MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR SCOTT AS CHAIRMAN
CHIEF FINANCIAL OFFICER ATWATER AS TREASURER
ATTORNEY GENERAL BONDI AS SECRETARY

JANUARY 23, 2013

To View Agenda Items, Click on the Following Link:
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AGENDA

ITEM 1. Request approval of the minutes of the October 23, 2012 meeting.

(See Attachment 1A)

ACTION REQUIRED

ITEM 2. Request approval of a fiscal determination of an amount not exceeding $525,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2013 Phase One (Multiple Series to be Determined).

(See Attachment 2A)

ACTION REQUIRED

ITEM 3. Request approval of a fiscal determination of an amount not exceeding $4,280,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (Series to be Designated) (Sunrise Place Apartments).

(See Attachment 3A)

ACTION REQUIRED

ITEM 4. Request approval of, and authority to file, a Notice of proposed rule for Rules 19-8.029, F.A.C., Insurer Reporting Requirements And 19-8.030, F.A.C., Insurer Responsibilities, and to file these rules, along with the incorporated forms, for adoption if no member of the public timely requests a rule hearing.

See Jack Nicholson's memo detailing Items 4, 5, and 6 – **Attachment 4**.

(See Attachments 4A through 4K)

ACTION REQUIRED

ITEM 5. Request appointment of Chair for the Florida Commission on Hurricane Loss Projection Methodology. Each year, the SBA is required by Section 627.0628(2)(d), F.S. to appoint a Commission member to serve as Chair. During a regularly scheduled meeting on December 17, 2012, the Commission voted to recommend to the Trustees that Dr. Lorilee Medders, Statistics Expert, Florida State University College of Business, be appointed to serve as Chair.

A copy of Dr. Medders' biography and a list of all Commission members are provided.

(See Attachments 5A and 5B)

ACTION REQUIRED

ITEM 6. Request the adoption of a Resolution to expand the Florida Hurricane Catastrophe Fund's (Fund) liquidity program and to help reduce potential post-event market access risk. This Resolution requests the Florida Hurricane Catastrophe Fund Finance Corporation to implement a pre-event financing program in an amount not exceeding $2,000,000,000 for the benefit of the Fund to maximize the ability of the Fund to meet future obligations.

(See Attachments 6A through 6F)

ACTION REQUIRED

ITEM 7. Request approval of a fiscal sufficiency of an amount not exceeding $15,600,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Bonds, Series 2013A.

(See Attachment 7A)

ACTION REQUIRED

T H E C A B I N E T

S T A T E O F F L O R I D A

Representing:

DIVISION OF BOND FINANCE
STATE BOARD OF ADMINISTRATION
LAND MANAGEMENT PRESENTATION
DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES
FLORIDA DEPARTMENT OF LAW ENFORCEMENT

The above agencies came to be heard before THE FLORIDA CABINET, the Honorable Governor Scott presiding, in the Cabinet Meeting Room, LL-03, The Capitol, Tallahassee, Florida, on Tuesday, October 23, 2012, commencing at approximately 9:08 a.m.

Reported by:

MARY ALLEN NEEL
Registered Professional Reporter
Florida Professional Reporter
Notary Public

ACCURATE STENOTYPE REPORTERS, INC.
2894 REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
850.878.2221

APPEARANCES:

Representing the Florida Cabinet:

RICK SCOTT
Governor

PAM BONDI
Attorney General

JEFF ATWATER
Chief Financial Officer

ADAM PUTNAM
Commissioner of Agriculture

* * *

I N D E X

DIVISION OF BOND FINANCE
(Presented by BEN WATKINS)

ITEM	ACTION	PAGE
1	No Action	11
2	Approved	12

STATE BOARD OF ADMINISTRATION
(Presented by ASH WILLIAMS)

ITEM	ACTION	PAGE
1	Approved	13
2	Approved	14
3	Approved	15
4	Approved	16

LAND MANAGEMENT PRESENTATION
(Presented by AL DOUGHERTY)

ITEM	ACTION	PAGE
1	No Action	17

DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES
(Presented by JULIE JONES)

ITEM	ACTION	PAGE
1	Accepted	70
2	Withdrawn	71
3	Accepted	76

FLORIDA DEPARTMENT OF LAW ENFORCEMENT
(Presented by JERRY BAILEY)

ITEM	ACTION	PAGE
1	Approved	77
2	Approved	83
3	Approved	83

CERTIFICATE OF REPORTER 85

1 GOVERNOR SCOTT: Okay. Now I would like to
2 recognize Executive Director Ash Williams of the
3 State Board of Administration. Good morning, Ash.
4 MR. WILLIAMS: Good morning. Good morning,
5 Governor and Trustees.
6 As usual, I would like to give you an update
7 on where we are in the Fund calendar year-to-date.
8 Through the close on the 19th, the Florida
9 Retirement System Trust Fund stands at
10 11.37 percent return for the year. That's 105
11 basis points ahead of target. And the balance was
12 $127.6 billion.
13 Item 1, request approval of a fiscal
14 sufficiency of an amount not exceeding $21 million
15 State of Florida, Board of Governors, Florida State
16 University Research Foundation revenue refunding
17 bonds.
18 GOVERNOR SCOTT: Is there a motion to approve?
19 ATTORNEY GENERAL BONDI: Move to approve.
20 GOVERNOR SCOTT: Is there a second?
21 CFO ATWATER: Second.
22 GOVERNOR SCOTT: Any objections or comments?
23 Hearing none, the motion is approved.
24 MR. WILLIAMS: Thank you. Item 2, request
25 approval of a fiscal determination of an amount not

1 exceeding $7.25 million Florida Housing Finance
2 Corporation multifamily mortgage revenue refunding
3 bonds.
4 GOVERNOR SCOTT: All right. Is there a motion
5 to approve?
6 ATTORNEY GENERAL BONDI: Move to approve.
7 GOVERNOR SCOTT: Is there a second?
8 CFO ATWATER: Second.
9 GOVERNOR SCOTT: Any objections or comments?
10 Hearing none, the motion is approved.
11 MR. WILLIAMS: Thank you. Item 3, request
12 approval to a file a notice for proposed amendments
13 to Rule Chapters 19-11 and 19-13 pertaining to the
14 Florida Retirement System Investment Plan, and to
15 file for adoption if no member of the public
16 requests a rule hearing related to these rules.
17 The substantive portion of this request
18 relates to rules that would respond to the IRS's
19 approval of the tax-exempt status of the Investment
20 Plan. There are certain areas of the rule that
21 they asked for clarification, and this provides the
22 remainder of purely technical and clarifying
23 changes.
24 GOVERNOR SCOTT: All right. Is there a motion
25 to approve?

1 ATTORNEY GENERAL BONDI: Move to approve.
2 GOVERNOR SCOTT: Is there a second?
3 CFO ATWATER: Second.
4 GOVERNOR SCOTT: Any objections or comments?
5 Hearing none, the motion is approved.
6 MR. WILLIAMS: Thank you. Item 4 is the
7 statutorily required annual reaffirmation of the
8 executive director.
9 GOVERNOR SCOTT: This is a hard one.
10 MR. WILLIAMS: Pardon me?
11 GOVERNOR SCOTT: This one is a hard one;
12 right?
13 MR. WILLIAMS: I think it should be
14 straightforward, sir.
15 GOVERNOR SCOTT: You hope so, right?
16 MR. WILLIAMS: Yes, I do.
17 GOVERNOR SCOTT: So is there a motion to
18 reaffirm Ash Williams as the executive director of
19 the SBA?
20 ATTORNEY GENERAL BONDI: So moved.
21 GOVERNOR SCOTT: Is there a second?
22 CFO ATWATER: Eh, second.
23 GOVERNOR SCOTT: Do you have any objections or
24 comments?
25 Ash, I just want to thank you for your hard

1 work. I think all of us would say the same thing.
2 We appreciate your hard work. We appreciate your
3 transparency. We appreciate your giving us all the
4 information we wanted, so we're very appreciative.
5 MR. WILLIAMS: It's a honor and a pleasure.
6 Thank you very much.
7 ATTORNEY GENERAL BONDI: Thank you, Ash.
8 GOVERNOR SCOTT: Hearing none, the
9 reaffirmation is approved. Congratulations, Ash.
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STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: January 10, 2013

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING $525,000,000 FLORIDA HOUSING FINANCE CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS, 2013 PHASE ONE (MULTIPLE SERIES TO BE DETERMINED):

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding $525,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2013 Phase One (multiple series to be determined) (the "Bonds") to be used to fund below market rate mortgages for low, moderate or middle income homebuyers and may provide funds to refund outstanding series of Homeowner Mortgage Revenue Bonds that originally funded below market rate mortgages for low, moderate or middle income homebuyers.

The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING $525,000,000 FLORIDA HOUSING FINANCE CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS, 2013 PHASE ONE (MULTIPLE SERIES TO BE DETERMINED)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding $525,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2013 Phase One (multiple series to be determined) (the "Bonds") to be used to fund below market rate mortgages for low, moderate or middle income homebuyers and may provide funds to refund outstanding series of Homeowner Mortgage Revenue Bonds that originally funded below market rate mortgages for low, moderate or middle income homebuyers; and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and;

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that in connection with the issuance of the Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2013 Phase One (multiple series to be determined), in an amount not exceeding $525,000,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED January 23, 2013

we make housing affordable™
Florida Housing
Finance Corporation

227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301
850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

January 10, 2013

Mr. Ash Williams
Executive Director/Chief Investment Officer
State Board of Administration
P.O. Box 13300
Tallahassee, Florida 32317-3300

Subject: $525,000,000 Florida Housing Finance Corporation, Homeowner Mortgage Revenue Bonds (2013 Phase One Bonds)

Dear Mr. Williams:

On November 21, 2012, the stand alone cash flow analyses for the approval of fiscal determination on Florida Housing Finance Corporation's 2013 Phase One Bonds, as required by state statute, were submitted to the State Board of Administration (the "SBA"). The analyses include coverage ratios for stand-alone issuance assuming:

(A) an economic refunding in the amount of $217 million, the proceeds of which will be used to redeem high coupon outstanding bonds that are currently subject to optional redemption and new money bonds in the amount of the $308 million, the proceeds of which will be used to originate new mortgage loans that are pooled into mortgage backed securities ("MBS"), and

(B) new money bonds in the amount of $525 million of bonds, the proceeds of which will be used to originate new mortgage loans that are pooled into MBS.

Florida Housing may issue the bonds in its 1995 master indenture, the New Issue Bond Program (NIBP) master indenture or a newly created master indenture. Per the request of your staff on November 29, 2012, we submitted a supplement to the fiscal determination submission to include master indenture coverage ratios assuming:

(i) the refunding bonds and new money bonds described in clause (A) above are issued in the NIBP master indenture,

(ii) the new money bonds described in clause (B) above are issued in the NIBP master indenture, and

(iii) the new money bonds described in clause (B) above are issued in the 1995 master indenture.

Rick Scott, Governor

Board of Directors: Leonard Tylka, Chairmon • Ken Reecy, Florida Department of Economic Opportunity
Marilyn L. Carl • Mary L. Demetree • Lynn Hanfman • Clifford Hardy • Natacha Munilla • Jose "Joe" Sanchez • Bernard "Borney" Smith

Executive Director: Stephen P. Auger

Only new money bonds used to create MBS will be issued under the 1995 Indenture. No refunding bonds will be issued under the 1995 Indenture. As indicated by the coverage ratio summaries, the receipts to expense ratio will be over 100% at 0% FHA prepayment speed in each of the three scenarios listed above.

Please include this submission for the January 23, 2013 Cabinet meeting.

Sincerely,

Barbara E. Goltz
Chief Financial Officer

cc: Anthony Doheny
Lamar Turner
John Benneis

Rick Scott, Governor

Board of Directors: Leonard Tylko, Chairman • Ken Reecy, Florido Deportment of Economic Opportunity
Marilyn L. Carl • Mary L. Demetree • Lynn Hanfman • Clifford Hardy • Natacha Munilla • Jose "Joe" Sanchez • Bernard "Barney" Smith

Executive Director: Stephen P. Auger

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds (Special Program)
2013 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage (Refunding and New Money)
Semi-Annual Breakout
0% FHA

	Cash Receipts				
	Section F - Page 2 "Cashflow Summary"	Section F - Page 2 "Cashflow Summary"		Section I - Page 2 "Debt Service Schedule"	
Period	Gross Revenues (Scheduled Receipts)	General Fund Distribution (Earnings/Proceeds/ Distributions)	Total Cash Receipts	Cash Expenses (From General Fund)	Receipts / Expenses Ratio
2/13/2013					
7/1/2013	4,006,657.68	2,456,757.25	6,463,414.93	6,394,815.29	101.07%
1/1/2014	10,426,122.02	343,502.46	10,769,624.48	10,246,806.88	105.10%
7/1/2014	13,337,534.35		13,337,534.35	11,469,238.13	116.29%
1/1/2015	13,660,790.60		13,660,790.60	11,603,027.50	117.73%
7/1/2015	13,679,967.77		13,679,967.77	11,647,353.75	117.45%
1/1/2016	13,699,537.03		13,699,537.03	11,667,638.13	117.41%
7/1/2016	13,719,506.69		13,719,506.69	11,709,825.63	117.16%
1/1/2017	13,739,885.24		13,739,885.24	11,732,921.88	117.11%
7/1/2017	13,760,681.36		13,760,681.36	11,777,819.38	116.84%
1/1/2018	13,781,903.92		13,781,903.92	11,803,598.75	116.76%
7/1/2018	13,803,561.98		13,803,561.98	11,856,145.63	116.43%
1/1/2019	13,825,664.81		13,825,664.81	11,879,424.38	116.38%
7/1/2019	13,848,221.87		13,848,221.87	11,934,392.50	116.04%
1/1/2020	13,871,242.85		13,871,242.85	11,965,045.00	115.93%
7/1/2020	13,894,737.64		13,894,737.64	12,017,905.63	115.62%
1/1/2021	13,918,716.34		13,918,716.34	12,051,421.25	115.49%
7/1/2021	13,943,189.30		13,943,189.30	12,110,816.25	115.13%
1/1/2022	13,968,167.07		13,968,167.07	12,148,181.88	114.98%
7/1/2022	13,993,660.46		13,993,660.46	12,210,330.63	114.61%
1/1/2023	14,019,680.50		14,019,680.50	12,257,776.25	114.37%
7/1/2023	14,046,238.47		14,046,238.47	12,326,000.00	113.96%
1/1/2024	14,073,345.92		14,073,345.92	12,369,390.63	113.78%
7/1/2024	14,101,014.61		14,101,014.61	12,438,172.50	113.37%
1/1/2025	14,129,256.62		14,129,256.62	12,487,062.50	113.15%
7/1/2025	14,158,084.25		14,158,084.25	12,562,032.50	112.71%
1/1/2026	14,187,510.11		14,187,510.11	12,612,112.50	112.49%
7/1/2026	14,217,547.07		14,217,547.07	12,688,254.38	112.05%
1/1/2027	14,248,208.28		14,248,208.28	12,739,255.63	111.84%
7/1/2027	14,279,507.22		14,279,507.22	12,821,198.75	111.37%
1/1/2028	14,311,457.63		14,311,457.63	12,878,086.25	111.13%
7/1/2028	14,344,073.59		14,344,073.59	12,960,840.00	110.67%
1/1/2029	14,377,369.46		14,377,369.46	13,018,382.50	110.44%
7/1/2029	14,411,359.97		14,411,359.97	13,087,268.75	110.12%
1/1/2030	14,446,060.12		14,446,060.12	13,153,020.00	109.83%
7/1/2030	14,481,485.31		14,481,485.31	13,221,491.88	109.53%
1/1/2031	14,517,651.23		14,517,651.23	13,292,870.00	109.21%
7/1/2031	14,554,573.96		14,554,573.96	13,367,002.50	108.88%
1/1/2032	14,592,269.93		14,592,269.93	13,443,802.50	108.54%
7/1/2032	14,630,755.94		14,630,755.94	13,523,325.63	108.19%
1/1/2033	14,670,049.15		14,670,049.15	13,600,568.13	107.86%
7/1/2033	14,710,167.14		14,710,167.14	13,685,627.50	107.49%
1/1/2034	14,751,127.86		14,751,127.86	13,768,365.00	107.14%
7/1/2034	14,792,949.69		14,792,949.69	13,868,789.38	106.66%
1/1/2035	14,835,651.39		14,835,651.39	13,971,377.50	106.19%
7/1/2035	14,879,252.18		14,879,252.18	14,071,010.63	105.74%

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds (Special Program)
2013 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage (Refunding and New Money)
Semi-Annual Breakout
0% FHA

	Cash Receipts				
	Section F - Page 2 "Cashflow Summary"	Section F - Page 2 "Cashflow Summary"		Section I - Page 2 "Debt Service Schedule"	
Period	Gross Revenues (Scheduled Receipts)	General Fund Distribution (Earnings/Proceeds/ Distributions)	Total Cash Receipts	Cash Expenses (From General Fund)	Receipts / Expenses Ratio
1/1/2036	14,923,771.69		14,923,771.69	14,177,832.50	105.26%
7/1/2036	14,969,230.00		14,969,230.00	14,286,632.50	104.78%
1/1/2037	15,015,647.66		15,015,647.66	14,397,380.00	104.29%
7/1/2037	15,063,045.66		15,063,045.66	14,509,980.63	103.81%
1/1/2038	15,111,445.49		15,111,445.49	14,624,376.25	103.33%
7/1/2038	15,160,869.12		15,160,869.12	14,745,558.13	102.82%
1/1/2039	15,211,339.00		15,211,339.00	14,868,353.13	102.31%
7/1/2039	15,262,878.12		15,262,878.12	14,992,716.88	101.80%
1/1/2040	15,315,509.98		15,315,509.98	15,118,606.25	101.30%
7/1/2040	15,369,258.60		15,369,258.60	15,245,926.88	100.81%
1/1/2041	14,052,273.68		14,052,273.68	14,004,855.63	100.34%
7/1/2041	9,568,707.04		9,568,707.04	9,547,290.00	100.22%
1/1/2042	8,205,412.17		8,205,412.17	8,181,962.50	100.29%
7/1/2042	8,237,132.39		8,237,132.39	8,226,886.25	100.12%
1/1/2043	8,269,410.84	681.66	8,270,092.50	8,270,092.50	100.00%
7/1/2043	7,551,348.63	10,413.87	7,561,762.50	7,561,762.50	100.00%
1/1/2044	3,685,062.57		3,685,062.57	2,631,450.00	140.04%
7/1/2044	335,519.55		335,519.55		-

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds (Special Program)
2013 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage (New Money)
Semi-Annual Breakout
0% FHA

	Cash Receipts				
	Section J - Page 2 "Cashflow Summary"	Section J - Page 2 "Cashflow Summary"		Section M - Page 2 "Debt Service Schedule"	
Period	Gross Revenues (Scheduled Receipts)	General Fund Distribution (Earnings/Proceeds/ Distributions)	Total Cash Receipts	Cash Expenses (From General Fund)	Receipts / Expenses Ratio
2/13/2013					
7/1/2013	1,068,456.81	3,950,875.65	5,019,332.46	5,015,198.75	100.08%
1/1/2014	6,686,109.50	2,049,629.73	8,735,739.23	8,676,872.50	100.68%
7/1/2014	11,778,184.51		11,778,184.51	10,792,279.38	109.14%
1/1/2015	12,330,041.55		12,330,041.55	11,015,631.25	111.93%
7/1/2015	12,348,155.30		12,348,155.30	11,063,708.75	111.61%
1/1/2016	12,366,587.73		12,366,587.73	11,082,706.25	111.58%
7/1/2016	12,385,344.43		12,385,344.43	11,128,679.38	111.29%
1/1/2017	12,404,431.11		12,404,431.11	11,150,571.88	111.24%
7/1/2017	12,423,853.57		12,423,853.57	11,194,383.75	110.98%
1/1/2018	12,443,617.72		12,443,617.72	11,219,114.38	110.91%
7/1/2018	12,463,729.58		12,463,729.58	11,265,707.50	110.63%
1/1/2019	12,484,195.25		12,484,195.25	11,288,163.13	110.60%
7/1/2019	12,505,020.97		12,505,020.97	11,337,480.63	110.30%
1/1/2020	12,526,213.07		12,526,213.07	11,362,603.75	110.24%
7/1/2020	12,547,777.99		12,547,777.99	11,414,531.88	109.93%
1/1/2021	12,569,722.29		12,569,722.29	11,442,208.75	109.85%
7/1/2021	12,592,052.66		12,592,052.66	11,491,634.38	109.58%
1/1/2022	12,614,775.87		12,614,775.87	11,521,808.13	109.49%
7/1/2022	12,637,898.84		12,637,898.84	11,573,673.75	109.20%
1/1/2023	12,661,428.60		12,661,428.60	11,601,231.25	109.14%
7/1/2023	12,685,372.31		12,685,372.31	11,655,480.00	108.84%
1/1/2024	12,709,737.26		12,709,737.26	11,690,363.13	108.72%
7/1/2024	12,734,530.85		12,734,530.85	11,741,825.00	108.45%
1/1/2025	12,759,760.62		12,759,760.62	11,778,920.63	108.33%
7/1/2025	12,785,434.24		12,785,434.24	11,832,538.13	108.05%
1/1/2026	12,811,559.54		12,811,559.54	11,866,733.13	107.96%
7/1/2026	12,838,144.44		12,838,144.44	11,927,448.75	107.64%
1/1/2027	12,865,197.04		12,865,197.04	11,963,628.75	107.54%
7/1/2027	12,892,725.57		12,892,725.57	12,021,273.13	107.25%
1/1/2028	12,920,738.40		12,920,738.40	12,059,381.25	107.14%
7/1/2028	12,949,244.04		12,949,244.04	12,123,896.25	106.81%
1/1/2029	12,978,251.17		12,978,251.17	12,163,761.88	106.70%
7/1/2029	13,007,768.61		13,007,768.61	12,224,978.13	106.40%
1/1/2030	13,037,805.34		13,037,805.34	12,266,544.38	106.29%
7/1/2030	13,068,370.50		13,068,370.50	12,334,403.75	105.95%
1/1/2031	13,099,473.37		13,099,473.37	12,377,500.00	105.83%
7/1/2031	13,131,123.43		13,131,123.43	12,441,833.13	105.54%
1/1/2032	13,163,330.29		13,163,330.29	12,486,402.50	105.42%
7/1/2032	13,196,103.75		13,196,103.75	12,557,151.25	105.09%
1/1/2033	13,229,453.78		13,229,453.78	12,603,023.13	104.97%
7/1/2033	13,263,390.53		13,263,390.53	12,675,017.50	104.64%
1/1/2034	13,297,924.31		13,297,924.31	12,727,077.50	104.49%
7/1/2034	13,333,065.63		13,333,065.63	12,800,146.88	104.16%
1/1/2035	13,368,825.18		13,368,825.18	12,853,225.00	104.01%
7/1/2035	13,405,213.83		13,405,213.83	12,927,255.63	103.70%

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds (Special Program)
2013 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage (New Money)
Semi-Annual Breakout
0% FHA

	Cash Receipts				
	Section J - Page 2 "Cashflow Summary"	Section J - Page 2 "Cashflow Summary"		Section M - Page 2 "Debt Service Schedule"	
Period	Gross Revenues (Scheduled Receipts)	General Fund Distribution (Earnings/Proceeds/ Distributions)	Total Cash Receipts	Cash Expenses (From General Fund)	Receipts / Expenses Ratio
1/1/2036	13,442,242.65		13,442,242.65	12,981,238.13	103.55%
7/1/2036	13,479,922.90		13,479,922.90	13,061,115.63	103.21%
1/1/2037	13,518,266.05		13,518,266.05	13,115,831.88	103.07%
7/1/2037	13,557,283.75		13,557,283.75	13,196,386.25	102.73%
1/1/2038	13,596,987.87		13,596,987.87	13,251,722.50	102.61%
7/1/2038	13,637,390.50		13,637,390.50	13,337,839.38	102.25%
1/1/2039	13,678,503.91		13,678,503.91	13,398,624.38	102.09%
7/1/2039	13,720,340.61		13,720,340.61	13,485,076.88	101.74%
1/1/2040	13,762,913.32		13,762,913.32	13,546,140.63	101.60%
7/1/2040	13,806,235.00		13,806,235.00	13,632,815.00	101.27%
1/1/2041	13,850,318.82		13,850,318.82	13,699,043.13	101.10%
7/1/2041	13,895,178.19		13,895,178.19	13,790,768.13	100.76%
1/1/2042	13,940,826.76		13,940,826.76	13,861,933.13	100.57%
7/1/2042	13,987,278.39		13,987,278.39	13,953,481.88	100.24%
1/1/2043	14,034,547.24		14,034,547.24	14,024,413.75	100.07%
7/1/2043	12,904,603.45	36,215.93	12,940,819.38	12,940,819.38	100.00%
1/1/2044	6,463,942.03	26,644.84	6,490,586.87	6,490,586.88	100.00%
7/1/2044	588,532.46	176,348.79	764,881.25	764,881.25	100.00%

STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: January 9, 2013

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING $4,280,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, (SERIES TO BE DESIGNATED) (SUNRISE PLACE APARTMENTS)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding $4,280,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (series to be designated) (the "Bonds") for the purpose of providing financing for the acquisition and rehabilitation of a multifamily rental development located in Leon County, Florida (Sunrise Place Apartments). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING $4,280,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, (SERIES TO BE DESIGNATED) (SUNRISE PLACE APARTMENTS)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding $4,280,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (series to be designated) (the "Bonds") for the purpose of providing financing for the acquisition and rehabilitation of a multifamily rental development located in Leon County, Florida (Sunrise Place Apartments); and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (series to be designated) (Sunrise Place Apartments), in an amount not exceeding $4,280,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED January 23, 2013

we make housing affordable™
Florida Housing
Finance Corporation

227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301
850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

January 3, 2013

VIA HAND DELIVERY

Mr. Ash Williams
Executive Director/Chief Investment Officer
State Board of Administration
P.O. Box 13300
Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Bonds
Not to Exceed $4,280,000 Tax-Exempt Bonds
Sunrise Place Apartments

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced bond issue prepared by the Bond Underwriter, Stern Brothers & Co. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This bond issue is recommended to be a negotiated sale. We request that this item be placed on the agenda for approval at the State Board of Administration's January 23, 2013 Cabinet meeting, due to financing and closing schedules. The Final Authorizing Resolutions are enclosed.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Wayne Conner
Director of Multifamily Bonds

WC/tb

Enclosures

Rick Scott, Governor

Board of Directors: Leonard Tylka, Chairman • Ken Reecy, Florida Department of Economic Opportunity
Marilyn L. Carl • Mary L. Demetree • Lynn Hanfman • Clifford Hardy • Natacha Munilla • Jose "Joe" Sanchez • Bernard "Barney" Smith

Executive Director: Stephen P. Auger

6B. Permanent Period Coverage Table

$4,280,000 Tax-Exempt Bonds / $900,000 SAIL Loan
Florida Housing Finance Corporation
Multifamily Mortgage Revenue Notes/Bonds
Combined Debt Coverage Table
(Sunrise Place Apartments)

	Revenue	Bond Payments		Bond Fees		SAIL Loan	Debt Service			Debt Service Coverage		
	Net Operating Income	Principal	Interest	Credit & Issuer Fees (1.781% + 0.40%)	Total Bond Debt Service	Subordinate Debt Payment	Total Bond and Subordinate DS w/ Fees	Total Bond and Subordinate DS w/o Fees	Surplus Revenues	Bond Debt Service DCR	Total Bond & Subord DCR	Bond Balance
YR 1	$306,448	$ 42,186.81	$ 138,009.03	$ 92,929.21	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 213,225.85	$ 292.75	1.122	1.001	$ 4,237,813.19
YR 2	$309,222	$ 44,531.00	$ 136,608.14	$ 91,985.91	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 214,169.15	$ 3,066.74	1.132	1.010	$ 4,193,282.18
YR 3	$311,928	$ 47,005.45	$ 135,129.41	$ 90,990.19	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 215,164.86	$ 5,772.74	1.142	1.019	$ 4,146,276.73
YR 4	$314,559	$ 49,617.40	$ 133,568.50	$ 89,939.15	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 216,215.91	$ 8,403.95	1.152	1.027	$ 4,096,659.33
YR 5	$317,110	$ 52,374.49	$ 131,920.87	$ 88,829.70	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 217,325.35	$ 10,954.59	1.161	1.036	$ 4,044,284.84
YR 6	$319,576	$ 55,284.77	$ 130,181.67	$ 87,658.61	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 218,496.45	$ 13,420.78	1.170	1.044	$ 3,989,000.07
YR 7	$321,949	$ 58,356.78	$ 128,345.84	$ 86,422.44	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 219,732.62	$ 15,793.70	1.179	1.052	$ 3,930,643.29
YR 8	$324,225	$ 61,599.48	$ 126,407.99	$ 85,117.58	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 221,037.48	$ 18,069.47	1.187	1.059	$ 3,869,043.81
YR 9	$326,399	$ 65,022.37	$ 124,362.47	$ 83,740.21	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 222,414.84	$ 20,244.19	1.195	1.066	$ 3,804,021.43
YR 10	$328,461	$ 68,635.47	$ 122,203.28	$ 82,286.31	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 223,868.75	$ 22,305.97	1.203	1.073	$ 3,735,385.97
YR 11	$329,187	$ 72,449.33	$ 119,924.11	$ 80,751.62	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 225,403.44	$ 23,032.17	1.205	1.075	$ 3,662,936.64
YR 12	$331,010	$ 76,475.11	$ 117,518.30	$ 79,131.65	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 227,023.41	$ 24,855.17	1.212	1.081	$ 3,586,461.53
YR 13	$332,701	$ 80,724.59	$ 114,978.80	$ 77,421.66	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 228,733.39	$ 26,546.32	1.218	1.087	$ 3,505,736.94
YR 14	$334,253	$ 85,210.21	$ 112,298.19	$ 75,616.66	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 230,538.40	$ 28,097.61	1.224	1.092	$ 3,420,526.73
YR 15	$335,656	$ 89,945.08	$ 109,468.63	$ 73,711.35	$ 273,125.06	$ 33,030.00	$ 306,155.06	$ 232,443.70	$ 29,501.01	1.229	1.096	$ 3,330,581.65
YR 16	$3,666,229	$ 3,330,581.65	$ 106,481.83	$ 71,700.18	$ 3,508,763.66	$ 33,030.00	$ 3,541,793.66	$ 3,470,093.48	$ 124,435.20	1.045	1.035	$ 0.00

Footnotes:

(1) NOI based upon "Projected Operating Revenue" schedule. Year 16 includes revenues from either: draw on credit facility, refinance or sale of property pursuant to note #5 below.

(2) Bond principal payments based upon estimated Principal Reserve Fund payment schedule.

(3) The Interest Rate is based on the "all-in" Underwriting Interest Rate of 5.42% which includes those components described in the Terms Memorandum. Although the final pricing cannot be determined at this time, it will not be higher than the statutory limit requirement of 300 basis points over the 20 Bond GO Index.

(4) The SAIL Loan is a 16.5 year, interest only note, set to have a maturity 0.5 longer than the bond maturity.

(5) The Bonds are Credit Enhanced by a Freddie Mac credit facility for a term of 16 years. Payments made by the Credit Facility Provider pursuant to the Credit facility are Pledged Revenues. Termination of the Credit facility without refinancing or extinguishment of the Bonds through a sale of the property will result in a mandatory redemption of the Bonds, which can be funded via a draw on the Credit Facility. As such, the ending Bond balance in year 16 is anticipated to be retired through either: a) draw on the Credit Facility; b) refinance; c) sale of the property.

$4,280,000 Tax-Exempt Bonds / $900,000 SAIL Loan
Florida Housing Finance Corporation
Multifamily Mortgage Revenue Notes/Bonds
Projected Operations
(Sunrise Place Apartments)

Assumptions:			
Revenue Growth	2.0%	Management Fee	4.0%
Expense Growth	3.0%	Total Units	99
Vacancy Rate	3.0%	Reserve/Unit/Year	411
		Collection Loss	0.0%

Key Terms:
Bond Term - 16 Years
Amortization Term - 35 Years

Assumed All-in Mortgage Rate	5.420%

Period Ending February 28

	Underwriting Pro Forma	Pro Forma Per Unit	% of Total Revenues	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Income																			
Gross Potential Rental Revenue	$808,428	$8,166	101.600%	$808,428	$824,597	$841,089	$857,911	$875,069	$892,570	$910,421	$928,629	$947,202	$966,146	$985,469	$1,005,178	$1,025,282	$1,045,788	$1,066,704	$1,088,038
Washer & Dryer Income	$0	$0	0.000%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Miscellaneous Income	$11,880	$120	1.493%	$11,880	$12,118	$12,360	$12,607	$12,859	$13,116	$13,378	$13,646	$13,919	$14,197	$14,481	$14,771	$15,066	$15,367	$15,674	$15,987
Gross Potential Income	$820,308	$8,286	103.093%	$820,308	$836,714	$853,448	$870,517	$887,927	$905,686	$923,800	$942,276	$961,122	$980,344	$999,951	$1,019,950	$1,040,349	$1,061,156	$1,082,379	$1,104,027
Less:																			
Vacancy and Collection Loss @ 3%	($24,609)	($249)	-3.093%	($24,609)	($25,101)	($25,603)	($26,116)	($26,638)	($27,171)	($27,714)	($28,268)	($28,834)	($29,410)	($29,999)	($30,599)	($31,210)	($31,835)	($32,471)	($33,121)
Total Effective Gross Revenue	$795,699	$8,037	100.000%	$795,699	$811,613	$827,845	$844,401	$861,289	$878,515	$896,086	$914,008	$932,288	$950,934	$969,952	$989,352	$1,009,139	$1,029,321	$1,049,908	$1,070,906
Operating Expenses																			
Real Estate Taxes	$62,958	$636	7.912%	$62,958	$64,847	$66,792	$68,796	$70,860	$72,986	$75,176	$77,431	$79,754	$82,147	$84,611	$87,149	$89,763	$92,456	$95,230	$98,087
Insurance	$32,175	$325	4.044%	$32,175	$33,140	$34,134	$35,158	$36,213	$37,299	$38,418	$39,571	$40,758	$41,981	$43,240	$44,537	$45,873	$47,249	$48,666	$50,126
Management Fee (4.0%)	$31,828	$321	4.000%	$31,828	$32,465	$33,114	$33,776	$34,452	$35,141	$35,843	$36,560	$37,292	$38,037	$38,798	$39,574	$40,366	$41,173	$41,996	$42,836
General and Administrative	$34,650	$350	4.355%	$34,650	$35,690	$36,761	$37,864	$39,000	$40,170	$41,375	$42,616	$43,894	$45,211	$46,567	$47,964	$49,403	$50,885	$52,412	$53,984
Payroll Expenses	$113,400	$1,145	14.252%	$113,400	$116,802	$120,306	$123,915	$127,632	$131,461	$135,405	$139,467	$143,651	$147,961	$152,400	$156,972	$161,681	$166,531	$171,527	$176,673
Utilities	$89,100	$900	11.198%	$89,100	$91,773	$94,526	$97,362	$100,283	$103,291	$106,390	$109,582	$112,869	$116,255	$119,743	$123,335	$127,035	$130,846	$134,771	$138,814
Marketing and Advertising	$0	$0	0.000%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Maintenance and Repairs	$54,450	$550	6.843%	$54,450	$56,084	$57,767	$59,500	$61,285	$63,124	$65,018	$66,969	$68,978	$71,047	$73,178	$75,373	$77,634	$79,963	$82,362	$84,833
Grounds Maintenance and Landscaping	$17,325	$175	2.177%	$17,325	$17,845	$18,380	$18,931	$19,499	$20,084	$20,687	$21,308	$21,947	$22,605	$23,283	$23,981	$24,700	$25,441	$26,204	$26,990
Contract Services	$12,676	$128	1.593%	$12,676	$13,056	$13,448	$13,851	$14,267	$14,695	$15,136	$15,590	$16,058	$16,539	$17,035	$17,547	$18,073	$18,615	$19,174	$19,749
Reserves for Replacement	$40,689	$411	5.114%	$40,689	$40,689	$40,689	$40,689	$40,689	$40,689	$40,689	$40,689	$40,689	$40,689	$41,910	$41,910	$41,910	$41,910	$41,910	$43,167
Total Expenses	$489,251	$4,942	61.487%	$489,251	$502,391	$515,917	$529,842	$544,180	$558,940	$574,137	$589,783	$605,889	$622,473	$640,765	$658,341	$676,437	$695,069	$714,252	$735,259
Net Operating Income	$306,448	$3,095	38.513%	$306,448	$309,222	$311,928	$314,559	$317,110	$319,576	$321,949	$324,225	$326,399	$328,461	$329,187	$331,010	$332,701	$334,253	$335,656	$335,647
Proceeds from Draw on Credit Facility, Refinance or Sale of Property																			$3,330,582
Preliminary Debt Service																			
First Mortgage Bonds ($4,280,000 Tax-Exempt)				$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125	$273,125
First Mortgage Bonds Maturing Principal																			$3,330,582
Second Mortgage - SAIL ($900,000 Taxable)				$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030	$33,030
Total Debt Service				$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$306,155	$3,636,737
Net Cash Flow				$293	$3,067	$5,773	$8,404	$10,955	$13,421	$15,794	$18,070	$20,244	$22,306	$23,032	$24,855	$26,546	$28,098	$29,501	$29,492
Debt Service Coverage Ratios																			
Debt Service Coverage - First Only (Bonds)				1.122	1.132	1.142	1.152	1.161	1.170	1.179	1.187	1.195	1.203	1.205	1.212	1.218	1.224	1.229	13.423
Debt Service Coverage - First and Second (Bonds and SAIL Loan)				1.001	1.010	1.019	1.027	1.036	1.044	1.052	1.059	1.066	1.073	1.075	1.081	1.087	1.092	1.096	11.975
Debt Service Coverage - All Mortgages				1.001	1.010	1.019	1.027	1.036	1.044	1.052	1.059	1.066	1.073	1.075	1.081	1.087	1.092	1.096	1.008
Debt Service Coverage - All Mortgages and Fees				1.001	1.010	1.019	1.027	1.036	1.044	1.052	1.059	1.066	1.073	1.075	1.081	1.087	1.092	1.096	1.008
Financial Ratios																			
Operating Expense Ratio				61.5%	61.9%	62.3%	62.7%	63.2%	63.6%	64.1%	64.5%	65.0%	65.5%	66.1%	66.5%	67.0%	67.5%	68.0%	68.7%
Break-even Ratio				97.0%	96.6%	96.3%	96.0%	95.8%	95.5%	95.3%	95.1%	94.9%	94.7%	94.7%	94.6%	94.4%	94.4%	94.3%	396.0%

Footnotes:

(1) The debt service is calculated on a par amount of $4,280,000. The anticipated balance in the amount of $3,330,582 in year 16 will be funded from the remarketing, refinancing, replacement of or draw upon the credit enhancement that secures the bonds for the entire remaining balance. At maturity, the Bonds would need to be retired or refunded under a new structure which prescribes that the project would be required to re-engage the FHFC credit underwriting and approval process to include submission of a new Fiscal Determination report.

(2) The DS coverage calculation does not take into account any balloon feature in the first mortgage financing (i.e. the Freddie Mac Credit Enhancement term is 16 years, which parallels the mortgage term, and is amortized over 35 years). It is industry standard for Fannie Mae, Freddie Mac and Bank enhanced bond issues and conventional mortgage loans to contain balloons or a shorter credit enhancement term than the mortgage. The expectation is for the developer to either refinance the loan/bonds, replace or extend the credit enhancement instrument, or sell the property at the time any balloon loan comes due or the Credit Enhancement terminates. In the subject transaction, if the borrower did not sell or refinance the project on the final maturity date, Freddie Mac would advance funds to repay the bondholders There is a reimbursement agreement in place whereby the borrower would be required to repay Freddie Mac for funds advanced. Therefore, the balloon feature is "secured" by the credit enhancement agreement from Freddie Mac..

(3) The assumed All-in bond rate of 5.42% includes the Issuer Administrative Fee of 0.40% and all other components described in the Terms memorandum..

(4) The FHFC SAIL Loan is non-amortizing, bearing 3.67% interest, and matures 6 months following the bond maturity. Repayment upon maturity is anticipated to be funded through a refinance, sale of the property, or borrower equity. Debt Service Payments are contingent upon available cash flow. In addition the Borrower will begin paying related Servicing and Compliance Monitoring fees begining in 2013.

Florida Hurricane Catastrophe Fund

Memo

TO: Ashbel C. Williams, Executive Director & CIO

THRU: Jack E. Nicholson, Chief Operating Officer, FHCF

FROM: Tracy Allen, Senior Attorney, FHCF

DATE: January 9, 2013

SUBJECT: Cabinet Meeting on January 23, 2013

The following items are requested to be included on the January 23, 2013 Cabinet Meeting Agenda:

A. NOTICE OF PROPOSED RULE

ACTION REQUESTED: It is requested that the Trustees of the State Board of Administration approve, and grant authority to file, a Notice of Proposed Rule for Rules 19-8.029, F.A.C., Insurer Reporting Requirements, and 19-8.030, F.A.C., Insurer Responsibilities, and to file these rules, along with the incorporated forms, for adoption if no member of the public timely requests a rule hearing. The rules and forms were presented, discussed, and approved by the FHCF Advisory Council at a public meeting on January 8, 2013.

ATTACHMENTS TO BE INCLUDED WITH SBA AGENDA ITEM A:

1. 2013 Incorporated Form and Rule Changes Summary
2. Notice of Proposed Rule
3. Notice of Meeting of Board as filed in the *Florida Administrative Register*
4. Rule 19-8.029, F.A.C., Insurer Reporting Requirements
5. Rule 19-8.030, F.A.C., Insurer Responsibilities
6. 2013/2014 Contract Year Incorporated Forms –

- **Rule 19-8.029, F.A.C.**
  FHCF-D1A, "Florida Hurricane Catastrophe Fund 2013 Data Call" rev. 01/13; **FHCF-L1A**, "Contract Year 2013 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)" rev. 01/13; Form **FHCF-L1B**, "Contract Year 2013 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)" rev. 01/13; **FHCF-DCL**, "Detailed Claims Listing Instructions."

- **Rule 19-8.030, F.A.C.**
  Forms incorporated into this rule which will **not** be amended: **UNICEDE ® /PX Data Exchange Format**, Version 4.0.0. and **FHCF C-1**, "Company Contact Information".
  Forms incorporated into this rule which **will** be amended: **FHCF-EAP1**, "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination-Contract Year 2013 Advance Preparation Instructions" rev. 01/13; **FHCF-LAP1,** "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination-Contract Year 2013 Advance Preparation Instructions" rev. 01/13.

These rules and all incorporated forms to be amended show the proposed amendments in "track changes" format.

B. APPOINTMENT OF CHAIR - FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY: Each year, the SBA is required to appoint a Commission member to serve as Chair, pursuant to Section 627.0628(2)(d), F.S.

ACTION REQUESTED: During a regularly scheduled meeting on December 17, 2012, the Commission voted to recommend to the Trustees that Dr. Lorilee Medders, Statistics Expert, Florida State University College of Business, be appointed to serve as Chair. It is requested that the Trustees of the State Board of Administration appoint Dr. Medders as Chair for the Florida Commission on Hurricane Loss Projection Methodology.

ATTACHMENTS TO BE INCLUDED WITH SBA AGENDA ITEM B:

1. Dr. Medders' biography
2. List of all Commission members

C. FHCF PRE-EVENT FINANCING

ACTION REQUESTED: It is requested that the Trustees of the State Board of Administration adopt a Resolution requesting the Florida Hurricane Catastrophe Fund Finance Corporation to implement a pre-event financing program in an amount not exceeding $2,000,000,000 for the benefit of the Fund to maximize the ability of the Fund to meet future obligations. A meeting of the Board of Directors of the Florida Hurricane Catastrophe Fund Finance Corporation will take place immediately following the conclusion of the meeting of the Governor and Cabinet.

ATTACHMENTS TO BE INCLUDED WITH SBA AGENDA ITEM C:

1. SBA Resolution - Exhibits include:

   A. Pledge and Security Agreement
   B. Master Trust Indenture
   C. Form of Sixth Supplemental Trust Indenture
   D. Form of Purchase Contract
   E. Form of Preliminary Official Statement

2013 Incorporated Form and Rule Changes Summary

Rules

19-8.029 Insurer Reporting Requirements

(4)(a)-(4)(e)	Obsolete language removed.
(4)(f)-(4)(i)	Renumbered (4)(a)-(4)(d).
(4)(d)	The new language reflects the option that New Participants in the FHCF had last year, for the 2012/2013 Contract Year to report exposure as of November 30th. This was implemented to remove perceived obstacles to Citizens' take outs.
(4)(e)	Adopts this Contract Year's Data Call, FHCF-D1A.
(5)(c)	FHCF-DCL, Detailed Claims Listing Instructions addressed.
(6)	Forms are available on the FHCF website; the address is provided here.
(7)(b)-(7)(g)	Obsolete language removed.
(7)(h)	Renumbered (7)(b).
(7)(c)	Adopts this Contract Year's Interim Loss Report, FHCF-L1A, and Proof of Loss Report, FHCF-L1B, and Detailed Claims Listing Instructions, FHCF-DCL.

19-8.030 Insurer Responsibilities

(5)(c)1-2	The new language reflects the option that New Participants in the FHCF had last year for the 2012/2013 Contract Year to report exposure as of November 30th. This was implemented to remove perceived obstacles to Citizens' take outs. Beginning with the 2013/2014 Contract Year, New Participants must report exposure by November 30th .
(6)(b)	Due to the change in exposure reporting discussed in (5) above, this language is obsolete.
(7)(a)3-5	Unnecessary language removed and the remaining paragraphs renumbered.
(7)(a)7	Adopts this Contract Year's exposure examination instructions, FHCF-EAP1, and this Contract Year's loss reimbursement examination instructions, FHCF-LAP1.
(8)	Unnecessary or obsolete language has been removed.

Incorporated Documents

Rule 19-8.029, F.A.C., Incorporated Documents:

FHCF-L1A, 2013 Interim Loss Report: No changes other than the date at the top of the form.

FHCF-L1B, 2013 Proof of Loss Report: The date at the top of the form has been updated, and on the bottom of page 2, the reference to Form FHCF-LAP1 has been replaced with a reference to Form FHCF-DCL.

Not Provided: FHCF C-1, Company Contact Information: No Changes.

FHCF-D1A, 2013 Data Call: The Data Call contains a list of important changes on Page 2. Primarily, the changes to the Data Call are updating the dates and simplifications to the Data Call.

FHCF-DCL, Contract Year 2013 Detailed Claims Listing Instructions: This is a new form.

Rule 19-8.030, F.A.C., Incorporated Documents:

FHCF-EAP1, Exposure Examination—Contract Year 2013 Advance Preparation Instructions: Dates and page numbers have been updated. The following changes have been made:

1. Company must provide a list of company construction types with a definition for each type and the applicable FHCF code used to report each construction.
2. A note has been added to remind insurers that the items listed must be available to the examiner throughout the on-site examination.
3. If a reinforced concrete roof is reported, evidence of such must be available.
4. Citizens takeouts pursuant to assumption agreements.
5. Citizens supplemental reporting requirements for policies written under Section 627.351(6)(c)1.g., Florida Statutes.
6. Citizens coastal account—quota share primary insurance reporting requirements.

FHCF-LAP1, Loss Reimbursement Examination—Contract Year 2013 Advance Preparation Instructions: Dates and page numbers have been updated and under section 4.B., titled Policy File, (the complete file in effect at the time of loss), new language is added to k. substituting the words "owner occupied or non-owner occupied" for the words "primary or secondary residence."

Notice of Proposed Rule

STATE BOARD OF ADMINISTRATION

RULE NO.: RULE TITLE:
19-8.029: Insurer Reporting Requirements
19-8.030: Insurer Responsibilities

PURPOSE AND EFFECT: The State Board of Administration, Florida Hurricane Catastrophe Fund, seeks to amend the rules listed above to implement Section 215.555, Florida Statutes.

SUMMARY: Rule 19-8.029, F.A.C., is promulgated to implement Section 215.555(5), Florida Statutes, regarding the reporting by insurers of insured values under covered policies to the Florida Hurricane Catastrophe Fund for the 2013/2014 contract year and to adopt the 2013/2014 Interim and Proof of Loss forms and the 2013/2014 Detailed Claims Listing Instructions. Rule 19-8.030, F.A.C., Insurer Responsibilities, is being amended to adopt the 2013/2014 Exposure and Loss Reimbursement Examination Advance Preparation Instructions and to adopt the 2013/2014 Interim and Proof of Loss forms.

OTHER RULES INCORPORATING THESE RULES: There are no other rules which incorporate these two rules. However, Rule 19-8.029, F.A.C., is referenced in Rules 19-8.028 and 19-8.030, F.A.C., as follows: Rule 19-8.028(2)(f) F.A.C., Reimbursement Premium Formula, and Rule 19-8.030(3)(i), (8) and (11), F.A.C., Insurer Responsibilities.

EFFECT ON THOSE OTHER RULES: There is no impact on the two rules which reference Rule 19-8.029, F.A.C.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of $200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Upon review of the proposed changes to these two rules and the incorporated forms, the State Board of Administration of Florida has determined that neither rule meets the requirements for ratification by the legislature. The changes to these rules do not have an adverse impact on small business and do not directly or indirectly increase regulatory costs in excess of $200,000 in the aggregate within 1 year of implementation. The changes to these rules also do not directly or indirectly have an adverse impact on economic growth, private sector job creation or employment, or private sector investment, business competitiveness or innovation or increase regulatory costs, including any transactional costs, in excess of $1 million in the aggregate within 5 years after the implementation of either rule.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 215.555(3), F.S.

LAW IMPLEMENTED: 215.555(2), (3), (4), (5), (6), (7), (10), (17), F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: February 18, 2013, 9:00 (ET) to conclusion of meeting.

PLACE: Room 116 (Hermitage Conference Room), 1801 Hermitage Blvd., Tallahassee, Florida 32308.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: Tracy Allen, 1801 Hermitage Blvd., Tallahassee, FL 32308, 850-413-1341, tracy.allen@sbafla.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Tracy Allen at the number or email listed above.

THE FULL TEXT OF THE PROPOSED RULE IS:

19-8.029 Insurer Reporting Requirements.

Paragraphs (1) through (3) No changes.

(4) Data Call Forms

~~(a) For the 2004/2005 Contract Year, the reporting shall be in accordance with the following: Form FHCF-D1A, "Amended Florida Hurricane Catastrophe Fund 2004 Data Call," rev. 05/11/04 and UNICEDE®/PX Data Exchange Format, Version 4.0.0." The two forms identified in the immediately preceding sentence are hereby adopted and incorporated by reference. A new participant shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(b) For the 2005/2006 Contract Year, the reporting shall be in accordance with the following: Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2005 Data Call," rev. 05/05 and "UNICEDE®/PX Data Exchange Format, Version 4.0.0." The two forms identified in the immediately preceding sentence are hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(c) For the 2006/2007 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2006 Data Call," rev. 05/06, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(d) For the 2007/2008 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2007 Data Call," rev. 05/07, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(e) For the 2008/2009 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2008 Data Call," rev. 05/08, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

(a) ~~(f)~~ For the 2009/2010 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2009 Data Call," rev. 05/09, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

(b) ~~(g)~~ For the 2010/2011 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2010 Data Call," rev. 05/10, hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

(c) ~~(h)~~ For the 2011/2012 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2011 Data Call," rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00413, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

(d) ~~(i)~~ For the 2012/2013 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2012 Data Call," rev. 01/12, http://www.flrules.org/gateway/reference.asp?No=Ref-01193, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's

Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator. For the 2012/2013 Contract Year, a new participant had the option of reporting its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year.

(e) For the 2013/2014 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2013 Data Call," rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year, to the Administrator.

Paragraphs (5)(a) through (5)(b), No changes.

(5) Loss Reimbursement Reporting Requirements.

(c) Companies must submit a detailed claims listing to support the losses reported in the FHCF-L1B, Proof of Loss Report, at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and should be prepared to supply a detailed claims listing for any subsequent Proof of Loss Report upon request. The requirements and instructions for the detailed claims listing are outlined in Form FHCF-DCL, "Detailed Claims Listing Instructions," for the applicable Contract Year, as specified in subsection (7) herein. If the Company submits its Proof of Loss Reports electronically through the FHCF's Online Claims System at www.sbafla.com/fhcf, the detailed claims listing may be attached to the Company's submission.

(d) ~~(c)~~ As a result of reports submitted on Form FHCF-L1B, reimbursements to insurers shall be adjusted in accordance with Section 215.555(4)(d)1., F.S., which requires the Fund to pay additional amounts to insurers and insurers to return overpayments to the Fund, based on the most recent calculation of losses.

(6) All the forms adopted and incorporated by reference in this rule may be obtained from: Administrator, Florida Hurricane Catastrophe Fund, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, ~~Minnesota~~Minneapolis, MN 55437, or from the FHCF website www.sbafla.com/fhcf.

(7) Loss Reporting Forms

(a) For the 2005/2006 and earlier Contract Years the applicable Interim Loss Report is that form that was in effect for the Contract Year as reflected by the revision date on the form. For example, the applicable Interim Loss Report for the Contract Year 2004-2005 is the FHCF-L1A, with the revision date of 05/04.

~~(b) For the 2006/2007 Contract Year, the applicable Interim Loss Report is the "Contract Year 2006 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/06, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2006 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/06, which is hereby adopted and incorporated by reference.~~

~~(c) For the 2007/2008 Contract Year, the applicable Interim Loss Report is the "Contract Year 2007 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/07, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2007 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev.05/07, which is hereby adopted and incorporated by reference.~~

~~(d) For the 2008/2009 Contract Year, the applicable Interim Loss Report is the "Contract Year 2008 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/08, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2008 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/08, which is hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(e) For the 2009/2010 Contract Year, the applicable Interim Loss Report is the "Contract Year 2009 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/09, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2009 Proof of Loss Report,~~

~~Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/09, which is hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(f) For the 2010/2011 Contract Year, the applicable Interim Loss Report is the "Contract Year 2010 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/10, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2010 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/10, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(g) For the 2011/2012 Contract Year, the applicable Interim Loss Report is the "Contract Year 2011 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00415, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2011 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00414, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

(b) ~~(h)~~ For the 2012/2013 Contract Year, the applicable Interim Loss Report is the "Contract Year 2012 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. 01/12, https://www.flrules.org/gateway/reference.asp?NO=Ref-01194, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2012 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 01/12, https://www.flrules.org/gateway/reference.asp?NO=Ref-01195, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

(c) For the 2013/2014 Contract Year, the applicable Interim Loss Report is the "Contract Year 2013 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2013 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. The applicable Detailed Claims Listing Instructions is the "Contract Year 2013 Detailed Claims Listing Instructions, XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. These forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

(8) Company Contact Information: Companies must submit Form FHCF C-1, Company Contact Information, rev. 05/10, which is hereby adopted and incorporated by reference into this rule, by June 1 of each Contract Year. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed and notarized Form FHCF C-1 from the Company. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555(2), (3), (4), (5), (6), (7), (15) FS. History–New 5-17-99, Amended 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 5-10-06, 5-8-07, 6-8-08, 3-30-09, 8-2-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, X-X-13.

19-8.030 Insurer Responsibilities.

Paragraphs (1) through (5)(b), No changes.

(c) New Participants during the period of June 1 through November 30:

1. For the 2012/2013 and earlier Contract Years, ~~Those~~ those Insurers that first begin writing Covered Policies

from June 1 through November 30 of a Contract Year must complete and submit the Data Call, correctly completed, by March 1 of the Contract Year. For the 2012/2013 Contract Year, such an Insurer had the option of reporting its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year.

2. For the 2013/2014 and subsequent Contract Years, Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year must correctly complete and submit the Data Call by February 1 of the Contract Year.

Paragraphs (5)(d) through (6)(a), No Changes.

(b) New Participants during the period of June 1 through November 30: Those Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year must submit a payment of $1,000 on or before the date indicated on the invoice. Once a New Participant's Data Call~~, which is filed on or before March 1 of the Contract Year,~~ has been reviewed by the Administrator and the Company's actual Reimbursement Premium has been determined on its actual exposure, an invoice with the amount due, if any, will be sent to the Company by the Administrator. Payment, if any amounts are shown as due on the invoice, is due within 30 days from the date on the invoice. In no event will the Premium be less than the $1,000.

Paragraphs (6)(c) through (7)(a)2., No Changes.

~~3. For the 2006/2007 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2006 Advance Preparation Instructions," FHCF-EAP1, rev. 5/06. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/06.~~

~~4. For the 2007/2008 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2007 Advance Preparation Instructions," FHCF-EAP1, rev. 05/07. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/07.~~

~~5. For the 2008/2009 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2008 Advance Preparation Instructions," FHCF-EAP1, rev. 05/08. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/08.~~

3. ~~6.~~ For the 2009/2010 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2009 Advance Preparation Instructions," FHCF-EAP1, rev. 05/09. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/09.

4. ~~7.~~ For the 2010/2011 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2010 Advance Preparation Instructions," FHCF-EAP1, rev. 05/10. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2010 Advance Preparation Instructions," FHCF-LAP1, rev. 05/10.

5. ~~8.~~ For the 2011/2012 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2011 Advance Preparation Instructions," FHCF-EAP1, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00416. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2011 Advance Preparation Instructions," FHCF-LAP1, rev. 01/11,

http://www.flrules.org/Gateway/reference.asp?No=Ref-00417.

6. ~~9~~. For the 2012/2013 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2012 Advance Preparation Instructions," FHCF-EAP1, rev. 01/12, http://www.flrules.org/Gateway/reference.asp?No=Ref-01191. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2012 Advance Preparation Instructions," FHCF-LAP1, rev. 01/12, http://www.flrules.org/Gateway/reference.asp?No=Ref-01192.

7. For the 2013/2014 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2013 Advance Preparation Instructions," FHCF-EAP1, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2013 Advance Preparation Instructions," FHCF-LAP1, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX.

8. ~~10~~. These forms are hereby adopted and incorporated by reference into this rule. Copies of these forms may be obtained from the FHCF website, www.sbafla.com/fhcf or by contacting the State Board of Administration. The mailing address is P. O. Box 13300, Tallahassee, Florida 32317-3300. The street address is 1801 Hermitage Blvd., Tallahassee, Florida 32308.

Paragraphs (7)(b) through (7)(d), No Changes.

(8) Loss Reporting. Participating Insurers are required to file the following two types of loss reports at the times prescribed in Rule 19-8.029, F.A.C. Form FHCF-L1A, "Florida Hurricane Catastrophe Fund Interim Loss Report," for the applicable Contract Year and Form FHCF-L1B, "Florida Hurricane Catastrophe Fund Proof of Loss Report," for the applicable Contract Year as adopted in Rule 19-8.029, F.A.C. ~~(a)~~ These forms ~~are hereby adopted and incorporated by reference into this rule and~~ may be obtained from the Fund's Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437.

~~(b) Companies must submit a detailed claims listing (in a delimited ASCII format) to support the losses reported in the FHCF-L1B, Proof of Loss Report, at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and should be prepared to supply a detailed claims listing for any subsequent Proof of Loss Report upon request. Refer to Form FHCF-LAP1 for the required file layout. The Proof of Loss Report and the detailed claims listing are required to be sent to the FHCF Administrator, Paragon Strategic Solutions Inc., at the address listed above. If your Company submits its Proof of Loss Reports electronically through the FHCF's Online Claims System at www.sbafla.com/fhcf, the detailed claims listing may be attached to the Company's submission.~~

Paragraphs (9) through (10), No Changes.

(11) Company Contact Information: Companies must submit Form FHCF C-1, Company Contact Information, as adopted and incorporated into Rule 19-8.029, F.A.C., by June 1 of each Contract Year to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed and notarized Form FHCF C-1 from the Company.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History–New 5-13-03, Amended 5-19-04, 5-29-05, 5-10-06, 5-8-07, 8-13-07, 6-8-08, 3-30-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, X-X-13.

NAME OF PERSON ORIGINATING PROPOSED RULE: Jack E. Nicholson, FHCF Chief Operating Officer, State Board of Administration of Florida.
NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Trustees of the State Board of Administration of Florida.
DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 23, 2013
DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: December 20, 2012

Notice of Meeting/Workshop Hearing

STATE BOARD OF ADMINISTRATION

The State Board of Administration of Florida (SBA) announces a public meeting to which all persons are invited.

DATE AND TIME: January 23, 2013, 9:00 a.m. (ET) to conclusion of the meeting.

PLACE: Cabinet Meeting Room, Lower Level, The Capitol, Tallahassee, Florida.

GENERAL SUBJECT MATTER TO BE CONSIDERED: This is a meeting of the Trustees of the SBA to address and take action on the need for additional liquidity of the Florida Hurricane Catastrophe Fund and to request that the Florida Hurricane Catastrophe Fund Finance Corporation, pursuant to Section 215.555, F.S., engage in financial transactions to provide sufficient funds to achieve the purposes of Section 215.555, F.S. Pursuant to Section 627.0628(2)(d), F.S., the Trustees of the SBA will appoint a Chair to the Florida Commission on Hurricane Loss Projection Methodology. In addition, authorization will be requested by the Florida Hurricane Catastrophe Fund to file a Notice of Proposed Rule for Rule 19-8.029, F.A.C., Insurer Reporting Requirements, and Rule 19-8.030, F.A.C., Insurer Responsibilities, and to authorize filing these two rules for adoption if no member of the public timely requests a rule hearing. Other general business may also be addressed.

A copy of the agenda may be obtained by contacting: Not available.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: Tracy Allen, Florida Hurricane Catastrophe Fund, at (850) 413-1341 or tracy.allen@sbafla.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

For more information, you may contact: Tracy Allen at the number or email listed above.

19-8.029 Insurer Reporting Requirements.

(1) Purpose. The purpose of this rule is to incorporate and adopt the annual reporting of insured values and the Loss Reporting Forms, to provide the time and place for submission of this required information and to address confidentiality of information provided to the Florida Hurricane Catastrophe Fund (FHCF or Fund).

(2) Definitions. The terms defined below will be capitalized in this rule.

(a) Citizens Property Insurance Corporation or Citizens means the entity formed under Section 627.351(6), F.S., and includes both the Coastal Account and the Personal Lines and Commercial Lines Accounts.

(b) Commutation means that period of time which is not less than 36 months or more than 60 months after the end of the Contract Year during which the loss occurrence took place. The Reimbursement Contract, adopted and incorporated into Rule 19-8.010, F.A.C., may provide for voluntary commutation earlier than the 36 month period under certain circumstances.

(c) Contract Year means the time period which begins at 12:00:01 Eastern Time on June 1 of each calendar year and ends at 12:00 p.m. midnight on May 31 of the following calendar year.

(d) Covered Policy is defined in Section 215.555(2)(c), F.S., and in the Reimbursement Contract adopted by and incorporated into Rule 19-8.010, F.A.C.

(e) Data Call or Florida Hurricane Catastrophe Fund Data Call means the annual reporting of insured values form FHCF-D1A.

(f) FHCF or Fund means the Florida Hurricane Catastrophe Fund.

(g) Independent Consultant means the independent individual, firm, or organization with which the State Board of Administration of Florida (Board) contracts to prepare the premium formula and any other actuarial services for the FHCF, as determined under the contract with the consultant.

(h) Loss Reporting Forms mean the FHCF-L1A and FHCF-L1B.

(i) Office of Insurance Regulation means that office within the Department of Financial Services and which was created in Section 20.121(3), F.S.

(3) Reporting of Insurer Exposure Data.

(a) No later than September 1 of each Contract Year, authorized insurers and Citizens pursuant to Sections 215.555(5) and 627.351(6), F.S., shall report insured values reflecting wind exposure under Covered Policies by zip code and other relevant factors required to reflect each insurer's relative exposure to hurricane loss, valued as of June 30 of the current Contract Year. Such other relevant factors shall be determined by the Independent Consultant consistent with principles of actuarial science and in conjunction with the development of the premium formula.

(b) Confidentiality of reports containing insured values under Covered Policies. Section 215.557, F.S., enacted for the express purpose of protecting trade secret and proprietary information submitted to the FHCF by participating insurers, protects the confidentiality of information of the type submitted in the Data Call, examination workpapers, and examination reports. Such information is not subject to the provisions of Section 119.07(1), F.S., or Section 24(a), Article I of the Florida State Constitution. Confidential data and trade secrets reported to the FHCF are protected to the extent allowed by law.

(c) Reporting Regarding Insurers Withdrawing from the State or Discontinuing the Writing of All Kinds of Insurance Prior to June 30 of Each Year. Insurers which discontinue writing insurance in Florida and have no remaining Covered Policy exposure as of June 30 of each Contract Year are required to petition for exemption from the Fund pursuant to Rule 19-8.012, F.A.C. Insurers which withdraw from the Florida insurance market prior to June 30 and have no remaining Covered Policy exposure as of that date shall not participate in the Fund. The affected insurer shall provide written evidence obtained from the Office of Insurance Regulation that it has surrendered its certificate of authority and currently has no outstanding Covered Policies in force. Nothing in this rule shall be construed to conflict with the requirements of Section 624.430(1), F.S.

(d) The requirement that the report is due by September 1 means that the report shall be in the physical possession of the Fund's Administrator in Minneapolis no later than 5:00 p.m., Central Time, on September 1. If September 1 is a Saturday, Sunday or legal holiday, then the applicable due date will be the day immediately following September 1 which is not a Saturday, Sunday or legal holiday. For purposes of the timeliness of the submission, neither the United States Postal Service postmark nor a postage meter date is in any way determinative. Reports sent to the Board in Tallahassee, Florida, will be returned to the sender. Reports not in the physical possession of the Fund's Administrator by 5:00 p.m., Central Time, on the applicable due date are late.

(4) Data Call Forms

~~(a) For the 2004/2005 Contract Year, the reporting shall be in accordance with the following: Form FHCF-D1A, "Amended Florida Hurricane Catastrophe Fund 2004 Data Call," rev. 05/11/04 and UNICEDE®/PX Data Exchange Format, Version 4.0.0."~~

~~The two forms identified in the immediately preceding sentence are hereby adopted and incorporated by reference. A new participant shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(b) For the 2005/2006 Contract Year, the reporting shall be in accordance with the following: Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2005 Data Call," rev. 05/05 and "UNICEDE®/PX Data Exchange Format, Version 4.0.0." The two forms identified in the immediately preceding sentence are hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(c) For the 2006/2007 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2006 Data Call," rev. 05/06, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(d) For the 2007/2008 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2007 Data Call," rev. 05/07, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(e) For the 2008/2009 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2008 Data Call," rev. 05/08, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.~~

~~(f)~~(a) For the 2009/2010 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2009 Data Call," rev. 05/09, hereby adopted and incorporated by reference. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

~~(g)~~(b) For the 2010/2011 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2010 Data Call," rev. 05/10, hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

~~(h)~~(c) For the 2011/2012 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2011 Data Call," rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00413, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator.

~~(i)~~(d) For the 2012/2013 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2012 Data Call," rev. 01/12, http~~s~~://www.flrules.org/gateway/reference.asp?No=Ref-01193, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of December 31 of the Contract Year on or before March 1 of the Contract Year, to the Administrator. For the 2012/2013 Contract Year, a new participant had the option of reporting its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year.

(e) For the 2013/2014 Contract Year, the reporting shall be in accordance with Form FHCF-D1A, "Florida Hurricane Catastrophe Fund 2013 Data Call," rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, is hereby adopted and incorporated by reference into this rule. The form may be obtained from the Fund's Administrator at the address stated in

subsection (6) below. A new participant writing covered policies on or after June 1 but prior to December 1, shall report its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year, to the Administrator.

(5) Loss Reimbursement Reporting Requirements.

(a) As directed by the Board, after a covered event occurs, insurers shall report all their estimated ultimate net losses (as defined in the Reimbursement Contract, adopted and incorporated into Rule 19-8.010, F.A.C.) for Covered Policies on the Form FHCF-L1A, "Florida Hurricane Catastrophe Fund Interim Loss Report," for the applicable Contract Year, as specified in subsection (7) herein, in no less than fourteen days from the date of the notice from the Board that such a report is required. The Board may request subsequent Interim Loss Reports. To obtain copies of this form, see subsection (6), below. Prompt reporting in the format requested will aid the Board in determining whether to seek additional sources of funds to pay for reimbursable losses. The losses reported on the Interim Loss Report are expected to result from a good faith effort, using best business practices for the insurance industry, on the part of the insurer to report as accurately as possible. Preliminary reports will not be binding. Reimbursements by the Fund will be made on the basis of the Proof of Loss Report, adopted in subsection (b) below.

(b) Insurers shall report their ultimate net losses for each loss occurrence on the Form FHCF-L1B, "Florida Hurricane Catastrophe Fund Proof of Loss Report," for the applicable Contract Year, as specified in subsection (7) herein. To obtain copies of this form, see subsection (6), below. To qualify for reimbursement, the Proof of Loss Report must have the original signatures of two executive officers authorized by the Company to sign the report. Proof of Loss Reports may be faxed only if the Company does not qualify for a reimbursement. While a Company may submit a Proof of Loss Report requesting reimbursement at any time following a loss occurrence, all Companies shall submit a mandatory Proof of Loss Report for each loss occurrence no earlier than December 1 and no later than December 31 of the Contract Year during which the Covered Event(s) occurs using the most current data available, regardless of the amount of Ultimate Net Loss or the amount of loss reimbursements or advances already received. After the mandatory December Proof of Loss Report, quarterly Proof of Loss Reports are required. For purposes of this rule, quarterly Proof of Loss Reports shall be those reports submitted at each quarter end date after December 31 of the Contract Year in which the loss occurrence occurs and continuing until all claims and losses resulting from loss occurrences commencing during the Contract Year are fully discharged, including any adjustments to such losses due to salvage or other recoveries, in accordance with the reporting requirements in this paragraph. "Fully Discharged" means the earlier of the date on which the insurer has paid its policyholders in full or the commutation clause, in Article X of the Reimbursement Contract takes effect. For the quarterly report due on March 31, any insurer whose losses exceed 50% of its FHCF retention for a specific loss occurrence shall submit a Proof of Loss Report for that loss occurrence. For the quarterly report due on June 30, any insurer whose losses exceed 75% of its FHCF retention for a specific loss occurrence shall submit a Proof of Loss Report for that loss occurrence. For the quarterly reports due on September 30 and thereafter, any insurer which anticipates that its losses will exceed its FHCF retention for a specific loss occurrence shall submit quarterly Proof of Loss Reports until all its losses are paid to its policyholders and the insurer has received reimbursement from the Fund. Annually, all Companies shall submit a mandatory year-end Proof of Loss Report for each loss occurrence, using the most current data available. This Proof of Loss Report shall be filed no earlier than December 1 and no later than December 31 of each year and shall continue until the earlier of the expiration of the commutation period or until all claims and losses resulting from the loss occurrence are fully discharged including any adjustments to such losses due to salvage or other recoveries.

(c) Companies must submit a detailed claims listing to support the losses reported in the FHCF-L1B, Proof of Loss Report, at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and should be prepared to supply a detailed claims listing for any subsequent Proof of Loss Report upon request. The requirements and instructions for the detailed claims listing are outlined in Form FHCF-DCL, "Detailed Claims Listing Instructions," for the applicable Contract Year, as specified in subsection (7) herein. If the Company submits its Proof of Loss Reports electronically through the FHCF's Online Claims System at www.sbafla.com/fhcf, the detailed claims listing may be attached to the Company's submission.

~~(c)~~(d) As a result of reports submitted on Form FHCF-L1B, reimbursements to insurers shall be adjusted in accordance with Section 215.555(4)(d)1., F.S., which requires the Fund to pay additional amounts to insurers and insurers to return overpayments to the Fund, based on the most recent calculation of losses.

(6) All the forms adopted and incorporated by reference in this rule may be obtained from: Administrator, Florida Hurricane Catastrophe Fund, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, ~~Minnesota~~Minneapolis, MN 55437, or from the FHCF website www.sbafla.com/fhcf.

(7) Loss Reporting Forms

(a) For the 2005/2006 and earlier Contract Years the applicable Interim Loss Report is that form that was in effect for the Contract Year as reflected by the revision date on the form. For example, the applicable Interim Loss Report for the Contract Year 2004-2005 is the FHCF-L1A, with the revision date of 05/04.

~~(b) For the 2006/2007 Contract Year, the applicable Interim Loss Report is the "Contract Year 2006 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/06, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2006 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/06, which is hereby adopted and incorporated by reference.~~

~~(c) For the 2007/2008 Contract Year, the applicable Interim Loss Report is the "Contract Year 2007 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/07, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2007 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev.05/07, which is hereby adopted and incorporated by reference.~~

~~(d) For the 2008/2009 Contract Year, the applicable Interim Loss Report is the "Contract Year 2008 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/08, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2008 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/08, which is hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(e) For the 2009/2010 Contract Year, the applicable Interim Loss Report is the "Contract Year 2009 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/09, which is hereby adopted and incorporated by reference. The applicable Proof of Loss Report is the "Contract Year 2009 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/09, which is hereby adopted and incorporated by reference. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(f) For the 2010/2011 Contract Year, the applicable Interim Loss Report is the "Contract Year 2010 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)", FHCF-L1A, rev. 05/10, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2010 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 05/10, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(g) For the 2011/2012 Contract Year, the applicable Interim Loss Report is the "Contract Year 2011 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00415, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2011 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00414, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.~~

~~(h)~~(b) For the 2012/2013 Contract Year, the applicable Interim Loss Report is the "Contract Year 2012 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. 01/12, , https://www.flrules.org/gateway/reference.asp?NO=Ref-01194, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2012 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. 01/12, https://www.flrules.org/gateway/reference.asp?NO=Ref-01195, which is hereby adopted and incorporated by reference into this rule. The forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

(c) For the 2013/2014 Contract Year, the applicable Interim Loss Report is the "Contract Year 2013 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1A, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. The applicable Proof of Loss Report is the "Contract Year 2013 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF)," FHCF-L1B, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. The applicable Detailed Claims Listing Instructions is the "Contract Year 2013 Detailed Claims Listing Instructions, XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX, which is hereby adopted and incorporated by reference into this rule. These forms may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

(8) Company Contact Information: Companies must submit Form FHCF C-1, Company Contact Information, rev. 05/10, which is hereby adopted and incorporated by reference into this rule, by June 1 of each Contract Year. This form must be updated by the

Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed and notarized Form FHCF C-1 from the Company. The form may be obtained from the Fund's Administrator at the address stated in subsection (6) above.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555(2), (3), (4), (5), (6), (7), (15) FS. History–New 5-17-99, Amended 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 5-10-06, 5-8-07, 6-8-08, 3-30-09, 8-2-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, X-X-13.

19-8.030 Insurer Responsibilities.

(1) Section 215.555(10), F.S., provides that any violation of any provision of Section 215.555, F.S., or of any rule adopted under Section 215.555, F.S., constitutes a violation of the Florida Insurance Code.

(2) Purpose. The purpose of this rule is to clearly establish certain deadlines and other requirements for insurers required to participate in the Florida Hurricane Catastrophe Fund (Fund or FHCF). It is not the intent or purpose of this rule to address every requirement of Participating Insurers which could result in a referral to the Florida Department of Financial Services.

(3) Definitions. The terms defined below will be capitalized in this rule.

(a) Authorized Insurer means an insurer as defined in Section 624.09(1), F.S. and includes Citizens Property Insurance Corporation and any joint underwriting association or similar entity created pursuant to Section 627.351, F.S.

(b) Board or SBA means the State Board of Administration of Florida.

(c) Fund or FHCF means the Florida Hurricane Catastrophe Fund established pursuant to Section 215.555, F.S.

(d) Citizens Property Insurance Corporation or Citizens means the entity formed under Section 627.351(6), F.S., and includes both the Coastal Account and the Personal Lines and Commercial Lines Accounts.

(e) Contract Year means the time period which begins at 12:00:01 Eastern Time on June 1 of each calendar year and ends at 12:00 p.m. midnight on May 31 of the following calendar year.

(f) A Covered Event or Event is a hurricane as defined in Section 215.555(2)(b), F.S., and in Article V of the Reimbursement Contract adopted and incorporated by reference in Rule 19-8.010, F.A.C.

(g) Covered Policy. This term is defined in Section 215.555(2)(c), F.S., and the Reimbursement Contract adopted by and incorporated into Rule 19-8.010, F.A.C.

(h) Department means the Florida Department of Financial Services.

(i) Data Call or Florida Hurricane Catastrophe Fund Data Call means the annual reporting of insured values form FHCF-D1A, as adopted and incorporated into Rule 19-8.029, F.A.C..

(j) Office of Insurance Regulation means that office within the Department of Financial Services and which was created in Section 20.121(3), F.S.

(k) Participating Insurer, Insurer or Company means an insurer which writes Covered Policies in this state and which has entered into a Reimbursement Contract with the Board, pursuant to Section 215.555(4)(a), F.S.

(l) Reimbursement Contract or Contract means the statutorily required annual contract which provides coverage to Participating Insurers for losses to covered property during a Covered Event.

(m) Reimbursement Premium or Premium means the premium determined by multiplying each $1,000 of insured value reported by the Company in accordance with Section 215.555(5), F.S., by the rate as derived from the premium formula as described in Rule 19-8.028, F.A.C.

(n) Quota Share Primary Insurance Arrangement is defined in Section 627.351(6)(c)2.a.(I), F.S.

(4) Reimbursement Contract.

(a) Current Participants: The Reimbursement Contracts are annual contracts.

1. For the 2010/2011 and earlier Contract Years, each Insurer required to participate in the FHCF must designate a coverage level in the annual Reimbursement Contract, make any required selections therein and execute the Reimbursement Contract and applicable Addenda so that the Contract, including the schedules and applicable Addenda, have been received by June 1 of each Contract Year.

2. For the 2011/2012 and subsequent Contract Years, each Insurer required to participate in the FHCF must designate a coverage level in the annual Reimbursement Contract, make any required selections therein and execute the Reimbursement Contract and applicable Addenda so that the Contract, including the schedules and applicable Addenda, have been received by March 1 prior to each Contract Year.

(b) New Participants during the period of June 1 through November 30: Those Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year are “New Participants.” New Participants must designate a coverage level in the annual Reimbursement Contract, make any required selections therein, and execute the Contract and applicable Addenda simultaneously with issuing the first Covered Policy. The completed and executed Reimbursement Contract, including all required selections, schedules and applicable Addenda, must be returned no later than 30 days after the effective date of the first Covered Policy.

(c) New Participants during the period of December 1 through May 31: Those Insurers that first begin writing Covered Policies

from December 1 through May 31 of a Contract Year, along with the Insurers described in paragraph (b) immediately above, are New Participants. However, these Insurers shall not complete and submit the Data Call but shall meet all other requirements for New Participants.

(d) Optional coverages authorized by law must be chosen by current participants by executing and returning the applicable Addenda to the Reimbursement Contract of the relevant Contract Year by the date required. New Participants choosing optional coverage must execute and return the applicable Addenda to the Reimbursement Contract for the relevant Contract Year prior to the time in which a covered loss occurs and within 30 days of writing its first covered policy. Any current or New Participant failing to meet these deadlines shall not be eligible for such optional coverage.

(5) Exposure Reporting Requirements.

(a) Quota Share Primary Insurance: Citizens and Authorized Insurers may enter into Quota Share Primary Insurance Arrangements with respect to the Coastal Account policies. The statute also provides, in Section 627.351(6)(c)2.a.(II), F.S., that Citizens shall be responsible for the annual reporting of insured values to the FHCF for both Citizens and the Insurer participating with Citizens in the Quota Share Arrangement. Citizens shall report the insured values covered by the Quota Share Primary Insurance Arrangements in the same manner that all other current participants, as described in paragraph (b) below, report their insured values. Please note that both Citizens and the Quota Share Primary Insurer must keep complete and accurate records, including copies of policy declaration pages and supporting claims documents, for the purpose of exposure and loss reimbursement examinations by the FHCF.

(b) Current Participants: Each Insurer, with Covered Policies as of June 1 of a Contract Year must participate in the FHCF and must complete and submit the Data Call, correctly completed, no later than September 1 of the Contract Year.

(c) New Participants during the period of June 1 through November 30:

1. For the 2012/2013 and earlier Contract Years, ~~Those~~those Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year must complete and submit the Data Call, correctly completed, by March 1 of the Contract Year. For the 2012/2013 Contract Year, such an Insurer had the option of reporting its actual exposure as of November 30 of the Contract Year on or before February 1 of the Contract Year.

2. For the 2013/2014 and subsequent Contract Years, Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year must correctly complete and submit the Data Call by February 1 of the Contract Year.

(d) Resubmissions of Data: With one exception noted below, any Insurer which submits a Data Call with incorrect data, incomplete data, or data in the wrong format and is required to resubmit will be given 30 days from the date on the letter from the FHCF notifying the Insurer of the need to resubmit. An extension of 30 days will be granted if the Insurer can show that the need for the additional time is due to circumstances beyond the reasonable control of the Insurer. Exception: If the Insurer, at the time it receives notice of the need to resubmit, has already been issued a notice of examinations, the usual 30 day time limitation (measured from the date of the letter giving notice of the need to resubmit) does not apply. In this situation, the time period in which the Insurer must resubmit is measured by counting backwards 30 days from the date that the examinations are scheduled to begin as reflected on the notice of examinations letter. The FHCF needs the information prior to the examinations; thus, no extensions can be granted.

(6) Premiums.

(a) Current Participants: Premium installments for Current Participants are due on August 1, October 1, and December 1. Premium adjustments are due as indicated on the invoice sent to the Insurer. Premiums paid to the FHCF with reference to property covered by Quota Share Primary Insurance Arrangements, as authorized and defined in Section 627.351(6)(c)2.a.(I), F.S., will be allocated by the FHCF between the Insurer and Citizens in accordance with the percentages specified in the Quota Share Primary Insurance Arrangement.

(b) New Participants during the period of June 1 through November 30: Those Insurers that first begin writing Covered Policies from June 1 through November 30 of a Contract Year must submit a payment of $1,000 on or before the date indicated on the invoice. Once a New Participant's Data Call~~, which is filed on or before March 1 of the Contract Year,~~ has been reviewed by the Administrator and the Company's actual Reimbursement Premium has been determined on its actual exposure, an invoice with the amount due, if any, will be sent to the Company by the Administrator. Payment, if any amounts are shown as due on the invoice, is due within 30 days from the date on the invoice. In no event will the Premium be less than the $1,000.

(c) New Participants during the period of December 1 through May 31: Those Insurers that first begin writing Covered Policies from December 1 through May 31 of a Contract Year shall pay a $1,000 Premium within 30 days from the date on the invoice sent to the Insurer by the FHCF.

(d) With respect to any Company where control of the Company has been transferred through any legal or regulatory proceeding to a state regulator or court appointed receiver or rehabilitator, or the Company has been placed under regulatory supervision, prior to December 1 of the Contract Year, the full annual provisional Reimbursement Premium as billed and any outstanding balances will be due on August 1, or the date that control is transferred if after August 1.

(7) Examination Requirements. A Company is required to prepare and retain an examination file in accordance with the specifications outlined in the Data Call instructions and a detailed claims listing to support losses reported on the Proof of Loss Report. Such records must be retained until the FHCF has completed its examination of a Company's exposure submission and any loss reports applicable to the Data Call Contract Year and commutation for the Contract Year (if applicable) has been concluded. The records provided for examination must be from the examination file as originally prepared unless a subsequent resubmission was sent to the FHCF. Note that both Citizens and Insurers participating in Quota Share Primary Insurance Arrangements must keep complete and accurate records, including copies of policy declaration pages and supporting claims documents, for the purpose of exposure and loss reimbursement examinations by the FHCF.

(a) Advance Examination Record Requirements: Within 30 days from the date on the letter from the FHCF, Companies are required to provide the FHCF with the records indicated in the applicable Contract Year's "Exposure Examination Advance Preparation Instructions" or in the applicable Contract Year's "Loss Reimbursement Examination Advance Preparation Instructions." An extension of 30 days may be granted if the Insurer can show that the need for the additional time is due to circumstances beyond the reasonable control of the Insurer.

1. For the 2004/2005 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Audit – Contract Year 2004 Advance Preparation Instructions," FHCF-AP1, rev. 5/04. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2004 Advance Preparation Instructions," FHCF-LAP1, 05/06.

2. For the 2005/2006 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2005 Advance Preparation Instructions," FHCF-AP1, rev. 5/05. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2005 Advance Preparation Instructions," FHCF-LAP1, rev. 05/07.

~~3. For the 2006/2007 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2006 Advance Preparation Instructions," FHCF-EAP1, rev. 5/06. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/06.~~

~~4. For the 2007/2008 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2007 Advance Preparation Instructions," FHCF-EAP1, rev. 05/07. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/07.~~

~~5. For the 2008/2009 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2008 Advance Preparation Instructions," FHCF-EAP1, rev. 05/08. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/08.~~

~~6~~3. For the 2009/2010 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2009 Advance Preparation Instructions," FHCF-EAP1, rev. 05/09. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year XXXX Advance Preparation Instructions," FHCF-LAP1, rev. 05/09.

~~7~~4. For the 2010/2011 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2010 Advance Preparation Instructions," FHCF-EAP1, rev. 05/10. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2010 Advance Preparation Instructions," FHCF-LAP1, rev. 05/10.

~~8~~5. For the 2011/2012 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2011 Advance Preparation Instructions," FHCF-EAP1, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00416. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2011 Advance Preparation

Instructions," FHCF-LAP1, rev. 01/11, http://www.flrules.org/Gateway/reference.asp?No=Ref-00417.

~~9~~6. For the 2012/2013 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2012 Advance Preparation Instructions," FHCF-EAP1, rev. 01/12, http://www.flrules.org/Gateway/reference.asp?No=Ref-01191. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2012 Advance Preparation Instructions," FHCF-LAP1, rev. 01/12, http://www.flrules.org/Gateway/reference.asp?No=Ref-01192.

7. For the 2013/2014 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2013 Advance Preparation Instructions," FHCF-EAP1, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX. The applicable loss examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2013 Advance Preparation Instructions," FHCF-LAP1, rev. XX/13, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX.

~~10~~8. These forms are hereby adopted and incorporated by reference into this rule. Copies of these forms may be obtained from the FHCF website, www.sbafla.com/fhcf or by contacting the State Board of Administration. The mailing address is P. O. Box 13300, Tallahassee, Florida 32317-3300. The street address is 1801 Hermitage Blvd., Tallahassee, Florida 32308.

(b) On-site Examination Record Requirements: The FHCF-EAP1, "Exposure Examination Advance Preparation Instructions" form and the FHCF-LAP1, "Loss Reimbursement Examination Advance Preparation Instructions" form each contain a list of the information that the Companies must have available, on-site, on the date the exposure or loss examination is to begin. These records must be made available to the FHCF examiner upon request.

(c) Response to the FHCF Examination Report: Within 30 days from the date of the letter accompanying the examination report, a Company must provide a written response to the FHCF. The response must indicate whether the Company agrees with the recommendation of the examination report. If the Company disagrees with the examination findings, the reason for the disagreement will be outlined in the response and the Company will provide supporting information to support its objection. An extension of 30 days will be granted if the Company can show that the need for additional time is due to circumstances beyond the reasonable control of the Company.

(d) Resubmissions as a Result of a Completed Examination: A Company required to resubmit exposure data as a result of the examination must do so within 30 days of the date on the letter from the FHCF notifying the Company of the need to resubmit. An extension of 30 days will be granted if the Company can show that the need for additional time is due to circumstances beyond the reasonable control of the Company.

(8) Loss Reporting. Participating Insurers are required to file the following two types of loss reports at the times prescribed in Rule 19-8.029, F.A.C. Form FHCF-L1A, "Florida Hurricane Catastrophe Fund Interim Loss Report," for the applicable Contract Year and Form FHCF-L1B, "Florida Hurricane Catastrophe Fund Proof of Loss Report," for the applicable Contract Year as adopted in Rule 19-8.029, F.A.C.

~~(a)~~ These forms ~~are hereby adopted and incorporated by reference into this rule and~~ may be obtained from the Fund's Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437.

~~(b) Companies must submit a detailed claims listing (in a delimited ASCII format) to support the losses reported in the FHCF-L1B, Proof of Loss Report, at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and should be prepared to supply a detailed claims listing for any subsequent Proof of Loss Report upon request. Refer to Form FHCF-LAP1 for the required file layout. The Proof of Loss Report and the detailed claims listing are required to be sent to the FHCF Administrator, Paragon Strategic Solutions Inc., at the address listed above. If your Company submits its Proof of Loss Reports electronically through the FHCF's Online Claims System at www.sbafla.com/fhcf, the detailed claims listing may be attached to the Company's submission.~~

(9) Penalties and Additional Charges. The Participating Insurers' responsibilities outlined in this rule are not an exhaustive list and Section 215.555, F.S., and other rules promulgated under that section may outline additional responsibilities or deadlines. The failure by a Participating Insurer to meet any of the deadlines or responsibilities outlined in this rule, Section 215.555, F.S., or any other rule applicable to the FHCF constitute a violation of the Florida Insurance Code. In the event of a violation, in addition to the consequences outlined below, the FHCF may notify the Office of Insurance Regulation of the violation. The Office of Insurance Regulation may take whatever action it deems appropriate in addressing the violation.

(a) Resubmissions of Data: A $1,000 resubmission fee (for resubmissions that are not the result of an examination by the SBA) will be invoiced by the FHCF for each submission. If a resubmission is necessary as a result of an examination report issued by the

SBA, the resubmission fee will be $2,000. If a Company's examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be $2,000.

(b) Premiums and Other Payments: All late payments of Premium, including Premium adjustments, due to the FHCF from an Insurer are subject to interest.

(c) Consequences for Failure to meet the requirements contained in the FHCF-EAP1, "Exposure Examination Advance Preparation Instructions," the FHCF-LAP1, "Loss Reimbursement Examination Advance Preparation Instructions," or the on-site examination record requirements in a timely manner: In addition to other penalties or consequences, the FHCF has the authority, pursuant to Section 215.555(4)(f), F.S., to require that the Insurer pay for the following services under the circumstances outlined below:

1. If an examination is delayed, cannot be conducted as scheduled or cannot be completed and the Insurer is responsible for such, the Insurer shall be required to reimburse the FHCF for all the usual and customary expenses connected to such delay, cancellation or incompletion.

2. If the FHCF finds any Insurer's records or other necessary information to be inadequate or inadequately posted, recorded, or maintained, the FHCF may employ experts to reconstruct, rewrite, record, post, or maintain such records or information, at the expense of the Insurer being examined.

3. An Insurer required to reimburse the FHCF for costs as outlined in subparagraphs 1. and 2. immediately above, will owe interest on the amount owed to the FHCF from the date the FHCF pays such expenses until the date payment from the Insurer is received. The applicable interest rate will be the average rate earned by the SBA for the FHCF for the first four months of the current Contract Year plus 5%. Also, the payment of reimbursements or refunds by the FHCF to any Insurer will be offset by any amounts owed by that Insurer to the FHCF.

