

# REPORT TO MEMBERS

2025



# Table of Contents

2

Letter from the CEO

8

Letter from the Subscribers' Advisory Committee Chair

10

Subscriber Savings Accounts: The Reciprocal Model at Work

12

Service in Action: The California Wildfires

18

Preventing the Preventable

24

The Rising Risk of Cybercrime

42

Member Story: Jeremy Padawer Beyond the Collection

50

The Numbers

See what members say about their service experience.



26

MEMBER STORY  
*The Carters*  
Lakeside Living



34

MEMBER STORY  
*The Olins*  
Twice-Built,  
Loved Endlessly



# Letter from the CEO



**Martin Leitch**  
*Chief Executive Officer*

**Dear fellow members,**

**Thank you for your continued trust in PURE. Serving you and stewarding a member-owned organization on your behalf are responsibilities we take seriously and privileges we value deeply.**

As we reflect on 2025, our thoughts are first with the members and communities impacted by losses, particularly the devastating California wildfires. To those continuing to recover and rebuild, our hearts are with you.

I am immensely proud of our Claims and Service teams, who were trusted to act quickly and do what was right when it mattered most: being available in person, securing temporary housing within days, engaging world-class hygienists and custom builders, and providing quick financial assistance. Their professionalism, judgment and care are defining strengths of PURE.

“I am immensely proud of our Claims and Service teams... Their professionalism, judgment and care are defining strengths of PURE.”

I am also proud of our members. More than 30 of you offered access to your unoccupied homes when housing was scarce, extending help to fellow members in need. Moments like these remind us that membership can be so much more than insurance, and why preparedness, compassion and responsiveness matter so deeply.

The many thoughtful notes we received from affected members were so encouraging, and that sentiment is reflected in a 97% claim satisfaction score. I firmly believe there is no better insurance company to have by your side during a traumatic event than PURE.

## **2025 Results**

PURE made steady, meaningful progress in 2025. The membership grew to over 120,000 responsible families, supported by an exceptional voluntary retention rate of more than 95%. PURE's direct written premium grew



Listen to the Letter from the CEO at [purein.com/ceo-letter](https://purein.com/ceo-letter)

Quick Look ↘

120K

responsible homeowners  
now make up our  
membership

More than

95%

voluntary retention rate

\$3B

total premium  
under management

98.8%

net combined ratio

Nearly

\$170M

allocated to Subscriber  
Savings Accounts since  
PURE's inception

by more than 15%, pushing total premium under management (including PURE Specialty) to more than \$3 billion.

In a year when we responded to the largest catastrophe loss in our history, underwriting results were strong with a net combined ratio of 98.8%. Our recent results reflect disciplined progress towards our goal, which is, over time, to target a net combined ratio of just under 100%, where premiums fully cover losses and expenses, including the cost of reinsurance, with a modest underwriting gain to help build the balance sheet.

### Sharing Success Through Our Reciprocal Model

Insurance is unique in that the true cost of claims is unknown when a policy is issued. As a result, annual outcomes are inevitably better or worse than expected. When claims costs are low and PURE builds capital, members can share in PURE's success through allocations to Subscriber Savings Accounts (SSAs).

Following our strong 2025 performance, we have received regulatory approval to allocate \$50 million to members' SSAs this spring. This is PURE's first SSA allocation since 2020 and brings our total amount allocated since inception to nearly \$170 million.

For members newer to PURE, SSAs are notional accounts held for each active PURE member that reflect their individual share of PURE's capital. PURE Gold members, those who have been with us for 10 years or more, are eligible for discretionary distributions from these accounts. I'm pleased to announce that 5% of PURE Gold members' SSA balances (currently valued at \$2.6 million) will be returned to them, either through a credit against their outstanding premium balance or a cash payment.

We aim to price fairly, and when results exceed expectations, our structure allows us to share these capital gains with the membership. SSAs are perhaps the most tangible benefit of PURE's unique membership structure, and an important point of differentiation from most traditional insurers where investor interests too often take priority over policyholders.

→ Flip to page 10 to learn more about the reciprocal model at work.

### A Market Moving Toward Stability

The past several years have been challenging across the insurance industry, marked by elevated catastrophe activity, higher reinsurance costs and more severe claims. While these conditions require discipline and difficult decisions, we are beginning to see signs of greater stability across most geographical regions and product lines.

Personal excess liability is a notable exception. Despite being one of our most important coverages, availability and affordability continue to deteriorate in certain states. Industry data from Assured Research shows that insurers representing roughly one-third of the personal excess market are experiencing average annual loss increases of 14%, with underwriting results worsening in recent years. Within PURE's portfolio, the frequency of very large claims has increased by more

“SSAs are perhaps the most tangible benefit of PURE'S unique membership structure...”

*It was a tragic time for our family, as we lost our home, nearly all of our possessions and our community. However, as I look back on the year that we have had, I know that we were more fortunate than most because we worked with PURE.*

*PURE's empathy, kindness and responsiveness throughout the process stood out at a time when many we know have had major challenges with their insurance providers.*

*We will forever be grateful to PURE for your support during the worst of times.*

*Ryan M.  
member since 2020*



than 130%, driving the need for pricing adjustments as the severity of claims becomes more unpredictable.

These pressures are intensified by a less predictable legal environment, where liability theories continue to expand and, even with the same facts, outcomes can vary widely across jurisdictions. We continue to work with the National Association of Mutual Insurance Companies (NAMIC) to push back against unsustainable liability trends that are driving costs and constraining coverage.

### Preventing Loss, Protecting What Matters

Loss prevention sits at the heart of how we serve members. Helping reduce risk—from water damage and electrical fires to wildfire preparedness—means fewer disruptions and safer homes. When losses are prevented or minimized, everyone benefits.

In 2025, we provided loss prevention guidance to the owners of more than 25,000 homes. We also continued to expand pilot programs into more comprehensive loss prevention offerings to stop small problems from becoming major ones. One example is Ting, our first prevention initiative,

which is now active in more than 30,000 PURE-insured homes. It detects early warning signs of electrical issues so they can be addressed before sparks, smoke or fire trucks are involved. To date, Ting has helped prevent more than 300 potential electrical fire incidents—many of which could have become serious, costly losses. We cover the cost of the device and the annual subscription because we believe prevention should be easy to adopt and hard to ignore.

Behind the scenes, our Situation Room monitors risks around the clock. Last year, the team reviewed more than 200 alerts each day from hundreds of sources related to wildfires, structure fires, flooding and others. Roughly 5,000 of those alerts prompted proactive outreach to members who may have been in harm's way. During wildfire events, our response partner, Capstone, deployed fire trucks 19 times across seven states to support members when conditions were most threatening.

Looking ahead, we will continue to invest in tools, insights and services to help members better understand and reduce risk before a loss occurs. One area of focus is proactive home maintenance. We are partnering with two firms to test their effectiveness and gauge member interest. Our goal is simple: help members address issues earlier, more conveniently and with less stress.

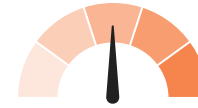
*Working with PURE has been anything but stressful. I know a lot of people that are not having the same experience with other insurers, which makes me even more appreciative.*

*PURE is the gold standard.*

*Michael Z.  
member since 2016*

### Flood Coverage

Among members who do not have flood coverage from PURE or through our NFIP write-your-own program:



**MORE THAN 13,000 HOMES** are at "moderate" risk of pluvial flooding



**MORE THAN 800 HOMES** are at "very high" or "extreme" risk

Pluvial flooding is a nationwide concern and affects even areas considered "low-risk." In fact, one-third of NFIP flood insurance claims come from outside high-risk areas, and many losses go uninsured, so the true share of affected homes is even higher.

If your home has been identified as at risk, we will proactively reach out—in partnership with your broker—to discuss your flood coverage options.

*you can expect the same thoughtful, personal service* →

## Expanding Protection Against Flood Risk

Flooding is now the nation's most costly natural hazard, driven by frequency rather than scale. Extreme rain events are occurring more often, in more places—including areas once considered low-risk. A recent AccuWeather study found that 24-hour rainfall events exceeding four inches have increased by roughly 70% since the mid-1990s, materially expanding flood exposure. A single severe storm can overwhelm drainage systems and cause significant damage, regardless of proximity to rivers or coastlines.

Yet the coverage remains underutilized; among PURE members, fewer than 12% carry any flood insurance. The reality is simple: if it can rain where you live, it can flood.

