MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR RON DESANTIS AS CHAIR
CHIEF FINANCIAL OFFICER BLAISE INGOGLIA
ATTORNEY GENERAL JAMES UTHMEIER

November 17, 2026

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ITEM 1A. **A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $35,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF NORTH FLORIDA DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED).**
Related to Division of Bond Finance Agenda Items Approved September 29, 2026

(See Attachment 1A)

ACTION REQUIRED

ITEM 1B. **A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $315,835,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION BONDS, SERIES 2026A.**
Related to Division of Bond Finance Agenda Items Approved September 29, 2026

(See Attachment 1B)

ACTION REQUIRED

ITEM 1C. **A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $670,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED).**
Related to Division of Bond Finance Agenda Items Approved September 29, 2026

(See Attachment 1C)

ACTION REQUIRED

ITEM 2A. **REQUEST APPROVAL OF, AND AUTHORITY TO FILE, A NOTICE OF PROPOSED RULE FOR FLORIDA HURRICANE CATASTROPHE FUND RULE 19-8.010, F.A.C., REIMBURSEMENT CONTRACT, AND TO FILE THIS RULE, ALONG WITH THE INCORPORATED FORMS, FOR ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.**

(See Attachment 2A)

ACTION REQUIRED

ITEM 2B. **APPOINTMENT NOMINATION BY THE ATTORNEY GENERAL.**

(See Attachment 2B)

ACTION REQUIRED

STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Chris Spencer
FROM: Ben Alonzo
SUBJECT: Fiscal Sufficiency
DATE: August 21, 2026

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $35,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF NORTH FLORIDA DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding $35,000,000 State of Florida, Board of Governors, University of North Florida Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the University of North Florida Financing Corporation Capital Improvement Refunding Revenue Bonds (Housing Project), Series 2016 (the “Series 2016 Bonds”) and to pay costs associated with the issuance and sale of the Bonds.

The Bonds will be issued pursuant to an Authorizing Resolution and Sale Resolution adopted by the Governor and Cabinet on September 18, 2023, as supplemented by the First Supplemental Resolution authorizing the issuance and sale of the proposed Bonds, adopted by the Governor and Cabinet on September 29, 2026 (together, the “Resolution”).

The University of North Florida Financing Corporation has heretofore issued the Series 2016 Bonds and the University of North Florida Financing Corporation Capital Improvement Refunding Revenue Note (Housing Project), Series 2016 (collectively, the "Prior Lien Obligations"), which are secured by a first lien on the gross revenues of the existing housing facilities. The Division has heretofore issued University of North Florida Dormitory Revenue Bonds, Series 2023A (the “Outstanding Bonds”). The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds.

The principal of and interest due on the Bonds shall be secured by the revenues of the housing system after deducting operating expenses, and by the revenues of the housing facilities supporting the Prior Lien Obligations, after deducting operating expenses and the amounts needed for the payment of debt service and any other obligations due on the Prior Lien Obligations (the “Pledged Revenues”), as described in the Resolution.

The Division has additionally requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of North Florida Dormitory Revenue and Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Sharon Vice

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $35,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF NORTH FLORIDA DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding $35,000,000 State of Florida, Board of Governors, University of North Florida Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the University of North Florida Financing Corporation Capital Improvement Refunding Revenue Bonds (Housing Project), Series 2016 (the "Series 2016 Bonds") and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to the Original Authorizing Resolution adopted on September 18, 2023, as supplemented by the First Supplemental Resolution authorizing the issuance and sale of the proposed Bonds, adopted by the Governor and Cabinet on September 29, 2026 (together, the "Resolution"); and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the University of North Florida shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the University of North Florida Financing Corporation has heretofore issued the Series 2016 Bonds and the University of North Florida Financing Corporation Capital Improvement Refunding Revenue Note (Housing Project), Series 2016 (collectively, the "Prior Lien Obligations"), which are secured by a first lien on the gross revenues of the existing housing facilities; and,

WHEREAS, the Division has heretofore issued University of North Florida Dormitory Revenue Bonds, Series 2023A (the "Outstanding Bonds"); and,

WHEREAS, the principal of and interest due on the Bonds shall be secured by the revenues of the housing system after deducting operating expenses, and by the revenues of the housing

facilities supporting the Prior Lien Obligations, after deducting operating expenses and the amounts needed for the payment of debt service and any other obligations due on the Prior Lien Obligations (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues and in all other respects, with the Outstanding Bonds; and,

WHEREAS, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of North Florida Dormitory Revenue or Revenue Refunding Bonds; and

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding $35,000,000 State of Florida, Board of Governors, University of North Florida Dormitory Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of North Florida Dormitory Revenue and Revenue Refunding Bonds, is hereby rescinded.

ADOPTED November 17, 2026

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Chris Spencer, Executive Director of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held November 17, 2026, approving the fiscal sufficiency of an amount not exceeding $35,000,000 State of Florida, Board of Governors, University of North Florida Dormitory Revenue Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of North Florida Dormitory Revenue and Revenue Refunding Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 17th day of November 2026.

_____

Chris Spencer, Executive Director

(SEAL)

STATE OF FLORIDA
DIVISION OF BOND FINANCE

J. BEN WATKINS III
DIRECTOR

RON DESANTIS
GOVERNOR

JAMES UTHMEIER
ATTORNEY GENERAL

BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER

WILTON SIMPSON
COMMISSIONER OF AGRICULTURE

August 14, 2026

Mr. Chris Spencer
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding $35,000,0000 State of Florida, Board of Governors, University of North Florida Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Spencer:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above-referenced bond issue. We request such approval at your board meeting of September 29, 2026.

The proposed bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from student rental income. In any fiscal year in which the University of North Florida Financing Corporation Capital Improvement Refunding Revenue Bonds and Revenue Refunding Note (Housing Project), Series 2016 (the "Prior Lien Obligations") remain outstanding, the pledge on the portion of the net revenues of the housing system derived from the existing housing facilities will be the amount remaining after deducting operating expenses of the facilities securing the Prior Lien Obligations and debt service on the outstanding Prior Lien Obligations. There are currently $66.9 million of Prior Lien Obligations outstanding and the Financing Corporation has closed its lien on the net revenues of the existing housing facilities. The proposed bonds will be on a parity with the previously issued Series 2023A Bonds.

The proposed bonds are being issued to refund all or a portion of the Series 2016 Bonds, which comprise a portion of the outstanding Prior Lien Obligations, and to pay costs associated with the issuance and sale of the proposed bonds. The proposed bonds will only be issued if there is debt service savings.

The proposed bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on September 18, 2023, as supplemented by a resolution adopted on September 29, 2026 (the "First Supplemental Resolution") authorizing the issuance and the sale of the proposed bonds. The Original Resolution has already been provided to you with a prior fiscal sufficiency request. A draft of the First Supplemental Resolution is enclosed.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program based on existing debt service and without consideration of the potential savings from the proposed refunding bonds;

Enclosure 2: an estimated savings schedule for the proposed refunding bonds; and

Enclosure 3: a draft copy of the First Supplemental Resolution, which is expected to be adopted on September 29, 2026.

A draft of the fiscal sufficiency resolution should be sent to Whitney Fason and Bess Grasswick of this office for review. Should you have any questions, please contact either myself or Bess Grasswick at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,

for

J. Ben Watkins III
Director

Enclosures

cc: Ben Alonzo
Sharon Vice
Alex Nottingham
Todd Wessling

STATE OF FLORIDA, BOARD OF GOVERNORS
UNIVERSITY OF NORTH FLORIDA
DORMITORY REVENUE REFUNDING BONDS
Series (to be determined)

ESTIMATED DEBT SERVICE COVERAGE[1]

	Financing Corporation Existing Facilities[2]				Board of Governors Facilities[3]							
Fiscal Year	Operating Revenues	Operating Expenses	Debt Service on Prior Lien Obligations[4]	Surplus Revenues[5]	Operating Revenues	Current Expenses	Net Revenue	Pledged Revenues[6]	Outstanding Debt Service[7]	Debt Service on Refunded Prior Lien Obligations[8]	Total Debt Service	Coverage
Historical												
2021	$ 26,212,806	$ (9,623,822)	$ (9,085,960)	$ 7,503,024	$ -	$ -	$ -	$ 7,503,024	$ -	$ -	$ -	n/a
2022	23,352,846	(10,899,308)	(9,082,027)	3,371,511	-	-	-	3,371,511	-	-	-	n/a
2023	23,374,371	(10,985,668)	(9,084,148)	3,304,555	-	-	-	3,304,555	-	-	-	n/a
2024	24,460,917	(12,553,792)	(9,086,874)	2,820,251	-	-	-	2,820,251	-	-	-	n/a
2025	25,462,183	(13,796,671)	(9,084,887)	2,580,625	-	-	-	2,580,625	-	-	-	n/a
Projected												
2026	$ 26,381,345	$ (14,098,799)	$ (8,070,463)	$ 4,212,084	$ 5,396,539	$ (723,655)	$ 4,672,884	$ 8,884,968	$ 5,284,500	$ -	$ 5,284,500	1.68x
2027	28,887,860	(16,911,212)	(7,377,149)	4,599,498	4,981,309	(1,081,102)	3,900,207	8,499,705	5,284,375	689,800	5,974,175	1.42x
2028	30,332,253	(17,418,549)	(3,233,399)	9,680,305	5,230,374	(1,113,535)	4,116,839	13,797,145	5,285,875	4,842,400	10,128,275	1.36x
2029	31,848,866	(17,941,105)	(3,032,383)	10,875,377	5,491,893	(1,146,941)	4,344,952	15,220,329	5,288,750	4,489,850	9,778,600	1.56x
2030	33,441,309	(18,479,338)	(3,096,434)	11,865,536	5,766,488	(1,181,349)	4,585,138	16,450,675	5,287,875	4,426,225	9,714,100	1.69x
2031	26,179,607	(14,574,938)	(3,152,081)	8,452,588	5,954,879	(1,409,395)	4,545,484	12,998,072	5,288,125	4,365,050	9,653,175	1.35x
2032	26,179,607	(14,574,938)	(2,868,929)	8,735,740	6,133,526	(1,451,677)	4,681,849	13,417,589	5,284,375	3,920,550	9,204,925	1.46x
2033	26,179,607	(14,574,938)	(2,936,846)	8,667,824	6,317,531	(1,495,227)	4,822,304	13,490,128	5,286,375	3,851,250	9,137,625	1.48x
2034	26,179,607	(14,574,938)	(2,986,358)	8,618,312	6,507,057	(1,540,084)	4,966,973	13,585,285	5,283,875	3,788,175	9,072,050	1.50x
2035	26,179,607	(14,574,938)	(3,027,732)	8,576,937	6,702,269	(1,586,286)	5,115,983	13,692,919	5,286,625	3,744,425	9,031,050	1.52x
2036	26,179,607	(14,574,938)	(2,247,117)	9,357,552	6,903,337	(1,633,875)	5,269,462	14,627,014	5,284,375	2,690,425	7,974,800	1.83x
2037	26,179,607	(14,574,938)	(2,274,912)	9,329,757	7,110,437	(1,682,891)	5,427,546	14,757,303	5,286,875	2,679,300	7,966,175	1.85x
2038	26,179,607	(14,574,938)	(2,305,371)	9,299,298	7,323,750	(1,733,378)	5,590,372	14,889,670	5,283,875	2,646,900	7,930,775	1.88x
2039	26,179,607	(14,574,938)	-	11,604,669	7,543,463	(1,785,379)	5,758,083	17,362,752	5,285,125	-	5,285,125	3.29x
2040	26,179,607	(14,574,938)	-	11,604,669	7,769,767	(1,838,941)	5,930,826	17,535,495	5,285,250	-	5,285,250	3.32x
2041	26,179,607	(14,574,938)	-	11,604,669	8,002,860	(1,894,109)	6,108,751	17,713,420	5,284,000	-	5,284,000	3.35x
2042	26,179,607	(14,574,938)	-	11,604,669	8,242,946	(1,950,932)	6,292,013	17,896,682	5,286,000	-	5,286,000	3.39x
2043	26,179,607	(14,574,938)	-	11,604,669	8,490,234	(2,009,460)	6,480,774	18,085,443	5,285,875	-	5,285,875	3.42x
2044	26,179,607	(14,574,938)	-	11,604,669	8,744,941	(2,069,744)	6,675,197	18,279,866	5,288,250	-	5,288,250	3.46x
2045	26,179,607	(14,574,938)	-	11,604,669	9,007,289	(2,131,836)	6,875,453	18,480,122	5,287,750	-	5,287,750	3.49x
2046	26,179,607	(14,574,938)	-	11,604,669	9,277,508	(2,195,791)	7,081,716	18,686,385	5,284,125	-	5,284,125	3.54x
2047	26,179,607	(14,574,938)	-	11,604,669	9,555,833	(2,261,665)	7,294,168	18,898,837	5,286,875	-	5,286,875	3.57x
2048	26,179,607	(14,574,938)	-	11,604,669	9,842,508	(2,329,515)	7,512,993	19,117,662	5,285,500	-	5,285,500	3.62x
2049	26,179,607	(14,574,938)	-	11,604,669	10,137,783	(2,399,401)	7,738,383	19,343,052	5,284,625	-	5,284,625	3.66x
2050	26,179,607	(14,574,938)	-	11,604,669	10,441,917	(2,471,383)	7,970,534	19,575,203	5,283,750	-	5,283,750	3.70x
2051	26,179,607	(14,574,938)	-	11,604,669	10,755,174	(2,545,524)	8,209,650	19,814,319	5,287,250	-	5,287,250	3.75x
2052	26,179,607	(14,574,938)	-	11,604,669	11,077,830	(2,621,890)	8,455,940	20,060,609	5,284,625	-	5,284,625	3.80x
2053	26,179,607	(14,574,938)	-	11,604,669	11,410,165	(2,700,547)	8,709,618	20,314,287	5,285,375	-	5,285,375	3.84x
2054	26,179,607	(14,574,938)	-	11,604,669	11,410,165	(2,700,547)	8,709,618	20,314,287	5,283,875	-	5,283,875	3.84x
Total									$ 153,284,125	$ 42,134,350	$ 195,418,475	

[1] Historical and projected revenues and expenses have been provided by the University. No representation is made that the amounts shown will be collected. Operating expenses do not include depreciation or administrative overhead paid to the University.