(10) Time Deadlines: If any deadline provided for herein falls on a Saturday, Sunday or on a legal holiday, then the applicable due date will be the first business day immediately following the Saturday, Sunday or legal holiday.

(11) Company Contact Information: Companies must submit Form FHCF C-1, Company Contact Information, as adopted and incorporated into Rule 19-8.029, F.A.C., by June 1 of each Contract Year to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed and notarized Form FHCF C-1 from the Company.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History–New 5-13-03, Amended 5-19-04, 5-29-05, 5-10-06, 5-8-07, 8-13-07, 6-8-08, 3-30-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, X-X-13.

Draft 1/8/2013

Note: Page number references to be updated after revisions adopted.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Instruction Sheet

Each authorized insurance company writing Covered Policies in the state of Florida is required to pay a reimbursement premium to the Florida Hurricane Catastrophe Fund (FHCF). This premium is based on the Reimbursement Premium Formula specifying the amount of premium to be paid for each $1,000 of insured value for Covered Policies in each Florida ZIP Code by type of business, construction type, deductible group, Year Built, Structure Opening Protection, and Roof Shape code combinations.

In order to perform the calculation, each authorized insurance company must submit its total covered property exposure (wind/hurricane insurance in force) **by September 1, ~~2012~~ 2013** for insured values under Covered Policies **as of June 30, ~~2012~~2013**. Covered Policies are defined in subsection (10) of Article V of the FHCF Reimbursement Contract (see page 16 herein; a full copy of the Reimbursement Contract is available on-line at www.sbafla.com/fhcf under "~~fhcf rules~~FHCF Rules").

Table of Contents

	Page
Important Changes in the ~~2012~~ 2013 Data Call	2
Steps for Completing Data Call	2
General Data Call Issues	2
Data Quality	3
Covered Policies (See Article V below also)	4
SBA Exam File	5
File Layout	7
List of Attachments & Enclosures	15
Reimbursement Contract Article V – Definitions	16
Reimbursement Contract Article VI – Exclusions	17
Reporting Clarifications	18
Citizens Property Insurance Corporation Supplemental Reporting Requirement: Policies Written Under Section 627(6)(c)1.g., Florida Statutes	22
Citizens Property Insurance Corporation Takeouts Pursuant to Assumption Agreements	~~22~~23
Citizens Property Insurance Corporation Coastal Account Quota Share Primary Insurance Reporting Requirements	~~23~~24
FHCF Construction Types/Definitions & Mappings	~~24~~25
List of Florida County Codes	~~26~~27
Reference Guide	~~27~~28
Data Call Submission Check List	~~28~~29
Control Totals Form	~~29~~30
Statement of Exposure Data Validity	~~30~~31
Statement of Retention of Exam File	~~31~~32
Collateral Protection Statement	~~32~~33
Supplemental Instruction Sheet and Forms for New Participants (sent only to new participants)	~~33~~34

** Important Changes in the ~~2012~~ 2013 Data Call **

1. Personal contents in a commercial storage facility (including jewelry in an off-premises vault) covered under a policy that covers only those personal contents are now reportable (there is no longer an exclusion for such contents beginning with the 2013 FHCF Reimbursement Contract).
2. If your company writes policies covering single structures with a mix of commercial-habitational and non-habitational occupancies (see #7 under the Commercial-Habitational Clarifications section on page 21 herein), the pre-Data Call submission requirements outlined therein are now annual requirements prior to the submission of your company's Data Call.

In response to feedback received from its participants, the FHCF has taken steps to simplify the rules around specific exposures to be reported (or not reported) under this Data Call. Please review the Reportable/Non-Reportable Exposure sections starting on page 12 of this Data Call as the changes are likely to impact most participants. Significant changes include:

3. Revising the section into three distinct categories: Reportable Exposure, Non-Reportable (But Covered) Exposure, and Not Covered/Excluded Exposure.
4. Not reporting any endorsement that increases the coverage limit provided for the items listed herein on pages 13-14 under Non-Reportable (But Covered) Exposure, items a. through j. Historically, companies have struggled with identifying, from a systems perspective, when such endorsements result in increased limits, as well as how such endorsements interact with coverages/coverage extensions written within the policy form. Beginning with the 2013 Data Call, companies should not report any exposure for these items.
5. Reporting the full wind/hurricane limit, which includes the basic limit alone or the basic limit plus an increased limit, for the dwelling (and/or Additions and Alterations coverage) on Condominium Unit Owners policies (previously, the first $1,000 of coverage did not need to be reported).

** Steps for Completing Data Call **

1. ~~Complete the Data Call and return the required items as outlined below~~ Request written approval from the Administrator for any reporting methodology not specifically outlined in the Data Call instructions (including any mappings) prior to making adjustments to the data reported and prior to making the actual Data Call submission. Any such requests will be initially reviewed for high-level reasonableness, followed by a detailed review during the FHCF's exposure reporting examination. Note that failure to request approval prior to the Data Call submission may result in FHCF opting to defer any review until the time of an exposure reporting examination.

2. Return the following information to the Administrator, Paragon Strategic Solutions Inc. (Paragon):

Required Documentation	**Item to Return**
Exposure Data File*	CD-ROM
Submission Checklist	Hard Copy (page 28)
Brief Written Verification of Exposure Fluctuations	Cover Letter
Control Totals Form	Hard Copy (page 29)
Statement of Exposure Data Validity	Hard Copy (page 30)
Statement of Retention of Exam File	Hard Copy (page 31)
Collateral Protection Statement (required only for Companies writing Collateral Protection Policies)	Hard Copy (page 32)

***Note:** All data for an individual company should be submitted as one file, unless your company has participated in a Citizens Property Insurance Corporation Coastal Account or Citizens Property Insurance Corporation Personal Lines and Commercial Lines Account assumption agreement (see pages 6 and 22). If your company has different departments responsible for compiling portions of your

data submission, please have one individual coordinate, compile, and submit the complete package to the Administrator.

3. If your company does not have Covered Policies as defined in subsection (10) of Article V of the FHCF Reimbursement Contract (see page 16 herein), but was an active FHCF company for the ~~2011/2012~~2012/2013 contract year, a letter requesting to petition for exemption from the FHCF must be returned to the Administrator no later than **September 1, ~~2012~~2013**.

   Note: If your company determines at a later time that it does have Covered Policies, or the State Board of Administration of Florida (SBA) denies your company's request for exemption from the FHCF, your company will be subject to any fees and/or administrative action by the Florida Department of Financial Services (Department) for delinquent or inadequate exposure data as defined in this Data Call and/or your company's Reimbursement Contract.

** General Data Call Issues **

Extensions

Data Call submissions must be received by September 1, ~~2012~~2013. Extensions will not be granted.

Media Type

Provide the exposure data file in a fixed length (82-character) ASCII format on CD-ROM.

Where to Send Your Submission

For your convenience, we have enclosed a self-addressed envelope for returning the required information to:

Ms. Kathy Mackenthun, CPCU, ARe
Director – FHCF Administration
Paragon Strategic Solutions Inc.
8200 Tower
5600 West 83rd Street, Suite 1100
Minneapolis, MN 55437

If you have any questions about the information to be supplied or about this Data Call, please do not hesitate to call Holly Bertagnolli, Kathy Mackenthun, or Martin Helgestad of Paragon Strategic Solutions Inc. at 1-800-689-FUND (3863).

** Data Quality **

Any company submitting an exposure data file in an incorrect format or in noncompliance with the specifications herein will be required to resubmit its data. See Resubmissions for information on resubmission fees.

Resubmissions

Any company required to resubmit data will be allowed 30 calendar days to resubmit data (may be less than 30 days if the company has been already notified by the SBA for an exam). A $1,000 resubmission fee (for resubmissions that are not the result of an exam by the SBA) will be invoiced by the FHCF for each resubmission.

If a resubmission is necessary as a result of an examination report issued by the SBA, the resubmission fee will be $2,000. If a company's examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be $2,000.

Explanation of Exposure Fluctuations

Compare your current year submission against your submission from the previous year to ensure increases or decreases in reported exposure are valid. The FHCF requires an explanation of exposure increases or decreases for specific FHCF types of business which meet either the combined dollar/ percentage thresholds or the large dollar thresholds below. Please include a brief written explanation of such fluctuations with your Data Call submission. While the degree of detail is left to the discretion of your company, the explanation must provide detail beyond simply stating that "the data has been reviewed and is correct as submitted".

Type of Business	$ Threshold		% Threshold		Large $ Threshold
Commercial:	+/- $ 25,000,000	and	+/- 40%	or	+/- $ 200,000,000
Residential and Other Contents Policies or Endorsements:	+/- $ 50,000,000	and	+/- 40%	or	+/- $1,000,000,000
Mobile Home:	+/- $ 25,000,000	and	+/- 40%	or	+/- $ 40,000,000
Tenants:					+/- $ 20,000,000
Condominium Unit Owners:	+/- $ 25,000,000	and	+/- 40%	or	+/- $ 40,000,000

Preliminary Validation Software

Running the Preliminary Validation Software (Version ~~2012~~2013) will help ensure that your company's data is in the correct format. However, please keep in mind that the software has been designed to identify data formatting errors, percentage of exposure with valid ZIP Codes, and invalid ZIP-to-county mappings. **The software will not identify records with valid FHCF record formatting that have been coded incorrectly according to the policy details.** Such errors may require a resubmission of exposure data. Any examination conducted by the SBA will be the final determinant of data quality.

Note: If you make changes to the Data Call file as a result of the Preliminary Validation Software, remember to make the same changes to the SBA exam file (see page 5).

Aggregate versus Individual Records

Data may be either aggregated or reported by individual policy record. If aggregating data, please aggregate by each type of business, line of business, construction type, deductible group, county, ZIP Code, Year Built, Structure Opening Protection code, and Roof Shape code combinations.

Rounding

Exposures should be reported in whole dollars and may be rounded to the nearest $1,000, but no greater.

** Covered Policies **

Covered Policies are defined in Section 215.555(2)(c), Florida Statutes, as any insurance policy covering a residential structure, or its contents, located in the State of Florida. Covered Policy is further defined in subsection (10) of Article V of the FHCF Reimbursement Contract (see page 16 herein), which includes personal lines residential coverages, commercial lines residential coverages, and mobile home coverages. **The FHCF provides reimbursement only for losses from policies with wind or hurricane coverage**.

All Covered Policies written by an individual insurer must be reported even if they are written in areas eligible for coverage from Citizens Property Insurance Corporation Coastal Account or Citizens Property Insurance Corporation Personal Lines and Commercial Lines Accounts.

** June 30th "as of" Date **

The data reported under this Data Call pertains to a company's insured values under Covered Policies as of June 30, ~~2012~~2013. This data is used by the FHCF to calculate a company's premium, retention, and maximum FHCF coverage under the applicable Reimbursement Contract.

Although changes to coverage under a policy that are effective after June 30th do not impact reporting under the Data Call (including new policy issuance and policy terminations), the policy terms in effect at a time of loss will be considered in determining a company's losses eligible for reimbursement under the FHCF. For example, if a Covered Policy was written effective July 1, ~~2012~~2013, exposure for that policy would not be included under the ~~2012~~ 2013 Data Call submission, but losses under that policy would be reportable to the FHCF when the company files its loss reports.

Given an "as of" date of June 30th and a statutory Data Call due date of September 1st, a company must determine the date at which it can most accurately capture and report its data to include policy transactions with effective dates of June 30th or earlier, while still being able to meet the statutory Data Call due date. For example, a company writes a policy with an effective date of June 29, ~~2012~~2013, the transaction was processed by the company on July 15, ~~2012~~ 2013 and the company compiled its data on July 20, ~~2012~~2013. The FHCF would expect the policy to be reported since the policy was in effect on June 30th and the transaction was processed before the date the data was compiled. However, the FHCF recognizes that if a transaction was not processed far enough through a company's systems by the date on which the company compiled its Data Call information, then that transaction would not necessarily be reflected in the company's original Data Call submission. Nonetheless, should the company have to resubmit its Data Call at a later date, then the transaction should be included in the resubmitted data.

** SBA Exam File **

Generation of the SBA Exam File

The SBA exam file should be generated at the same time your Data Call file is created. If fields are unique to the SBA exam file, care must be taken to ensure accuracy with your company's files. The total reported exposure and rating factors in the exam file must match the total exposure and rating factors of the Data Call file. If, at the time the SBA reviews your exam file, it is determined that these files are not in agreement and the files cannot be used to conduct the examination, your company will be required to resubmit both files and will be subject to the $1,000 resubmission fee.

Retention of Records for SBA Examination

In accordance with Article XIII of the Reimbursement Contract and the SBA's examination program, all records, including exposure filings (Data Call submission), policy files, and supporting documentation, must be retained along with computer runs (exam file) produced to support the Data Call submission. Companies writing covered collateral protection policies, as defined in this Data Call, must be able to provide documentation that the policy covers the borrower's and lender's interest and that the coverage is in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy. Such records must be retained until the SBA has completed its examination of your company's exposure submission and loss reports (applicable to the Data Call contract year) and commutation for the contract year (if applicable) has been concluded. The exam file must be retained and maintained so that, upon examination by the SBA, changes can be made to correct any errors which may be identified and to allow for a resubmission if required.

SBA Exam File Specifications

The SBA exam file must be by individual policy, sorted by type of business and line of business, must be available in a delimited ASCII format or as a Microsoft Access database, and must contain the following fields (do not include any symbols such as -, +, #, $, “, /) in the order listed~~ on the following page~~ below.

Field #	Description	Type	Notes
1	Type of Business	Numeric	Only use the codes on pages 8-9.
2	Line of Business	Numeric	Only use the codes on page 9.
3	Construction Type	Numeric	Only use the codes on pages 9-10.
4	Deductible Group	Text	Only use the codes on pages 10-11.
5	County Code	Numeric	Only use the codes on page 26.
6	ZIP Code	Numeric	
7	Insured Risks	Numeric	Must be greater than zero.
8	Total Insured Value – Building	Numeric	
9	Total Insured Value – Appurtenant Structures	Numeric	
10	Total Insured Value – Contents	Numeric	
11	Total Insured Value – Additional Living Expense	Numeric	
12	Year Built	Numeric	Only use the codes on page 14.
13	Reserved for future use	Numeric	Enter 00 (zero~~’~~s).
14	Reserved for future use	Numeric	Enter 0 (zero).
15	Structure Opening Protection	Numeric	Only use the codes on page 14.
16	Roof Shape	Numeric	Only use the codes on page 14.
~~17~~	~~Reserved for future use~~	~~Numeric~~	~~Enter 0 (zero)~~
~~18~~	~~Reserved for future use~~	~~Numeric~~	~~Enter 0 (zero).~~
~~19~~17	Policy Effective Date	Numeric or Date/Time	Numeric Format: yyyymmdd Date/Time Format: Month/day/year Effective Date must be in one field and the numeric format must have 8 characters.
~~20~~18	Policy Expiration Date	Numeric or Date/Time	Numeric Format: yyyymmdd Date/Time Format: month/day/year Expiration Date must be in one field and the numeric format must have 8 characters.
~~21~~19	Policy Number	Text	
~~22~~20	Citizens Policy Number	Text	Applies only to policies assumed from Citizens that have not renewed onto the company’s books by June 30, ~~2012~~2013.

Florida Hurricane Catastrophe Fund ~~2012~~ 2013 Data Call

File Layout

The following fields must be provided. If you aggregate your company's data, please do so by type of business, line of business, construction type, deductible group, county, ZIP Code, Year Built, Structure Openings Protection, and Roof Shape code combinations.

Field #	Description	Position	Length	Type	Notes
1	Type of Business	1	1	Numeric	Only the codes on pages 8-9 are acceptable.
2	Line of Business	2	1	Numeric	Only the codes on page 9 are acceptable.
3	Construction Type	3	2	Numeric	Only the codes on pages 9-10 are acceptable.
4	Deductible Group	5	2	Alpha	Only the codes on pages 10-11 are acceptable.
5	County Code	7	3	Numeric	Only the codes on page 26 are acceptable.
6	ZIP Code	10	5	Numeric	At least 95% of exposure must have a valid ZIP Code.
7	Total Insured Risks	15	12	Numeric	Must be greater than zero.
8	Total Insured Value – Building*	27	12	Numeric	* See note below table.
9	Total Insured Value – Appurtenant Structures*	39	12	Numeric	* See note below table.
10	Total Insured Value – Contents*	51	12	Numeric	* See note below table.
11	Total Insured Value – ALE*	63	12	Numeric	* See note below table.
12	Year Built	75	1	Numeric	Only the codes on page 14 are acceptable.
13	Reserved for future use	76	2	Numeric	Enter 00 (zero~~'~~s).
14	Reserved for future use	78	1	Numeric	Enter 0 (zero).
15	Structure Opening Protection	79	1	Numeric	Only the codes on page 14 are acceptable.
16	Roof Shape	80	1	Numeric	Only the codes on page 14 are acceptable.
~~17~~	~~Reserved for future use~~	~~81~~	~~1~~	~~Numeric~~	~~Enter 0 (zero).~~
~~18~~	~~Reserved for future use~~	~~82~~	~~1~~	~~Numeric~~	~~Enter 0 (zero).~~

*Note: The sum of these four fields for each record must be greater than zero.

Example: A record with the following information:

Field #	Description	Type	Entry
1	Type of Business	Residential	2
2	Line of Business	Homeowners	2
3	Construction Type	Frame	01
4	Deductible Group	$2,000	RC
5	County Code		086
6	ZIP Code		33130
7	Total Insured Risks		5
8	Total Insured Value – Building		$500,000
9	Total Insured Value – App. Structures		$100,000
10	Total Insured Value – Contents		$250,000
11	Total Insured Value – ALE		$50,000
12	Year Built	Date Range	1
13	Reserved for future use		00
14	Reserved for future use		0
15	Structure Opening~~s~~ Protection	No credit is given to policyholder	0
16	Roof Shape	Hip, Mansard, or Pyramid	1
~~17~~	~~Reserved for future use~~		~~0~~
~~18~~	~~Reserved for future use~~		~~0~~

Each record must have the following layout:

2201RC08633130000000000005000000500000000000100000000000250000000000050000100001~~00~~

Since each field has a defined length, please "zero fill" the positions in each field that will not be used. Each record must be 82 characters in length.

Description of Data Fields

The FHCF strongly encourages any individual involved in completing this Data Call to review the Reporting Clarifications on pages 18-21 herein.

1. **Type of Business (TOB)**

All exposure should be classified as one of the following FHCF TOBs. Exposure for scheduled personal property written under attachments, endorsements, and riders; any policy separately covering personal property; or any policy separately covering commercial residential contents should be reported as the FHCF TOB it is associated with. If the exposure is not associated with another policy, it should be reported as FHCF TOB "4" (Tenants), with the exception of mobile home related property, which must still be reported as FHCF TOB "3" (Mobile Home).

Type of Business	Code
Commercial	1
Residential	2
Mobile Home	3

Type of Business	Code
Tenants	4
Condominium Unit Owners	6

General TOB Instructions:

- **"Commercial"** should be used for commercial-habitational exposures such as apartment buildings and condominium complexes. Do not use this TOB for individual condominium unit owners.

- "**Mobile Home**" should be used for all mobile home coverages, regardless of the policy form on which coverage is written, including coverage provided to a person(s) renting a mobile home.

- "**Tenants**" should be used for policies providing property coverage to a person(s) entitled to occupy a dwelling unit (including a condominium unit) under a rental agreement. Do not use this TOB for any policy providing coverage to a person renting a mobile home. Exposure for scheduled personal property written under attachments, endorsements, and riders; any policy separately covering personal property; or any policy separately covering commercial residential contents should be reported as the FHCF TOB it is associated with. If the exposure is not associated with another policy, it should be reported as Tenants.
- "**Condominium Unit Owners**" should be used for individual condominium unit owners, whether owner or tenant occupied. Do not use this TOB for condominium complexes or multi-unit structures.

2. **Line of Business**

Exposure information for Covered Policies is to be reported using the following codes (use the code your company deems most appropriate):

Line of Business	Code
Fire and Allied Lines	1
Homeowners Multiple Peril	2
Farmowners Multiple Peril	3

Line of Business	Code
Commercial Multiple Peril	4
Mobile Homeowners	5
Inland Marine	6

3. **Construction Type**

The FHCF has further condensed its listing of construction types/definitions. The FHCF's construction codes and definitions are provided on pages 24-25. Your company must use the applicable FHCF codes in its Data Call submission.

If your company's construction definitions do not match those of the FHCF, you must provide the Administrator with your company's construction types and definitions and your recommended mapping to the most similar FHCF construction types as defined on pages 24-25. This will help you avoid a subsequent resubmission due to improper construction reporting. The Administrator will review your method of mapping construction codes and determine if the mapping between your codes and the FHCF's codes match. Once the Administrator has notified you in writing that your mapping is acceptable, you must complete the actual mapping so that only FHCF constructions are reported in your submission. **If a mapping review is necessary for your company, such a review must be done each year to ensure changes to the FHCF construction types have not affected the previously reviewed mapping.**

For policies in which your company does not capture construction information, exposure should always be reported using the FHCF Unknown construction code "11" (or code "25" for mobile home exposure). Otherwise, if your company does capture construction information, but has less than $50 million of aggregate exposure, you have the option of reporting all non-mobile home exposure with FHCF default construction code "12" and all mobile home exposure with FHCF default construction code "26".

Residential

Construction Type	Code
Frame	01
Masonry	02
Masonry Veneer	10
Unknown (Non-Mobile Home)	11
Non-Mobile Home Default Construction*	12

Commercial, Condominium Unit Owners, Tenants

Construction Type	Code
Frame	01
Masonry	02
Masonry with Reinforced Concrete Roof	15
Superior	07
Superior with Reinforced Concrete Roof	16
Masonry Veneer	10
Unknown (Non-Mobile Home)	11
Non-Mobile Home Default Construction*	12

Mobile Home

Construction Type	Code
Mobile Home - Fully Tied Down, Mfg. before 7/13/94	21
Mobile Home - Fully Tied Down, Mfg. on or after 7/13/94 or documented to be in compliance with ANSI/ASCE 7-88	22
Mobile Home - Other than Fully Tied Down or Unknown	25
Mobile Home - Default Construction*	26

* See paragraph preceding the above tables for reporting eligibility

4. **Deductible Group** – *Wind Including Hurricane Deductible, or Hurricane Deductible Only*

Except as instructed for commercial-habitational policies below, report an FHCF percentage or dollar deductible code based on how the policy deductible is written. For example, a $100,000 residential policy written with a 2% deductible must be reported with code R2, not code RC ($1,501 to $2,500 deductible), regardless of how the deductible is "stated" to the policyholder.

For policies written with a percentage deductible and a minimum dollar deductible, report the percentage deductible.

For commercial-habitational policies (regardless of the FHCF Type of Business under which the policy's exposure is reported) that have a policy deductible greater than $50,000, the deductible amount must be converted to a percentage of the total insured building value (Data Call field 8) and reported to the FHCF as a percentage deductible.

For commercial-habitational policies covering multiple structures/contents under an indivisible aggregate deductible, report the full blanket deductible for each record reported.

Following are the FHCF deductible groups and codes:

Commercial

Deductible Group	Code
$0 to $2,500	CA
$2,501 to $7,500	CB
$7,501 to $15,000	CC
$15,001 to $50,000	CD
Greater than $50,000 – Convert to a percentage	See % Ded.'s

Deductible Group	Code
Less than or equal to 1%	C1
Greater than 1%, less than or equal to 2%	C2
Greater than 2%, less than or equal to 3%	C3
Greater than 3%, less than or equal to 4%	C4
Greater than 4%, less than or equal to 5%	C5
Greater than 5%, less than or equal to 6%	C6
Greater than 6%, less than or equal to 7%	C7
Greater than 7%, less than or equal to 8%	C8
Greater than 8%, less than 10%	C9
10% or Greater	C0

Residential, Tenants, or Condominium Unit Owners

Deductible Group	Code
$0	RM
$1 to $500	RA
$501 to $1,500	RB
$1,501 to $2,500	RC
Greater ~~T~~than $2,500	RD
Greater than $50,000 – Convert to a percentage	See % Ded.'s

Deductible Group	Code
Less than or equal to 1%	R1
Greater than 1%, less than or equal to 2%	R2
Greater than 2%, less than or equal to 3%	R3
Greater than 3%, less than or equal to 4%	R4
Greater than 4%, less than or equal to 5%	R5
Greater than 5%, less than or equal to 6%	R6
Greater than 6%, less than or equal to 7%	R7
Greater than 7%, less than or equal to 8%	R8
Greater than 8%, less than 10%	R9
10% or greater, less than 15%	R0
15% or Greater	RZ

Mobile Home

Deductible Group	Code
$0	MM
$1 to $250	MA
$251 to $500	MB
Greater ~~T~~than $500	MC
Greater than $50,000 – Convert to a percentage	See % Ded.'s

Deductible Group	Code
Less than or equal to 1%	M1
Greater than 1%, less than or equal to 2%	M2
Greater than 2%, less than or equal to 3%	M3
Greater than 3%, less than or equal to 4%	M4
Greater than 4%, less than or equal to 5%	M5
Greater than 5%, less than or equal to 6%	M6
Greater than 6%, less than or equal to 7%	M7
Greater than 7%, less than or equal to 8%	M8
Greater than 8%, less than 10%	M9
10% or Greater	M0

5. **County Code**

Florida county code specifying the location of each covered risk. All records must be coded with a valid Florida county code listed on page 26. There is no "unknown" county code. ZIP Codes and county codes must be cross-referenced to ensure that 95% of your company's aggregate exposure has a valid Florida ZIP Code to county code match. As the FHCF recognizes some ZIP Codes may span county boundaries, the Preliminary Validation Software Version ~~2012~~ 2013 has been programmed to accept any county immediately bordering the county the FHCF considers to be the county in which a specific ZIP Code resides.

6. **ZIP Code**

The 5-digit ZIP Code location of each covered risk in Florida. A minimum of 95% of your company's aggregate exposure must be coded with valid Florida ZIP Codes. The FHCF ZIP Code database is as of January ~~2012~~2013. If a record contains a ZIP Code that does not match our database, the rate applied will be based on the county code instead of the ZIP Code.

A listing of valid ZIP Codes and corresponding county codes and rating regions is installed with the Preliminary Validation Software CD-ROM under the file name "zipinput.csv."

7. **Total Insured Risks (Must be greater than zero.)**

This is the total number of insured risks for the FHCF Covered Policies included in a given record.

Reportable Exposure (Data Call Fields 8-11)

The only wind exposure that should be reported in response to this Data Call is summarized below. ~~Keep in mind that the~~The exposure reportable to the FHCF is less inclusive than the coverage provided by the FHCF. ~~(~~Covered policies are defined in subsection (10) of Article V of the Reimbursement Contract. See page 16 herein.~~) Note that under no circumstances should exposure be reported for Ordinance and Law coverage (this type of coverage is reimbursable but is built into the FHCF rates) or loss assessment coverage (this coverage is not reimbursable).~~ ***Examples of exposure to be reported to the FHCF are included in the Frequently Asked Questions document available online under the applicable Contract Year tab at http://fhcf.paragonbenfield.com.***

~~1) Basic wind/hurricane limit for dwellings (often referred to as Coverage A);~~
~~2) Basic wind/hurricane limit for appurtenant structures or non-habitational structures (often referred to as Coverage B);~~
~~3) Basic wind/hurricane limit for contents (often referred to as Coverage C);~~
~~4) Basic wind/hurricane limit for additional living expense (often referred to as Coverage D, and sometimes as Coverage E);~~
~~5) Any attachments, endorsements, or riders that modify or increase the limits above; and~~
~~6) Any attachments, endorsements, or riders that provide additional wind/hurricane limit for personal property or structures, Building Additions and Alterations coverage, or Unit Owners coverage on Condominium Unit Owners policies.~~

1) The stated wind/hurricane policy limit (including any modifications by endorsement, attachment, or rider) for:
   a. Dwelling (often referred to as Coverage A),
   b. Appurtenant Structures (often referred to as Coverage B),
   c. Contents (often referred to as Coverage C), and
   d. Additional Living Expense (often referred to as Coverage D or Coverage E).
2) The full wind/hurricane limit for the dwelling limit/Additions and Alterations coverage (often referred to as Coverage A) on covered Condominium Unit Owners policies. The full limit is the total limit under the policy, regardless of whether that is the basic limit alone (e.g., $1,000) or the basic limit plus an increased limit.
3) The wind/hurricane limit provided by a stand alone policy covering personal property [except for those items listed under the Non-Reportable (But Covered) Exposure section].
4) The additional wind/hurricane limit provided by attachments, endorsements, or riders for:
   a. Scheduled personal property [except for those items listed under the Non-Reportable (But Covered) Exposure section],
   b. Pool/screen enclosures, and
   c. Building Additions and Alterations limit provided to a tenant.

~~**Exposure from any additional coverages/coverage extensions written within the policy form and not listed above, regardless of whether the coverage is within the policy limits or in addition to the policy limits, are not reportable to the FHCF under this Data Call.**~~
~~***Examples of exposure to be reported to the FHCF:***~~

- ~~In addition to the $50,000 of Coverage C limit on Patti's renters policy, Patti has $10,000 of coverage for her personal computer system written as scheduled personal property. $60,000 of Coverage C limit must be reported.~~

- ~~Andy's insurance company does not offer Coverage B as a standard coverage under a homeowners policy, but Coverage B limit can be purchased via an endorsement. If Andy purchases the Coverage B endorsement, this exposure must be reported.~~
- ~~Jason's insurance policy does not provide a stated limit on the dec page for Coverage B, but under "Other Coverages," Coverage B limit is provided as an additional 10% of Coverage A limit. This exposure must be reported.~~
- ~~Marcie's renters policy provides for a Coverage C limit of $50,000. The coverage for the tenants policy includes an additional coverage written within the policy form for buildings additions and alterations of 10% of the Coverage C limit. Marcie has purchased an endorsement to increase the buildings additions and alterations coverage to 25% of the Coverage C limit. In addition to reporting the $50,000 Coverage C limit, the additional 15% ($7,500) of the Coverage C limit for building additions and alterations coverage is also reportable, for a total of $57,500 of exposure to be reported.~~
- ~~An apartment complex is covered on a commercial policy with $500,000 for building and $20,000 for contents. The policy also provides a coverage extension for valuable papers of $2,500. This coverage is offered as part of the policy form and not by endorsement. The amount of reportable exposure is $520,000 since the coverage extension for valuable papers is provided as a coverage extension within the policy form.~~

Non-Reportable (But Covered) Exposure ~~(Data Call Fields 8-11)~~

Exposure from any additional coverages/coverage extensions written within the policy form are not reportable to the FHCF under this Data Call. ~~*Examples* of~~The following list outlines exposures which are covered by the FHCF at the time of a covered loss but are not ~~to be reported~~ reportable to the FHCF under this Data Call. ***Examples of exposure not to be reported to the FHCF are included in the Frequently Asked Questions document available online under the applicable Contract Year tab at http://fhcf.paragonbenfield.com***.~~:~~

1) Any type of Ordinance and Law coverage ~~(coverage is included within the FHCF rates)~~.

~~2) Any exposure for Loss Assessment coverage.~~

~~3)~~2) Any additional exposure for endorsements that specifically increase the limit of liability at the time of a covered loss (~~i.e.~~e.g., guaranteed replacement cost~~,~~ or specified increase to the dwelling limit~~.~~).

- ~~Peggy's renters policy provides for a Coverage C limit of $50,000. The coverage for the tenants policy includes an additional coverage written within the policy form for buildings additions and alterations of 10% of the Coverage C limit. Peggy has not purchased any endorsements to increase the coverages provided under the policy form. The Coverage C limit of $50,000 would be reported. The 10% of the Coverage C limit for building additional and alterations coverage is not reportable as additional exposure.~~
- ~~Your company's condominium unit owners policy provides for a dwelling limit (additions and alterations coverage) of $1,000, which is listed on every condominium unit owners policy written by the company and is provided at no additional premium. The $1,000 is not reportable to the FHCF as an additional exposure.~~
- ~~Your company provides ALE coverage at a limit of 50% of the building (Coverage A) limit. Therefore, for a policy with a Coverage A limit of $200,000, your company would also provide $100,000 of ALE limit. Because 40% is the statutory cap with respect to FHCF coverage, your company would only report $80,000 of ALE exposure under this Data Call.~~
- ~~Appurtenant Structures insured under a policy that does not include coverage for a habitational structure(s) when such a policy is not an attachment/endorsement/rider to a policy providing coverage for a habitational structure(s). For example, if your company writes a policy covering a pool for an apartment complex, but does not insure the~~

~~apartment complex itself, the pool exposure is not reportable to, or covered by, the FHCF.~~

3) Any exposure for the following:

a. Computers or electronic data,
b. Debris removal,
c. Golf carts,
d. Grave markers,
e. Land,
f. Mold, fungi, or bacteria,
g. Radio and TV antennas, satellite dishes, awnings, outdoor property, or signs,
h. Refrigerated property,
i. Trees, shrubs, and plants, and
j. Valuable papers, personal records, monies, or securities.

Not Covered/Excluded Exposure

~~For a list of specific exclusions, see Article VI of the Reimbursement Contract applicable to this Data Call.~~ Article VI of the 2013 FHCF Reimbursement Contract outlines specific exclusions from FHCF coverage. Exclusions from Article VI which pertain to exposure reporting under this Data Call are included on page 18 herein. In addition, as exclusion 21 of Article VI is for amounts paid to reimburse a policyholder for condominium association loss assessments or under similar coverages for contractual liabilities, exposure for such coverage is not reportable under this Data Call.

8. **Total Insured Value - Building**

This is the total insured building limit for a policy or multiple policies with the same Data Call codes.

9. **Total Insured Value - Appurtenant Structures or Non-Habitational Structures**

This is the total insured appurtenant structures limit for a policy or multiple policies with the same Data Call codes.

10. **Total Insured Value - Contents**

This is the total insured contents limit for a policy or multiple policies with the same Data Call codes.

11. **Total Insured Value - Additional Living Expense (ALE)**

This is the total insured ALE limit for a policy or multiple policies with the same Data Call codes. For ALE coverage provided as a specific dollar limit, report exposure values based on that limit, but not to exceed 40% of the Residential Structure (Coverage A) exposure or 40% of the contents (Coverage C) exposure. If ALE is written as a portion of Coverage A, 40% of Coverage A is the cap. If ALE is written as a portion of Coverage C, 40% of Coverage C is the cap. Note that if the ALE coverage written is less than 40%, ALE should be reported as written.

For covered policies written with ALE as a time element coverage, you must report ALE exposure in an amount not to exceed 40% of the Residential Structure or 40% of the contents exposure based on the type of policy (e.g., a homeowners policy is usually based on structure versus a renters policy based on contents).

Note that the 40% threshold is a statutory cap. If your company provides coverage to its policyholders that is in excess of this cap, or if rounding of your building or contents exposure results in a higher ALE percentage, report no more than the cap when reporting ALE exposure to the FHCF.

12. **Year Built**

    Enter the Year Built from the table below.

Year Built	FHCF Code
Unknown or Mobile Home	0
1994 or earlier	1
1995 - 2001	2
2002 or later	3

13. **Reserved for future use - enter 00.**

14. **Reserved for future use - enter 0.**

15. **Structure Opening Protection**

    Enter the appropriate structure opening protection code from the table below based on whether or not your company gives a structure opening protection credit to its policyholder for the dwelling unit being reported under this Data Call.

Structure Opening Protection	FHCF Code
No credit is given to policyholder	0
Credit is given to policyholder	5

16. **Roof Shape**

    Enter the appropriate roof shape code from the table below.

Roof Shape	FHCF Code
Hip, Mansard, or Pyramid	1
Gable, Other, or Unknown	2

~~17. **Reserved for future use – enter 0.**~~

~~18. **Reserved for future use – enter 0.**~~

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Attachments

- Article V - Definitions of Additional Living Expense, Covered Policy, Excess Insurance, and Residential Structures, as included in the Reimbursement Contract (page 16)
- Article VI - Excluded Exposures (page 17)
- Reporting Clarifications (pages 18-21)
- Citizens Property Insurance Corporation Supplemental Reporting Requirement: Policies Written Under Section 627.351(6)(c)1.g., Florida Statutes (page 22)
- Citizens Property Insurance Corporation Takeouts Pursuant to Assumption Agreements (page ~~22~~23)
- Citizens Property Insurance Corporation Coastal Account Quota Share Primary Insurance Reporting Requirements (page ~~23~~24)
- Construction Codes (page ~~24~~25)
- Florida County Codes (page ~~26~~27)
- Reference Guide (page ~~27~~28)
- Submission Checklist (page ~~28~~29)
- Control Totals Form (page ~~29~~30)
- Statement of Exposure Data Validity (page ~~30~~31)
- Statement of Retention of Exam File (page ~~31~~32)
- Collateral Protection Statement (page ~~32~~33)
- Supplemental Instruction Sheet for New Participants (page ~~33~~34)
  (Sent only to new participants)

Enclosures

- FHCF Preliminary Validation Software Version ~~2012~~ 2013 CD-ROM
- FHCF Preliminary Validation Software Version ~~2012~~ 2013 Instruction Sheet

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Reimbursement Contract: Article V – Selected Definitions

(3) **Additional Living Expenses (ALE)**
ALE losses covered by the FHCF are not to exceed 40 percent of the insured value of a Residential Structure or its contents based on the coverage provided in the policy. Fair rental value, loss of rents, or business interruption losses are not covered by the FHCF.

(10) **Covered Policy or Covered Policies**
(a) Covered Policy, as defined in Section 215.555(2)(c), Florida Statutes, is further clarified to mean only that portion of a binder, policy or contract of insurance that insures real or personal property located in the State of Florida to the extent such policy insures a Residential Structure, as defined in definition (27) herein, or the contents of a Residential Structure located in the State of Florida.
(b) Due to the specialized nature of the definition of Covered Policies, Covered Policies are not limited to only one line of business in the Company's annual statement required to be filed by Section 624.424, Florida Statutes. Instead, Covered Policies are found in several lines of business on the Company's annual statement. Covered Policies will at a minimum be reported in the Company's statutory annual statement as:
- Fire
- Allied Lines
- Farmowners Multiple Peril
- Homeowners Multiple Peril
- Commercial Multiple Peril (non liability portion, covering condominiums and apartments)
- Inland Marine

Note that where particular insurance exposures ~~are reported~~, e.g., mobile home, are reported on an annual statement is not dispositive of whether or not the exposure is a Covered Policy.
(c) This definition applies only to the first-party property section of a policy pertaining strictly to the structure, its contents, appurtenant structures, or ALE coverage.
(d) Covered Policy also includes any collateral protection insurance policy covering personal residences which protects both the borrower's and the lender's financial interest, in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy, if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the required data, as specified in the Premium Formula adopted in Section 215.555(5), Florida Statutes, is available.
(e) See Article VI of this Contract for specific exclusions.

(13) **Excess Policies**
This term, for the purposes of this Contract, means a policy that provides insurance protection for large commercial property risks and that provides a layer of coverage above a primary layer (which is insured by a different insurer) that acts much the same as a very large deductible.

(27) **Residential Structures**
This term means dwelling units, including the primary structure and appurtenant structures insured under the same policy and any other structure covered under endorsements associated with a policy covering a residential structure. Covered Residential Structures do not include any structures listed under Article VI herein or structures used solely for non-residential purposes.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Reimbursement Contract: Article VI – Exclusions

The following selected exclusions from Article VI of the Reimbursement Contract pertain to exposure that should not be reported under this Data Call.

2. Any policy which excludes wind or hurricane coverage.
3. Any Excess Policy or Deductible Buy-Back Policy that requires individual ratemaking, as determined by the FHCF.
4. Any policy for Residential Structures, as defined in Article V(27) herein, that provides a layer of coverage underneath an Excess Policy, as defined in Article V(13) herein, issued by a different insurer.
5. Any liability of the Company attributable to losses for fair rental value, loss of rent or rental income, or business interruption.
6. Any collateral protection policy that does not meet the definition of Covered Policy as defined in Article V(10)(d) herein.
7. Any reinsurance assumed by the Company.
8. Any exposure for hotels, motels, timeshares, shelters, camps, retreats, and any other rental property used solely for commercial purposes.
9. Any exposure for homeowner associations if no habitational structures are insured under the policy.
10. Any exposure for homes and condominium structures or units that are non-owner occupied and rented for six (6) or more rental periods by different parties during the course of a twelve (12) month period.
11. Commercial healthcare facilities and nursing homes; however, a nursing home which is an integral part of a retirement community consisting of primarily habitational structures that are not nursing homes will not be subject to this exclusion.
12. Any exposure under commercial policies covering only appurtenant structures or structures that do not function as a habitational structure (e.g., a policy covering only the pool of an apartment complex).

~~13. Personal contents in a commercial storage facility (including jewelry in an off-premises vault) covered under a policy that covers only those personal contents.~~

~~14.~~13. Policies covering only Additional Living Expense.

~~15.~~14. Any exposure for barns or barns with apartments.

~~16.~~15. Any exposure for builders risk coverage or new ~~r~~Residential ~~s~~Structures still under construction.

~~17.~~16. Any exposure for recreational vehicles, golf carts or boats (including boat related equipment) requiring licensing and written on a separate policy or endorsement.

~~22. Any exposure for, or losses attributable to, loss assessment coverage.~~

~~24.~~23. Any liability assumed by the Company from Pools, Associations, and Syndicates. Exception: Covered Policies assumed from Citizens under the terms and conditions of an executed assumption agreement between the Authorized Insurer and Citizens are covered by this Contract.

~~28.~~27. Specialized Fine Arts Risks as defined in Rule 19-8.028(4)(d), F.A.C.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Reporting Clarifications

General Clarifications

1. *Aggregate Policy Limits (not applicable to Commercial Residential Policies)*

   For policies that provide an aggregate limit without stating a specific limit for buildings, appurtenant structures, contents, or ALE exposures, report the exposure to the FHCF by allocating the total policy limit to the building field if the policy fits the definition of FHCF types of business Residential or Mobile Home, or to the contents field if the policy fits the definition of FHCF types of business Tenants or Condominium Unit Owners.

2. *Farmowners*

   The only exposure under a Farmowners policy that is reportable to the FHCF is exposure for the dwelling, other private structures appurtenant to dwellings, household personal property, and additional living expense coverage. FHCF commercial codes for type of business and deductible may not be used.

3. *Multiple Rating Factors (Construction and Deductible) within the Building, Appurtenant Structures, Contents (including scheduled personal property), and ALE Limits*

   If, within a policy, the limits above have different FHCF rating factors, exposure may be reported under one record using the rating factors applicable to the most exposure (e.g., if 70% of the exposure under such a policy is for Building coverage, report the rating factors applicable to the Building coverage). If your company chooses to break such policies into multiple records for FHCF reporting, you must do so consistently across your non-commercial book of business.

   This clarification is also applicable to the Year Built, Structure Opening Protection, and Roof Shape fields. For commercial policies covered by the FHCF, see Commercial-Habitational Clarification #1 below.

~~4. *Golf Cart Coverage*~~

   ~~If coverage for golf carts is provided with no stated limit (i.e., based on actual cash value at the time of a loss), the exposure required to be reported to the FHCF is $5,000 for each risk. If the coverage is provided by endorsement to a covered policy, the exposure is only reportable when coverage for the golf cart is in addition to the policy limits provided for personal property. If a golf cart requires licensing, it is not reportable to, or covered by, the FHCF.~~

Commercial-Habitational Clarifications

The only Commercial policies covered by the FHCF are those covering habitational structures (e.g. apartments and condominiums).

1. *Multiple Rating Factors (Construction and Deductible) within the Building (dwelling), Non-Habitational Structures, Contents, and ALE Limits of a commercial policy*

   One Occupied Dwelling Structure: If, within a commercial policy, the limits above have different rating factors (e.g. a superior masonry apartment building, a frame guardhouse, and a masonry pool), exposure may be reported under one record using the rating factors applicable to the dwelling structure. If your company chooses to break such policies into multiple records to report different constructions and deductibles to the FHCF, you must do so consistently across your commercial book of business.

Multiple Occupied Dwelling Structures: If, within a commercial policy, several occupied dwelling structures are insured and those structures are in multiple ZIP Codes, a separate record must be reported for each ZIP Code with the exposure applicable to that specific ZIP Code.

If multiple occupied dwelling structures insured under one policy are in the same ZIP Code and have shared non-habitational structures with different rating factors, your company may report the exposure for the non-habitational structures as appurtenant to the dwelling structure your company deems most appropriate.

This clarification, in its entirety, is also applicable to the Year Built, Structure Opening Protection, and Roof Shape fields.

2. *Commercial Policies Covering Farms*

   For commercial farms with habitational exposure that is written on a commercial policy form, report the exposure as "Residential" type of business, with the exception of any mobile home related exposure. Dwelling mobile home exposure on the policy, including the contents therein and scheduled personal property, must be reported as "Mobile Home" type of business.

3. *Commercial Policies Covering a Variety of Risks (other than Farm coverage)*

   For a commercial policy covering both commercial habitational exposures and incidental non-commercial habitational exposures (i.e. single-family homes, condominium unit owners, tenants coverage, and mobile homes) in the same ZIP Code, all non-mobile home related exposure may be reported under one record using FHCF type of business "Commercial." The construction, deductible, Year Built, Structure Opening Protection, and Roof Shape codes applicable to the commercial habitational exposure should be reported for that record. Non-commercial habitational exposure is considered incidental if such exposure accounts for less than 50% of the total reportable exposure under that policy. Any mobile home exposure, regardless of the type of policy under which it is written, must be reported to the FHCF as type of business Mobile Home and with the applicable mobile home construction and deductible codes.

   Note that if the exposures are in different ZIP Codes, the exposures under the single commercial policy must be reported as separate records using the ZIP Code applicable to each exposure(s). Should your company choose to report the exposure under such a policy as multiple records (e.g. an apartment building reported as Commercial, the CEO's home reported as Residential, and the president's condominium reported as Condominium Unit Owners), the decision to do so must be applied consistently to all such policies, and the Data Call codes applicable to each record/type of business must be reported.

4. *Blanket Limits*

   For a multiple location policy with a blanket limit, report the lesser of the full blanket limit or the full wind exposure value for each risk/building/exposure. The company must maintain a copy of the Statement of Values to support the policy exposure reported in order for the SBA to confirm correct reporting during examination.

5. *Blanket Deductibles*

   For a policy covering multiple structures/contents under an indivisible aggregate deductible, report each risk/building/exposure with the full blanket deductible amount.

6. *Multiple Location Policy with Non-Florida Risk*

   For a multiple location policy with non-Florida risk, report the lesser of the full policy limit or the full wind exposure value for each Florida risk/building/exposure. The company must maintain a copy of the Statement of Values to support the policy exposure reported in order for the SBA to confirm correct reporting during examination.

7. *Single Structures with Mix of Commercial-Habitational and Non-Habitational or Business Exposure*

Important Note: If this section is applicable to your company, it is necessary for you to review your executed ~~2012~~ 2013 FHCF Reimbursement Contract.

A. If a single structure is used for both habitational and non-habitational purposes and the structure has a commercial-residential class code (based on a classification plan submitted to, and reviewed by, the FHCF Administrator), report the entire exposure for the structure to the FHCF. The FHCF will reimburse losses for the entire structure as well. **This requirement applies to all companies insuring such structures.**

B. If the structure has a commercial non-residential class code (again, as on file with and reviewed by the FHCF Administrator), report only the habitational portion of the policy.

In recognition of the unusual nature of commercial structures with incidental habitational exposure and the hardship some companies may face in having to carve out such incidental exposure, as well as the losses to such structures, the FHCF will accommodate these companies by allowing them to exclude the entire exposure from their Data Call submission, if all of the following three conditions are met:

(1) The decision to not carve out and report the incidental habitational exposure shall apply to all such structures insured by the company.
(2) The company should not report losses to this incidental habitational exposure and the FHCF will not reimburse the losses to this exposure.
(3) The company must have already indicated its decision to not carve out and report the incidental exposure in the annual Reimbursement Contract. Failure to disclose this decision at the time of the company's execution of the Reimbursement Contract shall be interpreted by the FHCF as the company's intent to carve out and report incidental habitational exposure, and the failure to do so will be considered a reporting error.

C. If a policy covers multiple structures that each have a mix of commercial-habitational and non-habitational or business exposure, apply the decision rules in A. and B. above separately to each structure. (This process must be consistent with requirement B.(1) above.)

D. If your company writes policies for which this section is applicable, provide the Administrator with a list of your company's applicable Florida class codes (as on file with and reviewed by the FHCF Administrator), a description of those codes, and your company's recommendation of whether each code is commercial-residential or commercial non-residential. The Administrator will review this information with the SBA, and will respond to your company with respect to the submitted recommendations prior to your Data Call submission. **IMPORTANT NOTE: This is an annual requirement.**

8. *Policies with a Mix of Commercial Habitational & Non-Habitational Structures*

Only report exposure which directly covers, or is used in relation to, covered habitational structures. "Used in relation to" is defined as any structure that is used solely by the occupants (or their guests) of the habitational structure. If you are unable to make this determination for a structure, do not report the exposure for that structure in your Data Call submission. Refer to the other clarifications herein with respect to blanket limits or blanket deductibles.

9. *Multiple Family Dwellings on a Commercial Policy & FHCF Type of Business (TOB)*

Two, three, and four-family dwellings should be reported with an FHCF TOB based on how your company rates the dwellings (either Residential or Commercial FHCF TOB). Dwellings housing more than four families should be reported as FHCF TOB Commercial. For a commercial policy covering exposure that falls under multiple FHCF types of business, see Commercial-Habitational Clarification #3 herein.

Florida Hurricane Catastrophe Fund
2013 Data Call

Citizens Property Insurance Corporation Supplemental Reporting Requirement: Policies Written Under Section 627.351(6)(c)1.g., Florida Statutes

If Citizens Property Insurance Corporation (Citizens) has written policies under Section 627.351(6)(c)1.g., Florida Statutes, that permits a policyholder to select a building/Coverage A limit of liability less than 80% of the replacement cost, the three fields in the table below must be included in Citizens' Data Call file layout.

Additional Data Call File Layout

Field #	Description	Position	Length	Type	Notes
17	Full Replacement Cost - Building/Coverage A	81	12	Numeric	See description below this table. Enter zeros if none.
18	Building/Coverage A Limit as a Percentage of the Full Replacement Cost	93	3	Numeric	Report percentage (1% to 100%) in whole numbers. For example, 75% would be reported as 075 (see description below this table). Enter 100 if not applicable.
19	Application of Deductible	94	1	Alpha	Only the codes on this page (below) are acceptable.

Note: These fields must also be added as fields #21, #22, and #23 in the SBA Exam File layout on page 6 of this Data Call).

Example

- Full building replacement cost: $200,000.
- Policyholder selects a policy form/endorsement that allows the policyholder to select a building limit of liability that is 75% of the full replacement cost.
- As a result, the policyholder has purchased a building limit of $150,000, which is the amount to be reported in Field #8 (Total Insured Value - Building) of this Data Call.

Description of Additional Fields

17. **Full Replacement Cost - Building**

This is the full replacement cost of the building for a policy or multiple policies with the same Data Call codes ($200,000 for the example above).

18. **Building Coverage Limit as a Percentage of the Full Replacement Cost**

This is the percentage (in whole numbers, no decimals) of the selected limit of liability in comparison to the full replacement cost (075 for the example above).

19. **Application of Deductible**

This field indicates how a percentage deductible is applied. In other words, if the policy has a 2% deductible, is the 2% applied to the amount of selected building limit (2% of $150,000 in the example above) or the replacement cost (2% of the $200,000 in the example above)? Enter the appropriate code from the following table:

Application of Deductible	FHCF Code
Percentage of Selected Limit	L
Percentage of Replacement Cost	R
Dollar Deductible or Not Applicable	D

Florida Hurricane Catastrophe Fund

~~2012~~ 2013 Data Call

Citizens Property Insurance Corporation
Takeouts Pursuant to Assumption Agreements

Pursuant to Sections 627.351(6)(~~p~~q)3. and 627.3511, Florida Statutes, for purposes of reporting exposure, calculating reimbursement premium, and determining retention, all FHCF exposure removed from Citizens Property Insurance Corporation Coastal Account and/or Citizens Property Insurance Corporation Personal Lines and Commercial Lines Accounts pursuant to an assumption agreement shall be treated as the exposure of the assuming insurer.

Insurers engaged in assumption agreements from July 1, ~~2011~~ 2012 through June 30, ~~2012~~ 2013 with either Citizens entity shall submit **separate** data files to the FHCF (including a Control Totals Form for each file) in the format specified herein. If your company engaged in assumption agreements with both Citizens entities, three files would be submitted in response to this Data Call. One file must contain the insurer's FHCF exposure from direct written premiums. The exposure assumed from either Citizens entity which is renewed by June 30, ~~2012~~ 2013 must be included with the direct portion. The other two file(s) must contain the FHCF exposure which was assumed from each Citizens entity (one file for each entity) and which was not renewed onto your company's book by June 30, ~~2012~~2013. Providing they are clearly labeled, all files may be submitted on the same diskette or CD-ROM.

Note: All data for an individual company should be submitted at the same time. If your company has different departments responsible for compiling portions of your data submission, please have one individual coordinate, compile, and submit the complete package to the Administrator.

For the purpose of this Data Call, each Citizens entity shall submit all of its FHCF exposure not subject to assumption agreements in the format specified herein. In addition, each Citizens entity shall report all FHCF exposure removed from the applicable Citizens entity which, as of June 30, ~~2012~~2013, had not been renewed onto the assuming insurer's policy forms. Such a file is required for each assumption company. Each file shall be reported in the Data Call format specified herein and shall be accompanied by a Control Totals Form.

The FHCF will compare the file(s) submitted by an assumption company against the file(s) submitted by Citizens and the assumption company will be required to explain discrepancies.

~~The FHCF recognizes that policyholders receiving a notice of assumption from an assumption company can opt to not have their policy assumed any time during the policy period.~~ For purposes of reporting assumed policies to the FHCF, Citizens and the assuming company must track the date the policyholder ~~notified the assumption company or Citizens rejecting the assumption company's offer of coverage~~ signs the form opting out of the assumption since the policy is required to be reported to the FHCF based on its status at June 30th. Regarding opt outs, the assuming company must report all assumed policies under this Data Call unless Citizens has notified the assuming company on or prior to June 30, 2013 that a policy is eligible for an opt out. In such cases, Citizens shall report those policies under its Data Call submission.~~Any decision made by the policyholder to opt out of the assumption after June 30th will not be recognized for exposure reporting purposes by the FHCF and should not affect how the policy is reported.~~ Furthermore, any untagging or retroactive coverage changes subsequent to June 30th will not be considered by the FHCF and will not impact Data Call reporting for Citizens or the assuming insurer.

All exposure files requested from the two Citizens entities and insurers engaged in removing exposure from either Citizens entity pursuant to an assumption agreement are subject to examination by the SBA and must be retained as specified under **Retention of Records for SBA Examination** on page 5 herein.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Citizens Property Insurance Corporation Coastal Account
Quota Share Primary Insurance Reporting Requirements

Section 627.351(6)(c)2.f, Florida Statutes, requires that "For all eligible risks covered under quota share primary insurance agreements, the exposure and coverage levels for both the corporation and authorized insurers shall be reported by the corporation to the Florida Hurricane Catastrophe Fund. For all policies of eligible risks covered under quota share primary insurance agreements, the corporation and the authorized insurer shall maintain complete and accurate records for the purpose of exposure and loss reimbursement examinations as required by Florida Hurricane Catastrophe Fund rules. The corporation and the authorized insurer shall each maintain duplicate copies of policy declaration pages and supporting claims documents."

Citizens Property Insurance Corporation Coastal Account (referred to hereafter on this page as Citizens) shall report all quota share primary insurance exposure data to the FHCF in a separate file meeting the requirements below. **Individual insurers shall not report any such exposure to the FHCF.**

1. File must include quota share primary insurance exposure for all insurers engaged in quota share primary insurance agreements;
2. File must include all data fields as specified in this Data Call; and
3. In addition to the data fields specified in this Data Call, the file must include the following two fields:
   - Field #~~19~~17: Five-character numeric field indicating NAIC# of insurer for each record reported, and
   - Field #~~20~~18: Two-character numeric field indicating Citizens' specified percentage of hurricane coverage of the risks reported in a specific record, as set forth in the quota share primary insurance agreement between Citizens and an insurer.

     Note: If Citizens must report policies written under Section 627.351(6)(c)1.g., Florida Statutes, in accordance with the Citizens Supplemental Reporting Requirement on page 22 of this Data Call, the two additional fields above shall then be fields #20 and #21, respectively.
4. A separate SBA exam file, as specified on pages 5-6 of this Data Call, shall also be prepared for this data. The two fields specified immediately above shall be included as fields #~~23~~21 ~~24~~ 22 of the SBA exam file. Note that if Citizens must report policies written under Section 627.351(6)(c)1.g., Florida Statutes, in accordance with the Citizens Supplemental Reporting Requirement on page 22 of this Data Call, these two fields shall then be fields #24 and #25, respectively.

Based on the separate Data Call file, the FHCF shall:

- Calculate the aggregate FHCF premium, based on the Reimbursement Premium Formula as discussed on page 1 of this Data Call, by insurer;
- Based upon the specified Citizens' percentage of hurricane coverage, allocate the applicable share of FHCF premium to Citizens and to each insurer;
- The allocated premium from above will be added to the FHCF premium calculated from non-quota share primary insurance for Citizens and for each insurer participating in a quota share primary insurance agreement(s) with Citizens; and
- This aggregate premium shall be used for the calculation of retentions and FHCF reimbursements.

When reporting loss information to the FHCF, Citizens and insurers will be required to report only their respective portion of losses under quota share primary insurance agreements.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

FHCF Construction Codes

The construction code identifies the material with which the building is constructed.

Construction Type/Definition	FHCF Code
Frame Buildings where the exterior walls are wood or other combustible materials, including wood iron-clad, stucco on wood, or plaster on combustible supports. Also includes aluminum or plastic siding over frame. If a company's definition of frame includes hardiboard, FHCF Frame construction should be used[1].	1
Masonry Buildings where the exterior walls are constructed of masonry, non-combustible, or fire resistive materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or other non-combustible materials.	2
Masonry with Reinforced Concrete Roof Construction meeting the definition of FHCF Masonry construction, as outlined above, and having a reinforced concrete roof.	15
Superior Masonry, non-combustible, or fire resistive construction where one of the following additional conditions exist: ▪ Roof deck has a minimum thickness of 2 inches with roof supports having a minimum dimension of 6 inches; or ▪ Floors and roof constructed of 2 inches of masonry on steel supports or documented to be constructed of 22 gauge metal or heavier on steel supports; or ▪ Roof assembly is documented to have a UL wind uplift classification of 90 or equivalent. **Or** A building of any construction which is 6 or more stories.	7
Superior with Reinforced Concrete Roof Construction meeting the definition of FHCF Superior construction, as outlined above, and having a reinforced concrete roof.	16
Masonry Veneer Buildings with exterior walls of combustible construction veneered with brick, masonry, or stone. If a company's definition of veneer includes hardiboard, FHCF Masonry Veneer construction should be used[1].	10
Unknown Construction information not collected for the policy or the reportable exposure. Not valid for mobile home or mobile home-related exposure.	11
Non-Mobile Home Default Construction Construction information collected for the policy, but company is eligible to report all non-mobile home exposure using this default code. See page 9 for restrictions on the use of this default.	12

Mobile Home - Fully Tied Down, manufactured before 7/13/94[2] 21

Mobile/Manufactured Housing, manufactured before 7/13/94, which has anchors and tie-downs as required by Section 320.8325, Florida Statutes, and Florida Administrative Code rules promulgated thereunder.

Mobile Home - Fully Tied Down, manufactured on or after 7/13/94[2] 22

Mobile/Manufactured Housing which has anchors and tie-downs as required by Section 320.8325, Florida Statutes, and Florida Administrative Code rules promulgated thereunder, and was manufactured on or after 7/13/94 or is documented to be in compliance with ANSI/ASCE 7-88.

Mobile Home – Other than Fully Tied Down or Unknown 25

Mobile home is not fully tied down, the nature of any tie downs is unknown, or tie down information is not available.

Mobile Home Default Construction 26

Construction information collected for the policy, but company is eligible to report all mobile home exposure using this default code. See page 10 for restrictions on the use of this default.

[1]If your company has a specific rate for hardiboard construction (i.e., a rate other than frame or veneer), a proposed mapping must be submitted to the FHCF Administrator as specified on page 9 herein.

[2]If you are uncertain whether a mobile home was manufactured on or after 7/13/94, use the manufactured before 7/13/94 code "21." If your company only tracks the year built and not the month, use code "21."

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Florida County Codes*

County Code	County Name	County Code	County Name	County Code	County Name
001	Alachua	049	Hardee	093	Okeechobee
003	Baker	051	Hendry	095	Orange
005	Bay	053	Hernando	097	Osceola
007	Bradford	055	Highlands	099	Palm Beach
009	Brevard	057	Hillsborough	101	Pasco
011	Broward	059	Holmes	103	Pinellas
013	Calhoun	061	Indian River	105	Polk
015	Charlotte	063	Jackson	107	Putnam
017	Citrus	065	Jefferson	109	St. Johns
019	Clay	067	Lafayette	111	St. Lucie
021	Collier	069	Lake	113	Santa Rosa
023	Columbia	071	Lee	115	Sarasota
027	De Soto	073	Leon	117	Seminole
029	Dixie	075	Levy	119	Sumter
031	Duval	077	Liberty	121	Suwannee
033	Escambia	079	Madison	123	Taylor
035	Flagler	081	Manatee	125	Union
037	Franklin	083	Marion	127	Volusia
039	Gadsden	085	Martin	129	Wakulla
041	Gilchrist	086	Miami-Dade	131	Walton
043	Glades	087	Monroe	133	Washington
045	Gulf	089	Nassau		
047	Hamilton	091	Okaloosa		

* Derived from the Federal Information Processing Standards (FIPS) Codes.

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Reference Guide

The FHCF is dedicated to making information pertaining to the FHCF as readily available as possible, and has posted a considerable amount of information on the Internet through both the FHCF (www.sbafla.com/fhcf/) and Paragon (http://fhcf.paragon.aonbenfield.com) web sites.

The following are sample documents/information available on-line:

- Bonding Estimates
- FHCF Calendar
- Contact Request Form (Insurer Contacts)
- Coverage Selections & Premium Calculations
- Data Call
- Examination Information
- Frequently Asked Questions
- Link: FEMA
- Link: Florida Administrative Weekly
- Link: Florida Department of Financial Services
- Link: Online Sunshine
- Loss Reimbursement Preparedness Program
- Loss Reports
- Member Handbook
- Projected Payout Multiple
- Ratemaking Formula Report and Addendum(s), as applicable
- Rates and Retention Multiples
- Reimbursement Contract and Addendum(s), as applicable
- Rule 19-8.010: Reimbursement Contract
- Rule 19-8.012: Ineligibility/Exemption from the FHCF
- Rule 19-8.013: Revenue Bonds
- Rule 19-8.028: Reimbursement Premium Formula
- Rule 19-8.029: Insurer Reporting Requirements
- Rule 19-8.030: Insurer Responsibilities
- Section 215.555, Florida Statutes

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Submission Checklist

Due September 1, ~~2012~~2013

Please provide us with the following information and return this checklist with your exposure data:

Company Name: _____ **NAIC No**. _____

Item	Included?
Exposure Data File	Y / N
Completed Submission Checklist (page 28)	Y / N
Brief Written Verification of Exposure Fluctuations (criteria on page 3)	Y / N
Completed Control Totals Form (page 29)	Y / N
Completed Statement of Exposure Data Validity (page 30)	Y / N
Completed Statement of Retention of Exam File (page 31)	Y / N
Completed Collateral Protection Policies Statement * (page 32)	Y / N
*The above Statement is required only for Companies writing Collateral Protection Policies	
Validation Printouts (optional)	Y / N

In the event that we have questions regarding the data submitted, please provide the name of the person responsible for data collection:

Name	Telephone Number
Title	Facsimile Number
Street Address (not P.O. Box)	E-Mail Address
City, State, ZIP	

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Control Totals Form

Due September 1, ~~2012~~2013

Please complete this form, verify that the totals match both your Data Call submission file and your SBA exam file, and return to Paragon along with your exposure data.

Company Name: _____ **NAIC No.** _____

FHCF Type of Business	Insured Risks	Total Insured Value (Exposure)			
		Building	Appurtenant Structures	Contents	ALE
Commercial	_____	_____	_____	_____	_____
Residential	_____	_____	_____	_____	_____
Mobile Home	_____	_____	_____	_____	_____
Tenants	_____	_____	_____	_____	_____
Condominium Unit Owners	_____	_____	_____	_____	_____
Totals	_____	_____	_____	_____	_____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due September 1, ~~2012~~2013

Statement of Exposure Data Validity

on behalf of

_____
(Company Name)

We, the undersigned, do state that, to the best of our knowledge, the attached data provided by the captioned Company to the State Board of Administration of Florida (SBA) under Section 215.555(5)(c), Florida Statutes, is complete and accurate.

The validity of all exposure data sets received by Paragon is subject to examination by the SBA.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of said Company's records and systems to determine the truth of this statement.

BY: _____ Signature	**BY**: _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due September 1, ~~2012~~2013

Statement of Retention of Exam File

on behalf of

_____
(Company Name)

We, the undersigned, state that the State Board of Administration of Florida (SBA) exam file referenced on pages 5-6 of this Data Call has been produced by the captioned Company in accordance with the required specifications and that the SBA exam file will be retained and maintained by the captioned Company in a secure location. We understand that the SBA exam file will be used when the FHCF conducts an examination of the captioned Company's exposure submission for this Contract Year. The captioned Company will provide the SBA exam file to the FHCF or its designated representative upon notification that an exposure examination for this Contract Year has been scheduled. The captioned Company recognizes that the exposure examination will require documentation in addition to the SBA exam file.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of the said Company's records and systems to determine the truth of this statement. We understand that our SBA exam file should be generated at the same time our Data Call file is created, and that data fields common to both the Data Call file and the SBA exam file must be the same. We acknowledge that if it is determined, subsequent to our Data Call submission, that these files are not in agreement, our company will be required to resubmit both files and will be subject to a $1,000 resubmission fee for each resubmission.

BY: _____ Signature	**BY:** _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due September 1, ~~2012~~2013

Collateral Protection Statement

(This form may be disregarded if not applicable to your company)

on behalf of

_____

(Company Name)

We, the undersigned, acknowledge that the captioned Company writes collateral protection policies covering personal residences in the State of Florida that protect both the borrower's and the lender's financial interest, in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy. We understand that, as referenced in Section 215.555(2)(c), Florida Statutes, for such policies to be covered by the FHCF, our Company must be able to accurately report exposure information for those policies as required in Section 215.555(5), and specifically, as outlined in this Data Call.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration. We have conducted, or have had conducted, a thorough review of said Company's records to determine whether all necessary information required for collateral protection policies to be covered by, and reported to, the FHCF, as outlined above and in this Data Call, is available for reporting (whether in a hard copy or an electronic format). Accordingly, we certify that (check appropriate box below):

☐ Said Company has collected all information necessary for such policies to be covered by, and reported to, the FHCF, as outlined in this Statement and this Data Call, and has accordingly included collateral protection exposure covered by the FHCF in this Data Call submission.

☐ Said Company **DOES NOT** have available the data as required by the premium formula as specified in Section 215.555(5), Florida Statutes, and therefore is unable to accurately report its collateral protection exposure. We understand that the said Company is ineligible to collect any reimbursements from the FHCF for losses occurring during the ~~2012~~ 2013 FHCF contract year from policies covering collateral protection exposure.

BY: _____ Signature	**BY:** _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Supplemental Instruction Sheet for New Participants

As explained on page one of this Data Call, each authorized insurance company writing Covered Policies in the state of Florida is required to pay a reimbursement premium to the Florida Hurricane Catastrophe Fund (FHCF). This includes new participants to the FHCF. Rule 19-8.028 Reimbursement Premium Formula, Florida Administrative Code (F.A.C.), defines a new participant as a company that:

> "writes covered policies on or after the beginning of the Fund's contract year on June 1 and did not do so prior to the beginning of the contract year, or if it removes exposure from Citizens Property Insurance Corporation pursuant to an assumption agreement on or after June 1 and had written no other covered policies before June 1."

Rule 19-8.028, F.A.C., requires that a new participant report its insured values under Covered Policies **as of ~~December 31, 2012~~November 30, 2013** by ~~March 1, 2013~~February 1, 2014. To comply with this requirement, please use the ~~2012~~ 2013 Data Call instructions, keeping the following points in mind:

- All references to data as of June 30, ~~2012~~ 2013 should be as of ~~December 31, 2012~~November 30, 2013 for new participants.
- The Data Call submission for new participants is due by ~~March 1, 2013~~February 1, 2014. Extensions will not be granted.
- The forms included in this supplemental should be used when compiling and submitting your company's data.
- All references to exposure fluctuations from the prior year may be disregarded.

If you have any questions about the information to be supplied as a new participant, please do not hesitate to call Holly Bertagnolli, Martin Helgestad, or Kathy Mackenthun of Paragon Strategic Solutions Inc. at 1-800-689-FUND (3863).

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

New Participants Submission Checklist

Due ~~March 1, 2013~~February 1, 2014

Please provide us with the following information and return this checklist with your exposure data:

Company Name: _____ **NAIC No.:** _____

Item	Included?
Exposure Data File	Y / N
Completed New Participants Submission Checklist (page 34)	Y / N
Completed New Participants Control Totals Form (page 35)	Y / N
Completed New Participants Statement of Exposure Data Validity (page 36)	Y / N
Completed New Participants Statement of Retention of Exam File (page 37)	Y / N
Completed New Participants Collateral Protection Policies Statement * (page 38)	Y / N
*The above Statement is required only for Companies writing Collateral Protection Policies	
Validation Printouts (optional)	Y / N

In the event that we have questions regarding the data submitted, please provide the name of the person responsible for data collection:

Name	Telephone Number
Title	Facsimile Number
Street Address (not P.O. Box)	E-Mail Address
City, State, ZIP	

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

New Participants Control Totals Form

Due ~~March 1, 2013~~February 1, 2014

Please complete this form, verify that the totals match both your Data Call submission file and your SBA exam file, and return to Paragon along with your exposure data.

Company Name: _____ **NAIC No.** _____

FHCF Type of Business	Insured Risks	Total Insured Value (Exposure)			
		Building	Appurtenant Structures	Contents	ALE
Commercial	_____	_____	_____	_____	_____
Residential	_____	_____	_____	_____	_____
Mobile Home	_____	_____	_____	_____	_____
Tenants	_____	_____	_____	_____	_____
Condominium Unit Owners	_____	_____	_____	_____	_____
Totals	_____	_____	_____	_____	_____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due ~~March 1, 2013~~ February 1, 2014

New Participants Statement of Exposure Data Validity

on behalf of

_____
(Company Name)

We, the undersigned, do state that, to the best of our knowledge, the attached data provided by the captioned Company to the State Board of Administration of Florida (SBA) under Section 215.555(5)(c), Florida Statutes, is complete and accurate.

The validity of all exposure data sets received by Paragon is subject to examination by the SBA.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of said Company's records and systems to determine the truth of this statement.

BY: _____ Signature	**BY:** _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due ~~March 1, 2013~~ February 1, 2014

New Participants Statement of Retention of Exam File

on behalf of

_____
(Company Name)

We, the undersigned, state that the State Board of Administration of Florida (SBA) exam file referenced on pages 5-6 of this Data Call has been produced by the captioned Company in accordance with the required specifications and that the SBA exam file will be retained and maintained by the captioned Company in a secure location. We understand that the SBA exam file will be used when the FHCF conducts an examination of the captioned Company's exposure submission for this Contract Year. The captioned Company will provide the SBA exam file to the FHCF or its designated representative upon notification that an exposure examination for this Contract Year has been scheduled. The captioned Company recognizes that the exposure examination will require documentation in addition to the SBA exam file.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of the said Company's records and systems to determine the truth of this statement. We understand that our SBA exam file should be generated at the same time our Data Call file is created, and that data fields common to both the Data Call file and the SBA exam file must be the same. We acknowledge that if it is determined, subsequent to our Data Call submission, that these files are not in agreement, our company will be required to resubmit both files and will be subject to a $1,000 resubmission fee for each resubmission.

BY: _____ Signature	**BY:** _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

RETURN TO PARAGON

Florida Hurricane Catastrophe Fund
~~2012~~ 2013 Data Call

Pursuant to Section 215.555(5)(c), Florida Statutes

Due ~~March 1, 2013~~ February 1, 2014

New Participants Collateral Protection Statement

(This form may be disregarded if not applicable to your company)

on behalf of

_____

(Company Name)

We, the undersigned, acknowledge that the captioned Company writes collateral protection policies covering personal residences in the State of Florida that protect both the borrower's and the lender's financial interest, in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy. We understand that, as referenced in Section 215.555(2)(c), Florida Statutes, for such policies to be covered by the FHCF, our Company must be able to accurately report exposure information for those policies as required in Section 215.555(5), and specifically, as outlined in this Data Call.

We are each, respectively, executive officers of said Company, acting within our authority in making this declaration. We have conducted, or have had conducted, a thorough review of said Company's records to determine whether all necessary information required for collateral protection policies to be covered by, and reported to, the FHCF, as outlined above and in this Data Call, is available for reporting (whether in a hard copy or an electronic format). Accordingly, we certify that (check appropriate box below):

☐ Said Company has collected all information necessary for such policies to be covered by, and reported to, the FHCF, as outlined in this Statement and this Data Call, and has accordingly included collateral protection exposure covered by the FHCF in this Data Call submission.

☐ Said Company **DOES NOT** have available the data as required by the premium formula as specified in Section 215.555(5), Florida Statutes, and therefore is unable to accurately report its collateral protection exposure. We understand that the said Company is ineligible to collect any reimbursements from the FHCF for losses occurring during the ~~2012~~ 2013 FHCF contract year from policies covering collateral protection exposure.

BY: _____ Signature	**BY:** _____ Signature
NAME: _____ Typed/Printed	**NAME:** _____ Typed/Printed
TITLE: _____	**TITLE:** _____
DATE: _____	**DATE:** _____

Draft 1/8/2013

Contract Year ~~2012~~ 2013 Interim Loss Report
Florida Hurricane Catastrophe Fund (FHCF)

Company Name: _____ Co. NAIC No.: _____

Group NAIC No. (if applicable): _____ Losses as of (most current data available): _____

HURRICANE: _____ PCS CAT. NO.: _____ Report Due Date (see schedule below): _____

ESTIMATED ULTIMATE NET LOSSES ON COVERED POLICIES

	Commercial-Residential	Residential	Mobile Home	Tenants	Condominium Unit Owners	Total
Paid Loss*						
Outstanding Loss*						
IBNR (unknown losses)*						
TOTAL*						

Schedule of Report Due Dates

If the FHCF determines that an Interim Loss Report is required due to the occurrence of a Covered Event, all participants in the FHCF shall be notified of the required filing and the applicable due date (not less than fourteen days from the notice date). The FHCF will notify participants if subsequent Interim Loss Reports are required or if a detailed claims listing (as outlined on the Form FHCF-L1B – Proof of Loss Report) must be provided to the FHCF.

* Report Ultimate Net Losses only. Do not include Loss Adjustment Expenses. If your company has negative IBNR numbers, report the negatives; do not net with the Outstanding Loss numbers. See Article V of the Reimbursement Contract for the definitions of Covered Event, Covered Policy, and Ultimate Net Loss. See Article VI of the Reimbursement Contract for specific coverage exclusions. Copies of this Interim Loss Report, the Reimbursement Contract, and additional information can be found on the Internet at www.sbafla.com/fhcf or http://fhcf.paragon.aonbenfield.com.

Signature: _____ Executive Title: _____ Date: _____

Printed or Typed Name of Executive: _____

Draft 1/8/2013

Contract Year ~~2012~~ 2013 Proof of Loss Report
Florida Hurricane Catastrophe Fund (FHCF)

Company Name: _____ Co. NAIC No.: _____

Group NAIC No. (if applicable): _____ Losses as of (most current data available): _____

HURRICANE: _____ PCS CAT. NO.: _____ Report Due Date: _____

SECTION I - MANDATORY **ULTIMATE NET LOSSES ON COVERED POLICIES**

	Commercial-Residential	Residential	Mobile Home	Tenants	Condominium Unit Owners	Total
A. Paid Loss*						
B. Outstanding Loss*						
C. IBNR (unknown losses)*						
D. TOTAL*						

* Report Ultimate Net Losses only. Do not include Loss Adjustment Expenses. If your company has negative IBNR numbers, report the negatives; do not net with the Outstanding Loss numbers. See Article V of the Reimbursement Contract for the definitions of Covered Event, Covered Policy, and Ultimate Net Loss. See Article VI of the Reimbursement Contract for specific coverage exclusions. Copies of this Proof of Loss Report, the Reimbursement Contract, and additional information can be found on the Internet at www.sbafla.com/fhcf or http://fhcf.paragon.aonbenfield.com.

SECTION II - OPTIONAL **ESTIMATED RECOVERABLE FROM THE FHCF**

Section II is provided for your Company's use only. The FHCF will calculate loss reimbursements based on the information provided under Section I above.

		Incurred Basis
A. Incurred Ultimate Net Loss	(Sec. I.D)	
B. Less Actual Retention		
C. Subtotal (minimum of -0-)	(A - B)	
D. Elected Coverage Percentage		
E. Ultimate Net Loss Excess Retention	(C x D)	
F. LAE (5% of Incurred Losses in Excess of Retention)	(E x 5%)	
G. Estimated Recoverable from the FHCF on Incurred Basis**	(E + F)	

		Paid Basis
A. Paid Ultimate Net Loss	(Sec. I.A)	
B. Less Actual Retention		
C. Subtotal (minimum of -0-)	(A – B)	
D. Elected Coverage Percentage		
E. Ultimate Net Loss Excess of Retention	(C x D)	
F. LAE (5% of Paid Losses in Excess of Retention)	(E x 5%)	
G. Total Estimated Recoverable	(E + F)	
H. Previous Reimbursements		
I. Estimated Recoverable from the FHCF this request**	(G – H)	

***Estimated recoverables are limited by your Company's share of the claims paying capacity of the FHCF, as limited pursuant to Sections 215.555(4)(c) and (17), Florida Statutes.*

Company Name: _____ **Hurricane:** _____

SECTION III - MANDATORY **SIGNATURES**

We, the undersigned, do state that, to the best of our knowledge, all data reported under Section I of this Proof of Loss Report is accurate and is for losses under FHCF Covered Policies incurred by the named Company (Company) for the named hurricane. All reported information is subject to examination by the State Board of Administration of Florida (SBA). We are each, respectively, executive officers of the Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of the Company's records and systems to determine the truth of this statement.

Signature: _____ Executive Title: _____ Date: _____

Printed or Typed Name of Executive: _____

Signature: _____ Executive Title: _____ Date: _____

Printed or Typed Name of Executive: _____

RECORDS RETENTION REQUIREMENTS

Companies reporting losses and receiving reimbursements or advances from the FHCF for paid losses from Covered Events are subject to examination by the FHCF or its agents pursuant to the Reimbursement Contract entered into between the Company and the FHCF. Therefore, all Companies shall retain complete and accurate records of all losses paid by the FHCF until the FHCF has completed its examination of the Company and commutation for the Contract Year (if applicable) has been concluded. All records, including Form FHCF-L1B (Proof of Loss Report), correspondence, and supporting documentation, must be available with computer runs produced containing the information below. Upon notice of an examination, the Company will be required to provide the following information along with the information outlined in Form FHCF-LAP1 "Loss Reimbursement Examination Advance Preparation Instructions" for the applicable Contract Year.

1. **Detailed claims listing which supports the losses reported on the Proof of Loss Report including:**
   - Claim number
   - Date of loss
   - Policy number
   - Policy effective date
   - FHCF type of business code
   - County code
   - County name
   - ZIP Code
   - Paid loss – habitational building
   - Paid loss – appurtenant structure
   - Paid loss – contents
   - Paid loss – additional living expense
   - Outstanding loss reserve
2. **Claim files which include documentation of the following:**
   - First notice of loss
   - Claim number
   - Date of loss
   - Amount of loss for each category of coverage (building, appurtenant structure, contents, and additional living expense)
   - Claim description
   - Payment history
   - Policy number and location of property
   - Amount of loss adjustment expense
   - All adjuster estimates, including public adjuster estimates if provided to the Company
   - Copies of checks for payment of losses
   - Evidence of salvage received
   - Evidence of whether the deductible was applied
   - Receipts for any additional living expenses paid
   - Evidence to show the loss was a direct result of a hurricane
   - Documentation of policyholder's legal fees and/or public adjuster fees paid, if provided to the Company
3. **Detailed exposure listing, which was retained at the time the exposure data was submitted to the FHCF, for the Contract Year the loss occurred. See the SBA Exam File specifications section of the Data Call applicable to the Contract Year the loss occurred.**
4. **Additional detail on the loss examination requirements can be accessed on the Internet at www.sbafla.com/fhcf.**

NOTE: Companies must submit a detailed claims listing to support the losses reported in the Proof of Loss Report at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the ~~company~~ Company for reimbursement under that Covered Event, and should be prepared to supply a detailed claims listing for any subsequent Proof of Loss Report upon request. Refer to ~~Form FHCF-LAP1~~ Form FHCF-DCL for the required file layout. The Proof of Loss Reports and the detailed claims listing are required to be sent to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, MN 55437. If your Company submits its Proof of Loss Reports electronically through the FHCF's Online Claims System at www.sbafla.com/fhcf, the detailed claims listing must be attached in an ASCII format.

Florida Hurricane Catastrophe Fund
Contract Year 2013 Detailed Claims Listing Instructions

Each Florida Hurricane Catastrophe Fund (FHCF) member Company must submit a Detailed Claims Listing (as described below) to support the losses reported in the Proof of Loss Report at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event. Each Company is also required to retain, and make available upon request, a Detailed Claims Listing which supports each subsequent Proof of Loss Report submitted to the FHCF.

File Layout

The Detailed Claims Listing, which supports the losses reported in the Proof of Loss Report(s), by hurricane, must match the aggregate total amounts for paid losses and outstanding losses reported on page 1 of the Proof of Loss Report. The Detailed Claims Listing must be provided as a Microsoft Access database or in a fixed-width ASCII (text) format, and contain the following fields (do not include symbols, such as, -, +, #, $,", /) in the order listed. **Policy numbers in the Detailed Claims Listing must be in the same format as policy numbers provided in the FHCF Exposure Exam File.**

FIELD #	DESCRIPTION	POSITION	LENGTH	TYPE	NOTES
1	Claim Number	1	20	Text	Only numbers and letters are acceptable
2	Date of Loss	21	8	Text	mmddyyyy
3	Policy Number	29	30	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the 2013 Exposure Exam File for policies required to be reported at 6/30/13
4	Policy Effective Date	59	8	Text	mmddyyyy
5	FHCF Type of Business Code	67	1	Text	Only use the codes on pg x of the Contract Year 2013 FHCF Data Call
6	County Code	68	3	Text	Only use the codes on pg xx of the Contract Year 2013 FHCF Data Call
7	County Name	71	20	Text	All capital letters
8	ZIP Code	91	5	Text	
9	Paid Loss – Habitational Building*	96	12	Text	Enter zeros if none
10	Paid Loss – Appurtenant Structures *	108	12	Text	Enter zeros if none
11	Paid Loss – Contents *	120	12	Text	Enter zeros if none
12	Paid Loss – Additional Living Expense *	132	12	Text	Enter zeros if none
13	Outstanding Loss Reserve	144	12	Text	Enter zeros if none

***Note: A breakdown of paid losses is required.**

Example: A record with the following information:

FIELD #	DESCRIPTION	TYPE	ENTRY
1	Claim Number		336733
2	Date of Loss		09102013
3	Policy Number		HCP5670996
4	Policy Effective Date		02152013
5	FHCF Type of Business Code	Residential	2
6	County Code		049
7	County Name		HARDEE
8	ZIP Code		33890
9	Paid Loss – Habitational Building		12100
10	Paid Loss – Appurtenant Structures		3600
11	Paid Loss – Contents		8000
12	Paid Loss – Additional Living Expense		1500
13	Outstanding Loss Reserve		5000

Sample record layout:

0000000000000033673309102013000000000000000000000HCP5670996021520132049000000000000000
HARDEE33890000000001210000000000360000000000080000000000015000000000005000

Each record must have this type of layout. Since each field has a defined length, please "zero fill" the positions in each field that will not be used. Each record must be 155 characters in length.

You must provide a separate Detailed Claims Listing to support the Proof of Loss Report(s) for each event. If your Company is unable to provide a Detailed Claims Listing that matches the losses reported in the Proof of Loss Report(s), you should immediately contact the FHCF staff for further instructions.

Reporting Losses for policies assumed from Citizens Property Insurance Corporation (Citizens)

If your Company receives reimbursement from the FHCF for losses on policies assumed from Citizens and the policies, subsequent to the reimbursement, revert back to Citizens, then your Company must deduct those losses from all future Proof of Loss Reports submitted to the FHCF.

Remittance of Required Documents

The reports must be provided on a CD-ROM that is labeled with the Company name, Contract Year, hurricane(s), and file name(s). Save each Detailed Claims Listing with the name applicable to each hurricane. Be sure to check your CD-ROM to be certain the files were saved and can be opened. Also please check your totals to make sure they match the Proof of Loss Report submitted.

Retention of Records

Your Company is required to maintain records of all losses paid by the FHCF until the FHCF has completed its examination of the Company and commutation for the Contract Year (if applicable) has been concluded. The records retention requirement, as stipulated in the Proof of Loss Report, page 2, requires the Company to maintain all records, including the Proof of Loss Report, Detailed Claims Listing, correspondence, and supporting documentation to support each Proof of Loss Report submitted to the FHCF.

FLORIDA HURRICANE CATASTROPHE FUND (FHCF)
EXPOSURE EXAMINATION – CONTRACT YEAR ~~2012~~2013
ADVANCE PREPARATION INSTRUCTIONS

Company:
Date of Examination:
Advance Records Due:

The following instructions are provided to help your Company prepare for the FHCF's examination. If you have questions pertaining to the preparation and submission of required records, or about the activities or work processes of the examiner which cannot be adequately answered by the examiner, please call Gina T. Wilson, Director of Examinations, at (850) 413-1348.

Please note: If your Company participated in a takeout pursuant to an assumption agreement with Citizens Property Insurance Corporation or the examination is for Citizens Property Insurance Corporation Coastal Account with quota share primary insurance data, additional instructions apply (see pages ~~5~~ x and ~~6~~x).

ADVANCE RECORDS

Your ~~c~~Company is required to submit records to the FHCF in advance of the examiner's on-site review to allow the examiner to fully prepare and to ensure the examination begins as scheduled.

All advance records must be provided on a CD-ROM that is labeled with the Company name and contract year. Be sure to check your CD-ROM to be certain the files were saved and can be opened. A cover letter is not required; however, if there is any information related to the data or the exam that you would like the examiner to know, it can be noted in a cover letter. If more than one company is under examination, preparation of separate data for each company is necessary. If your Company has different departments responsible for compiling portions of your data submission, please have one individual coordinate, compile, and submit the complete package to the FHCF.

1. **REQUIRED RECORDS CHECKLIST**
   The Checklist, provided as an attachment in the Notice email, should be completed by the Company to ensure that all advance records are submitted to the FHCF and should be returned to the FHCF in electronic form with the remainder of the required advance records. Do not use versions from a prior examination. Using the drop-down options located to the right of the list of required records, the Company should indicate whether each of the records is included, not included, or not applicable. The Company should also designate the office location where the on-site examination should take place and provide complete contact information of a Company Coordinator and a Company Executive. All examination correspondence will be directed through the Company Coordinator you have designated, including the Examination Report, unless otherwise noted on the checklist (the FHCF will only send one printed copy of the Report). The Company Coordinator will be contacted periodically by FHCF staff and the examiner to help guide the Company in the preparation of information needed to expedite the examination.

2. **OPERATIONS QUESTIONNAIRE**
   The electronic questionnaire form should be completed in its entirety and submitted to the FHCF in electronic form. Questions should be answered based on covered policies in force for the ~~c~~Contract ~~y~~Year being examined. The individual(s) responsible for preparing the questionnaire should be available to answer questions once the examiner arrives on-site.

3. CONSTRUCTION MAPPING WORKSHEET

Your Company must provide a list of company construction types with a definition for each type and the applicable FHCF code used to report each construction. The Construction Mapping Worksheet should be completed and submitted to the FHCF in electronic form. In addition, if a construction mapping was submitted to Paragon for approval in the current contract year, a copy of the approved mapping should be submitted with the worksheet.

~~3.~~4. FORMS AND ENDORSEMENTS

Your Company must provide a list of all forms and endorsements used (as of the Data Call date) for all covered and reported policies, as well as a specimen copy of each form. The list must include the form and endorsement numbers and titles.

~~4. LIST OF COMPANY CONSTRUCTION TYPES~~

~~Your Company must provide a list of company construction types with a definition for each type and the applicable FHCF code used to report each construction.~~

5. DEFINITION OF WINDSTORM MITIGATION FEATURES

Your Company must provide a list of windstorm mitigation features reported to the FHCF for structure opening protection and roof shape, along with a definition for each feature and the applicable FHCF code the feature is mapped to.

6. EXAM FILE/EXPOSURE DATA

Your Company is required to submit its Exam File produced and retained in accordance with the specifications given in the Data Call instructions for the current contract year. The Exam File must match the Company's Data Call File submitted to the FHCF Administrator and must be submitted as originally prepared unless a subsequent resubmission was sent to the FHCF. If your Company failed to retain the Exam File, you should immediately contact the FHCF staff for further instructions.

The Exam File must be submitted as one report and be by individual policy, sorted by type of business and line of business. It must be provided in a Microsoft Access database or in delimited ASCII (text) format. The Exam File may not include symbols such as -, +, #, $, ", / and must contain the following fields in the order listed in the table below.

