreement.

I. **No Fiduciary Relationship by the Company Group.** This Agreement does not create, nor shall it be construed as creating, any principal and agent, trust, or other fiduciary duty or special relationship running from the Company Group to Executive.

J. **Waiver.** No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches. The failure of either Party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition but the obligations of either Party with respect thereto shall continue in full force and effect. The breach by one Party to this Agreement shall not preclude equitable relief, injunctive relief or the obligations in Article IV.

K. **Modification; Counterparts.** The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof. This Agreement may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

L. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns. Further, to the extent applicable, each member of the Company Group shall be deemed a third-party beneficiary and may enforce the applicable rights and obligations under this Agreement. Neither party may assign this Agreement to a third party without the prior written consent of the other party, provided that the Company may assign its rights, together with its obligations hereunder, without Executive's consent to any successor to the Company's business in connection with an internal restructuring or internal reorganization.

M. **Certain Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Internal Revenue Code of 1986, as amended (the "***Code***")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its Affiliates or other payor, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then such payments and benefits shall be either (a) reduced (but not below zero) so that the present value of such total payments and benefits shall be one dollar ($1.00) less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind in a similar order, and then reducing equity or equity-based benefits (reduced in the order of highest value to lowest value under Code Section

280G). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary (or whether Executive would be subject to such excise tax) shall be made at the expense of the Company by a firm of independent accountants, a law firm, or other valuation specialist selected by the Board in good faith prior to the consummation of the applicable change in control transaction, and the applicable independent accountants, law firm, or other valuation specialist shall consider the value, if any, of Executive's restrictive covenants (including the non-competition restrictions set forth herein) as part of its analysis as may be appropriate under Section 280G of the Code. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits used in determining if a "parachute payment" exists, exceeds one dollar ($1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Article V.M. shall require the Company to provide a gross-up payment to Executive with respect to Executive's excise tax liabilities under Section 4999 of the Code. Notwithstanding the foregoing, in the event that no stock of the Company or its applicable Affiliates is readily tradable on an established securities market or otherwise (within the meaning of Section 280G) as of immediately prior to an applicable transaction that constitutes a "change in ownership or control" for purposes of Section 280G of the Code, the Company shall submit to a vote of stockholders for approval the portion of the payments and benefits payable to Executive that equal or exceeds three times the Executive's "base amount" (the "***Excess Parachute Payments***") in accordance with Treas. Reg. §1.280G-1; provided, that Executive has first, in Executive's sole discretion, executed a customary waiver of such Excess Parachute Payments (the Company makes no guarantee regarding the outcome of any such vote). If such stockholder approval is obtained in accordance with Section 280G of the Code, then the payments and benefits shall not be subject to reduction as described above.

N. **Clawback.** To the extent required by Company policy, applicable law, government regulation or any applicable securities exchange listing standards, amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company Group and applicable to executives of the Company Group generally, including pursuant to applicable law, government regulation or applicable securities exchange listing requirements, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group in the event of material misstatements, financial restatements, other bad acts (or inaction), or other events or occurrences consistent with any government regulation or securities exchange listing requirement. The Company Group reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures that are consistent with the immediately preceding sentence, including such policies and procedures applicable to this Agreement and under the LTIP or any incentive plan of the Company Group with retroactive effect.

O. **Section 409A.** This Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Code ("***Section 409A***") or shall comply with the requirements of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a "deferral of compensation" within

the meaning of Section 409A. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Section 409A upon or following a termination of Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A. Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on Executive's termination of employment, Executive is a "specified employee" within the meaning of Section 409A, any payments or benefits that are payable as the result of a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treasury Regulation section 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treasury Regulation section 1.409A-1(b)(9)(iii)(A)) and that otherwise would have been paid within six (6) months following such termination of employment, shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (x) the date which is six (6) months and one day after Executive's separation from service for any reason other than death, and (y) the date of Executive's death (but not earlier than such payments or benefits would have been made absent this provision), and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit. With respect to any expense reimbursement benefit or in-kind benefit provided pursuant to this Agreement or otherwise, (1) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year shall not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (2) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made promptly, but in all events on or before the last day of the calendar year immediately following the calendar year in which the applicable expense is incurred, and (3) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit. Each payment under this Agreement to Executive shall be deemed a separate payment for purposes of Section 409A.

P. **Indemnification**. Executive shall be entitled to indemnification and advancement of expenses for acts and omissions that occurred during Executive's employment or other service with the Company or any of its Subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date) in accordance with the terms of the Company's (or as applicable, its subsidiaries' and Affiliates') by-laws and other governing documents (unless such action or omission was not taken or made by Executive in good faith). In addition, during the Term and for at least six (6) years thereafter, the Company shall maintain a directors & officers insurance policy providing for market levels of coverage (or higher), and shall cause Executive to be an insured under such policy with respect to actions and omissions that occurred during Executive's employment or other service with the Company or any of its subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date). The Company's obligations under this Article V.P. shall survive the termination of the Term and the termination of Executive's employment.

Q. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida, without regard to any conflicts of law provision that would result in the application of the law of any other jurisdiction.

{Remainder of Page Intentionally Left Blank. Signature Page Follows.}

IN WITNESS WHEREOF, the Company and Executive have caused this Agreement to be executed on the date first set forth above, to be effective as of the Effective Date.

EXECUTIVE:

/s/ Ben Lurie
Ben Lurie

THE COMPANY:

AMERICAN INTEGRITY INSURANCE GROUP, INC.

By: /s/ Robert Ritchie
Name: Robert Ritchie
Title: Chief Executive Officer

{Signature Page to Employment Agreement}

Exhibit A

Permitted Activity

The Parties agree that during the Term, Executive may continue to provide consulting services to Sowell & Co. (the "***Permitted Activity***") at the same levels and in the same manner as Executive provided such services immediately prior to the Effective Date.

EXHIBIT A TO EMPLOYMENT AGREEMENT

Exhibit B

Release

(see attached)

EXHIBIT B TO EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "***Agreement***") is dated as of May 7, 2025 (the "***Effective Date***") and is entered into by and between Jon Ritchie ("***Executive***") and American Integrity Insurance Group, Inc., a Delaware corporation (the "***Company***"). The Company and Executive shall be referred to herein as the "***Parties***." This Agreement amends and replaces in its entirety that certain Employment Agreement by and between Executive and American Integrity Insurance Group, MGA dated May 31, 2019 (the "***Prior Agreement***").

RECITALS

WHEREAS, the Company desires to employ Executive as President ("***President***") and Executive desires to serve the Company in such capacity;

WHEREAS, the Company and Executive desire to set forth in writing the terms and conditions of their agreement and understandings with respect to Executive's employment by the Company; and

WHEREAS, the Company hereby employs Executive, and Executive hereby accepts employment with the Company for the period and upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I.
SERVICES TO BE PROVIDED BY EXECUTIVE

A. **Position and Responsibilities.** During the Term (defined below), the Company shall employ Executive as President. Executive shall report directly to the Company's Board of Directors (the "***Board***"). Executive shall also have such other duties and responsibilities that are commensurate with his position as specifically delegated to him from time to time by the Board.

B. **Performance.** During the Term, Executive shall devote on a full-time basis substantially all of Executive's business time to the performance of Executive's duties hereunder in a manner that will faithfully and diligently further the business and interests of the Company and its direct and indirect subsidiaries, including American Integrity Insurance Group, LLC (the "***Company Group***"), and shall exercise reasonable best efforts to perform Executive's duties in a diligent, trustworthy, good faith and business-like manner, all for the purpose of advancing the business of the Company Group. During the Term, Executive shall act in a manner consistent with Executive's position. During the Term, without the prior written consent of the Board, Executive (i) shall not be employed with any other entity, (ii) shall not serve as a member of any board of directors or similar governing body of any Person other than a member of the Company Group or (iii) shall not serve as a trustee of, or in any other similar capacity with, any present or future agency or organization, except in each case of clauses (i)-(iii), that without the consent of the Board, Executive may (a) engage in such civic, religious, trade or industry group activities as

Executive determines (and may hold board, trustee and similar positions in connection with the foregoing) and (b) Executive may serve on the board of directors or similar governing bodies for up to two non-competitive companies, provided that such activities described in the foregoing clauses (a) and (b) do not materially interfere with Executive's duties to the Company Group (whether individually or in the aggregate), create a conflict of interest or otherwise violate the terms of this Agreement.

C. **Compliance.** During the Term, Executive shall act in accordance with high business and ethical standards. During the Term, Executive shall comply with the written policies, codes of conduct, codes of ethics and written manuals of the Company Group (collectively, the "***Policies***"), in each case, which are applicable to Executive and which shall be provided in writing to Executive from time to time.