[2] Fiscal Year 2020-21 Pledged Revenues include $12.5 million of federal stimulus funds transferred from the University to the Housing System to offset the lost revenues from a mandatory reduction in occupancy across all housing units due to the impacts of COVID-19.

[3] Board of Governors facilities represent the debt issued under the Original Resolution adopted on September 18, 2023, including the 2023A Bonds, the proposed refunding bonds, and any additional bonds.

[4] Represents debt service on the outstanding University of North Florida Financing Corporation Capital Improvement Refunding Revenue Bonds and Notes (Housing Project), Series 2016, (the "Prior Lien Obligations") currently outstanding in the principal amount of $66,940,000.

[5] Surplus revenues represent the gross revenues from the existing Financing Corporation housing facilities after deducting operating expenses on the facilities securing the Prior Lien Obligations and the debt service on the Prior Lien Obligations.

[6] Pledged revenues consist of the surplus revenues from the existing Financing Corporation housing system and the gross revenues of the Board of Governors' facilities after deducting current expenses.

[7] Represents debt service on the 2023A Bonds. Debt service in Fiscal Years 2023-24 and 2024-25 are net of capitalized interest, which was funded with proceeds of the 2023A Bonds.

[8] Represents the outstanding debt service on the North Florida Financing Corporation Capital Improvement Refunding Revenue Bonds, Series 2016 to be refunded by the proposed bonds, without taking into account any debt service savings of the proposed refunding transaction.

SAVINGS

State of Florida, Board of Governors
University of North Florida
Dormitory Revenue Refunding Bonds, Series 2026A

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/01/2026 @ 3.4842027%
11/01/2027	4,899,600.00	4,747,250.00	152,350.00	145,556.27
11/01/2028	4,545,200.00	4,393,500.00	151,700.00	140,368.22
11/01/2029	4,484,500.00	4,329,500.00	155,000.00	138,878.33
11/01/2030	4,432,950.00	4,281,250.00	151,700.00	131,567.38
11/01/2031	3,982,150.00	3,827,750.00	154,400.00	129,538.47
11/01/2032	3,913,950.00	3,759,000.00	154,950.00	125,732.89
11/01/2033	3,868,550.00	3,716,500.00	152,050.00	119,338.00
11/01/2034	3,827,800.00	3,673,750.00	154,050.00	116,750.46
11/01/2035	2,751,050.00	2,595,500.00	155,550.00	113,831.47
11/01/2036	2,729,800.00	2,578,250.00	151,550.00	107,079.44
11/01/2037	2,698,800.00	2,546,250.00	152,550.00	104,223.06
	42,134,350.00	40,448,500.00	1,685,850.00	1,372,863.98

Savings Summary

PV of savings from cash flow	1,372,863.98
Plus: Refunding funds on hand	1,005.09
Net PV Savings	1,373,869.07

STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Chris Spencer
FROM: Ben Alonzo
SUBJECT: Fiscal Sufficiency
DATE: September 11, 2026

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $315,835,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION BONDS, SERIES 2026A

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding $315,835,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2026A (the "Bonds"), in one or more series, for the purpose of financing the acquisition of real property or the rights to real property for state roads and bridge construction for the Department of Transportation and to pay costs associated with the issuance and sale of the Bonds. The Bonds will be issued pursuant to an authorizing resolution adopted by the Governor and Cabinet on February 28, 1989, as amended and restated on May 28, 2020, and a Supplemental Resolution adopted by the Governor and Cabinet on September 29, 2026.

The Bonds to be issued pursuant to Section 17 of Article VII of the State Constitution and Chapter 88-247, Laws of Florida, are to be secured by a pledge of and shall be payable primarily from motor fuel and special fuel taxes, except those defined in Section 9(c) of Article XII of the State Constitution, as provided by law (the "Pledged Gas Taxes"), and shall additionally be secured by the full faith and credit of the State. The Division has heretofore issued State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds and Refunding Bonds, Series 2016A through 2025B (the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $165,000,000 Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series 2026A on February 24, 2026 (the “Previously Approved Bonds”). Except for the remaining balances of the Previously Approved Bonds, the Division is requesting the remaining balance, if any, of fiscal sufficiency approvals for Right-of-Way Acquisition and Bridge Construction Bonds or Refunding Bonds be rescinded. The proposed bonds will be issued on a parity as to lien and security for payment from the Pledged Gas Taxes with the Outstanding Bonds, and the unissued portion of the Previously Approved Bonds, when and if issued.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Gas Taxes, indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Sharon Vice

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $315,835,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION BONDS, SERIES 2026A

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding $315,835,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2026A (the "Bonds"), in one or more series, for the purpose of financing the acquisition of real property or the rights to real property for state roads and bridge construction for the Department of Transportation and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, during the 1988 Legislative Session, the Florida Legislature passed and submitted to the electors of the State for approval or rejection at the general election held on November 8, 1988, Senate Joint Resolution 391, which created Section 17 of Article VII of the State Constitution, providing for the issuance of bonds pledging the full faith and credit of the State, without a vote of the electors, to finance or refinance the cost of acquiring real property or the rights to real property for State roads as defined by law, or to finance or refinance the cost of State bridge construction, and purposes incidental to such property acquisition or State bridge construction; and,

WHEREAS, the majority of the electors of the State approved the creation of Section 17 of Article VII of the State Constitution at the general election held on November 8, 1988; and,

WHEREAS, the Florida Legislature also enacted Chapter 88-247, Laws of Florida, which implements the provisions of Section 17 of Article VII of the State Constitution, providing for the issuance of the Bonds by the Division on behalf of the Department of Transportation; and,

WHEREAS, the Bonds to be issued pursuant to Section 17 of Article VII of the State Constitution and Chapter 88-247, Laws of Florida, are to be secured by a pledge of and shall be payable primarily from motor fuel and special fuel taxes, except those defined in Section 9(c) of Article XII of the State Constitution, as provided by law (the "Pledged Gas Taxes"), and shall additionally be secured by the full faith and credit of the State; and,

WHEREAS, the Bonds will be issued pursuant to an authorizing resolution adopted by the Governor and Cabinet on February 28, 1989, as amended and restated on May 28, 2020, and a Supplemental Resolution adopted by the Governor and Cabinet on September 29, 2026; and,

WHEREAS, the Division has heretofore issued State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds and Refunding Bonds, Series 2016A through 2025B (the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $165,000,000 Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined) on February 24, 2026. (the "Previously Approved Bonds"); and,

WHEREAS, the Division has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Right-of-Way Acquisition and Bridge Construction Bonds and Refunding Bonds, with the exception of the remaining balance of $165,000,000 for the Previously Approved Bonds: and,

WHEREAS, the Bonds will be issued on a parity as to lien and security for payment from the Pledged Gas Taxes with the Outstanding Bonds, and the unissued portions of the Previously Approved Bonds, when and if issued; and,

WHEREAS, it appears and the Board so finds that this financing will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, in no State fiscal year will the annual debt service exceed ninety percent (90%) of the Pledged Gas Taxes available for payment of the annual debt service; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration of Florida to issue an amount not exceeding $315,835,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2026A, for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, except for the remaining balance of $165,000,000 of the Previously Approved Bonds for which fiscal sufficiency was approved on February 24, 2026, the approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Right-of-Way Acquisition and Bridge Construction Bonds and Refunding Bonds is hereby rescinded.

ADOPTED November 17, 2026

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Chris Spencer, Executive Director of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held November 17, 2026, approving the fiscal sufficiency of an issue of an amount not exceeding $315,835,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2026A and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Right-of-Way Acquisition and Bridge Constructions Bonds and Refunding Bonds, except for the remaining balance of $165,000,000 for the Previously Approved Bonds for which fiscal sufficiency was approved on February 24, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 17th day of November 2026.

_____

Chris Spencer, Executive Director

(SEAL)

J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA
DIVISION OF BOND FINANCE

RON DESANTIS
GOVERNOR

JAMES UTHMEIER
ATTORNEY GENERAL

BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER

WILTON SIMPSON
COMMISSIONER OF AGRICULTURE

September 10, 2026

Mr. Chris Spencer
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding $315,835,000 State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2026A

Dear Mr. Spencer:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of September 29, 2026.

The proposed bonds will be payable from pledged gas taxes, consisting of certain motor fuel and diesel fuel taxes, and are additionally secured by the full faith and credit of the State of Florida. The proposed bonds will be payable on a parity with the outstanding Series 2016A through 2025B Bonds and the not exceeding $165,000,000 Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series (to be determined), previously authorized to be issued to refund all or a portion of the Series 2016A and 2016B Bonds for which fiscal sufficiency was approved on February 24, 2026, when and if issued. The remaining balance of the prior fiscal sufficiency approval for the Right-of-Way Acquisition and Bridge Construction Refunding Bonds referenced bonds should be retained; the remaining balance of any other prior fiscal sufficiency approvals for Right-of-Way Acquisition and Bridge Construction Bonds or Refunding Bonds should be rescinded.

The proposed bonds will be issued to finance the acquisition of real property or the rights to real property for state roads and bridge construction for the Department of Transportation and to pay costs associated with the issuance and sale of the bonds.

The bonds will be issued in one or more series pursuant to the Authorizing Resolution adopted on February 28, 1989, as amended and restated on May 28, 2020; and a Supplemental Authorizing Resolution and a Sale Resolution, both expected to be adopted by the Governor and Cabinet on September 29, 2026. A copy of the May 28, 2020 Authorizing Resolution has previously been provided to you.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program, including the issuance of the proposed bonds;

Enclosure 2: an estimated debt service schedule for the proposed bonds;

Enclosure 3: a schedule showing the estimated Highway Fuel Sales Tax collections (the motor and diesel fuel taxes pledged) as projected by the Florida Consensus Estimating Conference at its July 2026 meeting;

Enclosure 4: a draft copy of the Supplemental Resolution, which is expected to be adopted on September 29, 2026.

A draft of the fiscal sufficiency resolution should be sent to Jack Wise and Christina Waltz of this office for review. Should you have any questions, please contact either myself or Christina Waltz at 413-1330. Your consideration of this matter is appreciated.

Very truly yours,

J. Ben Watkins III
Director

Enclosures

cc: Ben Alonzo
Sharon Vice
Alex Nottingham
Todd Wessling

NOT EXCEEDING $315,835,000
STATE OF FLORIDA, FULL FAITH AND CREDIT
DEPARTMENT OF TRANSPORTATION
RIGHT-OF-WAY ACQUISITION AND BRIDGE CONSTRUCTION BONDS
SERIES 2026A
ESTIMATED SCHEDULE OF COVERAGE ON BONDS

Fiscal Year Ended June 30	Projected Motor & Diesel Fuel Sales Tax Available for Debt Service[1]	Outstanding Debt Service	Not Exceeding $315,835,000 Series 2026A Estimated Debt Service			Estimated Total Debt Service	Debt Service Coverage[3]	Maximum Allowable Debt Service[4]	Pro Forma Debt Service Coverage[5]
			Principal	Interest[2]	Total				
2027	$2,006,600,000	$173,724,393	$3,740,000	$14,212,575	$17,952,575	$191,676,968	10.47x	$ 425,000,000	4.72x
2028	2,078,000,000	156,295,393	4,685,000	16,853,130	21,538,130	177,833,523	11.69x	425,000,000	4.89x
2029	2,138,600,000	148,670,768	4,940,000	16,600,140	21,540,140	170,210,908	12.56x	425,000,000	5.03x
2030	2,192,700,000	148,643,743	5,205,000	16,333,380	21,538,380	170,182,123	12.88x	425,000,000	5.16x
2031	2,249,900,000	148,622,043	5,490,000	16,052,310	21,542,310	170,164,353	13.22x	425,000,000	5.29x
2032	2,300,800,000	141,577,943	5,785,000	15,755,850	21,540,850	163,118,793	14.11x	425,000,000	5.41x
2033	2,353,800,000	132,242,843	6,095,000	15,443,460	21,538,460	153,781,303	15.31x	425,000,000	5.54x
2034	2,403,500,000	117,696,493	6,425,000	15,114,330	21,539,330	139,235,823	17.26x	425,000,000	5.66x
2035	2,460,900,000	102,687,718	6,770,000	14,767,380	21,537,380	124,225,098	19.81x	425,000,000	5.79x
2036	2,514,600,000	77,017,349	7,140,000	14,401,800	21,541,800	98,559,149	25.51x	425,000,000	5.92x
2037	2,514,600,000	78,614,781	7,525,000	14,016,240	21,541,240	100,156,021	25.11x	425,000,000	5.92x
2038	2,514,600,000	71,595,533	7,930,000	13,609,890	21,539,890	93,135,423	27.00x	425,000,000	5.92x
2039	2,514,600,000	66,975,095	8,360,000	13,181,670	21,541,670	88,516,765	28.41x	425,000,000	5.92x
2040	2,514,600,000	49,520,888	8,810,000	12,730,230	21,540,230	71,061,118	35.39x	425,000,000	5.92x
2041	2,514,600,000	49,476,238	9,285,000	12,254,490	21,539,490	71,015,728	35.41x	425,000,000	5.92x
2042	2,514,600,000	51,429,988	9,785,000	11,753,100	21,538,100	72,968,088	34.46x	425,000,000	5.92x
2043	2,514,600,000	50,099,338	10,315,000	11,224,710	21,539,710	71,639,048	35.10x	425,000,000	5.92x
2044	2,514,600,000	44,162,138	10,870,000	10,667,700	21,537,700	65,699,838	38.27x	425,000,000	5.92x
2045	2,514,600,000	44,226,188	11,460,000	10,080,720	21,540,720	65,766,908	38.24x	425,000,000	5.92x
2046	2,514,600,000	44,223,350	12,080,000	9,461,880	21,541,880	65,765,230	38.24x	425,000,000	5.92x
2047	2,514,600,000	44,222,456	12,730,000	8,809,560	21,539,560	65,762,016	38.24x	425,000,000	5.92x
2048	2,514,600,000	44,231,644	13,420,000	8,122,140	21,542,140	65,773,784	38.23x	425,000,000	5.92x
2049	2,514,600,000	44,225,413	14,140,000	7,397,460	21,537,460	65,762,873	38.24x	425,000,000	5.92x
2050	2,514,600,000	44,234,813	14,905,000	6,633,900	21,538,900	65,773,713	38.23x	425,000,000	5.92x
2051	2,514,600,000	35,294,750	15,710,000	5,829,030	21,539,030	56,833,780	44.24x	425,000,000	5.92x
2052	2,514,600,000	35,299,469	16,560,000	4,980,690	21,540,690	56,840,159	44.24x	425,000,000	5.92x
2053	2,514,600,000	35,299,963	17,455,000	4,086,450	21,541,450	56,841,413	44.24x	425,000,000	5.92x
2054	2,514,600,000	23,799,175	18,395,000	3,143,880	21,538,880	45,338,055	55.46x	425,000,000	5.92x
2055	2,514,600,000	15,487,500	19,390,000	2,150,550	21,540,550	37,028,050	67.91x	425,000,000	5.92x
2056	2,514,600,000	-	20,435,000	1,103,490	21,538,490	21,538,490	116.75x	425,000,000	5.92x
			$315,835,000	$326,772,135	$642,607,135				