To better protect our membership, we introduced a private primary flood solution designed to provide an exceptional experience and broad protection, including coverage for basements. In many of the communities we serve, the pricing for this coverage is modest relative to the potential severity of loss and the protection it provides. We strongly encourage every member—regardless of perceived risk—to talk to their broker about flood coverage.

## Blending Technology With Personal Service

As PURE continues to evolve, hospitality remains at the heart of how we operate. Whether through a claim, a service interaction or proactive outreach, members should always feel cared for and understood.

Like most companies, we are investing meaningfully in digital capabilities and artificial intelligence to improve efficiency and ultimately reduce costs. The outcomes we seek from these investments, however, may differ from most organizations. "Margin expansion" is not our objective; delivering a better, and even delightful, member experience is.

We will use new tools to respond faster and more accurately, putting more control in members' hands, but technology will never replace our people. Members will always have access to a human at PURE. Just as importantly, our investments in technology are paired with investments in our employees through training and development, ensuring they are equipped to deliver exceptional service in a changing environment. Whether you choose to engage digitally through the PURE mobile app or your online account, or work directly with one of our team members, you can expect the same thoughtful, personal service.

## Looking Ahead With Optimism and Gratitude

As we enter 2026—a milestone year marking PURE's 20th anniversary—we do so with gratitude for the trust, partnership and support we've received over the past two decades, and with confidence in what lies ahead. PURE is financially strong, operationally disciplined and aligned with the long-term interests of our members. While the world around us continues to change, our guiding purpose remains constant: We want you to love your insurance.

Thank you for your trust and for being part of the PURE community.

Sincerely,

Martin Leitch

# Letter from the Subscribers' Advisory Committee Chair



**Jodi Lash**  
Chair, Subscribers'  
Advisory Committee

Dear fellow PURE members,

The Subscribers' Advisory Committee was active again in 2025, and it continues to be an honor to serve as Chair, helping carry out the Committee's responsibilities on behalf of the membership.

Having spent more than three decades in the insurance industry, I continue to be impressed by how PURE consistently puts its members first. More than just a stated philosophy, it shows up in everyday decisions. Leaders consider how choices will affect the collective membership, whether in claims handling, risk management, service standards or long-term planning. That level of alignment is not common and is one of PURE's greatest strengths.

Because we are a reciprocal, service quality is inseparable from financial strength. Retaining members by earning and keeping their trust is essential to the model. During 2025, the Committee spent considerable time discussing the service experience as part of its review of operational matters—including claims responsiveness, ease of doing business and programs designed to help prevent losses for our membership. Helping members recover well from a loss matters, but helping them avoid losses in the first place matters just as much.

Committee members also attended events hosted by PURE during the year. These gatherings provided perspective on broader market conditions and offered opportunities to hear directly from brokers, reinsurers and employees across the organization. This broader view informs the discussions we have in our formal meetings.

Our work is also focused on reviewing the company's finances and ensuring a successful independent audit process. Throughout the year, the Committee met with management and the independent auditor to review key operational matters and PURE's financial results, including statutory financial statements and other regulatory filings provided to the Florida Office of

“I continue to be impressed by how consistently PURE puts its members first.”



Members of the Committee at their quarterly meeting. From left to right: Richard Jacobs, J. Jeffers Cox, James McLaughlin, Jodi Lash, Dave Logan, Frank Acito, George Pita and Anne Marie Stonich. To learn more about the roles of the Committee and its members, visit [purein.com/sac](https://purein.com/sac).

Insurance Regulation. These documents provided a view of how the company is performing, and based on this work, we remain confident in the integrity of PURE's reporting as well as its financial strength, both of which are essential to PURE's ability to serve its members.

Finally, we want to honor two long-serving committee members: Doug Fields, who retired as of the end of 2025 and James McLaughlin, who will complete his service in 2026. We are truly grateful for their dedication and the expertise they contributed. In early 2026, we welcomed two new members: George Pita and Frank Acito. Together, we will continue our work as PURE navigates an environment increasingly prone to disasters and as we look for practical ways to reduce preventable losses. To learn more about the new and existing committee members, visit [purein.com/sac](https://purein.com/sac).

On behalf of the Committee, thank you for your continued trust. We remain focused on both carrying out our responsibilities with care and supporting the long-term financial strength and resilience of PURE for the benefit of all of us, the membership.

Warm regards,

Jodi Lash

## Subscriber Savings Accounts: The Reciprocal Model at Work

# \$50 Million to be Allocated to Members

PURE was founded as a reciprocal insurer. That structure shapes how we operate, including how we manage capital, and enables us to share PURE's organic capital growth with members.

Based on our strong 2025 performance, we will allocate \$50 million to Subscriber Savings Accounts (SSAs) this spring. This brings our total amount allocated since inception to nearly \$170 million. SSAs are a structural

advantage. They reflect a model in which members may share in the financial success they help create—while the capital remains on PURE's balance sheet to help build its financial strength.

SSAs reflect the power of membership and support a unique alignment of interests. Like most insurance companies, members pay policy premiums that go to pay claims and expenses. Unlike most insurance

companies, PURE has no outside shareholders who profit when the combination of policy premium, member surplus contributions and investment income exceeds the cost of claims and expenses. In years where that is the case, capital grows within the reciprocal, building its balance sheet to benefit the membership as a whole.

Each individual PURE member can play a meaningful role in

this equation by proactively managing risk and helping keep claims to their true cost when losses do occur. SSAs enable individual PURE members to directly participate in the strong performance of their insurance company, which is something truly unique to a select group of reciprocal insurers like PURE.

While SSA balances remain on PURE's balance sheet and are generally only returned in full when a member is no longer insured by PURE, this spring, members who have been with PURE for 10 years or more—our PURE Gold members—will receive 5% of their existing SSA balances (currently valued at \$2.6 million), either as a credit against an outstanding premium balance or as a cash payment. This is PURE's reciprocal model working as designed.

### What Is a Subscriber Savings Account?

An SSA is a notional account held for each active PURE member, reflecting their individual share of PURE's policyholder surplus.

“In a traditional insurance model, favorable results primarily benefit shareholders. In a reciprocal model, they strengthen the membership. SSAs are the clearest example of that difference. This allocation reflects careful management and a structure built to serve members first.”

Martin Leitch  
CEO

When strong operating performance increases surplus, a portion of that surplus growth may be allocated to active members through SSAs. Individual allocation amounts are proportionate to premiums earned in the previous year. SSAs remain on PURE's balance sheet, available to pay claims, if necessary.

### What Are PURE Gold Distributions?

Active members who have been with PURE for 10 years or more earn PURE Gold status. Gold members may be eligible to receive a distribution from their SSAs—allowing long-standing members to realize value while remaining actively insured with PURE.

## What Members Need to Know

### Total Allocation

PURE is allocating \$50 million to SSAs based on the reciprocal's 2025 performance.



### How Individual Allocations Are Determined

Individual allocation amounts are proportionate to earned premiums in 2025.

### Who Receives an Allocation

Allocations are made to members who had active policies in 2025 and premiums of at least \$1,265.



### Viewing Allocation Details

Members will be able to view details of their SSA allocation and updated account balance in their online account later this spring.

### Does This Happen Every Year?

No. SSA allocations are not guaranteed and depend on financial performance, management discretion and regulatory approval.



### Accessing These Funds

SSAs are notional accounts recorded in the name of each active member, reflecting their share of PURE's policyholder surplus. SSA balances remain on PURE's balance sheet and continue to support the company's claims-paying ability. After 10 years of membership (PURE Gold status), members may become eligible for distributions from their SSAs. If a member leaves PURE, any eligible SSA balance—less any amount due to PURE—is payable in accordance with the Subscriber's Agreement.

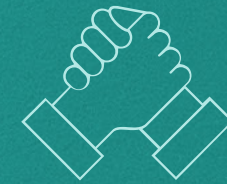


SSA allocations and distributions are not guaranteed. They will be made at the discretion of management, based on the performance of the business, and are subject to regulatory approval.



"It wasn't like working with an insurance company. The calm that they gave us and the general feeling of caring they displayed—to this day, we talk about how much that meant to us."

**Drs. Richard & Lauren B.**  
members since 2014



OUR COMMITMENT



"We were safe and our home was still standing. So many others in the community had the added stress and anxiety that come with having to find resources and negotiate with contractors. I didn't have to do that... I had PURE."

