

**FLORIDA COMMISSION ON HURRICANE  
LOSS PROJECTION METHODOLOGY**

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April 22, 2015


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

Dear Dr. Lavelle,

The Florida Commission on Hurricane Loss Projection Methodology (Commission) has completed its investigation and review of the Type III differences discovered in HurLoss version 6.0.a and the revisions made in HurLoss version 6.0.b. This will confirm the finding of the Commission on April 22, 2015, that the Applied Research Associates, Inc. HurLoss 6.0.b computer model has been determined acceptable for projecting hurricane loss costs and probable maximum loss levels for residential rate filings. The determination of acceptability for HurLoss 6.0.b supersedes the previously accepted and suspended model version HurLoss 6.0.a and expires on September 1, 2015.

The Commission has determined that the HurLoss version 6.0.b model complies with the standards adopted by the Commission on October 19 & 20, 2011 and November 16, 2011, and concludes that the HurLoss version 6.0.b model is sufficiently accurate and reliable for projecting hurricane loss costs and probable maximum loss levels for residential property in Florida.

Sincerely,

  
Lorilee Medders, Chair