[1] The bonds are payable from the motor fuel and diesel fuel taxes pursuant to Sections 206.41(g) and 206.87(1)(e), Florida Statutes. The projected motor and diesel fuel tax collections for fiscal years 2027 through 2036 are as adopted by the Florida Consensus Estimating Conference on Transportation Revenues, July 2026. The fiscal year 2036 projections are held constant for future years. **The projections are based on the best information available when the estimates are made, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections. No representation is made that the amounts shown in any projected fiscal year will be collected.**

[2] Estimated interest calculated at 5.40%.

[3] Coverage has been calculated by dividing the amount of Projected Motor and Diesel Fuel Sales Tax Available for Debt Service by the Estimated Total Debt Service.

[4] Pursuant to Section 206.46(2), Florida Statutes, debt service cannot exceed the lesser of 7% of state revenues transferred to the STTF or $425 million. To be conservative, the maximum allowable debt service schedule above assumes the full $425 million each year.

[5] Coverage has been calculated by dividing the amount of Projected Motor and Diesel Fuel Sales Tax Available for Debt Service by the Maximum Allowable Debt Service.

BOND DEBT SERVICE

State of Florida
Full Faith and Credit
Department of Transportation
Right-of-Way Acquisition and Bridge Construction Bonds
Fiscal Sufficiency Request

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2027	-	-	5,685,030	5,685,030	-
07/01/2027	3,740,000	5.400%	8,527,545	12,267,545	17,952,575
01/01/2028	-	-	8,426,565	8,426,565	-
07/01/2028	4,685,000	5.400%	8,426,565	13,111,565	21,538,130
01/01/2029	-	-	8,300,070	8,300,070	-
07/01/2029	4,940,000	5.400%	8,300,070	13,240,070	21,540,140
01/01/2030	-	-	8,166,690	8,166,690	-
07/01/2030	5,205,000	5.400%	8,166,690	13,371,690	21,538,380
01/01/2031	-	-	8,026,155	8,026,155	-
07/01/2031	5,490,000	5.400%	8,026,155	13,516,155	21,542,310
01/01/2032	-	-	7,877,925	7,877,925	-
07/01/2032	5,785,000	5.400%	7,877,925	13,662,925	21,540,850
01/01/2033	-	-	7,721,730	7,721,730	-
07/01/2033	6,095,000	5.400%	7,721,730	13,816,730	21,538,460
01/01/2034	-	-	7,557,165	7,557,165	-
07/01/2034	6,425,000	5.400%	7,557,165	13,982,165	21,539,330
01/01/2035	-	-	7,383,690	7,383,690	-
07/01/2035	6,770,000	5.400%	7,383,690	14,153,690	21,537,380
01/01/2036	-	-	7,200,900	7,200,900	-
07/01/2036	7,140,000	5.400%	7,200,900	14,340,900	21,541,800
01/01/2037	-	-	7,008,120	7,008,120	-
07/01/2037	7,525,000	5.400%	7,008,120	14,533,120	21,541,240
01/01/2038	-	-	6,804,945	6,804,945	-
07/01/2038	7,930,000	5.400%	6,804,945	14,734,945	21,539,890
01/01/2039	-	-	6,590,835	6,590,835	-
07/01/2039	8,360,000	5.400%	6,590,835	14,950,835	21,541,670
01/01/2040	-	-	6,365,115	6,365,115	-
07/01/2040	8,810,000	5.400%	6,365,115	15,175,115	21,540,230
01/01/2041	-	-	6,127,245	6,127,245	-
07/01/2041	9,285,000	5.400%	6,127,245	15,412,245	21,539,490
01/01/2042	-	-	5,876,550	5,876,550	-
07/01/2042	9,785,000	5.400%	5,876,550	15,661,550	21,538,100
01/01/2043	-	-	5,612,355	5,612,355	-
07/01/2043	10,315,000	5.400%	5,612,355	15,927,355	21,539,710
01/01/2044	-	-	5,333,850	5,333,850	-
07/01/2044	10,870,000	5.400%	5,333,850	16,203,850	21,537,700
01/01/2045	-	-	5,040,360	5,040,360	-
07/01/2045	11,460,000	5.400%	5,040,360	16,500,360	21,540,720
01/01/2046	-	-	4,730,940	4,730,940	-
07/01/2046	12,080,000	5.400%	4,730,940	16,810,940	21,541,880
01/01/2047	-	-	4,404,780	4,404,780	-
07/01/2047	12,730,000	5.400%	4,404,780	17,134,780	21,539,560
01/01/2048	-	-	4,061,070	4,061,070	-
07/01/2048	13,420,000	5.400%	4,061,070	17,481,070	21,542,140
01/01/2049	-	-	3,698,730	3,698,730	-
07/01/2049	14,140,000	5.400%	3,698,730	17,838,730	21,537,460
01/01/2050	-	-	3,316,950	3,316,950	-
07/01/2050	14,905,000	5.400%	3,316,950	18,221,950	21,538,900
01/01/2051	-	-	2,914,515	2,914,515	-
07/01/2051	15,710,000	5.400%	2,914,515	18,624,515	21,539,030
01/01/2052	-	-	2,490,345	2,490,345	-
07/01/2052	16,560,000	5.400%	2,490,345	19,050,345	21,540,690
01/01/2053	-	-	2,043,225	2,043,225	-
07/01/2053	17,455,000	5.400%	2,043,225	19,498,225	21,541,450
01/01/2054	-	-	1,571,940	1,571,940	-
07/01/2054	18,395,000	5.400%	1,571,940	19,966,940	21,538,880
01/01/2055	-	-	1,075,275	1,075,275	-
07/01/2055	19,390,000	5.400%	1,075,275	20,465,275	21,540,550
01/01/2056	-	-	551,745	551,745	-
07/01/2056	20,435,000	5.400%	551,745	20,986,745	21,538,490
	315,835,000		326,772,135	642,607,135	642,607,135

STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308

TO: Chris Spencer
FROM: Ben Alonzo
SUBJECT: Fiscal Sufficiency
DATE: September 11, 2026

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $670,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation (the "Department"), has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding $670,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the "Bonds") for the purpose of financing a portion of the costs of various capital improvements to the Turnpike System, and to pay costs associated with the issuance and sale of the proposed bonds. The Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Sixty-sixth Supplemental Resolution adopted by the Governor and Cabinet on September 29, 2026.

The Division, on behalf of the Department, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2026B (collectively, the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its September 21, 2021, meeting; an amount not exceeding $200,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its March 26, 2024, meeting; and an amount not exceeding $410,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its December 17, 2024, meeting: of which $81,555,000, $59,470,000, and $204,350,000, respectively, remains unissued (together, the "Previously Approved Bonds"). Except for the remaining balances of the Previously Approved Bonds, the Division is requesting the remaining balance, if any, of fiscal sufficiency approvals for Turnpike Revenue and Revenue Refunding Bonds be rescinded. The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds, and the unissued portion of the Previously Approved Bonds, when and if issued. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof. A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Sharon Vice

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING $670,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED)

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding $670,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation (the "Department"), for the purpose of financing a portion of the costs of various capital improvements to the Turnpike System, and to pay costs associated with the issuance and sale of the proposed Bonds; and,

WHEREAS, the Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Sixty-sixth Supplemental Resolution adopted by the Governor and Cabinet on September 29, 2026, (together, the "Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Division, on behalf of the Department, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2026B (collectively, the "Outstanding Bonds"); and,

WHEREAS, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding $275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its September 21, 2021, meeting; an amount not exceeding $200,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its March 26, 2024, meeting; and an amount not exceeding $410,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) at its December 17, 2024, meeting, of which $81,555,000, $59,470,000, and $204,350,000, respectively, remains unissued (together, the "Previously Approved Bonds"); and,

WHEREAS, the Division has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Turnpike Revenue and Revenue Refunding Bonds, with the exception of the remaining balances of $81,555,000, $59,470,000, and $204,350,000, for the Previously Approved Bonds: and,

WHEREAS, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds, and the unissued portions of the Previously Approved Bonds, when and if issued; and,

WHEREAS, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary

contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

WHEREAS, the Department has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

WHEREAS, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding $670,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, except for the remaining balances of $81,555,000, $59,470,000, and $204,350,000 of the Previously Approved Bonds for which fiscal sufficiency was approved on September 21, 2021, March 26, 2024, and December 17, 2024, respectively, the approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Turnpike Revenue and Revenue Refunding Bonds is hereby rescinded.

ADOPTED November 17, 2026

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Chris Spencer, Executive Director of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held November 17, 2026, approving the fiscal sufficiency of an amount not exceeding $670,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of fiscal sufficiency approvals for Turnpike Revenue and Revenue Refunding Bonds, except for the remaining balances of $81,555,000 for the fiscal sufficiency approved on September 21, 2021, $59,470,000 for the fiscal sufficiency approved on March 26, 2024, and $204,350,000 for the fiscal sufficiency approved on December 17, 2024.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 17th day of November 2026.

_____

Chris Spencer, Executive Director

(SEAL)

J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA
DIVISION OF BOND FINANCE

RON DESANTIS
GOVERNOR

JAMES UTHMEIER
ATTORNEY GENERAL

BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER

WILTON SIMPSON
COMMISSIONER OF AGRICULTURE

September 10, 2026

Mr. Chris Spencer
Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding $670,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined)

Dear Mr. Spencer:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of September 29, 2026.

The proposed bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2012A through 2026B Bonds; and the remaining balances of the Turnpike Revenue Refunding Bonds, Series (to be determined) of $81,555,000, $59,470,000, and $204,350,000, previously authorized to be issued for the purpose of refunding certain outstanding Turnpike Revenue Bonds, for which fiscal sufficiency was approved on September 21, 2021, March 26, 2024, and December 17, 2024, respectively, when and if issued. The remaining balances of the prior fiscal sufficiency approvals for Turnpike Revenue Refunding Bonds referenced above should be retained; the remaining balance of any other prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds should be rescinded.

The proposed bonds will be issued to finance a portion of the costs of various capital improvements to the Turnpike System and to pay costs associated with the issuance and sale of the proposed bonds.

The proposed bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Sixty-sixth Supplemental Resolution expected to be adopted by the Governor and Cabinet on September 29, 2026. Copies of the Original Resolution and the Forty-eighth Supplemental Resolution have previously been provided to you.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program, including the issuance of the proposed bonds;

Enclosure 2: an estimated debt service schedule for the proposed bonds; and

Enclosure 3: a draft copy of the Sixty-sixth Supplemental Resolution, which is expected to be adopted on September 29, 2026.