Field #	DESCRIPTION	TYPE	NOTES
1	Type of Business	Numeric	Only use the codes on pg ~~8~~ xx FHCF Data Call
2	Line of Business	Numeric	Only use the codes on pg ~~9~~ xx FHCF Data Call
3	Construction Type	Numeric	Only use the codes on pgs ~~9-10~~xx FHCF Data Call
4	Deductible Group	Text	Only use the codes on pgs ~~10-11~~xx FHCF Data Call
5	County Code	Numeric	Only use the codes on pg ~~26~~ xx FHCF Data Call
6	ZIP Code	Numeric	
7	Insured Risks	Numeric	Must be greater than zero
8	Total Insured Value – Building	Numeric	
9	Total Insured Value – Appurtenant Structures	Numeric	
10	Total Insured Value – Contents	Numeric	
11	Total Insured Value – Additional Living Expenses	Numeric	
12	Year Built	Numeric	Only use the codes on pg ~~14~~ xx FHCF Data Call
13	Reserved for future use	Numeric	Enter 00 (two zeros)
14	Reserved for future use	Numeric	Enter 0 (one zero)
15	Structure Opening Protection	Numeric	Only use the codes on pg ~~14~~ xx FHCF Data Call
16	Roof Shape	Numeric	Only use the codes on pg ~~14~~ xx FHCF Data Call
~~17~~	~~Reserved for future use~~	~~Numeric~~	~~Enter 0 (one zero)~~
~~18~~	~~Reserved for future use~~	~~Numeric~~	~~Enter 0 (one zero)~~

~~19~~17	Policy Effective Date	Numeric or Date/Time	Numeric Format: yyyymmdd Date/Time Format: month/day/year Effective Date must be in one field and the numeric format must have 8 characters
~~20~~18	Policy Expiration Date	Numeric or Date/ Time	Numeric Format: yyyymmdd Date/Time Format: month/day/year Expiration Date must be in one field and the numeric format must have 8 characters
~~21~~19	Policy Number	Text	
~~22~~20	Citizens Policy Number*	Text	*Applies only to policies assumed from Citizens that have not renewed onto the ~~c~~Company's books by June 30, ~~2012~~2013.

7. DIRECT WRITTEN PREMIUM REPORT

Your Company must provide (1) a copy of the annual statement page with the direct written premiums for Florida and (2) a report which supports your Company's total direct written premium for all lines where any policy or coverage subject to the FHCF may be written. Both documents must be provided for the period ending December 31, ~~2011~~2012. Although the direct written premiums for a line of business may include policies covered and policies not covered by the FHCF, the Direct Written Premium Report must include all policies needed to reconcile to the line item total on the annual statement. It would be helpful to include a notation on the report, which distinguishes ex-wind policies from wind policies. Also, if there are any reconciling entries made to the annual statement, enclose a schedule detailing the reconciling items.

The Direct Written Premium Report must be by individual policy, sorted by type and line of business, must be provided as a Microsoft Access database or in a delimited ASCII (text) format, and must contain the fields in the order listed in the table below. **Policy numbers in the Exam File and Direct Written Premium Report must be formatted alike. If not, an explanation on how to match the policies is required.**

#	DESCRIPTION	TYPE	NOTES
1	Type of Business	Numeric	Only use the codes on pg ~~8~~ xx FHCF Data Call
2	Line of Business	Numeric	Only use the codes on pg ~~9~~ xx FHCF Data Call
3	Policy Effective Date	Numeric or Date/Time	Numeric Format: yyyymmdd Date/Time Format: month/day/year Effective Date must be in one field and the numeric format must have 8 characters
4	Policy Expiration Date	Numeric or Date/Time	Numeric Format: yyyymmdd Date/Time Format: month/day/year Expiration Date must be in one field and the numeric format must have 8 characters
5	Direct Written Premium	Numeric	
6	Policy Number	Text	Use the same policy number and format as used in the Exam File
7	Notation Designating FHCF Covered Policies	Text	If available
8	Notation Designating Policy Written with Ex-wind Endorsement	Text	If available
9	Notation Designating Policy has Endorsement for Scheduled Personal Property	Text	If applicable
10	Class Code	Numeric	If applicable (typically applies to Commercial policies only)

For Commercial Multiple Peril, only include policies with premium reported under line 5.1. **DO NOT INCLUDE POLICIES REPORTED UNDER LINE 5.2**.

Also, if your Company writes Inland Marine endorsements to covered policies and the premium from these policies is included under a line of business other than Line 9 for Inland Marine, provide a separate listing for this premium. Also, be sure to provide separate listings for lines of business that include premiums for both commercial and residential policies.

ON-SITE REQUIREMENTS

In order for the examiner to properly conduct and expedite an early conclusion of the Exposure Examination, the Company Coordinator should ensure that the examiner has access to ~~the following:~~items 1-4 below on the first day and throughout the duration of the on-site visit.

1. **EQUIPMENT AND SPACE**
   The examiner will need a private working space, dedicated telephone line and telephone, and an internet connection.

2. **COMPANY PERSONNEL**
   The Company Coordinator may wish to provide names of persons whom the examiner can contact directly for answers to the many questions the examination generates. In addition, the individual(s) responsible for preparing the Operations Questionnaire should be available to answer questions once the examiner arrives on-site.

3. **REQUIRED RECORDS TO HAVE AVAILABLE ON-SITE**
   The examiner will also be requesting applications and declaration pages to be available for review on-site. If policy files are in more than one location, your Company is responsible for coordinating the retrieval of the files to one central location. The files must contain at least the following information:

   a. Insured's Name
   b. Address and ZIP Code for location of property insured
   c. Policy Number
   d. Policy Period
   e. Construction Type
   f. Deductible Group
   g. County Code
   h. Total Insured Values
   i. Year Built
   j. Evidence to support the reported roof shape code
   ~~j.~~k. Evidence to support a reinforced concrete roof, if applicable
   ~~k.~~l. Evidence to show a credit is given to the policyholder for structure opening protection
   ~~l.~~m. A copy of the Residential Property Insurance Checklist required by the Office of Insurance Regulation Rule 69O-167.013, F.A.C. (This requirement applies to homeowners', mobile homeowners', dwelling or condominium unit owners' policies)
   ~~m.~~n. All applicable endorsements and policy changes

   Online policy files may be acceptable for the review of residential lines of business if the items listed above are viewable on the online system, if the system is the same system that produces the Company's dec pages, and if the examiner determines the system information is reliable. If the examiner determines the online system cannot be used for policy review, then your Company must provide the physical policy files including the applications and underwriting files.

   For review of commercial policies,~~–~~ the complete policy files, including underwriting files, applications, commercial class codes, and statement of values are required.

4. ADDITIONAL ON-SITE REQUIREMENTS

a. A copy of your Company's underwriting manual and rating manual for policies covered by the FHCF and the name of a contact that is familiar with these manuals.

b. If your Company writes policies covering single structures that contain a mix of both commercial and habitational exposure, your Company is required to submit a classification plan to the FHCF Administrator before the September 1st deadline. Be certain an individual familiar with your Company's class codes is available to answer questions before and during the examination. Also, your Company must be able to identify policies insuring single structures that contain a mix of both commercial and habitational exposure for examination purposes.

c. If your Company's reported exposure includes collateral protection policies covered by the FHCF, a copy of the lapsed homeowner's policy or the equivalent of a dec page must be available for the examiner's review in addition to the dec page for the policy in force at June 30, ~~2012~~2013.

SPECIAL EXAMS RELATED TO ~~ASSUMPTIONS AND QUOTA SHARE AGREEMENTS WITH~~ CITIZENS PROPERTY INSURANCE CORPORATION (CITIZENS)

1. CITIZENS TAKEOUTS PURSUANT TO ASSUMPTION AGREEMENTS

a. Requirements for Assuming Companies:

If your Company was engaged in an assumption agreement from July 1, 2012 through June 30, 2013, with Citizens Coastal Account and/or Citizens Personal Lines and Commercial Lines Accounts, ~~a~~ separate Exam Files should be submitted.

(1) One file must contain your Company's FHCF exposure from direct written premiums. The exposure assumed from either Citizens entity which is renewed by June 30, ~~2012~~ 2013 must be included with the direct portion. The other file(s) must contain the FHCF exposure which was assumed from each Citizens entity (one file for each entity) and which was not renewed onto your Company's books by June 30, ~~2012~~2013.

(2) In addition, for each individual assumption, provide a list of all opt-outs after the assumption date up to, and including, June 30, 2013. The file must include the policy number and the date the policyholder signed the form opting out of the assumption.

b. Requirements for each Citizens entity engaged in an assumption:

In addition to the Exam File for all of its FHCF exposure not subject to an assumption agreement, each Citizens entity shall submit the following information for each assumption occurring July 1, ~~2011~~ 2012 through June 30, ~~2012~~2013:

(1) A separate file that includes a list of all policies that were assumed by each company on the date of the assumption. This file must include the policy number, policy written premium, and policy effective/expiration date.

(2) A separate listing of all assumed policies with indicators that identify policies with no wind coverage and cancellations (June 30 monthly extract).

(3) A separate file for all FHCF exposure removed from the applicable Citizens entity, which, as of June 30, ~~2012~~2013, had not been renewed onto the assuming ~~c~~Company's policy forms. This file must be prepared with the Exam File specifications outlined in the Contract Year ~~2012~~ 2013 Data Call instructions.

(4) For each individual assumption, provide a list of all policies untagged by Citizens after the assumption date up to, and including, June 30, 2013. The file must include the policy number, the assumption date, and the date the policy was untagged.

~~(4)~~(5) A copy of the assumption agreement between Citizens and the assuming ~~c~~Company along with copies of exhibits to show the number of policies assumed.

2. CITIZENS SUPPLEMENTAL REPORTING REQUIREMENT FOR POLICIES WRITTEN UNDER SECTION 627.351(6)(C)1.G. FLORIDA STATUTES

Citizens is required, as outlined on page 22 of the Contract Year 2013 Data Call, to report additional information if policies have been written under Section 627.351(6)(c)1.g., Florida Statutes, that permits a policyholder to select a building/Coverage A limit of liability less than 80% of the replacement cost. Following are the three additional fields:

- Field #21: Twelve-character field indicating the full replacement cost of the building for a policy or multiple policies with the same Data Call codes.
- Field #22: Three-character field indicating the percentage (in whole numbers, no decimals) of the selected limit of liability in comparison to the full replacement cost.
- Field #23: One-character field indicating how a percentage deductible is applied.

An example for each field is included in the Data Call.

~~2~~3. CITIZENS COASTAL ACCOUNT – QUOTA SHARE PRIMARY INSURANCE REPORTING REQUIREMENTS

Citizens Coastal Account shall report all quota share primary insurance exposure data to the FHCF in a separate file, meeting the requirements on page ~~23~~ xx of the Contract Year ~~2012~~ 2013 Data Call. This file is to contain all of the fields in the Exam File specifications and the following two additional fields:

- Field #~~23~~21: Five-character field indicating NAIC# of the insurer for each policy reported, and
- Field #~~24~~22: Two-character field indicating Citizens' specified percentage of hurricane coverage of the risks reported in a specific record, as set forth in the quota share primary insurance agreement between Citizens and an insurer.

  Note: If Citizens must report policies written under Section 627.351(6)(c)1.g., Florida Statutes, in accordance with the Citizens Supplemental Reporting Requirement on page 22 of the 2013 Data Call, these two fields shall then be fields #24 and #25, respectively.

For those policies under a Quota Share Primary Insurance Agreement, Citizens and each participating insurer are required to maintain duplicate copies of policy declaration pages. After receiving a notice for examination, Citizens must have a copy of the following information available on-site:

a. The all-perils policy issued by the insurer for each policy under the Quota Share Primary Insurance Agreement
b. Each endorsement attached to the all-perils policies that shows the specified percentage of participation by Citizens and the insurer under the Quota Share Primary Insurance Agreement
c. The Quota Share Primary Insurance Agreement.

All records, including exposure filings (Data Call File and Exam File), policy files, and supporting documentation must be retained along with any information produced to support the Data Call submission. Such records must be retained until the FHCF has completed its examination of your Company's exposure submission and claims reports (applicable to the Data Call Contract Year) and commutation for the Contract Year (if applicable) has been concluded.

FLORIDA HURRICANE CATASTROPHE FUND (FHCF)
LOSS REIMBURSEMENT EXAMINATION – CONTRACT YEAR ~~2012~~2013
ADVANCE PREPARATION INSTRUCTIONS

Company:
Date Examination Scheduled:
Date Required Records Due:
Events: **(Event Name) – Proof of Loss Report with losses as of:**
(Event Name) – Proof of Loss Report with losses as of:
(Event Name) – Proof of Loss Report with losses as of:

In order for the examiner to properly conduct and expedite an early conclusion of the Loss Reimbursement Examination, please follow the guidelines below. If more than one company is under examination, preparation of separate data for each company is necessary. If more than one contract year is scheduled for examination, preparation and submission of separate data for each contract year is necessary.

1. **Company Coordinator:**

   All correspondence will be directed through the Company Coordinator you have designated. The Company Coordinator will be contacted periodically by FHCF staff and the examiner to ensure proper receipt of records and to help guide the Company Coordinator in the preparation of information needed to expedite the examination. Your Company Coordinator may wish to provide the names of people whom the examiner can directly contact for answers to the many questions the examination generates. Please remember that if you do not understand what we need, feel free to ask questions.

2. **Equipment and Space:**

   The examiner will need a private working space, dedicated telephone line and telephone, and an internet connection.

3. **Work Processes:**

   If, at any time, you have questions about the activities or work processes of the examiner, which cannot be adequately answered by the examiner, please call Gina T. Wilson, Director of Examinations, at 850-413-1348.

4. **Required Records:**

   A. Required Records to be submitted to the FHCF in advance:

   Claims Process Memo

   Provide a written narrative of your Company's hurricane claims paying process. The narrative should start with how a claim is originated to the time a claim is paid. Please indicate the name and title of primary employees with responsibilities in the process.

   Detailed Claims Listing(s)

   Your Company is required to maintain records of all losses paid by the FHCF until the FHCF has completed its examination of the Company and commutation for the Contract Year (if applicable) has been concluded. The records retention requirement, as stipulated

in the Proof of Loss Report, page 2, requires the Company to maintain all records, including the Proof of Loss Report, correspondence and supporting documentation to support the losses reported to the FHCF.

The Detailed Claims Listing, which supports the losses reported in the Proof of Loss Report(s), by hurricane, must match the aggregate total amounts for paid losses and outstanding losses reported on page 1 of the Proof of Loss Report. The Detailed Claims Listing must be provided as a Microsoft Access database or in a fixed-width ASCII (text) format, and contain the following fields (do not include symbols, such as~~,~~ -, +, #, $,", /) in the order listed. Please note: Policy numbers in the Detailed Claims Listing must be in the same format as policy numbers provided in the Exposure Exam File. Other instructions regarding the Detailed Claims Listing are outlined in Form FHCF-DCL, "Detailed Claims Listing Instructions," adopted under Rule 19-8.029, Florida Administrative Code.

FIELD #	DESCRIPTION	POSITION	LENGTH	TYPE	NOTES
1	Claim Number	1	20	Text	Only numbers and letters are acceptable
2	Date of Loss	21	8	Text	mmddyyyy
3	Policy Number	29	30	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the ~~2012~~ 2013 Exposure Exam File for policies required to be reported at 6/30/~~12~~13
4	Policy Effective Date	59	8	Text	mmddyyyy
5	FHCF Type of Business Code	67	1	Text	Only use the codes on pg ~~8~~ x of the Contract Year ~~2012~~ 2013 FHCF Data Call
6	County Code	68	3	Text	Only use the codes on pg ~~26~~ x of the Contract Year ~~2012~~ 2013 FHCF Data Call
7	County Name	71	20	Text	All capital letters
8	ZIP Code	91	5	Text	
9	Paid Loss – Habitational Building*	96	12	Text	Enter zeros if none
10	Paid Loss – Appurtenant Structures *	108	12	Text	Enter zeros if none
11	Paid Loss – Contents *	120	12	Text	Enter zeros if none
12	Paid Loss – Additional Living Expense *	132	12	Text	Enter zeros if none
13	Outstanding Loss Reserve	144	12	Text	Enter zeros if none

*** A breakdown of paid losses is required.**

Example: A record with the following information:

FIELD #	DESCRIPTION	TYPE	ENTRY
1	Claim Number		336733
2	Date of Loss		~~09102012~~09102013
3	Policy Number		HCP5670996
4	Policy Effective Date		~~02152012~~02152013
5	FHCF Type of Business Code	Residential	2
6	County Code		049
7	County Name		HARDEE
8	ZIP Code		33890
9	Paid Loss – Habitational Building		12100
10	Paid Loss – Appurtenant Structures		3600
11	Paid Loss – Contents		8000
12	Paid Loss – Additional Living Expense		1500
13	Outstanding Loss Reserve		5000

Sample record layout:

~~000000000000000336733091020120000000000000000000000HCP5670996021520122049000000000000000HARDEE33890000000001210000000000360000000000800000000000015000000000005000~~000000000000000336733091020130000000000000000000000HCP5670996021520132049000000000000000HARDEE33890000000001210000000000360000000000800000000000015000000000005000

Each record must have this type of layout. Since each field has a defined length, please "zero fill" the position in each field that will not be used. Each record must be 155 characters in length.

Provide a separate Detailed Claims Listing to support the Proof of Loss Report(s) for each event listed on the first page of these instructions. If your ~~c~~Company is unable to provide a Detailed Claims Listing that matches the losses reported in the Proof of Loss Report(s), you should immediately contact the FHCF staff for further instructions.

Incurred But Not Reported (IBNR)

In addition to the Detailed Claims Listing(s), your ~~c~~Company is required to submit documentation to support the amount of IBNR reported for each Proof of Loss Report and event listed above.

List of Claims with Salvage

The Company is required to provide a listing of all FHCF covered claims where salvage was received. This listing must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

FIELD #	DESCRIPTION	TYPE	NOTES
1	Claim Number	Text	
2	Policy Number	Text	
3	Salvage Received	Text	

Multi-State Policy Listing

The Company is required to provide a listing of all FHCF covered commercial policies in effect during the ~~2012~~ 2013 hurricane season that have exposures written with Florida and non-Florida locations on the same policy. This list includes all policies regardless of whether or not a claim was reported to the FHCF for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

FIELD #	DESCRIPTION	TYPE	NOTES
1	Policy Number	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the ~~2012~~ 2013 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg ~~8~~ x of the ~~2012~~ 2013 FHCF Data Call

Multi-Risk Policy Listing

The Company is required to provide a listing of all FHCF covered commercial policies in effect during the ~~2012~~ 2013 hurricane season that have both covered and non-covered risks written on the same policy. This list includes all policies regardless of whether or not a claim was reported for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

FIELD #	DESCRIPTION	TYPE	NOTES
1	Policy Number	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the ~~2012~~ 2013 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg ~~8~~ x of the ~~2012~~ 2013 FHCF Data Call

Single Structures Policy Listing

The Company is required to provide a listing of all FHCF covered policies in effect during the ~~2012~~ 2013 hurricane season that insure single structure(s) that are used for both habitational and non-habitational purposes. This listing includes all policies regardless of whether or not a claim was reported for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

FIELD #	DESCRIPTION	TYPE	NOTES
1	Policy Number	Text	Only numbers and letters are acceptable and must match

			the policy numbers and format provided in the ~~2012~~ 2013 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg ~~8~~ x of the ~~2012~~ 2013 FHCF Data Call
3	Class Code	Text	Only numbers and letters are acceptable

Required Records Checklist and Operations Questionnaire

In addition to the records outlined above, attached are a Required Records Checklist and a Claims Operations Questionnaire that should be prepared electronically and submitted to the FHCF in advance. The individual responsible for preparing the questionnaire should be available to answer questions once the examiner arrives on site.

Remittance of Required Documents

The reports must be provided on a CD-ROM that is labeled with the Company name, contract year, hurricane(s) and file name. Save each Detailed Claims Listing with the name applicable to each hurricane. Be sure to check your CD-ROM to be certain the files were saved and can be opened.

B. Required Records to Have Available On Site:

The examiner will also be requesting claims and policy files, based on the sample selection, to be available once the examiner arrives on site. The claims and policy files can be provided either in electronic or hard copy format. The files should be made available upon request and should contain at least the following information:

Claim File (the complete file)

a. First notice of loss
b. Claim number
c. Date of loss
d. Amount of loss for each category of coverage (building, appurtenant structure, contents, and additional living expense)
e. Claim description
f. Policy number and location of property
g. Amount of loss adjustment expense
h. Copies of checks for payment of losses
i. All adjuster's estimates, including Public Adjuster estimates if provided to the Company
j. Payment history
k. Evidence of salvage received, if any
l. Evidence of whether the deductible was applied
m. Receipts for any additional living expenses paid
n. Evidence to show the loss was a direct result of a hurricane
o. Documentation of policyholder's legal fees and/or Public Adjuster fees paid, if provided to the Company

Policy File (the complete file in effect at the time of loss)

a. Policy Declarations

b. Insured's Name
c. Address and ZIP Code for location of property insured
d. Policy Number
e. Policy Period
f. Construction Type
g. Deductible Group
h. County Code
i. County Name
j. Total Insured Values
k. Evidence to support occupancy is ~~primary or secondary residence~~ owner occupied or non-owner occupied
l. All applicable forms, endorsements, and policy changes/transactional history

If your Company retains claims and/or policy files on an on-line system, this will be acceptable for the review of residential lines of business as long as the items listed above are available on that system and the examiner determines the system information can be relied upon. If the examiner determines the on-line system cannot be used for policy review, then the examiner will need policy files including the application and underwriting files for the specific policies being reviewed. Also, if the Company's on-line system is not the same system that produces the Company's dec pages, then the actual files will need to be provided to the examiner.

For any commercial policies reviewed, you are required to provide the complete policy file, underwriting file, application, commercial class codes, and statement of values.

5. Additional Requirements:

The Company may be required to provide a walk through of the claims process once the examiner arrives on site. The examiner will coordinate with the Company prior to arriving on site and provide directions on performing the walk through. The Company should make prior arrangements for the examiner to conduct this walk through with the necessary personnel. Be certain an individual familiar with the Company's claims process is available to answer questions before and during the examination.

If claims and/or policy files are in more than one location, your Company is responsible for coordinating the retrieval of the files to one central location.

Also, provide the examiner with a copy of the claims manual for claims covered by the FHCF and the name of a contact familiar with this manual. It is preferable that the claims manual be provided in electronic format.

Curriculum Vitae
Lorilee A. Medders

Last Revised: December 28, 2012

General Information

University address: Florida Catastrophic Storm Risk Management Center
Risk Management and Insurance
College of Business
Rovetta Building B Room 233A
Florida State University
Tallahassee, Florida 32306-1110

E-mail address: lmedders@cob.fsu.edu

Web site: www.cob.fsu.edu

Professional Preparation

1995 Ph.D. in Business, Georgia State University, Atlanta, GA. Major: Risk Management and Insurance. Economics of risk and uncertainty, decision sciences/probability theory/statistics. Supervisor: Martin F. Grace, J.D., Ph.D.

Lorilee Ann Medders. (1995). *The Value of Workers' Compensation Insurance Incentives in Reducing Occupation Injuries and Illnesses in the Presence of Moral Hazard*. Unpublished doctoral dissertation, Georgia State University, Atlanta, GA.

1994 M.S., Georgia State University, Atlanta, GA. Major: Risk Management & Insurance. corporate risk management; property/liability insurance.

1990 B.S.C.B., University of Alabama, Tuscaloosa, AL. *Magna cum laude*.

Professional Experience

2013–present Co-Director, Florida Catastrophic Storm Risk Management Center, Florida State University.

2012–present Associate in, Risk Management/Insurance, Florida State University. Research faculty member.

2009–2012 Assistant In, Risk Management and Insurance, Florida State University.

2009–2012	Associate Director, Florida Catastrophic Storm Risk Management Center, Florida State University.
2008–2009	Researcher, Risk Management and Insurance, Florida State University.
2008	Director of External Relations, Director of Undergraduate Programs, Assistant Professor, Department of Risk Management and Insurance, Georgia State University.
2007	Professor of Global Risk Management, Consortium of Universities for International Masters of Business Administration, Asolo, Italy.
2005–2007	Director of Student & External Affairs, Director of Undergraduate Programs, Assistant Professor, Department of Risk Management & Insurance, Georgia State University.
2001–2005	Director of Undergraduate Program, Assistant Professor, Department of Risk Management and Insurance, Georgia State University.
2000–2001	Assistant Professor, Department of Risk Management and Insurance, Georgia State University.
1999–2000	Visiting Assistant Professor of RMI, Department of Risk Management and Insurance, Georgia State University.
1999	Manager of Decision Solutions, Research and Development, Aon RiskConsole, Marietta Georgia. Managed three-person team in an approximate 25-employee, privately-held risk management information system firm. Designed and directed decision consulting efforts for firm's clients and prospective clients.
1998–1999	Adjunct Professor of RMI, Department of Risk Management and Insurance, Georgia State University.
1998	Senior Systems Consultant, Aon RiskConsole. Designed and directed decision consulting efforts for firm's mostly corporate risk management department clients and prospective clients. The firm's only consultant, I designed cost-allocation decision tools, loss forecasts, insurance policy gap analyses, and loss control & expense reports through VBA coding within a dual Sequel/Oracle based information system. Reported to VP for Research & Development.
1994–1998	Assistant Professor of Finance, Department of Finance and Economics, Georgia Southern University.

1993–1994 Graduate Teaching Assistant, Department of Risk Management and Insurance, Georgia State University.

1990–1992 Graduate Research Assistant, Center for Risk Management & Insurance Research, Georgia State University.

1990 Acturial Intern, Liberty National Life Insurance Company. Worked in the health insurance area of the actuarial department. Updated relative value tables used in claims payment. Conducted policy analysis to evaluate loss ratios for blocks of policies and made recommendations to AVP for corrective measures if loss ratios were deemed too high.

Visiting Professorship(s)

1999–2000 Visiting Assistant Professor of RMI at Georgia State University.

Fellowship(s)

Helen C. Leith Doctoral Fellowship, Georgia State University (1990–1994).

Honors, Awards, and Prizes

Scholarship to 2010 Summer Institute for the Advanced Study of Disaster and Risk, Beijing Normal University, Beijing, China (2010).
Nominee for Robinson College of Business Faculty Service Award, Georgia State University (2006).
Top 5 Professor, Georgia State University Freshman Learning Community (2004).
Alpha Kappa Psi Honorary Advisor & Member, Georgia State University (2001).
Gamma Iota Sigma Gamma Star, Zeta Chapter- Gamma Iota Sigma (2001).
2000-2002 Gamma Iota Sigma Faculty Advisor Award, Georgia State University (2000).
Anita Benedetti Student Involvement Program Scholarship, Risk & Insurance Management Society (1994).
1993-1994 Vice President, Doctoral Fellows, Georgia State University (1993).
Beta Gamma Sigma business honorary, Beta Gamma Sigma (1990).
Omicron Delta Epsilon economics honorary, Omicron Delta Epsilon (1990).
Outstanding Insurance Student Award, University of Alabama (1990).
1988-1990 College of Commerce & Business Administrations scholarships, University of Alabama (1988).

Current Membership in Professional Organizations

American Risk and Insurance Association
International Insurance Society
Risk and Insurance Management Society Educational Membership
Society for Business Ethics
Southern Risk and Insurance Association

Teaching

Teaching has been limited to summers since 2008. Received above-average, excellent or superior ratings from department chair at every annual review for teaching performance, 1999-2008, at Georgia State University. Officially commended by department chair for teaching effectiveness for every section of every course taught in every semester, Georgia State University, 1999-2006. Received perfect teacher performance ratings in annual performance evaluation from department chair for two consecutive years, Georgia Southern University, 1997, 1998.

Courses Taught

International Risk Management (RMI5087)
Special Topics in Risk Management (RMI4308)
Orientation to Georgia State University (GSU1010)
Corporate Risk Management (RMI4300)
Risk Management Modeling (RMI8050)
Risk Modeling (RMI3750)
Global Risk Management (MBA 8880)
Insurer Operations/Strategy (RMI4700)
Principles of Risk and Insurance (RMI3500)
Perspectives on Risk Management & Insurance (RMI8000)
Current Issues in Risk Management & Insurance (RMI4980)
Employee Benefits (RMI4530)
Property & Casualty Insurance (RMI4020)
Life Insurance (RMI4010)
Corporation Finance (FINC3131)
Personal & Personnel Risk Management (FINC4532)
Property & Liability Risk Management (FINC4534)
Enterprise Risk Management (FINC3134)
Corporation Finance (MBA8050)

New Course Development

International Risk Management (2011)
Risk Modeling (2006)

Curriculum Development

Led and coordinated a faculty team of 3 (including self) to restructure undergraduate risk management curriculum (7 courses) (2006)

Additional Teaching Not Reported Elsewhere

Medders, L. A. (2000–2008). *Supervised more than 20 directed readings / independent studies for undergraduate and graduate students*. Georgia State University.

Medders, L. A. (1993). *Statistics for the MBA Program*. Georgia State University College of Continuing Education.

Research and Original Creative Work

Publications

Invited Journal Articles

Schneider, L. A. (2003). The Changing International Insurance Marketplace. *Insurance Chronicle (ICFAI)*, 27-43.

Refereed Journal Articles

Medders, L. A., Nyce, C. M., & Karl, J. B. (in press). Market Implications of Public Policy Interventions: The Case of Florida's Property Insurance Market. *Risk Management and Insurance Review*.

Prum, D. & Medders, L. A. (in press). The Bonds that Tie: Will a Performance Bond Require that a Surety Deliver a Certified Green Building? *Hastings Business Law Journal*.

Medders, L. A. (2011). Improving the Affordability of Property Mitigation: Innovative Ideas from the Energy Sector. *CPCU eJournal*, 1-19. Retrieved from http://www.cpcusociety.org/file_depot/0-10000000/0-10000/3267/conman/CPCUeJournalSeptember11art1.pdf

Born, P., Dumm, R., Grace, M. F., Medders, L. A., & Nyce, C. M. (2011). Money, Mitigation and Residual Markets: Findings from a Symposium on Catastrophic Risk Management. *Journal of Insurance Regulation*, *30*, 287.

Jaeger, V., McCullough, K. A., & Medders, L. A. (2011). Tale of Two Regions: Natural Catastrophe Insurance and Regulation in the United States and the European Union. *Journal of Insurance Regulation*, *30*, 171.

Schneider, L. A., & Shrivastava, S. (2008). The Global Gaming of Energy Supply and Pricing: Evidence and Implications for the Global Economy. *Global Studies Journal*, *1(2)*, 35-38.

Refereed Proceedings

Schneider, L. A. (1998). Compliance, Liability and Ethics within a Business Decision Modeling Framework. In *Southeast Decision Sciences Institute Proceedings* (pp. 183-185). Roanoke, VA.

Schneider, H. C., & Schneider, L. A. (1997). The Effectiveness of Abductive Networks for the Prediction of Workers' Compensation. In *Southeast Decision Sciences Institute* (pp. 237-239). Atlanta, GA.

Nonrefereed Proceedings

Schneider, L. A. (2006). The Evolution of Learning Beyond the Classroom. In *National Resource Center's Students in Transition Conference*. St. Louis, MO.

Presentations

Invited Papers at Conferences

Schneider, L. A. (presented 2008, September). *The Gaming of Energy Supply and Pricing: Risk Management Implications*. Paper presented at Atlanta-CPCU Monthly Meeting, Georgia Chapter-Chartered Property-Casualty Underwriters, Atlanta, GA. (State)

Schneider, L. A. (presented 2007, May). *Insurance Industry Trends*. Paper presented at KPMG Partners & Managers Training Conference, KPMG, LLP, Dallas, TX. (National)

Schneider, L. A. (presented 2006, June). *Emerging Global Risks*. Paper presented at KPMG Partners & Managers Training Conference, KPMG, LLP, San Diego, CA. (National)

Schneider, L. A. (presented 1998, April). *Young Risk Management Professionals: RMI Program Survey Results*. Paper presented at Risk & Insurance Management Society Annual Conference, Risk & Insurance Management Society, San Diego, CA. (National)

Invited Papers at Symposia

Medders, L. A. (presented 2009, September). The Role of Private Capital in Funding Catastrophic Risks. In *Society for Insurance Research Annual Symposium*. Symposium conducted at the meeting of Society for Insurance, Orlando, FL. (National)

Schneider, L. A. (presented 2009, May). Accessing Capital for Catastrophic Storm Funding: Role of the Private Capital Markets. In Patrick F. Maroney (Chair), *Florida Catastrophic Storm Risk Management Center Symposium*. Symposium conducted at the meeting of Florida Catastrophic Storm Risk Management Center, FSU - Tallahassee, FL. (State)

Schneider, L. A. (presented 2009, May). The Role of Capital Markets in Funding Catastrophic Risks. In *Florida Catastrophic Storm Risk Management Center Symposium*. Symposium conducted at the meeting of Department of Risk Management and Insurance, Florida State University. (Local)

Refereed Papers at Conferences

Maroney, P. F., Medders, L. A., & Nyce, C. M. (accepted). *Catastrophe Models and the Value of Seconday Modifiers*. Paper to be presented at 2013 Annual Meetings, Western Risk and Insurance Association, Las Vegas, NV. (Regional)

Gatzlaff, D., McCullough, K. M., Medders, L. A., & Nyce, C. M. (presented 2012, November). *Home Values and Revealed Mitigation Information*. Paper presented at 2012 Annual Meetings, Southern Risk and Insurance Association, Savannah, Georgia. (Regional)

Maroney, P. F., Medders, L. A., & Nyce, C. M. (presented 2012, November). *Windstorm Mitigation Financing Options*. Paper presented at 2012 Annual Meetings, Southern Risk and Insurance Association, Savannah, GA. (Regional)

Medders, L. A., Maroney, P. F., & Nyce, C. M. (presented 2012, January). *The Mitigation Credits Problem*. Paper presented at 2012 Annual Meetings, Western Risk and Insurance Association, Hawaii. (Regional)

Medders, L. A., Maroney, P. F., & Nyce, C. M. (presented 2011, November). *Solutions to Managing Windstorm Exposure*. Paper presented at 2011 Annual Meetings, Southern Risk and Insurance Association, New Orleans, LA. (Regional)

Medders, L. A., & Maroney, P. (presented 2011, January). *Windstorm Mitigation: Improving Affordability through Local Governments*. Paper presented at 2011 Annual Meetings, Western Risk and Insurance Association, Santa Barbara, California. (Regional)

Medders, L. A., Maroney, P., & Nyce, C. (presented 2010, November). *Windstorm Mitigation: Home Hardening versus Premium Reduction, Are the Goals Compatible?* Paper

presented at 2010 Annual Meetings, Southern Risk and Insurance Association, Charleston, SC. (Regional)

Schneider, L. A., Maroney, P., & Nyce, C. (presented 2010, January). *Windstorm Mitigation: Incentives to Promote Policyholder Participation*. Paper presented at 2010 Annual Meetings, Western Risk and Insurance Association, Napa, California. (Regional)

Schneider, L. A., Maroney, P., & Nyce, C. (presented 2009, November). *Who's Gonna Pay When My House Flies Away? A Study of P&C Insurance Capacity in Hurricane-Exposed States*. Paper presented at 2009 Annual Meetings, Southern Risk and Insurance Association, Orlando, FL. (Regional)

Schneider, L. A., Maroney, P., & Nyce, C. (presented 2009, November). *Windstorm Mitigation Credits: The Effects on Solvency and Insurance Availability"*. Paper presented at 2009 Annual Meetings, Southern Risk and Insurance Association, Orlando, FL. (Regional)

Schneider, L. A. (presented 2009, September). *The Availability & Capacity of Private Capital for Florida Catastrophic Storm Funding*. Paper presented at 2009 Annual Meetings, Society for Insurance Research, Orlando, FL. (Regional)

Schneider, L. A., & Shrivastava, S. (presented 2008, May). *The Gaming of Energy Supply and Pricing: Risk Management Implications*. Paper presented at 2008 Meetings, Global Studies Conference, Chicago, IL. (National)

Schneider, L. A. (presented 2006, November). *The Evolution of Learning Beyond the Classroom*. Paper presented at National Resource Center's Students in Transition Conference, National Resource Center, St. Louis MO. (National)

Schneider, L. A. (presented 2003, January). *RMI Academic Program Assessment: A Portfolio of Assessment Tools*. Paper presented at 2003 Annual Meetings, Western Risk and Insurance Association, Maui, HS. (Regional)

Schneider, L. A. (presented 2002, August). *The Multinational Tax Strategy Game: Impact on Cost-of-Risk Allocation*. Paper presented at 2002 Annual Meetings, American Risk and Insurance Association, Montreal, QC, Canada. (National)

Schneider, L. A. (presented 2002, January). *Academic Program Assessment*. Paper presented at 2002 Annual Meetings, Western Risk and Insurance Association, San Diego, CA. (Regional)

Schneider, L. A. (presented 2001, August). *Toward Optimal Cost-of-Risk Allocation*. Paper presented at 2001 Annual Meetings, American Risk and Insurance Association, Baltimore, MD. (National)

Schneider, L. A. (presented 2001, January). *E-Business Risk Survey*. Paper presented at 2001 Annual Meetings, Western Risk and Insurance Association, Santa Barbara, CA. (Regional)

Schneider, L. A. (presented 2000, August). *E-Business Risk: Areas for Potential Research*. Paper presented at 2000 Annual Meetings, American Risk and Insurance Association. (National)

Schneider, L. A. (presented 2000, January). *Risk-e-Business: The Risks, Their Management and Areas for Research*. Paper presented at 2000 Annual Meetings, Western Risk and Insurance Association, Monterey, CA. (Regional)

Schneider, L. A. (presented 1998, February). *Compliance, Liability and Ethics within a Business Decision Modeling Framework*. Paper presented at 1998 Annual Meetings, Southeast Decision Sciences Institute, Roanoke, VA. (Regional)

Schneider, L. A., & Schneider, H. C. (presented 1997, February). *The Effectiveness of Abductive Networks for the Prediction of Workers' Compensation Losses*. Paper presented at 1997 Annual Meetings, Southeast Decision Sciences Institute, Atlanta, GA. (Regional)

Medders, L. A. (presented 1994, August). *The Value of Workers' Compensation Insurance Incentives in Reducing Occupational Injuries and Illnesses in the Presence of Moral Hazard*. Paper presented at 1994 Annual Meetings, American Risk and Insurance Association, Toronto, ON. (National)

Medders, L. A. (presented 1993, August). *The Effect of Self-Insurance on Workers' Compensation Injury Rates*. Paper presented at 1993 Annual Meetings, American Risk and Insurance Association, San Francisco, CA. (National)

Medders, L. A., Kim, H. S., & Kwon, W. J. (presented 1992, November). *The Impact of Framing on Insurance Demand and Choices*. Paper presented at 1992 Annual Meetings, Southern Risk and Insurance Association, Tampa, FL. (Regional)

Medders, L. A. (presented 1991, November). *U.S. Policy on Free Trade in Insurance vis-à-vis OECD Codes*. Paper presented at 1991 Annual Meetings, Southern Risk and Insurance Association, Williamsburg, VA. (Regional)

Refereed Papers at Symposia

Schneider, L. A. (presented 2009, May). Accessing Capital for Catastrophic Storm Funding: Role of the Private Capital Markets. In *Florida Catastrophic Storm Risk Management Center Symposium*. Symposium conducted at the meeting of FSU- Catastrophic Storm Risk and Management Center. (Local)

Invited Keynote and Plenary Presentations at Conferences

Medders, L. A. (presented 2012, May). *deja vu: Revisiting the 1995 Collins Center Report on Hurricane Insurance*. Plenary presentation at Florida Hurricane Catastrophe Fund 2012 Workshop, Florida Hurricane Catastrophe Fund, Orlando, FL. (State)

Medders, L. A. (presented 2012, April). *Weather and the Work of the Florida Catastrophic Storm Risk Management Center*. Keynote presentation at Thomasville Chapter-Rotary Club Monthly Meeting, Rotary Club International, Thomasville, GA. (Local)

Invited Presentations at Conferences

Medders, L. A. (accepted). *Ethics*. Presentation to be given at 2013 RIMS Educational Conference, Atlanta Chapter - Risk & Insurance Management Society, Atlanta, GA. (State)

Medders, L. A. (accepted). *Florida: Finding the Right Marriage of Money, Markets and Mitigation*. Presentation to be given at 2013 Florida Insurance Summit, Colodny, Fass, Talenfeld, Karlinsky, Abate & Webb, P.A. (State)

Medders, L. A. (presented 2012, November). *CAT MODELING: What's Coming in Predictive Analytics? The Evolution of Risk Modeling Processes and Uses*. Presentation at Florida Chamber of Commerce 6th Annual Insurance Summit, Florida Chamber of Commerce, Orlando, FL. (State)

Medders, L. A. (presented 2012, October). *The Future of Catastrophe Modeling*. Presentation at 2nd Annual Florida Insurance Conference on Financial Reporting, Thomas Howell Ferguson, Orlando, FL. (State)

Medders, L. A. (presented 2012, June). *Recommendations for Solving Coastal Insurance Market Problems*. Presentation at James K. Ruble Mega Seminar, The National Alliance for Insurance Education and Research, Orlando, FL. (National)

Medders, L. A. (presented 2012, June). *The Property Reinsurance Environment*. Presentation at James K. Ruble Mega Seminar, The National Alliance for Insurance Education and Research, Orlando, FL. (National)

Medders, L. A., & Maroney, P. (presented 2012, March). *The Florida Catastrophic Storm Risk Management Center & the Florida Commission on Hurricane Loss Projection Methodology*. Presentation at 2012 State of the Florida Insurance Market Summit, Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A, Amelia Island, FL. (State)

Medders, L. A. (presented 2011, December). *Catastrophe Models and the Florida Commission on Hurricane Loss Projection Methodology*. Presentation at Education Session III,

Governor Bentley's Affordable Homeowners Insurance Commission, Montgomery, AL. (Regional)

Medders, L. A. (presented 2011, November). *Catastrophe Models and the Florida Commission on Hurricane Loss Projection Methodology*. Presentation at Southeastern Legislative Conference, State Farm Insurance, New Orleans, LA. (Regional)

Medders, L. A. (presented 2011, February). *Does Character and/or Virtue Have a DNA Structure?* Presentation at 2011 RIMS Educational Conference, Atlanta Chapter-Risk & Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 2010, February). *Leadership in Extraordinary Times: Ethics in America & American Ethics*. Presentation at 2010 RIMS Educational Conference, Atlanta Chapter - Risk & Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 2009, February). *Ethics in America*. Presentation at 2009 RIMS Educational Conference, Atlanta Chapter - Risk & Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 2008, January). *The Gaming of (Nearly) Everything*. Presentation at 2008 RIMS Educational Conference, Atlanta Chapter-Risk and Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 2007, February). *Intergenerational Ethics*. Presentation at 2007 RIMS Educational Conference, Atlanta Chapter-Risk and Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 2003, January). *Ethics: Virtues & Values*. Presentation at 2003 RIMS Educational Conference, Atlanta Chapter-Risk & Insurance Management Society, Atlanta, GA. (State)

Schneider, L. A. (presented 1996, August). *Risk Management Education*. Presentation at Florida Chapters- Risk and Insurance Management Society Educational Conference, Risk and Insurance Management Society, Naples, FL. (Regional)

Refereed Presentations at Conferences

Medders, L. A. (presented 2012, April). *The Florida Catastrophic Storm Risk Management Center Update*. Presentation at 30th Conference on Hurricanes & Tropical Meteorology, American Meteorological Society, Ponte Vedra, FL. (National)

Medders, L. A. (presented 2011, June). *Catastrophes: Implications for the International Insurance Community*. Presentation at International Insurance Society Meetings, International Insurance Society, Toronto, Canada. (International)

Medders, L. A., & Maroney, P. (presented 2011, May). *Florida Catastrophic Strom Risk Management Center Update*. Presentation at 11th Annual Participating Insurers Workshop, Florida Hurricane Catastrophic Fund. (State)

Medders, L. A. (presented 2011, April). *Who Pays the Financial Cost of Hurricanes?* Presentation at National Hurricane Conference, National Ocean and Atmospheric Administration, Atlanta, GA. (National)

Refereed Presentations at Symposia

Medders, L. A. (presented 2010, November). Cost and Pricing Collaboration in Insurance. In *IBM Smarter Industries Symposium*. Presentation at the meeting of Insurance Industry Leadership Exchange. (International)

Nonrefereed Presentations at Conferences

Schneider, L. A. (presented 2002, November). *The Future of Risk Management and Insurance Education*. Presentation at Conference of Insurance Professionals of Middle Georgia, Insurance Professionals of Middle Georgia, Macon, GA. (State)

Schneider, L. A. (presented 2002, October). *State of the RMI Department Program Report*. Presentation at Fall Board Meeting, educational Foundation, Inc, Atlanta, GA. (State)

Medders, L. A. (presented 1998). *Agency Ethics*. Presentation at Agents' Quarterly Luncheon, Middle Georgia Chapter of Chartered Property & Casualty Underwriters. (Regional)

Schneider, L. A. (presented 1997, May). *The Need for Communication Improvements Between Risk Management and Safety Functions within Organizations*. Presentation at Spring 1997 Conference, American Society of Safety Engineers- Savannah Chapter, Savannah, GA. (Regional)

Schneider, L. A. (presented 1997, March). *The Future Underwriter's Skill Set*. Presentation at CLU Meeting, Society of the Clergy of Life Underwriters, Swainsboro, GA. (State)

Refereed Workshops

Medders, L. A., & Maroney, P. (2012, March). *Strength in Numbers: How Collaboration Propels Mitigation*. Workshop delivered at National Hurricane Conference, Orlando, FL. (National)

Invited Lectures and Readings of Original Work

Medders, L. A. (2013, March). *Catastrophe Modeling & Mitigation: Part 1*. Delivered at AmRisc, LP and National Alliance for Insurance Education, Houston, TX. (National)

Schneider, L. A. (2009, March). *A Primer on Risk Modeling for Use in Reinsurance*. Delivered at Horst Jannot Visiting Fellows, Georgia State University, Atlanta, GA. (International)

Schneider, L. A. (2008). *Statistics Primer for Insurance and Risk Management*. Delivered at Texas Farm Bureau Executive Development Program, Georgia State University. (Regional)

Schneider, L. A. (2003, May). *Cost-of-risk allocation*. Delivered at Center for Enterprise Risk Management & Assurance Services, Atlanta, GA. (Regional)

Schneider, L. A. (2002). *Juggling Productivity & Worker Safety*. Delivered at Robert C. Bowden Company, Marietta, GA. (Local)

Schneider, L. A. (2001). *Applications of Simulation to Risk Management*. Delivered at Munich Re International Visiting Fellows Program, Georgia State University. (International)

Schneider, L. A. (2001). *Field visits for the study of U.S. risk management*. Delivered at Munich Re International Visiting Fellows, Georgia State University. (International)

Schneider, L. A. (2000, February). *Georgia State University's Risk Management & Insurance Programs*. Delivered at Independent Insurance Agents of Georgia, Atlanta, GA. (Local)

Schneider, L. A. (2000). *Field Visits for the study of U.S. risk management*. Delivered at Munich Re International Visiting Fellows, Georgia State University. (International)

Schneider, L. A. (1999). *Field visits for the study of U.S. insurance practice*. Delivered at Korean Insurance Visitors, Georgia State University. (Local)

Schneider, L. A. (1998). *ARM 54, 55 and 56 Exams: A Series of Prep Courses*. Delivered at American Risk Management, Savannah, GA. (Local)

Schneider, L. A. (1998). *State of Georgia P&C licensing course*. Delivered at Georgia State University- College of Continuing Education. (Local)

Medders, L. A. (1993). *Statistics primer for entering graduate students*. Delivered at Georgia State University- College of Continuing Education. (Local)

Medders, L. A., Prisock, C., & Young, G. (1991, May). *Loss Forecasting*. Delivered at A Joint Venture of Southern Company Services and Georgia State University, Atlanta, GA. (International)

Contracts and Grants

Contracts and Grants Funded

Medders, L. A. (PI), Gatzlaff, D., Maroney, P. F., Nyce, C., & Sirmans, S. (Dec 2011–Jun 2012). *Facilitating Public Outreach through Callaboration Among the Professionals Integral to Hurricane Mitigation Promotion Efforts*. Funded by Florida Division of Emergency Management. Total award $130,000.

Medders, Lorilee A. (PI), Maroney, P. F., & Nyce, C. M. (Mar 2011–Jun 2011). *Helping Local Governments Design Financing Programs for Residential Wind Mitigation and Home Hardening Projects*. Funded by Florida Division of Emergency Management. Total award $100,000.

Schneider, L. A., Maroney, P., & Nyce, C. (Jan 2010–Mar 2010). *Hurricane Inspection System Study*. Funded by Florida Department of Financial Services. Total award $200,000.

Schneider, Lorilee A. (PI), Maroney, P. F., & Nyce, C. M. (Jan 2010–Jun 2010). *Home Hardening Incentives Program*. Funded by Florida Division of Emergency Management. Total award $75,000.

Additional Research or Original Creative Work Not Reported Elsewhere

Medders, L. A. (2011). *Global Risk and Tax Strategy: Impact on Risk Financing and Cost-of-Risk Allocation*.

Medders, L. A. (2011). *On the Value of Reputation in a Global Economy*.

Medders, L. A. (2011). *Toward Optimal Cost-of-Risk Allocation*.

Medders, L. A. (2011). *We're Leaving and We're Not Coming Back: Case Studies of Adverse Selection in the Jumbo and Middle Markets for Insurance*.

Medders, L. A., Maroney, P., & Nyce, C. (2011). *Windstorm Mitigation: Incentives to Promote Policyholder Participation*.

Medders, L. A., Maroney, P. F., Nyce, C., & Rollins, J. (2011). *Windstorm Mitigation Programs in Gulf Coast States: Contrasting Mississppi with Florida*.

Medders, L. A., Maroney, P., & Nyce, C. (2011). *Windstorm Mitigation: The Effects on Solvency and Insurance Availability and the Impact on Incentives to Harden Sructures*.

Medders, L. A., & Nyce, C. (2011). *Who's Gonna Pay When My House Flies Away?*

Service

The Profession

Guest Reviewer for Refereed Journals

Journal of Insurance Issues (1995–present).

Risk Analysis (2010–2011).

Journal of Insurance Regulation (2009–2010).

Journal of Risk and Insurance (2003).

Journal of Risk and Insurance (2003).

Geneva Papers on Risk & Insurance Theory (2002).

Service to Professional Associations

Teaching Resources Committee, American Risk and Insurance Association (2011–present).

Board of Directors, Southern Risk and Insurance Association (2010–present).

Quoted in "Thought Leaders from Industry, Government, and Academia Reach Consensus on Mitigation", Griffith Insurance Education Foundation (2011).

Quoted in "The State of Smarter Insurance, Smarter Industries" Symposium, IBM Corporation (2011).

Interviewee, Bankrate.com (2011).

Discussant, Parimutuel Insurance for Hedging Against Catastrophe Risks, American Risk & Insurance Association (2009).

Faculty Liaison to Conference Planning Committee, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2006–2008).

Conference Planning Committee Member, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2005).

Evaluated Life Office Management Association (LOMA) courses for university credit, Life Office Management Association (2004).

Coordinated and moderated an ethics session, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2004).

Presented a perspective on mergers and acquisitions within the insurance industry, Atlanta-RIMS luncheon, Risk & Insurance Management Society (2004).

Chair of Program Subcommittee, Conference Planning Committee Member, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2004).

Coordinator & Speaker, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2003).

Conference Planning Committee Member, Atlanta-RIMS Educational Conference, Risk & Insurance Management Society (2003).

Membership Committee, American Risk & Insurance Association (2003).

Member, Board of Directors, Southern Risk and Insurance Association (2000–2003).

Coordinator & Moderator, "The Ethics of Negotiation," Atlanta "I" Day, Georgia Chapter, CPCU (2002).

Session Moderator, Society for Business Ethics Annual Meeting, Society for Business Ethics (2002).

Quoted, Business Insurance (2002).

Hosting Faculty Advisor, Gamma Iota Sigma National Management Conference (2001).

Member, National Board of Trustee, Gamma iota Sigma (2000–2001).

Session Moderator, American Risk and Insurance Annual Meeting, American Risk and Insurance (2000).

Session Co-coordinator, Risk & Insurance Management Society Annual Conference- Professors and Instructors of Risk Management, Risk & Insurance Management Society (1999).

Session Co-Coordinator, Risk & Insurance Management Society Annual Conference, "Professors and Instructors of Risk Management", Risk & Insurance Management Society (1998).

Member, Kulp-Wright Book Award Committee, American Risk and Insurance Association (1998).

Discussant, Eastern Finance Association Annual Meeting, Eastern Finance Association (1995).

Moderator, Southern Risk and Insurance Association Annual Meeting, Southern Risk and Insurance Association (1994).

Discussant, Southern Risk and Insurance Association Annual Meeting, Southern Risk and Insurance Association (1994).

Service to Other Universities

Member, *RMI Department's Educational Foundation, Inc., Program Liaison Committee, Georgia State University* (1999–present).

Coordinator, *RMI Undergraduate Program Assessment, Georgia State University* (2005–2008).

Coordinator, *RMI Undergraduate Program, Georgia State University* (2000–2008).

Director of External Affairs, *RMI Department, Georgia State University* (2008).

Trustee, *RMI Department's Educational Foundation, Inc., Georgia State University* (2008).

Undergraduate RMI Student Advisor, *Georgia State University* (2000–2008).

Faculty Advisor, *Zeta Chapter-Gamma Iota Sigma, Georgia State University* (2000–2008).

Member, *RMI Department Scholarship Committee, Georgia State University* (1999–2008).

Director of Student Affairs, All RMI programs – undergraduate and graduate, *Georgia State University* (2005–2007).

Director of External Affairs, *RMI Department, Georgia State University* (2005–2007).

Faculty Representative, field visit to Southern Company with Munich Re International Visiting Fellows, *Georgia State University* (1999–2007).

Member, Faculty Senate, *Georgia State University* (2005–2006).

Faculty Panelist, *Incept Feshman Orientation Program, Georgia State University* (2001–2006).

Chair, *RMI Faculty-Alumni Liaison Committee, Georgia State University* (2002–2006).

Member, *RMI Department Executive Committee, Georgia State University* (2001–2006).

Chair, *RMI Department Internship Committee, Georgia State University* (1999–2005).

Coordinator, *RMI Department, Student Placement, Georgia State University* (1999–2005).

Coordinator, *RMI Department, Student Placement, Georgia State University* (1999–2005).

Member, *RMI Undergraduate Curriculum Revision Committee, Georgia State University* (2003–2004).

Member, *RMI Department Marketing Committee, Georgia State University* (2001–2004).

Member, *RMI Department Undergraduate Program Marketing Subcommittee, Georgia State University* (2001–2004).

Guest Lecturer, *"Law and Society" Freshman Learning Community, Georgia State University* (1999–2004).

Coordinator, *New York Life Minority Scholarship Program, Georgia State University* (1999–2004).

Member, *RMI Department Vision Committee (temporary committee), Georgia State University* (2002–2003).

Inaugural "Undergraduate Risk Management Program Survey", *Georgia State University* (2000).

Faculty Senate Representative, *Student Government Association, Georgia Southern University* (1998).

Member, *Faculty Senate, Georgia Southern University* (1996–1998).

Founder and Advisor, *Southern Risk Management Society, Georgia Southern University* (1996–1998).

Member, *University Admissions Committee of Faculty Senate, Georgia Southern University* (1996–1998).

Member, *College of Business Internship Committee, Georgia Southern University* (1995–1998).

Member, *College of Business Scholarship Committee, Georgia Southern University* (1995–1998).

Member, *Finance & Economics Department Curriculum Committee, Georgia Southern University* (1995–1998).

Advisor, *Undergraduate Finance-Risk Management Student Advisor, Georgia Southern University* (1995–1998).

Member, *Finance & Economics Department Scholarship Committee, Georgia Southern* (1994–1998).

The Community

Chair (Recommended), Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2013–present).

Acting Chair, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2012–present).

Executive Committee Member, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2011–present).

Member, Meteorological Standards Committee, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2011–present).

Member, Acceptability Process Committee, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2011–present).

Chair, Statistical Standards Committee, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2011–present).

Statistics Expert Member, Florida Commission on Hurricane Loss Projection Methodology, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2009–present).

Vice Chair, Florida Commission on Hurricane Loss Projection Methodology, State Board of Administration (2011–2012).

Chair, Board of Directors, Board of Directors, Centered Fitness Corporation (2004–2010).

Course Evaluator, Life Office Management Association (2005).

Member, Board of Directors, Board of Directors, Body Central, LLC (Pilates-based exercise studio) (2001–2004).

Advisory, Risk-mapping, Georgia School Board Association (2001).

Advisory, Loss control strategies to reduce school violence, Willis, Texas School District (2001).

Consultation

McConnaughhay, Duffy, Coonrod, Pope & Weaver, P.A. Insurance coverage expert advisement (2012).

Florida Consumer Action Network. Evaluation of data resulting from Florida Office of Insurance Regulation 2011 PIP Data Call (2011).

AGL Resources. Review of company's risk management and insurance programs (2010).

Inferential Focus, Inc. Contract-based research and writing for strategic change detection firm (2002–2009).

Southern Company. Multiple consulting projects including property loss retention analysis and catastrophic risk financing solutions (2001–2007).

Euston, LTD. Contract-based writing for UK insurance training firm (2006).

Federal Home Loan Bank of Atlanta. Consultant on reputation risk management plan (2006).

Schmidt Consulting. Review of draft, Georgia School Board Association Risk Management Handbook (2001–2002).

Georgia Board of Education Trustees. Risk mapping and profiling (2001).

Willis Texas Independent School District (L.J. Burroughs). Consulting Report prepared, "Managing the Risk of School Violence" (2001).

Infometrics, Inc. Credit risk management modeling (1994–2001).

Risk Laboratories, LLC. Consulting Report "The Analysis Functions of the Riskfolio", prepared inlcuding other organizations; The Walt Disney Company, Media One Group, Cox Enterprises, Hudson Bay Company, Trizec-Hahn, and Microsooft Corporation, Dallas, TX (1999).

Risk Laboratories, LLC, Marietta, GA. "Decision Support for Cost Allocation", Consulting Report prepared (1999).

Risk Laboratories, LLC. Cost allocation decision support systems (1998).

Savannah-Chatham County schools, Savannah, GA. "Risk Profiling", Consulting Report prepared (1998).

Walt Disney Company risk management department. Claims control analysis (1997).

Ogeechee Area Hospice, Statesboro, GA. "Risk Management: Strategic Evaluation", consulting report prepared for organization (1996).

S. E. Potter Insurance Agency. Evaluation of a) Commercial General Liability insurance policy coverage and b) errors & ommissions liability (1994).

Members

Florida Commission on Hurricane Loss Projection Methodology
(Appointments according to s. 627.0628(2)(b), F.S.)

Name	Represents	Appointed by:
Randy Dumm	Insurance Finance Expert	CFO
Barry Gilway	Citizens Property Insurance Corporation	per Statute
Bryan Koon	Director of Emergency Management	per Statute
Robert Lee	OIR Actuary	Insurance Commissioner
Lorilee Medders	Expert in Statistics	CFO
Jainendra Navlakha	Computer System Design Expert	CFO
Jack Nicholson	Florida Hurricane Catastrophe Fund	per Statute
Kristin Piltzecker	Industry Actuary	CFO
Robin Westcott	Insurance Consumer Advocate	per Statute
Hugh Willoughby	Expert in Meteorology	CFO
Floyd Yager	FHCF Advisory Council Actuary	per Statute

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA, ACTING AS THE GOVERNING BODY OF THE FLORIDA HURRICANE CATASTROPHE FUND, MAKING A DETERMINATION THAT THE ISSUANCE AND SALE OF PRE-EVENT REVENUE BONDS OR NOTES BY THE FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION IS NECESSARY AND REQUESTING THE ISSUANCE OF SUCH BONDS OR NOTES; RATIFYING THE MASTER TRUST INDENTURE AND THE PLEDGE AND SECURITY AGREEMENT PREVIOUSLY ENTERED INTO; AUTHORIZING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL INDENTURE, A PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT, AND A PURCHASE CONTRACT IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 215.555, Florida Statutes (the "Act"), created the Florida Hurricane Catastrophe Fund (the "Fund"), a trust fund administered by the State Board of Administration of Florida (the "Board"), for the purpose of establishing a program to provide insurers who write covered policies, as defined in the Section 215.555(2)(c), Florida Statutes (the "Covered Policies") with reimbursement for a portion of their catastrophic hurricane losses; and

WHEREAS, the Fund is authorized pursuant to Section 215.555(5), Florida Statutes, to collect reimbursement premiums from insurers writing Covered Policies (the "Insurers") and to enter into annual reimbursement contracts with participating Insurers requiring payment by the Insurers of reimbursement premiums and payment by the Fund to reimburse Insurers for claims paid for hurricane damage; and

WHEREAS, the Fund is authorized to collect emergency assessments pursuant to Section 215.555(6)(b), Florida Statutes, on premiums for certain property and casualty insurance policies; and

WHEREAS, pursuant to the Act, moneys derived from reimbursement premiums and emergency assessments may be pledged to secure revenue bonds or notes issued pursuant to the Act; and

WHEREAS, the Act created the Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation") with the authority to issue pre-event revenue bonds, which includes other financial obligations such as notes, for the benefit of the Fund; and

WHEREAS, the issuance of such pre-event revenue bonds for the benefit of the Fund by the Corporation is authorized by Section 215.555(6)(a)1., Florida Statutes, when a determination has been made that such action would maximize the ability of the Fund to meet future obligations; and

WHEREAS, through an invitation to negotiate issued by the Board on behalf of the Fund, a syndicate of underwriters was selected to serve on the Fund's financial services team (the "Financial Services Team"); and

WHEREAS, the syndicate of underwriters selected by the Board on behalf of the Fund to serve on the Fund's Financial Services Team includes Barclays Capital, Citigroup Global Markets Inc., Goldman, Sachs & Co., JPMorgan Securities LLC, BB&T Capital Markets, Jefferies & Company, Inc., Loop Capital Markets, L.L.C., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, M.R. Beal & Company, RBC Capital Markets, Samuel A. Ramirez & Co., Inc., Siebert Brandford Shank & Co., LLC, SunTrust Robinson Humphrey, and Wells Fargo Securities (collectively, the "Underwriters"); and

WHEREAS, the Board reserved the right to select and rotate firms from the Financial Services Team to serve as senior and co-senior managing underwriters on individual financings;

NOW, THEREFORE, BE IT RESOLVED by the State Board of Administration of the State of Florida, as the governing body of the Fund, as follows:

1. The Board hereby determines, as required pursuant to Sections 215.555(6)(a)1. and 215.555(6)(d)2.d., Florida Statutes, that the issuance of pre-event revenue bonds, which includes other financial obligations such as revenue notes, will maximize the ability of the Fund to meet future obligations. In making this determination, pursuant to Rule 19-8.013(4)(d), Florida Administrative Code, the Board considered the projected Fund balance; the reserves for mitigation appropriations; the estimated amounts needed for the administration of the Fund; the projected amounts of future reimbursement premiums; the projected amounts of earnings on collected reimbursement premiums; the projected frequency and magnitude of future covered events; the current and projected interest rates on revenue bonds; the current and projected market conditions for the sale of revenue bonds; the projected credit ratings for the Fund and for revenue bonds issued on behalf of the Fund; the current and projected availability of insurance or other credit enhancement for revenue bonds; the costs of issuance of revenue bonds; the debt service requirements of the revenue bonds; the estimated value, both monetary and non-monetary, of the issuance of pre-event revenue

bonds on the costs of post-event debt in terms of benchmark pricing, secondary market trading, investor education, confidence of insurers and reinsurers in the Fund's ability to issue revenue bonds post-event; market education, and document preparation; and other relevant factors. In addition, as provided in Rule 19-8.013(4)(b), Florida Administrative Code, all of the hereinafter defined Series 2013A Bonds shall be investment grade.

2. The Board hereby determines that the issuance of pre-event revenue bonds by the Corporation is necessary and requests the Corporation to issue and sell not exceeding $2,000,000,000 Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A (the "Series 2013A Bonds") for provision of liquidity for losses in the event of future hurricanes. All or a portion of the Series 2013A Bonds may be issued as revenue notes, in which case all references herein to the Series 2013A Bonds shall include such revenue notes. The Series 2013A Bonds may be issued in multiple series as determined by the Corporation to be necessary or desirable and may alternatively be known by such other name or series designation as is authorized by the Corporation. All or a portion of the Series 2013A Bonds may be issued as variable rate indebtedness. The Series 2013A Bonds may be secured by a Special Reserve Account and may provide for capitalized interest.

3. The Board hereby confirms and ratifies the Pledge and Security Agreement, dated as of June 1, 2006, and attached hereto as Exhibit A, between the Fund and the Corporation and confirms and ratifies its prior pledge of revenues to the repayment of debt of the Corporation as provided in the documents approved by the Board on May 31, 2006, as supplemented or amended, including but not limited to the pledge of revenues from reimbursement premiums levied pursuant to Section 215.555(5), Florida Statutes, and revenues from emergency assessments levied pursuant to Section 215.555(6)(b), Florida Statutes. The Corporation is authorized to execute any further pledge to the extent determined by the Corporation to be necessary and any pledge to debt of the Corporation shall be to the extent provided for in the documents executed by the Board and by the Corporation in relation to the issuance of debt of the Corporation.

4. The Board hereby confirms and ratifies the Master Trust Indenture, dated as of June 1, 2006, between the Corporation and Wells Fargo Bank, N.A., as Master Trustee, attached hereto as Exhibit B; and authorizes the execution and implementation of the Sixth Supplemental Indenture, in the form attached hereto as Exhibit C. The documents approved herein shall be subject to such changes, completion, insertions, or omissions as may be approved by an officer of the Corporation, and the execution or certification of such document by an officer of the Corporation shall be conclusive evidence of any such approval. Additionally, the Corporation is authorized to amend or revise, or authorize the amendment or revisions of any other documents relating to debt of the Corporation which has previously been approved or authorized by the Corporation.

5. The Board hereby confirms the syndicate of Underwriters and designates the Underwriters as the underwriters for the Series 2013A Bonds. The Board hereby designates Barclays Capital to serve as lead senior managing Underwriter and

Citigroup Global Markets Inc., Goldman, Sachs & Co., and JPMorgan Securities LLC to serve as co-senior managing Underwriters (collectively with the lead senior managing Underwriter, the "Senior Managing Underwriters") for the issuance of the Series 2013A Bonds. The Corporation is authorized to define, re-define, designate and re-designate the roles of the Senior Managing Underwriters (including removing any Senior Managing Underwriter) in connection with their participation in the sale of the Series 2013A Bonds in the event a Senior Managing Underwriter becomes insolvent, undergoes a change of control or otherwise becomes disqualified, unable or unwilling to participate in the sale of the Series 2013A Bonds.

6. The Board hereby authorizes and directs the Corporation to negotiate, approve, execute and deliver a contract for the sale of the Series 2013A Bonds to the Underwriters (the "Purchase Contract") in the form attached hereto as Exhibit D. The Purchase Contract shall contain such terms and provisions as are customary for obligations such as the Series 2013A Bonds with such changes, completion, insertions or omissions as may be approved by an officer of the Corporation and which are not inconsistent with this resolution, and the execution of the Purchase Contract by an officer of the Corporation shall be conclusive evidence of such approval. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse the Purchase Contract and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

7. The Board hereby authorizes and directs the Corporation to cause the preparation, execution and delivery of a preliminary official statement in the form attached hereto as Exhibit E, an official statement, and any other disclosure document relating to the Series 2013A Bonds which is determined by the Corporation to be necessary or desirable. The officers, employees, and Trustees of the Board and the Fund are also authorized to execute and deliver, on behalf of the Board, the official statement and any other disclosure document, and any certificates in connection with any official statement and any other disclosure document and any amendment thereto, as they determine are necessary or appropriate. The Board hereby further authorizes and directs the Corporation to cause the preparation, execution and delivery of a continuing disclosure agreement relating to the Series 2013A Bonds, which continuing disclosure agreement shall comply with Securities and Exchange Commission Rule 15c2-12. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse the continuing disclosure agreement and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

8. Any and all moneys in the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccounts of the Interest Account of the Bond Fund relating to the Series 2013A Bonds, the Subaccounts of the Principal Account of the Bond Fund relating to the Series 2013A Bonds and any other account or subaccount designated by the President of the Corporation or other authorized officer of the Corporation may be designated as

Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President of the Corporation or other authorized officer of the Corporation. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such Series 2013A Bonds as may be designated by the President of the Corporation or other authorized officer of the Corporation. The President of the Corporation or other authorized officer of the Corporation is authorized to redeem such Series 2013A Bonds upon advice of the Corporation's financial advisor.

9. The officers, employees and Trustees of the Board and the Fund and the members of the board of directors and the officers of the Corporation are hereby authorized and directed, jointly and severally, to execute the named documents and to execute such additional agreements, documents, instruments, assents, acceptances, assignments, financing statements, and approvals as they determine to be necessary and to do any and all things which they may deem necessary or advisable in order to consummate the transactions contemplated by this resolution.

10. All resolutions, or parts thereof, or other official actions of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

11. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS ___ day of _____, 2013.

STATE OF FLORIDA

COUNTY OF LEON

I, __________, of the State Board of Administration of the State of Florida, in and for the County and State aforesaid, do hereby certify that the above and foregoing is a true and correct copy of the resolution passed and adopted by the State Board of Administration of the State of Florida on the ___ day of _____, 2013.

IN WITNESS WHEREOF, I hereunto set my hand and official seal of the State Board of Administration of the State of Florida this ____day of _____, 2013.

_____
Title

(SEAL)

EXHIBIT A

Pledge and Security Agreement

EXHIBIT B

Master Trust Indenture

EXHIBIT C

Form of Sixth Supplemental Indenture

EXHIBIT D

Form of Purchase Contract

EXHIBIT E

Form of Preliminary Official Statement

Pledge & Security Agreement

- Parties are SBA, Corporation, and Master Trustee

- Provides for enforceable pledge and assignment of Reimbursement Premium, Emergency Assessments and other revenues to Trustee for payment of Corporation's bonds

- Necessary because
    - Corporation only issues bonds; revenues for debt service come from Insurers or Insureds, through the SBA
    - Provides clear pledge of revenues to Master Trustee for the benefit of bondholders
    - Governs use, pledge and access of pre-event bond proceeds, which are held by SBA, not Master Trustee

- Approved in 2006

PLEDGE AND SECURITY AGREEMENT

among

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION,

FLORIDA HURRICANE CATASTROPHE FUND

and

WELLS FARGO BANK, N.A.,
Master Trustee

Dated as of June 1, 2006

TABLE OF CONTENTS

		Page
Section 1.	*Defined Terms.*	2
Section 2.	*Issuance of Parity Obligations*	4
Section 3.	*Pledge; Delivery of Pledged Collateral*	4
Section 4.	*Special Covenants*	7
Section 5.	*Investment of Pledged Collateral*	8
Section 6.	*FHCF Remains Liable.*	8
Section 7.	*Representations and Warranties*	9
Section 8.	*Covered Events Relief Fund*	9
Section 9.	*Rights of the Corporation and the Master Trustee*	11
Section 10.	*Remedies.*	11
Section 11.	*Further Assurances*	12
Section 12.	*Master Trustee May Perform*	12
Section 13.	*Indemnity and Expenses.*	13
Section 14.	*Amendment*	14
Section 15.	*Termination of Pledge Agreement.*	15
Section 16.	*Notices*	15
Section 17.	*No Waiver; Remedies*	16
Section 18.	*Conflict*	16
Section 19.	*Rights of the Master Trustee.*	16
Section 20.	*Members, Officers and Employees of the State Board of Administration and the Corporation Not Liable.*	17
Section 21.	*Separate Accounts and Records*	17
Section 22.	*Transfers to FHCF*	17
Section 23.	*Severability.*	18
Section 24.	*Governing Law*	18
Section 25.	*Headings*	18
Section 26.	*Counterparts*	18

THIS PLEDGE AND SECURITY AGREEMENT, dated as of June 1, 2006 (this "Pledge Agreement"), is made by and among the State Board of Administration of the State of Florida, acting as the governing body and administrator of the Florida Hurricane Catastrophe Fund (the "State Board of Administration"), a trust fund established for bond covenants, indentures or resolutions within the meaning of Section 19(f)(3), Article III of the Constitution of the State of Florida (the "FHCF"), Florida Hurricane Catastrophe Fund Finance Corporation, a public benefits corporation, which is an instrumentality of the State of Florida (the "Corporation"), and Wells Fargo Bank, N. A., Jacksonville, Florida, a national banking association duly incorporated under the laws of the United States of America, in its capacity as master trustee (the "Master Trustee") under the Master Indenture (hereinafter defined),

WITNESSETH:

WHEREAS, Section 215.555, Florida Statutes (the "Act") creates the FHCF and provides that the FHCF will be administered by the State Board of Administration; and

WHEREAS, the Act provides that the FHCF will reimburse certain insurers for a portion of their catastrophic hurricane losses, subject to the limitations on such reimbursements set forth in the Act, in order to create additional insurance capacity sufficient to ameliorate the current dangers to the economy of the State of Florida and to the public health, safety and welfare of its citizens posed by a lack of an orderly private market for property insurance; and

WHEREAS, the Act creates the Corporation to provide a mechanism for the cost-effective and efficient issuance of bonds necessary to enable the FHCF to carry out the purposes of the Act; and

WHEREAS, the purpose of such bonds is to fund reimbursements through the FHCF to pay for the costs of construction, reconstruction, repair, restoration and other costs associated with damage to properties of policyholders of covered policies due to the occurrence of a hurricane; and

WHEREAS, the Act provides for the payment by certain insurers of reimbursement premiums and for the payment of emergency assessments in the amounts and under the circumstances set forth in the Act and authorizes the pledge of all or any portion of the revenues derived from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest on bonds issued by the Corporation for the benefit of the FHCF; and

WHEREAS, the Board of Directors of the Corporation has duly authorized the execution and delivery of a master trust indenture, dated as of June 1, 2006 (the "Master Trust Indenture" and, as supplemented and amended, the "Master Indenture"), by and between the Corporation and the Master Trustee, pursuant to which the Corporation will issue and incur Parity Obligations secured by a pledge of and security interest in its Net Receipts; and

WHEREAS, in order to provide for the prompt payment of the principal of and redemption premium, if any, and interest on the Parity Obligations issued by the Corporation and

for the performance by the Corporation of its other obligations under the Master Indenture, the State Board of Administration has determined to pledge to the Corporation, and grant to the Corporation a security interest in, all of the right, title and interest of the FHCF in and to the Pledged Collateral (as hereinafter defined); and

WHEREAS, pursuant to the Master Indenture, the Corporation will, for the benefit of the owners of the Parity Obligations, pledge and assign in the Master Indenture to the Master Trustee all of the Corporation's right, title and interest (including the right to enforce the same and the right to receive the Pledged Collateral) in and to this Pledge Agreement (subject to the reservation of certain rights of the Corporation);

NOW, THEREFORE, in consideration of the premises and in order to induce the Corporation to execute and deliver the Master Indenture, to issue Parity Obligations under the Master Indenture and to transfer certain proceeds of such Parity Obligations to the State Board of Administration, upon the issuance thereof, for the purposes permitted by the Act, the State Board of Administration, the Corporation and the Master Trustee hereby agree as follows:

Section 1. *Defined Terms.* Capitalized terms not defined herein shall have the meanings ascribed to such terms in the Master Trust Indenture. For the purposes hereof, unless the context otherwise indicates, the following words and terms shall have the following meanings:

"Contract Year" means the term of the reimbursement contracts between the State Board of Administration and insurers writing Covered Policies.

"Corpus Earnings" means the income derived from the investment of the Corpus of the FHCF.

"Corpus of the FHCF" means, as of a particular date, the sum of (i) the unrestricted net assets held by the FHCF on the last day of the preceding Fiscal Year, (ii) the Reimbursement Premiums and Reimbursement Premium Earnings held by the FHCF in the then current Fiscal Year that are in excess of the amounts required for deposit to the credit of the accounts and subaccounts in the Revenue Fund in accordance with the provisions of Section 502 of the Master Trust Indenture and as shall be required for application in accordance with the provisions of Sections 503 and 504 of the Master Trust Indenture, and (iii) without duplication, the amount of the Reimbursement Premiums released in accordance with the provisions of Section 3(f) hereof and Section 503(e)(ii)(Y) of the Master Trust Indenture and the amount of the Emergency Assessments released in accordance with the provisions of Section 503(e)(ii)(Z) of the Master Trust Indenture, in each case, from the pledge and security interest granted by this Pledge Agreement. Proceeds of Bonds do not constitute a portion of the Corpus of the FHCF for purposes of this definition.

"Covered Event" means Covered Event as defined in the Act.

"Covered Events Relief Fund" means the Florida Hurricane Catastrophe Fund Covered Events Relief Fund created and so designated by Section 8 hereof.

"Covered Policy" means Covered Policy as defined in the Act.

"Current Expenses of the FHCF" means the current expenses for the operation of the FHCF, including, without limiting the generality of the foregoing, all administrative expenses, salaries and other compensation, personnel expenses properly chargeable to the FHCF, fees and expenses incurred for professional consultants and fiduciaries, refunds related to over-payments of Reimbursement Premiums or refunds of interest related to loss reimbursements or overpayments of Reimbursement Premiums, the premiums, fees and costs of procuring reinsurance for the FHCF, all operating transfers or contributions required by the Act, including operating transfers or contributions pursuant to Section 215.555(7)(c) of the Act, and all Current Expenses of the FHCF so identified in this Pledge Agreement or in a resolution adopted by the State Board of Administration; but Current Expenses of the FHCF shall not include (i) depreciation or amortization, (ii) any deposit to any fund, account and subaccount established under the Master Indenture or any Supplemental Indenture or any payment of principal, redemption premium, if any, and interest on any Bonds from any such fund, account and subaccount, (iii) any debt service payment in respect of Parity Debt or Subordinated Indebtedness, or (iv) payments or advances to insurers writing Covered Policies in the State for hurricane losses pursuant to reimbursement contracts entered into with such insurers by the State Board of Administration pursuant to the Act.

"Emergency Assessments" means the money paid or payable to the Corporation or the FHCF from the emergency assessments levied with respect to assessable lines insurance as provided from time to time by the Act. There shall be included within the ambit of "Emergency Assessments" any interest, penalty or surcharge paid or payable on late payments of such emergency assessments.

"Emergency Assessment Earnings" means the income derived from the investment of Emergency Assessments.

"Fiscal Year" means the fiscal year of the FHCF, which shall be the period beginning on July 1 of each year and ending on June 30 of the following year, unless the Master Trustee is notified in writing by an Authorized Officer of the State Board of Administration of a change in such period, in which case the Fiscal Year shall be the period set forth in such notice.

"Other Pledged Money" means any money derived from any fees, premiums, assessments or other levies paid or payable to the FHCF or the Corporation, including the income derived from the investment thereof, pursuant to any law enacted, after the date of delivery of this Pledge Agreement, by the Legislature of the State, to the extent that such money is permitted or required by law to be pledged and used for the payment of the principal of and redemption premium, if any, and interest on Parity Obligations.

"Pledged Collateral" for any particular period means the excess of Reimbursement Premiums and Reimbursement Premium Earnings over the payment of Current Expenses of the FHCF, Emergency Assessments, Emergency Assessment Earnings, the net proceeds of, and investment income on such proceeds of, Parity Obligations, net payments to or for the account of the Corporation derived from Derivative Agreements and Other Pledged Money. There shall be included within the ambit of "Pledged Collateral": (i) all certificates and instruments, if any, from time to time representing or evidencing any of the Pledged Collateral, (ii) all interest, dividends, cash, instruments or other Property from time to time received, receivable or

otherwise distributed in respect of or in exchange for any or all of the Pledged Collateral and (iii) all proceeds of any or all of the Pledged Collateral. There shall be excluded from the ambit of "Pledged Collateral" the Corpus of the FHCF and Corpus Earnings, the net proceeds of Parity Obligations disbursed by the FHCF for losses, or advances for losses, from Covered Events, and Reimbursement Premiums and Reimbursement Premium Earnings released pursuant to Section 3(f) hereof and Section 503(e)(ii)(Y) of the Master Trust Indenture and Emergency Assessments and Emergency Assessment Earnings released pursuant to Section 503(e)(ii)(Z) of the Master Trust Indenture, in each case, from the pledge and security interest granted hereby. In the case of the net proceeds of Parity Obligations, the pledge and security interest granted by this Pledge Agreement shall be effective only pending their disbursement by the FHCF for losses, or advances for losses, from Covered Events and shall be in favor of the Owners or Holders only of the Series of Parity Obligations (or Parity Obligations that refunded the Parity Obligations) from which such proceeds were derived.

"Reimbursement Premiums" means the money paid or payable to the FHCF from reimbursement premiums levied from time to time under the Act. There shall be included within the ambit of "Reimbursement Premiums" any interest, penalty or surcharge paid or payable on late payments of such reimbursement premiums.

"Reimbursement Premium Earnings" means the income derived from the investment of Reimbursement Premiums.

Section 2. *Issuance of Parity Obligations.* Subject to the provisions of the Master Indenture, the Corporation hereby agrees that, upon the written request of the State Board of Administration, accompanied by such certificates or other documentation, upon which the Corporation may rely, as shall be necessary for the Corporation to comply with the provisions of the Master Trust Indenture, particularly the provisions of Section 208 and, in the case of Parity Obligations issued or incurred under the Master Trust Indenture (except for the Bonds issued pursuant to Supplement No. 1 and Supplement No. 2) , Section 704, including, without limitation, any certificate as to the Premium and Assessment Revenue Available for Debt Service, the Corporation will issue and incur its Parity Obligations for any purpose permitted by the Act.

The Corporation further agrees that it will make such transfers or deposits of the proceeds of Parity Obligations as are required by Parity Resolutions.

Section 3. *Pledge; Delivery of Pledged Collateral.* (a) In consideration of the issuance and incurrence by the Corporation of its Parity Obligations and the deposits or transfers of the proceeds thereof in accordance with the corresponding Parity Resolutions, the State Board of Administration hereby pledges, assigns, transfers and hypothecates to the Corporation, and grants to the Corporation a security interest in, all of the right, title and interest of the FHCF in and to the Pledged Collateral, whether now owned or hereafter acquired, whether in possession of the FHCF or the Corporation or the Master Trustee or a Depository, all as security for the prompt and full payment when due of the principal of and redemption premium, if any, and interest on all Parity Obligations and any other amounts required to be paid by the Corporation under the Master Indenture.

(b) The State Board of Administration hereby agrees to prepare, execute and file such financing statements or amendments to existing financing statements or continuations thereof as shall be necessary, in the Opinion of Counsel, to evidence the security interest in the Pledged Collateral granted herein.

(c) (i) In general, the State Board of Administration shall deliver to the Master Trustee so much of the Pledged Collateral as shall be held by the FHCF and as shall be required for deposit to the credit of the accounts and subaccounts in the Revenue Fund in accordance with the provisions of Section 502 of the Master Indenture and as shall be required for application in accordance with the provisions of Sections 503, 504 and 804 of the Master Indenture or, if any Parity Obligations have been declared due and payable pursuant to Section 803 of the Master Indenture, in accordance with the provisions of Section 804 and Section 805(b) of the Master Indenture.

(ii) In particular, the State Board of Administration shall deliver to the Master Trustee, not later than the last business day of each month (or more often if required in order for the Corporation to pay or provide for payment of debt service and other amounts due on Parity Obligations), the following that have been received or realized as of the [25th] day of such month (A) all Emergency Assessments and Emergency Assessment Earnings and (B) taking into account the balance to the credit of (I) the Reimbursement Premiums Account and the Pre-Event Bonds Investment Income Account in the Revenue Fund and (II) the subaccounts established for Pre-Event Parity Obligations in the various accounts in the Bond Fund, so much of the Reimbursement Premiums and Reimbursement Premium Earnings, net of the Current Expenses of the FHCF, as shall enable the Master Trustee to make all of the deposits required by Section 503(a), (b) and (c) of the Master Trust Indenture for the entire current Fiscal Year; provided that, in the event any of the Outstanding Pre-Event Parity Obligations are Variable Rate Indebtedness, such Obligations shall be assumed, for purposes of the amount to be transferred, to bear interest for the balance of the Fiscal Year at the rate described in paragraph (ii) of the definition of Debt Service Requirement in the Master Trust Indenture.

(iii) In the event that the State Board of Administration receives a notice from the Master Trustee, pursuant to Section 503(d)(i) of the Master Indenture, to the effect that the amounts on deposit in the Revenue Fund were insufficient to make the deposits or payments required by Section 504(a), (b) and (c) (or any of them) of the Master Indenture, the State Board of Administration shall deliver to the Master Trustee (i) so much of the investment income from the investment of proceeds of Pre-Event Bonds theretofore realized by the FHCF in such Fiscal Year, and (ii) to the extent a deficiency remains, so much of the proceeds of the Pre-Event Bonds, as are required to provide the Master Trustee with sufficient funds to make such deposits or payments.

(d) The obligation of the State Board of Administration to deliver the Pledged Collateral to the Master Trustee, in the amounts sufficient and at the times required for the Corporation to comply with the provisions of Sections 503, 504, 804 and 805 of the Master Indenture, shall be absolute and unconditional. The State Board of Administration shall perform such obligation without demand and without abatement, deduction or set-off, notwithstanding any rights or claims which the FHCF might otherwise have against the Corporation, the Master Trustee, any Bond Registrar or any other Person.

(e) The State Board of Administration hereby agrees that, so long as any Parity Obligations are Outstanding and any notice from the Master Trustee referred to in subsection (c) above has not been withdrawn, no Reimbursement Premiums or Reimbursement Premium Earnings will be advanced or paid to insurers writing Covered Policies as reimbursement payments under reimbursement contracts for reimbursable losses.

(f) Except during the continuation of an Event of Default, immediately following the date on which the amounts on deposit to the credit of the accounts and subaccounts in the Revenue Fund, taking into account the amounts to the credit of the various subaccounts in the various accounts (except the balance to the credit of the Parity Common Reserve Account and any Special Reserve Account) in the Bond Fund are sufficient for the Master Trustee to make (i) the transfer to the Corporation or a Depositary for the account of the Corporation of the balance of the amount required for the payment of the Current Expenses of the Corporation in the current Fiscal Year in accordance with the provisions of Section 503(b) of the Master Trust Indenture and (ii) the deposits or payments of the amounts required by Section 504(a), (b) and (c) of the Master Trust Indenture in the current Fiscal Year with respect to the Parity Obligations then Outstanding, any Reimbursement Premiums, Reimbursement Premium Earnings and investment income from the investment of proceeds of Pre-Event Bonds held by the FHCF on such date in such Fiscal Year in excess of such requirements for such Fiscal Year shall be released from the pledge and security interest granted herein, any Reimbursement Premiums, Reimbursement Premium Earnings and investment income from the investment of proceeds of Pre-Event Bonds received by the FHCF after such date in such Fiscal Year shall not be required to be delivered to the Master Trustee, and all Reimbursement Premiums, Reimbursement Premium Earnings and the investment income from the investment of proceeds of Pre-Event Bonds so released or no longer required to be delivered to the Master Trustee in such Fiscal Year may be used by the FHCF for any purpose permitted by the Act; provided that, in the event any of the Outstanding Pre-Event Parity Obligations are Variable Rate Indebtedness, such Obligations shall be assumed, for purposes of this subsection (f), to bear interest for the balance of the Fiscal Year at the rate described in paragraph (ii) of the definition of Debt Service Requirement in the Master Trust Indenture.

(g) The State Board of Administration and the Corporation hereby acknowledge that the Office of Insurance Regulation has received from the Corporation and the FHCF a notice that, simultaneously with the execution and delivery of this Pledge Agreement, Bonds are being issued by the Corporation and the FHCF has no agreements in effect with local governments, and, therefore, as provided by the Act, for so long as the Corporation shall have any Parity Obligations Outstanding, the FHCF shall have no right, title or interest in or to the Emergency Assessments and the Emergency Assessment Earnings, except as provided in the FHCF's agreements with the Corporation. This Pledge Agreement with the Corporation is one such agreement, and, by the terms hereof, the FHCF shall collect and receive the Emergency Assessments subject to the pledge and security interest granted in Section 3(a) to the Master Trustee for the benefit of the Owners and Holders of Parity Obligations and to the obligation imposed by Section 3(c)(i) and (ii) to transfer to the Master Trustee all of the Emergency Assessments so collected and received . Simultaneously with the execution and delivery of this Pledge Agreement, the Corporation will assign to the Master Trustee as security for the Parity Obligations, all of the Corporation's right, title and interest in and to this Pledge Agreement (except for those certain rights under this Pledge Agreement that are set forth in the granting

clauses of the Master Indenture). The State Board of Administration hereby consents to such assignment and agrees that the Master Trustee may enforce any and all rights, privileges and remedies of the Corporation under or with respect to this Pledge Agreement, including those rights reserved by the Corporation.

Section 4. *Special Covenants.* The State Board of Administration hereby covenants that:

(a) (i) the moneys on deposit in any fund, account or subaccount maintained by the Master Trustee or the State Board of Administration in connection with any Parity Tax-Exempt Obligations, whether or not such moneys were derived from the proceeds of the sale of such Parity Tax-Exempt Obligations or any other source, will not be used in any manner that would cause such Parity Tax-Exempt Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code or bonds not described under Section 103(a) of the Code; and

(ii) no portion of the proceeds of any Parity Tax-Exempt Obligations will be used in a manner that would cause such Parity Tax-Exempt Obligations to be "private activity bonds" within the meaning of Section 141(a) of the Code, unless at the time of the issuance of such private activity bonds there shall be delivered to the Master Trustee, the State Board of Administration and the Corporation an opinion of bond counsel to the effect that (A) the interest on such private activity bonds will not be includable in the gross income of the owners thereof for federal income tax purposes and (B) that the issuance of such private activity bonds will not impair the federal income tax status of any other Parity Tax-Exempt Obligations then Outstanding;

(b) within thirty (30) days after receipt of the audit report mentioned below but in no event later than two hundred seventy (270) days after the end of each Fiscal Year, the State Board of Administration will file with the Master Trustee and with each Owner or Holder who may have so requested of the State Board of Administration in writing, a copy of the Audited Financial Statements, prepared in accordance with generally accepted accounting principles, of the FHCF and the Corporation as of the end of such Fiscal Year accompanied by the opinion of an Auditor;

(c) not later than ninety (90) days after the end of each Fiscal Year, commencing with the Fiscal Year ending on June 30, 2007, the State Board of Administration shall file with the Master Trustee an Officer's Certificate demonstrating that the Revenue Available for Debt Service for the prior Fiscal Year (set forth in such Certificate) was not less than the greater of (i) one hundred twenty-five percent (125%) of the principal and interest that became due and payable in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest that became due and payable in such Fiscal Year for Parity Obligations and Subordinated Indebtedness for such Fiscal Year (both such calculations set forth in such Certificate); provided, however, that if the State Board of Administration is unable to deliver such an Officer's Certificate, the State Board of Administration covenants to take all actions permitted by law or under this Pledge Agreement, including (A) petitioning the Legislature of the State for any amendment or amendments to the Act deemed appropriate by the State Board of Administration, (B) cooperating with the Corporation in connection with any action to increase collections of Pledged Collateral, and (C) retaining a Consultant within thirty (30) days to make

recommendations to increase the Revenue Available for Debt Service in the following Fiscal Year to the levels required or, if in the opinion of the Consultant the attainment of such levels is impracticable, to the highest levels attainable. Any Consultant so retained shall be required to submit such recommendations within sixty (60) days after being so retained. The State Board of Administration agrees that it will, to the extent permitted by law, follow, or cause to be followed, the recommendations of any Consultant so retained. For purposes of the Officer's Certificate described in this subsection, there may be subtracted from the amount of the interest otherwise includable in the amounts described in clauses (i) and (ii) above an amount equal to the sum of the interest on Parity Obligations paid during such Fiscal Year from (Y) the Capitalized Interest Account in the Bond Fund and (Z) without duplication, investment income on and proceeds of Pre-Event Parity Obligations. The Officer's Certificate described in this subsection (c) may be provided jointly by an Authorized Officer of the State Board of Administration and an Authorized Officer of the Corporation; and

(d) the State Board of Administration will take such action, in addition to the specific actions prescribed by this Pledge Agreement, as may be necessary and permitted under the Act to ensure the full and timely payment of debt service on Pre-Event Parity Bonds following a withdrawal from the Pre-Event Parity Obligations Account of the Covered Events Relief Fund of all or any portion of the proceeds of such Bonds.