**Hollye J.**  
member since 2016



# Service in Action

At PURE, service isn't limited to one department or one moment; it's something we work to deliver in every interaction, with every member, every time. We don't compare ourselves to industry peers. We aspire to set the standard for hospitality and service across the broader financial services sector. It's a high bar, and one our team strives to meet every day.

"I can't tell you how shocked I was at how pleasant everybody was, how accommodating, friendly and open they were. PURE was always there. And that was like a savior, having people that I knew had my back."

**Kathy Q.**  
member since 2013





In the early days of 2025, the Palisades Fire became the largest catastrophe in PURE's history—four times bigger than any before it. Many members were displaced, and some lost their homes entirely. What defined our response wasn't the scale of the losses, but the way our people showed up for members—with speed, great care and deep personal connection.

**Our adjusters led with empathy. They responded as people first, professionals second.**

Preparation is part of PURE's DNA. We don't wait for disasters to unfold; we plan for them. When the fire began, we activated our Situation Room within hours. That evening, we personally called all members in the evacuation zones—not to confirm coverage, but to say: "Please evacuate. We'll cover your hotel and handle the rest."

By the next morning, 18 adjusters were already deployed to the area, even as the fire still burned. Using satellite and aerial imagery, we identified potential losses before other carriers had arrived. That early action helped us secure housing, coordinate service providers and reassure members who were facing unimaginable loss.

Our adjusters led with empathy. They responded as people first, professionals second.

One member who fled her home with minutes to spare called her former adjuster—not to file a claim, but because she needed someone familiar to talk to. Our adjuster stayed on the phone for more than an hour, then visited her days

## A California Member's Perspective

In the days after the fire, one California member who lost his home, and everything he and his family kept inside—including a collection he spent much of his life building—wrote this beautiful reflection. It speaks to loss, perspective and what endures.

Dear Friends,

I've collected stuff my entire life. All of that is gone. I am at peace with it. My family is safe. Pets are safe. I pray for my neighbors in the Pacific Palisades.

Because I've been rich, poor and everything in between in my life, I'm very pragmatic and realistic. We are insured. The loss is unimaginable, but the financial impact will be negligible for those who have the right insurance coverage and carrier.

Let me share my lifelong collecting dream with you. A dream that's now lost. I thought I would be an old man surrounded by amazing things at a named auction celebrating all the rare, cool, one-of-a-kind things I collected during my entire lifetime. Some items incredibly valuable, others less valuable, but all in celebration of the things that made up my interests, passions and career. A celebration of a life spent making and collecting things, curating things and shaping culture. I'm going to mourn that auction. It won't ever happen.

I don't need it to happen either. I've been incredibly blessed with other dreams that more than make up for the loss of this one. That collecting dream... I've set on a ship to sail into the deepest, bluest sea... Also, that dream was trivial and it's ok to have some trivial dreams.

I've had other dreams come true that are far more substantive, that includes a wife, kids, family, friends, pets, experiences, colleagues and business in a category that I absolutely adore—toys and collectibles.

Now to the part I realize after about 18 hours of thinking through this... is NOT trivial.

Our community. Our kids' school. Our neighbors. Our neighborhood. Our grocery store. Our library. Our playgrounds. Our places of worship or spirituality. Our friends' homes and things—things out of my power to insure or protect as it's out of my control. The feelings of others. The lost dreams of others. The young people doing everything right who lost everything and can't see their dream right now; the old people whose dream was realized and lost. This really breaks me up... an entire community temporarily gone. And, I pray that loss of life is minimal.

I pray for the safety and security of those who lost important things; trivial things; dreams achieved; and future dreams, big and small.

Don't get me wrong. It's not lost on me that I've had the freedom to dream and that not everyone shares that freedom.

Anyway, I now know what I would take from my house if I had 15 minutes... Nothing. As it turns out.

I thought we'd be back today.

So, back to the bigger points...

1. Dream your dream.
2. Get insurance.
3. Don't wait for old age to celebrate something really cool.
4. Dream more than one dream.
5. And, people matter way more than stuff.

I appreciate everyone who has reached out.

And yes, that collectible is gone too. The one you thought was cool. It's OK.

Jeremy P.  
member since 2020

*Read Jeremy's  
full story*

↓  
page 42

We measure our success not by how many claims we close, but by how many moments of relief we create.

later just to offer a hug. Another adjuster drove eight hours round-trip to support a couple navigating a complex claim, ensuring they felt informed and confident about their next steps.

In the field, our teams recovered safes, jewelry, heirlooms—even one member’s koi fish, because to him, they were beloved pets. These moments might seem small, but they represent what PURE means by love in action: being there, listening and bringing comfort in the midst of loss.

While the road to recovery for this type of loss is often a long one, and still ongoing for many of our members, we paid out

almost \$300 million within the first 24 days to help them begin rebuilding, replace what was lost and secure temporary housing. Our Chief Claims Officer, Derek Zahn, traveled to California within days of the fire and remained on the ground, working alongside the team until those initial payments were in members’ hands.

PURE’s membership model came to life in extraordinary ways. Thirty unaffected members offered their secondary homes to families who had lost theirs. Others reached out asking how they could help. That sense of shared humanity reminded all of us that PURE isn’t just an insurer—it’s a membership built on care and connection.

We often say *love your insurance*. In moments like this, love means empathy, intentionality and commitment. We measure our success not by how many claims we close, but by how many moments of relief we create. ♦

## Love Your Insurance



Over the past 20 years, and through tens of thousands of claims, PURE has worked hard to earn the love of our members and deliver on our commitment to be there for them. On average, 92% of members rate our claims response a 5 out of 5, and our Net Promoter Score is among the highest in our category. Among members impacted by the fires who responded to our claims survey, 97% rated our claims response a 5 out of 5. Behind those numbers are people—claims professionals, risk managers, service specialists—who act with empathy and urgency every day. The story of the Palisades Fire is one of many that show who they are, and who we aim to be for our members in the moments that test humanity most.

92%

of members rate our claims response a 5 out of 5, on average

97%

of members impacted by the fires rated our response a 5 out of 5

## Insurance Availability in California and PURE’s Response

One year after the devastating California wildfires, many high net worth homeowners are still struggling to find high-quality **ADMITTED INSURANCE**. This reality is understandably frustrating. A healthy and sustainable market should provide stability and choice, even in the face of increased catastrophe risk. For insurers to continue offering admitted coverage, rates must be able to adapt as risks and reinsurance costs change. When pricing cannot adjust gradually and transparently, capacity moves elsewhere. In California, that has meant more high net worth coverage shifting into the non-admitted market.

**NON-ADMITTED INSURANCE** plays an important role for unique situations and hard-to-place risks, but it is not the ideal fit for most homeowners. Admitted coverage offers stronger consumer protections, greater transparency and long-term stability. At PURE, we believe admitted coverage should be the foundation whenever possible, and we continue to lead with it in California.

PURE is committed to growing our admitted membership in the state and has been working with the California Department of Insurance to obtain the flexibility needed to do so responsibly.



Our goals are clear: preserve choice, stability and the level of service our members expect.

Our experience tells us that members and their families and friends in California want access to PURE and the industry-leading service we provide. We share that ambition and will continue working constructively with regulators and partners to expand availability at competitive pricing that reflects the risk of each individual home.

### Definitions

**ADMITTED INSURANCE** This coverage is intended for what carriers consider to be “standard” risks. Pricing and coverage are more uniform and highly regulated.

**NON-ADMITTED INSURANCE** Also known as “excess and surplus,” this coverage is less strictly regulated, allowing for greater flexibility on coverage and pricing. This coverage tends to be more common in higher-risk areas, or situations that may require a bespoke coverage solution.



RISK MANAGEMENT

# Preventing the Preventable

The most common homeowners losses are also the most preventable. Just over half of PURE’s homeowners claims stem from water and fire damage—risks that tend to develop quietly behind the scenes and escalate over time. And they are often preventable with foresight, technology and routine maintenance.

## Water Damage

### The Most Common and Preventable Loss

Water damage—such as that caused by burst or frozen pipes, plumbing failures, appliance or HVAC issues, or overflows from tubs and sinks—remains the leading non-catastrophe cause of loss for PURE members. That’s not because it is sudden or dramatic, but because it frequently goes unnoticed until the damage becomes widespread.

This is why our strongest recommendation is a whole-home water shut-off device. These systems can detect leaks early and stop water flow, often turning what could have been a major loss into a manageable repair.

