

# FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY

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September 16, 2009

Dr. Frank Lavelle  
Applied Research Associates, Inc.  
8537 Six Forks Road, Suite 600  
Raleigh, North Carolina 27615

Dear Dr. Lavelle:

This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on June 2, 2009, that the Applied Research Associates, Inc. computer model has been determined acceptable for projecting hurricane loss costs and probable maximum loss levels for personal residential rate filings. The determination of acceptability expires on September 1, 2011, unless the modeler has complied with the procedures specified in the Acceptability Process in the Report of Activities as of November 1, 2009, in order to maintain its acceptability and makes a submission by November 15, 2010.

The Commission has determined that HurLoss Version 4.2.a complies with the Standards adopted by the Commission on September 17 & 18, 2008, and concludes that HurLoss Version 4.2.a is sufficiently accurate and reliable for projecting hurricane loss costs and probable maximum loss levels for personal residential property in Florida.

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

Sincerely,



Randy E. Dumm, Chair