Section 5. *Investment of Pledged Collateral.* The State Board of Administration shall enter into agreements with either the Master Trustee or a Depositary or Depositaries for the investment of any money derived from the Pledged Collateral and deposited in any of the funds or accounts established under the Master Indenture or this Pledge Agreement or give the Master Trustee and any Depositary written directions respecting the investment of such money, subject, however, to the lien, assignment and pledge effected hereby and to the provisions of Article VI of the Master Indenture. The Master Trustee hereby agrees to enter into such agreements and follow such directions respecting the investment of any money required or permitted to be invested under the Master Indenture, subject, however, to the lien, assignment and pledge effected hereby and to the provisions of Article VI of the Master Indenture.

Section 6. *FHCF Remains Liable.* Anything herein to the contrary notwithstanding, (a) the FHCF shall remain liable under the reimbursement contracts entered into by the State Board of Administration with insurers writing Covered Policies in the State to the extent set forth therein and to perform all of its duties and obligations thereunder to the same extent as if this Pledge Agreement had not been executed, (b) the execution and delivery of this Pledge Agreement shall not release the FHCF from any of its duties or obligations under such reimbursement contracts, (c) neither the Corporation nor the Master Trustee shall (i) have any obligation or liability under such reimbursement contracts by reason of this Pledge Agreement or (ii) be obligated to perform any of the obligations or duties of the FHCF or the State Board of Administration thereunder; provided, however, nothing in this Section shall relieve the FHCF of its obligation to deliver to the Master Trustee the Pledged Collateral to the extent required by Section 3 hereof, and (d) the FHCF shall remain liable, notwithstanding any release from the pledge and security interest created by this Pledge Agreement of portions of the Pledged Collateral as provided in Section 3(f), to make timely and sufficient transfers of Pledged Collateral to the Master Trustee to enable the Corporation to make timely and sufficient payment of all amounts due under the Master Indenture.

Section 7. *Representations and Warranties.* The State Board of Administration hereby represents and warrants that: (i) the obligations of the FHCF under this Pledge Agreement shall not constitute a debt of the State or any political subdivision thereof nor a pledge of the faith and credit of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision; (ii) the FHCF does not have the power or authority to levy any tax; (iii) the FHCF owns the Pledged Collateral free and clear of any lien, security interest, pledge or encumbrance except for the liens, security interests and pledges created by this Pledge Agreement and by the Master Indenture; (iv) no effective financing statement or other instrument similar in effect covering all or any part of the Pledged Collateral is on file in any recording office; (v) this Pledge Agreement creates a valid, enforceable and perfected security interest in favor of the Corporation in the Pledged Collateral, securing the payment of the Parity Obligations, and all actions necessary or desirable to establish and protect such pledge have been duly taken; and (vi) no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (A) for the grant by the State Board of Administration of the security interest granted herein or for the execution, delivery or performance of this Pledge Agreement by the State Board of Administration, or (B) for the perfection of or the exercise by the Corporation and the Master Trustee of their respective rights and remedies hereunder. Unless the State Board of Administration shall have previously advised the Corporation and the Master Trustee in writing that one or more of the above statements is no longer true, the State Board of Administration shall be deemed to have represented and warranted to the Corporation and the Master Trustee on all dates subsequent to the date of execution hereof that the statements contained herein are true and correct.

Section 8. *Covered Events Relief Fund.* (a) A special fund is hereby established with the State Board of Administration and designated the "Florida Hurricane Catastrophe Fund Covered Events Relief Fund" and within the Covered Events Relief Fund there are hereby established special accounts, one for Post-Event Parity Obligations and one for Pre-Event Parity Obligations, and, within each of the special accounts, there are hereby established special subaccounts for each Series of Post-Event Bonds and Pre-Event Bonds, respectively (unless the applicable Supplemental Indenture provides for the commingling of proceeds in a single subaccount), each to be designated the "[Bond Series and letter] Covered Events Relief Subaccount" (each, a "Proceeds Subaccount"). Upon the issuance or incurrence of each Series of Parity Obligations that are Post-Event Parity Obligations, the net proceeds thereof shall be transferred by the Corporation to the State Board of Administration, for the account of the FHCF, and shall be deposited by the State Board of Administration in the appropriate Proceeds Subaccount of the Post-Event Parity Obligations Proceeds Account, to be held by the FHCF for disbursement for reimbursement payments, and advances of such payments, under reimbursement contracts for reimbursable losses caused by a Covered Event. Upon the issuance or incurrence of each Series of Parity Obligations that are Pre-Event Parity Obligations, the net proceeds thereof shall be transferred by the Corporation to the State Board of Administration, for the account of the FHCF, and shall be deposited by the State Board of Administration in the appropriate Proceeds Subaccount of the Pre-Event Parity Obligations Proceeds Account to be held by the FHCF in reserve for disbursement for reimbursement payments, and advances of such payments, under reimbursement contracts for reimbursable losses caused by a future Covered Event.

(b) Money in the Covered Events Relief Fund may, subject to Section 4(a) hereof and Section 502(c) of the Master Trust Indenture, be invested in any investment authorized under Section 215.47, Florida Statutes, as amended from time to time, or any successor statute. Investments acquired with money in or credited to any Proceeds Subaccount shall be deemed at all times to be part of such Subaccount. Any loss realized upon the disposition or maturity of such investments shall be charged against such Subaccount unless otherwise directed by the State Board of Administration. The interest accruing on any such investments and any profit realized upon the disposition or maturity of such investments shall be credited to such Subaccount unless otherwise directed by the State Board of Administration.

(c) In the case of the special Proceeds Subaccounts created for Post-Event Parity Obligations, payment of the reimbursable losses caused by a Covered Event occurring during a Contract Year shall be made from the appropriate Proceeds Subaccount or Subaccounts. All such payments shall be subject to the provisions and restrictions set forth in this Pledge Agreement, including Section 4(a) hereof, and the Master Indenture, and the State Board of Administration shall not cause or agree to permit to be paid from any such Subaccount any sums except in accordance with such provisions and restrictions. When all reimbursement payments under reimbursement contracts for reimbursable losses caused by a Covered Event have been paid, which fact shall be evidenced by delivery to the Master Trustee of an Officer's Certificate of the State Board of Administration, the balance in the related Proceeds Subaccount shall be transferred as the Corporation may direct or as may be provided in the applicable Supplemental Indenture.

(d) (i) In the case of each special Proceeds Subaccount created for Pre-Event Parity Obligations,

(A) the FHCF shall, in accordance with the provisions of Section 3(c)(iii), transfer to the Master Trustee for the account of the Corporation, from time to time from each such Subaccount the investment income on proceeds of Pre-Event Parity Obligations or from proceeds of Pre-Event Parity Obligations, amounts sufficient for the Master Trustee to pay the Current Expenses of the Corporation not provided for from Reimbursement Premiums or otherwise and to make timely the deposits required by Section 504(a) and (b) and, if applicable, Section 504(c), in respect of the related Series of Pre-Event Parity Obligations, and

(B) other than as provided in Section 3(c), no withdrawals from any such Subaccount for any other purpose than described in clause (A) may be made prior to the occurrence of a Covered Event except that withdrawals may be made to redeem or defease any Pre-Event Parity Obligations in accordance with the terms of the applicable Parity Resolution.

(ii) Proceeds of Pre-Event Parity Obligations may be withdrawn from a Proceeds Subaccount following the occurrence of a Covered Event, provided that an Authorized Officer of the State Board of Administration shall deliver to the Master Trustee prior to the first such withdrawal an Officer's Certificate certifying the following:

(A) The aggregate amount and monthly schedule of withdrawals from such Subaccount anticipated to be made as a result of the Covered Event,

(B) That an amount, stated in such Certificate and equal to the difference between the balance then to the credit of the applicable Subaccount for such Pre-Event Parity Obligations in the Interest Account in the Bond Fund and the interest, estimated in such Certificate and calculated in the event that any of the Outstanding Pre-Event Parity Obligations are Variable Rate Indebtedness at the rate described in paragraph (ii) of the definition of Debt Service Requirement in the Master Trust Indenture, to become due and payable in the next six months on a principal amount of Pre-Event Parity Obligations equal to the aggregate amount of the withdrawals anticipated to be made as set forth in (A) above, shall have been withdrawn from the proceeds of such Pre-Event Parity Obligations credited to such Subaccount or otherwise transferred to the Master Trustee, and in any case deposited to the credit of the appropriate subaccount in the Interest Account for such Pre-Event Parity Obligations,

(C) That, taking into account all of the anticipated withdrawals described in (A) above, such Officer estimates that there will be sufficient Revenue Available for Debt Service to make full and timely payment of debt service on the Pre-Event Parity Obligations as the same shall become due and payable, and

(D) That notice of such withdrawal has been provided to the State Board of Administration and that such notice contained the information included in clauses (A), (B) and (C) above and an estimate, based upon factors deemed reasonable and appropriate by the certifying Authorized Officer, of the aggregate increase, if any, in the Emergency Assessment percentage necessary to be levied to provide for the estimated annual Debt Service Requirement for each future Fiscal Year on a principal amount of the Pre-Event Parity Obligations equal to the aggregate amount of the anticipated withdrawals described in (A) above.

(iii) When all of the Pre-Event Parity Obligations authorized by a Supplemental Indenture shall have been paid or defeased (whether through a refunding or otherwise) in accordance with such Supplemental Indenture, which fact shall be evidenced by delivery to the Master Trustee of an Officer's Certificate of the State Board of Administration, the balance in the related Proceeds Subaccount shall be transferred as the Corporation may direct or as may be provided in the applicable Supplemental Indenture.

Section 9. *Rights of the Corporation and the Master Trustee.* Neither the Corporation nor the Master Trustee shall be liable for any failure to collect or realize upon all or any part of the Pledged Collateral, or for any delay in so doing, and neither the Corporation nor the Master Trustee shall be under any obligation to take any action whatsoever with regard to the Pledged Collateral except to the extent set forth in this Pledge Agreement, in the Master Indenture and in any indenture supplemental thereto. If an Event of Default shall have occurred and be continuing, the Master Trustee, as assignee pursuant to the Master Indenture of all the Corporation's right, title and interest in and to this Pledge Agreement, may, without notice, exercise all rights, privileges or options pertaining to the Pledged Collateral as if it were the absolute owner of such Pledged Collateral, upon such terms and conditions as it may determine, all without liability except to account for the Pledged Collateral actually received by it.

Section 10. *Remedies.* (a) Upon the happening and continuance of any Event of Default, then and in every such case the Master Trustee may proceed, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of the

Parity Obligations then Outstanding (subject to any limitations on or alternative provisions for the giving of such requests as may be established in any indenture supplemental to the Master Indenture) shall proceed, subject to the provisions of Section 902 of the Master Indenture, to protect and enforce its rights and the rights of the Owners or Holders of the Parity Obligations under applicable laws and under this Pledge Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or Pledge Agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Master Trustee, being advised by counsel, chosen by the Master Trustee, shall deem most effectual to protect and enforce such rights, including but not limited to:

(i) Suit upon all or any part of the Pledged Collateral;

(ii) Civil action to require any Person holding money, documents or other property pledged to secure payment of amounts due or to become due on the Parity Obligations to account as if it were the trustee of an express trust for the Owners and Holders;

(iii) Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Owners and Holders; and

(iv) Enforcement of any other right of the Owners and Holders conferred by law or hereby.

(b) Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the Owners or Holders of not less than a majority of the aggregate principal amount of the Parity Obligations then Outstanding (subject to any limitations on or alternative provisions for the giving of such requests as may be established in any Supplemental Indenture) shall proceed, subject to the provisions of Section 902 of the Master Indenture, to institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Owners and Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master Trustee, are not unduly prejudicial to the interest of the Owners and Holders not making such request.

Section 11. *Further Assurances.* The State Board of Administration shall, at any time and from time to time upon the written request of the Master Trustee, execute and deliver such further documents and do such further acts and things as the Master Trustee may reasonably request in order to effect the purposes of this Pledge Agreement.

Section 12. *Master Trustee May Perform.* If the FHCF fails to perform any agreement contained herein, the Master Trustee may itself perform, or cause performance of, such agreement, and the expenses of the Master Trustee incurred in connection therewith shall be payable by the FHCF as Current Expenses of the FHCF.

Section 13. *Indemnity and Expenses.* (a) To the extent permitted by law, the State Board of Administration agrees to indemnify the Corporation and the Master Trustee from and against any and all claims, losses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever nature (including, but not limited to, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to one or more Claims, as hereinafter defined, excluding any such Loss or Claim that arises out of an act of negligence or willful misconduct of any member, officer, director, agent, or employee of the Corporation or the Master Trustee. The word "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatsoever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings brought against the Corporation or the Master Trustee or to which the Corporation or the Master Trustee is a party, that directly or indirectly result from, arise out of or relate to the execution, delivery or performance of this Pledge Agreement, the Master Indenture or any related instruments or documents. The obligations of the State Board of Administration under this Section 13(a) shall apply to all Losses or Claims, or both, that result from, arise out of, or are related to any event, occurrence, condition or relationship prior to termination of this Pledge Agreement, whether such Losses or Claims, or both, are asserted prior to termination of this Pledge Agreement or thereafter. The Corporation or the Master Trustee, as the case may be, shall reimburse the State Board of Administration for payments made by the State Board of Administration pursuant to this Section 13(a) to the extent of any proceeds, net of all expenses of collection, actually received by the Corporation or the Master Trustee from any insurance covering such Claims with respect to the Losses sustained. The Corporation and the Master Trustee shall have the duty to claim any such insurance proceeds and the Corporation and the Master Trustee shall assign their respective rights to such proceeds, to the extent of such required reimbursement, to the State Board of Administration. In case any action shall be brought against the Corporation or the Master Trustee in respect of which indemnity may be sought against the State Board of Administration, then the Corporation or the Master Trustee, as the case may be, shall promptly notify the State Board of Administration in writing. Failure to notify the State Board of Administration shall not relieve it from any liability that it may have other than on account of this Pledge Agreement. The State Board of Administration shall have the right to assume the investigation and defense of any such action, including the employment of counsel, which counsel shall be satisfactory to the indemnified parties, and the payment of all expenses. The Corporation shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, and the reasonable fees and expenses of such counsel shall be paid by the State Board of Administration. The Master Trustee shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Master Trustee, unless the employment of such counsel has been authorized by the State Board of Administration or the Master Trustee has concluded in good faith that there may be legal defenses available to it that are different from or in addition to those available to the State Board of Administration, in which case the Master Trustee shall have the right to designate and retain separate counsel in such action and the reasonable fees and expenses of such counsel shall be paid by the State Board of Administration. If no such authorization or conclusion in good faith is made and the State Board of Administration assumes the defense of such action, the State Board of Administration shall not be liable for the fees and expenses of any counsel for the Master Trustee incurred thereafter in connection with such action. In no event

shall the State Board of Administration be liable for the fees and expenses of more than one counsel for the Master Trustee in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, unless the retaining of additional counsel has been specifically authorized by the State Board of Administration. All payments made by the State Board of Administration pursuant to this Section 13(a) shall be Current Expenses of the FHCF.

(b) The State Board of Administration shall pay to the Corporation and the Master Trustee the amount of any and all reasonable expenses, including the reasonable fees and disbursements of their respective counsel and of any consultants and agents, which the Corporation or the Master Trustee may incur in connection with (i) the administration of this Pledge Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of the Corporation or the Master Trustee hereunder or (iv) the failure by the FHCF to perform or observe any of the provisions hereof. All such expenses pursuant to this Section 13(b) shall be payable by the FHCF as Current Expenses of the FHCF.

Section 14. *Amendment.* This Pledge Agreement may, without the consent of or notice to any of the Owners or Holders, be amended, from time to time, to:

(a) cure any ambiguity or formal defect or omission in this Pledge Agreement or in any supplement hereto;

(b) correct or supplement any provisions herein which may be inconsistent with any other provisions herein or make any other provisions with respect to matters which do not materially or adversely affect the interests of the Owners and the Holders;

(c) grant to or confer upon the Master Trustee for the benefit of the Owners and the Holders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners and the Holders or the Master Trustee;

(d) add conditions, limitations and restrictions on the State Board of Administration to be observed thereafter; or

(e) make any amendment or modification to this Pledge Agreement resulting from the elimination of any restriction on the use of Reimbursement Premiums under the Code to pay or to secure debt service on Tax-Exempt Parity Obligations to the extent the elimination of such restriction is permitted by any administrative pronouncement of the Internal Revenue Service (including a private letter ruling) addressed to the Corporation, the FHCF, or any successor of either, or to the extent such elimination of such use restriction is permitted (based upon an Opinion of Counsel) by the Code; or

(f) make any other change that, in the opinion of the Master Trustee, which may rely upon certificates of Consultants and Opinions of Counsel for such purpose, shall not materially adversely affect the security for the Parity Obligations.

Before entering into any amendment under this Section 14, the Master Trustee shall be entitled to receive, and in so doing shall be fully protected in relying upon, an Opinion of

Counsel to the effect the any such proposed amendment is authorized or permitted under this Pledge Agreement.

Other than amendments referred to in the preceding paragraph of this Section and subject to the terms and provisions and limitations contained in Section 1102 of the Master Indenture and not otherwise, the Owners and Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding, shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to consent to and approve the execution by the State Board of Administration, the Corporation and the Master Trustee of such supplements and amendments hereto as shall be deemed necessary and desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein; provided, however, nothing in this Section shall permit or be construed as permitting a supplement or amendment which would impair the pledge and security interest granted by this Pledge Agreement.

Section 15. *Termination of Pledge Agreement.* This Pledge Agreement shall (i) remain in full force and effect until payment in full of the Parity Obligations, (ii) be binding upon the FHCF, its successors and assigns and (iii) inure to the benefit of the Corporation, the Master Trustee and their respective successors, transferees and assigns. Upon the payment in full of the Parity Obligations, the security interest granted herein shall terminate and all rights to the Pledged Collateral shall revert to the FHCF. Upon any such termination, the Master Trustee shall, at the FHCF's expense, execute and deliver to the FHCF such documents as the State Board of Administration shall reasonably request to evidence such termination.

Section 16. *Notices.* All notices, demands and requests to be given to or made hereunder by the Corporation, the State Board of Administration or the Master Trustee shall be given or made in writing and shall be deemed to be properly given or made if sent by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

Party	Address
Florida Hurricane Catastrophe Fund:	Florida Hurricane Catastrophe Fund c/o State Board of Administration 1801 Hermitage Boulevard Tallahassee, Florida 32308 Attention: Chief Operating Officer

Corporation:	Florida Hurricane Catastrophe Fund Finance Corporation c/o State Board of Administration 1801 Hermitage Boulevard Tallahassee, Florida 32308 Attention: Senior FHCF Officer
Master Trustee:	Wells Fargo Bank, N.A. 7077 Bonneval Road, Suite 400 Jacksonville, FL 32216 Attention: Corporate Trust Department

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by telegram or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change sent by United States certified or registered mail, postage prepaid, to the other parties by the party effecting the change.

Section 17. *No Waiver; Remedies.* No failure on the part of the Corporation or the Master Trustee to exercise, and no delay in exercising, any right under this Pledge Agreement shall operate as a waiver of such right, and no single or partial exercise of any right under this Pledge Agreement shall preclude any further exercise of such right or the exercise of any other right. The remedies provided in this Pledge Agreement are cumulative and not exclusive of any remedies provided by law.

Section 18. *Conflict.* In the event that any part of this Pledge Agreement is determined to be in conflict with the terms of the Master Indenture, the terms of the Master Indenture shall govern to the extent of such conflict.

Section 19. *Rights of the Master Trustee.* Neither the Master Trustee nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates shall be liable for any action taken or omitted to be taken by it or any such officer, director, employee, agent, attorney-in-fact or affiliate under or in connection with this Pledge Agreement (except for the Master Trustee's or any such person's own negligence or willful misconduct). The Master Trustee undertakes to perform only such duties as are expressly set forth herein. The Master Trustee may rely, and shall be protected in acting or refraining from acting, upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party. The Master Trustee may consult with counsel of its choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. Notwithstanding any provision to the contrary contained herein, the Master Trustee shall not be relieved of liability arising in connection with its own negligence or willful misconduct.

Section 20. *Members, Officers and Employees of the State Board of Administration and the Corporation Not Liable.* Neither the members, officers and employees of the State Board of Administration nor the members of the Board of Directors or the officers and employees of the Corporation shall be personally liable for any costs, losses, damages or liabilities caused or subsequently incurred by the State Board of Administration or any member, officer, employee or agent thereof in connection with or as a result of this Pledge Agreement.

Section 21. *Separate Accounts and Records.* The State Board of Administration and the Corporation represent and covenant, each for itself, that:

(i) Each of them will maintain its respective books, financial records and accounts (including, without limitation, inter-entity transaction accounts) in a manner so as to identify separately the assets and liabilities of each such entity; each has observed and will observe all applicable corporate or trust procedures and formalities, including where applicable, the holding of regular periodic and special meetings of governing bodies, the recording and maintenance of minutes of such meetings, and the recording and maintenance of resolutions, if any, adopted at such meetings; and all transactions and agreements between and among them have reflected and will reflect the separate legal existence of each entity and have been and will be formally documented in writing.

(ii) Each of them has paid and will pay its respective liabilities and losses from its own respective separate assets, and has compensated and will compensate all consultants, independent contractors and agents from its own funds for services provided to it by such consultants, independent contractors and agents.

(iii) None of them has commingled or will commingle any of its assets, funds or liabilities with the assets, funds or liabilities of any other person or entity. Each of them has conducted and will conduct all business between itself and third parties in its own name and separate and distinct from the others.

(iv) Neither the assets nor the creditworthiness of the FHCF will be held out as being available for the payment of any liability of the Corporation, and vice versa. Assets will not be transferred by the Corporation to or from the FHCF inconsistently with the Act or with the intent to hinder, delay or defraud creditors.

(v) Each of them in its papers and in the statements of its officials has referred and will refer to the others as separate and distinct legal entities; and will take no action that is inconsistent with this Pledge Agreement or that would give any creditor of any of them cause to believe either that any obligation incurred by it would be not only its obligation, but also of another party, or that it were not or would not continue to remain an entity separate and distinct from the others.

Section 22. *Transfers to FHCF.* Subject to the provisions of the Act, the Master Indenture and this Pledge Agreement, all money received by the Corporation or the Master Trustee which, together with other money available for the purposes of the Master Indenture, exceeds the amount required for such purposes shall be transferred to the order of the FHCF not later than the times provided therefor in the Master Indenture and in this Pledge Agreement.

Section 23. *Severability*. Any provision of this Pledge Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions of this Pledge Agreement or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 24. *Governing Law*. This Pledge Agreement shall be governed by, and construed and interpreted in accordance with, the domestic law of the State.

Section 25. *Headings*. Section headings in this Pledge Agreement are included for convenience of reference only and shall not constitute a part of this Pledge Agreement for any other purpose.

Section 26. *Counterparts*. This Pledge Agreement may be signed in any number of counterpart copies, and all such copies shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Pledge Agreement to be duly executed and delivered as of the date first above written.

FLORIDA HURRICANE CATASTROPHE FUND
FINANCE CORPORATION

By: _____
President

(SEAL)

Attest:

_____
Secretary

STATE BOARD OF ADMINISTRATION,
acting as the governing body and administrator of the
FLORIDA HURRICANE CATASTROPHE FUND

By: _____
Executive Director

(SEAL)

Attest:

_____
Assistant General Counsel

WELLS FARGO BANK, N.A.
Master Trustee

By: _____
[Title]

(SEAL)

Attest:

_____
[Title]

IN WITNESS WHEREOF, the parties have caused this Pledge Agreement to be duly executed and delivered as of the date first above written.

FLORIDA HURRICANE CATASTROPHE FUND
FINANCE CORPORATION

By: _____

(SEAL)

Attest:

_____

STATE BOARD OF ADMINISTRATION,
acting as the governing body and administrator of the
FLORIDA HURRICANE CATASTROPHE FUND

By: _____

(SEAL)

Attest:

_____

WELLS FARGO BANK, N.A.
Master Trustee

By: _____
Brian P. Clark, Vice President

(SEAL)

Attest:

_____
Title:

Master Trust Indenture

- Parties are Wells Fargo (Master Trustee) and the Corporation (SBA is not a party)

- Describes general terms and conditions governing bonds issued by the Corporation
  - Establishes general powers and duties of the Master Trustee
  - Sets out basic covenants of the Corporation
  - Establishes limitations on the issuance of additional bonds
  - Establishes certain accounts to hold revenues pledged for the payment of debt service
  - Defines events of default and provides for bondholder remedies

- Specific terms for a particular series of bonds are set out in Supplemental Indentures

- Approved in 2006

MASTER TRUST INDENTURE

by and between

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

and

WELLS FARGO BANK, N.A.,
as Master Trustee

Dated as of June 1, 2006

Table of Contents

Page

Article I. DEFINITIONS AND OTHER PROVISIONS CONCERNING INTERPRETATION

Section 101. Definitions....5
Section 102. Interpretation....19
Section 103. Status of Parity Obligations....20

Article II. INDEBTEDNESS

Section 201. Limitation on Incurrence of Indebtedness....20
Section 202. Details of Bonds....21
Section 203. Execution and Form of Bonds....22
Section 204. Exchange of Bonds....22
Section 205. Negotiability and Registration of Transfer of Bonds....22
Section 206. Ownership of Bonds....23
Section 207. Authentication of Bonds....23
Section 208. Terms and Conditions for Incurrence of Indebtedness....23
Section 209. Temporary Bonds....24
Section 210. Mutilated, Destroyed, Lost or Stolen Bonds....25
Section 211. Subordinated Indebtedness....25
Section 212. Additional Restrictions....26

Article III. REDEMPTION

Section 301. Redemption Generally....27

Article IV. COSTS OF ISSUANCE FUND

Section 401. Costs of Issuance Fund....27
Section 402. Payments from Costs of Issuance Fund....27
Section 403. Requisitions from Costs of Issuance Fund....27
Section 404. Reliance upon Requisitions....28
Section 405. Disposition of Costs of Issuance Fund Balance....28

Article V. APPLICATION OF GROSS RECEIPTS AND NET RECEIPTS; FUNDS AND ACCOUNTS

Section 501. Establishment of Funds and Accounts....28
Section 502. Gross Receipts Received by the Corporation or the Master Trustee....30
Section 503. Application of Money in Revenue Fund....30
Section 504. Use of Money for Debt Service Accounts and Reserve Accounts....33
Section 505. Application of Money in Interest Account and Capitalized Interest Account....34
Section 506. Application of Money in Principal Account....35
Section 507. Application of Money in Sinking Fund Account....35

Section 508. Deposit and Application of Money in Parity Common Reserve Account and Any Special Reserve Account; Replenishment of Deficiencies 36
Section 509. Application of Money in Redemption Account 38
Section 510. Escheat 40
Section 511. Cancellation of Bonds 40
Section 512. Disposition of Fund Balances 40
Section 513. Use of Available Funds 40

Article VI. DEPOSITARIES OF MONEY, SECURITY FOR DEPOSITS, INVESTMENT OF FUNDS AND COVENANT AS TO ARBITRAGE

Section 601. Security for Deposits 42
Section 602. Investment of Money 42
Section 603. Valuation 44
Section 604. Covenant as to Arbitrage 45

Article VII. COVENANTS OF THE CORPORATION AND THE STATE

Section 701. Security; Restrictions on Encumbering Net Receipts; Payment of Principal and Interest 45
Section 702. Covenants as to Existence, Etc 46
Section 703. Limitations on Creation of Liens 47
Section 704. Incurrence Test 47
Section 705. Fiscal Year End Certificate 49
Section 706. Filing of Audited Financial Statements, Certificate of No Default, Other Information 49
Section 707. Annual Budget 50
Section 708. State Covenant 50

Article VIII. DEFAULTS AND REMEDIES

Section 801. Extension of Interest Payment 50
Section 802. Events of Default 51
Section 803. Acceleration of Maturities 51
Section 804. Remedies 52
Section 805. Pro Rata Application of Funds 53
Section 806. Effect of Discontinuance of Proceedings 55
Section 807. Control of Proceedings 55
Section 808. Restrictions Upon Action 55
Section 809. Enforcement of Rights of Action 56
Section 810. No Remedy Exclusive 56
Section 811. Delay Not a Waiver 56
Section 812. Notice of Default 56
Section 813. Right to Enforce Payment of Parity Obligations Unimpaired 56
Section 814. Remedies Subject to Provisions of Law 57

Article IX. THE MASTER TRUSTEE AND THE BOND REGISTRAR

Section 901. Acceptance of Trusts 57

1 Section 902. Indemnification of Master Trustee as Condition for Remedial
2 Action 58
3 Section 903. Limitations on Obligations and Responsibilities of Master Trustee.....58
4 Section 904. Master Trustee Not Liable for Failure of Corporation to Act.....59
5 Section 905. Compensation and Indemnification of Master Trustee and Bond
6 Registrar 59
7 Section 906. Monthly Statements from Master Trustee 59
8 Section 907. Master Trustee May Rely on Certificates 60
9 Section 908. Notice of Default.....60
10 Section 909. Master Trustee Not Responsible for Recitals 60
11 Section 910. Master Trustee Protected in Relying on Certain Documents.....60
12 Section 911. Master Trustee May Pay Taxes and Assessments 61
13 Section 912. Resignation and Removal of Master Trustee and Bond
14 Registrar Subject to Appointment of Successor 61
15 Section 913. Resignation of Master Trustee.....61
16 Section 914. Removal of Master Trustee.....61
17 Section 915. Appointment of Successor Master Trustee.....62
18 Section 916. Vesting of Duties in Successor Master Trustee 63
19 Section 917. Removal and Resignation of Bond Registrar.....63

20 Article X. EXECUTION OF INSTRUMENTS BY OWNERS AND HOLDERS, PROOF
21 OF OWNERSHIP OF BONDS OR PARITY DEBT, AND DETERMINATION OF
22 CONCURRENCE OF OWNERS AND HOLDERS

23 Section 1001. Execution of Instruments 64
24 Section 1002. Preservation of Information; Communications.....64
25 Section 1003. Credit Provider as Owner or Holder 65

26 Article XI. SUPPLEMENTS AND AMENDMENTS

27 Section 1101. Supplemental Indentures Without Consent 65
28 Section 1102. Supplemental Indentures With Consent.....67
29 Section 1103. Supplemental Indentures Part of Master Indenture 68
30 Section 1104. Not a Supplemental Indenture 68
31 Section 1105. Responsibilities of the Master Trustee.....68

32 Article XII. DEFEASANCE

33 Section 1201. Release of Master Indenture 69

34 Article XIII. MISCELLANEOUS PROVISIONS

35 Section 1301. Successorship of Corporation 70
36 Section 1302. Successorship of Depositary and Bond Registrar.....70
37 Section 1303. Manner of Giving Notice.....70
38 Section 1304. Substitute Mailing.....71
39 Section 1305. Parties, Bond Registrar, Owners and Holders Alone Have Rights
40 Under Master Indenture 71
41 Section 1306. Effect of Partial Invalidity 71
42 Section 1307. Effect of Covenants; Governing Law 72

Section 1308. No Recourse Against Members, Officers or Employees of Corporation or State Board of Administration....72
Section 1309. Dealing in Parity Obligations....72
Section 1310. Headings....72
Section 1311. Further Authority....72
Section 1312. Payments Due on Non-Business Days....73
Section 1313. Multiple Counterparts....73

THIS MASTER TRUST INDENTURE (this "Master Indenture"), made and entered into as of the first day of June 1, 2006, by and between Florida Hurricane Catastrophe Fund Finance Corporation, a public benefits corporation, which is an instrumentality of the State of Florida (the "Corporation"), and Wells Fargo Bank, N.A., Jacksonville, Florida, a national banking association duly incorporated under the laws of the United States of America, and being duly qualified to accept and administer the trusts created hereby (the "Master Trustee"),

W I T N E S S E T H:

WHEREAS, Section 215.555, Florida Statutes, as amended (the "Act"), creates the Florida Hurricane Catastrophe Fund, a trust fund established for bond covenants, Master Indentures or resolutions within the meaning of Section 19(f)(3), Article III of the Constitution of the State of Florida (the "FHCF"); and

WHEREAS, the Act provides that the FHCF will be administered by the State Board of Administration of Florida (in its capacity as the governing body and administrator of the FHCF, the State Board of Administration) and that the FHCF will reimburse certain insurers for a portion of their catastrophic hurricane losses, subject to the limitations on such reimbursements set forth in the Act, in order to create additional insurance capacity sufficient to ameliorate the current dangers to the economy of the State and to the public health, safety and welfare of its citizens posed by a lack of an orderly private market for property insurance; and

WHEREAS, the Act creates the Corporation as a public benefits corporation, which is an instrumentality of the State of Florida, to provide a mechanism for the cost-effective and efficient issuance of bonds necessary to enable the FHCF to carry out the purposes of the Act; and

WHEREAS, the purpose of such bonds is to fund reimbursements through the FHCF to pay for the costs of construction, reconstruction, repair, restoration and other costs associated with damage to properties of policyholders of covered policies due to the occurrence of a hurricane; and

WHEREAS, the Act provides for the payment by certain insurers of reimbursement premiums, and for the remittance of emergency assessments from certain policyholders, in the amounts and under the circumstances set forth in the Act and authorizes the pledge of all or any portion of the revenues derived from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest on bonds issued by the Corporation for the benefit of the FHCF; and

WHEREAS, the Act provides that revenue bonds may not be issued under the Act until validated under Florida Statutes, Chapter 75, and that the validation of at least the first issue of obligations incurred under the Act shall be appealed to the Florida Supreme Court; and

WHEREAS, the Circuit Court of the Second Judicial Circuit of Florida (the "Circuit Court") validated on November 12, 1996 bonds in the aggregate principal amount of not exceeding $10 billion, a pledge agreement ("1996 pledge agreement"), a master trust Master Indenture ("1996 master trust Master Indenture"), and related resolutions adopted by the State

Board of Administration for the FHCF and by the Board of Directors of the Corporation ("1996 resolutions"); and

WHEREAS, Florida Supreme Court affirmed on September 18, 1997 the order of the Circuit Court and concluded that "the Florida Hurricane Finance Corporation acted within its authority and complied with all requirements of the law in the issuance of the Hurricane Catastrophe Relief Revenue Bonds;" and

WHEREAS, the Corporation obtained from the Internal Revenue Service a private letter ruling dated July 2, 1998 to the effect that the interest on bonds issued by the Corporation and secured by emergency assessments and, to a limited extent, reimbursement premiums would be exempt from federal income tax, and such ruling, limited in term to five years, was renewed on June 13, 2003 through June 30, 2008; and

WHEREAS, the Florida Legislature has made several amendments to the Act since its initial enactment in 1993, since validation in 1996 of the bonds, the 1996 master trust Master Indenture, the 1996 pledge agreement and the 1996 resolutions and since receipt in 1998 of the Internal Revenue Service private letter ruling, without vitiating the efficacy of any of the Circuit Court validation, the Supreme Court affirmation of the Circuit Court validation or the private letter ruling; and

WHEREAS, the Board of Directors of the Corporation has duly authorized the execution and delivery of this Master Indenture with the Master Trustee, this Master Indenture being intended to preserve the substance of the 1996 master trust indenture while reflecting the provisions of the amendments to the Act since 1996 and the provisions of the Internal Revenue Service private letter ruling and restricting the obligations that the Corporation may incur hereunder to Parity Obligations (as hereinafter defined); and

WHEREAS, the State Board of Administration and the Board of Directors of the Corporation have duly authorized the execution and delivery of a pledge and security agreement, dated as of June 1, 2006 (the "Pledge Agreement"), by and among the State Board of Administration, the Corporation and the Master Trustee, which agreement is intended to preserve the substance of the 1996 pledge agreement and to conform to the provisions of the Act as currently in effect, the private letter ruling and this Master Indenture, pursuant to which the State Board of Administration has pledged and assigned to the Corporation certain revenues derived from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest on such bonds; and

WHEREAS, the Office of Insurance Regulation of the State of Florida and the Florida Surplus Lines Service Office have each been notified that, simultaneously with the execution and delivery of the Pledge Agreement and this Master Indenture, Bonds (hereinafter defined) are being issued by the Corporation and that the FHCF has no agreements in effect with local governments, and, therefore, until such date as the Corporation shall have no Bonds Outstanding (hereinafter defined) and subject to the provisions of the Pledge Agreement, the FHCF shall have no right, title or interest in or to such emergency assessments or the interest earnings thereon, except as provided in the Pledge Agreement; and

WHEREAS, the Corporation desires to issue and incur its Parity Obligations pursuant to the Act to provide funds to achieve the public purposes of the Act; and

WHEREAS, any Bonds issued and any Parity Debt (hereinafter defined) incurred under this Master Indenture will be secured by a pledge of the Net Receipts (hereinafter defined) of the Corporation; and

WHEREAS, pursuant to the Act, the Corporation is entering into this Master Indenture for the purpose of authorizing the issuance of Bonds and the incurrence of Parity Debt and securing the payment thereof by assigning its rights in and to the Net Receipts and certain of its rights under the Pledge Agreement; and

WHEREAS, under the Constitution and laws of the State of Florida, including the Act, the Corporation is authorized to enter into this Master Indenture, to issue the Bonds and incur Parity Debt as hereinafter provided and to do or cause to be done all the acts and things herein provided or required to be done as hereinafter covenanted; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Florida, including the Act, to happen, exist and be performed precedent to and in the execution and delivery of this Master Indenture have happened, exist and have been performed as so required to make this Master Indenture a valid and binding Master Indenture securing any Bonds and any Parity Debt in accordance with its terms; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby;

NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH that in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the issuance of Bonds and the incurrence of any Parity Debt as provided herein, in any Supplemental Indenture (hereinafter defined) and in any Parity Debt Resolution (hereinafter defined), and also for and in consideration of the sum of One Dollar in hand paid to the Master Trustee at or before the execution and delivery of this Master Indenture, and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become Owners (hereinafter defined), and to secure the payment of all Bonds at any time issued and outstanding under this Master Indenture and any Parity Debt, and the interest and the redemption premium, if any, thereon according to their tenor, purport and effect, and to secure the performance and observance of all the covenants, agreements and conditions, express or implied, therein and herein contained, the Corporation has executed and delivered this Master Indenture, and by this Master Indenture has given, granted, bargained, aliened, remised, released, conveyed, transferred, assigned, confirmed, set over, and pledged, and does hereby give, grant, bargain, alien, remise, release, convey, transfer, assign, confirm, set over, and pledge unto the Master Trustee, and its successor or successors in trust:

1. All Net Receipts of the Corporation;

2. All right, title and interest of the Corporation in and to the Pledge Agreement (except for those certain rights that are set forth in the next sentence of this clause), it being the

intent and purpose hereof that the assignment and transfer to the Master Trustee of the Pledged Collateral (hereinafter defined) shall be effective and operative immediately and the Master Trustee shall have the right to collect and receive from the FHCF the Pledged Collateral for application in accordance with the provisions hereof at all times during the period from and after the date of this Master Indenture until the indebtedness hereby secured shall have been fully paid and discharged, all subject to the rights of the FHCF to the release of Reimbursement Premiums and Reimbursement Premium Earnings and Emergency Assessments and Emergency Assessment Earnings as provided in the Pledge Agreement and this Master Indenture. The Corporation specifically reserves from this assignment the following rights: (a) to receive all notices, opinions, certificates, copies of documents, instruments, reports and correspondence, and evidence of certain actions by the State Board of Administration, acting on behalf of the FHCF, required to be delivered to the Corporation under the Pledge Agreement; (b) to grant approvals and consents and make determinations when required under the Pledge Agreement; (c) to be indemnified pursuant to the Pledge Agreement; and (d) those exculpations from liability conferred upon the members, officers and employees of the Corporation in the Pledge Agreement; provided that the reservation of the aforementioned rights shall not prevent the Master Trustee from enforcing the same on behalf of the Corporation, the Owners and the Holders (hereinafter defined), and the Corporation is to remain liable to observe and perform all the covenants, agreements and conditions, express or implied, therein and herein contained; and

3. All money and securities held by or on behalf of the Master Trustee in all of the funds, accounts or subaccounts established pursuant to this Master Indenture, except those funds, accounts and subaccounts that are expressly pledged in a Supplemental Indenture as security only for the Series of Bonds authorized by such Supplemental Indenture or in a Parity Debt Resolution as security only for the Parity Debt authorized by such Parity Debt Resolution, and, in the case of Tax-Exempt Parity Obligations, except those funds, accounts and subaccounts that are expressly set aside in a Supplemental Indenture or Parity Debt Resolution for the purpose of making rebate, yield reduction or similar payments to the United States of America in order to maintain the tax status of the Tax-Exempt Parity Obligations;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Master Trustee and its successor or successors in trust and to them and their assigns forever; but

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the benefit, security and protection of all and singular the present and future Owners of the Bonds issued or to be issued under and secured by this Master Indenture and the Holders of any Parity Debt secured by this Master Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Bond or Parity Debt over any other Bond or Parity Debt by reason of priority in their issue, sale or otherwise, all as herein provided;

PROVIDED, HOWEVER, that if the Corporation, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment, pursuant to the provisions of this Master Indenture, of the principal of all Parity Obligations and the interest and any redemption premium due or to become due thereon, at the times and in the manner mentioned in the Parity Obligations and this Master Indenture, according to the true intent and meaning hereof and

thereof, and shall cause the payments to be made into the Bond Fund (hereinafter defined) or otherwise as required under this Master Indenture, and shall pay or cause to be paid to the Master Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof and perform all of its other obligations hereunder, then, upon such performance and payments, this Master Indenture and the rights hereby granted shall cease, determine and become void, as provided in Article XII of this Master Indenture; otherwise this Master Indenture to be and remain in full force and effect.

THIS MASTER INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder and any Parity Debt secured hereunder are to be issued, authenticated (if applicable), delivered and dealt with, the respective rights of all Owners of the Bonds and Holders of Parity Debt are to be set forth, and all said property hereby given, granted, bargained, aliened, remised, released, conveyed, transferred, assigned, confirmed, set-over and pledged is to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Corporation has agreed and covenanted, and does hereby agree and covenant, with the Master Trustee and with the respective Owners and Holders, from time to time, of Parity Obligations, or any part hereof, as follows:

Article I.

DEFINITIONS AND OTHER PROVISIONS CONCERNING INTERPRETATION

Section 101. Definitions. For the purposes hereof, unless the context otherwise indicates, the following words and phrases shall have the following meanings:

"Accreted Amount" means with respect to Capital Appreciation Bonds, the amount set forth in the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Capital Appreciation Bonds.

"Act" means Section 215.555, Florida Statutes, as amended, or any successor statute.

"Audited Financial Statements" means the combined financial statements of the FHCF and the Corporation for a 12-month period, or for such other period for which an audit has been performed, that have been audited and reported upon by an Auditor in accordance with generally accepted auditing standards.

"Auditor" means an independent certified public accountant or firm of independent public accountants selected by the State Board of Administration.

"Authorized Officer of the Corporation" means each person who is authorized by resolution of the Governing Body of the Corporation to perform the duties imposed on an Authorized Officer of the Corporation by this Master Indenture and whose name is filed with the Master Trustee for such purpose.

"Authorized Officer of the State Board of Administration" means each person who is authorized by resolution of the Governing Body of the FHCF to perform the duties imposed on an Authorized Officer of the State Board of Administration by this Master Indenture and whose name is filed with the Master Trustee for such purpose.

"Balloon Indebtedness" means Indebtedness twenty-five percent (25%) or more of the principal payments of which are due in a single Fiscal Year, which portion of the principal is not required by the documents pursuant to which such Indebtedness is incurred to be amortized by payment or redemption prior to such year.

"Bond" or "Bonds" means the bonds or notes issued under the provisions hereof and secured on a parity with each other and any Parity Debt by this Master Indenture.

"Bond Fund" means the Florida Hurricane Catastrophe Fund Finance Corporation Bond Fund created and so designated by Section 501(b) hereof.

"Bond Registrar" means, with respect to any Series of Bonds, the Bond Registrar at the time serving as such under the Supplemental Indenture authorizing the issuance of such Series, whether the original or a successor Bond Registrar.

"Business Day" means a day on which the Corporation, the Fund, the Master Trustee and each Bond Registrar are open for the purpose of conducting their businesses.

"Capital Appreciation Bonds" means Bonds the interest on which is compounded at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and is payable upon redemption or on the maturity date of such Bonds. Nothing in this Master Indenture shall prohibit the Corporation from designating in such Supplemental Indenture any such Bonds by a name other than Capital Appreciation Bonds.

"Capitalized Interest Account" means the account in the Bond Fund created and so designated by Section 501 hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

"Consultant" means a firm or firms which are not, and no member, director, officer, trustee or employee of which is, an officer, director, trustee or employee of the Corporation, the FHCF, the State Board of Administration or the State, and which has a national reputation for having the skill and experience necessary to render the particular report or recommendations required by the provision hereof in which such requirement appears.

"Contract Year" means the term of the reimbursement contracts between the State Board of Administration and insurers writing Covered Policies.

"Corporation" means the Florida Hurricane Catastrophe Fund Finance Corporation, a public benefits corporation, which is an instrumentality of the State, and its legal successors.

"Corpus Earnings" means Corpus Earnings as defined in Section 1 of the Pledge Agreement.

"Costs of Issuance" means those costs that are payable from Bond proceeds with respect to the authorization, sale and issuance of Bonds, deposits to the funds, accounts and subaccounts established by this Master Indenture and any Supplemental Indenture, underwriting fees, auditors' or accountants' fees, printing costs, costs of reproducing documents, filing and recording fees, fees and expenses of fiduciaries, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for the execution, transportation and safekeeping of Bonds, governmental charges, costs of entering into Derivative Agreements, obtaining Investment Obligations and establishing or obtaining Credit Facilities, and other costs, charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the Florida Hurricane Catastrophe Fund Finance Corporation Costs of Issuance Fund created and so designated by Section 401 hereof.

"Covered Event" means Covered Event as defined in the Act.

"Credit Facility" means a line of credit, letter of credit, standby bond purchase agreement, bond insurance policy or similar liquidity or credit facility established or obtained in connection with the issuance of any Bonds, incurrence of any other Parity Debt or incurrence of any Subordinated Indebtedness.

"Credit Provider" means the Person providing a Credit Facility, as designated in the Supplemental Indenture authorizing the issuance of a Series of Bonds or in the Parity Debt Resolution authorizing the incurrence of Parity Debt or in the Subordinated Indebtedness Resolution authorizing the incurrence of Subordinated Indebtedness.

"Cross-over Date" means, with respect to Cross-over Refunding Indebtedness, the date on which the principal portion of the related Cross-over Refunded Indebtedness is to be paid or redeemed from the proceeds of such Cross-over Refunding Indebtedness.

"Cross-over Refunded Indebtedness" means Indebtedness refunded by Cross-over Refunding Indebtedness.

"Cross-over Refunding Indebtedness" means Indebtedness issued for the purpose of refunding other Indebtedness if the proceeds of such Cross-over Refunding Indebtedness are irrevocably deposited in escrow to secure the payment on the applicable redemption date or maturity date of the Cross-over Refunded Indebtedness, and the earnings on such escrow deposit (i) are required to be applied to pay interest on such Cross-over Refunding Indebtedness until the Cross-over Date and (ii) shall not be used directly or indirectly to pay interest on the Cross-over Refunded Indebtedness.

"Current Expenses of the Corporation" means all expenses incurred by the Corporation in the administration of the Corporation, including, without limiting the generality of the foregoing, arbitrage rebate and penalties, all administrative expenses, salaries and other compensation, personnel expenses properly chargeable to the Corporation, fees and expenses incurred for professional consultants and fiduciaries, including the fees and expenses of the Master Trustee

and any Bond Registrar, and all Current Expenses of the Corporation so identified in this Master Indenture, a Parity Resolution, a Subordinated Indebtedness Resolution or any other resolution adopted by the Governing Body of the Corporation, but Current Expenses of the Corporation shall not include (i) depreciation or amortization, (ii) any deposit to any fund, account and subaccount established under this Master Indenture or any Supplemental Indenture or any payment of principal, redemption premium, if any, and interest on any Bonds from any such fund, account and subaccount or (iii) any debt service payment in respect of Parity Debt or Subordinated Indebtedness.

"Current Interest Bonds" means Bonds the interest on which is payable on the Interest Payment Dates provided therefor in the Supplemental Indenture authorizing the issuance of such Bonds.

"Debt Service Coverage Ratio" means, for any period of time, the ratio determined by dividing the Premium and Assessment Revenue Available for Debt Service by the Maximum Debt Service Requirement.

"Debt Service Requirement" means, for any period of twelve (12) consecutive calendar months for which such determination is made, the aggregate of the payments to be made in respect of principal and interest (whether or not separately stated) on Outstanding Indebtedness during such period, also taking into account:

(i) with respect to Balloon Indebtedness, the amount of principal which would be payable in such period if such principal were amortized from the date of incurrence thereof over a period of thirty (30) years on a level debt service basis, at an interest rate equal to the current market rate for a fixed rate, 30-year obligation, set forth in an opinion, delivered to the Master Trustee, of a banking institution or an investment banking institution, selected by the Corporation and knowledgeable in municipal finance, as the interest rate at which the Person that incurred such Indebtedness could reasonably expect to borrow the same by incurring Indebtedness with the same term as assumed above; provided, however, that if the date of calculation is within twelve (12) calendar months of the actual final maturity of such Indebtedness, the full amount of principal payable at maturity shall be included in such calculation;

(ii) with respect to Indebtedness which is Variable Rate Indebtedness, the interest on such Indebtedness shall be calculated at the rate which is equal to the average of the actual interest rates which were in effect (weighted according to the length of the period during which each such interest rate was in effect) for the most recent twelve-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a twelve-month period), except that with respect to new Variable Rate Indebtedness, the interest rate on such Indebtedness on the date of its incurrence shall be calculated at the lesser of (a) the initial rate at which such Indebtedness is incurred and (b) the rate certified by a banking institution or an investment banking institution, selected by the Corporation and knowledgeable in municipal finance, as being the average rate such Indebtedness would have borne for the most recent twelve-month period immediately preceding the date of calculation if such Indebtedness had been outstanding for such period, and thereafter shall be calculated as set forth above; provided, however, that if the Corporation enters into a

Derivative Agreement with respect to such Indebtedness, the interest on such Indebtedness shall be calculated as set forth in clause (iv) below;

(iii) with respect to any Credit Facility, (a) to the extent that such Credit Facility has not been used or drawn upon, the principal and interest relating to the reimbursement obligation for such Credit Facility shall not be included in the Debt Service Requirement and (b) to the extent that such Credit Facility shall have been drawn upon, the payment provisions of such Credit Facility with respect to repayment of principal and interest thereon shall be included in the Debt Service Requirement;

(iv) with respect to Derivative Indebtedness, the interest on such Indebtedness during any Derivative Period thereunder shall be calculated by adding (a) the amount of interest payable by the Corporation pursuant to its terms and (b) the amount payable by the Corporation under the Derivative Agreement and subtracting (c) the amount payable by the Derivative Agreement Counterparty at the rate specified in the Derivative Agreement, except that to the extent that the Derivative Agreement Counterparty has defaulted on its payment obligations under the Derivative Agreement, the amount of interest payable by the Corporation from the date of default shall be the interest calculated as if such Derivative Agreement had not been executed;

(v) subject to the provisions of clause (iv) above, to the extent that any Indebtedness incurred pursuant to this Master Indenture requires that the Corporation pay the principal of or interest on such Indebtedness in any currency or currencies other than United States dollars, in calculating the amount of the Debt Service Requirement, the currency or currencies in which the Corporation is required to pay shall be converted to United States dollars using a conversion rate equal to the applicable conversion rate in effect on a date that is not more than thirty (30) days prior to the date on which such Indebtedness is incurred;

(vi) in the case of Indebtedness a feature of which is an option on behalf of the Owners or Holders to tender to the Corporation or the Master Trustee, or any agent of either, all or a portion of such Indebtedness, the options of such Owners or Holders shall be ignored, provided that such Indebtedness shall have the benefit of a Credit Facility and the institution or a guarantor of its obligations shall have ratings from at least two of the Rating Agencies in not less than one of the two highest short-term rating categories (without gradations such as plus or minus); and

(vii) in the case of Indebtedness, having the benefit of a Credit Facility that provides for a term loan facility that requires the payment of the Principal of such Indebtedness in one (1) year or more, such Indebtedness shall be considered Balloon Indebtedness and shall be assumed to have the maturity schedule provided clause (i)(a) of this definition;

provided, however, that interest shall be excluded from the determination of Debt Service Requirement to the extent that provision for payment of the same is made from the proceeds of the Indebtedness or otherwise provided so as to be available for deposit into the Capitalized Interest Account or similar account not later than the date of delivery of and payment for such Indebtedness or the reissuance date of any Pre-Event Parity Obligations reissued Post-Event as Parity Obligations; and provided further that, notwithstanding the foregoing, the aggregate of the

payments to be made with respect to principal of and interest on Outstanding Indebtedness shall not include principal and/or interest payable from Qualified Escrow Funds.

"Defeasance Obligations" means, unless modified by the terms of a Parity Resolution, (i) noncallable, nonprepayable Government Obligations, (ii) evidences of ownership of a proportionate interest in specified noncallable, nonprepayable Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity of custodian, (iii) Defeased Municipal Obligations and (iv) evidences of ownership of a proportionate interest in specified Defeased Municipal Obligations, which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity of custodian.

"Defeased Municipal Obligations" means, to the extent from time to time permitted by law, obligations of state or local government municipal bond issuers rated in the highest rating category by any two Rating Agencies and provision for the payment of the principal of and redemption premium, if any, and interest on which shall have been made by irrevocable deposit with a trustee or escrow agent of noncallable, nonprepayable Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity as custodian, the maturing principal of and interest on which Government Obligations, when due and payable, shall have been verified by an independent certified public accountant or firm of independent certified public accountants to be sufficient to pay the principal of and redemption premium, if any, and interest on such obligations of state or local government municipal bond issuers.

"Depositary" means one or more banks or trust companies or other institutions, including the Master Trustee, duly authorized by law to engage in the banking business and designated by the Corporation as a depositary of moneys under this Master Indenture.

"Derivative Agreement" means (i) any contract known as or referred to or which performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, options, puts or calls or to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate or other financial risk; and (v) any other type of contract or arrangement that the Corporation determines is to be used, or is intended to be used, to manage or reduce the cost of Indebtedness, to convert any element of Indebtedness from one form to another, to maximize or increase investment return, to minimize investment return risk or to protect against any type of financial risk or uncertainty.

"Derivative Agreement Counterparty" means, with respect to a Derivative Agreement, the Person that is identified in such agreement as the counterparty to, or contracting party with, the Corporation.

"Derivative Agreements Account" means the account in the Revenue Fund created and so designated by Section 501 hereof.

"Derivative Indebtedness" means Indebtedness or any portion thereof with respect to which the Corporation shall have entered into a Derivative Agreement.

"Derivative Period" means the period during which a Derivative Agreement is in effect.

"Emergency Assessment Base" means the total of direct written premium reported for all assessable lines of insurance under the Act.

"Emergency Assessments" means Emergency Assessments as defined in Section 1 of the Pledge Agreement.

"Emergency Assessments Account" means the account in the Revenue Fund created and so designated by Section 501 hereof.

"Emergency Assessment Earnings" means Emergency Assessment Earnings as defined in Section 1 of the Pledge Agreement.

"Event of Default" means any one or more of those events set forth in Section 802 hereof.

"FHCF" means Florida Hurricane Catastrophe Fund, a trust fund established for bond covenants, indentures or resolutions within the meaning of Section 19(f)(3), Article III of the State Constitution, and its legal successors.

"Fiscal Year" means the fiscal year of the FHCF, which shall be the period beginning on July 1 of each year and ending on June 30 of the following year, unless the Master Trustee is notified in writing by an Authorized Officer of the State Board of Administration of a change in such period, in which case the Fiscal Year shall be the period set forth in such notice. The Corporation shall have the same Fiscal Year as the FHCF.

"Fitch" means Fitch Inc., and its legal successors, provided that references to "Fitch" are effective only so long as Fitch is a Rating Agency.

"Governing Body" means, with respect to the Corporation, its board of directors or other board of individuals or designees in which the powers of the Corporation are vested under the Act. With respect to the FHCF, "Governing Body" means the State Board of Administration.

"Government Obligations" means direct obligations of, and obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Gross Receipts" means all revenues, income, receipts and money (other than proceeds of borrowing) received in any period by or on behalf of the Corporation, including, without limitation, (a) Emergency Assessments, (b) Emergency Assessment Earnings, (c) Reimbursement Premiums, (d) Reimbursement Premium Earnings, (e) Other Pledged Money, (f) proceeds derived from (i) securities and other investments and (ii) contract rights and other rights

and assets now or hereafter owned, held or possessed by the Corporation and (g) interest or investment income on all investments, including investments of proceeds of any Pre-Event Indebtedness incurred by the Corporation.

"Holder" means the holder or owner of Parity Debt.

"Incurrence Test" means the test for the incurrence for Parity Obligations established by Section 704.

"Indebtedness" means all obligations incurred or assumed by any Person:

(i) for payments of principal and interest with respect to borrowed money, including any obligation to repay a Credit Provider for moneys drawn to pay and retire Indebtedness; and

(ii) for payments under leases which are required to be capitalized in accordance with generally accepted accounting principles and under installment sale or conditional sale contracts; and

(iii) for payments under installment sale or conditional sale contracts.

provided, however, that Indebtedness shall include only Parity Obligations and Subordinated Indebtedness and that any obligation constituting Indebtedness to pay a Credit Provider for moneys drawn to purchase, but not pay and retire, indebtedness shall constitute Indebtedness only to the extent such payments are in excess of any scheduled payments of principal and interest required to be made to such Credit Provider as an Owner or Holder of such Indebtedness.

"indebtedness" means all indebtedness for any of the following:

(i) for payments of principal and interest with respect to borrowed money;

(ii) for payments on leases which are required to be capitalized in accordance with generally accepted accounting principles; and

(iii) for payments on installment sale or conditional sale contracts.

"Interest Account" means the account in the Bond Fund created and so designated by Section 501 hereof.

"Interest Payment Date" means, with respect to any Series of Bonds, each of the interest payment dates provided for in the Supplemental Indenture authorizing the issuance of such Series.

"Investment Obligations" means any investment authorized under Section 215.47, Florida Statutes, as amended from time to time, or any successor statute.

"Lien" means any mortgage, deed of trust or pledge of, security interest in or encumbrance on any Property of the Corporation that secures any indebtedness incurred by the Corporation.

"Master Indenture" means the Master Trust Indenture as supplemented.

"Master Trust Indenture" means this Master Trust Indenture, dated as of June 1, 2006, as amended.

"Master Trustee" means Wells Fargo Bank, N.A., Jacksonville, Florida, and its successors in the trusts created under this Master Indenture.

"Maximum Debt Service Requirement" means at the date of calculation the greatest Debt Service Requirement for the current or any succeeding Fiscal Year.

"Moody's" means Moody's Investors Service, Inc., and its legal successors, provided that references to "Moody's" are effective only so long as Moody's is a Rating Agency.

"Net Receipts" for any particular period means the excess of Gross Receipts after the payment of Current Expenses of the Corporation for such period.

"Officer's Certificate" means a certificate signed by an Authorized Officer of the Corporation or an Authorized Officer of the State Board of Administration, as the case may be.

Each Officer's Certificate presented pursuant to this Master Indenture shall state that it is being delivered pursuant to (and shall identify the section or subsection of), and shall incorporate by reference and use in all appropriate instances all terms defined in, this Master Indenture. Each Officer's Certificate shall state that (i) the terms thereof are in compliance with the requirements of the section or subsection pursuant to which such Officer's Certificate is delivered or shall state in reasonable detail the nature of any non-compliance and the steps being taken to remedy such non-compliance and (ii) it is being delivered together with any opinions, schedules, statements or other documents required in connection therewith. Each Officer's Certificate may state that the certification is made to the best knowledge of such officer.

"Opinion of Counsel" means an opinion in writing signed by (i) an attorney or firm of attorneys, selected by the Corporation and not unacceptable to the Master Trustee, or (ii) an attorney employed by the State or any agency thereof whose duties include responsibility for legal matters of the Corporation. Such opinion may rely on Officer's Certificates and other Opinions of Counsel and may contain customary exceptions and qualifications.

"Other Pledged Money" means Other Pledged Money as defined in Section 1 of the Pledge Agreement.

"Outstanding", when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered under this Master Indenture, except:

(a) Bonds theretofore cancelled by any Bond Registrar or delivered to any Bond Registrar or the Master Trustee for cancellation;

(b) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Master Indenture; and

(c) Bonds paid or deemed to have been paid in accordance with the defeasance or like provisions of the Supplemental Indenture delivered in connection with the issuance of such Bonds;

provided, however, that in determining whether the Owners of the requisite principal amount of outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by or under the control of the Corporation or the FHCF or any other obligor upon the Bonds shall be disregarded and deemed not to be outstanding, except that the term "obligor upon the Bonds" shall not include any Credit Provider unless otherwise provided in a Supplemental Indenture, and except that, in determining whether the Master Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Master Trustee knows to be so owned or controlled shall be so disregarded. Bonds so owned or controlled which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Master Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Corporation, the FHCF or any other obligor upon the Bonds except a Credit Provider.

The Corporation may provide in a Parity Resolution as to when any Parity Obligations that are Variable Rate Indebtedness shall be deemed no longer to be Outstanding hereunder in a manner not inconsistent with the above definition.

The Corporation may provide in a Parity Debt Resolution as to when any Parity Debt shall be deemed no longer to be outstanding hereunder in a manner not inconsistent with the above definition.

When used with reference to Indebtedness other than Parity Obligations, "Outstanding" means, as of a particular date, all Indebtedness deemed to be outstanding under the documents pursuant to which it was incurred.

"Owner" means a Person in whose name a Bond is registered in the registration books provided for in Section 205 hereof.

"Parity Common Reserve Account" means the account in the Bond Fund created and so designated by Section 501 hereof.

"Parity Common Reserve Account Requirement" means, with respect to all Parity Obligations secured by the Parity Common Reserve Account, the least of the following: (i) the sum of ten percent (10%) of the stated principal amount of each Series of Bonds secured by the Parity Common Reserve Account (adjusted as provided in the Code), (ii) the Maximum Annual Debt Service Requirement on all such Outstanding Parity Obligations, and (iii) one hundred twenty-five percent (125%) of the average annual Debt Service Requirements on all such Parity Obligations. The Parity Common Reserve Account Requirement may be satisfied with cash, Investment Obligations or Reserve Alternative Instruments, or any combination of the foregoing, as the Corporation may determine from time to time.

"Parity Debt" means all Parity Obligations incurred or assumed by the Corporation and not evidenced by Bonds which (a) is designated as Parity Debt in the documents pursuant to which it was incurred, (b) is incurred in compliance with the provisions of Section 704 hereof or

is a reimbursement obligation for a Credit Facility supporting Parity Obligations incurred in compliance with the provisions of Section 704 hereof, and (c) may be accelerated only in compliance with the procedures set forth in Section 803 hereof.

"Parity Debt Resolution" means the resolution and any other documents, instruments or agreements adopted or executed by the Corporation providing for the incurrence of Parity Debt.

"Parity Obligations" means Bonds and Parity Debt.

"Parity Resolution" means a Supplemental Indenture or a Parity Debt Resolution, or both, as the case may be, authorizing the issuance of a Series of Bonds or the incurrence of Parity Debt.

"Parity Tax-Exempt Obligations" means Tax-Exempt Bonds and Tax-Exempt Parity Debt.

"Person" includes an individual, association, unincorporated organization, corporation, limited liability company, partnership, joint venture, trust, state trust fund, unincorporated organization, and a government or an agency or a political subdivision thereof, as well as natural persons.

"Pledge Agreement" means the Pledge and Security Agreement, dated as of June 1, 2006, by and among the Corporation, the State Board of Administration and the Master Trustee, including any amendments or supplements thereto.

"Pledged Collateral" means Pledged Collateral as defined in Section 1 of the Pledge Agreement.

"Predecessor Bonds" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond; and, for purposes of this definition, any Bond authenticated and delivered under Section 210 hereof in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Post-Event" when used in connection with Bonds, other Parity Obligations or the proceeds thereof refers to the issuance of Parity Obligations following the occurrence of a Covered Event (i) to pay reimbursement at levels promised in reimbursement contracts for which moneys credited to the Corpus of the Fund are insufficient, as authorized by the provisions (other than the last sentence) of Section 215.555(6)(a)1 of the Act or (ii) to refund other Post-Event Indebtedness or to refund Pre-Event Indebtedness issued or incurred prior to such Covered Event.

"Pre-Event" when used in connection with Bonds, other Parity Obligations or the proceeds thereof refers to the issuance of Parity Obligations "in the absence of" a Covered Event, as authorized by the last sentence of Section 215.555(6)(a)1 of the Act.

"Pre-Event Bonds Investment Account" means the account in the Revenue Fund created and so designated by Section 501 hereof.

"Premium and Assessment Revenue Available For Debt Service" means the pro forma amount, indicated in an Officer's Certificate of the State Board of Administration delivered to the Master Trustee, that is certified by such Officer to be the excess, over the Current Expenses of the FHCF and the Current Expenses of the Corporation, of the sum of (a) the amount of Revenues from Reimbursement Premiums and Reimbursement Premium Earnings received by the FHCF in any 12 consecutive months of the last 18 calendar months preceding the date of such Certificate, taking into consideration and adjusted for (1) any changes in the Act or other applicable law or regulation (described in such Officer's Certificate) that would prospectively affect the amount of such Reimbursement Premiums to be received in the current or future Fiscal Years, and (2) any actuarially indicated adjustments to the Reimbursement Premiums that have been determined for, or are reasonably expected to take effect subsequent to the applicable 12-month period and in, the current or following Fiscal Year, as shall be set forth in such Officer's Certificate, and (b) the amount of Revenues from Emergency Assessments, such amount being the product obtained by multiplying (1) the maximum assessment percentage permitted by the Act on the date of such Certificate by (2) the most recently available 12-month Emergency Assessment Base, all as demonstrated in such Officer's Certificate.

"Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payments of Bonds after an Event of Default, in which case "principal" means the initial public offering price of a Capital Appreciation Bond and the difference between the Accreted Amount and the initial public offering price shall be deemed to be interest and (b) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity or in satisfaction of a Sinking Fund Requirement, if applicable.

"Principal Account" means the account in the Bond Fund created and so designated by Section 501 hereof.

"Property" means any and all rights, titles and interests in and to any and all property whether real or personal, tangible or intangible and wherever situated.

"Qualified Escrow Funds" means amounts deposited in a segregated escrow fund or other similar fund or account established in connection with Indebtedness, which amounts in such fund or account are required by the documents establishing such fund or account to be applied to the payment obligations with respect to principal of or interest on the the Indebtedness.

"Rating Agencies" means each of Fitch, Moody's, S&P and any other nationally recognized statistical rating organization that has, at the request of the State Board of Administration, a rating in effect for the Bonds.

"Redemption Account" means the account in the Bond Fund created and so designated by Section 501 hereof.

"Redemption Price" means, with respect to any Indebtedness or portion thereof, the principal amount of such Indebtedness or portion called for redemption plus the applicable premium, if any, payable upon redemption thereof.

"Regular Record Date" means, with respect to any Series of Bonds, the regular record date, if any, provided for in the Supplemental Indenture authorizing the issuance of such Series.

"Reimbursement Premiums" means Reimbursement Premiums as defined in Section 1 of the Pledge Agreement.

"Reimbursement Premiums Account" means the account in the Revenue Fund created and so designated by Section 501 hereof.

"Reimbursement Premium Earnings" means Reimbursement Premium Earnings as defined in Section 1 of the Pledge Agreement.

"Reserve Alternative Instrument" means an irrevocable insurance policy or surety bond or an irrevocable letter of credit, guaranty or other facility deposited in the Parity Common Reserve Account or a Special Reserve Account in lieu of or in partial substitution for the deposit of cash and Investment Obligations in satisfaction of the Parity Common Reserve Account Requirement or a Special Reserve Account Requirement.

"Revenue Available For Debt Service" means, for any period of time, the excess of Revenues, including the investment income from the investment of the proceeds of any Pre-Event Parity Obligations (but not any other Parity Obligations), over the sum of the Current Expenses of the FHCF and the Current Expenses of the Corporation.

"Revenue Fund" means the Florida Hurricane Catastrophe Fund Finance Corporation Revenue Fund created and so designated by Section 501(a) hereof.

"Revenues" means revenues of the FHCF and the Corporation, as determined in accordance with generally accepted accounting principles, including, without limitation, Reimbursement Premiums, Reimbursement Premium Earnings, Emergency Assessments, Emergency Assessment Earnings and the income derived from the investment of the proceeds of any Pre-Event Parity Obligations (but not any other Indebtedness); provided, however, that (i) no determination thereof shall take into account any gain or loss resulting from the extinguishment of Indebtedness and (ii) no determination thereof shall take into account the value of any Derivative Agreement or any payments made by the Derivative Agreement Counterparty in accordance with the terms of such Derivative Agreement; provided further, however, that Revenues shall not include (I) the income from the investment of Qualified Escrow Funds or of proceeds of Pre-Event Indebtedness to the extent such income is applied to the payment of interest on Indebtedness which is excluded from the determination of the Debt Service Requirement and (II) the proceeds of any Indebtedness.

"S&P" means Standard & Poor's Rating Services, and its legal successors, provided that references to S&P are effective only so long as S&P is a Rating Agency.

"Securities Depository" means The Depository Trust Company, New York, New York, or any other recognized securities depository selected by the Corporation, which maintains a book-entry system in respect of a Series of Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

"Securities Depository Nominee" means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Bond Registrar the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation of participation with such Securities Depository in its book-entry system.

"Serial Bonds" means the Bonds of any Series that are stated to mature in annual or semiannual installments.

"Series," whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series.

"Short-Term Indebtedness" means all Indebtedness incurred for borrowed money, other than the current portion of Indebtedness and other than Short-Term Indebtedness excluded from this definition as provided in the definition of Indebtedness, for any of the following:

(i) money borrowed for an original term, or renewable at the option of the borrower for a period from the date originally incurred, of one year or less;

(ii) leases which are capitalized in accordance with generally accepted accounting principles having an original term, or renewable at the option of the lessee for a period from the date originally incurred, of one year or less; and

(iii) installment sale or conditional sale contracts having an original term of one year or less.

"Sinking Fund Account" means the account in the Bond Fund created and so designated by the provisions of Section 501 hereof.

"Sinking Fund Requirement" means, with respect to any Series of Bonds, the Sinking Fund Requirement provided in the Supplemental Indenture authorizing the issuance of such Series.

"Special Reserve Account" means a special debt service reserve account created by a Parity Resolution as a debt service reserve account only for the particular Parity Obligations authorized by such Parity Resolution.

"Special Reserve Account Requirement" means the amount to be deposited or maintained in a Special Reserve Account pursuant to the Parity Resolution creating such Special Reserve Account. The Special Reserve Account Requirement may be satisfied with cash, Investment Obligations, a Reserve Alternative Instrument or any combination of the foregoing, as the Corporation may determine from time to time.

"State" means the State of Florida.

"State Board of Administration" means the State Board of Administration, acting as the governing and administrator of the FHCF, and its legal successors.

"State Covenant" means the State's covenant recited in Section 708 hereof.

"Subordinated Indebtedness" means Indebtedness the terms of which shall provide that it shall be subordinate and junior in right of payment to the prior payment in full of Parity Obligations to the extent and in the manner set forth in Section 211 hereof.

"Subordinated Indebtedness Resolution" means the resolution and any other documents, instruments or agreements adopted or executed by the Corporation providing for the incurrence of Subordinated Indebtedness. If the Subordinated Indebtedness shall have the benefit of a Credit Facility, the reimbursement obligation for such Credit Facility shall provide for repayments on a subordinated basis and the term Subordinated Indebtedness Resolution shall include any reimbursement agreement or similar repayment agreement executed and delivered by the Corporation in connection with the provision of such Credit Facility for such Subordinated Indebtedness.

"Supplemental Indenture" means a resolution of the Governing Body of the Corporation authorizing any particular Series of Bonds, together with a Supplemental Indenture executed and delivered by the Corporation in connection with the issuance of such Series of Bonds, that is required to be executed and delivered by the terms of this Master Indenture prior to the issuance of such Series.

"Tax-Exempt Bonds" means all Bonds so identified in the Supplemental Indenture authorizing the issuance of such Bonds.

"Tax-Exempt Parity Debt" means all Parity Debt so identified in the Parity Debt Resolution authorizing the incurrence of such Parity Debt.

"Tax-Exempt Parity Obligations" means collectively all Tax-Exempt Bonds and all Parity Debt.

"Term Bonds" means the Bonds of any Series, other than Serial Bonds, that are designated as such in the Supplemental Indenture authorizing the issuance of such Series.

"Variable Rate Indebtedness" means any portion of Indebtedness the interest rate on which is not established at the time of incurrence at a fixed or constant rate until maturity.

Section 102. Interpretation. (a) Any reference herein to any officer or member of the Corporation or the State Board of Administration shall include those who succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

(b) Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa, and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include all other genders.

(c) Unless the context otherwise indicates, the word "including" means "including without limitation" and the word "or" is used in its inclusive sense.

(d) Where the character or amount of any asset, liability or item of income or expense is required to be determined or any consolidation, combination or other accounting computation is required to be made for the purposes hereof or of any agreement, document or certificate executed and delivered in connection with or pursuant to this Master Indenture, the same shall be done in accordance with generally accepted accounting principles.

(e) Headings of articles and sections herein and in the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(f) Provisions calling for the redemption of Indebtedness or the calling of Indebtedness for redemption do not mean or include the payment of Indebtedness at its stated maturity or maturities.

(g) Unless otherwise provided by a Supplemental Indenture, all times refer to Eastern Time.

Section 103. Status of Parity Obligations. PARITY OBLIGATIONS ISSUED UNDER THIS MASTER INDENTURE SHALL NOT CONSTITUTE A DEBT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF NOR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE CORPORATION DOES NOT HAVE THE POWER OR AUTHORITY TO LEVY ANY TAX.

Article II.

INDEBTEDNESS

Section 201. Limitation on Incurrence of Indebtedness. (a) The Corporation may incur Indebtedness by issuing Bonds or incurring Parity Debt hereunder or by creating Subordinated Indebtedness under any other document. The principal amount of Parity Obligations evidencing Indebtedness that may be created hereunder and the principal amount of Indebtedness created under other documents are not limited, except as limited by the provisions hereof, including Section 704, or the provisions of any Parity Resolution. Parity Obligations issued or incurred hereunder or Indebtedness otherwise incurred by the Corporation shall constitute the special and limited obligations of the Corporation payable from the Net Receipts of the Corporation.

(b) No Bonds may be issued nor Parity Debt incurred under this Master Indenture except in accordance with the provisions of this Article. The principal of and the interest on and the redemption premium, if any, on all Parity Obligations issued and incurred

under the provisions of this Master Indenture shall be payable solely from the moneys and assets pledged by this Master Indenture and the respective Supplemental Indentures for their payment. All covenants, agreements and provisions of this Master Indenture shall be for the benefit and security of all present and future Owners and Holders without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided or as provided in any Parity Resolution, of any one Parity Obligation over any other Parity Obligation by reason of priority in the issue, sale or negotiation thereof, or otherwise.

(c) Parity Obligations shall be issued or incurred in such forms as may from time to time be created by Parity Resolutions permitted hereunder. Each Parity Obligation or series of Parity Obligations shall be created by a different Parity Resolution and shall be designated in such a manner as will differentiate such Parity Obligation from any other Parity Obligation.

(d) The Corporation and the Master Trustee may from time to time enter into a Supplemental Indenture or the Corporation may from time to time adopt a Parity Debt Resolution in order to create Parity Obligations hereunder. Each such Parity Resolution shall, with respect to a Parity Obligation evidencing Indebtedness created thereby, set forth the date thereof, and the date or dates on which the principal of and redemption premium, if any, and interest on such Parity Obligation shall be payable, and the form of such Parity Obligation and such other terms and provisions as shall conform with the provisions hereof.

(e) With respect to Parity Obligations created hereunder, simultaneously with or prior to the execution, authentication and delivery of such Parity Obligations evidencing such Indebtedness pursuant to this Master Indenture:

(i) All requirements and conditions to the issuance of such Parity Obligations, if any, set forth in the Parity Resolution or in this Master Indenture shall have been complied with and satisfied, as provided in an Officer's Certificate, a certified copy of which shall be delivered to the Master Trustee;

(ii) The Corporation shall have delivered to the Master Trustee an Opinion of Counsel to the effect that (1) registration of such Parity Obligations under the Securities Act of 1933, as amended, and qualification of this Master Indenture or the Parity Resolution under the Trust Master Indenture Act of 1939, as amended, are not required, or, if such registration or qualification is required, that all applicable registration and qualification provisions of said acts have been complied with, and (2) the Master Indenture and the Parity Obligations are valid, binding and enforceable obligations of the Corporation in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance and other laws affecting creditors' rights generally and usual equity principles.

Section 202. Details of Bonds. Bonds authorized hereunder may be issued in one or more Series that may be delivered from time to time. The Corporation shall by Supplemental Indenture authorize such Series and shall specify, to the extent appropriate, (1) the authorized principal amount of such Series, (2) the purposes to be financed with the proceeds of such Series, or the Bonds or other indebtedness to be refunded or refinanced with the proceeds thereof, including costs of issuance; (3) the creation of a debt service reserve account for such Series, if

any; (4) the date and terms of maturity or maturities of the Bonds of such Series, or the dates of payment of the Bonds on the demand of the Owner thereof; (5) the interest rate or rates of the Bonds of such Series, which may include variable, adjustable, convertible or other rates, original issue discount, Capital Appreciation Bonds, Current Interest Bonds, municipal multipliers or other deferred interest arrangements and zero interest rate Bonds, provided that the interest cost of such Series shall never exceed for such Series the maximum interest rate, if any, permitted by law in effect at the time such Series is issued; (6) the Interest Payment Dates for such Series of Bonds; (7) the denominations, numbering, lettering and series designation of such Series of Bonds; (8) the Bond Registrar or paying agents and place or places of payment of such Bonds; (9) the Redemption Prices for such Series of Bonds and any terms of redemption not inconsistent with the provisions of this Master Indenture, which may include redemption at the election of the Owner thereof to the extent permitted by law; (10) the amount and date of each mandatory redemption requirement, if any, for such Series of Bonds; (11) the use to be made of the proceeds of such Series of Bonds, including deposits required to be made into the appropriate account of the Costs of Issuance Fund, the Capitalized Interest Account, the Interest Account and any debt service reserve account; and (12) any other terms or provisions applicable to the Series of Bonds not inconsistent with the provisions of this Master Indenture or the Act. All of the foregoing may be added by a Supplemental Indenture executed and delivered by the Corporation and the Master Trustee at any time or from time to time prior to the issuance of such Series of Bonds.

Section 203. Execution and Form of Bonds. The definitive Bonds are issuable as permitted or required and shall be executed as provided by the respective Supplemental Indenture providing for the issuance of Bonds of any Series. Bonds may be issued under a book-entry system and held by a Securities Depository. All Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Bonds may be listed or to any requirement of law with respect thereto.

Section 204. Exchange of Bonds. Bonds may, at the option of the Owner thereof, be exchanged, as provided by the Supplemental Indenture pursuant to which such Bonds were issued, for an equal aggregate principal amount of Bonds of the same Series and maturity, of any authorized denomination or denominations, bearing interest at the same rate and in the same form as the Bonds surrendered for exchange. The Corporation shall make provision for the exchange of Bonds at the designated corporate trust office of the Bond Registrar.

Section 205. Negotiability and Registration of Transfer of Bonds. The Bond Registrar shall keep books for the registration and the registration of transfer of the Series of Bonds as to which it is Bond Registrar as provided in this Master Indenture. The registration books shall be available at all reasonable times for inspection by the Corporation and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

The Bond Registrar shall evidence acceptance of the duties, responsibilities and obligations of the Bond Registrar under this Master Indenture and the applicable Supplemental Indenture by the execution of the certificate of authentication on the related Series of Bonds.

Section 206. Ownership of Bonds. The Corporation, the Master Trustee, the Bond Registrar and any agent of the Corporation, the Master Trustee or the Bond Registrar, may treat the person in whose name any Bond is registered, including any Securities Depository Nominee, as the Owner of such Bond for the purpose of receiving payment of the principal of and premium, if any, and interest on such Bond, and for all other purposes whatsoever, whether or not such Bond be overdue, and, to the extent permitted by law, neither the Corporation, the Master Trustee, the Bond Registrar nor any such agent shall be affected by notice to the contrary.

Section 207. Authentication of Bonds. Only such Bonds as have endorsed thereon a certificate of authentication substantially in the form set forth in the Supplemental Indenture pursuant to which such Bonds are issued, duly executed as provided in the Supplemental Indenture, shall be entitled to any benefit or security under this Master Indenture. No Bond shall be valid or become obligatory for any purpose unless and until such certificate of authentication on the Bond has been duly executed and dated as provided in the Supplemental Indenture, and such certificate upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Master Indenture. The certificate of authentication on any Bond shall be deemed to have been duly executed and dated if signed by an authorized officer of the party authorized under the Supplemental Indenture but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds or any Series thereof that may be issued hereunder at any one time.

Section 208. Terms and Conditions for Incurrence of Indebtedness. (a) The Corporation covenants and agrees that it will not incur any Indebtedness if, after giving effect to all other Indebtedness incurred by the Corporation, such Indebtedness could not be incurred pursuant to this Section 208. Indebtedness may be incurred only in the manner and pursuant to the terms set forth in the following subsections.

(b) Parity Obligations may be incurred if, prior to incurrence thereof, the Corporation shall file or cause to be filed with the Master Trustee an Officer's Certificate (which may rely upon certificates or other evidence prepared by the officials of the Fund) demonstrating and stating that the Incurrence Test, if applicable by its terms, will be met with respect to such separate issuance of Parity Obligations. The Corporation may incur Parity Obligations in one or more separate issuances, which Parity Obligations may be issued in any form or combination of forms permitted by this Master Indenture.

(c) Before any Bonds shall be issued or Parity Debt incurred, the Corporation shall execute and deliver a Supplemental Indenture or adopt a Parity Resolution authorizing the issuance of such Bonds or the incurrence of such Parity Debt, fixing the amount and the details thereof as provided in Section 202 hereof and describing in brief and general terms the purpose for issuing such Parity Obligations. Bonds may be issued and Parity Debt may be incurred for any purpose permitted under the Act.

(d) The Supplemental Indenture may determine to use the Parity Common Reserve Account or to establish a Special Reserve Account for such Series of Bonds and fix the provisions with respect thereto or not to establish any debt service reserve account.

(e) The Bonds of each Series shall be designated "Florida Hurricane Catastrophe Fund Finance Corporation Hurricane Catastrophe Revenue Bonds [Notes], [Refunding] Series ....." (inserting the year such Bonds are issued and any other distinctive letter or number), shall be stated to mature, subject to the right of prior redemption as therein set forth, on the date or dates specified therein, in such year or years not later than thirty (30) years from their date, shall bear interest at a rate or rates not exceeding the maximum rate then permitted by law, shall be numbered and shall have such redemption provisions (subject to the provisions of Article III of this Master Indenture), all as provided in the Supplemental Indenture. Except as to any differences in the maturities thereof or in the rate or rates of interest or the provisions for redemption or the provisions regarding the respective accounts and subaccounts within the Interest Account, the Principal Account, the Sinking Fund Account and the Redemption Account, and any provisions with respect to the Parity Common Reserve Account or a Special Reserve Account, all such Bonds shall be on a parity with each other and any Parity Debt and shall be entitled to the same benefit and security of this Master Indenture, including, in particular, the pledge of Net Receipts.

(f) The proceeds (including accrued interest) of the Parity Obligations shall be applied simultaneously with the delivery thereof the Bonds as provided in the Parity Resolution for the particular Parity Obligations.

(g) In the case of Parity Obligations issued to refund Outstanding Parity Obligations, the Corporation may direct the Master Trustee (i) to withdraw moneys and Investment Obligations from the appropriate accounts in the Revenue Fund and from subaccounts in the Principal Account, Interest Account and Parity Common Reserve Account or Special Reserve Account to the extent that, following the issuance of such refunding Parity Obligations and the defeasance of such refunded Parity Obligations, such moneys and Investment Obligations would be in excess of the requirements of this Master Indenture and (ii) to set aside such moneys and Investment Obligations so withdrawn, together with proceeds of the refunding Parity Obligations and any other moneys provided by the Corporation, to effect the defeasance of such refunded Parity Obligations in accordance with the provisions of the Parity Resolution applicable to the refunded Parity Obligations.

(h) Subordinated Indebtedness may be incurred subject to the provisions of Section 211 hereof.

Section 209. Temporary Bonds. Until the definitive Bonds of any Series are ready for delivery, there may be executed, and upon direction of the Corporation, the Bond Registrar shall deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, except as to identifying numbers, printed, engraved, lithographed or typewritten temporary Bonds in denominations permitted by the applicable Supplemental Indenture for the definitive Bonds, substantially of the tenor hereinabove set forth, with such appropriate omissions, insertions and variations as may be required. The Corporation shall cause the definitive Bonds to be prepared and to be executed and delivered to the Bond Registrar, and the Bond Registrar, upon presentation to it of any temporary Bond, shall cancel the same or cause the same to be canceled and shall authenticate and deliver, in exchange therefor, at the place designated by the Owner, without expense to the Owner, a definitive Bond or Bonds of the same Series and in the same aggregate principal amount, maturing on the same date and bearing interest at the same rate as

the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall be entitled to the same benefit of this Master Indenture, as the definitive Bonds to be issued and authenticated hereunder, including the privilege of registration if so provided. Until definitive Bonds are ready for exchange, interest on temporary Bonds shall be paid when due and notation of such payment shall be endorsed thereon.

Section 210. Mutilated, Destroyed, Lost or Stolen Bonds. The Corporation shall cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Bond of like date, number and tenor in exchange and substitution for and upon the cancellation of any mutilated Bond, or in lieu of and in substitution for any destroyed, lost or stolen Bond, and the Owner shall pay the reasonable expenses and charges of the Corporation in connection therewith. Prior to the delivery of a substitute Bond, the Owner of any Bond which was destroyed, lost or stolen shall file with the Bond Registrar evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof and shall furnish to the Corporation and to the Bond Registrar such security or indemnity as may be required by them to save each of them harmless from all risks, however remote.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Bonds are found at any time or are enforceable by anyone, and shall be entitled to all the benefits and security hereof equally and proportionately with any and all other Bonds of the same Series duly issued under this Master Indenture.

Section 211. Subordinated Indebtedness. (a) Subordinated Indebtedness may be incurred by the Corporation from time to time for any purpose for which Parity Obligations may be issued under Section 208 hereof. Except to the extent otherwise expressly provided in this Master Indenture, Subordinated Indebtedness shall be issued in compliance, to the extent applicable, with the provisions of Section 208 hereof setting forth certain terms and conditions for the issuance of Bonds.

In addition, the following conditions must be met for the issuance of Subordinated Indebtedness:

(1) The Corporation shall adopt a Subordinated Indebtedness Resolution authorizing the incurrence of any such Subordinated Indebtedness and setting forth the amount and details thereof.

(2) Any such Subordinated Indebtedness shall be incurred pursuant to the provisions of the Act.

(b) In the event (1) any Subordinated Indebtedness is declared or otherwise becomes due and payable before its stated maturity because of the occurrence of an event of default occurring under the documents pursuant to which such Subordinated Indebtedness was incurred, and such declaration has not been rescinded and annulled, or (2) any Event of Default under this Master Indenture shall occur and be continuing with respect to Parity Obligations and (i) written notice of such default shall have been given to the Corporation and (ii) judicial proceedings shall be

commenced in respect of such Event of Default within 180 days in the case of a default in payment of principal of or interest on Parity Obligations and within 90 days in the case of any other default after the giving of such notice, then the Owners and Holders shall be entitled to receive payment in full of all principal, premium and interest on all Parity Obligations before the holders of the Subordinated Indebtedness are entitled to receive any payment on account of principal or interest upon such Subordinated Indebtedness, and to that end the Owners and Holders shall be entitled to receive for application in payment thereof any payment or distribution of any kind or character, whether in cash or property or securities, which may be payable or deliverable in any such proceedings in respect of the Subordinated Indebtedness after giving effect to any concurrent payment or distribution in respect of such Parity Obligations.

Nothing contained in the definition "Subordinated Indebtedness" or elsewhere in this Master Indenture, or in any Subordinated Indebtedness, shall (1) affect the obligation of the Corporation to make, or prevent the Corporation from making, at any time except during the continuance of any Event of Default under this Master Indenture, payments of principal of or premium, if any, or interest on the Subordinated Indebtedness or of amounts to be available as a sinking fund for such Subordinated Indebtedness, or (2) prevent the application by the Master Trustee or any paying agent of any moneys held by the Master Trustee or such paying agent in trust for the benefit of the holders of the Subordinated Indebtedness as to which notice of redemption shall have been mailed or published at least once prior to the happening of an Event of Default under this Master Indenture, to the payment of or on account of the principal of and premium, if any, and interest on such Subordinated Indebtedness, or (3) prevent the application by the Master Trustee or any paying agent of any moneys deposited, prior to the happening of any Event of Default under this Master Indenture, with the Master Trustee or such paying agent in trust for the purpose of paying a specified installment or installments of interest on the Subordinated Indebtedness, to the payment of such installments of interest on such Subordinated Indebtedness.

The Corporation's obligation to pay any and all amounts to the Derivative Agreement Counterparty with respect to Derivative Indebtedness, other than its regularly scheduled payment liability, shall constitute Subordinated Indebtedness.

Section 212. Additional Restrictions. A Parity Resolution or a Subordinated Indebtedness Resolution may establish restrictions, in addition to those established in this Master Indenture, including additional restrictions as to the application of Net Receipts after the payments required by Section 504(a), (b) and (c) hereof and additional restrictions on the incurrence of Indebtedness in addition to those set forth in Section 704 hereof.