A draft of the fiscal sufficiency resolution should be sent to Whitney Fason and Carla Bruce of this office for review. Should you have any questions, please contact either myself or Carla Bruce at (850) 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

for

J. Ben Watkins III
Director

Enclosures

cc: Ben Alonzo
Sharon Vice
Alex Nottingham
Todd Wessling

NOT EXCEEDING $670,000,000
STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED)

ESTIMATED COVERAGE TABLE

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES[1] TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES[2]	NET REVENUE	OUTSTANDING DEBT SERVICE	Estimated $670,000,000 New Money Debt Service Requested for Approval on September 29, 2026 Principal	Interest[3]	Total	TOTAL DEBT SERVICE	NET DEBT SERVICE COVERAGE
Historical									
2022	$1,153,380,000	$251,867,000	$901,513,000	$262,947,627				$262,947,627	3.43 x
2023	1,179,419,000	262,164,000	917,255,000	273,543,817				273,543,817	3.35 x
2024	1,350,276,000	275,999,000	1,074,277,000	273,516,706				273,516,706	3.93 x
2025	1,370,161,000	288,743,000	1,081,418,000	299,673,743				299,673,743	3.61 x
2026	1,386,721,000	311,896,000	1,074,825,000	312,428,238				312,428,238	3.44 x
Projected									
2027	$1,412,218,000	$330,348,000	$1,081,870,000	$337,423,822	$6,995,000	$26,431,500	$33,426,500	$370,850,322	2.92 x
2028	1,435,554,000	339,356,000	1,096,198,000	311,329,368	9,955,000	35,802,270	45,757,270	357,086,638	3.07 x
2029	1,457,249,000	348,065,000	1,109,184,000	305,795,268	10,495,000	35,264,700	45,759,700	351,554,968	3.16 x
2030	1,480,191,000	356,979,000	1,123,212,000	298,244,618	11,060,000	34,697,970	45,757,970	344,002,588	3.27 x
2031	1,503,848,000	360,604,000	1,143,244,000	295,757,668	11,660,000	34,100,730	45,760,730	341,518,398	3.35 x
2032	1,529,785,000	369,443,000	1,160,342,000	297,749,668	12,285,000	33,471,090	45,756,090	343,505,758	3.38 x
2033	1,555,573,000	378,504,000	1,177,069,000	297,777,168	12,950,000	32,807,700	45,757,700	343,534,868	3.43 x
2034	1,576,133,000	387,792,000	1,188,341,000	285,198,018	13,650,000	32,108,400	45,758,400	330,956,418	3.59 x
2035	1,596,948,000	397,312,000	1,199,636,000	263,695,568	14,385,000	31,371,300	45,756,300	309,451,868	3.88 x
2036	1,616,651,000	407,245,000	1,209,406,000	265,750,268	15,165,000	30,594,510	45,759,510	311,509,778	3.88 x
2037	1,616,651,000	407,245,000	1,209,406,000	232,730,305	15,985,000	29,775,600	45,760,600	278,490,905	4.34 x
2038	1,616,651,000	407,245,000	1,209,406,000	232,058,455	16,845,000	28,912,410	45,757,410	277,815,865	4.35 x
2039	1,616,651,000	407,245,000	1,209,406,000	239,265,205	17,755,000	28,002,780	45,757,780	285,022,985	4.24 x
2040	1,616,651,000	407,245,000	1,209,406,000	211,892,168	18,715,000	27,044,010	45,759,010	257,651,178	4.69 x
2041	1,616,651,000	407,245,000	1,209,406,000	191,263,511	19,725,000	26,033,400	45,758,400	237,021,911	5.10 x
2042	1,616,651,000	407,245,000	1,209,406,000	186,086,924	20,790,000	24,968,250	45,758,250	231,845,174	5.22 x
2043	1,616,651,000	407,245,000	1,209,406,000	187,537,274	21,915,000	23,845,590	45,760,590	233,297,864	5.18 x
2044	1,616,651,000	407,245,000	1,209,406,000	167,819,036	23,095,000	22,662,180	45,757,180	213,576,216	5.66 x
2045	1,616,651,000	407,245,000	1,209,406,000	163,856,593	24,345,000	21,415,050	45,760,050	209,616,643	5.77 x
2046	1,616,651,000	407,245,000	1,209,406,000	162,437,818	25,660,000	20,100,420	45,760,420	208,198,238	5.81 x
2047	1,616,651,000	407,245,000	1,209,406,000	176,278,999	27,045,000	18,714,780	45,759,780	222,038,779	5.45 x
2048	1,616,651,000	407,245,000	1,209,406,000	176,287,043	28,505,000	17,254,350	45,759,350	222,046,393	5.45 x
2049	1,616,651,000	407,245,000	1,209,406,000	151,559,661	30,045,000	15,715,080	45,760,080	197,319,741	6.13 x
2050	1,616,651,000	407,245,000	1,209,406,000	130,361,206	31,665,000	14,092,650	45,757,650	176,118,856	6.87 x
2051	1,616,651,000	407,245,000	1,209,406,000	126,021,863	33,375,000	12,382,740	45,757,740	171,779,603	7.04 x
2052	1,616,651,000	407,245,000	1,209,406,000	114,371,675	35,175,000	10,580,490	45,755,490	160,127,165	7.55 x
2053	1,616,651,000	407,245,000	1,209,406,000	93,478,850	37,075,000	8,681,040	45,756,040	139,234,890	8.69 x
2054	1,616,651,000	407,245,000	1,209,406,000	93,479,425	39,080,000	6,678,990	45,758,990	139,238,415	8.69 x
2055	1,616,651,000	407,245,000	1,209,406,000	56,755,375	41,190,000	4,568,670	45,758,670	102,514,045	11.80 x
2056	1,616,651,000	407,245,000	1,209,406,000	9,870,025	43,415,000	2,344,410	45,759,410	55,629,435	21.74 x
					$670,000,000	$690,423,060	$1,360,423,060		

[1] Numbers are rounded to nearest thousand dollars. Fiscal Years 2022 through 2025 represent audited financial results. Revenues and expenses for Fiscal Year 2026 (historical) and Fiscal Years 2027 through 2036 (projected), are projections provided by the Turnpike's traffic and revenue consultant as of October 2025. Projections for Fiscal Year 2036 have been held constant for each Fiscal Year thereafter. **No representation is made that the amounts shown in any projected fiscal year will be collected.**

[2] The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforcable by bondholders.

[3] Estimated interest calculated at 5.40%.

BOND DEBT SERVICE

Fiscal Sufficiency
FY 2027 Fiscal Sufficiency

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2027	-	-	8,341,500	8,341,500	-
07/01/2027	6,995,000	5.400%	18,090,000	25,085,000	33,426,500
01/01/2028	-	-	17,901,135	17,901,135	-
07/01/2028	9,955,000	5.400%	17,901,135	27,856,135	45,757,270
01/01/2029	-	-	17,632,350	17,632,350	-
07/01/2029	10,495,000	5.400%	17,632,350	28,127,350	45,759,700
01/01/2030	-	-	17,348,985	17,348,985	-
07/01/2030	11,060,000	5.400%	17,348,985	28,408,985	45,757,970
01/01/2031	-	-	17,050,365	17,050,365	-
07/01/2031	11,660,000	5.400%	17,050,365	28,710,365	45,760,730
01/01/2032	-	-	16,735,545	16,735,545	-
07/01/2032	12,285,000	5.400%	16,735,545	29,020,545	45,756,090
01/01/2033	-	-	16,403,850	16,403,850	-
07/01/2033	12,950,000	5.400%	16,403,850	29,353,850	45,757,700
01/01/2034	-	-	16,054,200	16,054,200	-
07/01/2034	13,650,000	5.400%	16,054,200	29,704,200	45,758,400
01/01/2035	-	-	15,685,650	15,685,650	-
07/01/2035	14,385,000	5.400%	15,685,650	30,070,650	45,756,300
01/01/2036	-	-	15,297,255	15,297,255	-
07/01/2036	15,165,000	5.400%	15,297,255	30,462,255	45,759,510
01/01/2037	-	-	14,887,800	14,887,800	-
07/01/2037	15,985,000	5.400%	14,887,800	30,872,800	45,760,600
01/01/2038	-	-	14,456,205	14,456,205	-
07/01/2038	16,845,000	5.400%	14,456,205	31,301,205	45,757,410
01/01/2039	-	-	14,001,390	14,001,390	-
07/01/2039	17,755,000	5.400%	14,001,390	31,756,390	45,757,780
01/01/2040	-	-	13,522,005	13,522,005	-
07/01/2040	18,715,000	5.400%	13,522,005	32,237,005	45,759,010
01/01/2041	-	-	13,016,700	13,016,700	-
07/01/2041	19,725,000	5.400%	13,016,700	32,741,700	45,758,400
01/01/2042	-	-	12,484,125	12,484,125	-
07/01/2042	20,790,000	5.400%	12,484,125	33,274,125	45,758,250
01/01/2043	-	-	11,922,795	11,922,795	-
07/01/2043	21,915,000	5.400%	11,922,795	33,837,795	45,760,590
01/01/2044	-	-	11,331,090	11,331,090	-
07/01/2044	23,095,000	5.400%	11,331,090	34,426,090	45,757,180
01/01/2045	-	-	10,707,525	10,707,525	-
07/01/2045	24,345,000	5.400%	10,707,525	35,052,525	45,760,050
01/01/2046	-	-	10,050,210	10,050,210	-
07/01/2046	25,660,000	5.400%	10,050,210	35,710,210	45,760,420
01/01/2047	-	-	9,357,390	9,357,390	-
07/01/2047	27,045,000	5.400%	9,357,390	36,402,390	45,759,780
01/01/2048	-	-	8,627,175	8,627,175	-
07/01/2048	28,505,000	5.400%	8,627,175	37,132,175	45,759,350
01/01/2049	-	-	7,857,540	7,857,540	-
07/01/2049	30,045,000	5.400%	7,857,540	37,902,540	45,760,080
01/01/2050	-	-	7,046,325	7,046,325	-
07/01/2050	31,665,000	5.400%	7,046,325	38,711,325	45,757,650
01/01/2051	-	-	6,191,370	6,191,370	-
07/01/2051	33,375,000	5.400%	6,191,370	39,566,370	45,757,740
01/01/2052	-	-	5,290,245	5,290,245	-
07/01/2052	35,175,000	5.400%	5,290,245	40,465,245	45,755,490
01/01/2053	-	-	4,340,520	4,340,520	-
07/01/2053	37,075,000	5.400%	4,340,520	41,415,520	45,756,040
01/01/2054	-	-	3,339,495	3,339,495	-
07/01/2054	39,080,000	5.400%	3,339,495	42,419,495	45,758,990
01/01/2055	-	-	2,284,335	2,284,335	-
07/01/2055	41,190,000	5.400%	2,284,335	43,474,335	45,758,670
01/01/2056	-	-	1,172,205	1,172,205	-
07/01/2056	43,415,000	5.400%	1,172,205	44,587,205	45,759,410
	670,000,000		690,423,060	1,360,423,060	1,360,423,060

Florida Hurricane Catastrophe Fund

Memo

TO: Chris Spencer, Executive Director

THRU: Gina Wilson, Chief Operating Officer, FHCF

FROM: Mary Linzee Branham, Director of Legal and Risk Operations, FHCF

DATE: November 10, 2026

SUBJECT: Trustees Meeting, November 17, 2026

Request approval of, and authority to file, a Notice of Proposed Rule for Rule 19-8.010, F.A.C., Reimbursement Contract, and to file the Rule along with the incorporated forms for adoption if no member of the public timely requests a rule hearing or if a hearing is requested and no Notice of Change is needed.

BACKGROUND AND SUMMARY OF RULE AND INCORPORATED FORMS CHANGES:

The Florida Hurricane Catastrophe Fund (FHCF) provides reimbursement to insurers writing residential property insurance in Florida for a portion of their hurricane losses. All admitted insurers covering residential property in Florida must obtain coverage from the FHCF, which is provided through the Reimbursement Contract.

The SBA has a statutory deadline of February 1 for adoption of the Reimbursement Contract for the contract year that begins on June 1 and runs through the following May 31.

The proposed rule adopts the Reimbursement Contract for the 2027-2028 Contract Year.

In addition to updating the dates to reflect the 2027-2028 Contract Year and edits to simplify and clarify, the proposed rule makes the following substantive changes to the Reimbursement Contract:

- Article V. Subsection (3): The definition of "Additional Living Expense" is amended to add a definition for what are considered living expenses, whereas the previous definition simply cited the statutory text that allows for additional living expense as part of the loss.
- Article V. Subsection (26): The definition of "Retention" is amended to clarify that any adjustments to reflect a reduction to one-third of the Company's full retention will not be

made until all Proof of Loss Reports for each Covered Event in a Contract Year are received.

- Article VI. Subsection (14): The exclusion for barns and barn with apartments is amended to remove the language "or living quarters" to clarify that homes that are truly residential structures are not excluded, e.g. barndominiums.
- Article X. Subsection (3)(b) renumbered (3): The language outlining what constitutes a Proof of Loss is amended and reordered to clarify what is required for a Proof of Loss Submission.
- Article X. Renumbered Subsection (7): The language is added to ensure the SBA may require a Company at any time to submit a Proof of Loss Report for any Covered Event in a Contract Year prior to reimbursement of Losses for a specific Covered Event.

A complete copy of the Summary of Changes is attached.

EXTERNAL INTEREST: The Notice of Rule Development was published in the *Florida Administrative Register* on August 6, 2026, Vol. 52, No. 152. The Rule Development Workshop was held on August 20, 2026. Representatives of the FHCF presented the rule and incorporated forms. The rule and forms were presented, discussed, and favorably recommended by the FHCF Advisory Council at a public meeting on August 20, 2026.

ACTION REQUESTED: It is requested that the proposed amendments to this rule, along with the incorporated forms, be presented to the Cabinet Aides on November 13, 2026, and to the State Board of Administration Trustees on November 17, 2026, with a request to approve the filing of this rule for Notice of Proposed Rule and to approve filing for adoption with the Department of State if no member of the public timely requests a rule hearing or if a rule hearing is requested but no Notice of Change is necessary.

ATTACHMENTS TO BE INCLUDED WITH AGENDA ITEM A:

- Summary of Changes, Rule 19-8.010, F.A.C.
- Notice of Proposed Rule, Rule 19-8.010, F.A.C.
- **Rule 19-8.010, F.A.C., Reimbursement Contract**
- 2027 Incorporated Forms: **FHCF-2027K,** Reimbursement Contract; **FHCF-2027K-1,** Appendix A

The rule and all forms show the proposed amendments with new language <u>underscored</u> and deleted language ~~stricken through~~.