D. **Representations.** Executive represents and warrants to the Company Group that Executive (i) is not violating and will not violate any contractual, legal, or fiduciary obligations or burdens to which Executive is subject by entering into this Agreement or by providing services for the Company Group; (ii) is under no contractual, legal, or fiduciary obligation or burden that will interfere with Executive's ability to perform services for the Company Group; (iii) is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party; and (iv) has no previous convictions under any law, disputes with regulatory agencies, or other similar circumstances, in any case, that would reasonably be expected to have a material adverse effect on the Company Group. Executive shall not disclose in an unauthorized manner to the Company Group or induce the Company Group to use in an unauthorized manner any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE II.
COMPENSATION FOR SERVICES

As compensation for all services Executive will perform for the Company Group during the Term, the Company will pay Executive, and Executive shall accept as full compensation, the following:

A. **Compensation.** Executive shall be eligible to earn an annual salary in the amount of $750,000 ("***Base Salary***"), payable in accordance with the Company's normal payroll practices and prorated for any partial years of employment. Executive's Base Salary may be increased, but not decreased, from time to time in the Company's sole discretion, provided that Executive's Base Salary shall be reviewed for increase no less frequently than annually.

B. **Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual performance-based bonus pursuant to the terms of the applicable annual bonus plan established by the Company (the "***Annual Bonus***"). Any earned Annual Bonus with respect to any calendar year during the Term shall be paid to Executive between January 1st and March 15th of the immediately following calendar year, provided that, except as provided in Article III.B(ii) and Article III.B(iii), Executive is employed by the Company on the date such Annual Bonus is paid. Executive's target Annual Bonus with respect to each calendar year during the Term shall be 67% of Executive's Base Salary. The payment of any Annual Bonus shall be subject to all federal, state and withholding taxes, social security deductions and other general withholding obligations. Award of an Annual Bonus with respect to a particular calendar year does not guarantee the award of an Annual Bonus in any subsequent calendar year.

C. **Equity Awards**. With respect to each calendar year during the Term, commencing with the calendar year beginning January 1, 2026, provided that Executive is employed by the Company on the applicable date of grant, Executive shall receive annual long-term incentive awards under the Company's long-term equity incentive plan (the "***LTIP***") on such terms and conditions as the Board and the Compensation Committee of the Board shall determine in their sole discretion. All awards granted to Executive under the LTIP shall be subject to and governed by the terms and provisions of the LTIP as in effect from time to time and the award agreements evidencing such awards.

D. **Expenses.** The Company agrees that, during Executive's employment, it will reimburse Executive for out-of-pocket expenses reasonably incurred in connection with Executive's performance of Executive's services hereunder, upon the presentation by Executive of an itemized accounting of such expenditures, with supporting receipts, provided that Executive submits such expenses for reimbursement within ninety (90) days of the date such expenses were incurred in accordance with the Company's expense reimbursement policy. Reimbursements shall be in compliance with the Company's expense reimbursement policies.

E. **Vacation.** Executive shall be entitled to paid vacation pursuant to the Company's standard written policies, as may be amended by the Company from time to time in its sole discretion. Vacation shall be taken at such times and intervals as shall be determined by Executive, subject to the reasonable business needs of the Company.

F. **Benefits.** Executive may participate in any group health insurance plan, retirement plan, disability plan, group life plan, and any other benefit or welfare program or policy that is made generally available, from time to time, to other employees of the Company, on a basis consistent with such participation and subject to the terms of the plan documents, as such plans may be modified, amended, terminated, or replaced from time to time by the Company, in its sole discretion.

ARTICLE III.
TERM; TERMINATION

A. **Term of Employment.** The term of Executive's employment under this Agreement shall begin on the Effective Date and shall continue in effect for three (3) years following the Effective Date (the "***Initial Term***"), unless earlier terminated by any Party in accordance with Article III.B. Upon the expiration of the Initial Term, this Agreement shall automatically renew for additional, successive one (1) year terms (each, a "***Renewal Term***" and together with the Initial Term, the "***Term***") unless either Party delivers written notice to the other Party not less than thirty (30) days prior to the expiration of the Initial Term or any Renewal Term of such Party's intention not to renew this Agreement.

B. **Termination.** Any Party may terminate Executive's employment at any time during the Term upon sixty (60) days' written notice of termination (the "***Notice Period***"), except that the Company need not provide advance notice for termination of Executive's employment for Cause pursuant to Article III.B(i) (except as otherwise provided therein). The date of Executive's termination shall be (i) if Executive's employment is terminated by his death, the date of his death; or (ii) the date stated in the notice of termination. Upon termination of Executive's employment for any reason, the Company shall pay Executive (i) any unpaid Base Salary earned and accrued through the date of termination (payable in the normal course or such earlier time required by applicable law); (ii) any accrued but unused vacation through the date of termination (payable at the time of the payment described in clause (i) above); (iii) vested benefits in accordance with the Company Group's employee benefit plans; and (iv) any unreimbursed business expenses properly incurred prior to such termination, to be reimbursed in accordance with the Company's business expense reimbursement policy (collectively, the "***Accrued Obligations***").

(i) Termination for Cause by the Company or Resignation by Executive without Good Reason. If, at any time during the Term the Company terminates Executive's employment for Cause (defined below) or Executive voluntarily resigns without Good Reason (defined below), the Company may, in its sole discretion, shorten or eliminate the Notice Period and determine the date of termination without any obligation to pay Executive any additional compensation other than the Accrued Obligations, and without triggering a termination of Executive's employment without Cause.

(ii) Termination Without Cause by the Company or Resignation by Executive for Good Reason. If, at any time during the Term, the Company terminates Executive's employment without Cause or Executive resigns his employment for Good Reason, the Company Group shall have no further liability or obligation to Executive under this Agreement for compensation or employee benefits, but the Company shall pay or provide the following amounts to Executive: (x) the Accrued Obligations; and (y) subject to Executive's continued compliance with Article IV of this Agreement and the execution and timely return by Executive of a release of claims in the form attached hereto as Exhibit A (the "***Release***"), which shall be executed and delivered by Executive within thirty (30) days after Executive's termination of employment and which shall be irrevocable, (1) an amount equal to two (2) times the sum of (a) Executive's Base Salary as of immediately prior to such termination of employment (without giving effect to

any reduction that would or did give rise to Good Reason) and (b) Executive's target Annual Bonus opportunity as of immediately prior to such termination of employment (without giving effect to any reduction (or any Base Salary reduction) that would or did give rise to Good Reason) (the "***Severance Pay***"), payable in equal installments in accordance with the Company's regular payroll practice over the twenty-four (24) month period immediately following the termination date (the "***Severance Period***"), (2) a lump sum payment equal to 18 months of the cost of Executive's and Executive's eligible dependents' COBRA premiums for the coverage in effect immediately prior to Executive's termination of employment (the "***COBRA Payments***"), and (3) the Prior Year Bonus (the Severance Pay, the COBRA Payments and the Prior Year Bonus, collectively, the "***Severance Benefits***"). The first installment of the Severance Pay and the lump sum payment of the COBRA Payments shall be provided on the first payroll date after the effective date of the Release, provided that the first installment of the Severance Pay shall include a catch-up for any payments that would have been made prior to such first installment had the Release been effective on the date of Executive's termination of employment. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, to the extent required by Code Section 409A, if the timing of when Executive executes the Release (regardless of when Executive actually executes the Release) could result in the payment of any portion of the Severance Benefits commencing in more than one calendar year, then all portions of the Severance Benefits that otherwise would have been paid in such first calendar year instead shall be paid on the first day of the immediately following calendar year (with all remaining installments to be paid as if no such delay had occurred). In the event Executive fails to comply with the terms of Article IV or does not timely execute and return (or revokes) the Release, no amount shall be payable to Executive pursuant to this Article III.B(ii) (other than the Accrued Obligations).

(iii) Termination Due to Death or Disability. If, at any time during the Term, Executive's employment is terminated due to his death or Disability (defined below), the Company Group shall have no further liability or obligation to Executive for compensation or employee benefits under this Agreement, except that the Company shall pay or provide (a) the Accrued Obligations; (b) the Prior Year Bonus; and (c) accelerated vesting (and for restricted stock units and similar awards, accelerated settlement) of all equity and equity-based awards (provided that any performance-based award shall be settled assuming the target level of performance was achieved, unless prior to such termination, a higher level of performance was certified by the Compensation Committee of the Board, in which case settlement shall occur at such higher level of achievement). All amounts that may be due to Executive under this Article III.B(iii) shall be paid to Executive or to Executive's heirs, estate, legal representatives, and assignees, as may be appropriate. Settlement of any restricted stock units and similar awards under clause (c) shall be made as soon as administratively practicable but in no event later than thirty (30) days after the date of such termination of employment.