Article III.

REDEMPTION

Section 301. Redemption Generally. The Bonds of any Series issued under this Master Indenture may be made subject to redemption, at such times and prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Bonds.

Article IV.

COSTS OF ISSUANCE FUND

Section 401. Costs of Issuance Fund. A special fund is hereby established with the Master Trustee and designated the "Florida Hurricane Catastrophe Fund Finance Corporation Costs of Issuance Fund". The proceeds of any Series of Bonds to be used for Costs of Issuance shall be deposited upon the delivery of such Series of Bonds in a separate account to be established by the Supplemental Indenture providing for the issuance of such Series of Bonds.

The money in the Costs of Issuance Fund shall be held by the Master Trustee in trust and, pending application to the payment of Costs of Issuance, or transfer as provided herein or in any Supplemental Indenture, shall, to the extent permitted by law, be subject to a lien and charge in favor of the Owners of the Series of Bonds, and shall be held for the security of such Owners.

Section 402. Payments from Costs of Issuance Fund. All Costs of Issuance incurred in connection with a Series of Bonds shall be paid from the relevant account in the Costs of Issuance Fund.

Section 403. Requisitions from Costs of Issuance Fund. Payments from the Costs of Issuance Fund shall be made in accordance with the provisions of this Section. Before any payment shall be made, there shall be filed with the Master Trustee a requisition, signed by an Authorized Officer of the Corporation, stating or identifying:

(a) the number of such requisition,

(b) the respective amounts to be paid,

(c) the name of the Person to whom such payment is due,

(d) that the obligation in the stated amount has been incurred by the Person to whom such payment is due, is presently due and payable, and is a proper charge against the Costs of Issuance Fund that has not been paid, and

(e) that no notice of any lien, right to lien or attachment upon, or claim affecting the right of any such Person to receive payment of, the amount stated in such requisition has been filed or attached or, if any of the foregoing has been filed or attached, that the same either has been or will be satisfied or discharged or that provisions have been made

(which shall be specified) to protect adequately the Master Trustee and the Owners from incurring any loss as a result of the same.

Any requisition filed with the Master Trustee may be accompanied by a certificate of an Authorized Officer of the State Board of Administration, together with such documents or writings as such Authorized Officer shall deem necessary or appropriate, certifying or verifying the accuracy of any of the matters or items contained in such requisition.

Upon receipt of each requisition, the Master Trustee shall pay the obligations set forth in such requisition out of money in the applicable account in the Costs of Issuance Fund, and each such obligation shall be paid by check signed by one or more officers or employees of the Master Trustee designated for such purpose by the Master Trustee. If for any reason the Corporation should decide prior to the payment of any item in a requisition not to pay such item, it shall give written notice of such decision to the Master Trustee and thereupon the Master Trustee shall not make such payment.

Section 404. Reliance upon Requisitions. All requisitions and certifications received by the Master Trustee as conditions of payment from the Costs of Issuance Fund may be conclusively relied upon by the Master Trustee. Such requisitions and certifications shall be retained by the Master Trustee for a period of time not less than that required by the law of the State for the retention of public records and shall be subject at all reasonable times to examination by the Corporation, the State Board of Administration and the Owners of Bonds then Outstanding.

Section 405. Disposition of Costs of Issuance Fund Balance. When all Costs of Issuance related to a Series of Bonds have been paid, which fact shall be evidenced to the Master Trustee by an Officer's Certificate delivered to the Master Trustee by an Authorized Officer of the Corporation, the Master Trustee shall transfer any money then remaining in the relevant account in the Costs of Issuance Fund as directed in writing by an Authorized Officer of the Corporation, and the Corporation may apply the same, subject to Section 604 hereof, for any purpose permitted under the Act which will not cause the interest on any Series of Tax-Exempt Bonds to become includable in the gross income of the Owners thereof for federal income tax purposes.

Article V.

APPLICATION OF GROSS RECEIPTS AND NET RECEIPTS; FUNDS AND ACCOUNTS

Section 501. Establishment of Funds and Accounts. In addition to the Costs of Issuance Fund, there are hereby established the following funds and accounts:

(a) Florida Hurricane Catastrophe Fund Finance Corporation Revenue Fund, in which there are established four special accounts to be known as the Emergency Assessments Account, the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account and the Derivative Agreements Account; and

(b) Florida Hurricane Catastrophe Fund Finance Corporation Bond Fund, in which there are established six special accounts to be known as the Capitalized Interest Account, the Interest Account, the Principal Account, the Sinking Fund Account, the Redemption Account and the Parity Common Reserve Account.

A Parity Resolution may provide for the creation of a Special Reserve Account for the Parity Obligations authorized by such Parity Resolution and for the deposit of amounts to and the withdrawal of amounts from such Special Reserve Account. A Special Reserve Account may be established with and maintained by the Master Trustee in the Bond Fund or by a Depositary in which case the Account shall be deemed to be part of the Bond Fund, as the Corporation may determine. A Parity Resolution may also provide for the creation of such other accounts and subaccounts as the Corporation may determine for the Parity Obligations authorized by such Parity Resolution.

The Revenue Fund and the Bond Fund and the accounts and subaccounts therein shall be established with and held by the Master Trustee.

The money in the Bond Fund and all of the accounts and subaccounts therein established pursuant to this Article V shall be held in trust and applied as hereinafter provided and, pending such application, the money in the Bond Fund and the accounts and subaccounts therein shall be subject to a pledge, charge and lien in favor of the Owners of the respective Series of Bonds issued and Outstanding under this Master Indenture and for the further security of such Owners, except as otherwise provided herein or in any Supplemental Indenture.

Each Supplemental Indenture shall provide, to the extent applicable, for the creation of a separate subaccount within the Capitalized Interest Account, the Interest Account, the Principal Account, the Redemption Account and the Sinking Fund Account with respect to each Series of Bonds, which subaccounts shall bear the designation of such Series of Bonds. A Supplemental Indenture may provide that the Bonds authorized thereby may be additionally secured by the Parity Common Reserve Account or a Special Reserve Account or it may provide that there shall not be any debt service reserve account established in respect of such Series of Bonds. If a Series of Bonds shall be additionally secured by a Special Reserve Account or shall not be additionally secured by any debt service reserve account, such Series of Bonds shall have no claim on the Parity Common Reserve Account.

Each Parity Debt Resolution may provide for the creation of such funds and accounts as the Corporation may determine, including an account for the payment of interest as mentioned in Section 504(a) hereof, an account or accounts for the payment of principal, whether at maturity or pursuant to an amortization requirement, as mentioned in Section 504(b) hereof or a debt service reserve account, which may be the Parity Common Reserve Account or a Special Reserve Account, as mentioned in Section 504(c) hereof.

Each Parity Resolution shall be filed with the Master Trustee on or prior to the date of issuance of any Parity Obligations and shall contain or be accompanied by a schedule of payments with respect to such Parity Obligations.

Section 502. Gross Receipts Received by the Corporation or the Master Trustee.

Except as hereinafter provided, all Gross Receipts and all proceeds of any Derivative Agreement received by the Corporation or the Master Trustee for the account of the Corporation shall be deposited when received in the Revenue Fund as follows:

(a) Emergency Assessments and Emergency Assessment Earnings shall be deposited to the credit of the Emergency Assessments Account;

(b) Reimbursement Premiums and Reimbursement Premium Earnings shall be deposited to the credit of the Reimbursement Premiums Account;

(c) investment income from the investment of proceeds of Pre-Event Bonds shall be deposited to the credit of the Pre-Event Bonds Investment Income Account; and

(d) proceeds of any Derivative Agreement shall be deposited to the credit of the Derivative Agreements Account.

No money deposited in any of the Emergency Assessments Account, the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund shall be commingled with, and instead shall be segregated from, money deposited to the credit of the any other such Account or any other account or subaccount established in the Revenue Fund.

A Parity Resolution may provide for the creation of such other accounts or subaccounts in the Revenue Fund as the Corporation may determine for the deposit of any other Gross Receipts received by the Corporation or the Master Trustee for the account of the Corporation, including, without limitation, any Other Pledged Money, and may also establish restrictions, in addition to those established in this Master Indenture, as to the deposit of such Gross Receipts to such accounts or subaccounts and the application of amounts deposited therein.

Section 503. Application of Money in Revenue Fund. (a) Except as hereinafter provided, moneys in the Revenue Fund shall be withdrawn by the Master Trustee at the times and in the amounts provided herein or in Parity Resolutions but only in the manner and order specified in this Master Indenture.

(b) The Master Trustee shall withdraw immediately from the Reimbursement Premiums Account, and, to the extent the amount is insufficient for the purpose, from the Pre-Event Bonds Investment Account, and transfer to the Corporation, or, if so directed in writing by an Authorized Officer of the Corporation, to a Depositary for the account of the Corporation, the balance of the amount included in the Corporation's annual budget (which may be revised from time to time), delivered to the Master Trustee pursuant to Section 707 hereof, for the payment of Current Expenses of the Corporation in the current Fiscal Year and not previously so transferred. Current Expenses of the Corporation shall be a first charge against the Revenue Fund and shall be paid by the Corporation from the amount so transferred from the Revenue Fund; provided, however, that nothing in this Master Indenture shall prevent the Corporation from paying any

Current Expenses of the Corporation from moneys to the credit of the Emergency Assessments Account or any other funds legally available to the Corporation for such purpose to the extent that moneys to the credit of the Reimbursement Premiums Account and the Pre-Event Bonds Investment Account are insufficient for the purpose. The Current Expenses of the Corporation shall be paid by the Corporation as the same become due and payable in conformity with the applicable budgetary and payment procedures of the Corporation.

(c) (i) At such time or times as are specifically provided for in this Master Indenture, in any Parity Resolution or in any Derivative Agreement, the Master Trustee shall withdraw from the Revenue Fund the amounts necessary to make the deposits or payments required by Section 504(a), (b) and (c) hereof.

(ii) So long as any Post-Event Bonds or Post-Event Parity Debt is Outstanding, the Master Trustee shall withdraw from the Emergency Assessments Account the amounts necessary to make the deposits or payments required by Section 504(a), (b) or (c) hereof with respect to such Post-Event Bonds or Post-Event Parity Debt, and, if and to the extent that the amounts on deposit to the credit of the Emergency Assessments Account are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Reimbursement Premiums Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund, in the order of priority provided for in the Supplemental Indenture or Parity Debt Resolution authorizing the issuance or incurrence of such Post-Event Bonds or Post-Event Parity Debt, as the case may be, the amounts necessary to satisfy such deposits or payments.

(iii) So long as any Bonds (other than Post-Event Bonds) or Parity Debt (other than Post-Event Parity Debt), including Pre-Event Bonds, is Outstanding, the Master Trustee shall withdraw, immediately following any withdrawal required by subsection (b), from the Reimbursement Premiums Account and, subsequent to such withdrawal, from the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund (other than the Emergency Assessments Account) in the order of priority provided for in the Supplemental Indenture or Parity Debt Resolution authorizing the issuance or incurrence of such Bonds or Parity Debt, as the case may be, the amounts necessary to make the deposits or payments required by Section 504(a), (b) or (c) hereof with respect to such Bonds or Parity Debt, and, if and to the extent that the amounts on deposit to the credit of the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Emergency Assessments Account the amounts necessary to satisfy such deposits or payments; provided, however, in the case of Pre-Event Bonds, the Master Trustee shall draw first from the Reimbursement Premiums Account and then from the Pre-Event Bonds Investment Income Account, prior to making any withdrawal from any of such other Accounts or any other account or subaccount.

(d)(i) If at any time the amounts on deposit to the credit of the accounts and subaccounts established in the Revenue Fund are insufficient to make the deposits or payments required by Section 504(a), (b) or (c) hereof with respect to Post-Event Bonds and Post-Event Parity Debt then Outstanding, the Master Trustee (1) shall give prompt written notice of such

deficiency to the State Board of Administration and the Corporation and (2) shall, in accordance with Sections 502(b) and 503(c)(i) hereof, deposit any Reimbursement Premiums and Reimbursement Premium Earnings thereafter received from the FHCF in the Reimbursement Premiums Account for application in accordance Section 504(a), (b) and (c) hereof.

(ii) If, after the date on which the Master Trustee receives any Reimbursement Premiums and Reimbursement Premium Earnings pursuant to clause (i) and prior to the dates on which the deposits or payments are required to be made pursuant to Section 504(a), (b) or (c) hereof, the Master Trustee receives any Emergency Assessments and Emergency Assessment Earnings, the Master Trustee shall (X) deposit such Emergency Assessments and Emergency Assessment Earnings to the credit of the Emergency Assessments Account for application in accordance with Section 504(a), (b) and (c) hereof, (Y) release from the Reimbursement Premiums Account and transfer to the FHCF an amount equal to the amount of Emergency Assessments and Emergency Assessment Earnings so received and deposited by the Master Trustee in the Emergency Assessments Account and (Z) if the amounts then on deposit to the credit of the accounts and subaccounts established in the Revenue Fund are sufficient to make all the deposits or payments required by Section 504(a), (b) and (c) hereof, transfer to the FHCF from any Emergency Assessments and Emergency Assessment Earnings the amount in excess of such requirements of Section 504(a), (b) and (c) hereof, as certified in an Officer's Certificate delivered to the Master Trustee by the State Board of Administration.

(e) Except during the continuation of an Event of Default, immediately following the date on which the amounts on deposit to the credit of the accounts and subaccounts in the Revenue Fund are sufficient for the Master Trustee to make (i) the transfer to the Corporation or a Depositary for the account of the Corporation of the amount required for the payment of the Current Expenses of the Corporation in the then current Fiscal Year in accordance with the provisions of Section 503(b) hereof and (ii) the deposits or payments of the amounts required by Section 504(a), (b) and (c) hereof in the then current Fiscal Year with respect to the Parity Obligations then Outstanding, (Y) any Reimbursement Premiums and Reimbursement Premium Earnings held by the Master Trustee in the Revenue Fund on such date in such Fiscal Year in excess of such requirements for such Fiscal Year shall be delivered to the FHCF and be used for any purpose permitted by the Act, and (Z) any Emergency Assessments, Emergency Assessment Earnings and Other Pledged Money held by the Master Trustee in the Revenue Fund on such date in such Fiscal Year in excess of such requirements for the remainder of such Fiscal Year and for the next succeeding Fiscal Year shall, except as otherwise provided for by subsection (d)(ii) hereof, be transferred by the Master Trustee to the Bond Fund for application in accordance with the provisions of Section 504(a) and (b) hereof, unless an Authorized Officer of the State Board of Administration delivers to the Master Trustee an Officer's Certificate certifying that the amount of Emergency Assessments and Emergency Assessment Earnings on deposit with the Master Trustee in the appropriate accounts and subaccounts in the Bond Fund (excluding the Parity Common Reserve Account and any Special Reserve Account) for Post-Event Parity Obligations is sufficient to pay the debt service thereon for the remainder of such Fiscal Year and for the next succeeding Fiscal Year and that there are no deficiencies in the amounts required to be on deposit in the Parity Common Reserve Account, any Special Reserve Account or any account or subaccount in the Bond Fund established for Pre-Event Parity Obligations, in which event such Emergency Assessments and Emergency

Assessment Earnings will be transferred by the Master Trustee as directed in such Officer's Certificate.

Any funds transferred from any account or subaccount in the Revenue Fund in accordance with this paragraph (e), other than transfers made to any account or subaccount of the Bond Fund, shall no longer be subject to the pledge of, security interest in and lien upon the Net Receipts created by this Master Indenture.

Section 504. Use of Money for Debt Service Accounts and Reserve Accounts. The amounts withdrawn from the Revenue Fund in accordance with Section 503(c) hereof shall be applied by the Master Trustee in the following manner and order:

(a) (i) At such time or times as provided in the Parity Resolutions, the Master Trustee shall (A) deposit the amounts required by the Supplemental Indentures to be deposited in the appropriate subaccounts in the Interest Account and (B) deliver the amounts required by the Parity Debt Resolutions to be deposited with or paid to the appropriate Persons designated in such Parity Debt Resolutions for the payment of interest on the related Parity Debt in accordance with such Parity Debt Resolutions, and (ii) if a Derivative Agreement provides for any payments thereunder by the Corporation relating to interest on Parity Obligations constituting Derivative Indebtedness, then, at such time or times as provided in the Derivative Agreement, the Master Trustee shall deliver, to or for the account of the Derivative Agreement Counterparty or other appropriate Person designated in the Derivative Agreement, the amount required by such Derivative Agreement (but not any termination payment) to be paid thereunder by the Corporation, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits and payments, such deposits and payments shall be made to each such subaccount in the Interest Account and to each appropriate Person designated in such Parity Debt Resolutions or Derivative Agreement ratably according to the amount so required to be deposited or paid.

(b) At such time or times as provided in the Parity Resolutions, the Master Trustee shall (i) deposit the amounts required by the Supplemental Indentures to be deposited in the appropriate subaccounts in the Principal Account and the Sinking Fund Account and (ii) deliver the amounts required by the Parity Debt Resolutions to be deposited with or paid to the appropriate Persons designated in such Parity Debt Resolutions for the payment of the principal of Parity Debt, whether at maturity or pursuant to an amortization requirement, in accordance with such Parity Debt Resolutions, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits and payments, such deposits and payments shall be made to each such subaccount in the Principal Account and the Sinking Fund Account and to each appropriate Person designated in such Parity Resolutions ratably according to the amount so required to be deposited or paid.

(c) At such time or times as provided in the Parity Resolutions, if the amount in the Parity Common Reserve Account is less than the Parity Common Reserve Account Requirement or the amount in any Special Reserve Account is less than the applicable Special Reserve Account Requirement, the Master Trustee shall (i) deposit the amounts required by this Master Indenture to make up such deficiency in the Parity Common Reserve Account and (ii) deposit, or deliver to the appropriate Depositary for deposit, the amounts required by any Supplemental Indenture or Parity Debt Resolution to make up any deficiency in any Special

Reserve Account, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits, such deposits shall be made among the Parity Common Reserve Account and each Special Reserve Account ratably according to the amounts so required to be deposited.

(d) To the extent that investment earnings are credited to the Interest Account, the Principal Account, the Sinking Fund Account or any subaccount therein in accordance with Section 602 hereof or amounts are credited thereto as a result of the application of the proceeds of a Series of Bonds or a transfer of investment earnings on any other fund or account held by the Master Trustee, or otherwise, future deposits to such accounts or subaccounts shall be reduced by the respective amounts so credited.

(e) The Corporation may provide in a Subordinated Indebtedness Resolution for the deposit or payment of Net Receipts for the purpose of paying the interest on or principal of Subordinated Indebtedness or in a Derivative Agreement for the making of payments or repayments thereunder, including any termination payment, on a subordinated basis, but only after the making of the deposits or payments required by paragraphs (a), (b) and (c) of this Section 504. Each Subordinated Indebtedness Resolution shall be filed with the Master Trustee on or prior to the date of incurrence of any Subordinated Indebtedness and shall contain or be accompanied by a schedule of payments with respect to such Subordinated Indebtedness, including any scheduled payments (to the extent determinable) under a Derivative Agreement.

(f) The Corporation may provide in a Parity Resolution or a Subordinated Indebtedness Resolution for a disposition of Net Receipts for the purpose of paying amounts owing to a Credit Provider, but only after the making of the deposits or payments required by paragraphs (a), (b) and (c) of this Section 504.

(g) The calculation of the amounts to be deposited or required to be deposited pursuant to this Section 504 shall be the responsibility of the Master Trustee, which shall deliver copies of such calculations to the Corporation and the State Board of Administration not less than three (3) Business Days prior to any withdrawal from the Revenue Fund pursuant to Section 503(c) hereof.

Section 505. Application of Money in Interest Account and Capitalized Interest Account. Unless otherwise provided by a Supplemental Indenture, not later than 10:00 A.M. on each Interest Payment Date, date for the payment of Defaulted Interest or date upon which Bonds are to be redeemed, or on such other date as may be specified in the applicable Supplemental Indenture, the Master Trustee shall withdraw from the applicable subaccount in the Interest Account and wire transfer to the Bond Registrar, in Federal Reserve or other immediately available funds, the amounts required for paying interest on the respective Bonds on such date. The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners as provided in the Supplemental Indentures.

Unless otherwise provided by a Supplemental Indenture, on the date of issuance of any Series of Parity Obligations, an Authorized Officer of the Corporation shall deliver to the Master Trustee a schedule of transfers to be made from the applicable subaccount of the Capitalized Interest Account to the applicable subaccount of the Interest Account. The Master Trustee shall make such transfers as required by the schedule of such Authorized Officer of the Corporation.

Unless otherwise provided by a Supplemental Indenture, if the amounts transferred from the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts required to be deposited in the Interest Account as provided in Section 504 hereof, or if the balance in the Interest Account on the Business Day next preceding an Interest Payment Date is insufficient to pay the interest coming due on the Bonds on such Interest Payment Date, the Master Trustee shall, not later than such Interest Payment Date, transfer an amount sufficient to cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing such Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds.

Section 506. Application of Money in Principal Account. Unless otherwise provided by a Supplemental Indenture, not later than 10:00 A.M. on each principal payment date, the Master Trustee shall withdraw from the applicable subaccount in the Principal Account and wire transfer to the Bond Registrar, in Federal Reserve or other immediately available funds, the amount necessary to pay the principal of the related Serial Bonds at their respective maturities. The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners as provided in the Supplemental Indentures.

Unless otherwise provided by a Supplemental Indenture, if on any date there is money in the Principal Account and no Serial Bonds are then Outstanding or if on any principal payment date money remains therein after the payment of the principal of Serial Bonds then due, the Master Trustee shall withdraw such money therefrom and shall apply the same in the following order: (a) deposit into the Sinking Fund Account the amount then required to be deposited thereto pursuant to Section 504 hereof, (b) deposit, if and to the extent determined by an Authorized Officer of the Corporation, into the Parity Common Reserve Account or in one or more Special Reserve Accounts such amounts as may be determined by an Authorized Officer of the Corporation in order to make the amounts on deposit therein equal to the Parity Common Reserve Account Requirement or the Special Reserve Account Requirement, as the case may be, and (c) transfer to the FHCF all remaining amounts for any use permitted or authorized by the Act.

Unless otherwise provided by a Supplemental Indenture, if the amounts transferred from the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts required to be deposited in the Principal Account as provided in Section 504 hereof, or if the balance in the Principal Account on the Business Day next preceding a principal payment date is insufficient to pay the principal coming due on the Serial Bonds on such principal payment date, the Master Trustee shall, not later than such principal payment date, transfer an amount sufficient to cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing such Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds.

Section 507. Application of Money in Sinking Fund Account. Unless otherwise provided by a Supplemental Indenture, not later than 10:00 A.M. on each mandatory sinking fund redemption date, the Master Trustee shall withdraw from the applicable subaccount in the Sinking Fund Account and wire transfer to the Bond Registrar, in Federal Reserve or other immediately available funds, the amount necessary to pay the principal of the related Term Bonds on their respective mandatory sinking fund redemption dates. The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners as provided in the Supplemental Indentures.

Money held for the credit of the subaccounts in the Sinking Fund Account shall be applied to the retirement, purchase, redemption or payment of Term Bonds in the manner provided in the applicable Supplemental Indentures. If the amounts transferred from the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts required to be deposited in the Sinking Fund Account as provided in Section 504 hereof, or if the balance in the Sinking Fund Account on the Business Day next preceding a sinking fund payment date is insufficient to retire the Term Bonds on such date as required by a Supplemental Indenture, the Master Trustee shall, not later than such sinking fund payment date, transfer an amount sufficient to cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing such Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds.

Section 508. Deposit and Application of Money in Parity Common Reserve Account and Any Special Reserve Account; Replenishment of Deficiencies. (a) If a Parity Resolution provides that the Parity Obligations issued thereunder are to be additionally secured by the Parity Common Reserve Account, the Corporation shall deposit, from the proceeds of such Parity Obligations or from any other available sources, concurrently with the delivery of and payment for such Parity Obligations, to the Parity Common Reserve Account such amount as is required to make the balance to the credit of such Account equal to the Parity Common Reserve Account Requirement; provided, however, that in the case of Post-Event Parity Obligations, the initial deposit required to the Parity Common Reserve Account to make the total amount to the credit of such Account equal to the Parity Common Reserve Account Requirement may be funded from Emergency Assessments and other Revenues (but not Reimbursement Premiums or Reimbursement Premium Earnings) ratably over not more than thirty-six (36) months from the date of delivery of such Parity Obligations. If a Parity Resolution provides that the Parity Obligations issued thereunder are to be secured by a Special Reserve Account, the Corporation shall fund, from the proceeds of such Parity Obligations or from any other available sources, at the time or times and in the manner specified in the applicable Parity Resolution, such Special Reserve Account in an amount equal to the Special Reserve Account Requirement for such Parity Obligations.

(b) Unless the applicable Parity Resolution shall otherwise provide or modify the following, the Corporation may deposit with the Master Trustee a Reserve Alternative Instrument in satisfaction of all or any portion of the Parity Common Reserve Account Requirement or may may substitute a Reserve Alternative Instrument for all or any portion of the cash or another Reserve Alternative Instrument credited to the Parity Common Reserve Account, provided that the following minimum provisions have been fulfilled:

(i) The Reserve Alternative Instrument shall be payable (upon the giving of notice as required thereunder) to remedy any deficiency in the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Fund Account, or in an account for the payment of interest as mentioned in Section 504(a) hereof, or in an account or accounts for the payment of principal as mentioned in Section 504(b) hereof, in order to provide for the timely payment of the principal (whether at maturity or pursuant to a Sinking Fund Requirement or an amortization requirement therefor) of and interest on the Parity Obligations secured thereby.

(ii) The provider of a Reserve Alternative Instrument shall be (a) an insurance company or other financial institution that has been assigned, for obligations insured by the

provider of the Reserve Alternative Instrument, a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise) or (b) a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise).

(iii) If the Reserve Alternative Instrument is an unconditional irrevocable letter of credit issued to the Master Trustee, the letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Parity Obligations having the benefit of the Parity Common Reserve Account. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify the Corporation and the Master Trustee, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date. The Master Trustee is directed to draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the Parity Common Reserve Account is fully funded to the Parity Common Reserve Account Requirement.

(iv) The Master Trustee shall ascertain the necessity for a claim or draw upon the Reserve Alternative Instrument and shall provide notice to the issuer of the Reserve Alternative Instrument in accordance with its terms not later than three days (or such longer period as may be necessary depending on the permitted time period for honoring a draw under the Reserve Alternative Instrument) prior to each Interest Payment Date.

(v) Cash on deposit in the Parity Common Reserve Account shall be used (or Investment Obligations purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Alternative Instrument. If and to the extent that more than one Reserve Alternative Instrument is deposited in the Parity Common Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

(b) The Master Trustee shall use amounts in the Parity Common Reserve Account to make transfers, or use moneys provided under a Reserve Alternative Instrument to make deposits, in the following order, in respect of all Parity Obligations additionally secured by the Parity Common Reserve Account, to the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Fund Account to remedy any deficiency therein as of any Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date as set forth in a Parity Resolution), or to pay the interest on or the principal of or amortization requirements in respect of any Parity Debt when due, whenever and to the extent the money on deposit for such purposes is insufficient.

(c) The Master Trustee shall use amounts in any Special Reserve Account held by it to make transfers, or use moneys provided under a Reserve Alternative Instrument to make deposits, in the following order, in respect of the particular Parity Obligations secured by such Special Reserve Account, to the appropriate subaccounts in the Interest Account, the

Principal Account and the Sinking Fund Account to remedy any deficiency therein as of any Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date as set forth in a Parity Resolution) or to pay the interest on or the principal of or amortization requirement in respect thereof on Parity Debt when due, whenever and to the extent the money on deposit for such purposes is insufficient.

(d) Any deficiency in the Parity Common Reserve Account resulting from the withdrawal of moneys therein shall be made up by depositing to the credit of such Account the amount of such deficiency within one year following the date on which such withdrawal is made, such deposit to be made pursuant to Section 504(c) hereof. Any deficiency in the Parity Common Reserve Account resulting from a draw on a Reserve Alternative Instrument shall be made up as provided in such Reserve Alternative Instrument or documentation relating thereto, but any such deficiency must be made up by not later than the final date when such deficiency would have been required to be made up if there had been a withdrawal of moneys from the Parity Common Reserve Account rather than a draw on a Reserve Alternative Instrument. Deficiencies, whether resulting from withdrawals or draws, may be satisfied through the deposit of additional cash, the delivery of an additional Reserve Alternative Instrument or an increase in the amount available to be drawn under a Reserve Alternative Instrument. Unless otherwise provided in a Reserve Alternative Instrument or the documentation relating thereto, cash or Investment Obligations on deposit to the credit of the Parity Common Reserve Account shall be used to satisfy deficiencies, as provided in paragraph (b) of this Section, prior to any draw on a Reserve Alternative Instrument.

(e) Unless a Reserve Alternative Instrument shall be in effect, if on any date of valuation pursuant to Section 603 hereof, the amount on deposit in the Parity Common Reserve Account is less than ninety percent (90%) of the Parity Common Reserve Account Requirement, the Corporation shall deposit into the Parity Common Reserve Account within one year following such date the amount required as of such date to cause the amount then on deposit in the Parity Common Reserve Account to be equal to the Parity Common Reserve Account Requirement. Any such deficiency may be satisfied through the deposit of additional cash, the delivery of an additional Reserve Alternative Instrument or an increase in the amount available to be drawn under a Reserve Alternative Instrument.

(f) Any deficiency in a Special Reserve Account resulting from the withdrawal of moneys therein or a draw on a Reserve Alternative Instrument or resulting from a valuation of the Investment Obligations therein pursuant to Section 603 hereof shall be made up as provided in the Parity Resolution establishing such Special Reserve Account.

Section 509. Application of Money in Redemption Account. The Master Trustee shall apply money in the Redemption Account to the purchase or redemption of Bonds as follows:

(a) Subject to the provisions of paragraph (c) of this Section, and if instructed to do so by an Authorized Officer of the Corporation, the Master Trustee shall endeavor to purchase and cancel Bonds or portions thereof, whether or not such Bonds or portions thereof are then subject to redemption, at the most advantageous price obtainable with reasonable diligence, provided that the purchase price of each Bond, plus accrued interest to the date of purchase, shall not exceed the Redemption Price that would be payable on the next redemption date to the

Owners of such Bonds under the provisions of the applicable Supplemental Indenture plus accrued interest to the redemption date if such Bond or such portion thereof were called for redemption on such redemption date from the money in the applicable subaccount of the Redemption Account. The Master Trustee shall pay the interest accrued on such Bonds or portions thereof to the date of settlement from the applicable subaccount of the Interest Account and the purchase price from the applicable subaccount of the Redemption Account, but no such purchase shall be made by the Master Trustee from money in the applicable subaccount of the Redemption Account within the period of forty-five (45) days immediately preceding any date on which such Bonds or portions thereof are to be redeemed except from moneys other than the moneys set aside in the applicable subaccount of the Redemption Account for the redemption of Bonds.

(b) Subject to the provisions of paragraph (c) of this Section, the Master Trustee shall call for redemption on a date permitted by the applicable Supplemental Indenture such amount of Bonds or portions thereof as, with the redemption premium, if any, will exhaust the moneys then held in the applicable subaccount of the Redemption Account as nearly as may be practicable; provided, however, that not less than One Hundred Thousand Dollars ($100,000) in principal amount of Bonds shall be called for redemption at any one time unless the Master Trustee is so instructed by the Corporation in writing. The Master Trustee shall pay the accrued interest on the Bonds or portions thereof to be redeemed to the date of redemption from the applicable subaccount of the Interest Account and the Redemption Price of such Bonds or portions thereof from the applicable subaccount of the Redemption Account. On or before the redemption date, the Master Trustee shall withdraw from the Redemption Account and the Interest Account and transfer to the Bond Registrar the respective amounts required to pay the Redemption Price and accrued interest to the redemption date of the Bonds or portions thereof so called for redemption.

(c) Money in the Redemption Account may be applied by the Master Trustee in each Fiscal Year to the purchase or the redemption of Bonds of any one or more Series then Outstanding in accordance with the latest Officer's Certificate of an Authorized Officer of the Corporation filed with the Master Trustee (i) designating one or more Series of Bonds to be purchased or redeemed, (ii) if more than one Series of Bonds is so designated, setting forth the aggregate principal amount of Bonds of each Series to be purchased or redeemed, and (iii) unless the Supplemental Indenture relating to the Bonds to be redeemed specifies the order of redemption, designating the Bonds to be redeemed within each Series, and if such Bonds are Term Bonds, the Fiscal Years in which future Sinking Fund Requirements are to be reduced as a result of such redemption and the amount of such reduction in each such Fiscal Year. In the event no such Certificate is filed and unless the Supplemental Indenture relating to the Bonds to be redeemed specifies otherwise, (A) the Master Trustee shall apply such money to the purchase of one or more Series of Bonds as it shall determine or to the redemption of Bonds bearing the highest rate of interest, (B) if Bonds of more than one maturity bear the same interest rate, the Master Trustee shall redeem such Bonds in the inverse order of maturities, and (C) if the Bonds bearing the highest rate of interest are Term Bonds, the Master Trustee shall reduce Sinking Fund Requirements for such Term Bonds in inverse order of the scheduled redemption of such Term Bonds. All Bonds shall be redeemed as provided in the applicable Supplemental Indenture.

Money held for the credit of the subaccounts in the Redemption Account shall be applied to the purchase or redemption of Bonds in the manner provided in the applicable Supplemental Indenture.

Section 510. Escheat. All money that the Master Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside or delivered to the Bond Registrar for the purpose of paying any of the Bonds hereby secured, either at maturity or by purchase or call for redemption, shall be held in trust for the respective Owners.

Any money that is so set aside and that remains unclaimed by the Owners for a period of 30 months after the date on which such Bonds have become payable shall be treated as abandoned property pursuant to the provisions of Section 717.1035, Florida Statutes, and the Master Trustee or the Bond Registrar shall report and remit this property to the Unclaimed Property Trust Fund established by and according to the requirements of Sections 717.117 to 717.124, inclusive, Florida Statutes, and thereafter the Owners shall look only to the Unclaimed Property Trust Fund for payment and then only to the extent of the amounts so received, without any interest thereon, and the Master Trustee, the Bond Registrar and the Corporation shall have no responsibility with respect to such money.

Section 511. Cancellation of Bonds. Upon receipt of the same, the Bond Registrar shall cancel all Bonds paid, redeemed or purchased by the Master Trustee or purchased by the Corporation and delivered to the Bond Registrar, and all Bonds delivered to the Bond Registrar in exchange for other Bonds or delivered to the Bond Registrar upon the transfer of any Bond if a new Bond is delivered upon such transfer. The Bond Registrar shall certify to the Corporation the details of all Bonds so canceled. All Bonds canceled under any of the provisions of this Master Indenture either shall be delivered to the Corporation or destroyed by the Bond Registrar, as the Corporation directs. Upon destruction of any Bonds, the Bond Registrar shall execute a certificate in duplicate, describing the Bonds so destroyed; and one executed certificate shall be filed with the Corporation and the other executed certificate shall be retained by the Bond Registrar.

Section 512. Disposition of Fund Balances. After provision is made for the payment of all Outstanding Parity Obligations, including the interest thereon and for the payment of all other obligations, expenses and charges required to be paid under or in connection with this Master Indenture and any Parity Resolution, and receipt by the Master Trustee of an Officer's Certificate of an Authorized Officer of the Corporation to the effect that there are no other Master Indentures, resolutions, bond orders or other agreements that impose a continuing lien on the balances hereinafter mentioned, the Master Trustee shall pay all amounts in any fund, account or subaccount then held by it under this Master Indenture to the FHCF. If the Corporation notifies the Master Trustee that a continuing lien has been imposed on such balance by another indenture, resolution, bond order or any other agreement, by court order or decree, or by law, the Master Trustee shall, at the written direction of the Corporation, pay such balance to such person as is entitled to receive the same by law or under the terms of such indenture, resolution, bond order, agreement, or by court order or decree.

Section 513. Use of Available Funds. Nothing in this Master Indenture shall be construed to prevent the Corporation from paying all or any part of the Current Expenses of the

Corporation from any money available to the Corporation for such purpose, or, subject to Section 604 hereof, from depositing in any fund or account created under, or subaccount created pursuant to, the provisions of this Master Indenture or any fund or account created under or pursuant to a Parity Debt Resolution or a Subordinated Indebtedness Resolution, any money available to the Corporation for such deposit, except to the extent the Corporation is prohibited from making such deposit by this Master Indenture, any Parity Resolution, any Subordinated Indebtedness Resolution or otherwise.

Article VI.

DEPOSITARIES OF MONEY, SECURITY FOR DEPOSITS, INVESTMENT OF FUNDS AND COVENANT AS TO ARBITRAGE

Section 601. Security for Deposits. Any and all money received by the Corporation under the provisions of this Master Indenture shall be deposited as received with the Master Trustee or one or more other Depositaries as provided in this Master Indenture and shall, in the case of deposits with the Master Trustee, be trust funds under the terms hereof, and, shall not be subject to any lien or attachment by any creditor of the Corporation.

All money deposited with and held by the Master Trustee or any Depositary hereunder in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured, for the benefit of the Corporation and the Owners, either (a) by lodging with a bank or trust company chosen by the Master Trustee or Depositary or, if then permitted by law, by setting aside under control of the trust department of the bank or trust company holding such deposit, as collateral security, Government Obligations or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States or applicable State law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the furnishing of security as provided in clause (a) above is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Master Trustee or any Depositary to give security for the deposit of any money with it for the payment of the principal of or the redemption premium, if any, or the interest on any Parity Obligations or Subordinated Indebtedness, or for the Master Trustee or any Depositary to give security for any money that shall be represented by Investment Obligations purchased under the provisions of this Article as an investment of such money.

All money deposited with the Master Trustee or any Depositary shall be credited to the particular fund, account or subaccount to which such money belongs.

Section 602. Investment of Money. Money held for the credit of all funds, accounts and subaccounts established under this Master Indenture and held by the Master Trustee shall, in accordance with the written directions of the Corporation, be continuously invested and reinvested by the Master Trustee or the Depositaries, whichever is applicable, in Investment Obligations to the extent practicable. Except as hereinafter provided in this Section with respect to the disposition of investment income, the particular investments to be made and other related matters in respect of investments shall, as to each Series of Bonds, be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Except as hereinafter provided in this Section with respect to the Parity Common Reserve Account, Investment Obligations shall mature or be redeemable at the option of the holder

thereof not later than the respective dates when the money held for the credit of such funds, accounts and subaccounts will be required for the purposes intended.

Investment Obligations in the Parity Common Reserve Account shall mature or be redeemable at the option of the Master Trustee not later than the final maturity date of the Parity Obligations to which such Parity Common Reserve Account is pledged.

Notwithstanding the foregoing, no Investment Obligations pertaining to any Series of Bonds in any fund, account or subaccount held by the Master Trustee or any Depositary shall mature on a date beyond the latest maturity date of the Bonds of such Series Outstanding at the time such Investment Obligations are deposited. For purposes of this Section, the maturity date of any repurchase agreement shall be deemed to be the stated maturity date of such agreement and not the maturity dates of the underlying Investment Obligations.

The Corporation shall cause the State Board of Administration either to enter into agreements with the Master Trustee or any Depositary for the investment of any money required or permitted to be invested under this Master Indenture or to give the Master Trustee or any Depositary written directions respecting the investment of such money, subject, however, to the provisions of this Article, and the Master Trustee or such Depositary shall then invest such money in accordance with such agreements or directions. The Master Trustee or any Depositary may request additional directions or authorization from the State Board of Administration or an Authorized Officer of the State Board of Administration in writing with respect to the proposed investment of money under the provisions of this Master Indenture. Upon receipt of such directions, the Master Trustee or any Depositary shall invest, subject to the provisions of this Article, such money in accordance with such directions or authorization. The Master Trustee shall have no liability for any losses on investments made in accordance with this Section.

Investment Obligations acquired with money in or credited to any fund, account or subaccount established under this Master Indenture shall be deemed at all times to be part of such fund, account or subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such fund, account or subaccount unless otherwise directed by a Supplemental Indenture. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations shall be credited to such fund, account or subaccount.

Any such interest accruing and any such profit realized shall be transferred upon the receipt thereof by the Depositaries or the Master Trustee, as the case may be, pursuant to the provisions of this Master Indenture and any Supplemental Indenture.

The Master Trustee shall sell or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so to provide money to make any payment from any fund, account or subaccount established under this Master Indenture. The Master Trustee shall not be liable or responsible for any loss resulting from any such action.

Whenever a transfer of money between two or more of the funds, accounts or subaccounts established under this Master Indenture is permitted or required, such transfer may be made as a whole or in part by transfer of one or more Investment Obligations at a value

determined at the time of such transfer in accordance with this Article, provided that the Investment Obligations transferred are those in which money of the receiving fund, account or subaccount could be invested on the date of such transfer.

For purposes of making any investment hereunder, the Master Trustee or any Depositary may consolidate money held by it in any fund, account or subaccount with money in any other fund, account or subaccount, except to the extent such consolidation is prohibited by this Master Indenture, any Parity Resolution or any Subordinated Indebtedness Resolution. Transfers from any fund, account or subaccount to the credit of any other fund, account or subaccount provided for in this Master Indenture may be effectuated on the books and records of the Master Trustee, the Corporation or any Depositary without any actual transfer of funds or liquidation of investments. Investment Obligations purchased with consolidated funds shall be allocated to each fund, account or subaccount on a pro-rata basis in accordance with the initial amount so invested from each such fund, account or subaccount.

Unless otherwise directed by the State Board of Administration or an Authorized Officer of the State Board of Administration, Investment Obligations may be purchased by the Master Trustee or any Depositary through its own investment division or other bank facilities established for such purpose.

Section 603. Valuation. For the purpose of determining the amount on deposit in any fund, account or subaccount established under this Master Indenture, Investment Obligations in which money in such fund, account or subaccount is invested shall be valued at cost.

All Investment Obligations in all of the funds, accounts and subaccounts established under this Master Indenture shall be valued as of the Business Day immediately preceding each Interest Payment Date. If a valuation is made by the Master Trustee, the Master Trustee shall report the result of such valuation to the Corporation and the State Board of Administration as soon as practicable following such valuation. In addition, Investment Obligations shall be valued at any time requested by an Authorized Officer of the Corporation or an Authorized Officer of the State Board of Administration on reasonable notice to the Master Trustee (which period of notice may be waived or reduced by the Master Trustee at its sole discretion); provided, however, that the Master Trustee shall not be required to value Investment Obligations more than once in any calendar month.

Whenever, following a valuation described above, the value of the cash and Investment Obligations in the Parity Common Reserve Account held by the Master Trustee, plus accrued interest to the date of valuation, is less than ninety percent (90%) of the Parity Common Reserve Account Requirement, the Master Trustee shall compute the amount by which the Parity Common Reserve Account Requirement exceeds the balance in the Parity Common Reserve Account, and shall immediately give the Corporation and the State Board of Administration notice of such deficiency and the amount necessary to cure the same in accordance with Section 508 hereof. Whenever the value of the cash and Investment Obligations in the Parity Common Reserve Account or a Special Reserve Account held by the Master Trustee, plus accrued interest to the date of valuation, is greater than the Parity Common Reserve Account Requirement or the Special Reserve Account Requirement, as the case may be, the Master Trustee shall compute the amount by which the balance in the Parity Common Reserve Account or the Special Reserve

Account, as the case may be, exceeds the Parity Common Reserve Account Requirement or the Special Reserve Account Requirement, as the case may be, and shall transfer the excess in accordance with the provisions of the applicable Parity Resolution.

Section 604. Covenant as to Arbitrage. The Corporation covenants that so long as any Tax-Exempt Parity Obligations remain Outstanding, the money on deposit in any fund, account or subaccount maintained in connection with such Tax-Exempt Parity Obligations, regardless of whether such money was derived from the proceeds of the sale of such Tax-Exempt Parity Obligations or from any other sources, will not be used in a manner that would cause such Tax-Exempt Parity Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable regulations promulgated from time to time thereunder. The Corporation further covenants and agrees to comply with the requirements of Section 148 of the Code and applicable regulations promulgated from time to time thereunder with respect to any Tax-Exempt Parity Obligations.

Article VII.

COVENANTS OF THE CORPORATION AND THE STATE

Section 701. Security; Restrictions on Encumbering Net Receipts; Payment of Principal and Interest. (a) Any Bond issued under this Master Indenture shall be a special and limited obligation of the Corporation payable solely from Net Receipts and money, Investment Obligations and Reserve Alternative Instruments held in the funds, accounts and subaccounts established under this Master Indenture and the income from such Investment Obligations and the investment of such money.

As security for the payment of the Bonds and any Parity Debt and the interest thereon and as authorized by the Act, the Corporation hereby (i) grants to the Master Trustee a pledge of, security interest in and lien upon its Net Receipts and (ii) assigns to the Master Trustee all its right, title and interest (including the right to enforce the same and the right to receive and collect the Pledged Collateral) in and to the Pledge Agreement (except for those certain rights that are set forth in the granting clauses of this Master Indenture).

In addition, as further security for the payment of each Series of Bonds and the interest thereon, the Corporation hereby grants to the Master Trustee a pledge of, security interest in and lien upon the money and Investment Obligations in any and all of the related accounts and subaccounts of the Bond Fund and the accounts and subaccounts established under the Supplemental Indenture authorizing the issuance of such Series.

The pledge, security interest and lien shall be effective and operate immediately, and the Master Trustee shall have the right to collect and receive the Net Receipts in accordance with the provisions hereof and the Pledged Collateral in accordance with the provisions of the Pledge Agreement at all times during the period from and after the date of delivery of the Bonds issued hereunder until the Bonds and all Parity Debt have been fully paid and discharged, including at all times after the institution and during the pendency of any bankruptcy or similar proceedings.

The aforementioned pledge, security interest and lien shall not impair or restrict the ability of the Corporation to invest in securities and other forms of investment, subject to the provisions of this Master Indenture.

The Corporation covenants that it will prepare and file such financing statements or amendments to or terminations of existing financing statements as shall, in the Opinion of Counsel, be necessary to comply with applicable law or as required due to changes in the Net Receipts. In addition, if financing statements are filed pursuant to the requirements of the preceding sentence, the Corporation covenants that it will, at least thirty (30) days prior to the expiration of any financing statement, prepare and file such continuation statements of existing financing statements as shall, in the Opinion of Counsel, be necessary to continue the security interest evidenced thereby and shall provide to the Master Trustee written notice of such filing. If the Master Trustee shall not have received such notice at least twenty-five (25) days prior to the expiration date of any such financing statement, the Master Trustee shall prepare and file or cause the Corporation to prepare and file such continuation statements in a timely manner.

(b) The Corporation covenants that it will not pledge or grant a security interest in (except as provided in (a) above and as may be otherwise provided in this Master Indenture) any of the Net Receipts.

(c) The Corporation covenants to pay or cause to be paid the principal of, premium, if any, and interest on the Parity Obligations secured by this Master Indenture at the places, on the dates and in the manner provided in this Master Indenture and in the Parity Obligations according to the terms thereof whether at maturity, upon proceedings for redemption, by acceleration or otherwise.

Section 702. Covenants as to Existence, Etc. The Corporation hereby covenants:

(a) Except as otherwise expressly provided herein, to preserve its corporate or other legal existence and all its rights and licenses to the extent necessary or desirable in the operation of its business and affairs and be qualified to do business in each jurisdiction where its ownership of Property or the conduct of its business requires such qualification.

(b) To do all things reasonably necessary to conduct its affairs and carry on its business and operations in such manner as to comply with any and all applicable laws of the United States and the several states thereof and duly observe and conform to all valid orders, regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its Property; provided, however, that nothing herein contained shall require it to comply with, observe and conform to any such law, order, regulation or requirement of any governmental authority so long as the validity thereof or the applicability thereof to it shall be contested in good faith.

(c) To pay promptly all lawful taxes, governmental charges and assessments at any time levied or assessed upon or against it or its Property; provided, however, that it shall have the right to contest in good faith any such taxes, charges or assessments or the collection of any such sums and pending such contest may delay or defer payment thereof.

(d) To pay promptly or otherwise satisfy and discharge all of its indebtedness and all demands and claims against it as and when the same become due and payable, other than any thereof (exclusive of the Indebtedness created and Outstanding hereunder) whose validity, amount or collectibility is being contested in good faith.

(e) At all times to comply with all terms, covenants and provisions of any Liens at such time existing upon its Property or any part thereof or securing any of its Indebtedness.

Section 703. Limitations on Creation of Liens. (a) The Corporation agrees that it will not create or suffer to be created or permit the existence of any Lien upon the Net Receipts other than Permitted Liens as defined in clause (b) below.

(b) Permitted Liens shall consist of the following:

(i) Liens arising by reason of deposits by the Corporation to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges;

(ii) Any Lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license;

(iii) the Lien of this Master Indenture;

(iv) any Lien securing all Parity Obligations on a pari passu basis;

(v) any Lien on Net Receipts securing Subordinated Indebtedness; and

(vi) any Lien securing the obligations of the Corporation under a Derivative Agreement which, if required by the provider of such Derivative Agreement, may be pari passu with the Lien on the Net Receipts securing the Parity Obligations created under this Master Indenture, so long as the notional amount of all Derivative Agreements secured by such pari passu Liens does not at any time exceed the aggregate amount of Parity Obligations then Outstanding and so long as the Corporation's obligation to make any termination payment constitutes Subordinated Indebtedness.

Section 704. Incurrence Test. Subsequent to the effective date of this Master Indenture and the Corporation's issuance of its $1,350,025,000 Series 2006A Bonds in accordance with its Supplement No. 1 dated as of June 1, 2006 and its issuance of up to $2,800,000,000 of Pre-Event Parity Bonds on or prior to August 1, 2006, all of which may be issued without compliance with the Incurrence Test established by this Section,

(a) The Corporation may incur Parity Obligations at one time or from time to time in any form or combination of forms permitted by this Master Indenture if, prior to the incurrence of such Parity Obligations, the Corporation shall file or cause to be filed with the Master Trustee an Officer's Certificate of the Corporation (which may rely upon certificates or

other documentation delivered by an Authorized Officer of the State Board of Administration) certifying that (i) the Debt Service Coverage Ratio, taking into account the proposed additional Parity Obligations, is not less than 1.25 and (ii) in the case of Post-Event Parity Obligations, the product of the aggregate percentage rate of all Emergency Assessments (A) currently levied by the Office of Insurance Regulation and (B) not currently levied by the Office of Insurance Regulation but which the State Board of Administration has authorized and directed the Office of Insurance Regulation to impose, in each case as of the date of such Certificate, multiplied by the Emergency Assessment Base for the most recent 12-month period for which such information is available, is not less than 100% of the Maximum Debt Service Requirement for all of the Post-Event Parity Obligations, including the proposed additional Post-Event Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Post-Event Parity Obligations.

(b) The Corporation may incur Parity Obligations for the purpose of refunding or reissuing any Outstanding Indebtedness if, prior to the incurrence of such Parity Obligations, (i) either (A) the Master Trustee receives an Officer's Certificate of the Corporation (which may rely upon certificates or other documentation delivered by an Authorized Officer of the State Board of Administration) stating that, taking into account the Parity Obligations proposed to be incurred, the Parity Obligations to remain Outstanding after the refunding and the refunding of the Outstanding Indebtedness proposed to be refunded, the Maximum Debt Service Requirement will not be increased by more than five percent (5%), or (B) the Corporation files or causes to be filed with the Master Trustee an Officer's Certificate of the Corporation (which may rely upon certificates or other documentation delivered by an Authorized Officer of the State Board of Administration) certifying that the Debt Service Coverage Ratio, taking into account the Parity Obligations proposed to be incurred, the refunding of the Outstanding Indebtedness proposed to be refunded and the Parity Obligations to remain Outstanding after the refunding, is not less than 1.25, (ii) in the case of Post-Event Parity Obligations, the product of the aggregate percentage rate of all Emergency Assessments (A) currently levied by the Office of Insurance Regulation and (B) not currently levied by the Office of Insurance Regulation but which the State Board of Administration has authorized and directed the Office of Insurance Regulation to impose, in each case as of the date of such Certificate, multiplied by the Emergency Assessment Base for the most recent 12-month period for which such information is available, is not less than 100% of the Maximum Debt Service Requirement for all of the Post-Event Parity Obligations, including the proposed additional Post-Event Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Post-Event Parity Obligations, and (iii) the Master Trustee receives a report by a nationally-recognized verification agent verifying the computations supporting the determinations in (i) and (ii) above.

(c) For purposes of demonstrating compliance with the Incurrence Test set forth in subsection (a) or (b), the Corporation may (but is not required to) elect in the applicable Supplemental Indenture to treat all Parity Obligations authorized in a Credit Facility (including, for example and without limitation, a line of credit or a liquidity facility supporting a commercial paper program), but not immediately issued or incurred under such Credit Facility, as subject to such Incurrence Test as of a single date, notwithstanding that none, or less than all, of the authorized principal amount of such Parity Obligations shall have been issued or incurred as of such date.

(d) Short-Term Indebtedness may be incurred under this Master Indebtedness as a Parity Obligation only in compliance with the Incurrence Test in subsection (a). In addition, the Corporation may incur Short-Term Indebtedness as Subordinated Indebtedness under this Master Indenture.

(e) Notwithstanding the foregoing provisions of this Section, nothing herein contained shall preclude the Corporation from incurring any obligation under a Credit Facility.

(f) Notwithstanding the foregoing provisions of this Section, nothing herein contained shall preclude the Corporation from entering into a Derivative Agreement either in connection with Indebtedness or otherwise.

Section 705. Fiscal Year End Certificate. Not later than ninety (90) days after the end of each Fiscal Year, commencing with the Fiscal Year ending on June 30, 2007, the Corporation shall file with the Master Trustee an Officer's Certificate demonstrating and stating that the Revenue Available for Debt Service for the prior Fiscal Year (set forth in such Certificate) was not less than the greater of (i) one hundred twenty-five percent (125%) of the principal and interest that became due and payable in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest that became due and payable in such Fiscal Year for Parity Obligations and Subordinated Indebtedness (both such calculations set forth in such Certificate); provided, however, that if the Corporation is unable to deliver such an Officer's Certificate, the Corporation covenants to take all actions permitted by law or under the Pledge Agreement, including (A) petitioning the Legislature of the State for any amendment or amendments to the Act deemed appropriate by the Governing Body of the Corporation, (B) cooperating with the State Board of Administration in connection with any action to increase collections of Pledged Collateral and (C) retaining a Consultant within thirty (30) days to make recommendations to increase the Revenue Available for Debt Service in the following Fiscal Year to the levels required or, if in the opinion of the Consultant the attainment of such levels is impracticable, to the highest levels attainable. Any Consultant so retained shall be required to submit such recommendations within sixty (60) days after being so retained. The Corporation agrees that it will, to the extent permitted by law, follow, or cause to be followed, the recommendations of any Consultant so retained. For purposes of the Officer's Certificate described in this Section, there may be subtracted from the amount of the interest otherwise includable in the amounts described in clauses (i) and (ii) above an amount equal to the sum of the interest on Parity Obligations paid during such Fiscal Year from (Y) the Capitalized Interest Account in the Bond Fund and (Z) without duplication, investment income on and proceeds of Pre-Event Parity Obligations. The Officer's Certificate described in this Section 705 may be provided jointly by an Authorized Officer of the Corporation and an Authorized Officer of the State Board of Administration.

Section 706. Filing of Audited Financial Statements, Certificate of No Default, Other Information. The Corporation covenants that it will:

(a) Within thirty (30) days after receipt of the audit report mentioned below but in no event later than two hundred seventy (270) days after the end of each Fiscal Year, file with the Master Trustee and with each Owner or Holder who may have so requested of the Corporation in writing, a copy of the Audited Financial Statements as of the end of such Fiscal

Year accompanied by the opinion of an Auditor. Such Audited Financial Statements shall be prepared in accordance with generally accepted accounting principles.

(b) Within thirty (30) days after receipt of the audit report mentioned above but in no event later than two hundred seventy (270) days after the end of each fiscal reporting period, file with the Master Trustee and with each Owner or Holder who may have so requested or on whose behalf the Master Trustee may have so requested, an Officer's Certificate of an Authorized Officer of the Corporation and a report of an Auditor stating, to the best knowledge of the signers, whether the Corporation is in default in the performance of any covenant contained in this Master Indenture and, if so, specifying each such default of which the signers may have knowledge and whether each such default has been corrected. If any default has not been remedied then such report of such independent certified public accountant or firm of independent certified public accountants shall identify what, if any, corrective action will be taken to cure such default.

(c) If an Event of Default shall have occurred and be continuing, file with the Master Trustee such other financial statements and information concerning its operations and financial affairs as the Master Trustee may from time to time reasonably request, excluding specifically personnel records.

Section 707. Annual Budget. The Corporation covenants that on or before the first (1st) day of each Fiscal Year the Governing Body will adopt a budget for such Fiscal Year. The Corporation shall promptly file copies of such annual budget with the State Board of Administration and the Master Trustee and with each Owner and Holder who may have so requested of the Corporation in writing. To the extent possible, the Corporation shall prepare its annual budget so that it will be possible to determine from such budget the Current Expenses of the Corporation and the amounts to be deposited to the credit of the various funds, accounts and subaccounts created by this Master Indenture.

Section 708. State Covenant. The Corporation incorporates herein the State's covenant with the Owners of Outstanding Bonds that the State will not limit or alter the denial of authority to file a petition in bankruptcy, or the rights vested in the FHCF or the Corporation to fulfill the terms of any agreements made with the Owners, or in any way impair the rights and remedies of such Owners so long as any such Bonds of the Corporation remain Outstanding unless adequate provision has been made for the payment of such Bonds pursuant to the documents authorizing the issuance of such Bonds.

Article VIII.

DEFAULTS AND REMEDIES

Section 801. Extension of Interest Payment. If the time for the payment of the interest on any Parity Obligation is extended, whether or not such extension is by or with the consent of the Corporation, such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Master Indenture and in such case the Owner of the Bond or the Holder of any Parity Debt for which the time for payment of interest was extended shall be entitled only to the payment in full of the principal of all Parity Obligations then Outstanding and of interest

for which the time for payment shall not have been extended. The time for the payment of the interest on any Parity Obligation shall not be extended in respect of any Parity Obligation covered by a Credit Facility without the consent of the Credit Provider.

Section 802. Events of Default. Each of the following events is hereby declared an Event of Default with respect to Parity Obligations:

(a) the Corporation shall fail to make any payment of the principal of and the redemption premium, if any, on any of the Bonds or any Parity Debt when and as the same shall be due and payable, either at maturity or by redemption or otherwise;

(b) the Corporation shall fail to make any payment of the interest on any of the Bonds or any Parity Debt when and as the same shall be due and payable;

(c) an event of default shall have occurred under any Supplemental Indenture or the Master Trustee shall have received written notice from any Holder of an event of default under any Parity Debt Resolution;

(d) the Corporation shall fail duly to perform, observe or comply with any covenant or agreement on its part under this Master Indenture for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation by the Master Trustee; provided, however, that if such failure be such that it cannot be corrected within thirty (30) days after the receipt of such notice, it shall not constitute an Event of Default if corrective action is instituted within such 30-day period and diligently pursued until the Event of Default is corrected;

(e) the Corporation shall fail to make any required payment with respect to any Subordinated Indebtedness or other indebtedness (other than any Bond, Parity Debt or Subordinated Indebtedness), whether such indebtedness now exists or shall hereafter be created, and any period of grace with respect thereto shall have expired, or an event of default as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any indebtedness, whether such indebtedness now exists or shall hereafter be created, shall occur, which event of default shall not have been waived by the holder of such mortgage, indenture or instrument or a trustee acting on its behalf, and as a result of such failure to pay or other event of default such indebtedness shall have been accelerated and such acceleration, in the opinion of the Master Trustee, does or could materially adversely affect the Owners of Bonds and the Holders of Parity Debt; or

(f) the State shall (i) amend, alter, repeal or fail to comply with the State Covenant as in effect on the date hereof, or (ii) enact a moratorium or other similar law affecting the Bonds.

Section 803. Acceleration of Maturities. Upon the happening and continuance for a period of not less than one hundred eighty (180) days of any Event of Default described in Section 802(a) or (b) hereof, then and in every case the Master Trustee may, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding shall, by a notice in writing to the Corporation, declare the principal of all the Parity Obligations then Outstanding (if not then due

and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Parity Obligations, this Master Indenture or any Parity Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Parity Obligations shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture, moneys shall have accumulated sufficient to pay the principal of all matured Parity Obligations and all arrears of interest, if any, upon all the Parity Obligations then Outstanding (except the principal of any Parity Obligations not then due and payable by their terms and the interest accrued on such Parity Obligations since the last interest payment date) and sufficient to satisfy the sinking fund requirement, if any, for any Term Parity Obligations then Outstanding, for the then current Fiscal Year, and the charges, compensation, expenses, disbursements, advances and liabilities of the Master Trustee and all other amounts then payable by the Corporation hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Master Trustee or any Bond Registrar and every other default known to the Master Trustee in the observance or performance of any covenant, condition, agreement or provision contained in the Bonds, any Parity Debt, this Master Indenture or any Parity Resolution (other than a default in the payment of the principal of such Parity Obligations then due and payable only because of a declaration under this Section) shall have been remedied to the satisfaction of the Master Trustee, then and in every such case the Master Trustee shall, by written notice to the Corporation, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 804. Remedies. (a) Upon the happening and continuance of any Event of Default, then and in every such case the Master Trustee may proceed, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding shall proceed, subject to the provisions of Section 902 hereof, to protect and enforce its rights and the rights of the Owners or Holders of the Parity Obligations under applicable laws and under this Master Indenture by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Master Trustee, being advised by counsel, chosen by the Master Trustee, shall deem most effectual to protect and enforce such rights, including but not limited to:

(i) Enforcement of the right of the Owners and Holders to collect and enforce the payment of amounts due or becoming due under the Parity Obligations;

(ii) Suit upon all or any part of the Parity Obligations;

(iii) Civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Parity Obligations to account as if it were the trustee of an express trust for the Owners and Holders;

(iv) Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Owners and Holders;

(v) Enforcement of any other right of the Owners and Holders conferred by law or hereby; and

(vi) Enforcement of the provisions of the Pledge Agreement.

(b) Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the Owners or Holders of not less than a majority of the aggregate principal amount of the Parity Obligations then Outstanding, shall, subject to Section 902 hereof, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Owners and Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master Trustee, are not unduly prejudicial to the interest of the Owners and Holders not making such request.

Section 805. Pro Rata Application of Funds. Anything in this Master Indenture to the contrary notwithstanding, if at any time the money deposited with the Master Trustee pursuant to Section 502 hereof or pursuant to any remedial action is not sufficient to pay the interest on or the principal of the Parity Obligations as the same become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 803 hereof), such money, together with any money then available or thereafter becoming available for such purposes, whether through the exercise of the remedies provided for in this Article or otherwise, shall, after payment of the accrued and unpaid fees, costs and expenses of the Master Trustee, be applied as follows:

(a) if the principal of all Parity Obligations shall not have become or shall not have been declared due and payable, all such money shall be applied as follows:

first: to the payment to the persons entitled thereto of all installments of interest on the Parity Obligations or regularly scheduled payments to a Derivative Agreement Counterparty with respect to Derivative Indebtedness then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Parity Obligations;

second: to the payment to the persons entitled thereto of the unpaid principal of any Parity Obligations that shall have become due and payable (other than Parity Obligations deemed to have been paid pursuant to the provisions of Section 1201 hereof), in the order of their due dates, with interest on the overdue principal at a rate equal to the rate on such Parity Obligations, and, if the amount

available shall not be sufficient to pay in full the principal of Parity Obligations due and payable on any particular date, then to the payment ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and

third: to the payment of the interest on and the principal of Parity Obligations, to the purchase and retirement of Parity Obligations, and to the redemption of Parity Obligations, all in accordance with the provisions of this Master Indenture and any Parity Resolution.

(b) If the principal of all Parity Obligations shall have become or shall have been declared due and payable, all such money shall be applied to the payment of principal and interest then due upon such Parity Obligations and regularly scheduled payments to a Derivative Agreement Counterparty with respect to Derivative Indebtedness, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond or Parity Debt over any other Bond or Parity Debt, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all Parity Obligations shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 803 hereof, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Parity Obligations shall later become due and payable or be declared due and payable, the money then remaining on deposit with the Master Trustee and thereafter accruing shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever money is to be applied by the Master Trustee pursuant to the provisions of this Section: (a) such money shall be applied by the Master Trustee at such times and from time to time as the Master Trustee in its sole discretion shall determine, having due regard for the amount of money available for such application and the likelihood of additional money becoming available for such application in the future, (b) setting aside such money as provided herein in trust for the proper purpose shall constitute proper application by the Master Trustee, and (c) the Master Trustee shall incur no liability whatsoever to the Corporation, to any Owner or Holder or to any other Person for any delay in applying any such money so long as the Master Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Master Indenture as may be applicable at the time of application by the Master Trustee. Whenever the Master Trustee exercises such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Master Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Master Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the Owner of any Bond or the Holder of any Parity Debt until such Bond or Parity Debt is surrendered to the Master Trustee for appropriate endorsement or for cancellation if fully paid.

Section 806. Effect of Discontinuance of Proceedings. If any proceeding taken by the Master Trustee or Owners or Holders on account of any Event of Default is discontinued or abandoned for any reason, then and in every such case, the Corporation, the Master Trustee and the Owners and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Master Trustee shall continue as though no proceedings had been taken.

Section 807. Control of Proceedings. Anything in this Master Indenture to the contrary notwithstanding, the Owners or Holders of a majority in aggregate principal amount of Parity Obligations at any time Outstanding shall have the right, subject to the provisions of Section 902 hereof, by an instrument or concurrent instruments in writing executed and delivered to the Master Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Master Trustee hereunder, provided that such direction shall be in accordance with law and the provisions of this Master Indenture, and, in the sole judgment of the Master Trustee, is not unduly prejudicial to the interest of any Owners or Holders not joining in such direction, and provided further, that the Master Trustee shall have the right to decline to follow any such direction if the Master Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability, and provided further that nothing in this Section shall impair the right of the Master Trustee in its discretion to take any other action hereunder which it may deem proper and which is not inconsistent with such direction by the Owners or Holders.

Section 808. Restrictions Upon Action. Except as provided in Section 813 hereof, no Owner or Holder shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or Parity Debt or for the execution of any trust hereunder or for any other remedy hereunder unless such Owner or Holder previously shall (a) has given to the Master Trustee written notice of the Event of Default on account of which suit, action or proceeding is to be instituted, (b) has requested the Master Trustee to take action after the right to exercise such powers or right of action, as the case may be, shall have accrued, (c) has afforded the Master Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceedings in its or their name, and (d) has offered to the Master Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Master Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Master Trustee, to be conditions precedent to the execution of the powers and trusts of this Master Indenture or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without complying therewith, the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Owners or Holders. It is understood and intended that, except as otherwise above provided, no one or more Owners or Holders shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security of this Master Indenture or to enforce any right hereunder except in the manner provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners and Holders and that any individual rights of action or other right given to one or more of such Owners or Holders by law are restricted by this Master Indenture to the rights and remedies herein provided.

Section 809. Enforcement of Rights of Action. All rights of action (including the right to file proof of claim) under this Master Indenture or under any Bonds and any Parity Debt may be enforced by the Master Trustee without the possession of any Bonds and any Parity Debt or the production thereof in any proceedings relating thereto, and any such suit or proceedings instituted by the Master Trustee shall be brought in its name as Master Trustee, without the necessity of joining as plaintiffs or defendants any Owners or Holders, and any recovery of judgment shall be for the equal benefit of the Owners or Holders, subject to the provisions of Section 801 hereof.

Section 810. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Master Trustee or to the Owners or Holders is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

Section 811. Delay Not a Waiver. No delay or omission by the Master Trustee or of any Owner or Holder in the exercise of any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein, and every power or remedy given by this Master Indenture to the Master Trustee and to the Owners or Holders may be exercised from time to time and as often as may be deemed expedient.

The Master Trustee may, and upon written request of the Owners or Holders of not less than a majority in principal amount of the Parity Obligations then Outstanding shall, waive any Event of Default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Master Indenture or before the completion of the enforcement of any other remedies under this Master Indenture; provided, however, that, except under the circumstances set forth in Section 803 hereof for the rescission and annulment of a declaration of acceleration, a default in the payment of the principal of, premium, if any, or interest on any Bond or Parity Debt, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Owners of all the Bonds or the Holders of all the Parity Debt (with respect to which such payment default exists) at the time Outstanding; and provided further, however, that no such waiver shall extend to or affect any other existing or subsequent Event of Default or impair any rights or remedies consequent thereon.

Section 812. Notice of Default. The Master Trustee shall mail to (a) all Owners at their addresses as they appear on the registration books and (b) to all Holders who shall have filed their names with the Master Trustee for such purpose, written notice of the occurrence of any Event of Default within ten (10) days after the Master Trustee has notice, pursuant to the provisions of Section 908 hereof, that any such Event of Default shall have occurred. The Master Trustee shall not be subject to any liability to any Owner or Holder by reason of its failure to mail any such notice.

Section 813. Right to Enforce Payment of Parity Obligations Unimpaired. Nothing in this Article shall affect or impair the right of any Owner or Holder to enforce the payment of the principal of and interest on his Bonds or Parity Debt or the obligation of the Corporation to pay

the principal of and interest on each Bond and Parity Debt to the Owner or Holder thereof at the time and place specified in said Bond or Parity Debt.

Section 814. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Master Indenture or the provisions hereof invalid or unenforceable under the provisions of any applicable law.

Article IX.

THE MASTER TRUSTEE AND THE BOND REGISTRAR

Section 901. Acceptance of Trusts. The Master Trustee by execution hereof accepts and agrees to fulfill the trusts imposed upon it by this Master Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Master Indenture, to all of which the Corporation, the Master Trustee and the respective Owners of the Bonds and any Holders of Parity Debt agree. Prior to the occurrence of any Event of Default and after the curing of all such Events of Default that may have occurred, the Master Trustee shall perform such duties and only such duties of the Master Trustee as are specifically set forth in this Master Indenture. Upon the occurrence and during the continuation of any Event of Default, the Master Trustee shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

No provision of this Master Indenture or any Parity Resolution shall be construed to relieve the Master Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to any such Event of Default hereunder, and after the curing of any Event of Default that may have occurred:

(i) the duties and obligations of the Master Trustee shall be determined solely by the express provisions of this Master Indenture, and the Master Trustee shall not be liable except for the performance of such duties and obligations of the Master Trustee as are specifically set forth in this Master Indenture, and no implied covenants or obligations shall be read into this Master Indenture against the Master Trustee, and

(ii) in the absence of bad faith on its part, the Master Trustee may conclusively rely, as to the accuracy of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to it conforming to the requirements of this Master Indenture, but in the case of any such certificate or opinion by which any provision hereof is specifically required to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine the same to determine whether or not it conforms to the requirements of this Master Indenture; and

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(i) the Master Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Master Trustee unless it shall be proved that the Master Trustee was negligent in ascertaining the pertinent facts, and

(ii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners and Holders of not less than twenty-five percent (25%) or a majority, as this Master Indenture shall require, in aggregate principal amount of the Parity Obligations then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any power conferred upon the Master Trustee under this Master Indenture.

None of the provisions contained in this Master Indenture shall require the Master Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 902. Indemnification of Master Trustee as Condition for Remedial Action. The Master Trustee shall be under no obligation to institute any suit or to take any remedial proceeding (including, but not limited to, the acceleration of the maturity date of all Parity Obligations under this Master Indenture) under this Master Indenture or the Pledge Agreement or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers under this Master Indenture or the Pledge Agreement, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Master Trustee nevertheless may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Master Trustee, without indemnity, and in such case the Corporation, at the request of the Master Trustee, shall reimburse the Master Trustee as Current Expenses of the Corporation for all costs, expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Corporation shall fail to make such reimbursement, the Master Trustee may reimburse itself from any money in its possession under the provisions of this Master Indenture and shall be entitled to a preference therefor over any Parity Obligations Outstanding.

Section 903. Limitations on Obligations and Responsibilities of Master Trustee. The Master Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Corporation, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. Except as to the acceptance of the trusts under this Master Indenture, the Master Trustee shall have no responsibility in respect of the validity or sufficiency of this Master Indenture, or in respect of the validity of Bonds or Parity Debt or the due execution or issuance thereof. The Master Trustee shall be under no obligation to see that any duties herein imposed upon the Corporation, the Bond Registrar, any consultant, any Depositary other than a Master Trustee Depositary, or any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall

be done or performed, and the Master Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

Section 904. Master Trustee Not Liable for Failure of Corporation to Act. The Master Trustee shall not be liable or responsible because of the failure of the Corporation or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Corporation or because of the loss of any money arising through the insolvency or the act or default or omission of any Depositary other than the Master Trustee or a Depositary in which such money shall have been deposited by the Master Trustee under the provisions of this Master Indenture. The Master Trustee shall not be responsible for the application of any of the proceeds of Bonds or Parity Debt or any other money deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Master Indenture. The immunities and exemptions from liability of the Master Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 905. Compensation and Indemnification of Master Trustee and Bond Registrar. Subject to the provisions of any contract between the Corporation and the Master Trustee or any Bond Registrar relating to the compensation of the Master Trustee or such Bond Registrar, the Corporation shall pay to the Master Trustee and such Bond Registrar from Gross Receipts reasonable compensation for all services performed by them hereunder and also all their reasonable expenses, charges and other disbursements and those of their attorneys, agents and employees incurred in and about the administration and the performance of their powers and duties hereunder and, to the extent permitted by law, shall indemnify and save the Master Trustee and the Bond Registrar harmless against any liabilities that they may incur in the proper exercise and performance of their powers and duties hereunder. If the Corporation shall fail to cause any payment required by this Section to be made, the Master Trustee or any Bond Registrar may make such payment from any money in its possession under the provisions of this Master Indenture and shall be entitled to a preference therefor over any Parity Obligations Outstanding. The Corporation covenants that it shall promptly deposit or cause to be deposited to the credit of the respective fund, account or subaccount the amount withdrawn therefrom by the Master Trustee to make any such payment.

Section 906. Monthly Statements from Master Trustee. It shall be the duty of the Master Trustee, on or before the 10th day of each month, to file with the Corporation a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred by it and the amount deposited with it on account of each fund, account or subaccount held by it under the provisions of this Master Indenture,

(b) the amount on deposit with it at the end of such month in each such fund, account or subaccount,

(c) a brief description of all obligations held by it as an investment of money in each such fund, account or subaccount,

(d) the amount applied to the payment, purchase or redemption of Bonds under the provisions of Article V of this Master Indenture and a description of the Bonds or portions thereof so paid, purchased or redeemed, and

(e) any other information that the Corporation may reasonably request.

All records and files pertaining to Bonds in the custody of the Master Trustee not otherwise restricted or excluded from disclosure by the terms of this Master Indenture, including, without limitation, Section 1002 hereof, shall be open at all reasonable times to the inspection of the Corporation and its agents and representatives.

Section 907. Master Trustee May Rely on Certificates. If at any time it shall be necessary or desirable for the Master Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Master Trustee, and in any case in which this Master Indenture provides for permitting or taking any action, the Master Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Master Indenture, and any such certificate shall be evidence of such fact or protect the Master Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Master Indenture, any request, notice, certificate or other instrument from the Corporation to the Master Trustee shall be deemed to have been signed by the proper party or parties if signed by any Authorized Officer of the Corporation, and the Master Trustee may accept and rely upon a certificate signed by any Authorized Officer of the Corporation as to any action taken by the Corporation.

Section 908. Notice of Default. Except upon the happening of any Event of Default specified in clauses (a), (b) and (c) of Section 802 hereof, the Master Trustee shall not be obliged to take notice or be deemed to have notice of any Event of Default under this Master Indenture unless specifically notified in writing of such Event of Default by the Corporation or the Owners and Holders of not less than twenty-five percent (25%) in aggregate principal amount of Parity Obligations then Outstanding.

Section 909. Master Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Bonds shall be taken and construed as made by and on the part of the Corporation and not by the Master Trustee, and the Master Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 910. Master Trustee Protected in Relying on Certain Documents. The Master Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in according with the terms of this Master Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture, or upon the written opinion of any attorney, consultant or accountant believed by the Master Trustee to be qualified in relation to the subject matter, and the Master Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in

any such instrument. The Master Trustee shall not be under any obligation to see to the recording or filing of this Master Indenture or otherwise to the giving to any person of notice of the provisions hereof.

Section 911. Master Trustee May Pay Taxes and Assessments. In case the Corporation shall fail to pay or cause to be paid any lawful tax, assessment or governmental charge or other charge upon any part of the Corporation to the extent, if any, that the Corporation may be deemed by the Master Trustee liable for same, the Master Trustee may pay from sources provided under this Master Indenture such tax, assessment or governmental charge, without prejudice, however, to any rights of the Master Trustee or the Owners or Holders arising in consequence of such failure; and any amount at any time so paid under this Section shall be repaid upon demand by the Master Trustee by the Corporation from Gross Receipts, but the Master Trustee shall be under no obligation to make any such payment from sources provided in this Master Indenture unless it shall have available or be provided with adequate funds for the purpose of such payment.

Section 912. Resignation and Removal of Master Trustee and Bond Registrar Subject to Appointment of Successor. No resignation or removal of the Master Trustee or any Bond Registrar and no appointment of a successor Master Trustee or successor Bond Registrar pursuant to this Article shall become effective until the acceptance of appointment by the successor Master Trustee under Section 915 hereof or the successor Bond Registrar under Section 917 hereof, as the case may be.

Section 913. Resignation of Master Trustee. Subject to the provisions of Section 912 hereof, the Master Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Corporation, and mailed, postage prepaid, at the Master Trustee's expense, to each Owner and Holder, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Master Trustee hereunder if such new Master Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 914. Removal of Master Trustee. The Master Trustee may be removed at any time by an instrument or concurrent instruments in writing, (i) executed by the Owners and Holders of not less than a majority in aggregate principal amount of Parity Obligations then Outstanding and filed with the Corporation, or (ii) so long as no Event of Default shall have occurred and be continuing, a resolution adopted or an instrument executed by the Corporation, not less than sixty (60) days before such removal is to take effect as stated in said resolution, instrument or instruments. A photographic copy of any resolution, instrument or instruments filed with the Corporation under the provisions of this paragraph, duly certified by the Secretary of the Corporation as having been received by the Corporation, shall be delivered promptly by the Corporation to the Master Trustee.

The Master Trustee may also be removed at any time for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Master Indenture with respect to the duties and obligations of the Master Trustee by any court of competent jurisdiction upon the application of the Corporation or the Owners and Holders of not

less than twenty-five percent (25%) in aggregate principal amount of Parity Obligations then Outstanding.

Section 915. Appointment of Successor Master Trustee. If at any time hereafter the Master Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Master Trustee shall be taken over by any governmental official, agency, department or board, the position of Master Trustee shall thereupon become vacant. If the position of Master Trustee shall become vacant for any reason, the Corporation shall appoint a Master Trustee to fill such vacancy. A successor Master Trustee shall not be required if the Master Trustee shall sell or assign substantially all of its corporate trust business and the vendee or assignee shall continue in the corporate trust business, or if a transfer of the corporate trust department of the Master Trustee is required by operation of law, provided that such vendee, assignee or transferee (i) is a bank or trust company within or without the State which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) has good standing, and (iii) has a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars ($100,000,000) (or whose obligations hereunder are guaranteed by a bank, banking association or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having at the time of the appointment of such Master Trustee, a combined capital, surplus and undivided profits of at least such amount). The Corporation shall mail notice of any such appointment made by it, postage prepaid, to all Owners and Holders.

At any time within one year after any such vacancy shall have occurred, the Owners and Holders of not less than twenty-five percent (25%) in principal amount of Parity Obligations then Outstanding, by an instrument or concurrent instruments in writing, executed by such Owners and Holders and filed with the Corporation, may nominate a successor Master Trustee, which the Corporation shall appoint and which shall supersede any Master Trustee theretofore appointed by the Corporation. Photographic copies, duly certified by the Secretary of the Corporation as having been received by the Corporation, of each such instrument shall be delivered promptly by the Secretary of the Corporation to the predecessor Master Trustee and to the Master Trustee so appointed by the Owners and the Holders.

If no appointment of a successor Master Trustee shall be made pursuant to the foregoing provisions of this Section, any Owner or Holder or any retiring Master Trustee may apply to any court of competent jurisdiction to appoint a successor Master Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Master Trustee.

Any successor Master Trustee hereafter appointed (i) shall be a bank or trust company within the State which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) shall be of good standing and (iii) shall have a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars ($100,000,000) (or whose obligations hereunder are guaranteed by a bank, banking association or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having at the time of the appointment of such Master Trustee, a combined capital, surplus and undivided profits of at least such amount).

Section 916. Vesting of Duties in Successor Master Trustee. Every successor Master Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Corporation and the State Board of Administration, an instrument in writing accepting such appointment under this Master Indenture and the Pledge Agreement, and thereupon such successor Master Trustee, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor; but such predecessor shall nevertheless, on the written request of its successor or of the Corporation and upon payment of the expenses, charges and other disbursements of such predecessor that are payable pursuant to the provisions of Section 905 hereof, execute and deliver an instrument transferring to such successor Master Trustee all the rights, immunities and powers of such predecessor under this Master Indenture and the Pledge Agreement; and every predecessor Master Trustee shall deliver all property and money held by it under this Master Indenture and the Pledge Agreement to its successor. Should any instrument in writing from the Corporation or the State Board of Administration be required by any successor Master Trustee for more fully and certainly vesting in such Master Trustee the rights, immunities, powers and trusts vested or intended to be vested by this Master Indenture and the Pledge Agreement in the predecessor Master Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Corporation or the State Board of Administration, as the case may be.

Section 917. Removal and Resignation of Bond Registrar. A Bond Registrar may be removed at anytime, with or without cause, by the Corporation, upon thirty (30) days' written notice by the Corporation to such Bond Registrar. A copy of such written notice shall be delivered promptly by the Corporation to the Master Trustee. Upon receipt of such notice the Master Trustee shall cause notice of such removal to be mailed, postage prepaid, to the Owners not less than sixty (60) days before such removal is to take effect.

A Bond Registrar may resign and thereby become discharged from the duties, obligations and responsibilities of Bond Registrar under this Master Indenture, by written notice delivered to the Corporation and the Master Trustee. Upon receipt of such notice the Master Trustee shall cause notice of such resignation to be mailed, postage prepaid, at such Bond Registrar's expense, to the Owners not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Bond Registrar hereunder if such new Bond Registrar shall be appointed before the time limited by such notice and shall then accept the duties, obligations and responsibilities of Bond Registrar under this Master Indenture. If at any time thereafter a Bond Registrar shall resign, be removed, be dissolved or otherwise become incapable of acting, or the entity acting as Bond Registrar shall be taken over by any governmental official, agency, department or board, the position of Bond Registrar shall thereupon become vacant. If the position of Bond Registrar shall become vacant for any reason, the Corporation shall appoint a Bond Registrar to fill such vacancy. A successor Bond Registrar shall not be required if a Bond Registrar shall sell or assign substantially all of its business and the vendee or assignee shall be qualified in the sole judgment of the Corporation to carry out the duties, obligations and responsibilities of Bond Registrar under this Master Indenture. The Corporation shall promptly deliver written notice of any such appointment by it to the Master Trustee and mail such notice, postage prepaid, to all Owners.

Article X.

EXECUTION OF INSTRUMENTS BY OWNERS AND HOLDERS, PROOF OF OWNERSHIP OF BONDS OR PARITY DEBT, AND DETERMINATION OF CONCURRENCE OF OWNERS AND HOLDERS

Section 1001. Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture to be signed or executed by any Owners or Holders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners or Holders or their attorneys or legal representatives or legal representative of his estate if the Owner or Holder is deceased. Proof of the execution of any such instrument and of the ownership of Parity Obligations shall be sufficient for any purpose of this Master Indenture and shall be conclusive in favor of the Master Trustee and the Corporation with regard to any action taken by either under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the verification, by any officer in any jurisdiction who by the laws thereof has power to take affidavits within such jurisdictions, to the effect that such instrument was subscribed and sworn to before him or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual, such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 205 hereof. The ownership or holding of Parity Debt shall be proved as provided in the related Parity Debt Resolution.

Nothing contained in this Article shall be construed as limiting the Master Trustee to such proof, it being intended that the Master Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of any Owner or Holder shall bind every future Owner or Holder of the same Bond or Parity Debt in respect of anything done by the Master Trustee in pursuance of such request or consent.

Notwithstanding any of the foregoing provisions of this Section, the Master Trustee shall not be required to recognize any person as an Owner or Holder or to take any action at an Owner's or Holder's request unless such Bonds or Parity Debt shall be deposited with it.

Section 1002. Preservation of Information; Communications. (a) The Master Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Owners received by the Master Trustee from the Bond Registrar.

(b) If an Owner which is a Securities Depository Nominee or the Owners of not less than ten percent (10%) in aggregate principal amount of Bonds then Outstanding which are not Securities Depository Nominees (hereinafter collectively referred to as "applicants") apply in writing to the Master Trustee and furnish reasonable proof that each such applicant has owned a Bond for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Owners with respect to

their rights under this Master Indenture or under the Bonds and such application is accompanied by a copy of the form of communication which such applicants propose to transmit, then the Master Trustee shall, within five (5) Business Days after receipt of such application, at its election, either

(i) afford such applicants access to the information preserved at the time by the Master Trustee in accordance with paragraph (a) of this Section, or

(ii) inform such applicants as to the approximate number of Owners whose names and addresses appear in the information preserved at the time by the Master Trustee in accordance with paragraph (a) of this Section, and as to the approximate cost of mailing to such Owners the form of communication, if any, specified in such application.

If the Master Trustee shall elect not to afford such applicants access to such information, the Master Trustee shall, upon the written request of such applicants, mail to each Owner whose name and address appears in the information preserved at the time by the Master Trustee in accordance with paragraph (a) of this Section a copy of the form of communication which is specified in such request, with reasonable promptness after a tender to the Master Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing.

(c) Every Owner, by receiving and holding one or more Bonds, agrees with the Corporation and the Master Trustee that neither the Corporation nor the Master Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Owners in accordance with paragraph (b) of this Section, regardless of the source from which such information was derived, and that the Master Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such paragraph.

Section 1003. Credit Provider as Owner or Holder. Notwithstanding any provision of this Master Indenture to the contrary, a Parity Resolution may provide that a Credit Provider providing credit enhancement or substitution for the payment of principal and interest with respect to the Bonds of a Series or Parity Debt shall be deemed to be the Owner of such Bonds or Holder of such Parity Debt, for all purposes of this Master Indenture, including, without limitation, Article VIII and Article XI, and the Pledge Agreement, in the proportion that the aggregate principal amount of Bonds of such Series or of such Parity Debt then Outstanding for which such Credit Provider is providing credit enhancement or substitution bears to the aggregate principal amount of all Parity Obligations then Outstanding, to the exclusion and in lieu of the Owners of such Bonds or Holders of such Parity Debt.

Article XI.

SUPPLEMENTS AND AMENDMENTS

Section 1101. Supplemental Indentures Without Consent. The Corporation and the Master Trustee may, from time to time and at any time, without the consent of or notice to any of the Owners or Holders, execute and deliver Supplemental Indentures hereto (which

Supplemental Indentures shall thereafter form a part hereof) as shall be substantially consistent with the terms and provisions of this Master Indenture:

(a) to cure any ambiguity or formal defect or omission herein, or any conflict between the provisions hereof and of the Pledge Agreement or of any Parity Resolution delivered to the Master Trustee at the same time as the Corporation delivers this Master Indenture, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Master Indenture, or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Master Indenture, or

(b) to grant or to confer upon the Master Trustee, for the benefit of the Owners or Holders, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners, the Holders or the Master Trustee, or

(c) to add to the provisions of this Master Indenture other conditions, limitations and restrictions thereafter to be observed, or

(d) to add to the covenants and agreements of the Corporation in this Master Indenture other covenants and agreements thereafter to be observed by the Corporation or to surrender any right or power herein reserved to or conferred upon the Corporation, or

(e) to permit the qualification of this Master Indenture under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the Corporation so determines, to add to this Master Indenture or any Supplemental Indenture such other terms, conditions and provisions as may be permitted or required by such federal statute or Blue Sky law, or

(f) to provide for the issuance of Bonds in bearer form, or

(g) to provide for the issuance of Bonds under a book-entry system, or

(h) to obtain a Credit Facility, Reserve Alternative Instrument, a Derivative Agreement, or other credit enhancement; provided, however, that no Rating Agency shall reduce or withdraw its rating on any of the Parity Obligations then Outstanding as a consequence of any such provision of such Supplemental Indenture, or

(i) to make any amendment or modification to this Master Indenture (including any modification to the Incurrence Test) resulting from the elimination of any restriction on the use of Reimbursement Premiums under the Code to pay or to secure debt service on Tax-Exempt Parity Obligations to the extent the elimination of such restriction is permitted by any administrative pronouncement of the Internal Revenue Service (including a private letter ruling) addressed to the Corporation, the FHCF, or any successor of either, or to the extent such elimination of such use restriction is permitted (based upon an Opinion of Counsel) by the Code, or

(j) to enable the Corporation to comply with its obligations, covenants and agreements made in Section 604 or in any Parity Resolution for the purpose of maintaining the

tax status of interest on any Tax-Exempt Parity Obligations, provided that such change shall not materially adversely affect the security for any Parity Obligations, or

(k) to make any other change that, in the opinion of the Master Trustee, which may, but is not required to, rely upon one or more of affirmation of ratings by the Rating Agencies, certificates of Consultants and Opinions of Counsel for such purpose, shall not materially adversely affect the security for the Parity Obligations.

Section 1102. Supplemental Indentures With Consent. Subject to the terms and provisions contained in this Section, and not otherwise, the Owners and Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding shall have the right, from time to time, anything contained in this Master Indenture to the contrary notwithstanding, to consent to and approve the execution and delivery of such Supplemental Indentures as are deemed necessary or desirable by the Corporation for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Master Indenture or in any Supplemental Indenture hereto; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bond or Parity Debt without the consent of the Owner of such Bond or the Holder of such Parity Debt, (b) a reduction in the principal amount of any Bond or Parity Debt or the redemption premium or the rate of interest thereon without the consent of the Owner of such Bond or the Holder of such Parity Debt, (c) the creation of a security interest in or a pledge of Net Receipts other than the security interest and pledge created by this Master Indenture without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding, (d) a preference or priority of any Bond or Parity Debt over any other Bond or Parity Debt without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding or (e) a reduction in the aggregate principal amount of the Parity Obligations required for consent to such Supplemental Indenture without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding. Nothing herein contained, however, shall be construed as making necessary the approval by Owners or Holders of the execution and delivery of any Supplemental Indenture as authorized in Section 1101 hereof.