Rule 19-8.010, F.A.C., and Incorporated Forms
2027-2028 Contract Year
Summary of Changes
(as of August 6, 2026)

Rule

19-8.010, Reimbursement Contract

Subsection (1)(a) is added to incorporate the Reimbursement Contract, including Amendments and Addenda, for the 2027-2028 Contract Year.

Subsection (1)(b) is added to incorporate Appendix A for the 2027-2028 Contract Year.

Former subsection (1) is renumbered as subsection (2).

Subsection (2), relating to the Reimbursement Contract and Appendix A for the 2025-2026 Contract Year, is deleted as obsolete.

Incorporated Forms

Rule 19-8.010, F.A.C., Incorporated Forms

FHCF-2027K, Reimbursement Contract

Throughout: Technical changes to update references to the 2027-2028 Contract Year dates and plain language edits to simplify, clarify and improve readability are made throughout the Contract.

Only substantive changes will be addressed below.

ARTICLE V – DEFINITIONS

Subsection (3): The definition of "Additional Living Expense" is amended to add a definition for what are considered additional living expenses, whereas the previous definition simply cites the statutory text that allows for additional living expense as part of the loss.

Subsection (26): The definition of "Retention" is amended to clarify that any adjustments to reflect a reduction to one-third of the Company's full retention will not be made until all Proof of Loss Reports for each Covered Event in a Contract Year are received.

ARTICLE VI – EXCLUSIONS

Subsection (14): The exclusion for barns and barns with apartments is amended to remove the language "or living quarters" to clarify that homes that are truly residential structures are not excluded, e.g. barndominiums.

ARTICLE VIII – REIMBURSEMENT ADJUSTMENTS

The language was amended to remove an outdated statutory cite.

ARTICLE X – REPORTS AND REMITTANCES

Subsection (3)(b) renumbered 3: The language outlining what constitutes a Proof of Loss is amended and reordered to clarify what is required for a Proof of Loss Submission.

Renumbered Subsection (7): The language is added to ensure the SBA may require a Company at any time to submit a Proof of Loss Report for any Covered Event in a Contract Year prior to reimbursement of Losses for a specific Covered Event.

APPENDIX A

Technical changes to update references for the 2027-2028 Contract Year dates are made to Appendix A.

Notice of Proposed Rule

STATE BOARD OF ADMINISTRATION

RULE NO.: RULE TITLE:

19-8.010: Reimbursement Contract

PURPOSE AND EFFECT: The State Board of Administration of Florida, Florida Hurricane Catastrophe Fund, seeks to amend the rule listed above to implement Section 215.555, F.S.

SUMMARY: Rule 19-8.010, F.A.C., is being amended to adopt the 2027-2028 Reimbursement Contract, including Addenda.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of $200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Upon review of the proposed changes to this rule and the incorporated forms, the State Board of Administration of Florida has determined that the rule does not meet the requirements for ratification by the legislature. The changes to the rule do not have an adverse impact on small business and do not directly or indirectly increase regulatory costs in excess of $200,000 in the aggregate within 1 year of implementation. The changes to the rule also do not directly or indirectly have an adverse impact on economic growth, private sector job creation or employment, or private sector investment, business competitiveness or innovation or increase regulatory costs, including any transactional costs, in excess of $1 million in the aggregate within 5 years after the implementation of the rule.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 215.555(3), F.S.

LAW IMPLEMENTED: 215.555(2), (3), (4), (5), (6), (7), (10), (16), F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: December 15, 2026, 9:00 a.m. (ET) to 10:00 a.m. (ET).

PLACE: Conference Call in Number: 1(872)242-7651, Phone Conference ID: 193-431-346#.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: . If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Mary Linzee Branham, Florida Hurricane Catastrophe Fund, 1801 Hermitage Blvd., Tallahassee, FL 32308, (850) 413-1335, marylinzee.branham@sbafla.com.

THE FULL TEXT OF THE PROPOSED RULE IS:

19-8.010 Reimbursement Contract.

(1)(a) The reimbursement contract for the 2027-2028 contract year, https://flrules.org/Gateway/reference.asp?No=Ref-20017, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2027K-"Reimbursement Contract" or "Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/26 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2027 through May 31, 2028.

(b) Appendix A, for the 2027-2028 contract year, https://flrules.org/Gateway/reference.asp?No=Ref-20018,

required by Section 215.555(5)(e), F.S., which is called Form FHCF-2027K-1 "Appendix A to Reimbursement Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/26 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2027 through May 31, 2028.

(2)~~(1)~~(a) No change.

(b) No change.

~~(2)(a) The reimbursement contract for the 2025 2026 contract year, http://www.flrules.org/Gateway/reference.asp?No=ref-17132, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2025K "Reimbursement Contract" or "Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/24 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2025 through May 31, 2026.~~

~~(b) Appendix A, for the 2025-2026 contract year, http://www.flrules.org/Gateway/reference.asp?No=ref-17133, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2025K-1 "Appendix A to Reimbursement Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/24 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2025 through May 31, 2026.~~

(3) No change.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History–New 5-31-94, Amended 8-29-95, 5-19-96, 6-19-97, 5-28-98, 5-17-99, 9-13-99, 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 11-13-05, 5-10-06, 9-5-06, 5-8-07, 8-13-07, 6-8-08, 9-2-08, 3-30-09, 8-23-09, 3-29-10, 8-8-10, 12-12-10, 9-11-11, 12-19-11, 11-18-12, 12-2-13, 11-12-14, 6-2-15, 1-3-16, 11-9-16, 12-6-17, 1-29-19, 9-17-19, 11-12-19, 11-17-20, 11-10-21, 8-18-22, 10-11-22, 12-19-23, 11-13-24, 12-2-25, XX-XX-XX.

NAME OF PERSON ORIGINATING PROPOSED RULE: Gina Wilson, FHCF Chief Operating Officer, State Board of Administration of Florida.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Trustees of the State Board of Administration of Florida.

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: November 17, 2026

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: August 6, 2026

19-8.010 Reimbursement Contract.

(1)(a) The reimbursement contract for the 2027-2028 contract year, https://flrules.org/Gateway/reference.asp?No=Ref-20017, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2027K"Reimbursement Contract" or "Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/26 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2027 through May 31, 2028.

(b) Appendix A, for the 2027-2028 contract year, https://flrules.org/Gateway/reference.asp?No=Ref-20018, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2027K-1 "Appendix A to Reimbursement Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/26 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2027 through May 31, 2028.

(2)~~(1)~~(a) No change.

(b) No change.

~~(2)(a) The reimbursement contract for the 2025-2026 contract year, http://www.flrules.org/Gateway/reference.asp?No=ref-17132, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2025K "Reimbursement Contract" or "Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/24 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2025 through May 31, 2026.~~

~~(b) Appendix A, for the 2025-2026 contract year, http://www.flrules.org/Gateway/reference.asp?No=ref-17133, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2025K-1 "Appendix A to Reimbursement Contract" between (name of insurer) (the "Company")/NAIC #( ) and The State Board of Administration of the State of Florida ("SBA") which administers the Florida Hurricane Catastrophe Fund ("FHCF"), rev. 11/24 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2025 through May 31, 2026.~~

(3) No change.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History–New 5-31-94, Amended 8-29-95, 5-19-96, 6-19-97, 5-28-98, 5-17-99, 9-13-99, 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 11-13-05, 5-10-06, 9-5-06, 5-8-07, 8-13-07, 6-8-08, 9-2-08, 3-30-09, 8-23-09, 3-29-10, 8-8-10, 12-12-10, 9-11-11, 12-19-11, 11-18-12, 12-2-13, 11-12-14, 6-2-15, 1-3-16, 11-9-16, 12-6-17, 1-29-19, 9-17-19, 11-12-19, 11-17-20, 11-10-21, 8-18-22, 10-11-22, 12-19-23, 11-13-24, 12-2-25, XX-XX-XX.

REIMBURSEMENT CONTRACT

Coverage Effective: June 1, 2027 ~~2026~~
("Contract")

This Contract is between:

«Legal_Name»
("Company")

NAIC # «NAIC_»

and

THE STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA (SBA)
WHICH ADMINISTERS THE FLORIDA HURRICANE CATASTROPHE FUND (FHCF)

PREAMBLE

Section 215.555, Florida Statutes, creates the FHCF and directs the SBA to administer the FHCF. This Contract, consisting of the principal document entitled Reimbursement Contract, addressing the mandatory FHCF coverage, and Appendix A, is subject to Section 215.555, Florida Statutes, and to any administrative rule adopted pursuant thereto, and is not intended to be in conflict therewith.

In consideration of the promises set forth in this Contract, the parties agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

As a condition precedent to the SBA's obligations under this Contract, the Company shall report to the SBA in a specified format the business it writes which is described in this Contract as Covered Policies. The terms of this Contract shall determine the rights and obligations of the parties. This Contract provides reimbursement to the Company under certain circumstances, as described herein, and does not provide or extend insurance or reinsurance coverage to any person, firm, corporation or other entity. The SBA shall reimburse the Company for its Ultimate Net Loss on Covered Policies, which were in force and in effect at the time of the Covered Event causing the Loss, in excess of the Company's Retention as a result of each Covered Event commencing during the Contract Year, to the extent funds are available, all as hereinafter defined.

ARTICLE II - PARTIES TO THE CONTRACT

This Contract is solely between the Company, an Authorized Insurer or any entity writing Covered Policies under Section 627.351, Florida Statutes, in the State of Florida, and the SBA. In no instance shall any insured of the Company, any claimant against an insured of the Company, or any other third party have any rights under this Contract, except as provided in Article XVI. The SBA will disburse funds only to the Company, except as provided for in Article XVI. The Company shall not, without the prior approval of the Florida Office of Insurance Regulation, sell, assign, or transfer to any third party, in return for a fee or other consideration any sums the FHCF pays under this Contract or the right to receive such sums.

ARTICLE III - TERM; EXECUTION

(1) **Term**

This Contract applies to Losses from Covered Events which commence during the period from 12:00:01 a.m., Eastern Time, June 1, 2027~~2026~~, to 12:00 midnight, Eastern Time, May 31, 2028~~2027~~ (the "Contract Year"). The SBA shall not be liable for Losses from Covered Events which commence after the effective time and date of expiration or termination. Should this Contract expire or terminate while a Covered Event is in progress, the SBA shall be responsible for such Covered Event in progress in the same manner and to the same extent it would have been responsible had the Contract expired the day following the conclusion of the Covered Event in progress.

(2) **Mandatory Nature of this Contract**

(a) **Statutory Requirement**

This Contract has been adopted as part of Rule 19-8.010, Florida Administrative Code (F.A.C.), in fulfillment of the statutory requirement that the SBA enter into a Contract with each Company writing Covered Policies in Florida. Under Section 215.555(4)(a), Florida Statutes, the SBA must enter into such a Contract with each such Company, and each such Company must enter into the Contract as a condition of doing business in Florida. Under Section 215.555(16)(c), Florida Statutes, Companies writing Covered Policies must execute the Contract by March 1 of the immediately preceding Contract Year.

(b) **Duty to Provide a Fully and Timely Executed Copy of this Contract to the Administrator**

The Company must provide a fully executed copy of this Contract in electronic form to the Administrator no later than the March 1 statutory deadline for execution, or, in the case of a New Participant, no later than 30 days after the New Participant began writing Covered Policies.

(3) **Contract Deemed Executed Notwithstanding Execution Errors**

Except with respect to New Participants, this Contract is deemed to have been executed by the Company as of the March 1 statutory deadline, notwithstanding the fact that the Coverage Level election in Article XXI(1)(b) may be invalid, and notwithstanding the fact that the person purporting to execute

the Contract on the part of the Company may have lacked the requisite authority. With respect to New Participants, this Contract is deemed to have been executed by the New Participant as of the date on which the New Participant began writing Covered Policies; coverage shall be determined as provided in paragraphs (c) and (d). Execution of this Contract by or on behalf of an entity that does not write Covered Policies is void. If the Company failed to timely submit an executed copy of this Contract, or if the executed Contract includes an invalid Coverage Level election under Article XXI, the Company's Coverage Level shall be deemed as follows:

(a) For a Company that is a member of a National Association of Insurance Commissioners (NAIC) group, the same Coverage Level selected by the other Companies of the same NAIC group shall be deemed. If executed Contracts for none of the members of an NAIC group have been received by the Administrator, the Coverage Level from the prior Contract Year shall be deemed.

(b) For a Company that is not a member of an NAIC group under which other Companies are active participants in the FHCF, the Coverage Level from the prior Contract Year shall be deemed.

(c) For a New Participant that is a member of an NAIC group, the same Coverage Level selected by the other Companies of the same NAIC group shall be deemed.

(d) For a New Participant that is not a member of an NAIC group under which other Companies are active participants in the FHCF, the 45 percent, 75 percent, or 90 percent Coverage Levels may be selected if the Administrator receives an executed Contract within 30 calendar days after the effective date of the first Covered Policy, otherwise, the 45 percent Coverage Level shall be deemed to have been selected.

ARTICLE IV - LIABILITY OF THE FHCF

(1) The SBA shall reimburse the Company with respect to each Covered Event commencing during the Contract Year in the amount of Ultimate Net Loss paid by the Company in excess of the Company's Retention, as adjusted pursuant to the definition of Retention in Article V, multiplied by the applicable Coverage Level, plus 10 percent of the reimbursed Losses as a Loss Adjustment Expense Allowance, the total of which shall not exceed the Company's Limit.