(iv) Definitions. For purposes of this Agreement:

(a) "***Affiliate***" of any Person means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person.

(b) "***Cause***" means the occurrence of any of the following events: (i) an act or acts of theft of material property, embezzlement or fraud by Executive, regardless of whether it relates to the Company Group; (ii) a willful or material misrepresentation by Executive that relates to the Company Group and has (or would be reasonably expected to have) a materially adverse impact on the Company Group; (iii) any violation by Executive of any fiduciary duties owed by Executive to the Company Group; (iv) Executive's conviction of, or pleading nolo contendere or guilty to, a felony (other than a traffic infraction); (v) Executive's material breach of the Company's written code of conduct and business ethics or other material written policy or procedure applicable to Executive in effect from time to time relating to personal conduct, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged violation; (vi) Executive's continued and willful refusal to substantially perform Executive's responsibilities to the Company under this Agreement, after written demand for substantial performance has been given by the Board that specifically identifies how Executive has not substantially performed Executive's responsibilities, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged failure or refusal; or (vii) a material breach by Executive of this Agreement or any other agreement to which Executive and any member the Company Group are parties, which Executive failed to cure within ten (10) calendar days after receiving written notice from the Board specifying the alleged breach.

(c) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(d) "***Control***" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

(e) "***Disability***" means that Executive has become eligible to receive long-term disability benefits under the long-term disability policy of the Company Group then covering Executive.

(f) "***Good Reason***" means the occurrence of any of the following events without Executive's prior written consent: (i) a material diminution in Executive's authority, responsibilities, title or duties; (ii) a material reduction in Executive's Base Salary; (iii) a material breach of this Agreement by the Company; (iv) a relocation of Executive's primary office location to a distance of more than fifty (50) miles from its location as of the Effective Date (provided that such relocation materially increases Executive's commute); or (v) the Company provides a notice of non-renewal to Executive pursuant to Article III.A. Executive shall give the Company written notice within thirty (30) days after the occurrence of the event or events alleged to constitute Good Reason of an intent to terminate his employment for Good Reason and specifying the reasons for such alleged Good Reason and provide the Company with thirty (30) days after receipt of such notice from Executive to remedy the alleged action(s) giving rise to the Good Reason event. In the event the Company does not timely cure the violation, if Executive does not terminate Executive's employment within fifteen (15) days following the last day of the cure period, the occurrence of the violation shall not subsequently serve as Good Reason for purposes of this Agreement; provided, however, that notwithstanding the foregoing, in order to resign for Good

Reason under clause (v) above, Executive must provide written notice of resignation to the Company within twenty (20) days after Executive's receipt of the Company's notice of non-renewal (the "Non-Renewal Notice"), and the Company shall have five (5) days following its receipt of written notice from Executive of his intent to terminate his employment for Good Reason to rescind its Non-Renewal Notice (if the Company does not so timely rescind the Non-Renewal Notice, Executive's resignation for Good Reason shall be effective automatically on the date immediately prior to the expiration of the Term).

(g) "***Person***" means a natural person or any corporation, limited liability company, partnership, limited partnership, joint venture, unincorporated organization, trust, estate, governmental entity, or other entity.

(h) "***Prior Year Bonus***" means the Annual Bonus payable with respect to the calendar year immediately preceding the calendar year in which Executive's employment with the Company terminates, to the extent unpaid prior to such termination of employment, and to be paid at the same time as if no such termination of employment had occurred.

C. **Survival**. Executive's post-termination obligations in Article IV shall continue as provided in this Agreement.

ARTICLE IV.
RESTRICTIVE COVENANTS

A. **Confidentiality.**

(i) **Confidential Information.** During Executive's employment with any member of the Company Group, the Company Group shall provide Executive otherwise prohibited access to certain trade secrets and confidential information which is not known to the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group over a long period of time and/or at its substantial expense, and which is of great competitive value to the Company Group, and access to the Company Group's customers and clients. For purposes of this Agreement, "***Confidential Information***" means all trade secrets and confidential and proprietary information of the Company Group, including, but not limited to, the following: all documents or information, in whatever form or medium, concerning or relating to any of the Company Group's operations; processes; products; services; programming standards; business practices; policies; strategies; training manuals; principals; vendors; suppliers; customers and potential customers; contractual relationships; regulatory status; research; development; know-how; technical data; designs; formulas; software; product construction and product specifications; product, methods, and techniques; plans for research or future products; improvements; discoveries; interpretations, and analyses; production information; database schemas or tables; infrastructure; development tools or techniques; marketing methods; finances; business plans; marketing and sales plans and strategies; budgets; financial information and data; pricing and pricing strategies; costs; customer and client lists and profiles; customer and client nonpublic personal information; supplier lists; business records; audits; management methods and information; reports, recommendations and conclusions; information regarding the names, contact information, skills and compensation of employees and contractors; and other business

information disclosed or made available to Executive by the Company Group, either directly or indirectly, in writing, orally, or by drawings or observation, that is not known to the public or any of the Company Group's competitors or within the Company Group's industry generally, which was developed by the Company Group and/or at its expense, and which is of value to the Company Group. Confidential Information prepared or compiled by Executive during the Term and/or the Company Group or furnished to Executive during Executive's employment with any member of the Company Group shall be the sole and exclusive property of the Company Group, and none of such Confidential Information or copies thereof, shall be retained by Executive following his termination of employment with the Company. Executive acknowledges that the Company Group does not voluntarily disclose Confidential Information, but rather takes precautions to prevent dissemination of Confidential Information beyond those employees such as Executive entrusted with such information. Executive further acknowledges that the Confidential Information: (i) is entrusted to Executive because of Executive's position with the Company Group; and (ii) is of such value and nature as to make it reasonable and necessary for Executive to protect and preserve the confidentiality and secrecy of the Confidential Information. Executive acknowledges and agrees that the Confidential Information is a valuable, special, and a unique asset of the Company Group, the disclosure of which could cause substantial injury and loss of profits and goodwill to the Company Group.

(ii) **No Unauthorized Use or Disclosure.** Executive acknowledges and agrees that Confidential Information is proprietary to and a trade secret of the Company Group and, as such, is a special and unique asset of the Company Group, and that any unauthorized disclosure or unauthorized use of any Confidential Information by Executive will cause irreparable harm and loss to the Company Group. Executive understands and acknowledges that each and every component of the Confidential Information (i) has been developed by the Company Group at significant effort and expense and is sufficiently secret to derive economic value from not being generally known to other parties, and (ii) constitutes a protectable business interest of the Company Group. Executive acknowledges and agrees that the Company Group owns the Confidential Information. Executive agrees not to dispute, contest, or deny any such ownership rights either during or after Executive's employment with any member of the Company Group. Executive agrees to preserve and protect the confidentiality of all Confidential Information. Executive agrees that during the period of Executive's employment with any member of the Company Group and after his termination from employment for any reason, Executive shall not directly or indirectly, disclose to any unauthorized person or use for Executive's own account any Confidential Information without the CEO's or the Board's prior written consent. Throughout Executive's employment with any member of the Company Group and thereafter: (i) Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company Group policies protecting the Confidential Information; and (ii) Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of Executive's duties. Further, Executive shall not, directly or indirectly, use the Company Group's Confidential Information to: (1) call upon, solicit business from, attempt to conduct business with, conduct business with, interfere with or divert business away from any customer, client, service provider, supplier or vendor of the Company Group with whom or which the Company Group conducted business; and/or (2) recruit, solicit, hire or attempt to recruit, solicit, or hire, directly or by assisting others, any persons employed by any member of the Company Group.

(iii) **Return of Property and Information.** Promptly after the termination of Executive's employment for any reason or by earlier request by the CEO or the Board, Executive shall return and deliver to the Company Group any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to the Company Group or relate to the Company Group's business and which are in Executive's possession, custody or control, whether prepared by Executive or others. If at any time after termination of Executive's employment Executive determines that Executive has any Confidential Information in Executive's possession or control, Executive shall promptly return to the Company Group all such Confidential Information in Executive's possession or control, including all copies and portions thereof.