If at any time the Corporation and the Master Trustee determine that it is necessary or desirable to execute and deliver any Supplemental Indenture for any of the purposes of this Section, the Master Trustee shall cause notice of the proposed execution of the Supplemental Indenture to be mailed, postage prepaid, to all Owners at their addresses as they appear on the registration books and to all Holders in accordance with the related Parity Debt Resolution. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the designated corporate trust office of the Master Trustee for inspection by all Owners and Holders. The Master Trustee shall not, however, be subject to any liability to any Owner or Holder by reason of its failure to cause the notice required by this Section to be mailed and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided in this Section.

Whenever, at any time within three years after the date of the mailing of such notice, the Corporation delivers to the Master Trustee an instrument or instruments in writing purporting to be executed by the Owners or Holders of not less than a majority in aggregate principal amount

of Parity Obligations then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Corporation and the Master Trustee may execute and deliver such Supplemental Indenture in substantially such form, without liability or responsibility to any Owner or Holder whether or not such Owner or Holder shall have consented thereto.

If the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations Outstanding at the time of the execution and delivery of such Supplemental Indenture have consented to and approved the execution and delivery thereof as herein provided, to the extent permitted by law, no Owner or Holder shall have any right to object to the execution and delivery of such Supplemental Indenture, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the execution and delivery thereof, or to enjoin or restrain the Corporation and the Master Trustee from executing and delivering the same or from taking any action pursuant to the provisions thereof.

Section 1103. Supplemental Indentures Part of Master Indenture. Any Supplemental Indenture executed and delivered in accordance with the provisions of this Article shall thereafter form a part of this Master Indenture, and this Master Indenture shall be and be deemed to be modified and amended in accordance therewith. Thereafter the respective rights, duties and obligations under the Master Indenture of the Corporation, the Master Trustee, any Bond Registrar and all Owners of Bonds and Holders of Parity Debt then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Master Indenture as so modified and amended. If any Supplemental Indenture is executed and delivered, Bonds issued thereafter and Parity Debt incurred thereafter may contain an express reference to such Supplemental Indenture, if deemed necessary or desirable by the Corporation.

Section 1104. Not a Supplemental Indenture. For purpose of this Article, a Supplemental Indenture or Parity Debt Resolution that relates only to a particular Series of Bonds issued hereunder or Parity Debt incurred under a Parity Debt Resolution and that does not purport to alter or amend the rights or security of any Owners of any Bonds of any other Series issued hereunder or any Holder of any Parity Debt incurred under a Parity Debt Resolution shall not be deemed or considered to be a Supplemental Indenture for purposes of this Article.

Section 1105. Responsibilities of the Master Trustee. The Master Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel, who may be Bond Counsel for the Corporation, as conclusive evidence that any proposed supplemental indenture does or does not comply with the provisions of this Master Trust Indenture, and that it is or is not proper for it, under the provisions of this Article, to execute and deliver such supplemental indenture.

Article XII.

DEFEASANCE

Section 1201. Release of Master Indenture. When:

(a) the Bonds and any Parity Debt shall have become due and payable in accordance with their terms or otherwise as provided in this Master Indenture, and the whole amount of the principal and the interest and premium, if any, so due and payable upon all Parity Obligations shall be paid, or

(b) if the Bonds and any Parity Debt shall not have become due and payable in accordance with their terms, the Master Trustee or the Bond Registrar shall hold sufficient money or Defeasance Obligations, or a combination of money and Defeasance Obligations, the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of and the interest and redemption premium, if any, on all Parity Obligations then Outstanding to the maturity date or dates of such Parity Obligations or to the date or dates specified for the redemption thereof, as verified by a nationally recognized independent certified public accountant, and, if Bonds or any Parity Debt are to be called for redemption, irrevocable instructions to call the Bonds or Parity Debt for redemption shall have been given by the Corporation to the Master Trustee, and

(c) sufficient funds shall also have been provided or provision made for paying all other obligations payable hereunder by the Corporation;

then and in that case the right, title and interest of the Master Trustee in the funds, accounts and subaccounts mentioned in this Master Indenture shall thereupon cease, determine and become void and, upon being furnished with an opinion, in form and substance satisfactory to the Master Trustee, of counsel approved by the Master Trustee, to the effect that all conditions precedent to the release of this Master Indenture have been satisfied, the Master Trustee shall release this Master Indenture and shall execute such documents to evidence such release as may be required by such counsel and shall turn over to the Corporation any surplus in, and all balances remaining in, all funds, accounts and subaccounts other than money held for the redemption or payment of Parity Obligations; otherwise, this Master Indenture shall be, continue and remain in full force and effect; provided, however, that in the event Defeasance Obligations shall be deposited with and held by the Master Trustee or the Bond Registrar as hereinabove provided, (i) in addition to the requirements set forth in Article III of this Master Indenture, the Master Trustee, within thirty (30) days after such Defeasance Obligations shall have been deposited with it, shall cause a notice signed by the Master Trustee to be mailed, postage prepaid, to all Owners of Bonds and to all Holders of Parity Debt, setting forth (a) the date or dates, if any, designated for the redemption of the Parity Obligations, (b) a description of the Defeasance Obligations so held by it, and (c) that this Master Indenture has been released in accordance with the provisions of this Section, and (ii) (a) the Master Trustee shall nevertheless retain such rights, powers and privileges under this Master Indenture as may be necessary and convenient in respect of the Bonds and any Parity Debt for the payment of the principal, interest and any premium for which

such Defeasance Obligations have been deposited and (b) the Bond Registrar shall retain such rights, powers and privileges under this Master Indenture as may be necessary and convenient for the registration, transfer and exchange of Bonds; and provided, further, however, that failure to mail such notice to any Owner or to the Owners, or to any such Holder or to such Holders, or any defect in such notice so mailed, shall not affect the validity of the proceedings for the release of this Master Indenture.

All money and Defeasance Obligations held by the Master Trustee (or any Bond Registrar) pursuant to this Section shall be held in trust and applied to the payment, when due, of the obligations payable therewith.

Article XIII.

MISCELLANEOUS PROVISIONS

Section 1301. Successorship of Corporation. In the event the Corporation for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Master Indenture by or on behalf of or for the benefit of the Corporation shall bind or inure to the benefit of the successor or successors of the Corporation from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term "Corporation" as used in this Master Indenture shall include such successor or successors.

Section 1302. Successorship of Depositary and Bond Registrar. Any bank or trust company with or into which a Depositary or Bond Registrar may be merged or consolidated, or to which the assets and business of such Depositary or Bond Registrar may be sold, shall be deemed the successor of such Depositary or Bond Registrar for the purposes of this Master Indenture. If the position of any Depositary shall become vacant for any reason or the position of Bond Registrar shall become vacant for any reason not provided for by Section 917 hereof, the Corporation shall appoint a bank or trust company to fill such vacancy within thirty (30) days thereafter; provided, however, that if the Corporation shall fail to appoint such Depositary or Bond Registrar within such period, the Master Trustee shall make such appointment.

Section 1303. Manner of Giving Notice. All notices, demands and requests to be given to or made hereunder by the Corporation or the Master Trustee shall be given or made in writing and shall be deemed to be properly given or made if sent by United States certified or registered mail, return receipt requested postage prepaid, addressed as follows:

(a) As to the Corporation--

Florida Hurricane Catastrophe Fund
Finance Corporation
c/o State Board of Administration of the
State of Florida
1801 Hermitage Boulevard
Tallahassee, Florida 32308
Attention: President

(b) As to the Master Trustee--

Wells Fargo Bank, N.A.
7077 Bonneval Road, Suite 400
Jacksonville, FL 32216
Attention: Corporate Trust Department

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by telephone or electronic transmission and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change sent by United States certified or registered mail, postage prepaid, to the other parties by the party effecting the change.

All documents received by the Master Trustee under the provisions of this Master Indenture, or photographic copies thereof, shall be retained in its possession until this Master Indenture shall be released under the provisions of Section 1201 hereof, subject at all reasonable times to the inspection of the Corporation, any Owner, any Holder and the agents and representatives thereof.

Section 1304. Substitute Mailing. If, because of the temporary or permanent suspension of postal service, the Corporation or the Master Trustee shall be unable to mail any notice required to be given by the provisions of this Master Indenture, the Corporation or the Master Trustee shall give notice in such other manner as in the judgment of the Corporation or the Master Trustee shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Master Indenture be deemed to be in compliance with the requirement for the mailing thereof.

Section 1305. Parties, Bond Registrar, Owners and Holders Alone Have Rights Under Master Indenture. Except as herein otherwise expressly provided, nothing in this Master Indenture, express or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Master Trustee, any Bond Registrar, the Corporation, the Owners and the Holders any right, remedy or claim, legal or equitable, under or by reason of this Master Indenture or any provision thereof, this Master Indenture and all its provisions all being intended to be and being for the sole and exclusive benefit of the Master Trustee, the Corporation, any Bond Registrar, the Owners and the Holders.

Section 1306. Effect of Partial Invalidity. In case any one or more of the provisions of this Master Indenture or the Bonds or any Parity Debt shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Master Indenture or the Bonds or any Parity Debt, but this Master Indenture and the Parity Obligations shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Parity Obligations or this Master Indenture shall for any reason be held to be in violation of law, then such covenant,

stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Corporation to the full extent permitted by law.

Section 1307. Effect of Covenants; Governing Law. All covenants, stipulations, obligations and agreements of the Corporation contained in this Master Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent permitted by the Constitution and laws of the State. This Master Indenture is executed and delivered with the intent that the laws of the State shall govern this construction.

Section 1308. No Recourse Against Members, Officers or Employees of Corporation or State Board of Administration. No recourse under, or upon, any statement, obligation, covenant or agreement contained in this Master Indenture, or in any Bond or Parity Debt hereby secured, or in any document or certification whatsoever, or under any judgment obtained against the Corporation or the State Board of Administration, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member, officer or employee of the Corporation or the State Board of Administration, either directly or through the Corporation of the FHCF for the payment for or to, the Corporation or any receiver of it, or for, or to, any Owner or Holder or otherwise, of any sum that may be due and unpaid upon any such Bond or Parity Debt. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Corporation or any receiver of either of them, or for, or to, any Owner, Holder or otherwise, of any sum that may remain due and unpaid upon the Bonds or any Parity Debt hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the execution and delivery of this Master Indenture, the issuance of the Bonds and the incurrence of any Parity Debt.

Section 1309. Dealing in Parity Obligations. The Master Trustee and any Bond Registrar, and their directors, officers, employees or agents, and any officer, employee or agent of the Corporation, may in good faith, buy, sell, own, hold and deal in any Parity Obligations and may join in any action which any Owner or Holder may be entitled to take with like effect as if such Master Trustee were not a Master Trustee and such bank or trust company were not a Bond Registrar under this Master Indenture or as if such officer, employee or agent of the Corporation did not serve in such capacity.

Section 1310. Headings. Any heading preceding the text of the several articles hereof, any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Master Indenture, nor shall they affect its meaning, construction or effect.

Section 1311. Further Authority. The officers, attorneys and other agents or employees of the Corporation are hereby authorized to do all acts and things required of them by this Master Indenture for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Parity Obligations and this Master Indenture.

Section 1312. Payments Due on Non-Business Days. Except as otherwise provided in a Parity Resolution, if the date for making any payment or the last day for performance of any act or the exercising of any right as provided in this Master Indenture is not a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the date provided in this Master Indenture.

Section 1313. Multiple Counterparts. This Master Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Corporation has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers and to evidence its acceptance of the trusts hereby created, the Master Trustee has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers, all of as of the day and year first above written.

FLORIDA HURRICANE CATASTROPHE FUND
FINANCE CORPORATION

By: _____
President

(SEAL)

Attest:

Tracy Allen
_____
Secretary

WELLS FARGO BANK, N.A.,
as Master Trustee

By: _____
[Title]

(SEAL)

Attest:

_____
[Title]

IN WITNESS WHEREOF, the Corporation has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers and to evidence its acceptance of the trusts hereby created, the Master Trustee has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers, all of as of the day and year first above written.

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

By: _____

(SEAL)

Attest:

_____

WELLS FARGO BANK, N.A.,
as Master Trustee

By: _____
Brian P. Clark, Vice President

(SEAL)

Attest:

_____
Title:

Form of Sixth Supplemental Indenture

- Parties are Master Trustee and Corporation (SBA is not a party)

- Specifies provisions governing a particular series of bonds, such as the Series 2013 Bonds
    - Provides for use of proceeds of Series 2013 Bonds
    - Permits creation of special funds and accounts for the particular series of bonds
        - e.g., Special Reserve Account
    - Provides for series-specific terms, such as
        - Interest rate mode, e.g., fixed or variable
        - Term of bonds
        - Special redemption or amortization features

SIXTH SUPPLEMENTAL INDENTURE

by and between

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

and

WELLS FARGO BANK, N.A.,
as Master Trustee

Dated as of _____, 2013

Authorizing and Securing
$_____
Florida Hurricane Catastrophe Fund Finance Corporation
Revenue Bonds, Series 2013A-1

and

$_____
Florida Hurricane Catastrophe Fund Finance Corporation
Floating Rate Notes, Series 2013A-2

TABLE OF CONTENTS

Page

ARTICLE I
DEFINITIONS

SECTION 101. MEANING OF WORDS AND TERMS 3
SECTION 102. RULES OF CONSTRUCTION 6

ARTICLE II
AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF THE SERIES 2013A BONDS

SECTION 201. LIMITATION ON ISSUANCE OF SERIES 2013A BONDS 7
SECTION 202. FORM AND NUMBERING OF SERIES 2013A BONDS 7
SECTION 203. DETAILS OF SERIES 2013A BONDS. 7
SECTION 204. EXECUTION AND FORM OF SERIES 2013A BONDS 9
SECTION 205. EXCHANGE OF SERIES 2013A BONDS 11
SECTION 206. NEGOTIABILITY AND REGISTRATION OF TRANSFER OF SERIES 2013A BONDS 11
SECTION 207. OWNERSHIP OF SERIES 2013A BONDS 12
SECTION 208. AUTHORIZATION OF SERIES 2013A BONDS 12

ARTICLE III
REDEMPTION OF SERIES 2013A BONDS

SECTION 301. REDEMPTION OF SERIES 2013A BONDS 17

ARTICLE IV
ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS, APPLICATION OF NET RECEIPTS AND INVESTMENT OF FUNDS

SECTION 401. ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS 18
SECTION 402. APPLICATION OF NET RECEIPTS 18
[SECTION 403. DEPOSIT AND APPLICATION OF MONEY IN SERIES 2013A SPECIAL RESERVE ACCOUNT 20
SECTION 404. INVESTMENT OF MONEY 21
SECTION 405. PAYMENT OF PRINCIPAL AND INTEREST 22
SECTION 406. STATE COVENANT 23

ARTICLE V
THE MASTER TRUSTEE

SECTION 501. ACCEPTANCE OF DUTIES BY MASTER TRUSTEE 24

ARTICLE VI
SUPPLEMENTAL INDENTURES

SECTION 601. SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF OWNERS 25
SECTION 602. MODIFICATION OF SUPPLEMENT NO. 6 WITH CONSENT OF OWNERS 25
SECTION 603. EXCLUSION OF SERIES 2013A BONDS 27
SECTION 604. RESPONSIBILITIES OF MASTER TRUSTEE AND CORPORATION UNDER THIS ARTICLE 27

ARTICLE VII
QUALIFIED ESCROW FUNDS

SECTION 701. QUALIFIED ESCROW FUNDS 28

ARTICLE VIII.
MISCELLANEOUS PROVISIONS

SECTION 801. MANNER OF GIVING NOTICE 29
SECTION 802. SUBSTITUTE NOTICE 29
SECTION 803. CORPORATION, MASTER TRUSTEE, BOND REGISTRAR AND OWNERS ALONE HAVE RIGHTS UNDER SUPPLEMENT NO. 6 29
SECTION 804. EFFECT OF PARTIAL INVALIDITY 30
SECTION 805. EFFECT OF COVENANTS: GOVERNING LAW 30
SECTION 806. HEADINGS 30
SECTION 807. FURTHER AUTHORITY 30
SECTION 808. PAYMENT DUE ON NON-BUSINESS DAYS 30
SECTION 809. MULTIPLE COUNTERPARTS 31

Exhibit A Form of Series 2013A-1 Bonds A-1
Exhibit B Form of Series 2013A-2 Notes B-1
Exhibit C Form of Calculation Agent Agreement C-1

SIXTH SUPPLEMENTAL INDENTURE

THIS SIXTH SUPPLEMENTAL INDENTURE, dated as of _____, 2013 ("Supplement No. 6"), by and between the Florida Hurricane Catastrophe Fund Finance Corporation, an instrumentality of the State of Florida (the "Corporation"), and [Wells Fargo Bank, N.A.], a national banking association duly incorporated and existing under the laws of the United States of America and having a corporate trust office in Jacksonville, Florida, which is authorized under such laws to exercise trust powers (the "Master Trustee"),

WITNESSETH:

WHEREAS, Section 215.555, Florida Statutes, as amended (the "Act") creates the Florida Hurricane Catastrophe Fund, a trust fund established for bond covenants, indentures or resolutions within the meaning of Section 19(f)(3), Article III of the Constitution of the State of Florida (the "FHCF"), and provides that the FHCF will be administered by the State Board of Administration of the State of Florida (in its capacity as the governing body and administrator of FHCF, the "State Board of Administration"); and

WHEREAS, the Corporation has executed and delivered a Master Trust Indenture, dated as of June 1, 2006 (the "Master Trust Indenture" and as supplemented and amended, the "Master Indenture"), by and between the Corporation and the Master Trustee, which authorizes the Corporation to issue Parity Obligations (as defined in the Master Indenture) in accordance with the provisions thereof and hereof; and

WHEREAS, the Corporation issued on July 6, 2006 a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of $1,350,025,000 (the "Series 2006A Bonds") in accordance with the Master Indenture and a First Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2006A Bonds, (iii) make a deposit to the credit of the Parity Common Reserve Account, and (iv) pay certain expenses incurred in connection with the issuance of the Series 2006A Bonds; and

WHEREAS, the Corporation issued on July 21, 2006, a series of Parity Obligations in the form of Bonds, designated for purposes of sale as notes, in the aggregate principal amount of $2,800,000,000 (the "Series 2006B Notes") in accordance with the Master Indenture and a Second Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the

FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events (as defined in the Act) occurring in the Contract Year ended May 31, 2007 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2006B Notes, and (iii) pay certain expenses incurred in connection with the issuance of the Series 2006B Notes; and

WHEREAS, the Corporation issued in October 2007, a series of Parity Obligations in the form of Bonds, designated for purposes of sale as notes, in the aggregate principal amount of $3,500,000,000 (the "Series 2007A Notes"), in accordance with the Master Indenture and a Third Supplemental Indenture (the "Third Supplemental Indenture") for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2008 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2007A Notes; and

WHEREAS, the Corporation issued on July 31, 2008 a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of $625,000,000 (the "Series 2008A Bonds"), in accordance with the Master Indenture and a Fourth Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2008A Bonds; and

WHEREAS, the Corporation issued on May 25, 2010 a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of $675,920,000 (the "Series 2010A Bonds"), in accordance with the Master Indenture and a Fifth Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2010A Bonds, (iii) make a deposit to the credit of the Parity Common Reserve Account, and (iv) pay certain expenses incurred in connection with the issuance of the Series 2010A Bonds; and

WHEREAS, the Corporation has now determined to issue a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of $_____ (the "Series 2013A-1 Bonds"), in accordance with the Master Indenture and this Supplement No. 6 for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2014 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, **[**(ii) make a deposit to the credit of the Series 2013A Special Reserve Account,**]** **[**(iii) pay capitalized interest on the Series 2013A-1 Bonds,**]** and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013A-1 Bonds; and

WHEREAS, the Corporation has now determined to issue a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of $_____ (the "Series 2013A-2 Notes," and, together with the Series 2013A-1 Bonds, the "Series 2013A Bonds"), in accordance with the Master Indenture and this Supplement No. 6 for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2014 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, **[**(ii) make a deposit to the credit of the Series 2013A Special Reserve Account,**]** **[**(iii) pay capitalized interest on the Series 2013A-2 Notes,**]** and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013A-2 Notes; and

WHEREAS, the Series 2006A Bonds, the Series 2006B Notes and the Series 2007A Notes have been retired, the Series 2013A Bonds shall be issued on a parity basis with the Outstanding Series 2008A Bonds and Series 2010A Bonds; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 101. MEANING OF WORDS AND TERMS. Unless otherwise required by the context, words and terms used herein which are defined, or the definitions of which are incorporated by reference, in the Master Indenture or the forms of the Series 2013A Bonds or the Calculation Agent Agreement appended hereto shall have the meanings assigned to them therein, and the following words and terms shall have the

following meanings herein; provided that where the Master Indenture provides that a word or term defined in the Master Indenture may be modified by a Supplemental Indenture and such word or term is defined herein, the definition herein shall control:

"Bond Counsel" means a firm of lawyers, selected by the Corporation, nationally recognized for legal expertise in matters relating to municipal bonds.

"Bond Registrar" means the institution serving at the time as Master Trustee.

"Calculation Agent" means the Master Trustee at the time being as calculation agent for the Series 2013A-2 Notes, or any successor thereto duly appointed by the Corporation.

"Calculation Agent Agreement" means the agreement of that name appended hereto as Exhibit C, between the Corporation and the Calculation Agent.

"Closing" means the delivery of and payment for the Series 2013A Bonds.

"Closing Date" means the date of the Closing.

"Defaulted Interest" means Defaulted Interest as defined in Section 203 hereof.

"Interest Payment Date" means (a) in the case of the Series 2013A-1 Bonds, each July 1 and January 1, the first interest payment date being **[**July 1, 2013**]** and (b) in the case of the Series 2013A-2 Notes, each of the dates set forth in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

"London Banking Day" means any day on which dealings in U.S. Dollars are transacted in the London interbank market.

"Paying Agent" means the banking institution named as the Paying Agent for the Series 2013A-2 Notes in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

"Principal Payment Date" means (a) in the case of the Series 2013A-1 Bonds, July 1, and (b) in the case of the Series 2013A-2 Notes, means _____.

"Regular Record Date" means (a) in the case of the Series 2013A-1 Bonds, the June 15 and December 15 next preceding each Interest Payment Date, and (b) in the case of the Series 2013A-2 Notes, any date so described in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

"Serial Bonds" means the Series 2013A-1 Bonds that are stated to mature on July 1, ____ and July 1, _____.

"Series 2013A Bonds" means the Series 2013A-1 Bonds and the Series 2013A-2 Notes.

"Series 2013A-1 Bonds" means the Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1, issued pursuant to Section 208 of the Master Indenture and Section 208 of this Supplement No. 6.

"Series 2013A-1 Subaccount of the Capitalized Interest Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2013A-1 Subaccount of the Interest Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2013A-1 Subaccount of the Principal Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2013A-2 Notes" means the Florida Hurricane Catastrophe Fund Finance Corporation Floating Rate Notes, Series 2013A-2, issued pursuant to Section 208 of the Master Indenture and Section 208 of this Supplement No. 6.

"Series 2013A Costs of Issuance Account" means the account created and so designated by Section 401 hereof.

"Series 2013A-2 Subaccount of the Capitalized Interest Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2013A-2 Subaccount of the Interest Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2013A-2 Subaccount of the Principal Account" means the subaccount created and so designated by Section 401 hereof.

[Series 2013A Special Reserve Account" means the account created and so designated by Section 401 hereof.**]**

"Special Record Date" means (a) in the case of the Series 2013A-1 Bonds, a date fixed by the Master Trustee for the payment of Defaulted Interest pursuant to Section 203 hereof, and (b) in the case of the Series 2013A-2 Notes, any date so described in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

"Special Reserve Account Requirement" means the amount described in Section 403 hereof.

SECTION 102. RULES OF CONSTRUCTION. The Rule of Construction contained in the Master Indenture shall control the construction of this Supplement No. 6, mutatis mutandis, except as otherwise provided herein.

ARTICLE II
AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF THE SERIES 2013A BONDS

SECTION 201. LIMITATION ON ISSUANCE OF SERIES 2013A BONDS. No Series 2013A Bonds may be issued under the provisions of this Supplement No. 6 except in accordance with the provisions of the Master Indenture and this Article.

SECTION 202. FORM AND NUMBERING OF SERIES 2013A BONDS.

(a) The Series 2013A-1 Bonds are issuable in fully registered form in denominations of $5,000 and any integral multiple thereof, shall be lettered "RA-1-", shall be numbered from 1 consecutively upward and shall be substantially in the form set forth in Exhibit A hereto and made a part hereof, with such appropriate variations, omissions and insertions as are permitted or required by the Master Indenture or this Supplement No. 6.

(b) The Series 2013A-2 Notes are issuable in fully registered form in denominations of $100,000 and any integral multiple of $1,000 in excess thereof, shall be lettered "RA-2-," shall be numbered from 1 consecutively upward, and shall be substantially in the form set forth in the Series 2013A-2 Notes appended hereto as Exhibit B and made a part hereof, with such appropriate variations, omissions and insertions as are permitted or required by the Master Indenture or this Supplement No. 6.

SECTION 203. DETAILS OF SERIES 2013A BONDS.

(a) The Series 2013A-1 Bonds shall be dated the date of their delivery, shall bear interest until their payment, such interest to the maturity thereof being payable semi-annually on each January 1 and July 1, the first interest payment date being **[**July 1, 2013**]**, at the rates and shall be stated to mature on July 1 in the years (without right of prior redemption), all as set forth in Section 208 hereof.

(b) The Series 2013A-2 Notes shall be dated _____, 2013, shall bear interest until their payment, such interest to the maturity thereof being payable at the rate or rates and shall be stated to mature (subject to any right of prior redemption) on the date, all as set forth in Section 208 and in the form of the Series 2013A-2 Note appended hereto as Exhibit B.

(c) Each Series 2013A Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (i) authenticated upon an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) authenticated prior to the first Interest Payment Date, in which event it shall

bear interest from its date; provided, however, that if at the time of authentication of any Series 2013A Bond interest is in default, such Series 2013A Bond shall bear interest from the date to which interest has been paid.

(d) Both the principal of and the interest on the Series 2013A Bonds shall be payable in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. The payment of interest on each Series 2013A-1 Bond shall be made by the Bond Registrar on each Interest Payment Date to the person appearing on the registration books of the Bond Registrar as the Owner thereof as of the Regular Record Date (i) by check mailed to the Owner at his address as it appears on such registration books or (ii) by wire transfer to any Owner of Series 2013A-1 Bonds in the aggregate principal amount of $1,000,000 or more that requests such method of payment and has furnished the necessary instructions and information to the Bond Registrar. Payment of the principal of all Series 2013A-1 Bonds shall be made upon the presentation and surrender of such Series 2013A-1 Bonds at the designated corporate trust office of the Bond Registrar as the same become due and payable (whether at maturity or by acceleration or otherwise). The payment of interest on each Series 2013A-2 Note shall be made by the Bond Registrar on each Interest Payment Date to the person appearing on the registration books of the Bond Registrar as the Owner thereof as of the Regular Record Date, as provided in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

(e) Any interest on any Series 2013A Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid by the Corporation, at its election in each case, as provided in paragraph 1 or 2 below:

(1) Corporation may elect to make payment of any Defaulted Interest on the Series 2013A Bonds to the persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Corporation shall notify the Master Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Series 2013A Bond and the date of the proposed payment (which date shall be such as will enable the Master Trustee to comply with the next sentence hereof), and at the same time, the Corporation shall deposit with the Master Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Master Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subparagraph provided. Thereupon the Master

Trustee shall fix a Special Record Date for the payment of such Defaulted Interest, which shall be neither more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the receipt by the Master Trustee of the notice of the proposed payment. The Master Trustee shall promptly notify the Corporation of such Special Record Date and, in the name and at the expense of the Corporation, such expense to be paid from Gross Receipts or any moneys available to the Corporation for such purpose, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given by first-class mail, postage prepaid, to each Owner at such Owner's address as it appears in the registration books maintained under Section 206 hereof not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Series 2013A Bonds (or their respective Predecessor Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the paragraph (b) above.

(2) Corporation may make payment of any Defaulted Interest on the Series 2013A Bonds in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Bonds may be listed and upon such notice as may be required by such exchange, if, after notice given by the Corporation to the Master Trustee of the proposed payment pursuant to this subparagraph, such payment shall be deemed practicable by the Master Trustee.

Subject to the foregoing provisions of this Section 203, each Series 2013A Bond delivered under this Supplement No. 6 upon registration of transfer of or in exchange for or in lieu of any other Series 2013A Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2013A Bond and each such Bond shall bear interest from such date, so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 204. EXECUTION AND FORM OF SERIES 2013A BONDS. (a) The Series 2013A Bonds shall be signed by, or bear the facsimile signatures of, the President and the Secretary of the Corporation and the corporate seal of the Corporation shall be impressed, or a facsimile thereof printed, on the Series 2013A Bonds. In case any officer whose signature or a facsimile of whose signature appears on any Series 2013A Bonds ceases to be such officer before the delivery of such Bonds, such signature or such facsimile nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any Series 2013A Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond are the proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers.

(b) The definitive Series 2013A Bonds are issuable as permitted or required by this Supplement No. 6. All Series 2013A Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Series 2013A Bonds may be listed or to any requirement of law with respect thereto.

(c) The Series 2013A Bonds shall be issued by means of a book-entry system with no physical distribution of bond certificates to be made except as hereinafter provided. One bond certificate with respect to each date on which the Series 2013A Bonds are stated to mature, in the aggregate principal amount of the Series 2013A Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), shall be issued and shall be deposited with DTC and immobilized in its custody. The book-entry system shall evidence ownership of the Series 2013A-1 Bonds in the principal amount of $5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The book-entry system shall evidence ownership of the Series 2013A-2 Notes in the principal amount of $100,000 or any integral multiple of $1,000 in excess thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of each Series 2013A Bond and interest with respect thereto shall be payable to Cede & Co. or any other person appearing in the registration books of the Corporation as the Owner of such Series 2013A Bond or its registered assigns or legal representatives. Transfer of principal and interest payments to participants of DTC shall be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Series 2013A Bonds by participants of DTC shall be the responsibility of such participants and other nominees of such beneficial owners. The Corporation, the Bond Registrar and the Master Trustee shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

(d) In the event that (i) DTC determines not to continue to act as Securities Depository for the Series 2013A Bonds or (ii) the Corporation determines that continuation of the book-entry system of evidence and transfer of ownership of the Series 2013A Bonds would adversely affect the interests of the beneficial owners of the Series 2013A Bonds, or (iii) an Event of Default shall occur with respect to the Series 2013A Bonds and is continuing and the beneficial owners of a majority in principal amount of the Series 2013A Bonds shall advise DTC to cease acting as Securities Depository, the Corporation shall discontinue the book-entry system with DTC. If the Corporation identifies another qualified Securities Depository to replace DTC, the Corporation shall make arrangements with DTC and such other Securities Depository to effect such replacement and deliver replacement bonds registered in the name of such other

Securities Depository or its Securities Depository Nominee in exchange for the Outstanding Series 2013A Bonds, and the references to DTC or Cede & Co. in this Supplement No. 6 shall thereupon be deemed to mean such other Securities Depository or its Securities Depository Nominee. If the Corporation fails to identify another qualified Securities Depository to replace DTC, the Corporation shall deliver replacement bonds in the form of fully registered certificates (i) in the denomination of $5,000 or any integral multiple thereof in exchange for the Outstanding Series 2013A-1 Bonds as required by DTC, and (ii) in the denomination of $100,000 or any integral multiple of $1,000 in excess of $100,000 in exchange for the Outstanding Series 2013A-2 Notes as required by DTC.

SECTION 205. EXCHANGE OF SERIES 2013A BONDS. (a) Series 2013A Bonds, upon surrender thereof at the designated corporate trust office of the Bond Registrar, together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Bond Registrar, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of Series 2013A Bonds of the same Series and maturity, of any denomination or denominations authorized by this Supplement No. 6, bearing interest at the same rate and in the same form as the Series 2013A Bonds surrendered for exchange.

(b) The Corporation shall make provision for the exchange of Series 2013A Bonds at the designated corporate trust office of the Bond Registrar.

SECTION 206. NEGOTIABILITY AND REGISTRATION OF TRANSFER OF SERIES 2013A BONDS. (a) The institution at the time serving as Master Trustee under the Master Indenture shall be and is hereby appointed Bond Registrar for the Series 2013A Bonds under this Supplement No. 6.

(b) The Bond Registrar shall keep books for the registration and the registration of transfer of the Series of Series 2013A Bonds as to which it is Bond Registrar as provided in this Supplement No. 6. The registration books shall be available at all reasonable times for inspection by the Corporation and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

(c) The Bond Registrar shall evidence acceptance of the duties, responsibilities and obligations of the Bond Registrar under this Supplement No. 6 by the execution of the certificate of authentication on the Series 2013A Bonds.

(d) The transfer of any Series 2013A Bond may be registered only upon the books kept for the registration and registration of transfer of Series 2013A Bonds upon presentation thereof to the Bond Registrar together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if

the Owner is deceased, in such form as shall be satisfactory to the Bond Registrar. No transfer of any Series 2013A Bond shall alter the ownership of such Bond for purposes of this Supplement No. 6 unless such transfer is registered with the Bond Registrar. Upon any such registration of transfer, the Corporation shall, if necessary, execute and the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Series 2013A Bond or Series 2013A Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Supplement No. 6, in the aggregate principal amount equal to the principal amount of such Bond surrendered or exchanged, of the same maturity and bearing interest at the same rate.

(e) In all cases in which Series 2013A Bonds shall be exchanged or the transfer of Series 2013A Bonds shall be registered hereunder, the Corporation shall, if necessary, execute and the Bond Registrar shall authenticate and deliver at the earliest practicable time Series 2013A Bonds in accordance with the provisions of this Supplement No. 6. All Series 2013A Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. No service charge shall be made for any registration, transfer or exchange of Series 2013A Bonds, but the Corporation and the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2013A Bonds.

SECTION 207. OWNERSHIP OF SERIES 2013A BONDS. The Corporation, the Master Trustee, the Bond Registrar and any agent of the Corporation, the Master Trustee or the Bond Registrar, may treat the person in whose name any Series 2013A Bond is registered, including any Securities Depository Nominee, as the absolute Owner of such Bond for the purpose of receiving payment of the principal of and interest on such Bond, and for all other purposes whatsoever, whether or not such Bond be overdue, and, to the extent permitted by law, neither the Corporation, the Master Trustee, the Bond Registrar nor any such agent shall be affected by notice to the contrary.

SECTION 208. AUTHORIZATION OF SERIES 2013A BONDS. There shall be issued under and secured by the Master Indenture and this Supplement No. 6 Series 2013A-1 Bonds of the Corporation in the aggregate principal amount of _____ Dollars ($_____) for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by any Covered Events in the Contract Year ending May 31, 2013 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, **[**(ii) make a deposit to the credit of the Series 2013A Special Reserve Account, (iii) pay capitalized interest on the Series 2013A-1 Bonds,**]** and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013A-1 Bonds. The Series 2013A-1 Bonds shall be designated "Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1". The Series 2013A-1 Bonds are Pre-Event

Parity Obligations and Pre-Event Bonds entitled to the benefits of the covenants and agreements in the Pledge Agreement, the Master Trust Indenture and this Supplement No. 6.

The Series 2013A-1 Bonds shall be stated to mature (subject to the right of prior redemption, if any, as provided in Article III hereof) on July 1 of the following years, and shall bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months), payable semi-annually on each January 1 and July 1, the first interest payment date being [July 1, 2013], until their respective maturities, at the following rates:

Year of Maturity (July 1)	Principal Amount	Interest Rate

There shall be issued under and secured by the Master Indenture and this Supplement No. 6 Series 2013A-2 Notes of the Corporation in the aggregate principal amount of _____ Dollars ($_____) for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by any Covered Events in the Contract Year ending May 31, 2013 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, [(ii) make a deposit to the credit of the Series 2013A Special Reserve Account, (iii) pay capitalized interest on the Series 2013A-2 Notes,] and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013A-2 Notes. The Series 2013A-2 Notes shall be designated "Florida Hurricane Catastrophe Fund Finance Corporation Floating Rate Notes, Series 2013A-2". The Series 2013A-2 Notes are Pre-Event Parity Obligations and Pre-Event Bonds entitled to the benefits of the covenants and agreements in the Pledge Agreement, the Master Trust Indenture and this Supplement No. 6.

The Series 2013A-2 Notes shall be issued in such principal amounts on such dates, shall be stated to mature (subject to the right of prior redemption) on _____ and shall bear interest as provided in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.

The Series 2013A Bonds shall be executed substantially in the form and in the manner herein set forth and shall be deposited with the Bond Registrar for authentication, but before the Series 2013A Bonds shall be authenticated and delivered to the purchasers

thereof, there shall be filed with the Master Trustee, in addition to the items required to be delivered to the Master Trustee pursuant to Section 208 of the Master Indenture, the following:

(a) a copy, certified by an Authorized Officer of the State Board of Administration to be a true and correct copy, of the resolution of the State Board of Administration determining that the Series 2013A Bonds should be issued in the absence of a hurricane in order to maximize the ability of the FHCF to meet future obligations, as contemplated by the last sentence of Section 215.555(6)(a)1. of the Act;

(b) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the Master Trust Indenture;

(c) an executed counterpart of this Supplement No. 6;

(d) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the Pledge Agreement;

(e) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the resolution of the Corporation (which resolution may be incorporated in this Supplement No. 6), approving the award of the Series 2013A Bonds and directing the authentication and delivery of such Bonds to or upon the order of the underwriters therein named upon payment of the purchase price therein set forth, plus the accrued interest (if any) thereon; provided, however, that the final determination of any of the details of such Bonds, including the purchase price therefor, may be delegated by such resolution to one or more Authorized Officers of the Corporation to the extent set forth therein;

(f) an Officer's Certificate of the Corporation (which may rely upon certificates or other documentation delivered by an Authorized Officer of the State Board of Administration) evidencing compliance with the requirements of Section 704 of the Master Indenture;

(g) an opinion or opinions of counsel to the Corporation to the effect that (1) this Supplement No. 6, the Master Indenture and the Pledge Agreement have each been duly and validly authorized, executed and delivered by the Corporation and are each valid and binding agreements of the Corporation enforceable in accordance with their respective terms, (2) no provision of the Master Indenture, this Supplement No. 6 or the Pledge Agreement results in or constitutes a default under any agreement, indenture or other instrument to which the Corporation is a party or by which the Corporation may be bound and of which such counsel to the Corporation has knowledge, (3) the Corporation's execution and delivery of the Master Indenture, this Supplement No. 6 and the Pledge Agreement and execution and issuance of the Series 2013A Bonds are not subject to any authorization, consent, approval or review of any governmental body, public officer or

regulatory authority not theretofore obtained or effected, and (4) the form, terms, execution, issuance and delivery of the Series 2013A Bonds have been duly and validly authorized by the Corporation;

(h) an opinion or opinions of counsel to the State Board of Administration to the effect that (1) the Pledge Agreement has been duly and validly authorized, executed and delivered by the State Board of Administration, acting as the governing body and administrator of the FHCF, and is a valid and binding agreement of the FHCF enforceable in accordance with its terms, (2) no provision of the Pledge Agreement results in or constitutes a default under any agreement, indenture or other instrument to which the FHCF is a party or by which the FHCF may be bound and of which such counsel to the State Board of Administration has knowledge, and (3) the State Board of Administration's execution and delivery of the Pledge Agreement are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not theretofore obtained or effected;

(i) an opinion of Bond Counsel relating to the Series 2013A Bonds;

(j) a copy, certified by the Secretary of the Corporation to be a true copy, of the Calculation Agent Agreement; and

(k) such other documents as are required to be delivered to the Master Trustee pursuant to this Supplement No. 6.

When the documents mentioned in the Master Indenture and subparagraphs (a) to (k), inclusive, above shall have been filed with the Master Trustee, and when the Series 2013A Bonds shall have been executed and authenticated as required by this Supplement No. 6, the Series 2013A Bonds shall be delivered to or upon the order of the purchasers thereof, but only upon the deposit with the Master Trustee or the State Board of Administration, as the case may be, of the purchase price of the Series 2013A Bonds and the accrued interest, if any, thereon.

Simultaneously with the Closing, the proceeds of the Series 2013A-1 Bonds (net of underwriters' discount) shall be applied as follows:

(1) $_____ shall be deposited with the Master Trustee into the Series 2013A Account of the Costs of Issuance Fund to pay, or reimburse the Corporation for paying, the Costs of Issuance incurred in connection with the issuance of the Series 2013A-1 Bonds;

[(2) $_____ shall be deposited with the Master Trustee into the Series 2013A Special Reserve Account and shall be utilized in accordance with the terms of the Master Indenture and this Supplement No. 6;]

[(3) $_____ shall be deposited with the Master Trustee into the Series 2013A-1 Subaccount of the Capitalized Interest Account of the Bond Fund and shall be utilized to pay interest on the Series 2013A-1 Bonds as the same becomes due; and]

(4) the balance of the proceeds of the Series 2013A-1 Bonds ($_____) shall be deposited with the State Board of Administration, for the account of the FHCF, and be deposited to the credit of the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund established pursuant to Section 8 of the Pledge Agreement. [Of such $_____, $_____ shall represent the good faith deposit received by the Corporation, via deposit with the State Board of Administration, from the Underwriters of the Series 2013A-1 Bonds.]

Simultaneously with the Closing, the proceeds of the Series 2013A-2 Notes (net of underwriters' discount) shall be applied as follows:

(1) $_____ shall be deposited with the Master Trustee into the Series 2013A Account of the Costs of Issuance Fund to pay, or reimburse the Corporation for paying, the Costs of Issuance incurred in connection with the issuance of the Series 2013A-2 Notes;

[(2) $_____ shall be deposited with the Master Trustee into the Series 2013A Special Reserve Account and shall be utilized in accordance with the terms of the Master Indenture and this Supplement No. 6;]

[(3) $_____ shall be deposited with the Master Trustee into the Series 2013A-2 Subaccount of the Capitalized Interest Account of the Bond Fund and shall be utilized to pay interest on the Series 2013A-2 Notes as the same becomes due; and]

(4) the balance of the proceeds of the Series 2013A-2 Notes ($_____) shall be deposited with the State Board of Administration, for the account of the FHCF, and be deposited to the credit of the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund established pursuant to Section 8 of the Pledge Agreement. [Of such $_____, $_____ shall represent the good faith deposit received by the Corporation, via deposit with the State Board of Administration, from the Underwriters of the Series 2013A-2 Notes.]

ARTICLE III
REDEMPTION OF SERIES 2013A BONDS

[SECTION 301. REDEMPTION OF SERIES 2013A BONDS. The Series 2013A-1 Bonds shall be subject to redemption prior to their respective maturities as provided in the form of the Series 2013A-1 Bonds appended hereto as Exhibit A. The Series 2013A-2 Notes shall be subject to redemption prior to their respective maturities as provided in the form of the Series 2013A-2 Notes appended hereto as Exhibit B.**]**

ARTICLE IV
ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS, APPLICATION OF NET RECEIPTS AND INVESTMENT OF FUNDS

SECTION 401. ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS. The following accounts and subaccounts are hereby established:

(a) Series 2013A Costs of Issuance Account of the Costs of Issuance Fund;

[(b) Series 2013A Special Reserve Account;]

[(c) Series 2013A-1 Subaccount of the Capitalized Interest Account of the Bond Fund;]

[(d) Series 2013A-2 Subaccount of the Capitalized Interest Account of the Bond Fund;]

(e) Series 2013A-1 Subaccount of the Interest Account of the Bond Fund;

(f) Series 2013A-2 Subaccount of the Interest Account of the Bond Fund;

(g) Series 2013A-1 Subaccount of the Principal Account of the Bond Fund; and

(h) Series 2013A-2 Subaccount of the Principal Account of the Bond Fund.

The accounts and the subaccounts mentioned above shall be established with and held by the Master Trustee pursuant to the Master Indenture and this Supplement No. 6 for the benefit of the Owners of the Series 2013A Bonds; provided moneys in the Series 2013A-1 Subaccount of the Interest Account, the Series 2013A-1 Subaccount of the Principal Account and the Series 2013A-1 Subaccount of the Capitalized Interest Account shall be held by the Master Trustee for the benefit of the Owners of the Series 2013A-1 Bonds; and provided, further, moneys in the Series 2013A-2 Subaccount of the Interest Account, the Series 2013A-2 Subaccount of the Principal Account, and the Series 2013A-2 Subaccount of the Capitalized Interest Account shall be held by the Master Trustee for the benefit of the Owners of the Series 2013A-2 Notes.

SECTION 402. APPLICATION OF NET RECEIPTS. On the Second Business Day immediately preceding each Interest Payment Date, moneys in the Series 2013A-1 Subaccount of the Capitalized Interest Account shall be transferred to the Series 2013A-1 Subaccount of the Interest Account in an amount described in the schedule provided to the Master Trustee by an Authorized Officer of the Corporation pursuant to

Section 505 of the Master Indenture. On the Second Business Day immediately preceding each Interest Payment Date, moneys in the Series 2013A-2 Subaccount of the Capitalized Interest Account shall be transferred to the Series 2013A-2 Subaccount of the Interest Account in an amount described in the schedule provided to the Master Trustee by an Authorized Officer of the Corporation pursuant to Section 505 of the Master Indenture. On or before the dates set forth below, so long as any of the Series 2013A Bonds is Outstanding, the Master Trustee shall withdraw, immediately following any withdrawal required by Section 503(b) of the Master Trust Indenture, from the Reimbursement Premiums Account in the Revenue Fund and, subsequent to such withdrawal, from the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund (other than the Emergency Assessments Account) in the order specified below, the amounts necessary to make the deposits or payments required by Sections 503(c)(iii) and 504 of the Master Trust Indenture, and, if and to the extent that the amounts on deposit to the credit of the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Emergency Assessments Account in the Revenue Fund the amounts necessary to satisfy such deposits or payments; provided, however, in the case of the Series 2013A Bonds, the Master Trustee shall draw first from the Reimbursement Premiums Account, then from the Pre-Event Bonds Investment Income Account and then from the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, prior to making any withdrawal from any of such other Accounts or any other account or subaccount, and the Master Trustee shall apply such amounts to the various subaccounts and account specified herein in the following order:

(a) into the Series 2013A-1 Subaccount of the Interest Account, on the Business Day immediately preceding each Interest Payment Date, an amount equal to the interest payable on the Series 2013A-1 Bonds on such Interest Payment Date, less any amount to be transferred to the Series 2013A-1 Subaccount of the Interest Account from the Series 2013A-1 Subaccount of the Capitalized Interest Account on the Business Day immediately preceding such Interest Payment Date;

(b) on a parity with (a) above, into the Series 2013A-2 Subaccount of the Interest Account, on the Business Day immediately preceding each Interest Payment Date, an amount equal to the interest payable on the Series 2013A-2 Notes on such Interest Payment Date, less any amount to be transferred to the Series 2013A-2 Subaccount of the Interest Account from the Series 2013A-2 Subaccount of the Capitalized Interest Account on the Business Day immediately preceding such Interest Payment Date;

(c) into the Series 2013A-1 Subaccount of the Principal Account, on the Business Day immediately preceding each Principal Payment Date, an amount equal to the principal of the Series 2013A-1 Bonds coming due on such Principal Payment Date;

(d) on a parity with (c) above, into the Series 2013A-2 Subaccount of the Principal Account, on the Business Day immediately preceding each Principal Payment Date, an amount equal to the principal of the Series 2013A-2 Notes coming due on such Principal Payment Date;

[(e) unless a Reserve Alternative Instrument shall be in effect, not later than the Business Day immediately preceding the January 1 or July 1 next succeeding the date on which money is transferred from the Series 2013A Special Reserve Account to the Series 2013A-1 Subaccount of the Interest Account, the Series 2013A-2 Subaccount of the Interest Account, the Series 2013A-1 Subaccount of the Principal Account, or Series 2013A-2 Subaccount of the Principal Account to cure a deficiency therein pursuant to Section 403 hereof, into the Series 2013A Special Reserve Account, the amount or amounts so transferred so that the amount then on deposit in the Series 2013A Special Reserve Account is equal to the Special Reserve Account Requirement applicable to the Series 2013A Special Reserve Account; and, not later than the Business Day immediately preceding the January 1 or July 1 next succeeding the date of a valuation made in accordance with Section 603 of the Master Indenture in which the amount on deposit in the Series 2013A Special Reserve Account is less than ninety percent (90%) of the Special Reserve Account Requirement applicable to the Series 2013A Special Reserve Account due to a loss resulting from a decline in the value of Investment Obligations held for the credit of the Series 2013A Special Reserve Account, into the Series 2013A Special Reserve Account, the amount by which such Special Reserve Account Requirement exceeds such balance so that the amount on deposit to the credit of the Series 2013A Special Reserve Account is equal to such Special Reserve Account Requirement.]

[**SECTION 403. DEPOSIT AND APPLICATION OF MONEY IN SERIES 2013A SPECIAL RESERVE ACCOUNT**. (a) At Closing, in accordance with Section 208 of this Supplement No. 6, an amount of proceeds of the Series 2013A Bonds equal to the Special Reserve Account Requirement applicable to the Series 2013A Special Reserve Account shall be deposited by the Trustee into the Series 2013A Special Reserve Account. The Special Reserve Account Requirement applicable to the Series 2013A Special Reserve Account shall be an amount equal to $_____. Moneys in the Series 2013A Special Reserve Account shall solely secure the Series 2013A Bonds and may not be used to pay any other Bonds.

(b) Subject to the provisions of Section 403(a) hereof and Section 508 of the Master Indenture, the Master Trustee shall use amounts in the Series 2013A Special Reserve Account to make pro rata transfers to the Series 2013A-1 Subaccount of the

Interest Account, the Series 2013A-2 Subaccount of the Interest Account, the Series 2013A-1 Subaccount of the Principal Account, or Series 2013A-2 Subaccount of the Principal Account to the extent necessary to pay interest on and principal of (whether at maturity or by acceleration) the Series 2013A Bonds, whenever and to the extent that the money on deposit in the Series 2013A-1 Subaccount of the Interest Account, the Series 2013A-2 Subaccount of the Interest Account, the Series 2013A-1 Subaccount of the Principal Account, or Series 2013A-2 Subaccount of the Principal Account is insufficient for such purposes and the Corporation has otherwise failed to cure such deficiency.

(c) If on any date of valuation the amounts held in the Series 2013A Special Reserve Account, including the interest earnings on such Account, exceed for any reason the Special Reserve Account Requirement applicable thereto, a pro rata amount equal to such excess can be transferred by the Master Trustee, (i) to the Series 2013A-1 Subaccount of the Interest Account, the Series 2013A-2 Subaccount of the Interest Account, the Series 2013A-1 Subaccount of the Principal Account, or Series 2013A-2 Subaccount of the Principal Account, as the Corporation shall direct, or (ii) if the Corporation shall deliver to the Master Trustee a written statement setting forth the use which the Corporation proposes to make of such excess amounts, accompanied by an opinion of Bond Counsel to the Corporation addressed to the Master Trustee to the effect that such proposed use is in compliance with the terms of the Master Indenture, to or upon the order of the Corporation.]

[(d) For purposes of calculating the Special Reserve Account Requirement applicable to the Series 2013A Special Reserve Account, the provisions of clause (i) of the definition of Debt Service Requirement shall not apply to such calculation.]

SECTION 404. INVESTMENT OF MONEY. (a) Money held for the credit of the accounts and subaccounts established hereunder on deposit with the Master Trustee shall be continuously invested and reinvested by the Master Trustee, at the written direction of the Corporation, in Investment Obligations to the extent practicable. Any such Investment Obligations shall mature not later than the respective dates when the money held for the credit of such accounts and subaccounts will be required for the purposes intended. No Investment Obligations in any such account or subaccount may mature beyond the latest maturity date of any Series 2013A Bonds Outstanding at the time such Investment Obligations are deposited.

(b) Investment Obligations acquired with money in or credited to any account or subaccount established hereunder shall be deemed at all times to be part of such account or subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such account or subaccount. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations to the credit of such accounts and subaccounts shall be credited to such respective accounts and subaccounts.

(c) Any such interest accruing and any such profit realized from the accounts and subaccounts established hereunder shall be transferred upon the receipt thereof by the Corporation or the Master Trustee, as the case may be, pursuant to the provisions of the Master Indenture and this Supplement No. 6.

(d) An Authorized Officer of the Corporation shall give to the Master Trustee written directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Section 404, and the Master Trustee shall then invest such money in Investment Obligations as so directed. The Master Trustee may request in writing additional directions or authorization from an Authorized Officer of the Corporation with respect to the proposed investment of money. Upon receipt of such directions, the Master Trustee shall invest, subject to the provisions of this Section 404, such money in accordance with such directions.

(e) The Master Trustee shall sell at the best price obtainable or, acting in a commercially reasonable manner, reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so in order to provide money to make any payment from any such account or subaccount. The Master Trustee shall not be liable or responsible for any loss resulting from any such investment.

(f) Whenever a transfer of money between two or more of the accounts or subaccounts is permitted or required, such transfer may be made as a whole or value determined at the time of such transfer in accordance with Article VI of the Master Indenture, provided that the Investment Obligations transferred are those in which money of the receiving account or subaccount could be invested at the date of such transfer.

SECTION 405. PAYMENT OF PRINCIPAL AND INTEREST. (a) The Corporation covenants that it will promptly pay the principal of and the interest on every Series 2013A Bond issued under the provisions of this Supplement No. 6 at the places, on the dates and in the manner provided herein and in the Series 2013A Bonds, according to the true intent and meaning thereof and in accordance with the provisions of the Master Indenture and this Supplement No. 6. The Series 2013A Bonds shall constitute Bonds and Parity Obligations under the Master Indenture and shall be secured by the trust estate set forth in the Master Indenture. The Corporation further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplement No. 6 and the Master Indenture, or in any Series 2013A Bond executed, authenticated and delivered hereunder or in any proceedings of the Corporation pertaining thereto. The Corporation represents and covenants that it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2013A Bonds authorized hereby and to pledge the Net Receipts in the manner and to the extent in the Master Indenture set forth; that all action on its part for the issuance of the Series 2013A Bonds has been duly and effectively taken; and that such Series 2013A

Bonds in the hands of the Owners thereof are and will be valid and binding special obligations of the Corporation payable according to their terms.

(b) Subject to the provisions of Sections 503 and 504 of the Master Indenture, on the Business Day preceding each Interest Payment Date or Interest Payment Date and Principal Payment Date, the Master Trustee shall first set aside an amount sufficient to pay the interest on the Series 2013A Bonds becoming due and payable on such Interest Payment Date, and then an amount sufficient to pay the principal of the Series 2013A Bonds becoming due and payable on such Principal Payment Date, and shall make payments as provided herein and in the forms of the Series 2013A Bonds.

(c) At such time as to enable the Bond Registrar to make payments of interest on the Series 2013A Bonds in accordance with Section 203(c) hereof, the Master Trustee shall withdraw from the Series 2013A-1 Subaccount of the Interest Account or the Series 2013A-2 Subaccount of the Interest Account, as the case may be, and make available to the Bond Registrar the amounts required to pay interest on the Series 2013A Bonds on the next succeeding Interest Payment Date. At such time as to enable the Bond Registrar to make payments of principal of the Series 2013A Bonds, the Master Trustee shall withdraw from the Series 2013A-1 Subaccount of the Principal Account or the Series 2013A-2 Subaccount of the Principal Account, as the case may be, the amount required to pay the Series 2013A Bonds on the next succeeding Principal Payment Date and make the same available to the Bond Registrar for the payment of the Series 2013A Bonds in accordance with the provisions of Section 203(c) hereof and in the manner provided in the forms of the Series 2013A Bonds.

SECTION 406. STATE COVENANT. The Corporation acknowledges that Section 708 of the Master Indenture constitutes an important security provision of the Series 2013A Bonds, and confirms that the acknowledgement set forth in this Section 406 has been included as a result of negotiations with the underwriters of the Series 2013A Bonds.

ARTICLE V
THE MASTER TRUSTEE

SECTION 501. ACCEPTANCE OF DUTIES BY MASTER TRUSTEE. The Master Trustee by execution hereof accepts and agrees to perform the duties and fulfill the trusts imposed upon it by this Supplement No. 6.

ARTICLE VI
SUPPLEMENTAL INDENTURES

SECTION 601. SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF OWNERS. The Corporation and the Master Trustee may, from time to time and at any time, without the consent of or notice to any of the Owners of the Series 2013A Bonds, execute and deliver such indentures supplemental hereto (which supplemental indentures shall thereafter form a part hereof) as shall be substantially consistent with the terms and provisions of this Supplement No. 6:

(a) cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Supplement No. 6 or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Supplement No. 6;

(b) to grant or to confer upon the Master Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Master Trustee;

(c) to add to the covenants and agreements of the Corporation in this Supplement No. 6 other covenants and agreements thereafter to be observed by the Corporation or to surrender any right or power herein reserved to or conferred upon the Corporation;

(d) to permit the qualification of this Supplement No. 6 under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the Corporation so determines, to add to this Supplement No. 6 or any supplemental indenture such other terms, conditions and provisions as may be permitted or required by such federal statute or Blue Sky law;

(e) to provide for the issuance of Series 2013A Bonds in bearer form; or

(f) to make any other change that, in the opinion of the Trustee, which may, but is not required to, rely upon one or more of affirmation of ratings by the Rating Agencies, certificates of Consultants and Opinions of Counsel for such purpose, shall not materially adversely affect the security for the Parity Obligations.

SECTION 602. MODIFICATION OF SUPPLEMENT NO. 6 WITH CONSENT OF OWNERS. (a) Subject to the terms and provisions contained in this Section 602, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Series 2013A Bonds then Outstanding shall have the right, from time to time, anything contained in this Supplement No. 6 to the contrary

notwithstanding, to consent to and approve the adoption by the Corporation and the acceptance by the Master Trustee of such supplemental indentures as shall be deemed necessary or desirable by the Corporation for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Supplement No. 6 or in any supplemental indenture hereto; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Series 2013A Bond without the consent of the Owner of such Series 2013A Bond, (b) a reduction in the principal amount of any Series 2013A Bond or the rate of interest on any Series 2013A Bond without the consent of the Owner of such Series 2013A Bond, (c) the creation of a pledge of Net Receipts other than the lien and pledge created by the Master Indenture without the consent of the Owners of all Series 2013A Bonds, (d) a preference or priority of any Series 2013A Bond over any other Series 2013A Bond without the consent of the Owners of all Series 2013A Bonds, or (e) a reduction in the aggregate principal amount of Series 2013A Bonds required for consent to such supplemental indenture without the consent of the Owners of all Series 2013A Bonds. Nothing herein contained, however, shall be construed as making necessary the approval by the Owners of the execution and delivery of any supplemental indenture as authorized in Section 601 hereof.

(b) The Master Trustee shall, at the expense of the Corporation, such expense to be paid from Gross Receipts or from any other available moneys, cause notice of the proposed execution and delivery of such supplemental indenture to be mailed, first class, postage prepaid, to all Owners of the Series 2013A Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the designated corporate trust office of the Master Trustee for inspection by all Owners. The Master Trustee shall not, however, be subject to any liability to any Owner by reason of its failure to mail the notice required by this Section 602, and any such failure shall not affect the validity of such supplemental indenture when approved and consented to as provided in this Section 602.

(c) Whenever, at any time within three years after the date of the mailing of such notice, the Corporation shall deliver to the Master Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority in aggregate principal amount of Series 2013A Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental indenture described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Corporation and the Master Trustee may execute and deliver such supplemental indenture in substantially such form, without liability or responsibility to any Owner, whether or not such Owner shall have consented thereto.

(d) If the Owners of not less than a majority in aggregate principal amount of the Series 2013A Bonds Outstanding at the time of the execution of such supplemental

indenture have consented to and approved the execution and delivery thereof as herein provided, to the extent permitted by law, no Owner shall have any right to object to the execution and delivery of such supplemental indenture, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the execution and delivery thereof, or enjoin or restrain the Corporation or the Master Trustee from executing and delivering the same or from taking any action pursuant to the provisions thereof.

(e) Upon the execution and delivery of any supplemental indenture pursuant to the provisions of this Section 602 or Section 601 hereof, this Supplement No. 6 shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Supplement No. 6 of the Corporation, the Master Trustee and all Owners shall thereafter be determined, exercised and enforced in all respects pursuant to the provisions of this Supplement No. 6, as so modified and amended.

SECTION 603. EXCLUSION OF SERIES 2013A BONDS. Series 2013A Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Series 2013A Bonds provided for in this Article VI, and the Corporation as Owner of such Series 2013A Bonds shall not be entitled to consent or take any other action provided for in this Article VI. At the time of any consent or other action taken under this Article VI, the Corporation shall furnish the Master Trustee an Officer's Certificate, upon which the Master Trustee may rely, describing all Series 2013A Bonds so to be excluded.

SECTION 604. RESPONSIBILITIES OF MASTER TRUSTEE AND CORPORATION UNDER THIS ARTICLE. The Master Trustee and the Corporation shall be entitled to exercise their discretion in determining whether or not any proposed supplemental indenture or any term or provision therein contained is desirable, after considering the purposes of such instrument, the needs of the Corporation, the rights and interests of the Owners, and the rights, obligations and interests of the Master Trustee. The Master Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of counsel approved by it, who may be Bond Counsel for the Corporation, as conclusive evidence that any such proposed supplemental indenture does or does not comply with the provisions of this Supplement No. 6, and that it is or is not proper for it, under the provisions of this Article VI, to execute and deliver such supplemental indenture.

ARTICLE VII
QUALIFIED ESCROW FUNDS

SECTION 701. QUALIFIED ESCROW FUNDS. Notwithstanding any provisions herein to the contrary, any and all moneys in the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccounts of the Interest Account of the Bond Fund related to the Series 2013A Bonds, the Subaccounts of the Principal Account of the Bond Fund related to the Series 2013A Bonds and any other account or subaccount designated by the President or other authorized officer may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President or other authorized officer. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such Series 2013A Bonds as may be designated by the President or other authorized officer of the Corporation.

ARTICLE VIII.
MISCELLANEOUS PROVISIONS

SECTION 801. MANNER OF GIVING NOTICE. All notices, demands and requests to be given to or made hereunder by the Corporation, the Master Trustee or the Bond Registrar shall be given or made in writing and shall be deemed to be properly given or made if sent by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to the Corporation--

Florida Hurricane Catastrophe Fund Finance Corporation
c/o State Board of Administration of the State of Florida
1801 Hermitage Boulevard
Tallahassee, Florida 32308
Attention: President

(b) As to the Master Trustee or Bond Registrar--

Wells Fargo Bank, N.A.
One Independent Drive, Suite 620
Jacksonville, Florida 32202
Attention: Corporate Trust Department

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by electronic mail or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change sent by United States certified or registered mail, postage prepaid, to the other parties by the party effecting the change.

SECTION 802. SUBSTITUTE NOTICE. If, because of the temporary or permanent suspension of postal service, the Corporation, the Master Trustee or the Bond Registrar shall be unable to mail any notice required to be given by the provisions of this Supplement No. 6, such party shall give notice in such other manner as in the judgment of such party shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Supplement No. 6 be deemed to be in compliance with the requirement for the mailing thereof.

SECTION 803. CORPORATION, MASTER TRUSTEE, BOND REGISTRAR AND OWNERS ALONE HAVE RIGHTS UNDER SUPPLEMENT

NO. 6. Except as herein otherwise expressly provided, nothing in this Supplement No. 6, express or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Corporation, the Master Trustee, the Bond Registrar and the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Supplement No. 6 or any provision being intended to be and being for the sole and exclusive benefit of the Corporation, the Master Trustee, the Bond Registrar and the Owners.

SECTION 804. EFFECT OF PARTIAL INVALIDITY. All covenants, stipulations, obligations and agreements of the Corporation contained in this Supplement No. 6 shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent permitted by the Constitution and laws of the State. In case any one or more of the provisions of this Supplement No. 6 or the Series 2013A Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Supplement No. 6 or the Series 2013A Bonds, but this Supplement No. 6 and the Series 2013A Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in this Supplement No. 6 or the Series 2013A Bonds shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Corporation to the full extent permitted by law.

SECTION 805. EFFECT OF COVENANTS: GOVERNING LAW. This Supplement No. 6 is executed and delivered with the intent that the laws of the State shall govern this construction.

SECTION 806. HEADINGS. Any heading preceding the text of the several articles hereof, any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Supplement No. 6, nor shall they affect its meaning, construction or effect.

SECTION 807. FURTHER AUTHORITY. The officers, attorneys and other agents or employees of the Corporation are hereby authorized to do all acts and things required of them by this Supplement No. 6 for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Series 2013A Bonds and this Supplement No. 6.

SECTION 808. PAYMENT DUE ON NON-BUSINESS DAYS. In the case of the Series 2013A-1 Bonds, if the date for making any payment or the last day for performance of any act or the exercising of any right as provided in this Supplement No. 6 is not a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the date provided in this Supplement No. 6.

SECTION 809. MULTIPLE COUNTERPARTS. This Supplement No. 6 may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Corporation and the Master Trustee have caused this Supplement No. 6 to be executed in their respective names by their respective duly authorized officers all as of the date first written above.

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

(SEAL)

By: _____
President

ATTEST:

_____
Secretary

WELLS FARGO BANK, NA., as Master Trustee

(SEAL)

By: _____
Authorized Signatory

Attest:

_____
Authorized Signatory

EXHIBIT A

FORM OF SERIES 2013A-1 BONDS

RA-1- $_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION
REVENUE BOND, SERIES 2013A-1

Interest Rate	Maturity Date	CUSIP

Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation"), an instrumentality of the State of Florida, for value received, hereby promises to pay, but solely from the sources and in the manner hereinafter provided, to CEDE & CO. or registered assigns or legal representative (the "Owner"), on the Maturity Date set forth above, upon the presentation and surrender hereof, at the designated corporate trust office of Wells Fargo Bank, N.A., in the City of Jacksonville, Florida (the "Bond Registrar"), the principal sum of_____ DOLLARS ($_____). The Corporation also promises to pay, but solely from said sources, interest on this bond (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the interest payment date next preceding the date on which it is authenticated, unless it is authenticated on an interest payment date, in which event it shall bear interest from such interest payment date, or it is authenticated prior to [July 1, 2013], in which event it shall bear interest from its date, payable semiannually on each January 1 and July 1, the first interest payment date being [July 1, 2013], at the Interest Rate per annum set forth above until the principal sum hereof is paid. The interest so payable and punctually paid or duly provided for on any interest payment date will be paid to the person in whose name this bond (or one or more Predecessor Bonds, as defined in the Master Indenture hereinafter defined) is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month preceding the calendar month in which an interest payment date occurs. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered at the close of business on a Special Record Date (as defined in the Master Indenture) for the payment of such defaulted interest to be fixed by the Master Trustee (hereinafter mentioned), notice whereof being given to such Owners not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on

which the Series 2013A-1 Bonds (hereinafter mentioned) may be listed and upon such notice as may be required by such exchange, or as more fully provided in the Master Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

This bond is one of a duly authorized series of revenue bonds of the Corporation, designated "Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1" (the "Series 2013A-1 Bonds"), issued under and pursuant to the Constitution and laws of the State of Florida, including Section 215.555, Florida Statutes (the "Act"), a Master Trust Indenture, dated as of June 1, 2006 (as amended and supplemented, the "Master Indenture"), by and between the Corporation and Wells Fargo Bank, N.A., Jacksonville, Florida, as master trustee (the "Master Trustee"), and the Sixth Supplemental Indenture, dated as of _____, 2013 ("Supplement No. 6"), by and between the Corporation and the Master Trustee. The Master Trustee is also the Bond Registrar for the Series 2013A-1 Bonds. The Series 2013A-1 Bonds are being issued for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by any Covered Events occurring in the Contract Year ending May 31, 2013 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, [(ii) make a deposit to the credit of the Series 2013A Special Reserve Account, (iii) pay capitalized interest on the Series 2013A-1 Bonds,] and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013A-1 Bonds.

The Series 2013A-1 Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in Supplement No. 6. One bond certificate with respect to each date on which the Series 2013A-1 Bonds are stated to mature, in the aggregate principal amount of the Series 2013A-1 Bonds stated to mature on such date and registered in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York ("DTC"), is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Series 2013A-1 Bonds in the principal amount of $5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to beneficial owners of the Series 2013A-1 Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The Corporation will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. While Cede & Co. is the Owner of this bond, notwithstanding the provisions hereinabove contained, payments of principal of and interest on this bond shall

be made in accordance with the existing arrangements between the Bond Registrar and DTC.

The Corporation, the State Board of Administration, acting as the governing body and administrator of the FHCF, and the Master Trustee have entered into a Pledge and Security Agreement, dated as of June 1, 2006 (the "Pledge Agreement"), pursuant to which the State Board of Administration has pledged to the Corporation all of the right, title and interest of the FHCF in and to the Pledged Collateral (as defined in the Pledge Agreement), and has agreed to transfer directly to the Master Trustee the Pledged Collateral in such amounts and at such times as are required to provide for the timely payment of the principal of and interest on the Series 2013A-1 Bonds.

The Series 2013A-1 Bonds are special obligations of the Corporation secured by a pledge, security interest in and lien upon the Net Receipts (as defined in the Master Indenture) and an assignment of the Corporation's right, title and interest in and to the Pledge Agreement (subject to the reservation of certain rights of the Corporation). The Corporation is not obligated to pay the principal of or the interest on the Series 2013A-1 Bonds except as provided in the Master Indenture from Net Receipts, and neither the faith and credit nor the taxing power of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of and the interest on the Series 2013A-1 Bonds. The Corporation has no taxing power. The Master Indenture provides for the issuance from time to time under the conditions, limitations and restrictions therein set forth of additional bonds and Parity Debt (as defined in the Master Indenture) secured on a parity as to the pledge of Net Receipts with the Series 2013A-1 Bonds. The Series 2013A-1 Bonds are being issued on parity under the Master Indenture with the Corporation's Series 2008A Bonds, the Series 2010A Bonds and the Floating Rate Notes, Series 2013A-2.

The Master Indenture provides for the creation of a special fund designated "Florida Hurricane Catastrophe Fund Finance Corporation Bond Fund (the "Bond Fund"). Pursuant to Supplement No. 6, special subaccounts have been created within the various accounts of the Bond Fund with respect to the Series 2013A-1 Bonds (the "Subaccounts"), which Subaccounts are charged with the payment of the principal of and the interest on the Series 2013A-1 Bonds. Supplement No. 6 also provides for the deposit of Net Receipts to the credit of the Subaccounts to the extent and in the manner provided in the Master Indenture.

The Series 2013A-1 Bonds are subject to redemption prior to their respective stated maturities as described below.

[REDEMPTION PROVISIONS - TO COME]

Under the Master Indenture, in certain events of defaults, on the conditions, in the manner and with the effect, the principal of all Parity Obligations then outstanding may be declared to be and become due and payable prior to the stated maturities thereof, together with the interest accrued thereon.

Reference is made to the Master Indenture, Supplement No. 6 and the Pledge Agreement for a more complete statement of the provisions thereof and of the rights of the Corporation, the Master Trustee and the Owners of the Series 2013A-1 Bonds. Copies of the Master Indenture, Supplement No. 6 and the Pledge Agreement shall be available for inspection by any Owner of the Bonds at all reasonable times at the designated corporate trust office of the Master Trustee. By the purchase and acceptance of this bond, the Owner hereof signifies assent to all of the provisions of the Master Indenture, Supplement No. 6 and the Pledge Agreement.

At the designated corporate trust office of the Bond Registrar, in the manner and subject to the conditions provided in the Master Indenture, Series 2013A-1 Bonds may be exchanged for an equal aggregate principal amount of Series 2013A-1 Bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its designated corporate trust office books for the registration of transfer of the Series 2013A-1 Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Master Indenture upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the Owner hereof or such Owner's attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Series 2013A-1 Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate.

This bond, notwithstanding the provisions for registration of transfer stated herein and contained in the Master Indenture and Supplement No. 6, at all times shall be, and shall be understood to be, an investment security within the meaning of and for all the purposes of the Uniform Commercial Code of Florida. This bond is issued with the intent that the laws of the State of Florida shall govern its construction.

Modifications or alterations of the Master Indenture and Supplement No. 6 or in any supplement indenture thereto may be made only to the extent and in the circumstances permitted by the Master Indenture and Supplement No. 6, as the case may be.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this bond and the execution and delivery of the Master

Indenture and Supplement No. 6 have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Master Indenture or Supplement No. 6 until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Florida Hurricane Catastrophe Fund Finance Corporation has caused this bond to be manually signed by its President and Secretary and its corporate seal to be impressed hereon, all as of the ____ day of _____, 2013.

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

(SEAL)

_____
President

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION

This bond is a Bond of the Series designated therein and issued under the provisions of the within-mentioned Master Indenture and Supplement No. 6.

Date of Authentication:

_____

WELLS FARGO BANK, N.A.,
Bond Registrar

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____

Insert Social Security or Other Identifying Number of Assignee

_____

(Name and Address of Assignee)

_____

the within Bond and does hereby irrevocably constitute and appoint _____, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

_____

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

EXHIBIT B

FORM OF SERIES 2013A-1 NOTES

RA-2- Principal Amount: $_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION
FLOATING RATE NOTE, SERIES 2013A-2

Dated Date CUSIP

(1) FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION, a public benefits corporation and an instrumentality of the State of Florida (herein called the "Corporation," which term includes any successor corporation under the Master Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., the principal sum of _____ Dollars $_____) on _____ (the "Maturity Date") and to pay interest thereon, from and including _____, 2013 (the "Dated Date") to but excluding _____, 2013 at the Initial Interest Rate (as defined below) and from and including _____, 2013 to but excluding the Maturity Date, monthly in arrears on the 1st day of each month of each year (each, an "Interest Payment Date"), beginning on _____, 2013, at a rate per annum equal to [one-month] LIBOR (as defined below) plus ____% until the principal hereof is paid or made available for payment. The initial interest rate shall be equal to the interpolation of [one-month] LIBOR and [two-month] LIBOR, each determined two London Banking Days prior to the Dated Date, plus ____% per annum (the "Initial Interest Rate") as determined by Wells Fargo Bank, N.A., as calculation agent for this Note (the "Calculation Agent"), as described below.

(2) The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date shall, as provided in the Indenture, be paid to the Person in whose name this Note is registered at the close of business on the fifteenth calendar day, whether or not a Business Day, prior to the applicable Interest Payment Date (each such date, a "Regular Record Date"). Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice of which shall be given to Holders of Notes not less than 10 days prior to such Special Record Date and shall otherwise be payable, all as more

fully provided in the Indenture. Interest on this Note at maturity shall be payable to the Persons to whom principal is payable. "Business Day" shall mean any day, other than Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in The City of New York are authorized or required by law, regulation or executive order to close and is also a London Banking Day. "London Banking Day" means any day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

(3) Interest shall be computed based on an actual number of days elapsed over a year of 365 or 366 days, as the case may be. Interest payments on this Note shall be the amount of interest accrued from and including the Dated Date or the most recent Interest Payment Date on which interest has been paid to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be.

(4) If any Interest Payment Date, other than the Maturity Date, falls on a day that is not a Business Day, the Interest Payment Date shall be postponed to the next succeeding Business Day, except if that Business Day falls in the next succeeding calendar month, the Interest Payment Date shall be the immediately preceding Business Day. If the Maturity Date falls on a day that is not a Business Day, the payment of interest and principal shall be made on the next succeeding Business Day with the same force and effect as if made on the day such payment was due, and no interest on this Note shall accrue for the period from and after the Maturity Date.

(5) The rate of interest on this Note shall be reset monthly (the "Interest Reset Period," and the first day of each Interest Reset Period shall be an "Interest Reset Date"). The Interest Reset Dates for this Note shall be _____, 2013 and thereafter the 1st day of each month of each year; provided that the interest rate in effect from and including the Dated Date to but excluding the first Interest Reset Date shall be the Initial Interest Rate. If any Interest Reset Date falls on a day that is not a Business Day, the Interest Reset Date shall be postponed to the next succeeding Business Day.

(6) The Corporation has appointed Wells Fargo Bank, N.A., Jacksonville, Florida, a national banking association, as the Calculation Agent for this Note. As used in this Note, the term "Calculation Agent" includes any successor calculation agent duly appointed by the Corporation. Upon the request of the Holder of this Note, the Calculation Agent shall provide the interest rate then in effect and, if determined, the interest rate that shall become effective on the next Interest Reset Date. The determination of the interest rate by the Calculation Agent shall be final and binding absent manifest error. If for any reason the interest rate shall not be established on an Interest Reset Date, this Note shall bear interest at the interest rate last in effect until such time as a new interest rate is established pursuant to the terms of the Indenture.

(7) The Calculation Agent shall determine the Initial Interest Rate by reference to LIBOR on the second London Banking Day preceding the Dated Date and the interest rates for each succeeding Interest Reset Period by reference to LIBOR on the second London Banking Day preceding the applicable Interest Reset Date, each of which is referred to herein as an "Interest Determination Date."

(8) [One-month] LIBOR, with respect to an Interest Determination Date, shall be the rate (expressed as a percentage per annum) for deposits in United States dollars for a one-month period that appears on Reuters on page LIBOR01 (or any other page as may replace such page on such service (or any successor service) for the purpose of displaying the London interbank rates of major banks for United States dollars) ("Reuters Page LIBOR01 ") as of 11:00 a.m., London time, on the Interest Determination Date. If Reuters Page LIBOR01 does not include this rate or is unavailable on the Interest Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market (which may include affiliates of the underwriters), as selected by the Calculation Agent, to provide that bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for deposits in a principal amount that is representative of a single transaction in United States dollars for a one-month period beginning on the second London Banking Day after the Interest Determination Date. If at least two offered quotations are so provided, LIBOR for such Interest Determination Date will be the arithmetic mean of those quotations. If fewer than two quotations are so provided, the calculation agent will request each of three major banks in The City of New York (which may include affiliates of the underwriters), as selected by the Calculation Agent, to provide that bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., New York City time, on the Interest Determination Date for loans in a principal amount that is representative of a single transaction in United States dollars to leading European banks for a one-month period beginning on the second London Banking Day after the Interest Determination Date. If at least two rates are so provided, LIBOR for such Interest Determination Date will be the arithmetic mean of those rates. If fewer than two rates are so provided, then LIBOR for such Interest Determination Date will be LIBOR in effect on such Interest Determination Date. [The interest rate shall never exceed an interest rate per annum equal to the lesser of the maximum interest rate permitted by law or 12%.]

(9) Accrued interest on this Note shall be calculated by multiplying the principal amount of this Note by an accrued interest factor. The accrued interest factor shall be computed by adding the interest factors calculated for each day in the period for which interest is being paid. The interest factor for each day is computed by dividing the interest rate applicable to that day by 365 or 366, as the case may be. The interest rate in effect on any Interest Reset Date shall be the applicable rate as reset on that date. The interest rate applicable to any other day is the interest rate from the immediately

preceding Interest Reset Date, or, if none, the Initial Interest Rate. All percentages used in or resulting from any calculation of the rate of interest on this Note shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005% rounded up to 0.00001%), and all U.S. dollar amounts used in or resulting from these calculations shall be rounded to the nearest cent (with one-half cent rounded upward).

(10) Payments of principal shall be made upon the surrender of this Note at the corporate trust office of the Bond Registrar designated for such purpose in the Borough of Manhattan, The City and State of New York, or in the City of Jacksonville, Florida, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, by Dollar check drawn on, or transfer to, a Dollar account. Payments of interest on this Note may be made by Dollar check, drawn on a Dollar account, mailed to the address of the Person entitled thereto as such address shall appear in the registration books of the Bond Registrar, or, upon written application by the Holder to the Bond Registrar setting forth wire instructions not later than the relevant Record Date, by wire transfer to a Dollar account.

(11) Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee referred to on the reverse hereof or an Authenticating Agent by the manual signature of one of their respective authorized signatories, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

(12) This Note is one of a duly authorized series of obligations of the Corporation designated for purposes of sale as its "Florida Hurricane Catastrophe Fund Finance Corporation Floating Rate Notes, Series 2013A-2" (herein called the "Notes"), and issued in aggregate principal amount of up to $_____, under a Master Trust Indenture, dated as of June 1, 2006 (which as heretofore supplemented is herein called the "Master Indenture"), between the Corporation and Wells Fargo Bank, N.A., as Master Trustee (herein called the "Master Trustee," which term includes any successor trustee under the Master Indenture), and a Sixth Supplemental Indenture, dated as of _____, 2013, between the Corporation and the Trustee (the "Supplement No. 6"; the Master Indenture, as supplemented by Supplement No. 6 and as further supplemented and amended, is herein called the "Indenture"), to which Indenture including all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Corporation, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. As provided in the Indenture and subject to certain limitations therein set forth, Notes are exchangeable for a like aggregate principal amount of Notes of any authorized denominations as requested by the Holder surrendering the same upon surrender of the Note or Notes to be exchanged, at the corporate trust office designated for the purpose by the Bond Registrar. The Bond Registrar upon such surrender by the Holder shall issue the new Notes in the requested denominations.

(13) The Notes are not subject to optional redemption prior to _____, ____. The Notes are redeemable prior to their stated maturity date, at the option of the Corporation, in part (in a manner determined by the Corporation) or as a whole, on _____, ____, and if such date is not a Business Day, the next succeeding Business Day, and on any Interest Payment Date thereafter, at a redemption price equal to the principal amount of the Notes to be redeemed, together with interest accrued to the date of redemption, plus the following redemption premium, expressed as a percentage of the principal amount of the Notes so redeemed, in the following periods:

Redemption Period	Redemption Price

Redemption of the Notes shall occur on not less than 10 Business Days' notice to the holder of such Notes and the Master Trustee. Failure of the Master Trustee to provide notice to a holder of a Note as described in the preceding sentence shall not prevent the redemption of any Note with respect to which no such failure has occurred.

(14) The Notes rank equally among themselves and with all of the Corporation's other Parity Obligations heretofore and hereafter issued.

(15) The Corporation may, without the consent of the Holders of the Notes, issue additional Parity Obligations in accordance with and subject to compliance with the applicable provisions of the Indenture. The Notes and any additional Parity Obligations shall rank and be secured equally and ratably under, except as otherwise provided by, the Indenture.

(16) The Notes are issuable only in registered form without coupons in denominations of $100,000, and integral multiples of $1,000 in excess thereof.

(17) Upon the happening and continuance of an Event of Default in payment of principal or interest (but no other Event of Default), the principal of all the Parity Obligations, including the Notes may be declared due and payable, together with accrued interest to the date of declaration, in the manner and with the effect provided in the Indenture.

(18) The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the Holders of the Parity Obligations under the Indenture at any time by the Corporation and the Trustee with the written consent of the Holders of not less than a majority in principal amount of the Notes at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount

of the Parity Obligations at the time Outstanding, on behalf of the Holders of all the Parity Obligations, to waive compliance by the Corporation with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note or such other Note.

(19) Supplement No. 6 permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the Holders of the Bonds issued under Supplement No. 6 at any time by the Corporation and the Trustee with the written consent of the Holders of not less than a majority in principal amount of the Bonds issued under Supplement No. 6 at the time Outstanding. Any such consent by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Note or such other Note.

(20) Except as provided in the last sentence of this paragraph, no Owner or Holder shall have any right to institute any suit, action or proceeding in equity or at law on any Parity Obligations unless such Owner or Holder previously (a) has given to the Master Trustee written notice of the Event of Default on account of which suit, action or proceeding is to be instituted, (b) has requested the Master Trustee to take action after the right to exercise such powers or right of action, as the case may be, shall have accrued, (c) has afforded the Master Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceedings in its or their name, and (d) has offered to the Master Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Master Trustee shall have refused or neglected to comply with such request within a reasonable time; provided, however, that the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Owners or Holders. Furthermore, nothing in the Indenture shall affect or impair the right of any Owner or Holder to enforce the payment of the principal of and interest on the Notes owned by it.

(21) No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

(22) As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the books of registration kept by the Bond

Registrar upon surrender of this Note for registration of transfer at the corporate trust office designated for such purpose by the Bond Registrar in the Borough of Manhattan, The City and State of New York or the City of Jacksonville, Florida, or at such other offices or agencies as the Corporation may designate, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Bond Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, shall be issued to the designated transferee or transferees by the Bond Registrar. No service charge shall be made for any such registration of transfer or exchange, but the Corporation may require payment of a sum sufficient to recover any tax or other governmental charge payable in connection therewith.

(23) Prior to due presentation of this Note for registration of transfer, the Corporation, the Trustee, the Bond Registrar and any agent of the Corporation, the Trustee or the Bond Registrar may treat the Person in whose name this Note is registered as the owner thereof for all purposes, whether or not this Note be overdue, and neither the Corporation, the Trustee, the Bond Registrar nor any such agent shall be affected by notice to the contrary.

(24) No recourse under, or upon, any statement, obligation, covenant or agreement contained in the Indenture or in this Note, or in any document or certification whatsoever, or under any judgment obtained against the Corporation or the State Board of Administration, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member, officer or employee of the Corporation or the State Board of Administration, either directly or through the Corporation or the FHCF for the payment for or to, the Corporation or any receiver of it, or for, or to, any Owner or Holder or otherwise, of any sum that may be due and unpaid upon this Note. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Corporation or any receiver of either of them, or for, or to, any Owner, Holder or otherwise, of any sum that may remain due and unpaid upon this Note is hereby expressly waived and released by the acceptance by the Holder hereof and as part of consideration for the issue hereof.

(25) THE INDENTURE AND THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA.

(26) All capitalized terms used in this Note but not defined herein that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

IN WITNESS WHEREOF, the Florida Hurricane Catastrophe Fund Finance Corporation has caused this Note to be manually signed by its President and Secretary and its corporate seal to be impressed hereon, all as of the ____ day of _____, 2013.

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION

(SEAL)

_____
President

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION

This bond is a Note of the Series designated therein and issued under the provisions of the within-mentioned Master Indenture and Supplement No. 6.

Date of Authentication:

_____

WELLS FARGO BANK, N.A.,
Bond Registrar

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____

Insert Social Security or Other Identifying Number of Assignee

_____

(Name and Address of Assignee)

_____

the within Note and does hereby irrevocably constitute and appoint _____, as attorneys to register the transfer of the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

_____

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

EXHIBIT C

FORM OF CALCULATION AGENT AGREEMENT

Form of Bond Purchase Contract

- Parties are SBA, Corporation, and Underwriters
- Establishes the terms pursuant to which the Underwriters will purchase the bonds

Florida Hurricane Catastrophe Fund Finance Corporation
Revenue Bonds, Series 2013A

$_____	$_____
Series 2013A-1	**Series 2013A-2**
	(SIFMA Floating Rate Notes)

_____, 2013

BOND PURCHASE CONTRACT

_____ (the "Senior Manager"), acting for itself and on behalf of _____; _____; _____; and _____ (collectively, including the Senior Manager, the "Underwriters"), offers to enter into the following agreement (the "Purchase Contract") with the Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation"). The offer made hereby is subject to acceptance thereof by execution of this Purchase Contract and its delivery to the Senior Manager or counsel to the Underwriters at or prior to 4:00 p.m., Tallahassee time, on the date hereof or such later date or time as may be mutually agreed upon by the Underwriters and the Corporation, and if not so accepted, will terminate. All capitalized undefined terms used herein shall have the meanings set forth in the hereinafter defined Indenture.

The Corporation acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Contract is an arm's-length commercial transaction between the Corporation and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Corporation, (iii) the Underwriters have not assumed (individually or collectively) a fiduciary responsibility in favor of the Corporation with respect to the offering of the Bonds or the process leading thereto (whether or not any Underwriter, or any affiliate of an Underwriter, has advised or is currently advising the Corporation on other matters) or any other obligation to the Corporation except the obligations expressly set forth in this Purchase Contract and (iv) the Corporation has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds (as defined herein).

1. Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the Corporation for a bona fide offering to the public and the Corporation hereby agrees to sell and deliver to the Underwriters for such purpose, all (but not less than all) of the $_____ Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1 (the "2013A-1 Bonds") and $_____ Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-2 (SIFMA Floating Rate Notes) (the "2013A-2 Bonds" and, together with the 2013A-1 Bonds, the "Bonds"). The Bonds will be dated the date of their

delivery. The interest on the 2013A-1 Bonds will be payable from their dated date semi-annually each January 1 and July 1, beginning January 1, 20__. Interest on the Series 2013A-2 Bonds will be payable monthly in arrears on the first day of each calendar month commencing on _____, 2013. The purchase price for the Bonds is $_____ (which is the aggregate principal amount of the Bonds, less Underwriters' discount of $_____, plus original issue net premium of $_____). As used in this Purchase Contract, "Closing" shall mean the payment for and delivery of the Bonds and the other actions contemplated by this Purchase Contract to take place at the time of such payment and delivery.

The difference between the purchase price for the Bonds and the prices at which the Bonds are initially offered to the investing public set forth in Exhibit A, attached hereto, is herein referred to as the "Underwriters' Spread" and the components of the Underwriters' Spread are as they appear on the "Memorandum of Understanding of Pricing" in Exhibit A.

2. Prior to the date hereof, the Corporation has provided to the Underwriters for their review the Preliminary Official Statement of the Corporation relating to the Bonds, dated _____, 2013 (such Preliminary Official Statement including the cover page and all exhibits and appendices thereto and attached hereto as Exhibit B, the "Preliminary Official Statement"). The Corporation hereby ratifies and approves the distribution of the Preliminary Official Statement by the Underwriters in connection with the offering for sale of the Bonds. The Corporation shall, at its expense, deliver, or cause to be delivered, to the Underwriters within seven (7) business days after the date hereof but not later than two (2) business days prior to the Closing and in sufficient time to accompany any confirmation that requests payment from any customer such number of copies of the Official Statement (as defined below) as the Underwriters shall reasonably request, but not to exceed 3,500 copies, in order to comply with all applicable rules of the Municipal Securities Rulemaking Board ("MSRB") and Rule 15c2-12(b)(4) of the Securities and Exchange Commission ("SEC").

As of the date of the Preliminary Official Statement, the Preliminary Official Statement was "deemed final" (except for permitted omissions) by the Corporation for purposes of SEC Rule 15c2-12(b)(1). The final Official Statement to be dated the date hereof (the "Official Statement") for purposes of Rule 15c2-12(b)(3) and (4) of the SEC, which will be determined to be final by the execution thereof by the Corporation, will be in substantially the form of the Preliminary Official Statement, with such changes to the Preliminary Official Statement as are necessary to include the terms and provisions of this Purchase Contract.

From the date hereof until the end of the underwriting period (as hereinafter defined), if the Corporation becomes aware of any event which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Corporation shall notify the Underwriters and if, in the reasonable opinion of the Corporation or the Underwriters, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the Corporation, at its expense (unless such amendment or supplement is as a result of misinformation provided by the Underwriters, in which case the expense shall be borne by

the Underwriters), promptly shall prepare, in a form and in a manner approved by the Underwriters, an appropriate amendment or supplement thereto so that the statements in the Official Statement as so amended or supplemented will not, in light of the circumstances under which they were made, be inaccurate, incomplete or misleading.

