

SUMMARY OF MINUTES¹

January 13, 2009

A meeting of the Florida Hurricane Catastrophe Fund (FHCF) Advisory Council was held on Tuesday, January 13, 2009, in Room 116 of the Hermitage Centre in Tallahassee, Florida. The meeting began at approximately 1:10 p.m. and concluded at 3:45 p.m. ET.

FHCF Advisory Council Members participating:

William Huffcut (Chair)

John Auer

M. Campbell Cawood

Jim Henderson (Vice Chair) (by phone)

Larry Johnson (by phone)

Robert Peduto (by phone)

Joe Varon (by phone)

David Walker (by phone)

Item 1 – CALL MEETING TO ORDER

William Huffcut, Chair, called the meeting to order.

Item 2 – ROLL CALL

Col. Huffcut called roll and noted that a quorum was present.

Item 3 – APPROVAL OF THE OCTOBER 14, 2008 MINUTES

A motion was made by John Auer and seconded by Jim Henderson, and the October 14, 2008, minutes were unanimously approved.

Items 4 & 5 – 2009/2010 FHCF REIMBURSEMENT CONTRACT AND DATA CALL CHANGES & VOTE ON APPROVAL TO FILE RULES FOR NOTICE

Jack Nicholson, FHCF Chief Operating Officer and Martin Helgestad, Senior Vice President of Paragon, reviewed the changes to the 2009/2010 Reimbursement Contract and Data Call. Dr. Nicholson then reviewed changes to the rules and incorporated forms. After discussion on the proposed changes, a motion was made by Mr. Henderson and seconded by Larry Johnson to go to the Trustees to file a notice of hearing for Rules 19-8.010, 19-8.012, 19-8.013, 19-8.029, 19-8.030. The motion passed unanimously.

Item 6 – VOTE TO AMEND THE ADVISORY COUNCIL MEMBER HANDBOOK

Dr. Nicholson indicated the member handbook was updated to reflect the new Advisory Council member and new FHCF staff and promotions. A motion to adopt the revised member handbook was made by Mr. Auer, seconded by Joe Varon, and passed unanimously.

¹ This document is a summary of the official minutes for the FHCF Advisory Council. The official minutes consist of the complete recorded transcript. The content of this summary of minutes document has not been taken from the official transcript and should not be relied upon for any official purpose.

Item 7 – FINANCIAL MARKET UPDATE

John Forney from Raymond James and Associates updated the Council on the financial markets in general, the insurance and risk transfer markets, and steps the FHCF has taken since the last meeting to analyze its needs and prepare itself for the 2009 hurricane season from a financial standpoint.

Item 8 – FHCF CHIEF OPERATING OFFICER’S REPORT

Dr. Nicholson introduced new FHCF staff members. He also introduced Craig Bissell, Vice President with Aon Benfield, who discussed Aon’s acquisition of Benfield. Dr. Nicholson then asked Anne Bert to discuss the redemption of the 2006B Extendable Floating Rate Notes.

Dr. Nicholson updated the Council on changes to the Insurance Capital Build-Up Incentive Program from the last legislative session. The program provided \$31 million to the state’s general revenue fund. Dr. Nicholson provided an update on the Tower Hill petition and the status of the 2004/2005 losses. Dr. Nicholson also briefly discussed current legislative issues.

Andy Rapoport, Actuary with Paragon, provided a presentation on the development of the premium formula. After discussion, a motion was made by Mr. Johnson and seconded by Mr. Cawood to modify the data call to reflect the use of the data collected from mitigation in the premium formula. The motion passed unanimously.

Item 9 – SCHEDULE & AGENDA FOR NEXT MEETING

Ms. Bert discussed the agenda for the next meeting scheduled for March 20, 2009, from 9:00 a.m. to 3:00 p.m. Items on the agenda will include votes to elect a Vice-Chair, to approve the rules for adoption, to approve the 2009/2010 premium formula, and to approve filing Rule 19-8.028 for notice. An update will be provided on the legislative session and on the 2004/2005 losses. A conference call meeting is scheduled for March 27, 2009, at 10:00 a.m., if needed. Mr. Cawood requested an investment report be added to the agenda, and Mr. Johnson requested Mr. Forney provide an update on the financial markets.

Item 10 – CONCLUDING REMARKS

There being no further business, the meeting was adjourned.