(iv) **No Interference.** Notwithstanding any other provision of this Agreement, Executive may disclose Confidential Information when required to do so by a court of competent jurisdiction, by any governmental agency having authority over Executive or the business of the Company Group or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order Executive to divulge, disclose or make accessible such information. The Parties agree that nothing in this Agreement is intended to interfere with Executive's right to (a) discuss Executive's employment terms or conditions; (b) report possible violations of federal, state or local law or regulation to any governmental agency or entity charged with the enforcement of any laws; (c) make other disclosures that are protected under applicable law, including Section 7 of the National Labor Relations Act and the whistleblower provisions of federal, state or local law or regulation; (d) file a claim or charge with any federal, state or local government agency or entity; or (e) testify, assist, or participate in an investigation, hearing, or proceeding conducted by any federal, state or local government or law enforcement agency, entity or court. In making or initiating any such reports or disclosures, Executive need not seek the CEO's or the Board's prior authorization and is not required to notify the Company Group of any such reports or disclosures.

(v) **Defend Trade Secrets Act.** Executive is hereby notified that 18 U.S.C. § 1833(b)(1) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, Executive has the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of Law. Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

B. **Non-Competition.** Executive agrees that during Executive's employment with any member of the Company Group and for a period of twenty-four (24) months after Executive's employment with a member of the Company Group terminates for any reason (the "***Restricted Period***"), other than in connection with Executive's performance of Executive's duties for the Company Group, Executive shall not, without the prior written consent of the Board, directly or indirectly, either individually or as a principal, partner, stockholder, manager, agent, consultant, contractor, distributor, employee, lender, investor, or as a director or officer of any corporation or association, or in any other manner or capacity whatsoever, (i) control, manage, operate, establish, take steps to establish, lend money to, invest in, solicit investors for, or otherwise provide capital to, or (ii) become employed by, join, perform services for, consult for, do business with or otherwise engage in any Competing Business within the Restricted Area. For purposes of this Agreement, given the scope of Confidential Information to be provided to Executive and job duties to be performed by Executive, "***Restricted Area***" means the State of Florida, and any other geographic area for which Executive performed any services, or about which Executive received Confidential Information during his employment with any member of the Company Group. For purposes of this Agreement, "***Competing Business***" means any business, individual, partnership, firm, corporation or other entity that is competing or that is preparing to compete with the Company Group with respect to the sale and provision of residential insurance coverage in the State of Florida.

Notwithstanding the restrictions contained herein, Executive may own, directly or indirectly, solely as an investment, securities of any Competing Business traded on any national securities exchange, provided that Executive is not a controlling person of, or member of a group that controls such business, and provided further that Executive does not, directly or indirectly, own two percent (2%) or more of any class of securities of such business or have the power, directly or indirectly, to control or direct the management or affairs of any such business and is not involved in the management of such business. The restrictions contained in this Agreement also shall not limit or restrict Executive from investing in a private equity fund, venture capital fund, mutual fund or other investment similar to any of the foregoing, in each case, that has an interest in a Competing Business, provided that such investment is passive and Executive does not participate in the management or operations of any such fund or portfolio company thereof that is engaged in a Competing Business. Additionally, Executive may, after his employment with the Company Group terminates, become employed or engaged with a Competing Business in the Restricted Area during the Restricted Period if Executive does not perform the same or similar services for the Competing Business as Executive provided for the Company Group during Executive's employment with any member of the Company Group, and Executive is employed or engaged by the Competing Business in a manner that the Company Group's Confidential Information would not be used by Executive to assist or further the Competing Business (Executive must provide such Competing Business with a copy of this Agreement and, if requested, such Competing Business must provide the Company Group written assurances to the reasonable satisfaction of the CEO and the Board that Executive's employment or engagement with such Competing Business will comply with Article IV prior to Executive beginning employment or engagement with such Competing Business).

C. **Non-Solicitation.**

(i) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any Person, (x) solicit business from, attempt to conduct business with, or conduct business with, any client or customer of the Company Group, in connection with any product or service lines offered by the Company Group, and who or which: (A) Executive called on, serviced, did business with, or had contact with during his employment with any member of the Company Group; or (B) Executive received Confidential Information about; or (y) interfere with, or attempt to interfere with, the relationship between any member of the Company Group and any of their respective clients or customers.

(ii) Executive agrees that during the Restricted Period, other than in connection with Executive's duties under this Agreement, Executive shall not directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through any other Person, solicit, interfere with, induce or attempt to solicit, interfere with or induce, engage or hire, on behalf of Executive or any other Person, any employee of the Company Group or any person who was employed by any member of the Company Group within the preceding twelve (12) months, or is or was a consultant to the Company Group during the preceding twelve (12) months; provided, however that the foregoing shall not (A) prevent Executive or any Person associated with Executive from placing general solicitations for hiring online, on job boards or in any other medium, provided that such general solicitation is not specifically targeted at any employee of the Company Group or (B) apply to consultants (other than consultants who are individual natural persons or single-member LLCs or sole proprietorships) who typically service multiple clients simultaneously (e.g., accountants, attorneys, etc.).

D. **Mutual Non-Disparagement.** Executive agrees that the Company Group's goodwill and reputation are assets of great value to the Company Group which have been obtained and maintained through great costs, time and effort. Therefore, Executive agrees that during Executive's employment and after the termination of Executive's employment, Executive shall not in any way disparage, libel or defame the Company Group, its business or business practices, its products or services, or its employees, officers or directors. A violation or threatened violation of this prohibition may be enjoined by the courts. The Company agrees that during Executive's employment and after the termination of Executive's employment, the Company shall direct each member of the Board to not, and the Company will not direct or authorize any other person to, disparage, libel or defame Executive. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded the parties under this provision are in addition to any and all rights and remedies otherwise afforded by law. Nothing in this provision shall prohibit (i) Executive, any member of the Board or any other person from making truthful statements in good faith in connection with any litigation, arbitration, governmental proceeding or similar proceeding, to defend or prosecute any claim or to the extent required by applicable law, legal process, subpoena, court order or similar requirement; (ii) Executive from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis, and provided such criticism or other statement is not presented in a disruptive or insubordinate

manner, concerning the Company Group's or any employee's or other service provider's performance or nonperformance; and (iii) any named executive officer or member of the Board from engaging in any criticism or other statements made internally within the Company Group on a need-to-know basis concerning Executive's performance or nonperformance of Executive's duties or responsibilities for the Company Group.

E. **Works.**

(i) **Definition of Work Product.** For the purposes of this Agreement, the term "***Work Product***" shall mean, collectively, all work product, information, inventions, original works of authorship, ideas, know-how, processes, designs, computer programs, photographs, illustrations, developments, trade secrets and discoveries, including improvements thereto, and all other intellectual property, including patents, trademarks, copyrights and trade secrets, that Executive conceives, creates, develops, makes, reduces to practice, or fixes in a tangible medium of expression, either alone or with others.

(ii) **Assignment of Work Product.** Executive hereby assigns and shall be deemed to have assigned to the Company Group or its designee upon creation, all of Executive's right, title, and interest in and to any and all Work Product conceived, created, developed, made, reduced to practice, or fixed in a tangible medium of expression, in any case, during the period of Executive's employment with any member of the Company Group, whether prior to or following the Effective Date, that (a) relates in any manner to the previous, existing or contemplated business, work, or investigations of the Company Group; (b) is or was suggested by, has resulted or will result from, or has arisen or will arise out of any work that Executive has done or may do for or on behalf of the Company Group; (c) has resulted or will result from or has arisen or will arise out of any materials or information that may have been disclosed or otherwise made available to Executive as a result of duties assigned to Executive by the Company Group; or (d) has been or will be otherwise made through the use of the Company Group's time, information, facilities, or materials, even if conceived, created, developed, made, reduced to practice, or fixed during other than working hours. Executive shall, both during and after Executive's employment with any member of the Company Group, sign all documents and otherwise assist the Company Group, or its designee, at the Company Group's expense, to secure the Company Group's rights in Work Product.

F. **Tolling.** If Executive violates any of the restrictions contained in this Article IV, the Restricted Period with respect to such restriction shall be suspended and shall not run in favor of Executive from the time of the commencement of any violation until the time when Executive is no longer in violation of such provision; the period of time in which Executive is in breach shall be added to the Restricted Period.

G. **Remedies.** Executive acknowledges that the restrictions contained in Article IV of this Agreement, in view of the nature of the Company Group's business and Executive's position with the Company Group, are reasonable and necessary to protect the Company Group's legitimate business interests and that any violation of Article IV of this Agreement would result in irreparable injury to the Company Group. In the event of a breach by Executive of Article IV of this Agreement, Executive immediately forfeits any unpaid Severance Payments from the date of such

breach, and the Company Group shall be entitled to (i) cease payment of any unpaid Severance Payments and (ii) recover any Severance Payments paid to Executive from the date of such breach. In addition, the Company Group shall be entitled to a temporary restraining order and injunctive relief restraining Executive from the commission of any breach or threatened breach, in addition to damages, reasonable attorney's fees and costs. If a bond is required to secure such equitable relief, the Parties agree that a bond not to exceed $1,000 shall be sufficient and adequate in all respects to protect the rights and interests of the Parties. Such remedies shall not be deemed the exclusive remedies for a breach or threatened breach of this Article IV but shall be in addition to all remedies available at law or in equity, including the recovery of damages and reasonable attorneys' fees from Executive, Executive's agents, any future employer of Executive, and any person that conspires or aids and abets Executive in a breach or threatened breach of this Agreement. A Dispute, as defined in Article V, under this Article IV, is not subject to the Dispute Resolution provisions in Article V.