(2) Section 215.555(4)(c)1., Florida Statutes, provides that the obligation of the FHCF with respect to all Contracts covering a particular Contract Year shall not exceed the Actual Claims-Paying Capacity of the FHCF up to a specified dollar limit.

(3) In order to assure that reimbursements do not exceed the statutory limit of the obligation of the FHCF provided in Section 215.555(4)(c)1., Florida Statutes, the SBA shall, upon the occurrence of a Covered Event, evaluate the potential Losses to the FHCF and the FHCF's capacity at the time of the event. The

initial Projected Payout Multiple used to reimburse the Company for its Losses shall not exceed the Projected Payout Multiple as calculated based on the capacity needed to provide the FHCF's coverage. If it appears that the Estimated Claims-Paying Capacity may be exceeded, the SBA shall reduce the projected payout factors or multiples for determining each participating insurer's projected payout uniformly among all insurers to reflect the Estimated Claims-Paying Capacity.

(4) Reimbursement amounts shall not be reduced by reinsurance paid or payable to the Company from other sources. Once the Company's Limit has been exhausted, the Company will not be entitled to further reimbursements.

ARTICLE V - DEFINITIONS

As used in this Contract, the following words and phrases are defined to mean:

(1) **Actual Claims-Paying Capacity of the FHCF**
This term means the sum of the Balance of the Fund as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the amount the SBA is able to raise through the issuance of revenue bonds under Section 215.555(6), Florida Statutes.

(2) **Actuarially Indicated**
This term means an amount determined according to principles of actuarial science to be adequate, but not excessive, in the aggregate, to pay current and future obligations and expenses of the fund, including additional amounts if needed to pay debt service on revenue bonds and to provide required debt service coverage in excess of the amounts required to pay actual debt service on revenue bonds, and determined according to principles of actuarial science to reflect each insurer's relative exposure to hurricane losses.

(3) **Additional Living Expense (ALE)**
This term means reasonable and necessary temporary living expenses incurred by the policyholder that are beyond the policyholder's normal living expenses when a Covered Event renders the Residential Structure where the policyholder resides unlivable or is prohibited from use by a civil authority. ALE is subject to the limit under Section 215.555(2)(d), Florida Statutes~~ALE Losses covered by the FHCF are not to exceed 40 percent of the insured value of a Residential Structure or its contents based on how the coverage is provided in the policy. Fair rental value, loss of rents, or business interruption losses are not covered by the FHCF~~.

(4) **Administrator**
This term means the entity the SBA contracts with to perform administrative services associated with the operation of the FHCF.

(5) **Authorized Insurer**
This term is defined in Section 624.09(1), Florida Statutes.

(6) **Balance of the Fund as of December 31 or Fund Balance**
This term means the amount of assets available to pay claims resulting from Covered Events which occurred during the Contract Year, not including any pre-event or post-event bonds, reinsurance, or proceeds from other financing mechanisms.

(7) **Borrowing Capacity**
This term means the amount of funds available or which can be raised by the issuance of revenue bonds or through other financing mechanisms, less bond issuance expenses and reserves.

(8) **Citizens Property Insurance Corporation (Citizens)**
This term means Citizens Property Insurance Corporation as created under Section 627.351(6), Florida Statutes.

(9) **Commutation**
This term means the estimation, payment, and complete discharge of all future obligations for Losses, regardless of future loss development. The final Commutation shall constitute a complete and final release of all obligations of the SBA with respect to Losses. Commutation may be per Covered Event or by Contract Year as determined by the FHCF.

(10) **Covered Event**
This term means any one storm declared to be a hurricane by the National Hurricane Center which causes insured losses in Florida. A Covered Event begins when a hurricane causes damage in Florida while it is a hurricane and continues throughout any subsequent downgrades in storm status by the National Hurricane Center regardless of whether the hurricane makes landfall. Any storm, including a tropical storm, which does not become a hurricane is not a Covered Event.

(11) **Coverage Level**
This term means the level of reimbursement (90 percent, 75 percent, or 45 percent), as elected by the Company under Article XXI or deemed under Article III(3), which is used in determining reimbursement under Article IV.

(12) **Covered Policy**
(a) Covered Policy, as defined in Section 215.555(2)(c), Florida Statutes, is further clarified to mean only that portion of a binder, policy or contract of insurance that insures real or personal property located in the State of Florida to the extent such policy insures a Residential Structure or the contents of a Residential Structure, located in the State of Florida.

(b) Covered Policy also includes any collateral protection insurance policy covering personal residences which protects both the borrower's and the lender's financial interest, in an amount at least equal to

1. the coverage amount for the dwelling in place under the lapsed homeowner's policy,

2. the coverage amount that the homeowner has been notified of by the collateral protection insurer, or
3. the coverage amount that the homeowner requests from the collateral protection insurer,

if such collateral protection insurance policy can be accurately reported as required in Section 215.555(5), Florida Statutes.

4.~~(c)~~ A Company will be deemed to be able to accurately report data if the Company submits the required data as specified in the Data Call (Form FHCF-D1A as adopted for the Contract Year under Rule 19-8.029, F.A.C.).

(c)~~(d)~~ Covered Policy does not include any policy or exposure excluded under Article VI.

(13) **Deductible Buy-Back Policy**
This term means a specific policy that provides coverage to a policyholder for some portion of the policyholder's deductible under a policy issued by another insurer.

(14) **Estimated Claims-Paying Capacity of the FHCF**
This term means the sum of the projected Balance of the Fund as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the most recent estimate of the Borrowing Capacity of the FHCF, determined pursuant to Section 215.555(4)(c), Florida Statutes.

(15) **Excess Policy**
This term means, for the purposes of this Contract, a policy that provides insurance protection for large commercial property risks and that provides a layer of coverage above a primary layer (which is insured by a different insurer) that acts much the same as a very large deductible.

(16) **Insurer Group**
For purposes of the Coverage Level election in Section 215.555(4)(b), Florida Statutes, Insurer Group means the group designation assigned by the NAIC for regulatory purposes. A Company is a member of a group as designated by the NAIC until such Company is assigned another group designation or is no longer a member of a group.

(17) **Limit**
This term means the maximum amount that a Company may recover under this Contract, calculated by multiplying the Company's Reimbursement Premium by the Payout Multiple.

(18) **Loss**
This term means an incurred loss under a Covered Policy from a Covered Event, including Additional Living Expenses not to exceed 40 percent of the insured value of a Residential Structure or its contents and amounts paid as fees on behalf of or inuring to the benefit of a policyholder. The term Loss does not include allocated or unallocated loss adjustment expenses or any item for which this Contract does not provide reimbursement pursuant to the exclusions in Article VI.

(19) **Loss Adjustment Expense Allowance**

(a) The Loss Adjustment Expense Allowance is equal to 10 percent of the reimbursed Losses under this Contract as provided in Article IV, pursuant to Section 215.555(4)(b)1., Florida Statutes.

(b) The Loss Adjustment Expense Allowance is included in, and not in addition to, the Limit applicable to a Company.

(20) **New Participant**
This term means a Company that begins writing Covered Policies on or after the beginning of the Contract Year. A Company that removes Covered Policies from Citizens or an Unsound Insurer pursuant to an assumption agreement effective on or after June 1 and had written no other Covered Policies before June 1 is also considered a New Participant.

(21) **Payout Multiple**
This term means the multiple as calculated in accordance with Section 215.555(4)(c), Florida Statutes, which is derived by dividing the actual single season Claims-Paying Capacity of the FHCF by the total aggregate industry Reimbursement Premium for the FHCF for the Contract Year billed as of December 31 of the Contract Year. The final Payout Multiple is determined once Reimbursement Premiums have been billed as of December 31 and the amount of bond proceeds has been determined.

(22) **Premium Formula**
This term means the formula developed pursuant to Section 215.555(5)(b), Florida Statutes, and approved by the SBA Trustees for the purpose of determining the Actuarially Indicated Reimbursement Premium to be paid to the FHCF.

(23) **Projected Payout Multiple**
The Projected Payout Multiple is used to calculate a Company's projected payout pursuant to Section 215.555(4)(d)2., Florida Statutes. The Projected Payout Multiple is derived by dividing the estimated single season Claims-Paying Capacity of the FHCF by the estimated total aggregate industry Reimbursement Premium for the FHCF for the Contract Year. The Company's Reimbursement Premium as paid to the SBA for the Contract Year is multiplied by the Projected Payout Multiple to estimate the Company's coverage from the FHCF for the Contract Year.

(24) **Reimbursement Premium or Premium**
These terms mean the amount to be paid by the Company, as determined by multiplying each $1,000 of insured value reported by the Company in accordance with Section 215.555(5)(b), Florida Statutes, by the rate as derived from the Premium Formula, as described in Rule 19-8.028, F.A.C.

(25) **Residential Structure**
In general, this term means a unit or building used exclusively or predominantly for dwelling or habitational occupancies, including the primary structure and appurtenant structures insured under the same Covered Policy and any other structures covered under endorsements associated with the Covered Policy covering the Residential Structure.

(a) With respect to a unit or home insured under a personal lines residential policy form, such unit or home is deemed to have a habitational occupancy and to be a Residential Structure regardless of the term of its occupancy.

(b) With respect to a condominium structure or complex insured under a commercial lines policy, such structure is deemed to have a habitational occupancy and to be a Residential Structure, regardless of the term of occupancy of individual units.

(c) A single structure which includes a mix of commercial habitational and commercial non-habitational occupancies, and is insured under a commercial lines policy, is considered a Residential Structure if 50 percent or more of the total insured value of the structure is used for habitational occupancies.

(d) Residential Structures do not include any structures excluded under Article VI.

(26) **Retention**

This term means the amount of Losses from a Covered Event which must be incurred by the Company before it is eligible for reimbursement from the FHCF.

(a) When the Company incurs Losses from one or two Covered Events during the Contract Year, the Company's full Retention shall be applied to each of the Covered Events.

(b) When the Company incurs Losses from more than two Covered Events during the Contract Year, the Company's full Retention shall be applied to each of the two Covered Events causing the largest Losses for the Company. For each other Covered Event resulting in Losses, the Company's Retention shall be reduced to one-third of its full Retention.

1. All reimbursement of Losses for each Covered Event shall be based on the Company's full Retention until December 31 of the Contract Year. Adjustments to reflect a reduction to one-third of the full Retention shall be made on or after January 1 of the Contract Year provided the Company reports its Losses as specified in this Contract.
2. Adjustments to the Company's Retention shall be based upon its paid and outstanding Losses as reported on the Company's Proof of Loss Reports (Form FHCF-L1B as adopted for the Contract Year under Rule 19-8.029, F.A.C.) but shall not include incurred but not reported Losses. The Company's Proof of Loss Reports shall be used to determine which Covered Events constitute the Company's two largest Covered Events.~~After this initial determination,~~ A~~a~~ny subsequent adjustments shall be made at least~~a minimum,~~ quarterly ~~by the SBA~~ after receiving all ~~required~~ Proof of Loss Reports for each Covered Event in the Contract Year~~are received~~.

(c) The Company's full Retention is established in accordance with the provisions of Section 215.555(2)(e), Florida Statutes, and shall be determined by multiplying the Retention Multiple by the Company's Reimbursement Premium for the Contract Year.

(27) **Retention Multiple**

(a) The Retention Multiple is applied to the Company's Reimbursement Premium to determine the Company's Retention. The Retention Multiple for the 2027/2028~~2026/2027~~ Contract Year shall be equal to $4.5 billion, adjusted based upon the reported exposure for the 2025/2026~~2024/2025~~ Contract Year to reflect the percentage growth in exposure to the FHCF since 2004, divided by the estimated total industry Reimbursement Premium at the 90 percent Coverage Level for the Contract Year as determined by the SBA.

(b) The Retention Multiple shall be adjusted to reflect the Coverage Level elected by the Company under this Contract as follows:

1. If the Company elects the 90 percent Coverage Level, the adjusted Retention Multiple is 100 percent of the amount determined under paragraph (a);
2. If the Company elects the 75 percent Coverage Level, the adjusted Retention Multiple is 120 percent of the amount determined under paragraph (a); or
3. If the Company elects the 45 percent Coverage Level, the adjusted Retention Multiple is 200 percent of the amount determined under paragraph (a).

(28) **Subscription Policy**

This term means a Covered Policy where a single policy form is used by multiple Companies to provide vertical layers of primary hurricane coverage on a percentage basis for risks written under the policy. Each subscribing Company must be an Authorized Insurer, and the sum of all subscribers' participation percentages on a single policy must total 100 percent.

(29) **Ultimate Net Loss**

(a) This term means all Losses under Covered Policies in force at the time of a Covered Event prior to the application of the Company's Retention and Coverage Level and excluding loss adjustment expense and any exclusions under Article VI.

(b) In calculating the Company's Ultimate Net Loss, the amounts described in paragraph (a) shall be reduced by the deductibles applicable under the policy to the hurricane loss, without recognition of any credit earned or reduction to the deductible under the policy applied by the Company. The deductibles must first be applied to the portion of the Loss covered by the FHCF.

(c) Salvages and all other recoveries, excluding reinsurance recoveries, shall be first deducted from such Loss to arrive at the amount of liability attaching hereunder.

(d) All salvages, recoveries or payments recovered or received subsequent to a Loss settlement under this Contract shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

(e) The SBA shall be subrogated to the rights of the Company to the extent of its reimbursement of the Company. The Company agrees to assist and cooperate with the SBA in all respects as regards such subrogation. The Company further agrees to undertake such actions as may be necessary to enforce its rights of salvage and subrogation, and its rights, if any, against other insurers as respects any claim, loss, or payment arising out of a Covered Event.