Beyond having a water shut-off device installed, it is equally important to understand how to use it.



↑ Small leaks—especially those out of view—often go undetected until they cause widespread damage.

### Tips for Using Your Water Shut-Off Device

- 1 SET ALERTS AND RESPOND QUICKLY.** Make sure your device is connected to its mobile app and that alerts are enabled. If you receive a notification about unusual water flow, don’t ignore it. A quick response can prevent minor issues from becoming major problems.
- 2 MONITOR AND TEST THE SYSTEM** regularly. Keep an eye on your water usage patterns through the app. Unexpected readings, such as zero when your home is occupied, may signal a connectivity or device issue. While most systems perform self-checks, testing the shut-off function yourself by running the water long enough to trigger the system can help you ensure that it is functioning properly.
- 3 PUT THE SYSTEM IN “AWAY” MODE** when you travel. If your device offers an “away” or “vacation” setting, use it. Many systems can monitor for small, continuous flows when the home is unoccupied and catch issues that might otherwise go unnoticed for days or weeks.

The next best safeguard after a whole-home water shut-off device is a smart leak detection system. While they don’t offer the same level of protection as a water shut-off device, these systems can be less invasive and more cost-effective to install. They monitor the flow of water in your home and alert you to anything out of the ordinary, but they do not automatically shut off the water if an issue is detected.

PURE helps make both solutions more accessible through partnerships with industry leaders including FloLogic, LeakBot and Flume. Together, these programs have already uncovered thousands of leaks and helped members address small issues before they became costly disruptions.



Ting is a sensor and monitoring service, free to members, that helps detect electrical issues before they become fires.

More than  
**30K**

PURE member homes are protected by electrical monitoring, identifying hundreds of issues to date

## Fire Prevention

### Detecting Risk Before It Becomes Loss

Electrical fires are another significant, and often preventable, risk—particularly because many originate from systems that appear to be functioning normally. Through our partnership with Ting, more than 30,000 PURE-insured homes are protected by this monitoring service that identifies electrical hazards in the home. Beyond electrical issues, Ting also contains a temperature sensor and can send you low-temperature warnings to help prevent frozen and burst pipes. To date, more than 300 issues have been detected and addressed before they could escalate into serious fires.



Members can request a complimentary Ting device at [purein.com/ting](https://purein.com/ting).

# Loss Prevention That Goes Beyond the Home

### Caring for your collection with confidence **PURE Art Services**

From fine art and jewelry to wine and collectibles, PURE Art Services provides museum-level expertise to help members protect and preserve what they collect.



Learn more at [purein.com/pure-art-services](https://purein.com/pure-art-services).

### Protecting what matters most **Teen Driver Program**

Designed with member input and grounded in research, PURE's Teen Driver Program helps families build safer driving habits from the start by combining technology, education and hands-on experience.



Learn more at [purein.com/teen-drivers](https://purein.com/teen-drivers).

## What's Next

Ahead of the 2026 Atlantic hurricane season, PURE has launched a pilot program in Tampa, Florida, giving members access to secure, elevated parking before severe storms to better protect their vehicles. We are also piloting two programs that focus on proactive home management, with the goal of helping members address regular maintenance and other issues earlier, more conveniently and with less stress.

### Making Members Smarter About Risk

PURE was built on a simple idea: helping members understand and manage risk is the most effective path to long-term strength and sustainability, for individual households and for the membership as a whole.

Our loss prevention programs are where this philosophy becomes tangible. By investing to protect members' homes and daily lives, these efforts help reduce disruption, strengthen resilience and support PURE's long-term financial health. ♦

To learn more about the loss prevention programs available to you, visit [purein.com/loss-prevention](https://purein.com/loss-prevention).

# Meet Your Risk Management Team

**PURE Risk Managers are trusted advisors who work directly with members to help prevent loss before it happens.**



## Experienced

With backgrounds in construction, building systems and risk assessment, our risk managers are trusted advisors who spend each day visiting members' homes and looking for the kinds of issues that rarely make headlines, but often lead to claims.



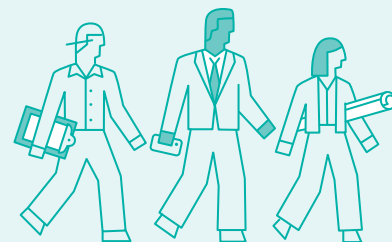
## Engaged

A typical visit includes a comprehensive PURE360 Risk Management Consultation®. During the visit, risk managers review key home details; evaluate systems such as plumbing, electrical and roofing; and look for early signs of wear, deferred maintenance or hidden risk.



## Diligent

Just as importantly, risk managers verify that coverage accurately reflects the realities of the home, so there are no surprises if something does go wrong.



### THE ADVANTAGES OF THE PURE360

The PURE360 Risk Management Consultation reflects our proactive approach to insurance. Visiting members' homes allows our team to build trusted relationships, verify key home details to support accurate coverage, identify maintenance issues before they become disruptive claims and provide tailored recommendations to reduce risk.

Homes that have received a PURE360 experience, on average,

**10%**  
fewer claims

### WHY THIS WORK MATTERS

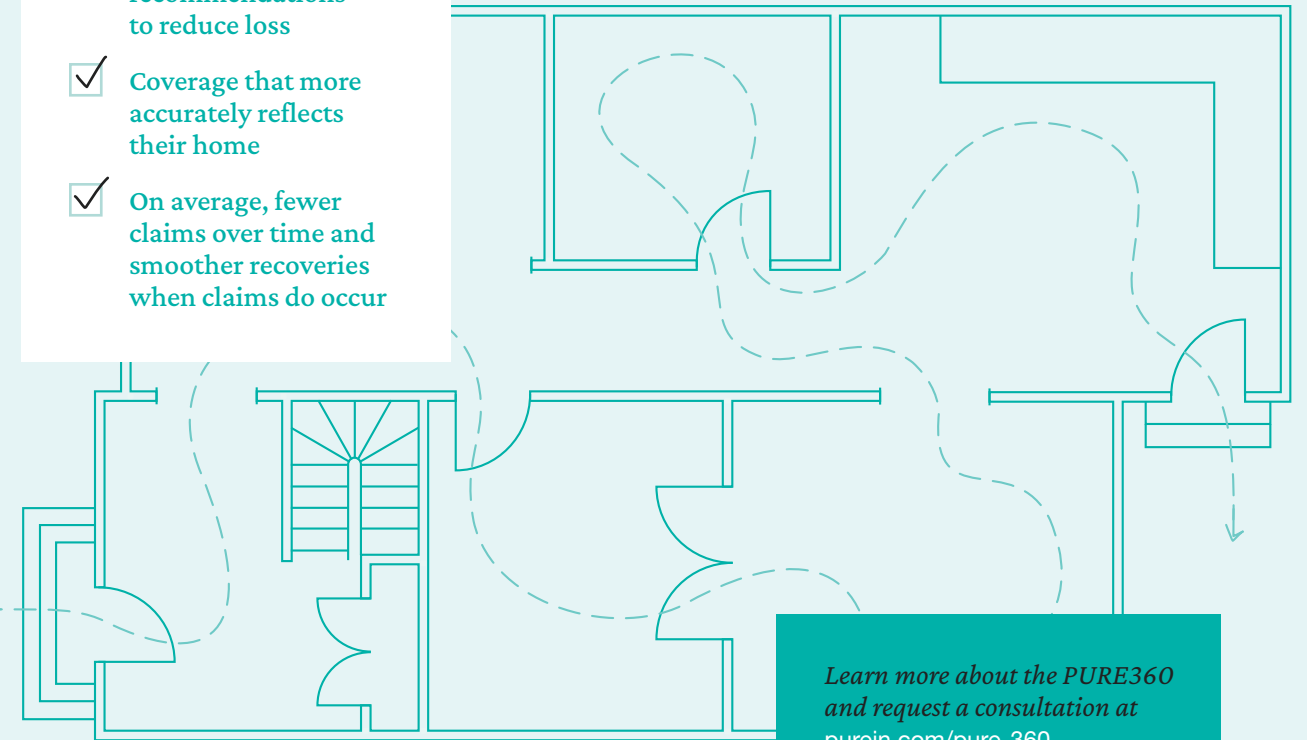
Across the membership, homes that have received a PURE360 experience nearly 10% fewer claims on average than those that have not yet been visited. The reason for the difference lies not in the quality of the homes themselves; it is in the visibility gained through an in-person review.