H. **Reasonableness.** Executive hereby represents to the Company Group that Executive has read and understands, and agrees to be bound by, the terms of this Article IV. Executive acknowledges that the geographic scope and duration of the covenants contained in this Article IV are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Company Group's business; (ii) Executive's level of control over and contact with the business; and (iii) the amount of compensation, trade secrets and Confidential Information that Executive is receiving in connection with Executive's employment with any member of the Company Group. It is the desire and intent of the Parties that the provisions of Article IV be enforced to the fullest extent permitted under applicable law, whether now or hereafter in effect and therefore, to the extent permitted by applicable law, Executive and the Company Group hereby waive any provision of applicable law that would render any provision of Article IV invalid or unenforceable.

I. **Reformation.** The Company Group and Executive agree that the foregoing restrictions set forth in Article IV are reasonable under the circumstances and that any breach of the covenants contained in Article IV would cause irreparable injury to the Company Group. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses but acknowledges that Executive shall receive Confidential Information and trade secrets, as well as sufficiently high remuneration and other benefits as an employee of the Company Group to justify such restrictions. If any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the Parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company Group and Executive intend to make this provision enforceable under the law or laws of all applicable jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal.

J. **No Previous Restrictive Agreements.** Executive represents that, except as disclosed in writing to the Company Group, Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. Executive further represents that Executive's performance of all the terms of this Agreement and Executive's work duties for the Company Group do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by Executive in confidence or in trust prior to Executive's employment with any member of the Company Group. Executive shall not disclose to the Company Group or induce the Company Group to use any confidential or proprietary information or material belonging to any previous employer or others.

ARTICLE V.
MISCELLANEOUS PROVISIONS

A. **Dispute Resolution.** In the event of any dispute, controversy or claim arising out of, or in connection with or relating to this Agreement or any other agreement between Executive and any member of the Company Group, Executive's employment, or Executive's relationship with the Company Group or any of its predecessors or successors (any such matter, a "***Dispute***"), *except for* any Dispute arising under Article IV of this Agreement:

(i) The parties to such Dispute shall use commercially reasonable efforts to resolve such Dispute through negotiation between individuals with the authority to settle the Dispute on behalf of the parties (each, an "***Authorized Decision Maker***"). To this end, each such party shall cause an Authorized Decision Maker to consult and negotiate with an Authorized Decision Maker of the other party, and the parties shall attempt to reach a resolution satisfactory to both parties, recognizing that their mutual interests may not be aligned (and that each such party shall be entitled to reasonably seek to promote such party's own interests in such resolution).

(ii) If the parties to a Dispute do not resolve such Dispute within thirty (30) days of the first negotiation between Authorized Decision Makers, then upon written notice by either party to the other, the Dispute shall be submitted to non-binding mediation to be administered in Tampa, Florida, by the American Arbitration Association or its successor (the "***AAA***") (or another mediator upon the mutual agreement of Executive and the applicable member of the Company Group). Such mediation session shall take place within sixty (60) days of the date of receipt of the written request for mediation. If the parties are not able to agree regarding the identity of the mediator within twenty (20) days from the party's delivery of the mediation demand to the other party, the AAA shall appoint a neutral mediator upon written request to the AAA by either party.

(iii) In the event the applicable member of the Company Group and Executive are unable to resolve any Dispute pursuant to Article V.A.(i) or (ii) above, the parties shall resolve such Dispute by binding arbitration under the Employment Arbitration rules of the AAA then in effect, and in accordance with applicable law, including the Federal Arbitration Act and the Federal Rules of Civil Procedure, but subject to the following agreed provisions and except where applicable federal or state law requires otherwise. Subject to legal privileges, the arbitrator shall have the power to permit discovery as allowed under the Federal Rules of Civil Procedure. The arbitration shall be conducted in Tampa, Florida, and the proceedings shall be kept strictly confidential by the parties, their respective attorneys and the arbitrators. Notice of papers or processes relating to any arbitration proceeding, or for the confirmation of award and entry of judgment on an award may be served on each of the parties by registered or certified mail.

The arbitrator shall be selected by agreement of the parties; but if no agreement can be reached, the arbitrator shall be appointed pursuant to the procedures of the AAA. The arbitrator shall be of good reputation and character and have legal expertise relating to the Dispute. The applicable member of the Company Group, on the one hand, and Executive, on the other hand, shall each pay one-half of the arbitrator's expenses. Each party shall pay its own legal expenses, except where prohibited by law. The arbitrator shall have no authority to consolidate the claims of other employees into a class action or otherwise fashion, consider, preside over, or award relief to any form of a representative, collective, or class proceeding. The arbitrator shall provide a written opinion supporting his/her conclusions, including detailed findings of fact and conclusions of law. Such findings of fact shall be final and binding on the parties. The arbitrator may award damages and/or permanent injunctive relief, but in no event shall the arbitrator have the authority to award punitive or exemplary damages, except where authorized by statute. Notwithstanding anything to the contrary in this Article V, the applicable member of the Company Group and Executive may apply to a court of competent jurisdiction to enforce the covenants set forth in Article IV. If proper notice of any hearing has been given, the arbitrator shall have full power to proceed to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any party who fails to appear. If any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect and validity of the remaining portion hereof.

B. **Cooperation.** After the termination of Executive's employment, Executive agrees to reasonably cooperate and provide reasonable assistance, at the request of the Company Group, in any and all investigations or other legal proceedings which involve any matters for which Executive worked on or had responsibility during Executive's employment with any member of the Company Group. This includes but is not limited to testifying (and preparing to testify) as a witness in any proceeding or otherwise providing information or reasonable assistance to the Company Group in connection with any investigation, claim or suit, and cooperating with the Company Group regarding any investigation, litigation, claims or other disputed items involving the Company Group that relate to matters within the knowledge or responsibility of Executive. Specifically, Executive agrees (i) to provide truthful testimony to any court, agency or other adjudicatory body in any matter covered by this Article V.B; and (ii) to provide the Company Group with prompt notice of contact or subpoena received by Executive from any nongovernmental adverse party as to matters relating to the Company Group; provided however, the Company Group shall reimburse Executive for all reasonable expenses incurred by Executive in providing the cooperation required by this Article V.B (including, without limitation, reasonable legal fees for Executive's own counsel, to the extent such expenses are pre-approved by the Board in writing (such approval not to be unreasonably withheld, conditioned or delayed)). Notwithstanding the foregoing or anything contained in this Article V.B to the contrary, (i) all cooperation required by this Article V.B shall be provided remotely unless remote cooperation is not possible or reasonably practical, (ii) any cooperation required by this Article V.B shall be provided at times that are mutually convenient to Executive and the Company Group, (iii) cooperation under this Article V.B shall not take up more than a *de minimis* amount of Executive's time and (iv) Executive is not required to provide cooperation under this Article V.B. in any matter that is adverse to Executive.

C. **No Mitigation; No Set Off.** Executive is under no obligation or duty to seek employment or work following his termination of employment with the Company, and in no event shall any payments or benefits to be provided to Executive from any member of the Company Group following Executive's termination of employment be reduced or offset by any amounts earned by Executive from another employer or otherwise following Executive's termination of employment with the Company.

D. **Headings.** The paragraph headings contained in this Agreement are for convenience only and shall in no way or manner be construed as a part of this Agreement.

E. **Severability.** In the event that any court of competent jurisdiction holds any provision in this Agreement to be invalid, illegal or unenforceable in any respect, the remaining provisions shall not be affected or invalidated and shall remain in full force and effect.

F. **Reformation.** In the event any court of competent jurisdiction holds any restriction in this Agreement to be unreasonable and/or unenforceable as written, the court may reform this Agreement to make it enforceable, and this Agreement shall remain in full force and effect as reformed by the court.

G. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties, and fully supersedes any and all prior agreements, understanding or representations between the Parties pertaining to or concerning the subject matter of this Agreement, including, without limitation, Executive's employment with any member of the Company Group, including, without limitation, the Prior Agreement. The Parties have voluntarily agreed to define their rights, liabilities and obligations relating to or arising out of Executive's employment with any member of the Company Group exclusively in contract (except for statutory obligations) pursuant to the express terms and provisions of this Agreement and any other written agreement signed by any member of the Company Group and Executive. No oral statements or prior written material relating to the subject matter of this Agreement that is not specifically incorporated in this Agreement shall be of any force and effect, and no changes in or additions to this Agreement shall be recognized, unless incorporated in this Agreement by written amendment, such amendment to become effective on the date stipulated in it. Any amendment to this Agreement must be signed by all parties to this Agreement.

H. **Disclaimer of Reliance.** Except for the specific representations expressly made by the Company in this Agreement or a written agreement specifically signed by Executive and any member of the Company Group, Executive specifically disclaims that Executive is relying upon or has relied upon any communications, promises, statements, inducements, or representation(s) that may have been made, oral or written, regarding the subject matter of this Agreement, the terms of Executive's employment, any compensation or benefits to which Executive may be entitled. Executive represents that Executive relied solely and only on Executive's own judgment in making the decision to enter into this Agreement.

I. **No Fiduciary Relationship by the Company Group.** This Agreement does not create, nor shall it be construed as creating, any principal and agent, trust, or other fiduciary duty or special relationship running from the Company Group to Executive.

J. **Waiver.** No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches. The failure of either Party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition but the obligations of either Party with respect thereto shall continue in full force and effect. The breach by one Party to this Agreement shall not preclude equitable relief, injunctive relief or the obligations in Article IV.

K. **Modification; Counterparts.** The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof. This Agreement may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

L. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns. Further, to the extent applicable, each member of the Company Group shall be deemed a third-party beneficiary and may enforce the applicable rights and obligations under this Agreement. Neither party may assign this Agreement to a third party without the prior written consent of the other party, provided that the Company may assign its rights, together with its obligations hereunder, without Executive's consent to any successor to the Company's business in connection with an internal restructuring or internal reorganization.

M. **Certain Excise Taxes**. Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Internal Revenue Code of 1986, as amended (the "***Code***")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its Affiliates or other payor, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then such payments and benefits shall be either (a) reduced (but not below zero) so that the present value of such total payments and benefits shall be one dollar ($1.00) less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind in a similar order, and then reducing equity or equity-based benefits (reduced in the order of highest value to lowest value under Code Section

280G). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary (or whether Executive would be subject to such excise tax) shall be made at the expense of the Company by a firm of independent accountants, a law firm, or other valuation specialist selected by the Board in good faith prior to the consummation of the applicable change in control transaction, and the applicable independent accountants, law firm, or other valuation specialist shall consider the value, if any, of Executive's restrictive covenants (including the non-competition restrictions set forth herein) as part of its analysis as may be appropriate under Section 280G of the Code. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits used in determining if a "parachute payment" exists, exceeds one dollar ($1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Article V.M. shall require the Company to provide a gross-up payment to Executive with respect to Executive's excise tax liabilities under Section 4999 of the Code. Notwithstanding the foregoing, in the event that no stock of the Company or its applicable Affiliates is readily tradable on an established securities market or otherwise (within the meaning of Section 280G) as of immediately prior to an applicable transaction that constitutes a "change in ownership or control" for purposes of Section 280G of the Code, the Company shall submit to a vote of stockholders for approval the portion of the payments and benefits payable to Executive that equal or exceeds three times the Executive's "base amount" (the "***Excess Parachute Payments***") in accordance with Treas. Reg. §1.280G-1; provided, that Executive has first, in Executive's sole discretion, executed a customary waiver of such Excess Parachute Payments (the Company makes no guarantee regarding the outcome of any such vote). If such stockholder approval is obtained in accordance with Section 280G of the Code, then the payments and benefits shall not be subject to reduction as described above.

N. **Clawback.** To the extent required by Company policy, applicable law, government regulation or any applicable securities exchange listing standards, amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company Group and applicable to executives of the Company Group generally, including pursuant to applicable law, government regulation or applicable securities exchange listing requirements, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or under the LTIP or any incentive plan of the Company Group in the event of material misstatements, financial restatements, other bad acts (or inaction), or other events or occurrences consistent with any government regulation or securities exchange listing requirement. The Company Group reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures that are consistent with the immediately preceding sentence, including such policies and procedures applicable to this Agreement and under the LTIP or any incentive plan of the Company Group with retroactive effect.

O. **Section 409A.** This Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Code ("***Section 409A***") or shall comply with the requirements of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a "deferral of compensation" within

the meaning of Section 409A. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Section 409A upon or following a termination of Executive's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" within the meaning of Section 409A. Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on Executive's termination of employment, Executive is a "specified employee" within the meaning of Section 409A, any payments or benefits that are payable as the result of a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treasury Regulation section 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treasury Regulation section 1.409A-1(b)(9)(iii)(A)) and that otherwise would have been paid within six (6) months following such termination of employment, shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (x) the date which is six (6) months and one day after Executive's separation from service for any reason other than death, and (y) the date of Executive's death (but not earlier than such payments or benefits would have been made absent this provision), and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit. With respect to any expense reimbursement benefit or in-kind benefit provided pursuant to this Agreement or otherwise, (1) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year shall not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (2) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made promptly, but in all events on or before the last day of the calendar year immediately following the calendar year in which the applicable expense is incurred, and (3) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit. Each payment under this Agreement to Executive shall be deemed a separate payment for purposes of Section 409A.

P. **Indemnification**. Executive shall be entitled to indemnification and advancement of expenses for acts and omissions that occurred during Executive's employment or other service with the Company or any of its Subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date) in accordance with the terms of the Company's (or as applicable, its subsidiaries' and Affiliates') by-laws and other governing documents (unless such action or omission was not taken or made by Executive in good faith). In addition, during the Term and for at least six (6) years thereafter, the Company shall maintain a directors & officers insurance policy providing for market levels of coverage (or higher), and shall cause Executive to be an insured under such policy with respect to actions and omissions that occurred during Executive's employment or other service with the Company or any of its subsidiaries or Affiliates (whether occurring before, on, or after, the Effective Date). The Company's obligations under this Article V.P. shall survive the termination of the Term and the termination of Executive's employment.

Q. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida, without regard to any conflicts of law provision that would result in the application of the law of any other jurisdiction.

{Remainder of Page Intentionally Left Blank. Signature Page Follows.}

IN WITNESS WHEREOF, the Company and Executive have caused this Agreement to be executed on the date first set forth above, to be effective as of the Effective Date.

EXECUTIVE:

/s/ Jon Ritchie
Jon Ritchie

THE COMPANY:

AMERICAN INTEGRITY INSURANCE GROUP, INC.

By: /s/ Ben Lurie
Name: Ben Lurie
Title: Chief Financial Officer

Exhibit A

Release

(see attached)

EXHIBIT A TO EMPLOYMENT AGREEMENT

Exhibit 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES
EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION
302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert Ritchie, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Integrity Insurance Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. [Omitted];

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 10, 2025

/s/ Robert Ritchie

Robert Ritchie
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES
EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION
302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ben Lurie, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Integrity Insurance Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. [Omitted];

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 10, 2025

/s/ Ben Lurie

Ben Lurie
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of American Integrity Insurance Group, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned hereby certifies, in their capacity as Chief Executive Officer and Chief Financial Officer, respectively, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended, that to their knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company as of, and for, the periods presented in the Report.

Date: June 10, 2025

/s/ Robert Ritchie
Robert Ritchie
Chief Executive Officer
(Principal Executive Officer)

Date: June 10, 2025

/s/ Ben Lurie
Ben Lurie
Chief Financial Officer
(Principal Financial Officer)

The foregoing certifications are being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and, accordingly, are not being filed as part of the Report for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 99.1

INSIDER TRADING POLICY

OF

AMERICAN INTEGRITY INSURANCE GROUP, INC.

Background

One of the principal purposes of the federal securities laws is the protection of investors in the U.S. securities markets through the assurance of fairness and the reduction of fraud in the markets. A major component of this effort is the prohibition on trading securities on the basis of or while in possession of material nonpublic information, called "insider trading." Stated simply, insider trading occurs when a person with access to a company's material nonpublic information trades the company's securities based on that information or "tips" the information to others or recommends the purchase or sale of the company's securities.

The consequences for a violation of federal and state laws prohibiting insider trading can be severe. Penalties imposed by federal or state authorities can involve the disgorgement of any gain from the transaction along with substantial civil fines, court injunctions, criminal fines and jail terms. In addition, a person who tips information to others without his or her trading in the securities may also be liable for transactions by the person who received and traded on the information. The tipper who provided the information can be subject to the same penalties and sanctions as the tippee who trades, and the Securities and Exchange Commission (the "***SEC***") has imposed large penalties even when the tipper did not profit from the transaction. A violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and perhaps permanently damage a career.

