

**FLORIDA COMMISSION ON HURRICANE  
LOSS PROJECTION METHODOLOGY**

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June 2, 2011

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, 2011, that the Applied Research Associates, Inc. computer model has been determined acceptable for projecting hurricane loss costs and probable maximum loss levels for residential rate filings. The determination of acceptability expires on September 1, 2013.

The Commission has determined that the HurLoss Version 5.0 model complies with the standards adopted by the Commission on September 15 & 16, 2009, and concludes that the HurLoss Version 5.0 model is sufficiently accurate and reliable for projecting hurricane loss costs and probable maximum loss levels for 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,



Scott Wallace, Vice Chair