The term "end of the underwriting period" means the later of (i) the date of the Closing, or (ii) the date on which the Underwriters do not retain an unsold balance of the Bonds for sale. Unless the Underwriters otherwise notify the Corporation in writing, the Corporation may treat the Closing as the end of the underwriting period.

The Bonds shall be as described in, and shall be issued and secured under, a resolution of the Corporation adopted on _____, 2013, and the provisions of a Master Trust Indenture dated as of June 1, 2006 (the "Master Indenture"), between the Corporation and Wells Fargo Bank, N.A., Jacksonville, Florida, as Master Trustee, as supplemented by the Sixth Supplemental Indenture dated as of _____ 1, 2013 (together with the Master Indenture, the "Indenture"), and pursuant to a Pledge and Security Agreement dated as of June 1, 2006 (the "Pledge Agreement") among the State Board of Administration of Florida, as administrator of the Florida Hurricane Catastrophe Fund (the "FHCF") (in this capacity, the "State Board of Administration"), the Corporation and the Master Trustee. The Bonds shall be dated, shall mature on such dates and in such amounts, shall bear interest at the rates as are set forth in Exhibit A attached hereto and shall have such other terms and provisions as are described in the Indenture.

[describe final redemption provisions]

The Senior Manager hereby represents that (a) it is authorized by each of the other Underwriters, as evidenced by the Agreement Among Underwriters (the "AAU") (or other agreement or written authorization) attached hereto as Exhibit C, to execute this Purchase Contract, to act on their behalf and to take such action as it may deem advisable with respect to all matters pertaining to this Purchase Contract; (b) each Underwriter is registered as a municipal securities dealer under the Securities Exchange Act of 1934, as amended; (c) the Senior Manager has not, and, based solely on certifications made to the Senior Manager by the Underwriters other than the Senior Manager in the AAU, such other Underwriters have not, been convicted or entered a plea of guilty or nolo contendere to fraud in a federal or state court, during the two year period immediately preceding the date of this Purchase Contract; and (d) it has provided to the Corporation a disclosure statement in a form agreed to by the Corporation and the Underwriters, which is attached as Exhibit E to this Purchase Contract. The payment for, acceptance of and execution and delivery of any receipt for the Bonds and any other instruments or documents at or in connection with the Closing shall be made solely by the Senior Manager, for and in the name and on behalf of the Underwriters and shall be valid and sufficient for all purposes and binding upon each of the Underwriters; *provided, however,* that none of such actions by the Senior Manager shall impose any obligation or liability upon the Senior Manager or any other Underwriter, other than an obligation or liability set forth expressly in this Purchase Contract.

The Senior Manager, on behalf of the Underwriters, shall deliver to the order of the Corporation an amount equal to $_____ by wire transfer to be received by the Corporation no later than 2:00 p.m. Eastern Time, on the date of execution of this Purchase Contract (such wire transfer being hereinafter referred to as the "Good Faith Wire"). If the Good Faith Wire is not received in the amount and at the time set forth in this paragraph, the Corporation reserves the right to cancel this Purchase Contract. In the event the Corporation does not accept this offer, such Good Faith Wire shall be immediately returned to the Senior Manager. If the offer is hereby accepted, the Corporation agrees to hold the Good Faith Wire until Closing as security for the performance by the Underwriters at the Closing, and the Good Faith Wire shall be applied to the purchase price for the Bonds. Interest on the Good Faith Wire shall accrue to the benefit of the Corporation and shall not offset the amount due from the Underwriters at Closing. In the event the Underwriters fail to purchase the Bonds at the Closing, unless such failure is permitted as herein provided, the Good Faith Wire and the interest accrued thereon shall be retained by the Corporation as full liquidated damages for such failure and, except as set forth in Paragraphs 10 and 11 hereof, neither party hereto shall have any further rights against the other hereunder.

3. The Underwriters agree to make an initial public offering of all of the Bonds at not in excess of the public offering prices or yields set forth on the cover of the Official Statement. If such offering does not result in the sale of all of the Bonds, the Underwriters may offer and sell the Bonds at prices lower or higher than the offering prices or yields set forth on the cover of the Official Statement. A group of selected dealers may be created by the Underwriters. At Closing, the Underwriters agree to execute an issue price certificate in form acceptable to Bond Counsel.

4. The Corporation hereby authorizes the use by the Underwriters of the Indenture, the Pledge Agreement and the Official Statement, including any supplements or amendments thereto, in connection with the public offering and sale of the Bonds.

5. The Corporation hereby represents and agrees with the Underwriters that:

(a) The Corporation is a public benefits corporation and instrumentality of the State of Florida with the powers and authority set forth in Section 215.555, Florida Statutes, as amended and supplemented from time to time (the "Act");

(b) The Corporation has full legal right, power and authority to and has taken all necessary official actions to: (i) enter into this Purchase Contract, (ii) enter into the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement dated as of the date of Closing between the Corporation and the State Board of Administration (the "Continuing Disclosure Agreement"), (iii) sell, issue and deliver the Bonds to the Underwriters as provided herein, (iv) use the proceeds from the sale of the Bonds for the purposes described in the Official Statement, (v) secure the Bonds as provided in the Indenture and the Pledge Agreement and to pledge the Trust Estate (as hereinafter defined) to the Master Trustee as provided in the Indenture, and (vi) carry out and

consummate the transactions contemplated by this Purchase Contract, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and as of the date of Closing will be in compliance in all material respects with the terms of the Act, the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement;

(c) (1) By all necessary official actions, the Corporation has (i) duly authorized the execution and delivery of the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, (ii) duly authorized the distribution of the Preliminary Official Statement, and (iii) duly authorized the execution and delivery of the Bonds and the performance by the Corporation of the obligations on its part contained or described in the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement, and this Purchase Contract, and the consummation by the Corporation of all other transactions contemplated thereby to be undertaken by the Corporation in connection with the issuance of the Bonds;

(2) Upon delivery and execution by the Corporation and the Master Trustee and assuming the due authorization, execution and delivery of the Indenture by the Master Trustee, the Indenture will constitute a legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. Upon execution by the Corporation and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto), this Purchase Contract, and the Continuing Disclosure Agreement will constitute the legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity. Neither the Master Indenture nor the Pledge Agreement have been amended since their execution as of June 1, 2006, and the Master Indenture and the Pledge Agreement constitute valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity;

(3) The Bonds, when issued and delivered to the Underwriters in accordance with the Indenture and this Purchase Contract, will constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(d) To the best knowledge of the Corporation:

(1) the Corporation is not, and as of the Closing will not be, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract;

(2) The execution and delivery of the Indenture, the Pledge Agreement, the Bonds, the Continuing Disclosure Agreement, and this Purchase Contract and compliance with the provisions on the part of the Corporation contained therein, will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, which breach or default would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best knowledge of the Corporation will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Trust Estate (as hereinafter defined) except as provided by the Bonds, the Indenture, and the Pledge Agreement;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the Corporation for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with the issuance of the Bonds or for the execution and delivery of this Purchase Contract, the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, have been duly obtained;

(f) The Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be entitled to the benefits of the Indenture and the Pledge Agreement; and upon such issuance, execution and delivery, the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and prior lien upon the moneys

pledged by the State Board of Administration pursuant to the Pledge Agreement, consisting of the Reimbursement Premiums and earnings thereon, Emergency Assessments and earnings thereon, net proceeds of the Bonds until spent, investment earnings on proceeds of Pre-Event Bonds, net receipts from Derivative Agreements, if any, and Other Pledged Money remaining after the payment of Current Expenses of the Florida Hurricane Catastrophe Fund (the aforementioned moneys are collectively referred to as "Pledged Collateral"), Net Receipts (as defined in the Indenture) and the **[Series 2013A Special Reserve Account]** established under the Indenture (the Net Receipts, Pledged Collateral and **[Series 2013A Special Reserve Account]** are collectively referred to herein as the "Trust Estate"), subject only to the provisions of the Indenture and the Pledge Agreement permitting the application thereof on the terms and conditions set forth in the Indenture and the Pledge Agreement;

(g) As of the date hereof, except as described in the Official Statement or previously disclosed in writing to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the Corporation, threatened against the Corporation, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge or collection of the Trust Estate pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of and lien upon the Trust Estate, or contesting or affecting as to the Corporation, the validity or enforceability of the Act in any respect relating to the authorization for the issuance of the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, this Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Corporation or any authority for the issuance of the Bonds, or the execution and delivery by the Corporation of the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and this Purchase Contract;

(h) The Corporation will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (1) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (2) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions or to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Corporation shall not be required to (1) spend money, (2) execute a general or special consent to service of process or (3) qualify to do business in connection with any such qualification or determination in any jurisdiction;

(i) At the time of the Corporation's acceptance hereof and (unless an event occurs of the nature described in the third paragraph of Section 2 hereof) at all times

subsequent thereto up to and including the date of the Closing, to the best knowledge of the Corporation, the Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) At Closing, the Official Statement will not, to the best knowledge of the Corporation, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(k) Any certificate signed by an authorized official of the Corporation and delivered to the Underwriters shall be deemed a representation by the Corporation to the Underwriters as to the statements made therein;

(l) The Corporation is not in default and has not been in default at any time after December 31, 1975 as to principal or interest with respect to an obligation issued or guaranteed by the Corporation which would require disclosure pursuant to Section 517.051, Florida Statutes, as amended; and

(m) The Corporation has not been notified of any listing or the proposed listing of the Corporation by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon, and the Corporation has never failed to comply with any continuing disclosure obligations previously undertaken by the Corporation, if any, in accordance with the continuing disclosure requirements of Rule 15c2-12 of the SEC.

6. On _____, 2013, or on such other date as may be mutually agreed upon by the Corporation and the Underwriters as the Closing date, the Corporation shall, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by immediately available funds to the order of the Corporation. Delivery and payment as aforesaid shall be made at such place as may be mutually agreed upon by the Corporation and the Underwriters. At or prior to 1:00 p.m. New York time on the Closing date, the Corporation shall deliver or cause to be delivered to the Underwriters through the facilities of The Depository Trust Company ("DTC"), New York, New York, or through the Bond Registrar on behalf of DTC via its F.A.S.T. delivery system, the Bonds in definitive form (one typewritten Bond for each maturity and registered in the name of Cede & Co., as the nominee of DTC), duly executed and authenticated, together with the items identified in Section 9 below. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of the Bonds in accordance with the terms of this Purchase Contract. The Bonds

shall be prepared and made available to the Underwriters at least 24 hours before the Closing date for purposes of inspection.

7. (a) The State Board of Administration, by execution of an endorsement and acceptance of this Purchase Contract, agrees to:

(i) furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (1) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (2) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions or to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the State Board of Administration shall not be required to (1) spend money, (2) execute a general or special consent to service of process or (3) qualify to do business in connection with any such qualification or determination in any jurisdiction;

(ii) deliver to the Underwriters its certificate to the effect that the audited financial records of the FHCF for the fiscal year ended June 30, 2012 and June 30, 2011, contained in the Official Statement as Appendix B thereto, to the best of its knowledge, present fairly the financial position of the FHCF as of the dates indicated and the results of its operations for the periods specified, and other financial information and statistical data relating to the FHCF and included in the Official Statement are, to the best of its knowledge, true and correct as of the date hereof; and

(iii) certify at the Closing that all liens, encumbrances, covenants, conditions and restrictions, if any, to the real and personal property of the FHCF will not interfere with or impair the operations of the FHCF;

(b) The State Board of Administration, by execution of an endorsement and acceptance of this Purchase Contract, represents and agrees with the Underwriters that it has full legal right, power and authority to and has taken all necessary official actions to: (i) acknowledge and accept the provisions of this Purchase Contract, (ii) adopt appropriate resolutions authorizing and requesting the issuance and sale of the Bonds, and (iii) carry out and consummate the transactions contemplated by this Purchase Contract, the Pledge Agreement, the Continuing Disclosure Agreement and other appropriate resolutions of the State Board of Administration, and the Official Statement and that the State Board of Administration has complied, as of the date of this Purchase

Contract, and at the Closing will be in compliance in all material respects, with the obligations on its part in connection with the issuance of the Bonds contained in the Pledge Agreement and other appropriate resolutions of the State Board of Administration, the Bonds and this Purchase Contract, including execution of its endorsement and acceptance hereto;

(c) The State Board of Administration hereby represents and agrees with the Underwriters as follows:

(i) At the time of the State Board of Administration's endorsement and acceptance hereof, the portions of the Preliminary Official Statement relating to the State Board of Administration and the Florida Hurricane Catastrophe Fund under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2013A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY OF THE 2013A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," and "APPENDIX B – FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011" do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) At Closing the portions of the Official Statement relating to the State Board of Administration and the Florida Hurricane Catastrophe Fund under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2013A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY OF THE 2013A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," and "APPENDIX B – FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011" will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(iii) The Pledge Agreement has not been amended since its execution as of June 1, 2006, and constitutes a legal, valid and binding obligation of the State Board of Administration, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar

laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(d) The State Board of Administration hereby further represents and agrees with the Underwriters that, to the best knowledge of the State Board of Administration:

(i) The State Board of Administration is currently not, and as of the Closing will not be, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement or this Purchase Contract;

(ii) The execution and delivery of the Pledge Agreement, the Bonds and this Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained therein will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement, or this Purchase Contract, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the FHCF except as provided by the Pledge Agreement;

(iii) as of the date hereof, and as of the date of Closing, except as otherwise described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has

been made) or, to the best knowledge of the State Board of Administration, threatened against the State Board of Administration, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge or collection of the Pledged Collateral pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of and lien upon the Pledged Collateral and upon the **[Series 2013A Special Reserve Account]**, or contesting or affecting the authorization for the issuance of the Bonds, the appropriate resolutions of the State Board of Administration, this Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any supplement or amendment thereto, or contesting the powers of the State Board of Administration or any authority for the issuance of the Bonds, the adoption of the appropriate resolutions of the State Board of Administration or the acknowledgement and acceptance by the State Board of Administration of this Purchase Contract; and

(iv) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under this Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have been duly obtained.

8. The Underwriters shall have the right to cancel their obligations to purchase the Bonds if, between the date hereof and the date of Closing,

(a) legislation shall have been enacted by the Congress, or recommended by the President of the United States to the Congress for passage, or favorably reported for the passage of either House of Congress by any Committee of either House or proposed for consideration by a Conference Committee of the House and Senate, or passed by either House of Congress, with an effective date being prior to the date of issuance of the Bonds, or a decision by a court of the United States shall have been rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall have been made, the effect of which is that the Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; or

(b) a stop order, ruling or regulation by the Securities and Exchange Commission shall have been issued or made, the effect of which, in the reasonable opinion of Bond Counsel, is that the issuance, offering or sale of the Bonds as contemplated hereby or by the final Official Statement, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or of the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; or

(c) there shall exist any event which either (A) makes untrue or incorrect any statement of material fact contained in the Official Statement or (B) is not reflected in the Official Statement but should be reflected therein in order to make any statement of material fact contained therein, in light of the circumstances under which it was made, not misleading and, in either such event, after the Underwriters have notified the Corporation and given the Corporation a reasonable opportunity to correct or supplement the Official Statement to take into account the events referred to in (A) or (B) above, the Corporation refuses to permit the Official Statement to be supplemented to correct or supply such statement or information, or the statement or information as supplemented is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(d) a war involving the United States shall have been declared or the escalation of war or major hostilities involving the United States, the effect of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(e) there shall be in force by the New York Stock Exchange a general suspension of trading securities, maximum or minimum prices for trading securities or maximum ranges or prices for securities, the effect of any of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(f) a general banking moratorium shall have been declared by federal, Florida or New York authorities such as would materially adversely affect the sale of the Bonds by the Underwriters or a material disruption in the commercial banking, securities settlement or clearance services shall have occurred which would materially adversely affect the ability to settle the purchase of the Bonds at Closing; or

(g) there shall have occurred since June 30, 2012, any material change in the financial affairs of the FHCF from that reflected in the audited financial records of the FHCF included in the Official Statement other than as disclosed in the Official Statement, and after the Underwriters have notified the Corporation and given the Corporation a reasonable opportunity to supplement or correct the Official Statement to reflect such change in the financial affairs of the FHCF, the Corporation refuses to permit the Official Statement to be supplemented or corrected, or such change in the financial

affairs of the FHCF as reflected in the supplemented or corrected Official Statement is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(h) except as disclosed in the Preliminary Official Statement and any subsequent disclosure wire or document agreed to by the parties hereto, an order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement or prohibiting the adoption or performance of the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, or any applicable resolutions of the Corporation or the State Board of Administration; or

(i) any of the underlying ratings on the Bonds or on the Corporation's outstanding Parity Obligations are withdrawn or modified downward; or

(j) there shall have occurred any outbreak or escalation of hostilities (whether or not foreseeable at the time of execution hereof) or other national or international calamity or crisis, the effect of such outbreak, calamity or crisis on the financial markets of the Unites States being such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(k) except as disclosed in the Official Statement, any litigation shall be instituted or be pending at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, the Pledge Agreement, the Indenture, the Continuing Disclosure Agreement, the pledge or application of any moneys or securities provided for the payment of the Bonds, or the existence or powers of the Corporation, that would materially adversely affect the sale of the Bonds by the Underwriters; or

(l) the New York Stock Exchange, other national securities exchange or any governmental authority shall have (a) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities, generally, on the Bonds or similar obligations, or (b) materially increased restrictions in force as the date hereof with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker dealers in general, the effect of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters.

The Corporation shall have the right to cancel its obligation to sell the Bonds if, between the date hereof and the date of Closing, except as disclosed in the Preliminary Official Statement and any subsequent disclosure wire or document agreed to by the parties hereto, an order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance,

offering or sale of the Bonds as contemplated hereby or by the Official Statement or prohibiting the adoption or performance of the Indenture or any applicable resolutions of the Corporation or the State Board of Administration.

This Section 8 is not a complete list of conditions the existence of which give a party the right to cancel their obligations under this Purchase Contract or which otherwise excuses a party's performance hereunder. Other such conditions may be provided for elsewhere in this Purchase Contract or may arise by operation of law. The Underwriters' right pursuant to subsections (d) through (f), inclusive, (j) and (l) to cancel their obligations to purchase the Bonds shall be subject to the prior written consent of the Corporation, which consent shall not be unreasonably withheld.

9. The Underwriters have entered into this Purchase Contract in reliance upon the representations and agreements of the Corporation and the State Board of Administration contained herein, and in reliance upon the representations and agreements to be contained in the documents and instruments to be delivered at the Closing enumerated in paragraph (d), below, and upon the performance by each of the Corporation and the State Board of Administration of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the joint and several obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon the performance by each of the Corporation and the State Board of Administration of their respective obligations to be performed hereunder and the delivery of such documents and instruments enumerated herein in form and substance reasonable under the circumstances, at or prior to the Closing, and are also subject to the following additional conditions:

(a) The representations and agreements of the Corporation and the State Board of Administration contained herein shall be true, complete and correct to the best of their knowledge and belief on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) At the time of the Closing, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and each applicable resolution of the Corporation and the State Board of Administration shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended in any material respect, except as expressly authorized in this Purchase Contract;

(c) At the time of the Closing, all official action of the Corporation and the State Board of Administration relating to this Purchase Contract and the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the State Board of Administration's resolution authorizing and requesting the issuance and sale of the Bonds, and the Corporation's resolution authorizing the Preliminary Official Statement and the Official Statement, and the issuance of the Bonds, shall be in full force

and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect; and

(d) At or prior to the Closing, each of the following shall have been made available to the Underwriters:

(1) The Official Statement, and each supplement or amendment, if any, thereto executed on behalf of the Corporation and the State Board of Administration by their respective authorized officials;

(2) Executed copies of the Indenture, Pledge Agreement, Continuing Disclosure Agreement, and certified copies of authorizing resolutions of the Corporation and the State Board of Administration and the Orders of the Office of Insurance Regulation levying the Emergency Assessments;

(3) A final approving opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, addressed to the Corporation, dated the date of the Closing, in form and substance reasonable under the circumstances and substantially in the form attached to the Official Statement as Appendix E;

(4) An opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, addressed to the Corporation and the Underwriters, and dated the date of Closing, to the effect that,

(i) their final approving opinion referred to in Section 9(d)(3) hereof may be relied upon by the Underwriters to the same extent as if such opinion were addressed to the Underwriters,

(ii) (A) the information set forth in the Official Statement under the headings: "INTRODUCTION," "AUTHORITY FOR THE ISSUANCE OF 2013A BONDS," "PLAN OF FINANCING," "DESCRIPTION OF THE 2013A BONDS," "PLEDGE AND SECURITY FOR 2013A BONDS," "OPERATION OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," and "APPENDIX C," insofar as such information purports to describe or summarize the Indenture, the Pledge Agreement, the Bonds, the Act, the Constitution and tax laws of the State of Florida, and provisions of the Internal Revenue Code of 1986, as amended, is correct as to matters of law and, to the extent indicated therein, an accurate and fair statement or summary of the matters set forth or documents referred to therein, and (B) the information in the Official Statement under the heading "TAX MATTERS" insofar as such statements purport to summarize certain provisions of the Internal Revenue Code of 1986, as amended, and State tax law present an accurate summary of such provisions, and

(iii) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(5) An opinion of counsel to the Corporation, addressed to the Underwriters and to Nabors, Giblin & Nickerson, P.A., Bond Counsel, dated the date of Closing to the effect that:

(i) The Corporation is duly organized and has full legal right, power and authority to and has taken all necessary official actions to: (i) enter into this Purchase Contract, (ii) adopt its resolution authorizing the issuance and sale of the Bonds, (iii) enter into the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement, (iv) sell, issue and deliver the Bonds to the Underwriters as provided herein, (v) use the proceeds from the sale of the Bonds for the purposes described in the Official Statement, (vi) secure the Bonds as provided in the Indenture and the Pledge Agreement and to pledge to the Master Trustee the Pledged Collateral and its Net Receipts as provided in the Indenture, and (vii) carry out and consummate the transactions contemplated by this Purchase Contract, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and as of the date hereof is, and as of the date of the Closing will be, in compliance in all material respects with the terms of the Act, the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement;

(ii) By all necessary official actions, the Corporation has (i) duly adopted its resolution authorizing the issuance and sale of the Bonds, (ii) duly authorized the execution and delivery of the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement and this Purchase Contract, (iii) duly authorized the distribution of the Preliminary Official Statement, and (iv) duly authorized the execution and delivery of the Bonds and the performance by the Corporation of the obligations on its part contained or described in the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement and this Purchase Contract, and the consummation by the Corporation of all other transactions contemplated thereby to be undertaken by the Corporation in connection with the issuance of the Bonds;

(iii) Upon execution and delivery by the Corporation and the Master Trustee and assuming the due authorization, execution and delivery of the Indenture by the Master Trustee, the Indenture will constitute a legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, subject to applicable

bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. Upon execution by the Corporation and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto), this Purchase Contract, the Pledge Agreement, and the Continuing Disclosure Agreement will constitute the legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms; subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity;

(iv) The Bonds, when issued and delivered to the Underwriters in accordance with the Indenture and this Purchase Contract, will constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(v) The Corporation is currently not, and as of the date of the Closing, assuming no change in the current circumstances of the Corporation, will not be, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract;

(vi) The execution and delivery of the Indenture, the Pledge Agreement, the Bonds, the Continuing Disclosure Agreement, and this Purchase Contract and compliance with the provisions on the part of the Corporation contained therein, will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, which breach or default would materially adversely affect the ability of the Corporation to perform its

obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best of their knowledge will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Trust Estate except as provided by the Bonds, the Indenture, and the Pledge Agreement;

(vii) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the Corporation for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with the issuance of the Bonds or for the execution and delivery of this Purchase Contract, the Indenture, the Continuing Disclosure Agreement and the Pledge Agreement, have been duly obtained, and the notice required to be given pursuant to Section 215.555(6)(b)6., Florida Statutes, has been given;

(viii) The Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be entitled to the benefits of the Indenture and the Pledge Agreement; and upon such issuance, execution and delivery, the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and prior lien upon the moneys pledged by the State Board of Administration pursuant to the Pledge Agreement, consisting of the Pledged Collateral, and the balance of the Trust Estate, subject only to the provisions of the Indenture and the Pledge Agreement permitting the application thereof on the terms and conditions set forth in the Indenture and the Pledge Agreement;

(ix) With respect to the information in the Official Statement counsel has no reason to believe that the Official Statement (except for the financial and statistical data contained therein, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading,

(x) Except as disclosed in the Official Statement, to the extent to which the counsel has been advised or for which service of process has been made, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public

board or body, pending (and concerning which service of process or other adequate legal notice has been made) or threatened against the Corporation, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, the imposition of Emergency Assessments or the collection of the Trust Estate or the lien on the Trust Estate, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or contesting the powers of the Corporation or the authority for the issuance of the Bonds;

(6) An opinion of counsel to the State Board of Administration, addressed to the Underwriters and to Nabors, Giblin & Nickerson, P.A., Bond Counsel, dated the date of Closing, to the effect that:

(i) The State Board of Administration is duly organized and validly existing and has full legal right, power and authority to perform its obligations under the Pledge Agreement and the appropriate resolutions of the State Board of Administration and to perform its obligations under this Purchase Contract,

(ii) The State Board of Administration has duly adopted the resolution requesting the Corporation to issue the Bonds,

(iii) With respect to the information in the Official Statement counsel has no reason to believe that the Official Statement (except for the financial and statistical data contained therein, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading,

(iv) To the best knowledge of the counsel, the State Board of Administration is currently not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the State Board of Administration is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the State Board of Administration to

perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract,

(v) The execution and delivery of the Pledge Agreement, the Bonds and this Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained therein will not, to the best knowledge of the Office of General Counsel, constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best knowledge of the counsel, will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the FHCF except as provided by the Bonds and the Pledge Agreement, which lien, charge or other security interest or encumbrance would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract,

(vi) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under this Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have, to the best knowledge of the counsel been duly obtained, and the notice required to be given pursuant to Section 215.555(6)(b)6., Florida Statutes, has been given,

(vii) except as disclosed in the Official Statement, to the extent to which the counsel has been advised or for which service of process has been made, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or threatened against the State

Board of Administration, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, the imposition of Emergency Assessments or the collection of the Trust Estate or the lien on the Trust Estate, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or contesting the powers of the State Board of Administration or the authority for the issuance of the Bonds;

(7) An opinion of Bryant Miller Olive P.A., Disclosure Counsel, addressed to the State Board of Administration and the Corporation with a reliance letter to the Underwriters, in form and substance satisfactory to the Corporation, substantially to the effect that, without having undertaken to determine the accuracy or completeness of the statements contained in the Preliminary Official Statement and Official Statement, but on the basis of their conferences with the Corporation, the State Board of Administration, Bond Counsel, Counsel to the Corporation, and the Senior Manager and their examination of certain documents referred to in the Preliminary Official Statement and Official Statement, other than the financial or statistical data contained therein and the information contained in the appendices (as to which no view need be expressed), the Preliminary Official Statement did not as of its date, and the Official Statement does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Preliminary Official Statement or Official Statement is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(8) A certificate of the Corporation, dated the date of Closing, signed by the President or other appropriate official satisfactory to the Underwriters, to the effect that, to the best of its knowledge,

(i) each of the representations of the Corporation contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the date of the Closing as if made on such date,

(ii) the Corporation has performed all obligations to be performed hereunder as of the date of Closing,

(iii) except as disclosed in the Official Statement, no litigation is pending or, to the best knowledge of the Corporation, threatened, in any court or administrative body (A) to restrain or enjoin the issuance or delivery of any of the Bonds, (B) in any way contesting or affecting any

authority for the issuance of the Bonds or the validity of the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, or this Purchase Contract, (C) in any way contesting the existence or powers of the Corporation, (D) to restrain or enjoin the collection of the Trust Estate pledged or to be pledged to pay the principal of, premium, if any, and interest, on the Bonds, (E) which may result in any material adverse change in the business, operations or the financial condition of the Corporation or (F) asserting that the Preliminary Official Statement or the Official Statement contain any untrue statement of a material fact or omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (but in lieu of such certificate, the Senior Manager may in its sole discretion accept an opinion of Bond Counsel, Counsel to the Corporation or both, acceptable to the Senior Manager in form and substance, that in the opinion of such counsel the issues raised in any such pending or threatened litigation are without substance or that the contentions of any plaintiffs therein are without merit), and

(iv) the Official Statement did not as of its date, and does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading;

(9) The certificate of the State Board of Administration, dated the date of Closing, signed by the Executive Director or other appropriate official satisfactory to the Senior Manager in the form attached hereto as Exhibit D;

(10) Evidence that Fitch Ratings, Standard & Poor's Ratings Service and Moody's Investors Service have issued ratings for the Bonds which are not lower than "_____," "_____" and "_____," respectively;

(11) All certificates, documents and opinions required as conditions precedent to the issuance of the Bonds as set forth in the Indenture;

(12) The opinion of counsel to the Master Trustee, dated the Closing date and addressed to the Corporation, the Underwriter and Bond Counsel, in form and substance acceptable to the Corporation, the Underwriter, and Bond Counsel;

(13) A customary authorization and incumbency certificate, dated the Closing date, signed by authorized officers of the Master Trustee;

(14) A specimen bond;

(15) A copy of the Blanket Letter of representations to DTC executed by the Corporation;

(16) A copy of any "blue sky" survey or legal investment memoranda indicating the jurisdictions in which the Bonds may be sold in compliance with the "blue sky or securities laws of and as legal investments in the various jurisdictions;

(17) An opinion of counsel to the Office of Insurance Regulation in form and substance reasonably satisfactory to the Corporation and the Underwriters;

(18) A certificate of [**Paragon Strategic Solutions Inc.**] in form and substance reasonably satisfactory to the Corporation and the Underwriters; and

(19) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of Closing, of the Corporation's and the State Board of Administration's representations and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Corporation on or prior to the date of Closing of all the agreements then to be performed and conditions then to be satisfied by it.

10. If the Corporation shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, then this Purchase Contract shall terminate and neither the Underwriters nor the Corporation shall be under any further obligation hereunder, except that (i) the Good Faith Wire shall immediately be returned to the Senior Manager by the Corporation, unless the Corporation's failure to satisfy a condition precedent to the Underwriters' obligations was proximately and wrongfully caused by any of the Underwriters, and (ii) the respective obligations of the Corporation and the Underwriters set forth in Section 11 hereof shall continue in full force and effect. However, the Underwriters may, in their sole discretion, waive one or more of the conditions imposed by this Purchase Contract and proceed with Closing.

11. (a) The Underwriters shall be under no obligation to pay, and the Corporation shall pay from the proceeds of the sale of the Bonds, any expense incident to the performance of the Corporation's obligations hereunder including, but not limited to: (i) the cost of preparation, printing and delivery of the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, a reasonable number of copies of the Preliminary Official Statement and no more than 3,500 copies of the final Official Statement and any supplement and amendments thereto; (ii) the cost of preparation and printing of the Bonds; (iii)

the fees and disbursements of Bond Counsel and Counsel to the Corporation and the State Board of Administration; (iv) initial fees for bond ratings; (v) fees and disbursements of Raymond James & Associates, Inc., for their services as financial advisor to the Corporation; and (vi) other reasonable costs of the Corporation incurred in connection with issuance of the Bonds; provided that the costs of printing described in (i) and (ii) above shall be paid by the Corporation only if the printers used are the printers designated and authorized by the Corporation.

(b) The Underwriters shall pay any expense incident to the performance of the Underwriters' obligations hereunder including but not limited to: (i) the cost of preparation of the Agreement Among Underwriters, if any, and the Blue Sky and Legal Investment Surveys; (ii) all advertising expenses and Blue Sky filing fees in connection with the public offering of the Bonds and the cost, if any, to continue the eligibility of the Bonds for investment; (iii) all expenses associated with obtaining CUSIP numbers for the Bonds; and (iv) all other expenses incurred by them or any of them in connection with the public offering of the Bonds and delivery of and the payment for the Bonds, including the fees and disbursements of Underwriters' Counsel.

12. Any notice or other communication to be given to the Corporation under this Purchase Contract may be given by delivering the same in writing to the Corporation, c/o State Board of Administration of Florida, P.O. Box 13300, Tallahassee, Florida 32317-3300 (for non-postal delivery, to 1801 Hermitage Boulevard, Hermitage Centre, Suite 100, Tallahassee, Florida 32308), Attention: Chief Operating Officer—FHCF; any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to: _____.

13. This Purchase Contract is made solely for the benefit of the Corporation, the State Board of Administration and the Underwriters (including the successors of any of the parties) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations contained in this Purchase Contract shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of any of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

14. This Purchase Contract shall become effective upon the execution by the Senior Manager, for and on behalf of all of the Underwriters including the Senior Manager, and appropriate Corporation officials and the acceptance hereof by the State Board of Administration and shall be valid and enforceable at the time of such acceptance and shall be governed by and construed in accordance with the laws of the State of Florida. This Purchase Contract shall not be construed for or against any party because that party wrote it. Venue of any action arising out of or relating to this Purchase Contract shall be in Leon County, Florida.

15. Neither the Corporation, the State Board of Administration, nor any of the members thereof, nor any officer, agent or employee thereof, as the case may be, shall be

charged personally by the Underwriters with any liability or held liable to the Underwriters under any term or provision of this Purchase Contract because of its execution or attempted execution or because of any breach or attempted or alleged breach thereof.

16. This Purchase Contract may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed an original.

[Balance of page intentionally left blank.]

DRAFT

[Signature Page – Bond Purchase Contract – Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A]

Done this _____ day of _____, 2013.

_____, as representative of the Underwriters

By: _____
Name: _____
Title: _____

[Signature Page – Bond Purchase Contract – Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A]

FLORIDA HURRICANE CATASTROPHE FUND
FINANCE CORPORATION

By: _____
Name: Jack E. Nicholson
Title: President

[Signature Page – Bond Purchase Contract – Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A]

ENDORSEMENT AND ACCEPTANCE

The undersigned hereby endorses and accepts the foregoing Bond Purchase Contract and agrees to be bound by the terms and conditions relating to it set forth therein as fully and to the same extent as if the undersigned were a party thereto.

Accepted at _____ a.m./p.m., Eastern Time, this _____ day of _____, 2013.

STATE BOARD OF ADMINISTRATION OF FLORIDA,
AS ADMINISTRATOR OF THE
FLORIDA HURRICANE CATASTROPHE FUND

By: _____
Name: Ashbel C. Williams
Title: Executive Director and Chief Investment Officer

EXHIBIT A

MEMORANDUM OF UNDERSTANDING OF PRICING

SCHEDULE I – Underwriters' Spread and Expenses (amounts may not add due to rounding)

Spread	**Dollar Amount**	**Per Bond**
Average Takedown		
Expenses		
Management Fee		
Total Underwriters' Discount		

Expense Components	
Underwriters' Counsel Fees	
CUSIP Fee	
Dalnet Fee	
DTC Fee	
Ipreo	
Electronic Order Entry Monitoring	
Good Faith Wire Interest	
Out of Pocket Expenses	
NetRoadshow	
Total Expenses	

SCHEDULE II – Terms of Bonds and Public Offering Prices or Yields

Due July 1	Principal Amount	Interest Rate	Yield	Takedown	Initial CUSIP No.

Purchase Price for the Bonds

Par Amount	
Plus: Net Original Issue Premium	
Less: Underwriters' Discount	
Purchase Price	

SCHEDULE III – Redemption

[insert redemption provisions]

SCHEDULE IV – Participation & Management Fee Split

Participation:

Management Fee Split: None

[Balance of page intentionally left blank.]

[Signature Page – Bond Purchase Contract – Exhibit A – Memorandum of Understanding of Pricing – Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A]

Accepted and Agreed to this _____ day of _____, 2013.

_____, as representative of the Underwriters

By: _____
Name: _____
Title: _____

[Signature Page – Bond Purchase Contract – Exhibit A – Memorandum of Understanding of Pricing – Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A]

FLORIDA HURRICANE CATASTROPHE FUND
FINANCE CORPORATION

By: _____
Name: Jack E. Nicholson
Title: President

NAMES AND ADDRESSES OF UNDERWRITERS

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT

EXHIBIT C

Agreement Among Underwriters

RE: $_____
Florida Hurricane Catastrophe Fund Finance Corporation
Revenue Bonds, Series 2013A-1 and Revenue Bonds, Series 2013A-2

We, as Representative for the Managers, are forming a Group of Underwriters, including ourselves and other Managers, to submit a proposal for the purchase of the Securities described above. You are invited to participate pursuant to the terms of the Master Agreement Among Underwriters. You are presumed to be knowledgeable regarding the terms of the Master Agreement. The members of the account and their respective initial participation are set forth below.

The following information applies to the proposed offering:

Preliminary Official Statement relating to the Securities dated:
Expected Offering Date:
Expected Award Date:
Expected Closing Date:
Prevailing Time: Eastern

Printer Information: Financial Printing Resources, Inc.
Telephone: (913)599-6979
Fax: (913) 599-6981

Representative's Syndicate Address:

Telephone:
Fax:

You must respond to this invitation by 5:00 PM Eastern on _____, _____, 2013.

The Master Agreement Among Underwriters Terms shall apply to the offering and distribution of the Securities described above except as follows:

Notwithstanding anything in this Master Agreement to the contrary, we will pay fees payable to SIFMA pursuant to the SIFMA Municipal Assessment (the "Assessment") in connection with the issuance of the Securities. The Assessment will not be included in the expense component of the gross spread as an Issuer expense, but will be allocated among the Underwriters as follows:

a. Any Underwriter who receives a portion of any management fee included in the gross spread will have its proportionate share of the Assessment, based upon the allocation of the management fee, deducted from its share of the management fee upon final settlement of the Account.

b. In the event that the Manager is the only recipient of the management fee, the Assessment will be an expense to be borne solely out of such management fee.

c. Underwriters who do not receive any part of the management fee will not be charged for any part of the Assessment.

d. In the event there is no management fee, the Assessment will be an expense borne by the Manager and the other Underwriters and will be charged to them upon final settlement of the Account in Pro Rata Proportion to their Participation amount.

e. In the event the Account experiences an underwriting loss, each Underwriter in the Account shall be charged its share of the Assessment in Pro Rata Proportion to its Participation amount, in addition to its share of such underwriting loss upon final settlement of the Account.

UNDERWRITERS	PARTICIPATIONS

ISSUE TOTAL: $_____

By: _____, _____, _____

EXHIBIT D

GENERAL AND NON-LITIGATION CERTIFICATE OF THE
STATE BOARD OF ADMINISTRATION OF FLORIDA

The undersigned, Ashbel C. Williams, being the duly appointed and qualified Executive Director and Chief Investment Officer of the State Board of Administration of Florida (the "State Board of Administration") as administrator of the Florida Hurricane Catastrophe Fund (the "FHCF"), certifies on behalf of the Corporation as follows:

1. All capitalized terms not otherwise defined herein shall have the meanings given such terms in the Master Trust Indenture executed by the Corporation as of June 1, 2006, as supplemented by the Sixth Supplemental Indenture as of _____ 1, 2013 (collectively, the "Indenture").

2. (a) The audited financial records of the FHCF for the fiscal years ended June 30, 2012 and June 30, 2011, contained in the Official Statement as Appendix B thereto, to the best knowledge of the State Board of Administration, present fairly the financial position of the FHCF as of the dates indicated and the results of its operations for the periods specified, and other financial information and statistical data relating to the FHCF and included in the Official Statement are true and correct as of the date hereof;

(b) To the best knowledge of the State Board of Administration, since June 30, 2012, no material adverse change has occurred in the financial position or results of operations of the FHCF except as set forth in or contemplated by the final Official Statement and the FHCF has not, since June 30, 2012, incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement; and

(c) To the best knowledge of the State Board of Administration, all liens, encumbrances, covenants, conditions and restrictions, if any, to the real and personal property of the FHCF will not interfere with or impair the operations of the FHCF.

3. The portions of the Official Statement relating to the State Board of Administration and the Florida Hurricane Catastrophe Fund under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2013A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY OF THE 2013A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," and "APPENDIX B – FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011" will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. To the best knowledge of the State Board of Administration, except as disclosed in the Official Statement, no litigation is pending

or threatened, which may result in any material adverse change in the business, operations or financial condition of the FHCF.

4. To the best knowledge of the State Board of Administration, the representations of the State Board of Administration, as administrator of the FHCF, contained in the Purchase Contract, dated _____, 2013, entered into between _____, as representative of the Underwriters named herein, and the Corporation, and acknowledged and accepted by the State Board of Administration, are true and correct in all material respects as of the date hereof and the State Board of Administration has performed all obligations to be performed thereunder as of the date of the Purchase Contract and as of the date hereof.

5. To the best knowledge of the State Board of Administration, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the State Board of Administration, threatened, against the State Board of Administration affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, the imposition of Emergency Assessments, or the collection of the Pledged Collateral pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of and lien upon the Pledged Collateral, or contesting or affecting the authorization for the issuance of the Bonds, the appropriate resolutions of the State Board of Administration or the Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the final Official Statement or any supplement or amendment thereto, or contesting the powers of the State Board of Administration or any authority for the issuance of the Bonds, the adoption of the appropriate resolutions of the State Board of Administration, or the acceptance by the State Board of Administration of the Purchase Contract.

6. Except as disclosed in the final Official Statement, no litigation or proceeding before any court or administrative body is pending or to the best knowledge of the State Board of Administration threatened, against the State Board of Administration contesting the due organization and valid existence of the State Board of Administration or the FHCF or the validity, due authorization and execution of the Bonds or attempting to limit, enjoin or otherwise restrict or prevent the State Board of Administration from functioning and collecting the Pledged Collateral.

7. The State Board of Administration has, by all necessary official actions, duly adopted the appropriate resolutions of the State Board of Administration, has duly authorized and approved the Preliminary Official Statement and the final Official Statement, has duly authorized and requested the issuance of the Bonds by the Corporation, and the performance by the State Board of Administration of the obligations on its part in connection with the issuance of the Bonds and the Purchase Contract, and the consummation by the State Board of Administration of all applicable transactions contemplated by the Purchase Contract in connection with the issuance of the Bonds. The resolution of the State Board of Administration

requesting sale and issuance of the Bonds has not been modified, amended or repealed as of the date hereof.

8. To the best knowledge of the State Board of Administration, the State Board of Administration is currently not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the Pledged Collateral is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this paragraph would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or the Purchase Contract.

9. To the best knowledge of the State Board of Administration, the execution and delivery of the Bonds, the Pledge Agreement, and the Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained therein will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the Pledged Collateral is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or the Purchase Contract nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Pledged Collateral except as provided by the Bonds and the Pledge Agreement.

10. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under the Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have been duly obtained.

[Balance of page intentionally left blank.]

11. This Certificate is executed in order to comply with the provisions of the Purchase Contract.

STATE BOARD OF ADMINISTRATION
OF FLORIDA

By: _____
Name: Ashbel C. Williams
Title: Executive Director and Chief Investment Officer

EXHIBIT E

UNDERWRITERS' DISCLOSURE STATEMENT

The undersigned, on behalf of _____, as representative of the Underwriters in connection with the issuance by the Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation") of its Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1 and Revenue Bonds, Series 2013A-2 (collectively, the "Bonds"), does hereby certify as follows, within the meaning of Rule 19A-3.003(4)(a), F.A.C.:

1. No finders were utilized in connection with the purchase of the Bonds by the Underwriters.

2. (a) The expense component of the Underwriters' gross spread is $_____ per $1000 bond;

   (b) The management fee component of the Underwriters' gross spread is $_____ per $1000 bond; and

   (c) The takedown component of the Underwriters' gross spread is $_____ per $1000 bond.

3. No other fee, retainer, bonus or compensation is expected to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by them, other than the fee paid to _____, as Underwriters' counsel.

4. The name and address of each of the Underwriters is as follows:

[See Exhibit A to the Bond Purchase Contract, dated _____, 2013]

5. There is no selling group in connection with the sale of the Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 2013.

_____, as representative of the Underwriters

By: _____
Name: _____
Title: _____

Form of Preliminary Official Statement

- Primary disclosure document used in marketing the bonds to investors

- Provides legally required disclosure to potential investors, including
    - The purpose of the financing and use of bond proceeds
    - The revenues pledged for repayment of the bonds and other security
    - Financial information relating to the issuer of the bonds
    - Key terms of the financing documents
    - Tax matters pertaining to the bonds
    - Operation of the FHCF and the Corporation
    - Term of bonds and redemption provisions (if any)

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2013

NEW ISSUE- BOOK ENTRY ONLY

RATINGS: Moody's: _____
S & P: _____
Fitch: _____
See "RATINGS" herein

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, interest on the 2013A Bonds is not excluded from gross income of the holders thereof for federal income tax purposes. See "TAX MATTERS" herein.

Florida Hurricane Catastrophe Fund Finance Corporation

$_____* **Revenue Bonds, Series 2013A-1**

$_____* **Floating Rate Notes, Series 2013A-2**

Dated: Date of Delivery **Due: July 1, as shown below**

The Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation") is issuing its Revenue Bonds, Series 2013A-1 (the "2013A-1 Bonds") and Floating Rate Notes, Series 2013A-2 (the "2013A-2 Notes" and together with the Series 2013A-1 Bonds, the "2013A Bonds") pursuant to Section 215.555, Florida Statutes, as amended, and other applicable provisions of law, including administrative rules relating to the Florida Hurricane Catastrophe Fund (the "FHCF"), and certain resolutions of the Corporation and the State Board of Administration of Florida (the "SBA") as the administrator of the FHCF, adopted _____, 2012. The 2013A Bonds will be issued pursuant to a Master Trust Indenture, as supplemented from time to time and in particular by a Sixth Supplemental Indenture (collectively, the "Master Indenture"), each with Wells Fargo Bank, N.A., Jacksonville, Florida, Master Trustee. See "PLAN OF FINANCE" herein.

The 2013A Bonds are being issued to provide funds to (i) enable the FHCF to reimburse Participating Insurers for Losses relating to any Covered Events occurring in the Contract Year ended May 31, 2013 or any subsequent Contract Year, (ii) [**fund the Series 2013A Special Reserve Account in an amount equal to the Reserve Account Requirement for the 2013A Bonds (the "2013A Reserve Account"), (iii) pay capitalized interest on the 2013A Bonds through _____ 1, 2013,**] and (iv) pay certain expenses incurred in connection with the authorization and issuance of the 2013A Bonds.

The 2013A-1 Bonds and 2013A-2 Notes will be issued on a parity basis with each other and with the Corporation's Revenue Bonds, Series 2008A, outstanding in the principal amount of $625,000,000 (the "2008A Bonds"), the Corporation's Revenue Bonds, Series 2010A, outstanding in the principal amount of $675,920,000 (the "2010A Bonds"), and any future Parity Obligations. The 2013A Bonds, the 2010A Bonds, and the 2008A Bonds are secured by a first lien pledge of the Pledged Collateral, which is described below, including, with respect to the 2013A Bonds only, the net proceeds of the 2013A Bonds prior to expenditure thereof. [**Holders of the 2013A Bonds will also be secured by the 2013A Reserve Account.**]

The Corporation is an instrumentality of the State of Florida (the "State"), and its obligations are exclusively secured by the Pledged Collateral, which consists primarily of: (i) Reimbursement Premiums and earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) Emergency Assessments and earnings thereon, and (iii) net proceeds of, and investment earnings on proceeds of Parity Obligations, including the 2013A Bonds; provided, however, that the pledge of net proceeds is solely for the benefit of the Series of Parity Obligations from which such proceeds were derived. The 2013A Bonds shall not constitute a debt of the State, and holders of the 2013A Bonds shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2013A Bonds.

Certain of the 2013A Bonds are subject to redemption prior to maturity as described herein.

Interest on the 2013A-1 Bonds will be payable semiannually on January 1 and July 1 of each year, commencing July 1, 2013, at the rates set forth below. Interest on the 2013A-2 Notes is payable monthly in arrears on the first day of each calendar month commencing on _____ 1, 2013. The 2013A Bonds will mature on July 1 in the years and principal amounts set forth below. Individual purchases of 2013A-1 Bonds will be made in denominations of $5,000 or any integral multiple thereof. Individual purchase of the 2013A-2 Notes will be made in denominations of $100,000 and any integral multiple of $1,000 in excess thereof. The Master Trustee will also serve as Bond Registrar with respect to the 2013A Bonds. So long as Cede & Co. is the registered owner of the 2013A Bonds, principal of and interest on the 2013A Bonds will be payable by the Trustee to DTC, which will in turn remit such payments to its participants for subsequent disbursement to Beneficial Owners of the 2013A Bonds, as more fully described herein. See "DESCRIPTION OF THE 2013A Bonds – Book-Entry-Only System" herein.

THIS COVER PAGE, INCLUDING THE INSIDE COVER PAGE HERETO, CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT INTENDED TO BE A SUMMARY OF ALL FACTORS RELATING TO AN INVESTMENT IN THE 2013A BONDS. INVESTORS ARE ADVISED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY BEFORE MAKING AN INVESTMENT DECISION.

The 2013A Bonds are offered when, as and if issued by the Corporation and accepted by the Underwriters, subject to prior sale or withdrawal or modification of the offer without notice, and subject to receipt of an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the Corporation and the FHCF by its internal counsel. Bryant Miller Olive P.A., Tallahassee, Florida, is Disclosure Counsel. The Underwriters are represented by _____, _____, Florida. Raymond James & Associates, Inc. has served as Financial Advisor to the FHCF. The 2013A Bonds are expected to be available for delivery through the facilities of DTC in New York, New York, on or about _____, 2013.

[UNDERWRITERS]

Dated: _____, 2013.

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* Preliminary, subject to change.

RED HERRING LANGUAGE

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction.

DRAFT

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS

$_____ REVENUE BONDS, SERIES 2013A-1

Maturities (July 1*)	Principal Amounts*	Interest Rates*	Yields*	Initial CUSIP Nos.[1]

$_____ FLOATING RATE NOTES, SERIES 2013A-2

Maturities (July 1*)	Principal Amount*	Interest Rate (variable)[2]	Price	Initial CUSIP No.[1]
			100.0%	

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[1]CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP data herein is provided for convenience of reference only. The Corporation, the Financial Advisor, the Underwriters, the Trustee and their agents take no responsibility for the accuracy of such data.

[2] Initially _____% based on the initial LIBOR Rate of ___% plus ___%. See "DESCRIPTION OF THE 2013A BONDS – Determination of 2013A-2 Interest Rate" herein for a description of the Adjusted LIBOR Rate and the determination thereof.

ADDITIONAL INFORMATION

The 2013A Bonds are exempt from registration under the Securities Act of 1933, as amended. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Corporation, the SBA, the FHCF or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2013A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been furnished by the Corporation, the SBA, the FHCF and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Underwriters. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Corporation, the SBA or the FHCF since the date hereof.

Neither the Securities and Exchange Commission nor any state securities commission or other governmental authority has approved or disapproved of these securities or determined that this Official Statement is truthful or complete. Any representation to the contrary is a criminal offense.

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are generally identifiable by the terminology used such as "plan", "project", "expect", "anticipate", "intend", "believe", "estimate", "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any results, performances or achievements expressed or implied by such forward-looking statements. Except as specifically set forth herein, neither the Corporation, the SBA, nor the FHCF plans to issue any updates or revisions to those forward-looking statements due to changes in its expectations or subsequent events, conditions or circumstances on which such statements are based.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in the Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of the 2013A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION
c/o State Board of Administration of Florida
1801 Hermitage Boulevard
Tallahassee, Florida 32308
850-488-4406

BOARD OF DIRECTORS OF THE CORPORATION

Governor of the State of Florida, Rick Scott, *Chairman*
Chief Financial Officer of the State of Florida, Jeff Atwater
Attorney General of the State of Florida, Pam Bondi
Director of the Division of Bond Finance, J. Ben Watkins III
Chief Operating Officer, Jack E. Nicholson

FLORIDA HURRICANE CATASTROPHE FUND
c/o State Board of Administration of Florida
1801 Hermitage Boulevard
Tallahassee, Florida 32308
850-488-4406

Jack E. Nicholson, PhD, CLU, CPCU
Chief Operating Officer

Anne T. Bert, CPM
Director of Operations

Tracy Allen, J.D., LLM
Senior Attorney

BOND COUNSEL
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISCLOSURE COUNSEL
Bryant Miller Olive P.A.
Tallahassee, Florida

FINANCIAL ADVISOR
Raymond James & Associates, Inc.
St. Petersburg, Florida

TABLE OF CONTENTS

Page
INTRODUCTION 1
AUTHORITY FOR THE ISSUANCE OF 2013A BONDS 4
General Legal Authority 4
The Florida Hurricane Catastrophe Fund Finance Corporation 4
The State Board of Administration of the State of Florida 6
The Florida Hurricane Catastrophe Fund 7
PLAN OF FINANCE 7
The 2013A Bonds and Other Pre-Event Liquidity 8
Post-Event Parity Obligations 9
ESTIMATED SOURCES AND USES OF FUNDS 11
DEBT SERVICE COVERAGE 11
DESCRIPTION OF THE 2013A BONDS 14
General 14
Determination of 2013A-2 Notes Interest Rate 14
Book-Entry-Only System 16
Redemption 17
PLEDGE AND SECURITY FOR 2013A BONDS 17
General 17
Withdrawal of 2013A Bond Proceeds 18
Pledge Agreement 18
Flow of Funds 20
Corpus and Corpus Earnings Not Pledged 22
2013A Bond Reserve Account and Parity Common Reserve Account 22
No Bankruptcy 23
Non-Impairment 23
Additional Parity Obligations and Subordinate Indebtedness 23
Debt Service Coverage Requirement 24
Events of Default and Remedies 25
OPERATION OF THE FHCF 27
General 27
Administration of the FHCF 29
Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions 32
Historical Summary of Revenues, Expenses and Changes in Net Assets 36
Reimbursement Premiums 37
Emergency Assessments 41
Collection of Emergency Assessments and Reimbursement Premiums from Companies in Receivership 48
INVESTMENT POLICY OF THE FHCF 49
FUTURE LEGISLATIVE AND REGULATORY CHANGES 50
LITIGATION 51
General 51
Previous Litigation 51

Validation Proceedings Pursuant to Florida Statutes 51
ENFORCEABILITY OF REMEDIES 53
TAX MATTERS 53
LEGALITY FOR INVESTMENTS 54
APPROVAL OF LEGALITY 54
RATINGS 54
AUDITED FINANCIAL STATEMENTS 55
FINANCIAL ADVISOR 55
UNDERWRITING 55
CONTINUING DISCLOSURE 56
MISCELLANEOUS 57

APPENDIX A – STATE OF FLORIDA – GENERAL INFORMATION
APPENDIX B -- FINANCIAL STATEMENTS OF FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011
APPENDIX C-1 – DEFINITIONS
APPENDIX C-2 -- MASTER TRUST INDENTURE
APPENDIX C-3 -- FORM OF SIXTH SUPPLEMENTAL INDENTURE
APPENDIX C-4 -- PLEDGE AND SECURITY AGREEMENT
APPENDIX D -- PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM FOR REGISTERED BONDS
APPENDIX E -- FORM OF APPROVING OPINION
APPENDIX F -- FORM OF CONTINUING DISCLOSURE AGREEMENT

OFFICIAL STATEMENT
Relating to

Florida Hurricane Catastrophe Fund Finance Corporation

$_____*	$_____*
Revenue Bonds, Series 2013A-1	**Floating Rate Notes, Series 2013A-2**

INTRODUCTION

The purpose of this Official Statement, including the cover page, the inside cover page and the Appendices, is to set forth certain information in connection with the offering of Florida Hurricane Catastrophe Fund Finance Corporation Revenue Bonds, Series 2013A-1 (the "2013A-1 Bonds") and Floating Rate Notes, Series 2013A-2 (the "2013A-2 Notes" and together with the 2013A-1 Bonds, the "2013A Bonds"), being issued by the Florida Hurricane Catastrophe Fund Finance Corporation (the "Corporation"). All capitalized, undefined terms used in this Official Statement have the meanings given to them in "Appendix C-1, DEFINITIONS".

The 2013A Bonds are being issued by the Corporation pursuant to Section 215.555, Florida Statutes, as amended (the "Act"), and other applicable provisions of law, including administrative rules of the Florida Hurricane Catastrophe Fund (the "FHCF"), and certain resolutions of the Corporation and the State Board of Administration of Florida as the administrator of the FHCF (in such capacity, the "SBA") adopted on _____, 2012. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness for the FHCF. See "AUTHORITY FOR THE ISSUANCE OF 2013A BONDS" herein.

The proceeds of the 2013A Bonds, together with other available funds, will be used to (i) enable the FHCF to reimburse Participating Insurers for Losses relating to any future Covered Events, (ii) [**fund the Series 2013A Special Reserve Account in an amount equal to the Reserve Account Requirement for the 2013A Bonds (the "2013A Reserve Account"), (iii) pay capitalized interest on the 2013A Bonds through January 1, 20__,**] and (iv) pay certain expenses incurred in connection with the authorization and issuance of the 2013A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS." The proceeds from the sale of the 2013A Bonds will be held and invested by the SBA. See "ESTIMATED SOURCES AND USES OF FUNDS" and "INVESTMENT POLICY OF THE FHCF" herein.

The 2013A Bonds will be issued by the Corporation pursuant to a Master Trust Indenture dated as of June 1, 2006, as supplemented by a Sixth Supplemental Indenture, dated as of _____ 1, 2012 (collectively, the "Master Indenture"), each with Wells Fargo Bank, N.A.,

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* Preliminary, subject to change.

Jacksonville, Florida, the Master Trustee, Paying Agent, Authenticating Agent and Registrar. The 2013A Bonds will be issued on a parity basis with the Corporation's Revenue Bonds, Series 2008A, outstanding in the principal amount of $625,000,000 (the "2008A Bonds"), the Corporation's Revenue Bonds, Series 2010A, outstanding in the principal amount of $675,920,000 (the "2010A Bonds"), and any future Parity Obligations. The 2008A Bonds and 2010A Bonds were issued as Post-Event Parity Obligations.

The 2013A Bonds will be secured by Pledged Collateral consisting primarily of: (i) Reimbursement Premiums and earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) Emergency Assessments and earnings thereon, and (iii) net proceeds of, and investment earnings on proceeds of Parity Obligations, including the 2013A Bonds, all pursuant to the Pledge and Security Agreement, dated as of June 1, 2006, among the Corporation, the SBA and the Master Trustee (the "Pledge Agreement"); provided, however, that the pledge of net proceeds includes solely net proceeds that are derived from the 2013A Bonds. Pledged Collateral also includes net receipts from Derivative Agreements, if any, and Other Pledged Money. There are no Derivative Agreements currently outstanding and the Corporation, the FHCF and the SBA do not expect to enter into any Derivative Agreements with respect to the 2013A Bonds, the 2010A Bonds or the 2008A Bonds. [**The 2013A Bonds will also be secured by amounts in the 2013A Reserve Account.**] See "PLEDGE AND SECURITY FOR 2013A Bonds" herein for a discussion of the Pledge Agreement and the Pledged Collateral.

The Corporation is an instrumentality of the State of Florida (the "State"), and its obligations are exclusively secured by the Pledged Collateral. The 2013A Bonds shall not constitute a debt of the State, and holders of the 2013A Bonds shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2013A Bonds.

Under the Pledge Agreement, the FHCF is required to transfer to the Master Trustee all Reimbursement Premiums, Emergency Assessments received by the FHCF and investment earnings on proceeds of Outstanding Parity Obligations, including the 2013A Bonds. Once debt service on all Outstanding Parity Obligations has been provided for a Fiscal Year, the requirement to continue to transfer Reimbursement Premiums to the Master Trustee ceases for the remainder of the Fiscal Year. Unlike Reimbursement Premiums, the lien of the Master Indenture and Pledge Agreement on Emergency Assessments is not automatically released once debt service for the Fiscal Year on Outstanding Parity Obligations has been provided for. Instead, the FHCF is required to continue to transfer Emergency Assessments to the Master Trustee. Excess Emergency Assessments transferred to the Master Trustee may be released from the lien of the Pledge Agreement and Master Indenture if the SBA certifies to the Master Trustee that there are sufficient Emergency Assessments on deposit with the Master Trustee to adequately provide for the timely payment of such debt service when due on Post-Event Parity Obligations for the current and the next succeeding Fiscal Years. See "PLEDGE AND SECURITY FOR 2013A Bonds—Flow of Funds" herein

From these amounts, the Master Trustee will (i) from Reimbursement Premiums, pay the Current Expenses of the Corporation (which are anticipated to be insignificant) and provide for debt service on the 2013A Bonds coming due during the then-current Fiscal Year (to the extent not paid from interest earnings on certain proceeds of the 2013A Bonds), and (ii) transfer all Emergency Assessments to an account for the benefit of the 2008A Bonds and the 2010A Bonds. To the extent the foregoing proves insufficient to provide for debt service on Outstanding Parity Obligations, the Master Trustee will provide notice to the FHCF, which will transfer the Pledged Collateral at such times and in such amounts as necessary to provide for such debt service when due.

The net proceeds of the 2013A Bonds will be deposited into and held in a separate account pursuant to the Pledge Agreement and invested by the SBA consistent with Section 215.47, Florida Statutes, as amended, as described herein, and withdrawn as needed to pay Participating Insurers for Losses relating to any future Covered Events. See "INVESTMENT POLICY OF THE FHCF" herein. The investment earnings on the 2013A Bonds will be part of the Pledged Collateral, and such earnings will be available to pay debt service on the 2013A Bonds, 2010A Bonds, the 2008A Bonds and any future Parity Obligations. The Corporation anticipates that if proceeds of the 2013A Bonds are used to reimburse Participating Insurers for Losses from any future Covered Events, it will ultimately refinance a corresponding portion of the 2013A Bonds in the approximate amount withdrawn through the issuance of tax-exempt Post-Event Parity Obligations, subject to compliance with the Incurrence Test. The timing of any such financing will depend upon a number of factors, including, but not limited to, market conditions. Further, under certain conditions, including, but not limited to a temporary and partial withdrawal of proceeds of the 2013A Bonds, the withdrawal may be replaced with future collections of Reimbursement Premium or, alternatively, debt service on the 2013A Bonds may be paid from Reimbursement Premiums, Emergency Assessments or other Pledged Collateral rather than being refinanced with Post-Event Obligations. See "PLAN OF FINANCE" and "PLEDGE AND SECURITY FOR 2013A BONDS – Additional Parity Obligations and Subordinate Indebtedness" herein for a description of the Incurrence Test.

The Corporation may issue additional Parity Obligations only upon satisfaction of the Incurrence Test and the other terms and conditions of the Master Indenture. The issuance of the 2013A Bonds satisfies the Incurrence Test. See "PLEDGE AND SECURITY FOR 2013A BONDS - Additional Parity Obligations and Subordinate Indebtedness" and "Appendix C-2, MASTER TRUST INDENTURE – Section 704". The Pledge Agreement and the Master Indenture require the FHCF and the Corporation to take certain action if the Revenue Available for Debt Service during a Fiscal Year is insufficient to cover debt service on certain Outstanding debt of the Corporation by a certain amount (1.25 times the debt service on Outstanding Parity Obligations and 1.00 times the debt service on both the Outstanding Parity Obligations and any Subordinate Indebtedness). See "PLEDGE AND SECURITY FOR 2013A BONDS – Debt Service Coverage Requirement" herein and "Appendix C-2, MASTER TRUST INDENTURE – Section 705".

Forms of the Master Indenture, the Sixth Supplemental Indenture and the Pledge Agreement are set forth in Appendices C-2, C-3 and C-4, respectively. All references in this Official Statement to the Master Indenture, the Sixth Supplemental Indenture and the Pledge Agreement are qualified in their entirety by reference to the final executed documents. Copies of the final

executed documents will be on file at the corporate office of the Master Trustee in Jacksonville, Florida.

AUTHORITY FOR THE ISSUANCE OF 2013A BONDS

General Legal Authority

The 2013A Bonds are being issued by the Corporation pursuant to the Act and other applicable provisions of law, including administrative rules of the FHCF, and resolutions of the Corporation and the SBA, adopted on _____, 2012, authorizing the issuance and sale of the 2013A Bonds, authorizing the execution and delivery of the Sixth Supplemental Indenture and confirming the pledge of revenue to the payment of debt of the Corporation pursuant to the Pledge Agreement.

The 2013A Bonds are being issued as Pre-Event Parity Obligations to provide a source of funds for the FHCF to reimburse Participating Insurers for Losses relating to any future Covered Events. Under the Act, a Pre-Event financing may be undertaken in the absence of a hurricane upon a determination that such action would maximize the ability of the FHCF to meet future obligations. The SBA has determined by a resolution adopted on _____, 2012, that the issuance of the 2013A Bonds will maximize the ability of the FHCF to meet any future obligations.

The Florida Hurricane Catastrophe Fund Finance Corporation

In 1996, the Corporation was created as a public benefits corporation under the Act and as an instrumentality of the State to provide a mechanism necessary for the cost-effective and efficient issuance of debt. Under the Act, the Corporation has the power to issue bonds or notes and engage in such other financial transactions as are necessary to provide sufficient funds to achieve the purposes of the Act.

The proceeds of debt issued by the Corporation may be used to reimburse Participating Insurers pursuant to Reimbursement Contracts for Losses from Covered Events; to refinance or replace previously existing borrowings or financial arrangements; to pay interest on such debt; to fund reserves; to provide a source of funds to the FHCF to reimburse Participating Insurers for Losses from subsequent hurricanes that are Covered Events; to pay expenses incident to the issuance or sale of such debt; and for such other purposes relating to the financial obligations of the FHCF as the SBA may determine.

Under the Act, the Corporation has all of the powers of corporations under Chapter 607 (Florida Business Corporation Act) and Chapter 617 (Florida Not For Profit Corporation Act), Florida Statutes, subject only to limitations of the Act, which include, among other things, a provision prohibiting the Corporation from filing for voluntary federal bankruptcy protection as

long as the Corporation has any debt outstanding.

The Corporation is governed under the Act by a five-member Board of Directors consisting of the Governor or a designee, the Chief Financial Officer or a designee, the Attorney General or a designee, the Director of the Division of Bond Finance of the State Board of Administration, and the Chief Operating Officer of the FHCF. The members of the Board of Directors of the Corporation and the expiration dates of their respective terms in office are set forth below.

Member	Term Expires
Rick Scott, Governor, Chairman	January 1, 2015
Jeff Atwater, Chief Financial Officer	January 1, 2015
Pam Bondi, Attorney General	January 1, 2015
J. Ben Watkins III, Director of the Division of Bond Finance	Indefinite
Jack E. Nicholson, Chief Operating Officer, FHCF	Indefinite

The officers of the Corporation and the expiration dates of their respective terms in office are set forth below:

Officer	Term Expires
Jack E. Nicholson, President	Indefinite
Anne T. Bert, Treasurer	Indefinite
Tracy Allen, Esq., Secretary	Indefinite

The Corporation has no administrative staff and will use the staff of the FHCF for administrative matters. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness of the FHCF. The Corporation is treated as a blended component unit of the FHCF for financial statement presentation purposes, and does not issue separate financial statements from the FHCF. See "AUDITED FINANCIAL STATEMENTS" herein.

Upon issuance of the 2013A Bonds, the outstanding Parity Obligations of the Corporation will consist solely of the 2008A Bonds, the 2010A Bonds and the 2013A Bonds. Parity Obligations of the Corporation, including the 2013A Bonds, the 2010A Bonds, the 2008A Bonds are not debts of the State, and holders of Parity Obligations shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power, nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Pursuant to the Act, the Corporation and its corporate existence will continue indefinitely until terminated by law; however, no such law shall take effect as long as the Corporation has any debt outstanding unless adequate provision has been made for payment of such debt.

The State Board of Administration of the State of Florida

The SBA was created by Article IX, Section 16 of the State Constitution of 1885, as amended, and is continued under Article IV, Section 4(e) of the Florida Constitution. The SBA is composed of the Governor, as Chairman, the Chief Financial Officer and the Attorney General. The members of the SBA and the dates of expiration of their respective terms are set forth below:

Member	Term Expires
Rick Scott, Governor as Chairman	January 1, 2015
Jeff Atwater, Chief Financial Officer	January 1, 2015
Pam Bondi, Attorney General	January 1, 2015

As of the date hereof, all three members of the SBA serve on the Board of Directors of the Corporation.

The SBA fulfills a number of mandates set out under the Florida Constitution and state statutes, including the administration of the FHCF. The SBA appoints a nine-member advisory council (the "FHCF Advisory Council") that serves at the pleasure of the SBA to provide the SBA with information and advice in connection with its administration of the FHCF. As described in the Act, the membership of the FHCF Advisory Council consists of an actuary, a meteorologist, an engineer, a representative of insurers, a representative of insurance agents, a representative of reinsurers and three consumers who are required to be representatives of other affected professions and industries. The FHCF Advisory Council generally discusses policy matters but does not have decision-making authority over the FHCF. The SBA makes all final decisions.

The SBA is authorized under the Act to:

- enter into agreements for the issuance of debt upon the occurrence of Covered Events and a determination that the moneys in the FHCF are or will be insufficient to reimburse Participating Insurers at the coverage levels promised in the Reimbursement Contracts;

- direct OIR to levy Emergency Assessments of up to 6% of premium for Losses generated during any Contract Year (as defined herein) and up to 10% of premium in the aggregate to serve as security for debt issued to fund projected shortfalls in the FHCF from Covered Events;

- enter into agreements for the issuance of debt in the absence of a Covered Event upon a determination that such issuance would maximize the ability of the FHCF to meet future obligations.

The Florida Hurricane Catastrophe Fund

The FHCF is a tax-exempt trust fund created by the State Legislature during a special session in November 1993 to address the effects of Hurricane Andrew on the insurance market. The FHCF is administered by the SBA and is not an independent department or administrative unit of the State as defined in Section 20.04, Florida Statutes.

With limited exceptions, participation in the FHCF is mandatory for insurers writing certain residential property insurance policies in the State, including the Citizens Property Insurance Corporation ("Citizens") and any joint underwriting association or similar entity created pursuant to law (each a "Participating Insurer"), and is a condition of doing business in the State. Insurers with less than $10 million in aggregate exposure under certain residential property insurance policies are not required to participate in the FHCF.

Participation in the FHCF is established through annual Reimbursement Contracts with Participating Insurers that obligate the FHCF to reimburse such Participating Insurers for their respective Losses in excess of their share of an industry-wide loss-retention level. In exchange for this benefit, Participating Insurers pay the FHCF actuarially-determined Reimbursement Premiums. The FHCF estimates that its maximum possible single-season liability under Reimbursement Contracts is $17.205 billion for the Contract Year ending May 31, 2013, but the actual liability of the FHCF is limited to its actual claims paying capacity as defined in Section 215.555(2)(m), Florida Statutes. Such amount may be subject to change in future Contract Years. See "FUTURE LEGISLATIVE AND REGULATORY CHANGES" herein. Also, see "OPERATION OF THE FHCF" herein for a discussion about the operation of the FHCF, Reimbursement Premiums and Emergency Assessments.

Paragon Strategic Solutions Inc. provides actuarial and other support services to the FHCF, including services used by the FHCF to set the Reimbursement Premiums. See "OPERATION OF THE FHCF – Administration of the FHCF" for a description of such services.

PLAN OF FINANCE

Pursuant to the Master Trust Indenture and the Act, the Corporation may issue its Parity Obligations as Pre-Event Parity Obligations or Post-Event Parity Obligations. Pre-Event Parity Obligations are issued prior to the occurrence of a Covered Event and the proceeds thereof are held invested until such time as withdrawn to reimburse Participating Insurers for Losses related to any future Covered Events. Under the Act, Pre-Event Parity Obligations may be issued in the absence of a hurricane upon a determination that such action would maximize the ability of the FHCF to meet future obligations. Post-Event Parity Obligations are issued following the

occurrence of a Covered Event (i) to pay reimbursement at levels promised in reimbursement contracts for which moneys credited to the Corpus of the Fund are insufficient, or (ii) to refund other Post-Event Parity Obligations or to refund Pre-Event Parity Obligations issued prior to such Covered Event. The 2013A Bonds will constitute Pre-Event Parity Obligations and the 2008A Bonds and 2010A Bonds constitute Post-Event Parity Obligations.

The 2013A Bonds and Other Pre-Event Liquidity

The 2013A Bonds will be issued to supplement the FHCF's available cash balance to provide a source of Pre-Event liquidity for FHCF to reimburse Participating Insurers for Losses relating to any future Covered Events.

Proceeds of the 2013A Bonds will not be used to pay Participating Insurers for Losses relating to prior Covered Events, such as the Losses arising from hurricanes that struck the State in 2004 (the "2004 Covered Events") and 2005 (the "2005 Covered Events"), but will be invested consistent with Section 215.47, Florida Statutes, as amended, and the FHCF's investment policy and will be withdrawn as needed to reimburse Participating Insurers for Losses incurred from any future Covered Events. See "INVESTMENT POLICY OF THE FHCF" herein. Proceeds of the 2013A Bonds and the FHCF available cash balance may be withdrawn in any order of priority to reimburse Participating Insurers in the event of any future Covered Events. See "PLEDGE AND SECURITY FOR THE NOTES – Withdrawal of 2013A Bond Proceeds" herein."

The Corporation anticipates that if proceeds of the 2013A Bonds are used to reimburse Participating Insurers for Losses from any future Covered Events, it will ultimately refinance a corresponding portion of the 2013A Bonds in the approximate amount withdrawn through the issuance of tax-exempt Post-Event Parity Obligations. The timing of any such refinancing will depend upon a number of factors, including, but not limited to, market conditions. The issuance of any Post-Event Parity obligations to redeem the 2013A Bonds will be subject to the Incurrence Test, which requires, among other things, that Emergency Assessments be levied or ordered in amounts estimated to be sufficient to pay debt service on such Post-Event Parity Obligations. See "PLEDGE AND SECURITY FOR 2013A BONDS – Additional Parity Obligations and Subordinate Indebtedness" herein. Further, under certain circumstances, including, but not limited to, a temporary and partial withdrawal of proceeds of the 2013A Bonds, the withdrawal may be replaced with future collections of Reimbursement Premiums or, alternatively, debt service on the 2013A Bonds may be paid from Reimbursement Premiums, Emergency Assessments or other Pledged Collateral rather than being refinanced with Post-Event Parity Obligations.

Post-Event Parity Obligations

On May 31, 2006, the SBA adopted resolutions authorizing the execution and delivery of the Pledge Agreement and directing the Office of Insurance Regulation ("OIR") to levy an Emergency Assessment on all lines of insurance assessable under the Act (the "Assessable Lines") in the amount of 1%, effective January 1, 2007 (the "2007 Emergency Assessment"). See "OPERATION OF THE FHCF – Emergency Assessments" herein for a more complete description of Assessable Lines. On June 12, 2006, OIR levied the Emergency Assessment in two Orders: one directed at insurers directly regulated by OIR and the other directed at the Florida Surplus Lines Service Office (the "FSLSO") to apply to surplus lines agents writing surplus lines policies on Assessable Lines of insurance and on insurance independently procured under Section 626.938, Florida Statutes. See "OPERATION OF THE FHCF" herein. On April 27, 2010, OIR issued two orders that increased the Emergency Assessment from 1% to 1.3% (the "2010 Emergency Assessment") effective January 1, 2011.

The Act permits the SBA to adjust the Emergency Assessment annually as necessary to pay debt service on revenue bonds. The SBA reserves the right to change the Emergency Assessment from the current assessment rate provided the Corporation remains in compliance with all covenants under the Master Indenture, including without limitation covenants regarding debt service coverage and the exclusion of interest from federal income taxation. See "SECURITY AND SOURCE OF PAYMENT—Fiscal Year-End Certificate" and "TAX MATTERS—Private Letter Rulings" herein.

As of June 30, 2012, FHCF's actuarially projected Losses from the 2004 Covered Events and the 2005 Covered Events totaled approximately $9.760 billion. On July 31, 2008, and May 25, 2010, the Corporation issued its 2008A Bonds in the amount of $625 million, and its 2010A Bonds in the amount of $675.92 million, respectively, to pay Losses associated with the 2004 Covered Events and 2005 Covered Events. As of June 30, 2012, all of the 2008A Bond proceeds have been used for that purpose, and $391.8 million of the proceeds of the 2010A Bonds remained available to pay such Losses. The projected Losses remaining to be paid equal approximately $409 million, leaving a current projected shortfall of approximately $17.2 million. The settlement of these losses is in process and the FHCF does not reasonably expect to have to issue any additional Post-Event Parity Obligations for payment thereof. FHCF expects to pay any remaining shortfall from Emergency Assessments not needed for payment of debt service on Outstanding Parity Obligations. The 2010A Bonds and the 2008A Bonds are all payable from the 2010 Emergency Assessment, which replaced the 2007 Emergency Assessment.

The FHCF estimates that the maximum projected amount of tax-exempt Post-Event Parity Obligations payable from Emergency Assessments within the 10% maximum assessment allowed by the Act based upon the current Emergency Assessment base equals approximately $_____

billion. See "OPERATION OF THE FHCF – Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions" herein. However, FHCF makes no representation as to the level of demand for such amount of bonds in the credit markets. There can be no guarantee that adequate demand will exist should the FHCF be required to issue a large amount of Post-Event Parity Obligations following a catastrophic windstorm. Other issuers such as Citizens and the Florida Insurance Guarantee Association ("FIGA") may all seek to issue bonds payable from assessments similar to the FHCF's Emergency Assessments following the same windstorm event. There can be no assurance that there will be adequate capacity in the marketplace to permit the sale of bonds necessary to meet all of FHCF's needs. See "OPERATION OF THE FHCF—Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions" herein for more discussion regarding the FHCF's bonding capacity estimate.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the 2013A Bonds are expected to be applied as shown below.

Sources of Funds:	2013A-1	2013A-2	Total
Principal Amount of the Bonds	$_____	$_____	$_____
Total Sources	$_____	$_____	$_____
Uses of Funds:			
Deposit to 2013A Covered Events Relief Subaccount	$_____	$_____	$_____
[**Deposit to 2013A Reserve Account**	_____	_____	_____]
Deposit to Capitalized Interest Account	_____	_____	_____
Costs of Issuance[1]	_____	_____	_____
Underwriters' Discount	_____	_____	_____
Total Uses	$_____	$_____	$_____

[1] Includes legal fees, Financial Advisor fees, rating agency fees, printing costs and other miscellaneous expenses relating to the authorization and issuance of the 2013A Bonds.

DEBT SERVICE COVERAGE

The following table shows projected debt service coverage on the 2008A Bonds, the 2010A Bonds and the 2013A Bonds. Coverages shown are based upon estimates of the future collections of Reimbursement Premiums, Emergency Assessments, investment earnings on the proceeds of the 2013A Bonds until their maturity or such time as the proceeds are used to pay Covered Claims, and certain stated assumptions regarding interest rates. Over the term of the 2013A Bonds, the Corporation expects the interest cost on the 2013A Bonds to exceed the investment earnings on the proceeds of the 2013A Bonds. The interest cost on the 2013A Bonds that exceeds the investment earnings on the proceeds thereof is expected to be paid from other components of Pledged Collateral, such as Reimbursement Premiums. The table below does not take into account the impact on debt service coverage of any draws on the proceeds of the 2013A Bonds upon the occurrence of any future Covered Event.

The amounts shown below are estimates, subject to change, and are based upon various assumptions concerning interest rates, Emergency Assessment rates, growth in premiums subject to Emergency Assessment and Reimbursement Premiums and other assumptions. There can be no assurance that the assumptions are correct, and actual cash flows and debt service coverage may be different than projected below. Additionally, the debt service coverage table does not reflect substantial and material changes to projected debt service requirements that would result from withdrawals of proceeds of the 2013A Bonds or the refinancing thereof with Post-Event Parity Obligations.

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Historical and Projected Debt Service Coverage
Total Outstanding Parity Obligations
(dollars in millions)

Fiscal Year (06/30)	Collections: Emergency Assessments[1]	Collections: Reimbursement Premiums[2]	Investment Earnings[3]	Total Revenue Available	Total Debt Service on Outstanding Parity Obligations[4]	Annual Debt Service 2013A Bonds[5]	Debt Service Coverage on Outstanding Parity Obligations
2007	196	1,199					
2008	362	1,249					
2009	339	1,095					
2010	330	1,390					
2011	387	1,304					
2012							
2013							
2014							
2015							
2016							
2017							

Source: FHCF, except Reimbursement Premiums information, which has been provided by **[Paragon Strategic Solutions Inc.]**

(1) Amount shown reflects actual collections through **[March 31]**, 2012 plus estimated collections for **[April 2012]** forward. Direct Written Premium projections subject to Emergency Assessments are estimated at 0% growth. **[The increase in Emergency Assessments is projected from an increase in the Emergency Assessment rate from 1% to 1.3% effective on January 1, 2011.]** The numbers include investment earnings. _____ million dollars of Emergency Assessments were available to pay for debt service due on July 1, 2012. Additional quarterly collections of $_____ million in Emergency Assessments were collected prior to June 30, 2012. After paying debt service due on July 1, 2012, the balance of Emergency Assessments carried forward to next fiscal year was $_____ million.

(2) Reimbursement Premiums for mandatory coverage assume a _____% annual growth rate and have been reduced each year for estimated Current Expenses. Fiscal Year 2007 included a one time only Rapid Cash Build-up premium of $213 million. Fiscal Years 2007 and 2008 also include premium for certain Limited Apportionment companies of $135 million and $134 million, respectively. Temporary Increase in Coverage Limit Options for Additional Coverage ("TICL") is only applicable for Fiscal Years 2008, 2009, and 2010. The TICL Premium was $_____ million, $_____ million and $_____ million for Fiscal Years 2008, 2009 and 2010, respectively.

(3) Investment earnings calculated on Emergency Assessment collections at _____% and the proceeds for the 2008A Bonds, 2010A Bonds and 2013A Bonds have been calculated using an interest rate of _____%.

(4) Debt service for Fiscal Years 2007-2012 is the actual amount net of capitalized interest. Future debt service includes actual amounts for the 2008A Bonds, and 2010A Bonds (Fiscal year 2013 is net of capitalized interest).

(5) [if 2013A-2 Notes are issued describe assumption for debt service]

DESCRIPTION OF THE 2013A BONDS

General

Interest on the 2013A-1 Bonds will be payable semiannually on January 1 and July 1 of each year, commencing **[July 1, 2013]**, at the rates set forth on the cover page of this Official Statement. Interest on the 2013A-2 Notes will be payable monthly in arrears on the first day of each calendar month commencing on _____ 1, 2013. The 2013A Bonds will mature on July 1 in the years and the principal amounts set forth on the inside cover page of this Official Statement. Individual purchases of 2013A-1 Bonds will be made in denominations of $5,000 or any integral multiple thereof. Individual purchases of 2013A-2 Notes will be made in denominations of $100,000 and any integral multiple of $1,000 in excess thereof. The Master Trustee will also serve as Bond Registrar with respect to the 2013A Bonds.

Determination of 2013A-2 Notes Interest Rate

The 2013A-2 Notes will bear interest from and including _____, 2012 (the "Dated Date") to but excluding _____, 2012 at the Initial Interest Rate (as defined below) and from and including _____, 2012 to but excluding the Maturity Date, monthly in arrears on the 1st day of each month of each year (each, an "Interest Payment Date"), beginning on _____, 2012, at a rate per annum equal to one-month LIBOR (as defined below) plus ____% until the principal thereof is paid or made available for payment. The initial interest rate shall be equal to the interpolation of one-month LIBOR and two-month LIBOR, each determined two London Banking Days prior to the Dated Date, plus ____% per annum (the "Initial Interest Rate") as determined by Wells Fargo Bank, N.A., as calculation agent for the 2013A-2 Notes (the "Calculation Agent"), as described below.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date shall, as provided in the Indenture, be paid to the Person in whose name the 2013A-2 Note is registered at the close of business on the fifteenth calendar day, whether or not a Business Day, prior to the applicable Interest Payment Date (each such date, a "Regular Record Date"). Any such interest not so punctually paid or duly provided for will cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name the 2013A-2 Note is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice of which shall be given to Holders of 2013A-2 Notes not less than 10 days prior to such Special Record Date and shall otherwise be payable, all as more fully provided in the Indenture. Interest on the 2013A-2 Notes at maturity is payable to the Persons to whom principal is payable. "Business Day" shall mean any day, other than Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in The City of New York are authorized or required by law, regulation or executive order to close and is also a London Banking Day. "London Banking Day" means any

day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

Interest will be computed based on an actual number of days elapsed over a year of 365 or 366 days, as the case may be. Interest payments on the 2013A-2 Notes will be the amount of interest accrued from and including the Dated Date or the most recent Interest Payment Date on which interest has been paid to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be.

If any Interest Payment Date, other than the Maturity Date, falls on a day that is not a Business Day, the Interest Payment Date is postponed to the next succeeding Business Day, except if that Business Day falls in the next succeeding calendar month, the Interest Payment Date is the immediately preceding Business Day. If the Maturity Date falls on a day that is not a Business Day, the payment of interest and principal will be made on the next succeeding Business Day with the same force and effect as if made on the day such payment was due, and no interest on the 2013A-2 Notes shall accrue for the period from and after the Maturity Date.

The rate of interest on the 2013A-2 Notes resets monthly (the "Interest Reset Date," and the first day of each Interest Reset Period shall be an "Interest Reset Date"). The Interest Reset Dates for the 2013A-2 Notes is _____, 2012 and thereafter the 1st day of each month of each year; provided that the interest rate in effect from and including the Dated Date to but excluding the first Interest Reset Date shall be the Initial Interest Rate. If any Interest Reset Date falls on a day that is not a Business Day, the Interest Reset Date shall be postponed to the next succeeding Business Day.

The determination of the interest rate by the Calculation Agent is final and binding absent manifest error. If for any reason the interest rate is not established on an Interest Reset Date, the 2013A-2 Notes will bear interest at the interest rate last in effect until such time as a new interest rate is established pursuant to the terms of the Indenture.

The Calculation Agent will determine the Initial Interest Rate by reference to LIBOR on the second London Banking Day preceding the Dated Date and the interest rates for each succeeding Interest Reset Period by reference to LIBOR on the second London Banking Day preceding the applicable Interest Reset Date, each of which is referred to herein as an "Interest Determination Date."

One-month LIBOR, with respect to an Interest Determination Date, shall be the rate (expressed as a percentage per annum) for deposits in United States dollars for a one-month period that appears on Reuters on page LIBOR01 (or any other page as may replace such page on such service (or any successor service) for the purpose of displaying the London interbank

rates of major banks for United States dollars) ("Reuters Page LIBOR01 ") as of 11:00 a.m., London time, on the Interest Determination Date. If Reuters Page LIBOR01 does not include this rate or is unavailable on the Interest Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market (which may include affiliates of the underwriters), as selected by the Calculation Agent, to provide that bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for deposits in a principal amount that is representative of a single transaction in United States dollars for a one-month period beginning on the second London Banking Day after the Interest Determination Date. If at least two offered quotations are so provided, LIBOR for such Interest Determination Date will be the arithmetic mean of those quotations. If fewer than two quotations are so provided, the calculation agent will request each of three major banks in The City of New York (which may include affiliates of the underwriters), as selected by the Calculation Agent, to provide that bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., New York City time, on the Interest Determination Date for loans in a principal amount that is representative of a single transaction in United States dollars to leading European banks for a one-month period beginning on the second London Banking Day after the Interest Determination Date. If at least two rates are so provided, LIBOR for such Interest Determination Date will be the arithmetic mean of those rates. If fewer than two rates are so provided, then LIBOR for such Interest Determination Date will be LIBOR in effect on such Interest Determination Date. The interest rate shall never exceed an interest rate per annum equal to the lesser of the maximum interest rate permitted by law or 12%.

Accrued interest on the 2013A-2 Notes will be calculated by multiplying the principal amount of the 2013A-2 Notes by an accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which interest is being paid. The interest factor for each day is computed by dividing the interest rate applicable to that day by 365 or 366, as the case may be. The interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. The interest rate applicable to any other day is the interest rate from the immediately preceding Interest Reset Date, or, if none, the Initial Interest Rate. All percentages used in or resulting from any calculation of the rate of interest on the 2013A-2 Notes will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005% rounded up to 0.00001%), and all U.S. dollar amounts used in or resulting from these calculations will be rounded to the nearest cent (with one-half cent rounded upward).

Book-Entry-Only System

The Depository Trust Company ("DTC") will act as securities depository for the 2013A Bonds. The 2013A Bonds will be issued as fully-registered bonds registered in the name of

Cede & Co. (DTC's nominee name) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2013A Bonds, each in the aggregate principal amount of such maturity (subject to any DTC restrictions on the maximum principal amount of a bond certificate), and will be deposited with DTC. See "Appendix D, PROVISIONS FOR BOOK-ENTRY-ONLY SYSTEM FOR REGISTERED BONDS" for a description of DTC, certain responsibilities of DTC, the SBA, the Corporation and the Bond Registrar, and the provisions for registration and registration of transfer of the 2013A Bonds if the book-entry-only system of registration is discontinued.

Redemption

[insert redemption provisions]

PLEDGE AND SECURITY FOR 2013A BONDS

The 2013A Bonds shall not be deemed to constitute a debt of the State, and holders of the 2013A Bonds shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2013A Bonds.

General

The 2013A Bonds are being issued on a parity basis with the Corporation's outstanding $625,000,000 2008A Bonds, $675,920,000 2010A Bonds, and any future Parity Obligations, and are secured by a first lien pledge of the Pledged Collateral consisting primarily of: (i) Reimbursement Premiums and earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) Emergency Assessments and earnings thereon, and (iii) investment earnings on proceeds of Parity Obligations, including the 2013A Bonds. The net proceeds of the 2013A Bonds are pledged as security for the 2013A Bonds prior to being withdrawn to reimburse Participating Insurers for Losses relating to any future Covered Events. **[The 2013A Bonds are also secured by the 2013A Reserve Account as described herein.]** Reimbursement Premiums and Emergency Assessments are discussed in detail in "OPERATION OF THE FHCF - Reimbursement Premiums" and – "Emergency Assessments" herein. Similarly, information relevant to investment of proceeds of Parity Obligations is discussed under the heading "INVESTMENT POLICY OF THE FHCF" herein.