(30) **Unsound Insurer**
This term means an insurer determined by the Florida Office of Insurance Regulation to be in unsound condition as defined in Section 624.80(2), Florida Statutes, or an insurer placed in receivership under Chapter 631, Florida Statutes.

ARTICLE VI - EXCLUSIONS

This Contract does not provide reimbursement for:

(1) Any losses not defined as being within the scope of a Covered Policy, including any loss other than a loss under the first-party property section of a policy pertaining strictly to the structure, its contents, appurtenant structures, or ALE coverage.

(2) Any policy which excludes wind or hurricane coverage.

(3) Any Excess Policy or Deductible Buy-Back Policy that requires individual ratemaking, as determined by the FHCF.

(4) (a) Any policy for Residential Structures that provides a layer of coverage underneath an Excess Policy issued by a different insurer;

(b) Any policy providing a layer of windstorm or hurricane coverage for a structure(s) above or below a layer of windstorm or hurricane coverage under a separate policy issued by a different insurer, or any other circumstance in which two or more insurers provide primary windstorm or hurricane coverage for a structure(s) using separate policy forms;

(c) Any other policy providing a layer of windstorm or hurricane coverage for a structure(s) below a layer of self-insured windstorm or hurricane coverage for the same structure(s); or

(d) The exclusions in this subsection do not apply to primary quota share policies written by Citizens under Section 627.351(6)(c)2., Florida Statutes.

(5) Any liability of the Company attributable to losses for fair rental value, loss of rent or rental income, or business interruption.

(6) Any collateral protection policy that does not meet the definition of Covered Policy as defined in Article V(12)(b).

(7) Any reinsurance assumed by the Company.

(8) Hotels, motels, timeshares, shelters, camps, retreats, or other similar structures. This exclusion does not apply to any policy identified as covering a residential condominium association or to any policy on which the insured is a residential condominium association, unless it is classified and rated as a hotel, motel, timeshare, shelter, camp, retreat or other similar structure.

(9) Retail, office, mercantile, or manufacturing facilities, or other similar structures.

(10) Any exposure for condominium or homeowner associations if no Residential Structures are insured under the policy.

(11) Commercial healthcare facilities and nursing homes; however, a nursing home which is an integral part of a retirement community consisting primarily of habitational structures that are not nursing homes will not be subject to this exclusion.

(12) Any exposure under commercial policies covering only appurtenant structures or structures that do not function as a habitational structure (e.g., a policy covering only the pool of an apartment complex).

(13) Policies covering only Additional Living Expense.

(14) Any exposure for barns or barns with apartments ~~or living quarters~~.

(15) Any exposure for builders risk coverage or new Residential Structures under construction.

(16) Any exposure for vehicles, recreational vehicles, golf carts, or boats (including boat related equipment) requiring licensing.

(17) Any liability of the Company for extra contractual obligations or liabilities in excess of original policy limits. This exclusion includes, but is not limited to, amounts paid as bad faith awards, punitive damages awards, or other court-imposed fines, sanctions, interest, or penalties; or other amounts in excess of the coverage limits under the Covered Policy.

(18) Any losses paid in excess of a policy's hurricane limit in force at the time of the Covered Event, including individual coverage limits (i.e., building, appurtenant structures, contents, and Additional Living Expense), or other amounts paid as the result of a voluntary expansion of coverage by the insurer, including, but not limited to, a discount on or waiver of an applicable deductible. This exclusion includes overpayments of a specific individual coverage limit even if total payments under the policy are within the aggregate policy limit.

(19) Any losses paid under a policy for Additional Living Expense, written as a time element coverage, in excess of the Additional Living Expense exposure reported for that policy under the Data Call (unless policy limits have changed effective after June 30 of the Contract Year).

(20) Any losses which the Company's claims files do not adequately support. Claim file support shall be deemed adequate if in compliance with the Records Retention Requirements outlined on the ~~Form FHCF-L1B (~~Proof of Loss Report~~)~~ applicable to the Contract Year.

(21) Any exposure for, or amounts paid to reimburse a policyholder for, condominium association loss assessments or under similar coverages for contractual liabilities.

(22) Losses in excess of the aggregate limits of liability specified in Article IV and in Section 215.555(4)(c), Florida Statutes.

(23) Any liability assumed by the Company from Pools, Associations, and Syndicates. Exception: Covered Policies assumed from Citizens under the terms and conditions of an executed assumption agreement between the Company and Citizens are covered by this Contract.

(24) All liability of the Company arising by contract, operation of law, or otherwise, from its participation or membership, whether voluntary or involuntary, in any insolvency fund. "Insolvency fund" includes any guaranty fund, insolvency fund, plan, pool, association, fund or other arrangement, howsoever denominated, established or governed, which provides for any assessment of or payment or assumption by the Company of part or all of any claim, debt, charge, fee, or other obligation of an insurer, or its successors or assigns, which has been declared by any competent authority to be insolvent, or which is otherwise deemed unable to meet any claim, debt, charge, fee or other obligation in whole or in part.

(25) Property losses that are proximately caused by any peril other than a Covered Event, including, but not limited to, fire, theft, flood or rising water, or windstorm that does not constitute a Covered Event, or any liability of the Company for loss or damage caused by or resulting from nuclear reaction, nuclear radiation, or radioactive contamination from any cause, whether direct or indirect, proximate or remote, and regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

(26) Losses from water damage including flood, surface water, waves, tidal water, overflow of a body of water, storm surge, or spray from any of these, whether or not driven by wind.

(27) A policy providing personal property coverage separate from coverage of personal property included in a homeowner's, mobile homeowner's, condominium unit owner's, or tenant's policy or other policy covering a Residential Structure, or in an endorsement to such a policy. Also excluded is a personal

property endorsement to a policy that excludes windstorm or hurricane coverage or to any other type of policy that does not meet the definition of Covered Policy.

(28) Endorsements predominantly covering Specialized Fine Arts Risks or collectible types of property meeting the following requirements:

(a) An endorsement predominantly covering Specialized Fine Arts Risks and not covering any Residential Structure if it meets the description in subparagraph 1 and if the conditions in subparagraph 2 are met.

1. For purposes of this exemption, a Specialized Fine Arts Risk endorsement is an endorsement that:
   a. Insures works of art, of rarity, or of historic value, such as paintings, works on paper, etchings, art glass windows, pictures, statuary, sculptures, tapestries, antique furniture, antique silver, antique rugs, rare books or manuscripts, jewelry, or other similar items;
   b. Charges a minimum premium of $500; and
   c. Insures scheduled items valued, in the aggregate, at no less than $100,000.
2. The insurer offers specialized loss prevention services or other collector services designed to prevent or minimize loss, or to value or inventory the Specialized Fine Arts for insurance purposes, such as:
   a. Collection risk assessments;
   b. Fire and security loss prevention;
   c. Warehouse inspections to protect items stored off-site;
   d. Assistance with collection inventory management; or
   e. Collection valuation reviews.

(b) An endorsement generally used by the Company to cover personal property which could include property of a collectible nature, including fine arts, as further described in this paragraph, either on a scheduled basis or written under a blanket limit, and not covering anything other than personal property. All such endorsements are subject to the exclusion provided in this paragraph when the endorsement limit equals or exceeds $500,000. Generally, such collectible property has unusually high values due to its investible, artistic, or unique intrinsic nature. The class of property covered under such an endorsement represents an unusually high exposure value and such endorsement is intended to provide coverage for a class or classes of property that is not typical for the contents coverage under residential property insurance policies. In many cases property may be located at various locations either in or outside the state of Florida or the location of the property may change

from time to time. The investment nature of such property distinguishes this type of exposure from the typical contents associated with a Covered Policy.

(29) Any losses under liability coverages.

ARTICLE VII - MANAGEMENT OF CLAIMS AND LOSSES

The Company shall investigate and settle or defend all claims and Losses. All payments of claims or Losses by the Company within the terms and limits of the appropriate coverage parts of Covered Policies shall be binding on the SBA, subject to the terms of this Contract, including the provisions in Article XIV relating to inspection of records and examinations.

ARTICLE VIII - REIMBURSEMENT ADJUSTMENTS

Section 215.555(4)(d) ~~and (e)~~, Florida Statutes, provides the SBA with the right to seek the return of excess reimbursements which have been paid to the Company along with interest thereon. Excess reimbursements are those payments made to the Company by the SBA that are in excess of the Company's coverage under the Contract Year. Excess reimbursements may result from adjustments to the Projected Payout Multiple or the Payout Multiple, Retention adjustments as provided for under Article V(26)(b), incorrect exposure (Data Call) submissions or resubmissions, incorrect calculation of Reimbursement Premium or Retention, incorrect Proof of Loss Reports, or subsequent readjustment of policyholder claims, including subrogation and salvage, or any combination of the foregoing. The Company will be sent an invoice showing the due date for adjustments along with the interest due thereon through the due date. The applicable interest rate for interest charges will be the average rate earned by the SBA for the FHCF for the six months preceding the start of the Contract Year. For balances paid after the invoice due date, interest will accrue at this rate plus 5 percent.

ARTICLE IX - REIMBURSEMENT PREMIUM

(1) The Company shall, in a timely manner, pay the SBA its Reimbursement Premium for the Contract Year. The Reimbursement Premium for the Contract Year shall be calculated in accordance with Section 215.555, Florida Statutes, with any rules promulgated thereunder, and with Article X(2).

(2) The Company's Reimbursement Premium is based on its June 30 exposure in accordance with Article X, except as provided for New Participants under Article X, and is not adjusted to reflect an increase or decrease in exposure for Covered Policies effective after June 30 nor is the Reimbursement Premium adjusted when the Company cancels policies or is liquidated or otherwise changes its business status (merger, acquisition, or termination) or stops writing new business (continues in business with its policies in a runoff mode). Similarly, new business written after June 30 will not increase or decrease the Company's Reimbursement Premium or impact its FHCF coverage. Reimbursement Premiums are

required of all Companies based on their writing Covered Policies in Florida as of June 30, and each Company's FHCF coverage as based on the definition in Section 215.555(2)(m), Florida Statutes, shall exist for the entirety of the Contract Year regardless of exposure changes, except as provided for New Participants under Article X.

(3) Since the calculation of the Actuarially Indicated Premium assumes that the Companies will pay their Reimbursement Premiums timely, interest charges will accrue under the following circumstances. A Company may choose to estimate its own Reimbursement Premium installments. However, if the Company's estimation is less than the provisional Reimbursement Premium billed, an interest charge will accrue on the difference between the estimated Reimbursement Premium and the final Reimbursement Premium. If a Company estimates its first installment, the Administrator shall bill that estimated Reimbursement Premium as the second installment as well, which will be considered as an estimate by the Company. No interest will accrue regarding any provisional Reimbursement Premium if paid as billed by the Administrator, except in the case of an estimated second installment as set forth in this Article. Also, if a Company makes an estimation that is higher than the provisional Reimbursement Premium billed but is less than the final Reimbursement Premium, interest will not accrue. If the Reimbursement Premium payment is not received from a Company when it is due, an interest charge will accrue on a daily basis until the payment is received. Interest will also accrue on Reimbursement Premiums resulting from submissions or resubmissions finalized after December 1 of the Contract Year. An interest credit will be applied for any Reimbursement Premium which is overpaid as either an estimate or as a provisional Reimbursement Premium. Interest shall not be credited past December 1 of the Contract Year. The applicable interest rate for interest credits and charges will be the average rate earned by the SBA for the FHCF for the six months preceding the start of the Contract Year. For balances paid after the invoice due date, interest will accrue at this rate plus 5 percent.

ARTICLE X - REPORTS AND REMITTANCES

(1) **Exposures**

(a) If the Company writes Covered Policies before June 1 of the Contract Year, the Company shall report to the SBA, unless otherwise provided in Rule 19-8.029, F.A.C., no later than the statutorily required date of September 1 of the Contract Year, by ZIP Code or other limited geographical area as specified by the SBA, its insured values under Covered Policies as of June 30 of the Contract Year as outlined in the annual reporting of insured values form, ~~FHCF-D1A-(~~Data Call~~) adopted for the Contract Year under Rule 19-8.029, F.A.C.~~, and other data or information in the format specified by the SBA.

(b) If the Company first begins writing Covered Policies on or after June 1 but prior to December 1 of the Contract Year, the Company shall report to the SBA, no later than February 1 of the Contract Year, by ZIP Code or other limited geographical area as specified by the SBA, its insured values under Covered Policies as of November 30 of the Contract Year as outlined in the Supplemental Instructions for New Participants section of the Data Call ~~adopted for the Contract Year under Rule 19-8.029, F.A.C.~~, and other data or information in the format specified by the SBA.

(c) If the Company first begins writing Covered Policies on December 1 through and including May 31 of the Contract Year, the Company shall not report its exposure data for the Contract Year to the SBA.

(d) The requirement that the Data Call is due on a certain date means that the report shall be received by the SBA no later than 4 p.m. Eastern Time on the due date.

(2) **Reimbursement Premium**

(a) If the Company writes Covered Policies before June 1 of the Contract Year, the Company shall pay the FHCF its Reimbursement Premium in installments due on or before August 1, October 1, and December 1 of the Contract Year in amounts determined by the SBA. However, if the Company's Reimbursement Premium for the prior Contract Year was less than $5,000, the Company's full provisional Reimbursement Premium, in an amount equal to the Reimbursement Premium paid in the prior year, shall be due in full on or before August 1 of the Contract Year. The Company will be invoiced for amounts due, if any, beyond the provisional Reimbursement Premium payment, on or before December 1 of the Contract Year.

