

**FLORIDA COMMISSION ON HURRICANE
LOSS PROJECTION METHODOLOGY**

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May 14, 2001

Mr. Hector Suazo
Applied Insurance Research, Inc.
101 Huntington Avenue, Floor 22
Boston, Massachusetts 02199-8001

RE: Florida Commission on Hurricane Loss Projection Methodology

Dear Mr. Suazo:

This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on May 11, 2001, that the Applied Insurance Research, Inc. computer model has been determined acceptable for projecting hurricane loss costs for personal residential rate filings.

The Commission has determined that Atlantic Tropical Cyclone Model V3.2.0, Program – CLASIC/2 V1.02.0130 complies with the standards adopted by the Commission on September 14-15, 2000, and concludes that Atlantic Tropical Cyclone Model V3.2.0, Program – CLASIC/2 V1.02.0130 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, 2002, 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,

Sneh Gulati, Chair