The 2008A Bonds and the 2010A Bonds were, and the 2013A Bonds and any future Parity Obligations will be, issued pursuant to the Master Indenture and secured thereby and by

the Pledge Agreement. The 2008A Bonds and the 2010A Bonds are also secured on a parity basis by the Parity Common Reserve Account funded with a deposit of $62,500,000 from legally available funds of the FHCF in connection with the issuance of the 2008A Bonds and $71,614,954.49 from proceeds of the 2010A Bonds. **[The 2013A Bonds are also secured by the 2013A Reserve Account.]**

Withdrawal of 2013A Bond Proceeds

The net proceeds derived from the sale of the 2013A Bonds shall be deposited into and held in a separate subaccount of the Covered Events Relief Fund pursuant to the Pledge Agreement and will not be commingled with the proceeds of the 2008A Bonds and the 2010A Bonds. The holders of the 2013A Bonds will be secured by the net proceeds of the 2013A Bonds prior to withdrawal to pay Losses relating to any future Covered Events. In the event of any future Covered Event, proceeds of the 2013A Bonds and the FHCF available cash balance may be withdrawn in any order or priority. Holders of the 2013A Bonds will have no right to compel the withdrawal of the FHCF's available cash balance or the proceeds of the 2013A Bonds before or after withdrawal of the other Parity Obligations. The proceeds from the sale of the 2013A Bonds are expected to be used to pay Losses of Participating Insurers upon the occurrence of one or more future Covered Events. Proceeds of the 2013A Bonds may be withdrawn and used to pay Losses of Participating Insurers by an authorized officer of the SBA certifying to the Master Trustee: (I) the expected aggregate amount and monthly schedule for anticipated withdrawals to be made as a result of any future Covered Event; (ii) that an amount equal to estimated debt service for six months on the amount withdrawn will be deposited with the Master Trustee for credit to the Interest Account for the 2013A Bonds; (iii) taking into account the anticipated withdrawals, there will be sufficient revenues available to pay debt service on the 2013A Bonds when due; and (iv) notice of the anticipated withdrawals has been provided to the SBA along with an estimate of the Emergency Assessment percentage, if any, that would be necessary to provide for the estimated debt service in each Fiscal year on debt in an amount equal to the aggregate withdrawals.

Pledge Agreement

Under the Pledge Agreement, the FHCF has pledged to the Corporation the Pledged Collateral, consisting primarily of the following items: (I) Reimbursement Premiums and earnings thereon (after provision for Current Expenses of the FHCF and the Corporation); (ii) Emergency Assessments and earnings thereon; and (iii) investment earnings on proceeds of Parity Obligations, including the 2013A Bonds. See "OPERATION OF THE FHCF – Reimbursement Premiums" and " - Emergency Assessments" and "INVESTMENT POLICY OF THE FHCF" herein for more detailed discussions of Reimbursement Premiums, Emergency Assessments and investment of proceeds of Parity Obligations.

Reimbursement Premiums are collected by the FHCF on each August 1, October 1 and December 1. Emergency Assessments are received by the FHCF continually throughout the year, with the largest amounts due to the SBA on or about each June 1, September 1, December 1 and March 15. The initial Emergency Assessment became effective on January 1, 2007 with the majority of the initial collections occurring in May 2007. See "OPERATION OF THE FHCF – Emergency Assessments – Collection of Emergency Assessments" herein. Reimbursement Premiums (after provision for Current Expenses of the FHCF and the Corporation) and Emergency Assessments received by the FHCF will be transferred to the Master Trustee no less frequently than monthly. To the extent the foregoing is insufficient to provide for debt service on Outstanding Parity Obligations, the Master Trustee will provide notice to the FHCF, which will be required to transfer so much of the Pledged Collateral at such times and in such amounts as necessary to provide for such debt service.

The Pledge Agreement provides that any Reimbursement Premiums and earnings thereon that are transferred to the Master Trustee will be transferred net of the Current Expenses of the FHCF. Current Expenses of the FHCF include all administrative expenses, salaries and other compensation expenses; fees and expenses incurred for professional consultants and fiduciaries; refunds related to over-payments of Reimbursement Premiums or refunds of interest related to loss reimbursements or overpayments of Reimbursement Premiums; and the premiums, fees and costs of procuring reinsurance for the FHCF. As of the date of this Official Statement, the FHCF had not purchased any such reinsurance.

Current Expenses of the FHCF also include payments required by the Act to be appropriated for certain hurricane preparedness programs of local governments, state agencies, public and private educational institutions and non-profit organizations ("Mitigation Payments"). The Act requires that no less than $10 million and no more than 35% of investment earnings of the FHCF be appropriated annually for such Mitigation Payments. The Act limits the required appropriation of investment earnings of the FHCF to $10 million if the SBA determines that an appropriation in excess of that amount would jeopardize the actuarial soundness of the FHCF. In 2011, the Florida Legislature enacted Senate Bill 2156 extending the Hurricane Loss Mitigation Program through June 30, 2021.

Current Expenses of the FHCF have ranged from $14.7 million to $15.6 million per year over the five Fiscal Year period ended June 30, 2012. These amounts include $10 million annual Mitigation Payments, which if excluded, would result in Current Expenses ranging from $4.7 million to $5.6 million for the five Fiscal Year period ended June 30, 2012. For purposes of the information presented in the table under the heading "OPERATION OF THE FHCF – Historical Summary of Revenues, Expenses and Changes in Net Assets" herein, the portion of the Current Expenses of the FHCF relating to Mitigation Payments has been reflected in the row entitled Transfers to Other Funds, with the remainder of the Current Expenses of the FHCF reflected in the row entitled Administrative, Professional, Personnel and Other. Presentation of Current

Expenses of the FHCF in this manner conforms to the presentation of this information in the financial statements of the FHCF.

A copy of the Pledge Agreement is set forth in "Appendix C-4, PLEDGE AND SECURITY AGREEMENT".

Flow of Funds

The FHCF will transfer to the Master Trustee Emergency Assessments and Reimbursement Premiums (after provision of Current Expenses of the FHCF) received by the FHCF in such amounts and at such times as provided for in the Master Indenture and Pledge Agreement which requires such transfer no less frequently than monthly until sufficient sums are on deposit therein. Upon receipt of these amounts, the Master Trustee will deposit all Emergency Assessments into the Emergency Assessments Account within the Revenue Fund, which is held by the Master Trustee. All Reimbursement Premiums received will be deposited into the Reimbursement Premiums Account within the Revenue Fund. To the extent the Master Trustee receives investment income on the proceeds of Pre-Event Parity Obligations or proceeds of any Derivative Agreements, such amounts will likewise be deposited to corresponding accounts created within the Revenue Fund. See "Appendix C-2, MASTER TRUST INDENTURE—Section 502". The Corporation, the FHCF and the SBA do not expect to enter into any Derivative Agreements with respect to the 2013A Bonds and no Derivative Agreements are currently outstanding.

Prior to each January 1 and July 1, the Master Trustee will transfer from the Emergency Assessment Account to the Bond Fund, which is also held by the Master Trustee, amounts sufficient to pay interest and principal on the 2010A Bonds, the 2008A Bonds, Other Post-Event Parity Obligations and any amounts required to eliminate any deficiency in the Parity Common Reserve Account. To the extent amounts contained in the Emergency Assessment Account are insufficient to provide for the foregoing, the Master Trustee will transfer the necessary amounts first from amounts on deposit in the Parity Common Reserve Account and then from amounts in the Reimbursement Premiums Account.

Amounts in the Reimbursement Premiums Account will be used first to pay Current Expenses of the Corporation, then (to the extent not paid from interest earnings on certain proceeds of the 2013A Bonds and any other future Pre-Event Parity Obligations) to pay debt service on any Parity Obligations and then to eliminate any deficiency in any reserve account securing any Post-Event Parity Obligations.

Expenses of the Corporation are expected to be insignificant. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness of the FHCF. Current Expenses of

the Corporation are anticipated to consist primarily of the fees and expenses due to the Master Trustee and the Bond Registrar and fees and expenses due the Corporation's auditors. The Corporation has no staff and only three officers whose compensation is paid by the FHCF: the Chief Operating Officer, the Director of Operations and the Senior Attorney. To the extent amounts on deposit in the Reimbursement Premiums Account are insufficient to provide for the Current Expenses of the Corporation, debt service on the 2013A Bonds and other future Pre-Event Parity Obligations and any deficiencies in any applicable debt service reserve account, the Master Trustee will transfer the necessary amounts first from the Pre-Event Bonds Investment Income Account, then to the extent necessary from the Emergency Assessments Account.

Once debt service on all Outstanding Parity Obligations has been provided for a Fiscal Year, the requirement to continue to transfer Reimbursement Premiums to the Master Trustee ceases for the remainder of the Fiscal Year, and any Reimbursement Premiums and investment earnings on proceeds of Pre-Event Parity Obligations received by the FHCF from such date until the end of the Fiscal Year are released from the lien of the Pledge Agreement and Master Indenture. In addition, as of such date, any Reimbursement Premiums held by the Master Trustee and accumulated investment earnings on Pre-Event Parity Obligations held by the FHCF, which amounts are in excess of the amounts needed to pay debt service on all Outstanding Parity Obligations for such Fiscal Year, are also released from the lien of the Master Indenture and Pledge Agreement. All released Reimbursement Premiums that are in possession of the Master Trustee will be returned to the FHCF to be used for any purpose permitted under the Act. Reimbursement Premiums and investment earnings on Pre-Event Parity Obligations released from the lien of the Master Indenture and Pledge Agreement become part of the Corpus of the FHCF, are no longer pledged to payment of debt service on the 2013A Bonds, the 2010A Bonds, the 2008A Bonds or any other Outstanding Parity Obligations and will be available to pay Losses resulting from Covered Events and any other lawful purpose of the FHCF. See "-Corpus and Corpus Earnings not Pledged" below.

Unlike Reimbursement Premiums, the lien of the Master Indenture and Pledge Agreement on Emergency Assessments is not automatically released once debt service for the Fiscal Year on Outstanding Parity Obligations has been provided for. Instead, the FHCF is required to continue to transfer Emergency Assessments to the Master Trustee. Excess Emergency Assessments transferred to the Master Trustee may be released from the lien of the Pledge Agreement and Master Indenture if the SBA certifies to the Master Trustee that there are sufficient Emergency Assessments on deposit with the Master Trustee to adequately provide for the timely payment of such debt service when due on Post-Event Parity Obligations for the current and the next succeeding Fiscal Years. Upon the Master Trustee's receipt of such certificate, Emergency Assessments in excess of amounts needed to pay debt service on Post-Event Parity Obligations will be released from the lien of the Master Indenture and Pledge

Agreement and will be returned to the FHCF. Such amounts will then be available for any other lawful purpose of the FHCF.

Corpus and Corpus Earnings Not Pledged

Reimbursement Premiums and Emergency Assessments released from the lien of the Pledge Agreement and the Master Indenture as described above will become part of the Corpus of the FHCF, which will be used to pay Losses resulting from hurricanes in subsequent Contract Years and for other lawful purposes of the FHCF. Neither the Corpus nor the earnings thereon is pledged to payment of debt service on the 2013A Bonds or any other Parity Obligations issued under the Master Indenture.

2013A Bond Reserve Account and Parity Common Reserve Account

[The 2013A Bonds will be issued with the benefit of the 2013A Reserve Account. On the delivery date of the 2013A Bonds the Master Trustee will deposit $_____, into the 2013A Reserve Account from the Proceeds of the 2013A Bonds or any other legally available funds of the FHCF. Such amount equals the 2013A Reserve Account Requirement. Moneys in the 2013A Reserve Account shall solely secure the 2013A Bonds and may not be used to pay any other Parity Obligations. Amounts in the 2013A Reserve Account will be transferred to the Bond Fund to the extent necessary to pay interest on and principal of the 2013A Bonds secured by the 2013A Reserve Account (whether at maturity, by acceleration or in satisfaction of the Sinking Fund Requirement therefor).]

The 2010A Bonds and the 2008A Bonds are secured on a parity basis by the Parity Common Reserve Account created in the Bond Fund which currently has approximately **[$134.76]** million on deposit therein (as of July 31, 2012) equaling the Parity Common Reserve Requirement for the 2008A Bonds and the 2010A Bonds. The 2013A Bonds are not secured by the Parity Common Reserve Account.

A Supplemental Trust Indenture authorizing additional Parity Obligations may establish a Special Reserve Account for such Parity Obligations and determine the amount to be deposited therein. In addition, a Series of Parity Obligations may be issued under the Master Indenture without the benefit of any debt service reserve fund. The Parity Common Reserve Account will not secure Parity Obligations secured by a Special Reserve Account or no debt service reserve fund.

Under the Master Indenture, the Parity Common Reserve Account may be funded with cash, Investment Obligations or a Reserve Alternative Instrument, such as a surety bond.

Investment Obligations held in the Parity Common Reserve Account will be valued at cost. Any deficiency in the Parity Common Reserve Account resulting from a withdrawal of cash or Investment Obligations or a draw upon a Reserve Alternative Instrument must be made up within one year of the withdrawal creating such deficiency. See "Appendix C-2, MASTER TRUST INDENTURE—Section 508".

No Bankruptcy

As long as the Corporation has any debt outstanding, neither the FHCF nor the Corporation shall have the authority to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, and neither any public officer nor any organization, entity, or other person shall authorize the FHCF or the Corporation to be or become a debtor under Chapter 9 of the Federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, during any such period.

Non-Impairment

The State has covenanted under the Act with the holders of debt issued by the Corporation that the State will not repeal or abrogate the power of the SBA to direct the OIR to levy the Emergency Assessments and to collect the proceeds of the revenues pledged to the payment of such debt so long as any such debt remains outstanding, unless adequate provision has been made for the payment of such debt pursuant to the documents authorizing the issuance of such debt.

Additional Parity Obligations and Subordinate Indebtedness

Parity Obligations. The Corporation may issue additional Parity Obligations if it certifies compliance with the Incurrence Test. The requirements necessary to certify compliance with the Incurrence Test differ depending on whether the Corporation intends to issue Pre-Event Parity Obligations, Post-Event Parity Obligations, or Parity Obligations to refund or reissue any indebtedness of the Corporation.

The Corporation may incur additional Pre-Event Parity Obligations if it first certifies to the Master Trustee that (i) the sum of (A) Reimbursement Premiums and Reimbursement Premium Earnings for 12 consecutive out of the most-recent 18 consecutive months, after certain permitted adjustments, and (B) the Emergency Assessment revenues that could be derived from multiplying the maximum Emergency Assessment percentage permitted under the Act by the amount of premium on all Assessable Lines for the most-recent 12-month period, divided by (ii) the Maximum Debt Service Requirement on all Parity Obligations, including the proposed issuance of Pre-Event Parity Obligations, is at least equal to 1.25.

The Corporation may incur Post-Event Parity Obligations if it satisfies the test for issuing Pre-Event Parity Obligations and also establishes that sufficient Emergency Assessments are being collected or have been ordered to be assessed to cover 100% of the Maximum Debt Service Requirement for all Outstanding Post-Event Parity Obligations and the proposed Post-Event Parity Obligations to be issued.

The Corporation may issue Parity Obligations to refund or reissue any indebtedness of the Corporation, whether Parity Obligations or Subordinate Indebtedness, provided that either (A) after taking into account the Parity Obligations proposed to be incurred and the Parity Obligations to remain Outstanding after the proposed refunding or reissuance, the Maximum Debt Service Requirement will not be increased by more than five percent (5%), or (B) the Corporation certifies to the Master Trustee the items required to be certified to issue Pre-Event Parity Obligations after taking into account the Parity Obligations proposed to be incurred and the Parity Obligations to remain Outstanding after the proposed refunding or reissuance; provided, however, if Post-Event Parity Obligations are proposed to be issued to refund or reissue any Outstanding indebtedness of the Corporation, the Corporation must also certify the existence of the conditions required to issue Post-Event Parity Obligations. The Corporation will provide the Master Trustee with a verification report from a nationally-recognized verification agent supporting any determination made in (A) or (B) above with respect to any defeasance of Parity Obligations. See "Appendix C-2, MASTER TRUST INDENTURE - Section 704".

Subordinated Indebtedness. The Master Indenture also permits the Corporation to incur indebtedness which will be subordinate and junior in right of payment to the Parity Obligations issued under the Master Indenture. See "Appendix C-2, MASTER TRUST INDENTURE – Section 211".

Debt Service Coverage Requirement

Not later than ninety (90) days after the end of each Fiscal Year, the Corporation and the FHCF must certify that the Revenue Available for Debt Service for the prior Fiscal Year (which includes investment earnings on proceeds of Pre-Event Parity Obligations), was at least equal to the greater of (i) one hundred twenty-five percent (125%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year for Parity Obligations and Subordinated Indebtedness. If the Corporation and the FHCF are unable to certify compliance with the foregoing, each of the Corporation and the FHCF has covenanted to take all actions permitted by law or under the Pledge Agreement, including increasing the assessment rate of Emergency Assessments,

petitioning the State Legislature for any amendment or amendments to the Act deemed appropriate by its governing body and cooperating with the SBA in connection with any action to increase collections of Pledged Collateral. See "DEBT SERVICE COVERAGE – Debt Service Coverage Table" herein.

See "Appendix C-2 - MASTER TRUST INDENTURE – Section 705" and "Appendix C-4 - PLEDGE AND SECURITY AGREEMENT – Section 4(c)".

Events of Default and Remedies

Under the Master Indenture and the Pledge Agreement, each of the following is an event of default (an "Event of Default") with respect to any of the 2013A Bonds, the 2010A Bonds, the 2008A Bonds and any other Outstanding Parity Obligations:

- The Corporation fails to pay the principal, redemption premium (if any) or interest on any Parity Obligation when such amounts are due and payable;

- The occurrence of any event of default under a Supplemental Indenture;

- The Corporation fails to comply with any covenant or agreement under the Master Indenture (other than the covenant to pay principal, redemption premium (if any) and interest when due) and such failure is not cured (or if such noncompliance cannot be cured within the following time period, corrective action is not commenced) within thirty (30) days after the Corporation's receipt of written notice from the Master Trustee describing the Event of Default and requiring the default to be remedied;

- The Corporation fails to make any required payment with respect to Subordinated Indebtedness or any other indebtedness (other than Parity Obligations) and any applicable grace period has expired; and

- The State limits or alters the denial of authority of the Corporation to file a petition in bankruptcy, or the rights vested in the FHCF or the Corporation to fulfill the terms of any agreements made with the Owners, or in any way impair the rights and remedies of such Owners so long as any such Parity Obligations of the Corporation remain Outstanding unless adequate provision has been made for the payment of such Parity Obligations.

Immediately upon any Event of Default, the Master Trustee may (and upon the written request of a majority in aggregate principal amount of the holders of Outstanding Parity

Obligations, will) proceed to protect and enforce its rights and the rights of the holders of the Parity Obligations under the Master Indenture through any means available to it, including:

- Enforcement of the right to collect and enforce the payment of amounts due or becoming due under the Parity Obligations;
- Suit upon all or any part of the Parity Obligations;
- Civil action to require any person holding moneys, documents or other property pledged to the Parity Obligations to account as if it were the trustee of an express trust for the holders of such Parity Obligations;
- Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Owners and holders;
- Enforcement of any other right of the holders conferred by law or hereby; and
- Enforcement of the provisions of the Pledge Agreement.

Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the holders of not less than a majority in aggregate principal amount of Outstanding Parity Obligations, must institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Master Indenture by any acts which may be unlawful or in violation of the Master Indenture, or (ii) to preserve or protect the interests of the holders of Outstanding Parity Obligations.

In addition to the above-described remedies available upon any Event of Default, the Master Trustee may (and upon the written request of a majority in aggregate principal amount of the holders of Outstanding Parity Obligations, will) accelerate the payment of principal of Outstanding Parity Obligations not yet due and payable upon the Corporation's failure to pay the principal, redemption price (if any) and interest with respect to Parity Obligations for which such amounts are due and payable, and the continuation of such failure for 180 days thereafter. The Master Trustee shall rescind acceleration upon the Corporation's curing of a payment default.

See "Appendix C-2, MASTER TRUST INDENTURE – Sections 802-804".

OPERATION OF THE FHCF

General

The FHCF is a tax-exempt trust fund created by the State Legislature during a special session in November 1993 to address the after-effects from Hurricane Andrew on the insurance market. Hurricane Andrew caused insured and uninsured losses in excess of $30 billion in the State in August 1992. As a result of these losses, 11 insurers were rendered insolvent, and numerous insurers announced plans to cancel or discontinue writing policies covering residential property, threatening approximately 900,000 policyholders with loss of property coverage.

In recognition of these circumstances and the general trend of contraction in domestic and international reinsurance capacity, the State Legislature passed the original Act and thereby created the FHCF in November 1993 for the purpose of reimbursing certain insurers writing policies covering residential property in the State for a portion of their catastrophic hurricane losses. The FHCF is administered by the SBA and is not an independent department or administrative unit of the State as defined in Section 20.04, Florida Statutes. The Internal Revenue Service has issued a private letter ruling concluding that the FHCF is an integral part of the State and is therefore not subject to federal income taxation. The FHCF is not a regulated insurance or reinsurance company under State law, does not issue insurance or reinsurance policies and is not required to have the loss reserves which are required of insurers or reinsurers under State law.

Mandatory Coverage. Mandatory coverage is what has traditionally been provided by the FHCF. This portion of the FHCF coverage is mandatory for insurers writing certain residential property insurance policies in the State, including Citizens, certain commercial self-insurance funds and any joint underwriting association or similar entity created pursuant to law (each a "Participating Insurer"), and is a condition of doing business in the State. As of June 30, 2012, there were 169 Participating Insurers for the Contract Year ending May 31, 2012. Participation in the FHCF is established through the execution of a Reimbursement Contract between the SBA and each Participating Insurer pursuant to which the insurer promises to pay annual, actuarially-determined Reimbursement Premiums, and the SBA promises to reimburse the insurer at one of three specified coverage levels (45 percent, 75 percent or 90 percent) selected by the Participating Insurer for Losses in excess of such insurer's share of an industry-wide loss-retention level (generally referred to as an insurer's "Retention"). The amount of Reimbursement Premiums paid to the FHCF by the Participating Insurers depends upon the coverage level selected. The portion of a Participating Insurer's Losses above its Retention that are not reimbursed by the FHCF due to the coverage level selected by such insurer effectively operates as that Participating Insurer's "co-payment" for such Losses.

Reimbursement Contracts are renewed annually on June 1 of each year for the ensuing Contract Year. The Act sets the FHCF aggregate Retention at $4.5 billion to be adjusted annually to reflect increased exposure to the FHCF since 2004. Such adjustment is based upon the reported exposure for the contract year occurring two years before the particular contract year to reflect the percentage growth in exposure to the Fund for covered policies since 2004, divided by the total estimated reimbursement premium for the contract year. Currently, taking into account such exposure growth since 2004, the aggregate Retention is projected to be $7.389 billion for the Contract Year ending May 31, 2013. The FHCF aggregate Retention is allocated to each Participating Insurer based on such insurer's pro rata share of Reimbursement Premiums due for a Contract Year. A Participating Insurer's share of Retention applies in full to each of the two Covered Events causing the largest Losses for such Participating Insurer in a single Contract Year. For each other Covered Event causing Losses in the Contract Year, the insurer's share of Retention is reduced to one-third of its share of the full Retention. The State Legislature can and has in the past reset the Retention by statute to a level lower than what it would have been had full exposure growth been taken into account. For example, during the 2005 Legislative Session, the retention was reset at the 2004 Contract Year level of $4.5 billion instead of increasing to the $4.96 billion level that accounted for growth.

The mandatory coverage provided by the FHCF for any single Contract Year is limited to the lesser of the Actual Claims Paying Capacity of the FHCF or the statutory liability limit of $17 billion, which is subject to adjustment based upon the increase in claims-paying capacity of the FHCF. See "Optional Coverage" below and "Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions" herein. Based on computations by the FHCF's independent actuary and statutory limitations, the maximum liability of the FHCF with respect to its mandatory coverage for the Contract Year ending May 31, 2013, is expected to be $17 billion. Once the liability due to optional coverage (discussed below) is taken into account, the overall maximum liability of the FHCF is estimated to be approximately $17.205 billion for the Contract Year ending May 31, 2013.

Optional Coverage. Participating Insurers have other options for selecting FHCF coverage in addition to the mandatory FHCF coverage. All Participating Insurers are eligible to purchase additional FHCF coverage above their mandatory coverage limit, which additional coverage is collectively referred to as the Temporary Increase in Coverage Limits, or "TICL." TICL provides a Participating Insurer the opportunity to purchase its pro-rata share of one of several limits of coverage. These limits are established in $1 billion increments and for the 2012-2013 Contract Year range from $4 billion down to $1 billion. The availability of these optional TICL coverages decreases to a maximum of $2 billion for the Contract Year Ending May 31, 2014, and with no TICL coverage available after the Contract Year ending May 31, 2014. Premiums charged to Participating Insurers for TICL coverage were originally based on the average annual Loss plus expenses without a risk load, in the same way the Reimbursement

Premiums for the mandatory layer is determined. Setting premiums in this way resulted in premiums that were significantly lower than the premiums charged for comparable private-sector reinsurance because of the lack of risk load or charge for the use of capital. However, beginning with the Contract Year ended May 31, 2010, TICL premium rates were subject to statutorily prescribed annual increases designed to make TICL pricing more comparable to private sector reinsurance pricing, at the same time that TICL coverage availability is being phased out. The TICL premium was increased in Contract Years ending May 31, 2011 and 2012 by a factor of three and four, respectively, and will be increased in Contract Years ending May 31, 2013 and 2014 by a factor of five and six, respectively, relative to the Contract Year ended May 31, 2009. For the 2012-2013 contract year, this meant that TICL coverage cost approximately 14.82% rate on line which, based on the selected limit by participating insurers that select this coverage, could produce a maximum estimated premium of $47 million. Whether to purchase any portion of the TICL coverage is solely up to a Participating Insurer. For the Contract Year ending May 31, 2013, 10 Participating Insurers (out of a total of 169) opted to select TICL Coverage, with total coverage selected of $0.205 billion out of a possible $4 billion. Unlike the mandatory FHCF coverage, the liability of the FHCF with respect to the TICL coverage does not increase as estimated claims-paying capacity increases.

[For the TICL coverages, the amount of FHCF Loss reimbursement will depend on which one of three coverage levels is chosen by the Participating Insurer under its Reimbursement Contract. As with the FHCF mandatory coverage, coverage under TICL can be purchased at a 45 percent, 75 percent, or 90 percent Loss reimbursement level. The portion of a Participating Insurer's Losses that is not reimbursed by the optional coverage, due to the coverage level selected by the insurer, effectively operates as that Participating Insurer's co-payment with respect to such Losses.] [Anne and Steve, let's discuss]

Administration of the FHCF

The SBA has engaged Paragon Strategic Solutions Inc., Minneapolis, Minnesota ("Paragon"), a wholly owned subsidiary of Aon Benfield Global Inc., as a consultant to provide administrative services to the FHCF. Paragon has served in this capacity since the inception of the FHCF and provides day-to-day support for a variety of activities including: coordinating the annual distribution and collection of the Reimbursement Contracts and insurer reporting requirements; processing reports of insured values; calculating, invoicing and collecting Reimbursement Premiums; and processing loss reimbursement payment requests. Paragon also provides actuarial consulting services to the FHCF which include the development of the annual ratemaking report and the actuarial formula used in determining the Reimbursement Premiums. Fees paid to Paragon for its services are considered Current Expenses of the FHCF under the Master Indenture and are reflected in the line item Administrative, Professional,

Personnel and Other under "Historical Summary of Revenues, Expenses and Changes in Net Assets" herein.

Moneys in the FHCF may be expended, loaned or appropriated for payment of (i) obligations of the FHCF arising out of Reimbursement Contracts; (ii) debt service on any debt permitted under the Act; (iii) costs of mitigation programs under the Act; (iv) costs of procuring reinsurance; and (v) costs related to the administration of the FHCF. In addition, the FHCF has been granted the authority to enter into capital market transactions, including, but not limited to, industry loss warranties, catastrophe bonds, side-car arrangements, futures and options contracts traded on a regulated exchange and domestic or international notional principal contracts. To date, funding reimbursable Losses under Reimbursement Contracts has constituted the largest use of moneys in the FHCF.

Funding for the reimbursable Losses under Reimbursement Contracts comes predominantly from three sources: (i) the Corpus of the FHCF, (ii) Reimbursement Premiums collected pursuant to Reimbursement Contracts, and (iii) the issuance of debt by the Corporation for the benefit of the FHCF. In addition, Emergency Assessments may be used to pay reimbursable Losses.

Senior staff of the FHCF includes the following.

Dr. Jack Nicholson is the Chief Operating Officer of and President and on the board of directors of the Florida Hurricane Catastrophe Fund Finance Corporation. In addition, Dr. Nicholson is on the Florida Commission on Hurricane Loss Projection Methodology, having served as the chair for its first two years. He also served on the My Safe Florida Homes Advisory Council. Prior to coming to the State Board of Administration in September of 1994, Dr. Nicholson worked for the Florida Department of Insurance for eight (8) years as Director of the Office of Insurance Research and Data Analysis, Deputy Director of Property and Casualty Insurers, Assistant Director of Rating, and Bureau Chief of Rates. He served as the Insurance Department's liaison with the State Board of Administration regarding the FHCF from its inception and has played a major role in its implementation and further development. Dr. Nicholson received his Ph.D. in Risk Management and Insurance from the University of Georgia in 1980 where he also earned his undergraduate degree in Business with a major in insurance. He received an M.B.A. from the University of North Dakota while serving as an officer in the U.S. Air Force. Dr. Nicholson also has the professional designations of C.L.U. (Chartered Life Underwriter) and C.P.C.U. (Chartered Property and Casualty Underwriter). He has taught in the area of Risk Management and Insurance at the University of Georgia, the University of Iowa, and Florida State University.

Anne T. Bert is the Director of Operations of the FHCF. Ms. Bert has been with the FHCF

since January of 1999. She is currently responsible for assisting and advising the Chief Operating Officer in matters related to the administration of the FHCF. Other responsibilities include assisting in the management of the day to day operations, strategic and operational planning, reviewing and evaluating the impact and significance of proposed legislative and regulatory actions, coordinating and communicating with the Florida Office of Insurance Regulation on FHCF issues, overseeing contractual agreements between the FHCF and service providers, preparation of the budget and coordinating the staffing of the Florida Commission on Hurricane Loss Projection Methodology. She also serves as the Treasurer for the Florida Hurricane Catastrophe Fund Finance Corporation. Prior to coming to the FHCF, she was the Finance Director/Town Clerk for the Town of Havana. She was responsible for many areas of management within the organization including coordinating the risk management activities of the local government. Ms. Bert earned her Bachelor of Science degree in Social Science with emphasis in Public Administration from Florida State University. She also has the professional designation of Certified Public Manager from Florida State University.

Tracy L. Allen is the Senior Attorney for the FHCF and has worked with the FHCF since September 2000. Prior to coming to the State Board of Administration, Ms. Allen worked for the Florida Department of Revenue (DOR) for seven years as a Senior Attorney. At DOR, Ms. Allen handled insurance premium and retaliatory tax issues, sales tax issues and bankruptcy matters. Ms. Allen has also worked in private practice, as an Attorney Advisor at the United States Tax Court and as a tax litigator for the U.S. Justice Department in its Tax Division. Ms. Allen received her Juris Doctor degree from the University of Oklahoma in 1984 and her LLM in Taxation from the University of Florida in 1986.

Leonard Schulte is the Director of Legal Analysis and Risk Evaluation of the FHCF. He came to the FHCF in October 2010 after 25 years as a staff member in the Florida Senate and House and 7 years in private law practice. During the decade of the 1990's he was the lead staff person in the Florida House of Representatives on hurricane-related insurance issues. He was directly involved in the creation of the FHCF and in later changes to the FHCF law, including revisions needed to obtain tax-exempt status and the creation of subsequent season capacity. He was also the key Florida House of Representatives staffer on other property insurance regulatory matters and residual market issues, including the creation of the Florida Commission on Hurricane Loss Projection Methodology and legislation involving the Florida Residential Property and Casualty Joint Underwriting Association, the Florida Windstorm Underwriting Association, and their merger to create Citizens Property Insurance Corporation. He also led the team of House staff members who drafted the legislation merging the Department of Insurance and the Department of Banking and Finance into the current Department of Financial Services. In private practice, his clients reflected a broad range of the property and casualty insurance industry, including trade associations, large national insurers, small domestic insurers, and reinsurers. He is a graduate of Dartmouth College and the University of Florida College of Law.

Gina Wilson is the Director of Examinations for the FHCF and has worked with the FHCF since October 1996. She is responsible for the day to day operations of the FHCF examination programs, which include designing and developing exam processes, oversight and training of contract examiners, preparing and finalizing exam report recommendations and overseeing the implementation of exam results by participants. Her responsibilities include interpreting statutes and rules and communicating to external contractors and participants to ensure the integrity of the data submitted to the FHCF. In her position with the FHCF, Ms. Wilson oversees approximately 100 exams each year, which include examining 99% of the total FHCF premium paid annually and losses paid in a season. Prior to coming to the State Board of Administration, Ms. Wilson worked for the Florida Department of Insurance for five years. Ms. Wilson has also worked as an auditor in private industry. Ms. Wilson received her Bachelors of Business Administration from Georgia Southwestern University in 1989. In November 1994, Ms. Wilson met the State of Georgia requirements for licensing as a Certified Public Accountant and is member of the American Institute of Certified Public Accountants. In May 1995, Ms. Wilson received the professional designation of Certified Public Manager from Florida State University. In December 1999, Ms. Wilson received her Associates in Reinsurance from the Insurance Institute of America and in August 2002, Ms. Wilson completed the requirements for the professional designation of Chartered Property and Casualty Underwriter.

Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions

Under the Act, the maximum liability of the FHCF to reimburse Participating Insurers for Losses attributable to any single Contract Year is limited to the lesser of (i) the Actual Claims-paying Capacity of the FHCF, and (ii) the statutory liability limit. For the Contract Year ending May 31, 2013, the FHCF estimates that its maximum contractual liability is approximately $17.205 billion as compared to the statutory limit of $21 billion. The FHCF's borrowing capacity and total claims paying capacity for the Contract Year ending May 31, 2013, was published on May 10, 2012, and estimated a claims paying capacity within 12 months after an event of $15.56 billion, which was less than the maximum contractual limit of $17.205 billion. For the Contract Year ending May 31, 2014, the FHCF projects that the statutory limit is $19 billion and expects that its contractual limit will be less than its statutory limit.

Prior to Contract Year 2010-2011, the Act established the base-line statutory liability limit of $15 billion, which amount was annually increased to reflect Loss exposure to the FHCF since 2003. The annual increase was limited, however, and could not exceed the increase in actual dollar growth in the FHCF available fund balance over the prior calendar year. Further, the statutory liability limit has been increased above the adjusted $15 billion amount to take into account the FHCF liability created through the optional coverage actually purchased by Participating Insurers. See "OPERATION OF THE FHCF—General—Optional Coverage"

herein. Beginning with Contract Year 2010-2011, the Act set the base-line statutory liability limit for mandatory coverage at $17 billion, which amount may be increased if the Board determines that there is sufficient estimated claims-paying capacity to provide mandatory coverage at $17 billion of capacity for the current contract year and a mandatory coverage of an additional $17 billion of capacity for subsequent contract years. If the Board makes such a determination, the estimated claims-paying capacity for the particular contract year shall be determined by adding to the $17 billion limit one-half of the fund's estimated claims-paying capacity in excess of $34 billion. For Contract Year ending May 31, 2013, the maximum liability of the FHCF with respect to the mandatory coverage is $17 billion.

The Act defines the Estimated Claims-paying Capacity of the FHCF as the FHCF's projected fund balance as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the Board's estimate of the Board's borrowing capacity. The FHCF may issue revenue bonds under the Act to fund a potential shortfall in any year in which the FHCF is required to reimburse Participating Insurers for Losses in excess of the FHCF available fund balance. The maximum amount of bonding is limited to the debt which can be serviced based upon a 6% maximum Emergency Assessment percentage on direct written premium in any one year and no more than 10% in total. However, the Estimated Claims-paying Capacity of the FHCF must take into account constraints in the financial markets that may limit the FHCF's ability to borrow funds including an unwillingness of the financial market participants to lend funds to the FHCF at the maximum limit under the Act. Recent disruptions in the credit markets demonstrate that the FHCF borrowing capacity can fluctuate significantly. There can be no guarantee that sufficient market capacity will exist should the FHCF be required to issue a large amount of bonds. If market constraints reduce the FHCF's actual claims paying capacity below the maximum statutory liability or maximum contractual liability then the FHCF's liability under the Reimbursement Contract will be capped at the lower amount.

The FHCF, its Financial Advisor, and the financial team have compiled estimates of future bonding capacity based on the current market estimates of interest rates and market capacity for FHCF bonds provided by the FHCF's senior managing underwriters. The table below illustrates an estimated aggregate bonding capacity of $7 billion in Post-Event Parity Obligations over the next 12 months for the Contract Year ending May 31, 2013 and an additional capacity of $___ over the next 24 months. The table below also shows the additional Emergency Assessment percentage estimated to be needed to pay debt service on the estimated bonding.

FHCF Estimated Legal and Actual Remaining Borrowing Capacity
(dollars in billions)

	Contract Year	**Contract** Year

	Ending May 31, 2013	Ending May 31, 2014	Total
[TO COME]			

Source: FHCF

(1) Represents the maximum cumulative single season liability under the Act assuming no market constraints, taking into account a projected fund balance in the Contract Year ending May 31, 2013 of approximately $8.56 billion.

(2) Represents the estimated bonding capacity available in the Contract Year ending May 31, 2014, taking into account a projected fund balance in 2014 of approximately $_____ billion and the 10% Emergency Assessment limitation under the Act by assuming the assessed 1.3% will remain in place for additional bonds after the 2010A Bonds mature in July 2016.

(3) Due to the debt service payable on the outstanding the 2008A Bonds and the 2010A Bonds, 1.3% of the available 10% of Emergency Assessment cannot be used as a source of payment for future bond issuances until after the 2010A Bonds mature in July 2016. This is reflected in the bonding capacity table shown above.

(4) Assumes that the FHCF issues debt to fund up to an estimated maximum liability of $_____ billion in 2013 and $_____ billion in 2014 (taking into account projected fund balances). The Post-Event Parity debt is assumed to be structured for: (1) approximate 30-year level debt service; (2) compliance with the debt service coverage requirement of 1.25 times (of which only amounts in excess of 1.00 times will come from Reimbursement Premiums); and, (3) utilization of the full 10% Emergency Assessment limitation under the Act. The findings presented in the table are based on the assumption that the 1.3% Emergency Assessment levied to pay debt service on the 2008A Bonds and the 2010A Bonds will not be used to pay debt service on any future Post-Event Parity Obligations until the 2010A Bonds mature in July 2016.

(5) 4.02% until July 1, 2016 and will increase to 5.18% after maturity of the Series 2010A Bonds.

The likelihood that the FHCF will reach its maximum contractual liability limit depends on several factors, but prominent among these are the insured value of property for which the coverage is provided by the FHCF and the likelihood of a major hurricane damaging or destroying such property. The following table shows the growth in insured values reported to the FHCF by Participating Insurers for the last five years and the annual percentage increase from the prior year, along with the projected growth for the Contract Year ending May 31, 2013. The next table shows the Contract Year ending May 31, 2013 modeled losses for the FHCF for hurricanes of varying magnitude.

The incidence and severity of catastrophes are inherently unpredictable. Much of Florida's population is concentrated in coastal areas that appear to be at the highest risk of hurricane damage based upon historical experience and loss model results. Coastal development in recent years has significantly changed the risk profile of hurricane prone coastal areas. While the FHCF cannot predict the level of hurricanes or other catastrophes in the State, the National Oceanic and Atmospheric Administration has concluded that the United States has been in a cycle of heightened Atlantic Ocean hurricane activity since 1995 because of naturally occurring cycles in tropical climate patterns near the equator. This "tropical multi-decadal cycle" can, based upon historical patterns, last 20 to 30 years or even longer.

Growth of Insured Values

Contract Year Ended May 31	Amount (in billions)	Percentage Change
2009	2,116	4.6%
2010	2,169	2.5
2011	2,169	0.0
2012	2,118	(2.3)
2013[1]	2,118	0.0

Source: Paragon Strategic Solutions Inc.
[1] Projected.

Gross Residential Losses Per Event
Contract Year Ending May 31, 2013

Hurricane Magnitude[1]	Probability	Losses Per Event (in billions)	Estimated Mandatory FHCF Liability Aggregate (in billions)	Estimated Mandatory plus TICL Liability Aggregate (in billions)[2]
1 in 10 years	0.1000	$8.721	$1.263	$1.263
1 in 20 years	0.0500	17.105	9.388	9.388
1 in 30 years	0.0333	23.433	15.536	15.536
1 in 40 years	0.0250	28.551	17.000	17.185
1 in 50 years	0.0200	32.708	17.000	17.205

Source: Paragon Strategic Solutions Inc.

(1) Hurricane magnitude in this table refers to categorizing the relative frequency and destructiveness of a hurricane as compared to a base level of frequency and destructiveness. For example, a one in 50-year hurricane will occur less often and be more destructive than a one in 10-year hurricane.

(2) For FHCF participants selecting the TICL coverage option, the additional coverage attaches immediately above the Participating Insurers' Mandatory FHCF coverage limit. TICL liability has been shown at the projected maximum amount in this table (based on TICL coverage selected for the Contract Year ending May 31, 2013). The actual liability under TICL will be slightly different than the projected maximum, depending on exposure reports due September 1, 2012.

Historical Summary of Revenues, Expenses and Changes in Net Assets

The following schedule shows the revenues, expenses and changes in net assets of the FHCF, derived from audited financial information of the FHCF and the Corporation for Fiscal Years ended June 30, 2009 through 2012 (audited). The audited financial statements for the FHCF for Fiscal Years 2012 and 2011 are included in their entirety as "Appendix B, FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011".

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Florida Hurricane Catastrophe Fund
Historical Summary of Revenues, Expenses and Changes in Net Assets
(in thousands)

	Fiscal Years Ended June 30 (audited)			
	2009	2010	2011	2012
Total Operating Revenues	$1,292,981	$1,443,972	$1,312,328	$1,322,346
Operating Expenses				
Hurricane Losses[1]	250,000	250,000	110,000	
Administrative, Professional, Personnel, And Other	6,222	5,465	5,641	4,687
Depreciation	2	2	3	3
Total Operating Expenses	256,224	255,467	115,644	4,690
Operating Income (Loss)	1,036,757	1,188,505	1,196,684	1,317,623
Total Nonoperating Revenue (Expense)	(134,581)[2]	302,528	312,435	387,500
Income (Loss) before Transfers	902,176	1,491,033	1,509,119	1,705,123
Transfers to Other Funds	(10,000)	(10,000)	(10,000)	(10,000)
Change in Net Assets	892,176	1,481,033	1,499,119	1,695,123
Net Assets, Beginning of Year	856,990	1,749,166	3,230,199	4,729,318
Net Assets, End of Year	$1,749,166	$3,230,199	$4,729,318	$6,424,441

Source: FHCF and Corporation audited financial statements for the Fiscal Years ended June 30, 2009, through June 30, 2012.

(1) The 2005 ultimate losses were increased by $250 million in Fiscal Year ended June 30, 2009, $250 million in Fiscal Year ended June 30, 2010, $110 million in Fiscal year ended June 30, 2011 and were unchanged in Fiscal year ended June 30, 2012.

(2) Includes $224 million in fees paid for a Liquidity Put Option as a nonoperating expense.

Reimbursement Premiums

General. As a condition for doing business in Florida, each Participating Insurer writing Covered Policies in Florida must enter into a Reimbursement Contract with the SBA. The Reimbursement Contract generally provides that the FHCF will reimburse a Participating Insurer a certain percentage of its Losses above the insurer's share of the industry-wide Retention in exchange for the payment by the Participating Insurer of Reimbursement Premiums. The Contract Year for Reimbursement Contracts entered into by the FHCF begins on June 1 of each year and ends on May 31 of the following year. A Participating Insurer must enter into a Reimbursement Contract every Contract Year. As of June 30, 2012, for the Contract Year ending May 31, 2013, there were 169 Participating Insurers, including Citizens.

Each Reimbursement Contract requires the insurer to pay to the FHCF an actuarially-determined premium for the reimbursement contemplated under the Reimbursement Contract. This Reimbursement Premium is then multiplied by each $1,000 of insured value reported to the SBA by the Participating Insurer to determine the total amount of Reimbursement Premiums due from the Participating Insurer under the Reimbursement Contract. Under the Reimbursement Contract, the Reimbursement Premiums paid for a Contract Year must be used to reimburse Participating Insurers for reimbursable Losses incurred in the current or subsequent Contract Years only or to pay debt service on Pre-Event Parity Obligations.

Reimbursement Premiums are paid to the SBA in three installments, on August 1, October 1 and December 1 of each Contract Year. Reimbursement Premiums are collected by Paragon on behalf of the FHCF through the use of a lock-box account held at a custodian bank. Participating Insurers deposit Reimbursement Premiums directly to the lock-box account in the name of the FHCF and amounts therein are not commingled with any other funds of the FHCF, the SBA or Paragon. Once collected, Reimbursement Premiums are transferred to the Master Trustee at least monthly pursuant to the Pledge Agreement until debt service on the Outstanding Parity Obligations for such fiscal year has been paid or provided for. See "PLEDGE AND SECURITY FOR 2013A Bonds – Pledge Agreement" herein. Paragon has no legal entitlement to Reimbursement Premiums deposited to the lock-box account, other than as agent for the FHCF.

Since the total Reimbursement Premiums for any Participating Insurer are not determined until after its insured values have been received and processed, the first two payments of its Reimbursement Premiums in each Contract Year are provisional. Each provisional payment of Reimbursement Premiums is made in an amount equal to approximately one-third of the estimated total Reimbursement Premiums due from a Participating Insurer in the Contract Year. Once the actual Reimbursement Premiums due from the Participating Insurer for the Contract Year are determined, the amount of the final installment due on December 1 is equal to the actual Reimbursement Premiums due from the Participating Insurer for the Contract Year less the two provisional payments of Reimbursement Premiums made by a Participating Insurer.

The following table shows the ten Participating Insurers with the largest Reimbursement Premiums paid to the FHCF for the Contract Year ended May 31, 2012. None of the Reimbursement Premiums below reflects payment for optional FHCF coverage.

Participating Insurers	Mandatory Reimbursement Premiums (in millions)[2]	Percentage of Mandatory Reimbursement Premiums
Citizens Property Insurance Corporation Coastal Account[1]	$263,955,139	23.03%
Citizens Property Insurance Corporation Personal Lines/Commercial Lines Accounts[1]	185,059,843	16.15
Universal P&C Insurance Company	74,016,084	6.46
State Farm Florida Insurance Company	52,431,783	4.58
American Coastal Assurance Company	25,123,103	2.19
St. Johns Insurance Company	24,393,814	2.13
Federal Insurance Company	24,119,206	2.10
United Services Automobile Association	23,800,471	2.08
American Security Insurance Company	23,188,621	2.02
American Home Assurance Company	22,588,319	1.97
Total	$718,676,382	62.71%

Source: Paragon Strategic Solutions Inc.

(1) Citizens Property Insurance Corporation has two separate Reimbursement Contracts with the FHCF. See " – Reimbursement Premiums - Citizens as a Participating Insurer" herein.

(2) Unaudited.

Collections. Since 2001, the FHCF has collected over 99% of Reimbursement Premiums, with the only exceptions being certain insurers that have been placed into receivership for purposes of liquidation. Reimbursement Premiums Revenue varies from year to year as a result of annually-adopted changes in the actuarially-indicated Reimbursement Premiums charged to Participating Insurers in Reimbursement Contracts. The following table shows Fiscal Year collections for the last ten years and the annual percentage change in collections of mandatory and optional Reimbursement Premiums.

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Fiscal Year Ended June 30	Total Mandatory and Optional Reimbursement Premium Revenue (in millions)	% Change of Reimbursement Premium Revenue
2004	$488.6	(1.93)
2005	618.2	26.52
2006	[738.1]	19.39
2007	[1,204.4]	63.17
2008	1,336.2	10.94
2009	1,293.0	(3.23)
2010	1,444.0	11.68
2011	1,312.3	(9.12)
2012		
2013		

Source: Audited Financial Statements of FHCF, except for 2012, which is unaudited and 2013, which is estimated by the FHCF.

Rapid Cash Build-up. In Contract Year ended May 31, 2007, the Reimbursement Premiums included a rapid cash build-up factor of 25% of Reimbursement Premiums (representing an increase of 25% of what the Reimbursement Premium would have otherwise been without the rapid cash build-up factor), which accounted for approximately $213 million of the total Reimbursement Premiums collected for that Contract Year. The 2007 Legislature adopted legislation repealing the inclusion of a rapid cash build-up factor in the Reimbursement Premiums for the Contract Year ending May 31, 2008 and thereafter. However, the 2009 Legislature added a cash build-up factor that equaled 5% for the 2009-2010 Contract Year, 10% for the 2010-2011 Contract Year, 15% for the 2011-2012 Contract Year, 20% for the 2012-2013 Contract Year, and 25% for the 2013-2014 Contract Year and thereafter. The portion of the Reimbursement Premiums attributable to the rapid cash build-up factor for the Contract Year ended May 31, 2007, was used to reimburse Participating Insurers for Losses incurred from Covered Events occurring in 2004 and 2005. The cash build-up factor in Contract Year 2009-2010 was not used to reimburse Participating Insurers for Losses stemming from the 2004 and 2005 Covered Events.

Citizens as a Participating Insurer. Citizens is an entity created by the State Legislature and controlled by the State and provides certain residential and commercial property and casualty insurance coverage to owners of certain properties in the State as specified in Section 627.351(6), Florida Statutes, as amended. Citizens is organized legally and financially into three separate accounts – the Coastal Account ("Coastal Account"), which provides residential and

commercial wind-only and multi-peril coverage in statutorily-designated coastal areas of the State, the Personal Lines Account ("PLA"), which provides all-perils residential coverage throughout the State, and the Commercial Lines Account ("CLA"), which provides commercial-residential (i.e. apartment and condominium) coverage throughout the State. Citizens has two separate contracts with the FHCF – one for the Coastal Account and one for the combined PLA/CLA. These accounts are treated as separate Participating Insurers in all respects by the FHCF. Although Citizens accounts for only 2 of 169 Participating Insurers participating in the FHCF, the total mandatory and optional Reimbursement Premiums collected from Citizens' two accounts are substantial. For the Contract Year ended May 31, 2012, the total Reimbursement Premiums from Citizens as of June 30, 2012, was $450.4 million, or 33.7% of all Reimbursement Premiums to be collected during that Contract Year.

All Participating Insurers, including Citizens, are entitled to a pro-rata share of the FHCF's Actual Claims-paying Capacity, based on such Participating Insurer's proportionate share of Reimbursement Premiums paid to the FHCF. Because Actual Claims-paying Capacity of the FHCF includes the amount of debt the FHCF is able to issue, the timing and amount of Losses sustained by Citizens could impact the timing and amount of debt issued by the FHCF to a greater extent than the timing and amount of Losses sustained by other Participating Insurers. Further, changes in the private insurance market that reduce the availability of private insurance to qualified risks could increase the exposure to Citizens for Losses from Covered Events.

Enforcement of Payment of Reimbursement Premiums. Applicable administrative rules relating to the FHCF provide that any violation of a Participating Insurer's obligation to pay Reimbursement Premiums, provide information necessary to verify the amount of Reimbursement Premiums due, or submit to examinations relating to Reimbursement Premiums constitutes a violation of the Florida Insurance Code. The FHCF may notify OIR of such violation, which may then take whatever action it deems appropriate to address the violation. In addition, failure to pay Reimbursement Premiums, provide information or submit to examination, among other things, may subject the Participating Insurer to certain fines, interest charges and other penalties as specified in applicable administrative rules of the FHCF.

Emergency Assessments

General. Under the Act, if the SBA determines that the amount of revenue produced from Reimbursement Premiums is insufficient to fund the obligations, costs and expenses of the FHCF and the Corporation, including repayment of debt and that portion of debt service coverage not met by Reimbursement Premiums, the SBA will direct OIR to levy an Emergency Assessment on the premiums for all Assessable Lines. Assessable Lines include all property and casualty lines of insurance in Florida, except for those lines identified as accident and

health, workers' compensation, Federal Flood Insurance Program, certain hospital self-insurance funds and (for Covered Events occurring prior to May 31, 2013) medical malpractice. Assessable Lines may be obtained by policyholders (i) from insurance companies authorized by the Florida Office of Insurance Regulation to write insurance in Florida ("Admitted Lines Insurers"); (ii) from insurance companies not so authorized ("Surplus Lines Insurers"), provided the insurance is obtained from certain agents licensed in Florida (each a "Surplus Lines Agent"); or (iii) independently pursuant to Section 626.938, Florida Statutes ("Independently Procured Coverage").

Under the Act, Emergency Assessments are collected from policyholders and are calculated as a percentage of premium. The same assessment percentage applies to all policies of Assessable Lines issued or renewed during the 12-month period beginning on the effective date of the assessment. Emergency Assessments are assessed annually for so long as debt under the Act is Outstanding, are subject to annual adjustment by the SBA in order to meet debt obligations and are subject to both an annual and overall cap. The annual cap is six percent of premium with respect to obligations arising out of losses attributable to any one Contract Year. The overall cap is ten percent of premium. For Contract Year ending May 31, 2013, the maximum aggregate Emergency Assessment that could be levied is 7.3%, consisting of the 1.3% assessment in place, plus a maximum 6% additional assessment permitted under the Act.

Admitted Lines Insurers collect the Emergency Assessment from policyholders. Such insurers must remit Emergency Assessments directly to the FHCF based on a percentage of direct written premium for the preceding calendar quarter, even if not yet collected. Surplus Lines Agents must also collect the Emergency Assessment from policyholders, but must remit the collected amounts to the Florida Surplus Lines Service Office (the "FSLSO") at the same time such agents collect and remit to the FSLSO the surplus lines tax. The FSLSO invoices the Surplus Lines Agents quarterly with payments due in 30 days. Insureds obtaining Independently Procured Coverage are invoiced by the FSLSO at the time of the transaction and must remit the Emergency Assessment within 30 days as directed by the FSLSO at the same time the insured pays the surplus lines tax. While an insurer is not ultimately liable for uncollectible Emergency Assessments, the insurer must treat the failure to pay an Emergency Assessment as a failure to pay premium by the insured, which permits termination of the policy. **[If material describe NRRA for surplus lines, discuss with Anne and Steve.]**

Each insurer is liable for all Emergency Assessments it collects from policyholders except to the extent the insurer is required to return collected Emergency Assessments when returning unearned premium. When an Admitted Lines Insurer is required to return unearned premium, it shall also return any collected Emergency Assessment attributable to the unearned premium. A credit adjustment to the collected Emergency Assessments may be made by such Admitted Lines Insurer to future remittances of Emergency Assessments, but the Admitted

Lines Insurer is not entitled to a refund. In contrast to the Admitted Lines Insurers, Surplus Lines Agents and insureds obtaining Independently Procured Coverage may receive either a credit or refund of the collected Emergency Assessment attributable to returned unearned premium. Since 2003, approximately 90% of premium on Assessable Lines relates to premium written by Admitted Lines Insurers. See "Historical Premium" below.

On May 31, 2006, the SBA adopted a resolution directing the OIR to levy an Emergency Assessment on all Assessable Lines in the amount of 1%, effective beginning January 1, 2007. On June 12, 2006, OIR levied the Emergency Assessment in two orders (the "Orders"): one directed at Admitted Lines Insurers, who are directly regulated by OIR, and the other directed at the FSLSO to apply to Surplus Lines Agents and insureds obtaining Independently Procured Coverage. On April 27, 2010, OIR issued two orders that increased the Emergency Assessment from 1% to 1.3% effective January 1, 2011. The 2010A Bonds and the 2008A Bonds are payable from the 2010 Emergency Assessment order, which replaced the 2007 Emergency Assessment order.

The Act permits the SBA to adjust the Emergency Assessment as necessary to pay debt service. The SBA reserves the right to change the Emergency Assessment from the current assessment rate provided the Corporation remains in compliance with all covenants under the Master Indenture, including without limitation covenants regarding debt service coverage and the exclusion of interest from federal income taxation. See "PLEDGE AND SECURITY FOR 2013A Bonds—Debt Service Coverage Requirement" herein.

Emergency Assessments are due to the FHCF throughout the year, with the largest amounts expected to be received by the FHCF on or about June 1, September 1, December 1 and March 15 of each year. All payments of Emergency Assessments are made directly to an FHCF lock-box account held by an SBA custodian bank. Emergency Assessments held in this lock-box account are not commingled with any other moneys of the FHCF or SBA. The payments are transferred to the Master Trustee at least monthly pursuant to the Pledge Agreement. See "PLEDGE AND SECURITY FOR 2013A Bonds – Pledge Agreement" herein. Late payments of collected Emergency Assessments could subject an Admitted Lines Insurer or Surplus Lines Agent, as the case may be, to delinquent interest and penalties.

OIR is responsible for verifying the accuracy and timeliness of the collection and remittance of Emergency Assessments. See "Collection of Emergency Assessments" herein for further discussion regarding the anticipated promulgation of the administrative rule.

Historical Premium. The following chart shows the historical premium subject to the Emergency Assessment for all Assessable Lines.

Calendar Year	Admitted Lines Direct Written Premium (in billions)	Surplus Lines and Independently Procured Coverage Premium[2] (in billions)	Total (in billions)	% Increase (Decrease) From Prior Year
2003	$24.41	$2.43	$26.84	10.32%
2004[1]	$28.65	$2.70	$31.35	16.80%
2005	31.71	3.28	34.99	11.61
2006	33.35	4.21	37.56	7.34
2007	32.55	4.10	36.65	(2.42)
2008	30.83	4.10	34.93	(4.69)
2009	29.45	3.86	33.31	(4.64)
2010	29.89	3.70	33.60	0.87
2011	30.94	3.70	34.64	3.09
2012	_____			

Source: OIR and FSLSO; Unaudited.

(1) Medical malpractice insurance was excluded from the Emergency Assessment base for all Covered Events occurring in 2004-2013.

(2) Prior to 2004, the Surplus Lines and Independently Procured Coverage Premiums were excluded from the Emergency Assessment base.

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Assessable Lines. The following constitute Assessable Lines subject to Emergency Assessments under the Act and applicable administrative rules of the FHCF:

- Fire
- Allied Lines
- Multiple Peril Crop
- Farmowners Multiple Peril
- Homeowners Multiple Peril
- Commercial Multiple Peril (non-liability)
- Commercial Multiple Peril (liability)
- Mortgage Guaranty
- Ocean Marine
- Inland Marine
- Financial Guaranty
- Medical malpractice*
- Earthquake
- Other Liability
- Products Liability
- Private Passenger Auto No-Fault
- Other Private Passenger Auto Liability
- Commercial Auto No-Fault
- Other Commercial Auto Liability
- Private Passenger Auto Physical Damage
- Commercial Auto Physical Damage
- Aircraft (all perils)
- Fidelity
- Surety
- Burglary and Theft
- Boiler and Machinery
- Credit
- Warranty
- Aggregate Write-Ins for other Lines of Business

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*Medical Malpractice policies are exempt from Emergency Assessments relating to Covered Event(s) occurring through May 31, 2013.

Lines of insurance included in Assessable Lines may be modified by the State Legislature, subject to the covenant in the Act that the State will not impair the rights and remedies of Owners of the 2013A Bonds. See "PLEDGE AND SECURITY FOR 2013A Bonds – Non-Impairment" herein. In addition, certain hospitals may form alliances to provide self-insurance which would not be subject to Emergency Assessments.

The following table provides a summary of the historic direct written premiums for the Admitted Lines and Surplus Lines by major categories of lines of insurance.

Historical Direct Written Premiums for Admitted Lines and Surplus Lines Insurers
(Amounts are in billions)

	Homeowner		Auto		Products and Other Liability		Other		Total	
Year	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
2006	$8.06	21%	$14.90	40%	$4.69	12%	$9.91	26%	$37.56	100%
2007	8.81	24	14.30	39	3.96	11	9.60	26	36.67	100
2008	6.94	20	14.05	40	3.54	10	10.40	30	34.93	100
2009	7.28	22	13.37	40	3.14	9	9.52	29	33.31	100
2010	7.59	23	13.74	41	2.94	9	9.33	28	33.60	100
2011	8.04	23	14.45	41	1.76	5	10.85	31	34.64[1]	100
2012	____									

Source: FHCF; Unaudited.

[1] Does not add with the other columns as the total excludes adjustments to direct written premiums totaling $457.45 million that are not subject to FHCF assessments. Such adjustment amount is not available by subject line.

Collection of Emergency Assessments. OIR levied the 2007 Emergency Assessment on June 12, 2006, effective January 1, 2007, and the 2010 Emergency Assessment on April 27, 2010, effective January 1, 2011. Prior to the levy of the 2007 Emergency Assessments, Emergency Assessments had not been assessed or collected. In order to facilitate administrative and logistical issues involved in collecting the Emergency Assessment, on May 4, 2006, OIR issued an Informational Memorandum, OIR-06-008M, to all Property and Casualty Insurers in the State, notifying such insurers about the levy of the Emergency Assessment and providing information about the electronic data reporting system used to allow insurers to report quarterly direct written premium in an industry-recognized format. In addition to the informational memorandum, OIR has adopted an Internal Procedures Manual establishing procedures by which OIR will monitor, verify and assure compliance with the levy and collection of Emergency Assessments.

OIR is responsible for verifying the accuracy and timely collection and remittance of Emergency Assessments. Information used by OIR in the verification process is transmitted directly to OIR by insurers for all Assessable Lines other than Surplus Lines and Independently Procured Coverage. Emergency Assessments relating to Surplus Lines and Independently Procured Coverage under Section 626.938, Florida Statutes are remitted as directed by the FSLSO. The FSLSO is required to assist the FHCF in ensuring the accurate and timely collection and remittance of the Emergency Assessments. OIR has the authority to enforce the collection and remittance of Emergency Assessments.

Pursuant to reports of OIR and FSLSO, substantially all of the Emergency Assessments have been remitted to the FHCF on a timely basis. For the Fiscal Years ended June 30, 2011 and June 30, 2012, the FHCF collected approximately **[$361.1 million]** and **[$451.7 million]**, respectively, of Emergency Assessments. See Debt Service Coverage Table under "DEBT SERVICE COVERAGE" herein.

While an insurer is liable under State law for all Emergency Assessments it collects from policyholders, policyholders, not insurers, are required to pay the Emergency Assessments. Policyholders are liable for Emergency Assessments only to the extent policyholders wish to retain the insurance on which the Emergency Assessment is assessed. Insurers are required to treat the failure of a policyholder to pay the Emergency Assessment as a failure to pay premium, which permits an insurer to cancel the policy. Other than having their insurance policy cancelled for non-payment of premium, policyholders are not personally liable for payment of Emergency Assessments and are not subject to collection proceedings to pay the Emergency Assessment due.

Overlapping Assessment Bases. Citizens also has the power under State law to levy assessments on substantially the same lines of insurance assessable by the FHCF. The assessment processes of Citizens are as follows: for any year in which there is a deficit in Citizens' coastal account, it has the power to levy an annual regular assessment of up to 2% of the greater of the deficit experienced by Citizens or the aggregate statewide direct written premium for Citizens' subject lines of business, excluding Citizen's direct written premium. In any year in which there is a deficit in Citizens' coastal account, personal lines account or commercial lines account, it has the power to levy an emergency assessment limited to 10% of the greater of the deficit experienced by Citizens or the aggregate statewide direct written premium for Citizens' subject lines of business, *including* Citizen's direct written premium. See "OPERATION OF THE FHCF—Reimbursement Premiums—Citizens as a Participating Insurer" herein for a discussion about the three accounts that comprise Citizens.

Since January 1, 2007, the subject lines of business assessable by Citizens include all of the Assessable Lines that are subject to the Emergency Assessment levied by the FHCF. See Assessable Lines above. For 2012, Citizens' projected assessment base of direct written premiums is $31.01 billion for regular assessments and $34.640 billion for emergency assessments. The difference between the regular and emergency assessment bases is represented by the dollar value of Citizens' own direct written premium, which is subject to Citizens Policyholders surcharge of 15% in each account.

Citizens currently levies an emergency assessment (collected over 10 years) of 1.0% per year. This assessment was imposed upon the Citizen's assessment base prior to the 2007 expansion of the subject lines of business.

In addition to Citizens, FIGA, a statutorily-created non-profit association designed to pay claims of insolvent insurers, has the power to levy an annual assessment of up to 2% of net direct written premium written on all of the Assessable Lines of Admitted Insurers. This assessment authority is increased an additional 2% if FIGA issues bonds to cover the payment of claims of insolvent insurance companies. FIGA has no authority to levy an assessment on workers compensation, surplus lines, self-insurance or title insurance, among others.

As a result of the receivership of the Poe Companies during Calendar Year 2006, FIGA caused OIR to levy a 2% assessment on the following lines of insurance, each of which is also included in Assessable Lines subject to the Emergency Assessment:

- Fire
- Allied Lines
- Farmowners Multiple Peril
- Homeowners Multiple Peril
- Commercial Multiple Peril (non-liability)
- Commercial Multiple Peril (liability)
- Inland Marine
- Medical malpractice*
- Earthquake
- Other Liability
- Products Liability
- Aircraft (all perils)
- Burglary and Theft
- Boiler and Machinery

* Medical Malpractice policies are exempt from Emergency Assessments relating to Covered Events occurring prior to May 31, 2013.

FIGA's Board of Directors annually evaluates the financial position of the association and determines whether an assessment is necessary. The last FIGA assessment equaled 0.8% and was due on December 15, 2009.

To the extent that the assessment bases of the FHCF, Citizens and FIGA overlap, policyholders will incur the cost of cumulative assessments imposed by such entities.

Collection of Emergency Assessments and Reimbursement Premiums from Companies in Receivership

The risk of nonpayment or delinquent payment on the 2013A Bonds is dependent in part upon the amount of moneys received from Reimbursement Premiums and Emergency Assessments and the timeliness of their payment to the FHCF. The amount of moneys received from Reimbursement Premiums and Emergency Assessments (see "DEBT SERVICE

COVERAGE - Historical and Projected Debt Service Coverage Total Outstanding Parity Obligations" herein) and the timeliness of their payment to the FHCF are dependent in part on the solvency of insurers in that, under certain circumstances, the insolvency of an insurer could affect its ability to make such payments to the FHCF.

Under State law, when an insurer becomes insolvent, it is placed under the control of the Department of Financial Service's Division of Rehabilitation and Liquidation. State law establishes priorities for the payment of claims against an insurer in liquidation. Liabilities become fixed as of the date of filing the petition for liquidation. Holders of claims which are secured by a pledge of a particular asset and holders of claims described as special deposit claims may discharge their claim against the security pledged or the special deposit, prior to other claims. Special deposit claims are claims secured by a deposit made pursuant to statute for the security or benefit of a limited class or classes of persons. The FHCF believes its claims for Emergency Assessments and Reimbursement Premiums should be considered secured claims or special deposit claims and would argue for such a result should the FHCF be required to enforce its rights to Emergency Assessments and Reimbursement Premiums in liquidation. To the extent that Emergency Assessments and Reimbursement Premiums are not considered secured claims or special deposit claims, they would likely be considered claims of general creditors.

After the payment of secured creditors and special deposit creditors, there are ten additional classes of claims. All approved claims in a class must be paid in full before any payment is made to the next lower class. Within a class, all approved claims are paid equal pro-rata shares if there are not sufficient funds to pay the entire class in full. Claims of general creditors are sixth in the hierarchy of ten classes of claims.

Although no assurance can be given as to the continued timeliness of payments of Reimbursement Premiums or Emergency Assessments, despite certain insurer insolvencies, including a few that have not paid the Reimbursement Premiums, the FHCF has collected substantially all Reimbursement Premiums and Emergency Assessments billed to Participating Insurers during the past five Contract Years.

INVESTMENT POLICY OF THE FHCF

Upon the issuance of the 2013A Bonds, the FHCF expects to have two investment portfolios. One investment portfolio invests the FHCF Corpus and the other portfolio invests the proceeds of the 2013A Bonds. Together, the aggregate principal balance of these portfolios is expected to be approximately $_____ billion. The Act authorizes the SBA to invest moneys in

the FHCF pursuant to Section 215.44-215.52, Florida Statutes, which are the statutory provisions authorizing and governing the investment of other moneys held in trust by the SBA.

Under the Pledge Agreement, proceeds of the 2013A Bonds will be held in a separate subaccount in the Covered Events Relief Fund established with the FHCF by the Pledge Agreement and will be invested pursuant to the investment policy to ensure the availability of those funds to reimburse Participating Insurers for Losses relating to any future Covered Events.

Moneys in the FHCF's portfolio may only be invested at the direction of the SBA in Investment Obligations, which are investments authorized under Section 215.47, Florida Statutes. The SBA investment policy covering other FHCF assets (primarily accumulated Reimbursement Premiums and Pre-Event Parity Obligations) is designed to provide adequate liquidity by using highly liquid short-term investment strategies. Liquidity is a primary concern for the FHCF since insurers may file claims weekly, and investment strategies are planned accordingly.

Because permitted investments are exposed to changes in market value as well as price and yield volatility, the value of such permitted investments could decline below their purchase price and the investment earnings thereon could be lower than anticipated. Such a decline may result in insufficient funds being available, when needed, to pay Losses and other liabilities and expenses, including debt service on the Parity Obligations and the 2013A Bonds.

FUTURE LEGISLATIVE AND REGULATORY CHANGES

The FHCF is a tax-exempt trust fund created by the State Legislature. The State Legislature has in the past responded to changes in the political climate of the State by enacting significant legislative changes to State law, including adopting amendments to the Act in the 2012 legislative session and each of the prior four regular legislative sessions.

While there can be no assurance that the State Legislature would not make significant subsequent changes in the Act or in the insurance laws of the State that could have a material adverse effect on the financial position and the operations of the FHCF including its assessment base and tax-exempt status, the State has covenanted in the Act that it will not (i) limit or alter the rights of the FHCF and the Corporation to fulfill the terms of any agreements made with holders of the Corporation's obligations, including holders of the 2013A Bonds, or (ii) impair in any way the rights and remedies of holders of the Corporation's obligations, including holders of the 2013A Bonds, as long as such obligations of the Corporation remain outstanding, unless adequate provision has been made for the payment of such obligations of the Corporation. The State has also covenanted in the Act not to limit or alter the statutory prohibition of the FHCF

and the Corporation to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code.

LITIGATION

General

There is no litigation of any nature now pending against the Corporation or the SBA, or, to the best knowledge of the Corporation and the SBA, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2013A Bonds or in any way contesting or affecting the validity of the 2013A Bonds or any proceedings of the Corporation or the SBA taken with respect to the issuance or sale thereof. There is no litigation of any nature now pending against the Corporation or the SBA, or, to the best knowledge of the Corporation or the SBA, threatened, that in any way questions or affects the validity of the pledge or application of any moneys or security provided for the payment of the 2013A Bonds.

Previous Litigation

After the FHCF's inception in 1993 and until final resolution of the issues in 1996, the FHCF was challenged by over 40 insurance companies on a number of grounds in civil and administrative actions in the State. The Circuit Court of the Second Judicial Circuit in and for Leon County, Florida upheld the constitutionality of the FHCF under the State Constitution. This decision was affirmed by decision of the First District Court of Appeal on August 1, 1995. The State Supreme Court affirmed the decisions of the circuit court and the appellate court by opinion dated June 27, 1996 in *American Bankers Insurance Company, et al. v. Chiles, 675 So.2d 922 (Fla. 1996) ("American Bankers")*. As a result of *American Bankers*, the plaintiff insurance companies dismissed all other civil and administrative actions.

The constitutionality of the FHCF under the United States Constitution was challenged by the Vesta Insurance Company in federal district court. The federal district court upheld the constitutionality of the FHCF on October 25, 1996 in *Vesta Fire Insurance Corporation, f/k/a Liberty National Fire Insurance Company, Vesta Insurance Corporation and Sheffield Insurance Corporation, Alabama corporations, Plaintiffs, v. State of Florida, Department of Insurance, William Nelson in his capacity as Insurance Commissioner, State Board of Administration, Ash Williams, Jr., in his capacity as Executive Director, Defendants.*

Validation Proceedings Pursuant to Florida Statutes

In July 1996, the Corporation adopted a resolution authorizing the execution and issuance of not to exceed $10 billion in debt of the Corporation. The Act, as originally enacted, required that the Corporation validate the issuance of its bonds in the Circuit Court of the

Second Judicial Circuit in and for Leon County, Florida (the "Circuit Court"), pursuant to Chapter 75, Florida Statutes. During the 2006 Legislative Session ended May 5, 2006, the Act was amended to remove the validation requirement.

On November 12, 1996, in connection with the original validation requirement, and pursuant to authority granted by the authorizing resolution, the Corporation filed a validation complaint in the Circuit Court. In accordance with the requirements of State law, the State Attorney for Leon County formally contested the validation, raising ten points in opposition. Several of the defenses asserted by the State Attorney were based upon the State Constitution including: (i) the FHCF was not properly created under Article III, Section 19(f)(1) of the State Constitution; (ii) the FHCF did not contain a sunset provision required by Article III, Section 19(f)(2) of the State Constitution; (iii) the Corporation's debt would pledge the State's credit in violation of Article VII, Sections 10 and 11(a) of the State Constitution and (iv) the revenues of the Corporation were tax revenues pledged to the debt without voter approval.

Following a properly noticed hearing, the Circuit Court found in favor of the Corporation, specifically rejecting the State's Attorney constitutional objections. The Circuit Court determined that the FHCF had been properly created and was exempt from the sunset requirement pursuant to Article III, Section 19(f)(3) of the State Constitution. Moreover, after determining that receipts of the FHCF were not State tax revenues, the Circuit Court found that debt of the Corporation, a "legal entity separate and distinct from the State and its agencies," would be payable solely from receipts of the FHCF. Therefore, debt of the Corporation would not pledge the full faith and credit of the State and did not require voter approval.

As then required by the Act, the State Attorney for Leon County filed a mandatory appeal directly with the State Supreme Court. *In State of Florida, et al. v. Florida Hurricane Catastrophe Fund Finance Corporation, et al.* (1997), the State Supreme Court affirmed the trial court's judgment.

The proceedings described in this section and the "-Previous Litigation" section above are dispositive of any material State constitutional questions that could have been raised as to the FHCF, the Corporation and the 2013A Bonds. As a result of certain material changes to the Master Indenture and the Pledge Agreement since the conclusion of the validation proceedings described above, no representation can be made that the 2013A Bonds have been validated by the Circuit Court. However, as a result of the amendment to the Act in 2006 removing the validation requirement, validation of the 2013A Bonds is no longer a prerequisite to the valid issuance of the 2013A Bonds under the Act. See "APPROVAL OF LEGALITY" herein and "Appendix E, FORM OF APPROVING OPINION".

ENFORCEABILITY OF REMEDIES

The remedies available to the holders of the 2013A Bonds upon an Event of Default under the Master Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under the existing constitutional and statutory law and judicial decisions, including specifically the Federal Bankruptcy Code, the remedies specified in the Master Indenture and other remedies under applicable law may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2013A Bonds will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "PLEDGE AND SECURITY FOR 2013A BONDS—No Bankruptcy" herein for a discussion regarding the circumstances under which neither the FHCF nor the Corporation will have the ability to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code.

TAX MATTERS

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, interest on the 2013A Bonds is not excluded from gross income of the holders thereof for Federal income tax purposes. Interest on the 2013A Bonds may also be subject to state or local income taxation under applicable state or local laws. Purchasers of the 2013A Bonds should consult their own tax advisors as to the income tax status of interest on the 2013A Bonds in their particular state or local jurisdiction.

Except as provided above, Bond Counsel is not rendering any opinion regarding the tax consequences of owning the 2013A Bonds. There are several tax-related issues attendant with ownership of the 2013A Bonds including, but not limited to, treatment of original issue discount or premium, if any, treatment of secondary market discount or premium, if any, reporting requirements and possible application of backup withholding tax, determination of an owner's tax basis and gains or losses in connection with sales, exchanges or other dispositions of the 2013A Bonds, foreign ownership, ownership by certain employee benefit plans and other retirement plans and other issues. Many of the rules related to these issues are complicated and purchasers of the 2013A Bonds should consult their own tax advisors and professionals as to the tax consequences of the purchase, ownership and disposition of the 2013A Bonds under Federal, state, local, foreign and other tax laws.

The opinion of Bond Counsel is not intended or written by Bond Counsel to be used and cannot be used by a holder of 2013A Bonds for the purpose of avoiding penalties that may be imposed on the holder of 2013A Bonds. The opinion of Bond Counsel is provided to support the promotion or marketing of the 2013A Bonds.

LEGALITY FOR INVESTMENTS

By the terms of the Act, the 2013A Bonds are legal investments under the Act for all public bodies of the State, banks, trust companies, savings banks, savings associations, savings and loan associations, investment companies, administrators, executors, trustees, fiduciaries, insurance companies and associations, other persons carrying on an insurance business and all other persons who are now or may hereafter be authorized to invest in bonds or other obligations of the State. The 2013A Bonds also constitute eligible securities for deposit as collateral for the security of any State, county, municipal or other public funds.

APPROVAL OF LEGALITY

Legal matters incident to the authorization and validity of the 2013A Bonds are subject to the approving opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida. The form of opinion regarding the validity of the 2013A Bonds is attached to this Official Statement as "Appendix E, FORM OF APPROVING OPINION" and will be available at the time of delivery of the 2013A Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from the text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or express any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Certain legal matters will be passed upon for the Corporation and the SBA and the FHCF by their respective in-house counsels and by Bryant Miller Olive P.A., Tallahassee, Florida, Disclosure Counsel, and for the Underwriters by _____, _____, Florida.

RATINGS

Fitch Ratings ("Fitch"), Moody's Investors Service ("Moody's"), and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies ("S&P") have assigned municipal long-term ratings of "_____", "_____" and "_____", respectively, to the 2013A Bonds.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch, One State Street Plaza, New York, New York 10004; Moody's, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007; and S&P, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the

judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2013A Bonds.

AUDITED FINANCIAL STATEMENTS

The financial statements of the FHCF for the Fiscal Years ended June 30, 2011 and June 30, 2012 and the report thereon of KPMG LLP (the "Independent Accountant") are included in this Official Statement as "Appendix B, FINANCIAL STATEMENTS OF FLORIDA HURRICANE CATASTROPHE FUND". Such statements speak only as of their date. The Corporation is treated as a blended component unit of the FHCF. Accordingly, it does not issue separate stand-alone audited financial statements. Accounts of the Corporation and results of its operations are blended with those of the FHCF for financial statement presentation purposes. The financial statements of the FHCF, including the report of the Independent Accountant, have been included in this Official Statement as public documents, and the consent of the Independent Accountant to include such documents in this Official Statement was not requested. The Independent Accountant has not been engaged to perform and has not performed since the date of its report included herein as Appendix B, any procedures on the financial statements addressed in that report. The Independent Account also has not performed any procedures related to this official statement.

FINANCIAL ADVISOR

Raymond James & Associates, Inc., St. Petersburg, Florida is serving as Financial Advisor to the Corporation and the FHCF with respect to the sale of the 2013A Bonds. The Financial Advisor assisted in matters relating to the planning, structuring and issuance of the 2013A Bonds. Raymond James & Associates, Inc., did not engage in any underwriting activities with regard to the issuance and sale of the 2013A Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with the undertaking by the Corporation and SBA to provide continuing secondary market disclosure.

UNDERWRITING

The 2013A Bonds are being purchased by _____ (collectively, the "Underwriters"). The Underwriters have agreed to purchase the 2013A Bonds at a price of $_____, which represents the par amount of the 2013A Bonds [plus/less] net original issue [premium/discount] of $_____ and less an underwriting discount of $_____.

In order to facilitate the offering of the 2013A Bonds, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the 2013A Bonds.

Specifically, the Underwriters may sell more 2013A Bonds than they are obligated to purchase in connection with the offering of the 2013A Bonds, creating a naked short position for their own respective account. The Underwriters must close out any naked short position by purchasing 2013A Bonds in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the 2013A Bonds in the open market after pricing that could adversely affect investors who purchase 2013A Bonds in the offering. As an additional means of facilitating the offering of 2013A Bonds, the Underwriters may bid for, and purchase, these 2013A Bonds in the open market to stabilize the price of these 2013A Bonds. Finally, the Underwriters may also reclaim on behalf of the underwriting syndicate or for themselves selling concessions allowed to an underwriter or a dealer for distributing these 2013A Bonds in the offering, if the Underwriters repurchase previously distributed 2013A Bonds to cover short positions or to stabilize the price of these 2013A Bonds. Any of these activities may raise or maintain the market price of these 2013A Bonds above independent market levels or prevent or retard a decline in the market price of these 2013A Bonds. The Underwriters are not required to engage in these activities, and may end any of these activities at any time. Any such activities shall be conducted in compliance with all applicable laws and regulations.

CONTINUING DISCLOSURE

The Corporation and the State Board of Administration, acting as the governing body and administrator of the FHCF, will undertake, for the benefit of the beneficial owners and Owners of the 2013A Bonds, to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR"), which currently consists of only the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA"). Notices of material events will be transmitted to each NRMSIR or will be transmitted to the Municipal Securities Rulemaking Board. Such financial and operating data and notices of material events will also be transmitted to the state information depository (if a state information depository is established for the State). As of the date hereof, no state information depository has been established for the State. The form of the undertaking is set forth in "Appendix F, FORM OF CONTINUING DISCLOSURE AGREEMENT". This undertaking is being made in order to assist the underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule").

Neither the Corporation nor the State Board of Administration has failed to make any disclosures required by the Rule in the past five years.

MISCELLANEOUS

The references herein to the Act, the Master Indenture, Sixth Supplemental Indenture, the Pledge Agreement, the 2013A Bonds, and other materials are brief descriptions of certain provisions thereof. Such descriptions do not purport to be complete, and for full and complete statements of such provisions reference is made to such instruments, documents and other materials, copies of which are on file with the Corporation and at the principal corporate trust office of the Master Trustee.

The information contained in this Official Statement has been compiled or prepared from information obtained from the Corporation, the SBA, the FHCF and other sources deemed to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct as of this date. Any statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The execution and delivery of this Official Statement have been duly authorized by the Corporation and the SBA as Administrator of and on behalf of the FHCF.

FLORIDA HURRICANE CATASTROPHE
FUND FINANCE CORPORATION

STATE BOARD OF ADMINISTRATION, as
Administrator of and on behalf of the
Florida Hurricane Catastrophe Fund

APPENDIX A
STATE OF FLORIDA – GENERAL INFORMATION

APPENDIX B

FINANCIAL STATEMENTS OF FLORIDA HURRICANE CATASTROPHE FUND

FOR FISCAL YEARS ENDED JUNE 30, 2012 AND JUNE 30, 2011

APPENDIX C-1
DEFINITIONS

APPENDIX C-2
MASTER TRUST INDENTURE

APPENDIX C-3
FORM OF SIXTH SUPPLEMENTAL INDENTURE

APPENDIX C-4
PLEDGE AND SECURITY AGREEMENT

APPENDIX D
PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM FOR REGISTERED BONDS

APPENDIX E
FORM OF APPROVING OPINION

APPENDIX F
FORM OF CONTINUING DISCLOSURE AGREEMENT

STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: January 9, 2013

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $15,600,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA ATLANTIC UNIVERSITY PARKING FACILITY REVENUE BONDS, SERIES 2013A:

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding $15,600,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Bonds, Series 2013A (the "Bonds"), for the purpose of providing funds for the construction of a parking facility on the Boca Raton campus of Florida Atlantic University, funding a reserve account, if necessary, and paying certain costs associated with the issuance and sale of the Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on August 28, 2001, as amended on June 12, 2002 and December 12, 2012, and the Second Supplemental Resolution which is anticipated to be adopted on January 23, 2013 (collectively referred to herein as the "Resolution"). The Division has heretofore issued Florida Atlantic University Parking Facility Revenue Bonds, Series 2001 and 2002 (the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $10,500,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Proposed Refunding Bonds") at the December 11, 2012, meeting of the State Board of Administration. The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues as defined in the Resolution and in all other respects, with the Outstanding Bonds, and when and if issued, the Proposed Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $15,600,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA ATLANTIC UNIVERSITY PARKING FACILITY REVENUE BONDS, SERIES 2013A

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding $15,600,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Bonds, Series 2013A (the "Bonds"), for the purpose of providing funds for the construction of a parking facility on the Boca Raton campus of Florida Atlantic University, funding a reserve account, if necessary, and paying certain costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds are being issued pursuant to the Original Resolution adopted by the Governor and Cabinet on August 28, 2001, as amended on June 12, 2002 and December 12, 2012, and the Second Supplemental Resolution which is anticipated to be adopted on January 23, 2013 (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has heretofore issued State of Florida, Florida Board of Education, Florida Atlantic University Parking Facility Revenue Bonds, Series 2001 and 2002 (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $10,500,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Proposed Refunding Bonds") at the December 11, 2012, meeting of the State Board of Administration; and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment with the Outstanding Bonds, and when and if issued, the Proposed Refunding Bonds; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefor ("Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, Florida Atlantic University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds and all other issues secured by the same Pledged Revenues exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

WHEREAS, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding $15,600,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Bonds, Series 2013A for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED January 23, 2013

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

HERMITAGE CENTRE, SUITE 200
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

POST OFFICE BOX 13300
TALLAHASSEE, FLORIDA 32317-3300
(Address mail to P.O. Box; deliveries to street address)

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

J. BEN WATKINS III
DIRECTOR

RICK SCOTT
GOVERNOR
AS CHAIRMAN

PAM BONDI
ATTORNEY GENERAL

JEFF ATWATER
CHIEF FINANCIAL OFFICER

ADAM H. PUTNAM
COMMISSIONER OF AGRICULTURE

January 10, 2013

Mr. Ashbel C. Williams
Executive Director & CIO
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding $15,600,000 State of Florida, Board of Governors, Florida Atlantic University Parking Facility Revenue Bonds, Series 2013A

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of January 23, 2013.

The proposed bonds will be secured by the revenues of the parking system after deducting operating expenses. Parking system revenues are derived primarily from a mandatory per semester student transportation access fee and parking decal revenues. The proposed bonds will be on a parity with the outstanding State of Florida, Florida Board of Education, Florida Atlantic University, Parking Facility Revenue Bonds, Series 2001 and 2002 and the not exceeding $10,500,000 refunding bonds approved for fiscal sufficiency on December 11, 2012, when and if issued.

The proposed bonds will be issued to finance the construction of a parking garage on the Boca Raton campus of the University; to fund a reserve account, if necessary; and to pay costs associated with the issuance and sale of the proposed bonds.

Enclosed for your review are the following:

Enclosure 1: an estimated coverage table for the program, including the proposed $15,600,000 bonds, but without considering the potential savings from the proposed $10,500,000 refunding bonds approved on December 11, 2012;

Enclosure 2: an estimated debt service schedule for the proposed bonds; and

Enclosure 3: a draft copy of the Second Supplemental Resolution, which is anticipated to be adopted by the Governor and cabinet on January 23, 2013.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on August 28, 2001, as amended on June 12, 2002 and December 11, 2012, and the Second Supplemental Resolution anticipated to be adopted on January 23, 2013. The Original Resolution and the amending resolutions have been previously provided with prior fiscal sufficiency requests.

A draft of the fiscal sufficiency resolution should be sent to Toni Egan and Kim Nichols of this office for review. Should you have any questions, please contact either myself, Toni Egan or Kim Nichols at 488-4782. Your consideration of this matter is appreciated.

Sincerely,

J. Ben Watkins III
Director

JBW:kjn

Enclosures

cc: Anthoney Doheny
Robert Copeland

STATE OF FLORIDA BOARD OF GOVERNORS
FLORIDA ATLANTIC UNIVERSITY
HOUSING FACILITY REVENUE BONDS
FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING $15,600,000
ESTIMATED DEBT SERVICE COVERAGE

Year Ending June 30	Gross Revenues	Operating Expenses	Pledged Revenue	Outstanding Debt Service	Estimated Debt Service for Proposed Bonds			Total Estimated Debt Service	Debt Service Coverage [2]
					Principal	Interest	Total		
Historical [1]									
2008	$5,488,784	$2,259,293	$3,229,491	$1,257,906					2.57x
2009	5,094,929	1,918,142	3,176,787	1,261,516					2.52x
2010	5,708,124	2,233,142	3,474,982	1,257,955					2.76x
2011	5,996,342	3,271,686	2,724,656	1,262,900					2.16x
2012	6,962,481	3,486,441	3,476,040	1,261,150					2.76x
Projected									
2013	$7,075,817	$3,257,616	$3,818,201	$1,262,420	$0	$448,500	$448,500	$1,710,920	2.23x
2014	7,217,333	3,460,345	3,756,988	1,261,266	475,000	897,000	1,372,000	2,633,266	1.43x
2015	7,361,680	3,564,155	3,797,525	1,262,466	500,000	869,688	1,369,688	2,632,154	1.44x
2016	7,508,913	3,671,080	3,837,833	1,260,935	530,000	840,938	1,370,938	2,631,873	1.46x
2017	7,659,092	3,781,212	3,877,880	1,262,263	560,000	810,463	1,370,463	2,632,725	1.47x
2018	7,659,092	3,781,212	3,877,880	1,260,838	595,000	778,263	1,373,263	2,634,100	1.47x
2019	7,659,092	3,781,212	3,877,880	1,261,571	625,000	744,050	1,369,050	2,630,621	1.47x
2020	7,659,092	3,781,212	3,877,880	1,264,799	665,000	708,113	1,373,113	2,637,911	1.47x
2021	7,659,092	3,781,212	3,877,880	1,260,265	700,000	669,875	1,369,875	2,630,140	1.47x
2022	7,659,092	3,781,212	3,877,880	652,988	740,000	629,625	1,369,625	2,022,613	1.92x
2023	7,659,092	3,781,212	3,877,880	652,188	785,000	587,075	1,372,075	2,024,263	1.92x
2024	7,659,092	3,781,212	3,877,880		830,000	541,938	1,371,938	1,371,938	2.83x
2025	7,659,092	3,781,212	3,877,880		875,000	494,213	1,369,213	1,369,213	2.83x
2026	7,659,092	3,781,212	3,877,880		930,000	443,900	1,373,900	1,373,900	2.82x
2027	7,659,092	3,781,212	3,877,880		980,000	390,425	1,370,425	1,370,425	2.83x
2028	7,659,092	3,781,212	3,877,880		1,035,000	334,075	1,369,075	1,369,075	2.83x
2029	7,659,092	3,781,212	3,877,880		1,095,000	274,563	1,369,563	1,369,563	2.83x
2030	7,659,092	3,781,212	3,877,880		1,160,000	211,600	1,371,600	1,371,600	2.83x
2031	7,659,092	3,781,212	3,877,880		1,225,000	144,900	1,369,900	1,369,900	2.83x
2032	7,659,092	3,781,212	3,877,880		1,295,000	74,463	1,369,463	1,369,463	2.83x
					$15,600,000	$10,893,663	$26,493,663	$39,155,660	

[1] Actual Revenues and Expenses provided by the University for fiscal years 2008 through 2012. Projections provided by the University for Fiscal Years 2013 through 2017, assuming 2% annual revenue growth and 3% annual increases in expenses. Projections for Fiscal Year 2017 and thereafter are held constant; however, no representation is made that the amounts shown will be collected.

[2] Coverage of Pledged Revenues is determined by dividing Pledged Revenues by Total Estimated Debt Service.