



May 27, 2011

Scott Wallace, Chair
Florida Commission on Hurricane Loss Projection Methodology
c/o Donna Sirmons
Florida State Board of Administration
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308

Re: AIR Tropical Cyclone Model Version 13

Dear Mr. Wallace:

The AIR Atlantic Tropical Cyclone Model v12.0.1 as implemented in our CLASIC/2 v12.0.4 software was accepted by the Florida Commission on Hurricane Loss Projection Methodology (Commission) on Nov. 8, 2010.

AIR is planning a routine update of our CLASIC/2 software in July 2011. The updates planned for the release of CLASIC/2 v13 include enhancements to non-hurricane U.S. perils as well as several perils in Europe, Central America and the Caribbean. In this update there will be no change to the underlying Atlantic Tropical Cyclone Model v12.0.1 as submitted and accepted by the Commission.

Our standard quality control procedure when updating minor software versions where the underlying U.S. hurricane model is not revised includes running the Output Range Report and verifying that there are no changes to losses. Such interim software releases with zero impact to U.S. hurricane losses have traditionally been considered by the Commission as accepted under the primary software version (i.e. v11 or v12) release.

To remain consistent with our software versioning procedure, the 2011 release of CLASIC/2 will be accompanied by a primary version increment (i.e. v12 to v13). There are no revisions to the AIR Atlantic Tropical Cyclone Model and the Output Range Report remains unchanged. AIR would like to request that the same consideration be given to CLASIC/2 v13 as has been given to other past interim software releases. We ask that the Commission confirm that the Atlantic Tropical Cyclone model v12.0.1 as implemented in CLASIC/2 v13 is considered as accepted under the 2009 Standards, the most recent Standards set adopted by the Commission.

Best regards,

A handwritten signature in black ink that reads "David Lalonde".

David A. Lalonde, FCAS, FCIA, MAAA
Senior Vice President