Purpose

This Insider Trading Policy (this "***Policy***") describes the policy and standards of American Integrity Insurance Group, Inc. and its subsidiaries (collectively, the "***Company***") on the handling of confidential information about the Company and the companies with which the Company engages in transactions or does business. The Company's Board of Directors adopted this Policy to promote compliance with U.S. federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) engaging in transactions in the securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information. This Policy is divided into two parts. The first part states the policies, standards and prohibited activities applicable to all persons covered by this Policy, and the second part describes Company procedures and trading restrictions applicable to certain Company personnel to help prevent insider trading.

PART I

1. Application of Policy

This Policy applies to all trading or other transactions in the Company's securities, including, but not limited to, common stock, preferred stock, options, warrants and any other securities that the Company may issue at any time, such as notes, bonds and convertible securities,

as well as derivative securities relating to any of the Company's securities. It also applies to derivative securities not issued by the Company itself, such as exchange-traded options on Company securities.

This Policy applies to all directors and officers of the Company, the employees of the Company whose names or titles are listed on Exhibit A hereto (such employees, collectively with the directors and officers, the "***Insiders***"), all other employees of the Company and all sales personnel and other agents, consultants and contractors of the Company who receive material nonpublic information of the Company (collectively with the Insiders, the "***Covered Persons***" and each a "***Covered Person***"). This Policy also applies to any entities, including any corporations, partnerships or trusts, that any Covered Person influences or controls (collectively referred to herein as "***Controlled Entities***"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for the Covered Person's own account.

In addition, this Policy applies to (i) family members who reside with Covered Persons (including spouse, children, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), (ii) family members who do not live in the Covered Person's household but whose transactions in Company securities the Covered Person directs, controls or provides recommendations and (iii) non-family members who live in a Covered Person's household (collectively, "***Family Members***"). Covered Persons are responsible for any transactions consummated by their Family Members and should treat transactions by Family Members for the purposes of this Policy and applicable securities laws as if they were for the Covered Person's own account. Therefore, Covered Persons generally should avoid disclosing material nonpublic Company information to Family Members. It is also advisable to make these persons aware of the associated responsibilities and legal sanctions.

2. Insider Trading Policy

It is the policy of the Company that Covered Persons, Family Members and Controlled Entities (or any other person designated by this Policy or by the Compliance Officer (as described in Section 6(a)) as subject to this Policy) who are aware of material nonpublic information relating to the Company shall not, directly, or indirectly through other persons or entities:

(a) purchase or sell, or offer to purchase or sell, any Company security, whether or not issued by the Company, while in possession of material nonpublic information about the Company;

(b) communicate material nonpublic information to (*i.e.*, "tip") any other person, including relatives and friends, who the Covered Person, Family Member or Controlled Entity reasonably could know might trade on the basis of such information, or otherwise disclose such information without the Company's authorization; or

(c) purchase or sell any security issued by another company while in possession of material nonpublic information about that other company when the information was obtained in the course of a Covered Person's activities that involve the Company, or communicate that information to (or tip) any other person, including relatives and friends, or otherwise disclose the information without the Company's authorization.

Except as specifically stated herein, there are no exceptions to this Policy. Transactions thought to be necessary or justifiable for independent reasons (such an immediate need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy.

3. Consequences of Violation.

(a) Federal and State Laws and Regulations. The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then engage in transactions in the Company's securities, is prohibited by federal and state laws. The SEC, U.S. attorneys and state enforcement authorities, as well as enforcement authorities in foreign jurisdictions, vigorously pursue insider trading violations. Punishment for insider trading violations is severe and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

(b) Company-Imposed Penalties. An individual's failure to comply with this Policy may subject such person to Company-imposed sanctions, including dismissal for cause, whether or not such person's failure to comply results in a violation of law. A violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

(c) Individual Responsibility. Any individual subject to this Policy has ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company securities while in possession of material nonpublic information. Persons subject to this Policy shall not engage in illegal trading and shall avoid the appearance of improper trading. Each Covered Person is responsible for making sure that he or she complies with this Policy, and that any Family Member or Controlled Entity of such Covered Person also complies with this Policy. The responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of the Company, the Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws.

4. Definitions

(a) Material Information. The term "material" is not precisely defined in the securities laws; rather it is based on an assessment of the facts and circumstances and is often evaluated by governmental enforcement authorities with the benefit of hindsight. Information is generally considered material if it has market significance, meaning that a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. The following, while not an exclusive list, are some examples of information that ordinarily would be regarded as material:

- periodic financial results;
- specific projections of future earnings or losses or other earnings guidance, or significant changes to previously announced guidance or business prospects;
- a significant new insurance product or a major change in marketing;
- a pending or proposed significant acquisition or sale of assets or a merger, even if preliminary in nature;
- a pending or proposed joint venture;
- a significant change in the Company's reinsurance structure or in the relationships between the Company and its third-party reinsurers or partnerships with other insurance companies;
- a large financing or other financing transaction outside of the ordinary course;
- information related to the assessment of the impact of major events and claims;
- changes in credit and other Company ratings;
- information related to claims adjustment, processing and settlement;
- new or threatened litigation or resolution or impact of litigation;
- a governmental or regulatory investigation or proceeding;
- a stock split, offering of additional securities or change in dividend policy;
- a significant change in management;
- liquidity problems or impending bankruptcy or restructuring;
- a change in the Company's auditor or notification that the auditor's report may no longer be relied upon;
- significant related party transactions;
- the establishment of a repurchase program for Company securities;
- a significant change in the Company's pricing or cost structure;
- a significant cybersecurity incident, such as a data breach or any other significant disruption in the Company's operations or loss, potential loss, breach or unauthorized access of its property or assets, whether at Company facilities or through its information technology infrastructure; or

- the imposition of an event-specific restriction on trading in Company securities or the securities of another company, or the extension or termination of such restriction.

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger or acquisition, the point at which negotiations are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular nonpublic information is material, you should presume it is material. **If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or before trading in or recommending transactions in securities to which that information relates.**

(b) Nonpublic Information. Information that has not been disclosed to the public is generally considered to be nonpublic information. Public disclosure usually means that the information has been widely disseminated, such as through newswire services, the Dow Jones "broad tape," publication in a widely available newspaper, magazine or news website, broadcast on widely available radio or television programs or filed with the SEC and available on the SEC's EDGAR website.

To be considered publicly disclosed, the information must have been widely disseminated in a manner to reach investors generally, for a sufficient amount of time to be adequately absorbed by the public. In the case of a small company that is not widely followed, such as the Company, as a general rule information should not be considered fully absorbed by the marketplace until the conclusion of the second trading day after the information has been released to the public.

Nonpublic information may include:

- information available to a select group of analysts or brokers or institutional investors;
- undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; or
- information that has been entrusted to the Company on a confidential basis before a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two business days).

PART II

In addition to the requirements of this Policy, the Company established the following procedures to facilitate compliance with this Policy and the laws prohibiting insider trading. The Company rigorously aims to prevent the possible appearance of any impropriety in this regard by the Company and its personnel.

5. Trading Blackout Periods.

(a) Quarterly Blackout Periods. Trading in Company securities by Insiders is prohibited during the period beginning at the close of the market on the 14th calendar day before the end of each fiscal quarter and ending at the close of business on the second trading day following the date the Company's financial results for such quarter are publicly announced (a "***Quarterly Blackout Period***"). The Compliance Officer may permit a trade during this Quarterly Blackout Period in special situations if the Compliance Officer concludes that the person seeking to trade in Company securities does not in fact possess material nonpublic information. Persons wishing to trade during the Quarterly Blackout Period must contact the Compliance Officer for approval at least two business days in advance of any proposed transaction. During these periods, Insiders generally possess or are presumed to possess material nonpublic information about the Company's financial results.

(b) Other Blackout Periods. From time to time, circumstances or events may occur or be anticipated which are material to the Company and not publicly known. The Compliance Officer must be notified of the circumstances or events by the persons having that knowledge. If the circumstances or future event is widely known within the Company, then the Compliance Officer will notify all Company personnel of the existence of a special blackout period (a "***Special Blackout Period***"). If, on the other hand, only a limited number of persons have such knowledge, then the Compliance Officer will notify only those limited persons of the Special Blackout Period. So long as the circumstances or event remains material and nonpublic, the persons so notified by the Compliance Officer shall not transact in Company securities. Additionally, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the Compliance Officer, designated persons should refrain from trading in Company securities even earlier than the typical Quarterly Blackout Period described above. In that situation, the Compliance Officer may notify those persons of a restriction from trading, without disclosing the reason for the restriction. The notification of an event-specific Special Blackout Period or extension of a Special Blackout Period or Quarterly Blackout Period shall not be communicated to other persons. In any event, a person possessing material nonpublic information must not trade in Company securities even though he or she has not been notified of a Special Blackout Period.

