

FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY

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July 31, 2000

Peter Vickery
Applied research Associates, Inc.
811 Spring Forest Road, Suite 100
Raleigh, NC 27609-9199

RE: Florida Commission on Hurricane Loss Projection Methodology

Dear Mr. Vickery:

This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on July 26, 2000, that the Applied Research Associates, Inc. computer model has been determined acceptable for projecting hurricane loss costs for personal residential rate filings.

The Commission has determined that HURLOSS 1.3 complies with the standards adopted by the Commission on August 17, 1999, and concludes that HURLOSS 1.3 is sufficiently accurate and reliable for projecting hurricane loss costs for residential property in the State of Florida.

In accordance with the Commission's procedures, this determination of acceptability expires on February 28, 2001, unless the modeler has complied with the latest adopted procedures described in the "Process for the determination of acceptability of a computer model."

On behalf of the Commission, I congratulate you and your colleagues. We appreciate your participation and input in this process.

Sincerely,

David Nye, Chair