When risks are identified early, members can address small issues before they escalate. Coverage aligns more closely with actual exposure. If a loss does occur, claims tend to be smoother and less disruptive because the home has already been thoroughly understood.

Individually, a PURE360 might prevent a single water loss or fire. At scale, this work has a measurable impact. Each year, the PURE Risk Management team conducts thousands of PURE360 consultations, reaching nearly half of the membership over the past five years. The cumulative effect is a safer membership with less disruption. In addition, every loss prevented can help provide premium savings for the membership in the long run.

### What members gain from a PURE360

- ✓ Earlier identification of water, fire and maintenance-related risks
- ✓ Clear, tailored recommendations to reduce loss
- ✓ Coverage that more accurately reflects their home
- ✓ On average, fewer claims over time and smoother recoveries when claims do occur



Learn more about the PURE360 and request a consultation at [purein.com/pure-360](http://purein.com/pure-360).

# The Rising Risk of Cybercrime

Cybercrime continues to make headlines, with attacks growing more frequent and sophisticated. While cyber risk isn't new, the way it shows up in our everyday lives is changing.

## NEWS HEADLINES IN 2025

Nearly **5.6 million** people hit by massive data breach at credit check company

Vehicles Face **45% More Attacks, 4 Times More Hackers**

Connected Cars Drive into a Cybersecurity **Crisis**

**9 In 10** U.S. Teens Have Been Cyberbullied

LastPass Data Breach — **1.6 Million** Users Exposed By Security Failure

As the risk continues to change, we continue to adapt our coverage to meet it thoughtfully. Later this year, we will be launching several new protections as part of our cyber and fraud policy.

## COMING SOON

### Auto Cyber Attacks

Cars have become “computers on wheels.” Modern vehicles run on hundreds of millions of lines of code, controlling everything from steering and braking to collision avoidance and infotainment systems. As vehicles become more software-driven, cybersecurity is increasingly a safety issue and not just a technology concern.

Recent studies have uncovered vulnerabilities in connected vehicle systems that allowed remote unlocking, starting and even tracking of certain vehicles. As connectivity expands, so does the potential for unauthorized access—whether to disrupt functionality, disable systems, demand payment, steal the vehicle or access data and property stored inside.

While still an emerging threat, this risk is a natural byproduct of increased connectivity and software complexity.

Consumer sentiment reflects this reality. Fewer than one in five connected car drivers say they are very confident their vehicle is protected from cyber threats, and most express concern that an attack could compromise safety. For many, cybersecurity is becoming a factor in vehicle purchasing decisions.

→ PURE's cyber coverage can help pay to restore vehicle software corrupted by a cyber attack or unauthorized access and reimburse related costs, such as towing and alternative transportation, while repairs are completed.

### Cyberbullying

From group chats to social media, online spaces are central to how young people communicate, but they also carry real risk. Nearly nine in ten teenagers report experiencing cyberbullying, with effects

that can extend well beyond the screen. In serious cases, incidents may require counseling, legal guidance or even a change of school, creating emotional strain and unexpected costs.

→ If your child is affected by cyberbullying, PURE's cyber coverage can help reimburse expenses related to therapy, relocation or school enrollment, temporary private tutoring, online privacy protection and tools to help prevent further harassment.

In addition to these enhancements, our fraud and cyber coverage continues to protect against a broad range of risks—even some that other insurers are excluding.

## HERE TO STAY

### Widespread Cyber Attacks

Widespread cyber attacks continue to expose the personal data of millions of consumers each year, yet many policies now limit or exclude coverage for events that affect large numbers of policyholders. Individuals often learn months after the incident that their information was compromised, sometimes only after fraudulent charges, damaged credit or other misuse appears.

→ PURE's cyber coverage continues to provide reimbursement for widespread cyber attacks.<sup>1</sup>

### A Small Investment in Long-Term Protection

Today, only **43%** of members have fraud and cyber coverage, leaving more than half without protection for this growing risk. If you do not currently carry this coverage, we encourage you to speak with your broker to learn more. ♦

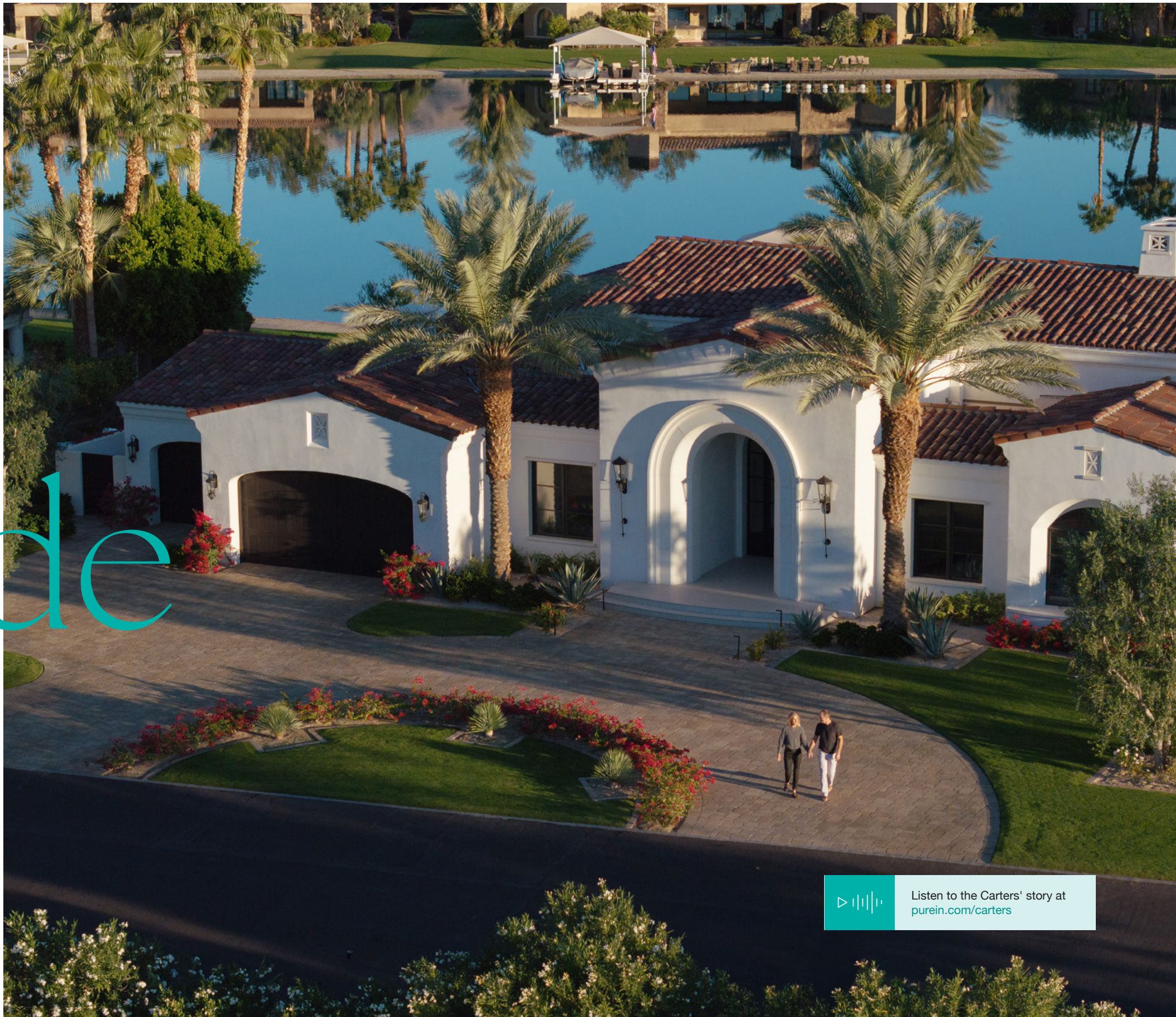
1. Coverage for widespread cyber attacks related to an act of war may be excluded. Refer to the policy language for the precise coverage offered.

only  
**43%**  
of members have fraud and cyber coverage

MEMBER STORY

*The Carters*

# Lakeside Living



Listen to the Carters' story at  
[purein.com/carters](https://purein.com/carters)



Jill and Berry Carter have been PURE members since 2019.

**JILL AND BERRY CARTER** met on the University of Texas water ski team. He was from Weslaco, Texas; she from Houston. Berry noticed her immediately. “She could do it all—slalom, tricks, jumps,” he remembers.

