

Nationwide Property and Casualty Insurance Company Explanatory Memorandum

We respectfully submit the enclosed rate and rule filing for review and approval on behalf of Nationwide Property and Casualty Insurance Company. With this filing, Nationwide Mutual Insurance Company proposes to transfer all personal residential property policies in Florida to an affiliated entity, Nationwide Property and Casualty Insurance Company.

To minimize disruption to policyholders, individual policy-level impacts will be capped at +/-10% for Homeowner, Tenant, and Condominium policies. The attached capped and uncapped histograms illustrate these policy-level impacts. This filing is submitted on a Use and File basis, with a proposed effective date of September 7, 2026, for new business and January 13, 2027, for renewal business.

In connection with this filing, the following coverage updates are also proposed for Nationwide Property and Casualty Insurance Company:

Deductibles

To reduce policyholder disruption during the transition, existing policyholders with a \$250 deductible will be grandfathered rather than transitioned to a new deductible option. Accordingly, we are proposing to introduce a \$250 deductible option, with factors consistent with those currently in place for Nationwide Mutual Insurance Company.

Earthquake (EQ) Deductible

Similarly, to minimize disruption, policyholders with a 2% earthquake deductible will be grandfathered. We propose to add a 2% earthquake deductible option, with factors aligned to those currently used by Nationwide Mutual Insurance Company.

Earthquake Loss Assessment Coverage

We propose that, for policyholders who carry Earthquake and Volcanic Eruption Coverage and Loss Assessment coverage but do not currently have Earthquake Loss Assessment coverage, such coverage will be added automatically with a \$1,000 limit at no additional premium. This change will apply to both Nationwide Mutual Insurance Company policyholders transitioning to Nationwide Property and Casualty Insurance Company and to existing Nationwide Property and Casualty Insurance Company policyholders meeting these criteria. Any future increases in the coverage limit above \$1,000 will be subject to standard coverage change rules.

Additionally, the rule manual for the Nationwide Mutual Insurance Company has been updated to reflect that renewal business will be transferred to Nationwide Property and Casualty Insurance Company. As this program will no longer write new business and is transitioning all renewal business, the Company intends to file for withdrawal of its rate and rule manuals with the OIR following the transfer of the final policy. The projected completion date of this transfer is January 13, 2028.

Please contact me at (614) 249-5803 with any questions. I may also be reached by email at madanz1@nationwide.com.

Additionally, you may contact our Actuarial Manager, Chas Cullen, at (614) 677-6215 or via email at cullenc@nationwide.com.

Sincerely,
Zeenia Sahai
Actuarial Consultant