(c) Exceptions for 10b5-1 Trading Plans. Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), provides a defense from insider trading liability under Rule 10b5-1. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 plan for transactions in Company securities that meets certain conditions specified in Rule 10b5-1 (a "***10b5-1 Plan***"). If the 10b5-1 Plan meets the requirements of Rule 10b5-1, the trading restrictions in this Policy will not apply, and transactions in Company securities may occur even when the person who has entered into the plan is aware of material nonpublic information.

To comply with this Policy, a 10b5-1 Plan must (i) be approved by the Compliance Officer at least five days in advance of being entered into (or, if revised or amended, such proposed revisions or amendments must be reviewed and approved by the Compliance Officer at least five

days in advance of being entered into) and (ii) meet the requirements of Rule 10b5-1. In general, a 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of material nonpublic information. All persons entering into a 10b5-1 Plan must operate in good faith with respect to such 10b5-1 Plan, meaning such person must enter into the 10b5-1 Plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 and act in good faith with respect to the 10b5-1 Plan. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The 10b5-1 Plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. The 10b5-1 Plan must include a cooling-off period before trading can commence that, for directors or officers, ends on the later of 90 days after the adoption or modification of the 10b5-1 Plan or two business days following the disclosure of the Company's financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted or modified (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption or modification of the plan), and for persons other than directors or officers, 30 days following the adoption or modification of a 10b5-1 Plan. A person shall not enter into overlapping 10b5-1 Plans (subject to certain exceptions) and may only enter into one single-trade 10b5-1 Plan during any 12-month period (subject to certain exceptions). Directors and officers must include a representation in their 10b5-1 Plan certifying that: (i) they are not aware of any material nonpublic information; and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions in Rule 10b5-1.

6. Administration and Pre-Clearance Procedures.

Because Company personnel are likely to obtain material nonpublic information on a regular basis, the Company requires all Insiders to refrain from trading in Company securities, even outside of Quarterly Blackout Periods or Special Blackout Periods, without first pre-clearing the transactions.

(a) Compliance Officer. The Company has appointed the Chief Financial Officer or his or her designee as the Compliance Officer for this Policy. The duties of the Compliance Officer include assisting with implementation and enforcement of this Policy and pre-clearing all trading in Company securities by Insiders in accordance with the procedures set forth below. All determinations and interpretations by the Compliance Officer shall be final and not subject to further review. The Compliance Officer shall be responsible for updating Exhibit A hereto from time to time.

(b) Pre-clearance Procedures. Each Insider shall not engage in any transaction in Company securities, including *bona fide* gifts, without first obtaining pre-clearance of the transaction from the Compliance Officer. This pre-clearance also applies to transactions by Family Members whose pre-clearance will be obtained by the appropriate Insider on behalf of those Family Members. A request for pre-clearance shall be submitted to the Compliance Officer at least two business days in advance of the proposed transaction. The Compliance Officer will determine whether to permit the transaction based on compliance with this Policy. If pre-clearance to engage in the transaction is denied, then the applicant must refrain (or instruct such Family Member to refrain, if applicable) from initiating the proposed transaction. A trade not executed within five days of receipt of preclearance will again be subject to pre-clearance.

Pre-clearance is not required for purchases and sales of securities under a 10b5-1 Plan once the applicable cooling-off period has expired. No trades shall be made under a 10b5-1 Plan until expiration of the applicable cooling-off period. With respect to any purchase or sale under a 10b5-1 Plan, the third party effecting transactions on behalf of the Insider shall be instructed by the Insider to send duplicate confirmations of all such transactions to the Compliance Officer.

7. Transactions Under Company Plans and Transactions Not Subject to the Policy

(a) Stock Incentive Plan. This Policy does not apply to the exercise of an employee stock option acquired under the Company's stock incentive plan, or to the exercise of a tax withholding right to have the Company withhold option shares to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale of Company stock for the purpose of generating the cash needed to pay the exercise or purchase price of a stock option or incentive share award and/or withholding taxes.

(b) Gifts. *Bona fide* gifts of Company securities are not transactions subject to this Policy (other than the pre-clearance procedures for Insiders set forth in Section 6(b)), unless the person making the gift has reason to believe or is reckless in not knowing that the recipient intends to sell the Company securities while the donor is aware of material nonpublic information.

(c) Restricted Stock Awards. This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which a person elects to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.

(d) 401(k) Plan. This Policy does not apply to purchases of Company securities in any Company 401(k) plan resulting from periodic contributions of money to the plan pursuant to a person's payroll deduction election. This Policy does apply, however, to certain elections made under the 401(k) plan, including: (i) an election to increase or decrease the percentage of periodic contributions that will be allocated to the Company securities fund; (ii) an election to make an intra-plan transfer of an existing account balance into or out of the Company securities fund; (iii) an election to borrow money against a 401(k) plan account if the loan will result in a liquidation of some or all of the electing person's Company securities fund balance; and (iv) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund. Sales of Company securities from a 401(k) account are also subject to Rule 144, and therefore affiliates shall ensure that a Form 144 is filed when required.

(e) Employee Stock Purchase Plan. This Policy does not apply to purchases of Company securities in any employee stock purchase plan resulting from periodic contributions of money to the plan pursuant to the election made at the time of such person's enrollment in the plan. This Policy also does not apply to purchases of Company securities resulting from lump sum contributions to the plan, *provided* that such person elected to participate by lump sum payment at the beginning of the applicable enrollment period. This Policy does apply, however, to elections to participate in the plan for any enrollment period, and to sales of Company securities purchased pursuant to the plan.

(f) Dividend Reinvestment Plan. This Policy does not apply to purchases of Company securities under any Company dividend reinvestment plan resulting from reinvestments of dividends paid on Company securities. This Policy does apply, however, to voluntary purchases of Company securities resulting from additional contributions a person may choose to make to the dividend reinvestment plan, and to elections to participate in the plan or increase the level of participation in the plan. This Policy also applies to the sale of any Company securities purchased pursuant to the plan.

8. Special and Prohibited Transactions

(a) Short Sales. Section 16(c) of the Exchange Act prohibits officers and directors of the Company from engaging in short sales of Company equity securities (*i.e.*, the sale of the security that the seller does not own and will subsequently acquire). A short sale of Company securities may indicate an expectation on the part of the seller that the security will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, a short sale of Company securities may reduce a Covered Person's incentive to seek to improve the Company's performance. For these reasons, Covered Persons are prohibited from engaging in short sales of Company securities, or writing a call option or purchasing a put option on Company securities.

(b) Margin Accounts and Pledged Securities. Securities held in a brokerage margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a broker's margin call. Similarly, securities pledged as collateral for a loan may be sold in foreclosure by the lender if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when a Covered Person is aware of material nonpublic information or otherwise is not permitted to trade in Company securities under this Policy, Covered Persons are prohibited from holding Company securities in a margin account or otherwise pledging Company securities as collateral for a loan, unless a waiver for a specific loan transaction is approved by the Compliance Officer.

(c) Post-Termination Transactions. This Policy continues to apply to transactions in Company securities after termination of service to the Company, if an individual is in possession of material nonpublic information, until such time as the information has become public or is no longer material. The pre-clearance requirements set forth in Section 6(b), however, will cease to apply.

(e) Publicly Traded Options. Given the relatively short term of publicly traded options, transactions in options may create the appearance that a director, officer or employee is trading based on material nonpublic information and cause the focus of a director's, officer's or other employee's attention to be on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy.

(f) Hedging Transactions. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such transactions may permit a director, officer or employee to continue to own Company securities obtained through

employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company's other shareholders. Therefore, directors, officers and employees are prohibited from engaging in any such transactions.

(g) Standing and Limit Orders. Standing and limit orders (except standing and limit orders under approved 10b5-1 Plans) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result, the broker could execute a transaction when a director, officer or other employee is in possession of material nonpublic information. The Company therefore discourages placing standing or limit orders on Company securities.

9. Company Assistance

Persons having questions concerning this Policy or its application to specific circumstances or transactions may contact the Compliance Officer.

This Policy was approved by the Board of Directors of American Integrity Insurance Group, Inc. on May 7, 2025.