They spent hours on the same lake, sometimes in the same boat, but never quite aligned romantically. After graduation, Berry headed to Massachusetts for graduate school, then returned to Dallas to work for the Mavericks. Jill became a flight attendant and moved to Los Angeles.

Years later, at the wedding of two close friends, their paths crossed again. “It was like we saw each other for the first time,” Jill says. They married later that year.

They built a life in Dallas and raised three children—Cayman, Harrison and Payton. Berry eventually started his own business, and the family later moved to Newport Beach, drawn to the coast and its sense of community.

Berry founded S&B Filters, an auto parts manufacturer, and later launched Cold Creek Tubs, manufacturing cold plunge tubs—a nod to the family’s love for sports and activity. “All our kids are involved,” Jill says. “It’s busy, but it’s a good kind of busy.”

Though Newport Beach is home, the Carters found something special near Indio—a small, private lake tucked into the desert. “It’s like glass 24/7,” Berry says. They found a house that was, as Jill puts it, “turnkey fabulous.”

What sealed the deal wasn’t the décor or the view, it was what the place invited—a reason to gather, rooms filled with laughter and long days on the water with family.

*rooms filled with laughter*

Weekends and summers soon revolved around the lake house. The kids grew up tubing and water skiing. Now grandkids drive side-by-sides and tube behind the boat. “It’s heaven on earth,” Jill says.

Then, one night, that heaven caught fire.

Fourteen people were in the house when Payton smelled smoke. Jill assumed it was outside, but they called 911. When firefighters arrived, Berry met them in the driveway. “I told them, ‘I don’t think I have a fire.’ A firefighter opened the door and said, ‘You have a fire.’”

The blaze had traveled from the fireplace into the attic. Everyone escaped safely and gathered across the street, watching flames break through the roof. With no

streetlights, the fire lit up the night. “It was horrible to watch,” Jill says. “The worst day of my life.”

The next morning, they called PURE and spoke with adjuster Shawn Roessler. Her first questions were not about paperwork. “Is everyone okay? Do you need anything? I can get you a cash advance if you need it.”

From the very start of the claim, Shawn worked to create a meaningful relationship with the Carters, reassuring them and building a real sense of trust. “I let them know it was okay to be sad,” Shawn remembers. “I reassured them that what they were feeling was valid and that we would get through this so that they could get back to making memories in the house they love, with the people they love.”

The fire started in their gas fireplace when a decorative piece of steel overheated.



PURE insures both of the Carters’ homes. Their lake house near Indio, California, holds a special place in their hearts because it is where friends and family come together.





“Hopefully you never go through a devastating situation, but that’s when you quickly see how strong the coverage is and how committed PURE is to its members.”

Berry Carter  
member since 2019

The house had to be taken down to the studs. Shawn found them a rental on the same lake and managed the claim with speed and clarity. But what Jill remembers most is a hug. “I started crying,” she says. “Shawn hugged me and said, ‘Don’t worry. We’ll take care of it.’”

“My message to other PURE members,” Berry says, “is that while your policy explains what’s covered, you don’t truly appreciate its value until it’s put into action. Hopefully you never go through a devastating situation, but that’s when you quickly see how strong the coverage is and how committed PURE is to its members.”

More than a year later, the house is completely restored—new walls, same view. The fire changed Jill and Berry. Gratitude now threads through everything. “It deepened our faith,” Jill says. “It reminded us of what matters most.”

The lake house was never just a house. And what mattered most was never lost. ♦



The Carters’ home is now completely restored, and they are back to making memories there with their family and friends.





# Twice-Built, Loved Endlessly

MEMBER STORY

*The Olins*



Listen to the Olins' story at  
[purein.com/olins](https://purein.com/olins)



**T**HE OLINS FELL IN LOVE with their house twice. The first time was when they built it—a grand interpretation of the European châteaux and villas they’d encountered on their travels through France and Italy. The second came years later, after a fire and a long year of restoration reminded them just how much it meant to them. “It was a labor of love,” Ron says. “And worth every bit of it.”

Sandy and Ron Olin have been PURE members since 2011. →

Ron and Sandy both grew up in Houston. Ron studied engineering at Rice and worked on computing systems for NASA’s Apollo program. Sandy modeled for Houston department stores before studying journalism. Engaged on Labor Day and married by Christmas, they quickly built a life shaped by curiosity and travel.



*worldly,  
warm &  
unmistakably  
theirs* →

In the early 1990s, a road trip through western North Carolina introduced them to Biltmore Forest. “We fell in love with it immediately,” Ron says. They built their first home there, then a decade later decided to build again—this time a house influenced by the places that had shaped their taste in France and Italy.

They hired architect Ed White—“a gifted guy in torn jeans,” Sandy says—to translate those impressions into a home. They didn’t want a replica, just the gravitas of the Old World with modern clarity and function. The palette became limestone from Lecce, carved wood and hand-built cabinetry. When the house was finished in 2006, it felt complete: worldly, warm and unmistakably theirs.



Left: The Olins’ custom bar, one of the home’s most intricate rooms, had to be fully restored.

Bottom: The fire started after the built-in outdoor grill was accidentally left on.



Eighteen years later, an ordinary evening at home took an unexpected turn.

Their built-in grill sits in a limestone alcove just off the family room, a space they had used without issue for years. That night, sometime after they went to bed, a fire began.

Around 3:30 a.m., the alarms sounded. Ron went downstairs and saw smoke pooling near the ceiling, then flames along the wall beside the fireplace. Heat had already penetrated the limestone, igniting the studs and trusses beyond. The fire was inside the walls.

Police arrived within minutes, followed by fire engines. The firefighters contained it quickly. “We were lucky,” Ron says. “Very lucky.”

By morning, the damage was clear. Ron called his insurance broker, and within hours, PURE was on scene. Soon after, PURE’s Large Loss Claims Adjuster, Julie Ivy, took charge of the claim.



The damage done was more than a scorched corner. Structural elements were compromised, and smoke and water had reached far beyond the flames. Only four weeks into the project, Hurricane Helene swept through Asheville, triggering a second claim. Julie managed both. “With a home like this,” she says, “you have to treat it like a restoration, not a repair.”

Julie’s first major responsibility was to assess the severity of damage and the expertise needed to restore the Olins’ home. She consulted with several experts

for the Olins to consider, and they ultimately chose Marvin Spruill of Off Duty Fireman Construction.

Marvin became the steady center of the rebuild. His team carefully protected undamaged rooms, coordinated specialty trades and kept the project moving—even after the storm knocked out power for a month. He even offered to swap homes with the Olins during construction, to give them a safe and functioning place to live while staying close to the project. They respectfully declined.

Thirteen months later, the house was whole again. The limestone, plaster and proportions were restored. The bar—one of the most intricate rooms in the house—was rebuilt perfectly. The trusses were stronger than before. “We couldn’t be happier,” Sandy says.

What have they learned from all this? Sandy smiles. “Don’t ever build another house.” Ron added. “We were fortunate in a lot of ways, especially in how it was handled.”

It took a year to put everything right again—the stonework, the bar, the quiet symmetry they’d imagined and created. Shaped not just by travel and taste but by trial, the house now feels even more theirs than before—loved once for what it was and again for what it endured. ♦



The Olins’ home is shaped by their travels and time spent in France and Italy.

“With a home like this, you have to treat it like a restoration, not a repair.”

Julie Ivy  
Large Loss Claims Adjuster



# Beyond the Collection

MEMBER STORY

*Jeremy Padawer*

42



Listen to Jeremy's story at  
[purein.com/padawer](https://purein.com/padawer)



**JEREMY PADAWER HAS SPENT** a lifetime collecting. By age five, he was haggling for Indian Head pennies and baseball cards at flea markets. The instinct didn't fade as he grew up—it evolved, eventually carrying him into a career shaping some of the world's most recognizable toys.



Bren and Jeremy Padawer have been PURE members since 2020.



Jeremy moved frequently throughout the South as a child. His father's work required regular relocation. By thirteen, he had lived in eight different states. The constant change made him adaptable and pragmatic. The collecting became his through line.

His older brother introduced him to garage sales and flea markets, teaching him to slow down and notice what others overlooked. Over time, Jeremy developed an eye for condition, rarity and provenance. He learned that objects carry stories and that stories carry value.

By high school, collecting was second nature: baseball cards, coins, stamps, historical newspapers. His approach became increasingly organized and intentional.

"I was always very transactional," Jeremy says. "But I was also passionate about what I was collecting." The two instincts followed him into adulthood.

In the mid-1990s, Jeremy built websites devoted to collectibles and, in the process, began securing domain names. One later sold for \$500,000—a transformative sum for the then-25-year-old that paid for his education.



After studying psychology, business and law and earning an MBA from Vanderbilt, Jeremy entered the toy industry. He helped build major entertainment brands and then went on to co-found Wicked Cool Toys, which became the global master toy licensee for Pokémon and developed Squishmallows—the plush toy that exploded into a cultural phenomenon.

The company’s rapid growth led to its acquisition, prompting Jeremy and his family to relocate to Pacific Palisades. The neighborhood felt established. With streets lined with homes from nearly every decade of the last century, it was the kind of place that suggested permanence. Wildfires weren’t part of the local story.

So, when smoke crested the hills above the Palisades, Jeremy didn’t panic. His primary concern was theft—the opportunistic kind that sometimes follows evacuations. He moved through the house methodically, documenting everything in photos and video.

When it was time to leave, the family didn’t take much, assuming they would return in a day or two. They didn’t.

His younger daughter grabbed her childhood lovey and Jeremy took a small



stack of LeBron James rookie cards—the only piece of his collection he carried out—and a book of handwritten letters he had held on to for decades. Writing to people he admired had been a pastime of his, even as a child. He would send notes to figures such as Mother Teresa, Fred Rogers, Colin Powell and Ruth Bader Ginsburg, asking for their definition of success. The book contained their personal responses.

Since childhood, Jeremy has written to people he admires asking about their definition of success and kept a record of their responses.

## How to Safeguard Your Collection

**1 KEEP DETAILED DIGITAL DOCUMENTATION.** Maintain a cloud-based digital inventory of your collection. Include photographs, provenance and detailed descriptions of each item. Work with a qualified appraiser to update values every few years. This helps ensure your coverage is accurate and makes recovery more manageable if you experience a loss.

**2 HAVE AN EMERGENCY RESPONSE PLAN.** Your plan should be specific to your collections and put into action once human safety has been prioritized. Include pre-event preparedness measures; a priority list of items for removal during evacuation, if time allows; and instructions for handlers and conservators.

**3 USE A SAFE TO PROTECT SMALLER, HIGH-VALUE ITEMS.** Jewelry and select collectibles should be stored in a safe with UL Class 350 (1–2 hour) fire and TL-30 burglary ratings. Safes should be professionally installed, anchored to the home’s structure and placed in a discreet location.

For additional collections advice, reach out to the PURE Art Services team at [artservices@pureinsurance.com](mailto:artservices@pureinsurance.com). For insights on wildfire protection for your home, email [lossprevention@pureinsurance.com](mailto:lossprevention@pureinsurance.com).



When the fire came down from the hills, it took everything. Not only was their home gone, the entire neighborhood was gone. The fireproof safe he had trusted to protect the most important items failed completely. Papers, cards, personal records and decades of collecting were reduced to ash.

Years earlier, Jeremy had made a deliberate decision about insurance—prioritizing protection and partnership. When the fire came, that decision mattered.

The PURE adjuster assigned to their claim contacted him directly and began walking through next steps, calmly and

methodically. “I didn’t have to chase anyone,” Jeremy says. “They were already there, already working through it.”

PURE worked through the claim piece by piece, setting a steady pace and keeping the focus on what could be done next. Jeremy’s meticulous documentation of his collections was invaluable.

“It was calm,” he says. “It was clear. There was a sense that things were under control.” The financial impact, while significant, was manageable because the coverage was built for a moment like this.

What weighs on Jeremy most now is not the structure of the house or even the collection itself. It is the community—the school, the library, the grocery store, the neighbors who did everything right and still lost it all. The family chose to stay and rebuild in Pacific Palisades, not from inertia but commitment.

“We believe in the Palisades. We love it here, and we want to contribute to rebuilding it,” he says. “And as for me, I will continue collecting.”

For years, Jeremy had imagined one final chapter to his collecting: a late-in-life auction celebrating the rare and one-of-a-kind pieces he had spent decades curating. That dream is gone. He will mourn it, but he does not mistake it for what matters most.

“I don’t need it to happen... I’ve been incredibly blessed with other dreams that more than make up for the loss of this one.” Jeremy says. “That includes a wife, kids, family, friends, pets, experiences, colleagues and business in a category that I absolutely adore—toys and collectibles.”

And after all, what matters most about collecting is not what can be counted or cataloged. It’s the habit of attention that made those things meaningful in the first place—and that has survived the fire intact. ♦

“It was calm. It was clear. There was a sense that things were under control.”

Jeremy Padawer  
member since 2020, on working with a PURE adjuster



Bren and Jeremy chose to stay in Pacific Palisades, to rebuild both their home and the community that they love.





FINANCIALS

# The Numbers

50

# 120K

responsible homeowners now make up our membership

*the largest allocation in our history* →

**THE LAST FEW YEARS** have not been easy for our industry. Severe weather, inflation, a more complex liability environment, higher reinsurance costs—all of it tested insurers across the country.

In response, we made difficult decisions to ensure your insurance company remained strong. We tightened underwriting standards, reduced expenses and adjusted rates where needed.

Those actions led to measurable improvement over the past couple of years, positioning PURE to enter 2026 from a place of stability and focused more than ever on our mission of creating an exceptional member experience.

## The Membership

We welcomed more than 11,000 new members in 2025, growing PURE to more than 120,000 responsible, successful individuals and families across the U.S. and Canada. Retention remains strong among our most responsible members, with more than 95% of members choosing to stay with PURE.

## Financial Strength

We maintained our A (Excellent) rating from AM Best, reflecting our continued financial strength. Surplus and total assets reached all-time highs. Direct written premiums grew steadily, underwriting performance improved and operating results strengthened, resulting in a net combined ratio of 98.8% in a year with our largest-ever catastrophe loss—a disciplined outcome for a member-owned insurer.

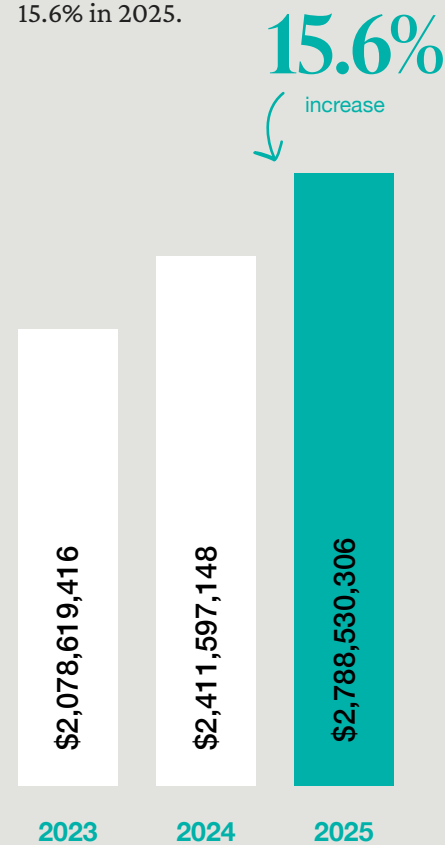
That strong result enables something unique to PURE's reciprocal structure. This year, we will allocate \$50 million back to the membership through Subscriber Savings Accounts—the largest allocation in our history and our first in five years. It's a clear example of how our model works: when results warrant it, surplus growth is shared with the membership.

*All financials set forth in this section relate to PURE only and exclude business associated with non-admitted product writings.*

# Financial Strength

## Direct Written Premium

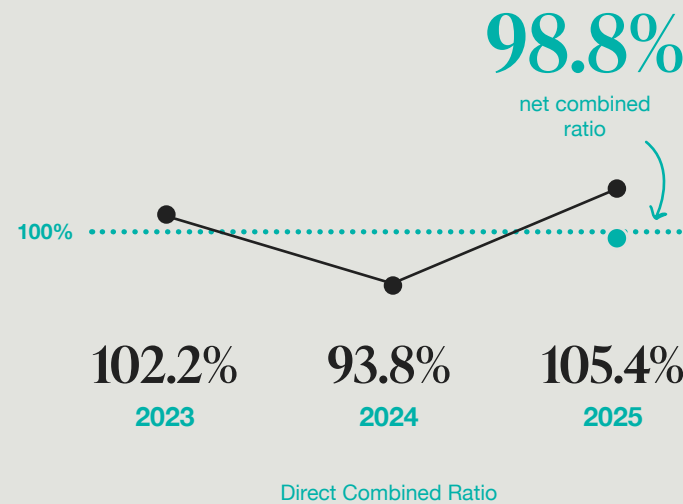
Direct written premiums increased by 15.6% in 2025.



## PURE's Combined Ratios

In 2025, PURE's **DIRECT COMBINED RATIO** was 105.4%, higher than the previous two years as a result of losses from the Palisades wildfire last January.

After the benefit of our pooling agreement and reinsurance protection, which covered a significant portion of the wildfire losses, PURE's **NET COMBINED RATIO** was 98.8%.



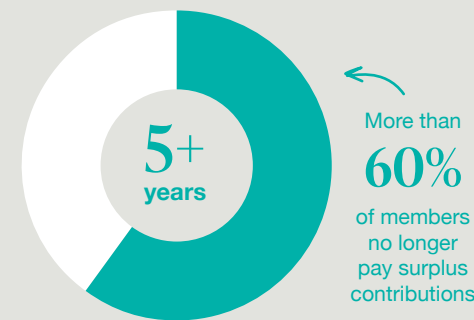
## Impact of Surplus Contributions

In 2025, members made \$83.3 million in **SURPLUS CONTRIBUTIONS**.

### FIFTH RENEWAL BENEFIT

Members who have reached their fifth renewal no longer make surplus contributions. In 2025, more than 9,000 members who joined PURE in 2020 passed this milestone.

Today, over 60% of members have been with us for five years or more and are no longer making surplus contributions.



## Policyholder Surplus

PURE's **POLICYHOLDER SURPLUS** grew by \$171.1 million in 2025. The increase reflects improved underwriting results, members' surplus contributions, favorable investment income and the issuance of a \$50 million surplus note to Tokio Marine.

2023

\$660,985,763

2024

\$814,617,501

2025

\$985,786,485

## Definitions →

**DIRECT COMBINED RATIO** measures losses and expenses against premiums to help evaluate underwriting results, without factoring in reinsurance.

**NET COMBINED RATIO** measures losses and expenses, including reinsurance, against premiums to help evaluate underwriting results. A combined ratio of less than 100% typically means an insurer is collecting more in premiums than it pays out in claims and expenses, resulting in an underwriting profit.

**SURPLUS CONTRIBUTIONS** are paid by members in addition to premium for each of their first five years of membership. These funds go directly to build PURE's balance sheet, which reduces its cost of capital, helping lower the cost of insurance over the long run.

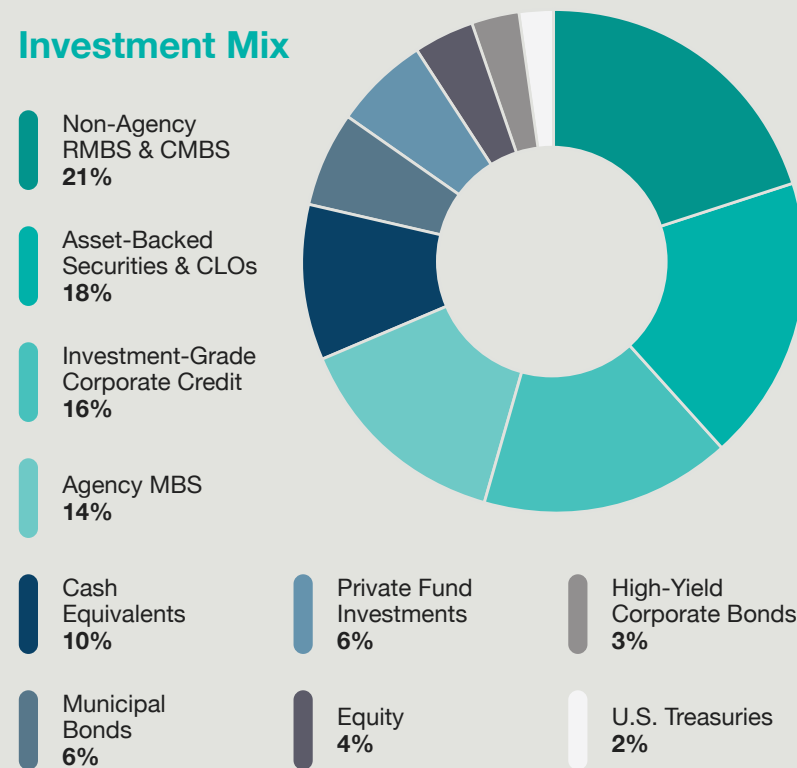
**POLICYHOLDER SURPLUS** represents funds that allow an insurer to meet all its obligations beyond premium, reserves and reinsurance.

# Investments

In 2025, PURE's cash and invested assets increased by \$291 million, driven by strong operating cash flow, solid investment income and disciplined capital deployment. Growth in the reciprocal enabled thoughtful allocation across a diversified portfolio, with selective exposures to private assets.

As interest rates declined during the year following three Fed rate cuts, the portfolio's book yield decreased modestly from 5.6% to 5.4%, reflecting lower reinvestment rates and our continued emphasis on capital preservation and liquidity. We remain focused on prudent risk management and long-term stewardship of capital to support the strength of PURE's insurance operations.

## Investment Mix



## Total Cash and Invested Assets



# Balance Sheet

Dollars in thousands.

PURE	2025	2024	CHANGE	VARIANCE
Cash & Invested Assets	\$2,107,656	\$1,816,619	\$291,037	16%
Net Accounts Receivable	\$783,224	\$705,235	\$77,989	11%
Other Assets	\$18,589	\$13,936	\$4,653	33%
<b>Total Assets</b>	<b>\$2,909,469</b>	<b>\$2,535,790</b>	<b>\$373,679</b>	<b>15%</b>
Unpaid Losses & LAE	\$750,018	\$668,224	\$81,794	12%
Accounts Payable & Accrued Expenses	\$11,576	\$58,142	(\$46,566)	(80%)
Unearned Premiums	\$623,811	\$541,690	\$82,121	15%
Reinsurance Payable	\$289,175	\$227,868	\$61,307	27%
Other Liabilities	\$249,102	\$225,248	\$23,854	11%
<b>Total Liabilities</b>	<b>\$1,923,682</b>	<b>\$1,721,172</b>	<b>\$202,510</b>	<b>12%</b>
Surplus Notes	\$807,000	\$757,000	\$50,000	7%
Member Surplus Contributions	\$620,529	\$537,272	\$83,257	15%
Subscriber Savings Accounts	\$80,249	\$84,499	(\$4,250)	(5%)
Unassigned Surplus & Other	(\$521,991)	(\$564,153)	\$42,162	(7%)
<b>Surplus as Regards to Policyholders</b>	<b>\$985,787</b>	<b>\$814,618</b>	<b>\$171,169</b>	<b>21%</b>

# Executive Team



**Martin Leitch**  
Chief Executive Officer



**Dave Logan**  
President



**Jeff Paraschac**  
Co-Founder & Chief Financial Officer



**Katherine Richardson**  
Chief Human Resources Officer



**Mark Galante**  
Chief Growth Officer



**Lindsay Holden**  
Head of Distribution & Sales



**Katie Krum**  
Chief Marketing Officer



**Dea Malollari**  
Chief Risk Officer & Chief Actuary



**Jason Metzger**  
Head of Risk Management



**Kirk Raslowsky**  
General Counsel



**Drew Saad**  
Chief Underwriting Officer



**Matt Schreiber**  
Head of Business Transformation



**Chris Sevdalis**  
Head of Canada Branch



**Kristen Vicino**  
Head of Service



**Derek Zahn**  
Chief Claims Officer

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**Anne Marie Stonich**  
Chief Wealth Strategist, Coldstream Wealth Management

### ATTORNEY-IN-FACT

**PURE Risk Management, LLC**  
(a wholly owned subsidiary of Privilege Underwriters, Inc.)

### AUDITOR

PwC | New York, NY

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Vice President Director, Co-Head of International Business,  
Tokio Marine Holdings, Inc.



## Locations

### UNITED STATES

**ARIZONA**  
Scottsdale, AZ

**CALIFORNIA**  
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**ILLINOIS**  
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**MINNESOTA**  
Bloomington, MN

**NEW JERSEY**  
Warren, NJ

**NEW YORK**  
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