(b) If oversight of the Company has been transferred through any legal action to a court appointed receiver (referred to as "receivership"):

1. The full annual provisional Reimbursement Premium as billed and any outstanding balances will be due and payable no later than on August 1 or the date of receivership of the Contract Year.
2. Failure by such Company to pay the full annual provisional Reimbursement Premium as specified in subparagraph 1. by the applicable due date may result in the 45 percent Coverage Level being deemed by the SBA for the complete Contract Year regardless of the level elected~~selected~~ for the Company through the execution of this Contract and regardless of whether a Covered Event occurred or triggered coverage. As such, the annual provisional Reimbursement Premium owed by the Company will be adjusted to reflect the 45 percent Coverage Level for the Contract Year.

(c) A New Participant that first begins writing Covered Policies on or after June 1 but prior to December 1 of the Contract Year shall pay the FHCF a provisional Reimbursement Premium of

$1,000 no later than 30 days from the date the New Participant began writing Covered Policies. The Administrator shall calculate the Company's actual Reimbursement Premium for the period based on its actual exposure as of November 30 of the Contract Year, as reported on or before February 1 of the Contract Year. To recognize that New Participants have limited exposure during this period, the actual Reimbursement Premium as determined by processing the Company's exposure data shall then be divided in half, the provisional Reimbursement Premium shall be credited, and the resulting amount shall be the total Reimbursement Premium due for the Company for the remainder of the Contract Year. However, if that amount is less than $1,000, then the Company shall pay $1,000. The Reimbursement Premium payment is due no later than April 1 of the Contract Year. The Company's Retention and coverage will be determined based on the total Reimbursement Premium due as calculated above.

(d) A New Participant that first begins writing Covered Policies on or after December 1 through and including May 31 of the Contract Year shall pay the FHCF a Reimbursement Premium of $1,000 no later than 30 days from the date the New Participant began writing Covered Policies.

(e) The requirement that the Reimbursement Premium is due on a certain date means that the Reimbursement Premium shall be remitted by wire transfer or ACH and shall have been credited to the FHCF's account, as set out on the invoice sent to the Company, on the due date applicable to the particular installment.

(f) Except as required by Section 215.555(7)(c), Florida Statutes, or as described in the following sentence, Reimbursement Premiums, together with earnings thereon, received in a given Contract Year will be used only to pay for Losses attributable to Covered Events occurring in that Contract Year or for Losses attributable to Covered Events in subsequent Contract Years and will not be used to pay for past Losses or for debt service on post-event revenue bonds issued pursuant to Section 215.555(6)(a)1., Florida Statutes. Reimbursement Premiums and earnings thereon may be used for payments relating to such revenue bonds in the event emergency assessments are insufficient. If Reimbursement Premiums or earnings thereon are used for debt service on post-event revenue bonds, then the amount of the Reimbursement Premiums or earnings thereon so used shall be returned, without interest, to the Fund when emergency assessments or other legally available funds remain available after making payment relating to the post-event revenue bonds and any other purposes for which emergency assessments were levied.

(3) **Losses**

(a) **In General**

Losses resulting from a Covered Event commencing during the Contract Year shall be reported by the Company and reimbursed by the SBA as provided herein and in accordance with Section

215.555, Florida Statutes, this Contract, and any rules adopted pursuant thereto. For a Company participating in a quota share primary insurance agreement(s) with Citizens, Citizens and the Company shall report only their respective portion of Losses under the quota share primary insurance agreement(s). The SBA is obligated to pay for Losses not to exceed the Actual Claims-Paying Capacity of the FHCF, up to the Limit in accordance with Section 215.555(4)(c)1., Florida Statutes, for any one Contract Year.

(b) **Loss Reports**

1. At the direction of the SBA, the Company shall report its projected Ultimate Net Loss from each Covered Event to allow the SBA to determine any potential liability for possible reimbursable Losses under the Contract on the Interim Loss Report (Form FHCF-L1A~~, as~~ adopted for the Contract Year under Rule 19-8.029, F.A.C.). Interim Loss Reports (including subsequent Interim Loss Reports if required by the SBA) will be due at least 14 days from the date of the notice from the SBA that such a report is required.
2. Reimbursements will be issued based on paid Ultimate Net Loss information reported by the Company on the Proof of Loss Report.~~, Form FHCF-L1B, adopted for the Contract Year under Rule 19-8.029, F.A.C.~~
3. Proof of Loss Submission Requirements:
   a. Detailed Claims Listing (Form FHCF-DCL as adopted for the Contract Year under Rule 19-8.029, F.A.C.) that has passed validation;
   b~~a~~. ~~To qualify for reimbursement, the~~ Proof of Loss Report with~~must have~~ the electronic signatures of two executive officers authorized by the Company to sign or submit the report, and ~~must include a Detailed Claims Listing.~~
   c~~b~~. An "as of" date not more than 60 days prior to the applicable quarter-end date for the initial year-end submission and all quarterly submissions thereafter.~~The Company must also submit a Detailed Claims Listing, Form FHCF-DCL, adopted for the Contract Year under Rule 19-8.029, F.A.C., at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event.~~
4. T~~While t~~he Company may submit a Proof of Loss Report requesting reimbursement at any time following a Covered Event.
5. ~~c.~~ T~~t~~he Company shall submit a mandatory Proof of Loss Report for each Covered Event no later than December 31 of the Contract Year during which the Covered Event occurs using the most

current data available, regardless of the amount of Ultimate Net Loss or the amount of reimbursements or advances already received, and shall include a Detailed Claims Listing.

6. Updated Proof of Loss Reports for each Covered Event are due quarterly thereafter until the Commutation process described in Article XI is completed. ~~The Company shall submit its quarterly Proof of Loss Reports with an "as of" date not more than 60 days prior to the applicable quarter-end date and shall include a Detailed Claims Listing.~~

7. ~~d.~~ The SBA may require at any time a Company to submit a Proof of Loss Report for any Covered Event in a Contract Year prior to reimbursement of Losses for a specific Covered Event.

8~~3~~. The SBA, except as noted below, will determine and pay, within 30 days or as soon as practicable after receiving Proof of Loss Reports, the reimbursement amount due based on Losses paid by the Company to date and adjustments to this amount based on subsequent quarterly information. The adjustments to reimbursement amounts shall require the SBA to pay, or the Company to return, amounts reflecting the most recent determination of Losses.

a. The SBA shall have the right to consult with relevant regulatory agencies to seek all relevant information, and shall consider any other factors deemed relevant, prior to the issuance of reimbursements.

b. The SBA shall require commercial self-insurance funds established under Section 624.462, Florida Statutes, to submit contractor receipts to support paid Losses reported on a Proof of Loss Report, and the SBA may hire an independent consultant to confirm Losses, prior to the issuance of reimbursements.

c. The SBA shall have the right to conduct a claims examination prior to the issuance of any advances or reimbursements requested by Companies that have been placed in receivership.

9~~4~~. All Proof of Loss Reports qualifying for reimbursement will be compared with the FHCF's exposure data to establish the facial reasonableness of the reports. The SBA may also review the results of current and prior Contract Year exposure and claims examinations to determine the reasonableness of the reported Losses. Except as noted in subparagraph 5., Companies meeting these tests for reasonableness will be scheduled for reimbursement. Companies not meeting these tests for reasonableness will be handled on a case-by-case basis and will be contacted to provide specific information regarding their individual book of business. The discovery of errors in a Company's reported exposure under the Data Call may require a resubmission of the current Contract Year Data Call before the Company's request for

reimbursement or advance will be fully processed by the Administrator since the Data Call impacts the Company's Reimbursement Premium, Retention, and coverage for the Contract Year.

(c) **Loss Reimbursement Calculations**

~~In general,~~ Tthe Company's paid Ultimate Net Losses must exceed its ~~full~~ Retention for a specific Covered Event before any reimbursement is payable from the FHCF for that Covered Event. As described in Article V(26)(b), Retention adjustments will be made on or after January 1 of the Contract Year. No interest is payable on additional payments to the Company due to this type of Retention adjustment. Each Company, including entities created pursuant to Section 627.351(6), Florida Statutes, incurring reimbursable Losses will receive the amount of reimbursement due under the individual Company's Contract up to the amount of the Company's Limit~~payout~~. If more than one Covered Event occurs in any one Contract Year, any reimbursements due from the FHCF shall take into account the Company's Retention for each Covered Event. However, the Company's reimbursements from the FHCF for all Covered Events occurring during the Contract Year shall not exceed, in aggregate, the Projected Payout Multiple or Payout Multiple, as applicable, times the individual Company's Reimbursement Premium for the Contract Year.

(d) **Reserve Established**

The SBA will establish a reserve for the outstanding reimbursable Losses for all Contract Years, based on the length of time the Losses have been outstanding, the amount of Losses already paid, the percentage of incurred Losses still unpaid, and any other factors specific to the loss development of the Covered Events involved.

(4) **Advances**

(a) The SBA may make advances for loss reimbursements as defined herein, at market interest rates, to the Company in accordance with Section 215.555(4)(e), Florida Statutes. An advance is an early reimbursement which allows the Company to continue to pay claims in a timely manner. Advances will be made based on the Company's paid and reported outstanding Losses for Covered Policies (excluding all incurred but not reported Losses) as reported on a Proof of Loss Report and shall include a Loss Adjustment Expense Allowance as calculated by the SBA. Any request for an advance must be accompanied by a Proof of Loss Report and a Detailed Claims Listing, and the Company must submit its exposure data for the Contract Year as required under subsection (1) of this Article. Except as noted below, advances, if approved, will be made as soon as practicable after the SBA receives a written request, signed by two officers of the Company, for the specific type of advance requested under paragraph (d). All reimbursements due to the Company shall be offset against any amount of outstanding advances plus interest due thereon.

(b) For advances, the market interest rate shall be the prime rate as published in the Wall Street Journal on the first business day of the Contract Year. This rate will be adjusted annually on the first business day of each subsequent Contract Year, regardless of whether the Company executes subsequent Contracts. All interest charged will commence on the date the SBA issues a disbursement for an advance and will cease on the date upon which the SBA has received the Company's Proof of Loss Report for the Covered Event for which the Company qualifies for reimbursement. If such reimbursement is less than the amount of outstanding advances issued to the Company, interest will continue to accrue on the outstanding balance of the advances until subsequent Proof of Loss Reports qualify the Company for reimbursement under any Covered Event equal to or exceeding the amount of any outstanding advances. Interest shall be billed on a periodic basis. If it is determined that the Company received funds in excess of those to which it was entitled, the interest as to those sums will not cease on the date of the receipt of the Proof of Loss Report but will continue until the Company reimburses the SBA for the overpayment.

(c) If the Company has an outstanding advance balance as of December 31 of this or any other Contract Year, the SBA may require the Company have an actuary certify outstanding and incurred but not reported Losses as reported on the applicable December Proof of Loss Report.

(d) The three types of advances enumerated in Section 215.555(4)(e), Florida Statutes, follow.

1. Advances to Companies to prevent insolvency.

    a. In order for the Company to demonstrate it is likely to qualify for reimbursement and that the immediate receipt of moneys from the SBA is likely to prevent the Company from becoming insolvent, the Company shall provide the following information:

        i. Current assets;

        ii. Current liabilities other than liabilities due to the Covered Event;

        iii. Current surplus as to policyholders;

        iv. Estimate of other expected liabilities not due to the Covered Event; and

        v. Amount of reinsurance available to pay claims for the Covered Event under other reinsurance treaties.

    b. The SBA's final decision shall be based on the totality of the circumstances, including the SBA's obligations to provide reimbursement for all Covered Events occurring during the Contract Year.

c. If demonstrated in accordance with subparagraph a., the SBA shall advance the Company the amount necessary to maintain the solvency of the Company, up to 50 percent of the SBA's estimate of the reimbursement due to the Company.

2. Advances to entities created pursuant to Section 627.351(6), Florida Statutes.

a. The SBA may advance the entity up to 90 percent of the lesser of: the SBA's estimate of the reimbursement due to that entity or the entity's share of the actual aggregate Reimbursement Premium paid for that Contract Year, multiplied by the current available liquid assets of the FHCF.

b. The SBA's final decision shall be based on the totality of the circumstances, including the SBA's obligations to provide reimbursement for all Covered Events occurring during the Contract Year.

c. The entity must demonstrate the advance is essential to allow the entity to pay claims for a Covered Event.

3. Advances to limited apportionment companies under Section 627.351(2)(b)3, Florida Statutes.

a. The SBA may advance the amount of estimated reimbursement payable to limited apportionment companies.

b. The SBA's final decision shall be based on the totality of the circumstances, including the SBA's obligations to provide reimbursement for all Covered Events occurring during the Contract Year.

(e) In determining whether to grant an advance and the amount of an advance, the SBA shall:

1. Determine whether its assets available for the payment of obligations are sufficient and sufficiently liquid to fulfill its obligations to other Companies prior to granting an advance;

2. Review and consider all the information submitted by such Companies;

3. Review such Companies' compliance with all requirements of Section 215.555, Florida Statutes;

4. Consult with relevant regulatory agencies to seek all relevant information;

5. Review the damage caused by the Covered Event and when that Covered Event occurred;

6. Consider whether the Company has substantially exhausted amounts previously advanced;

7. Consider any other factors deemed relevant; and

8. Require commercial self-insurance funds established under Section 624.462, Florida Statutes, to submit a copy of written estimates of expenses in support of the amount of advance requested.

(f) Any amount advanced by the SBA shall be used by the Company only to pay claims of its policyholders for the Covered Event.

(5) **Inadequate Data Submissions**

If exposure data or other information required to be reported by the Company under the terms of this Contract are not received by the SBA in the format specified by the SBA or is inadequate to the extent that the SBA requires resubmission of data, the Company will be required to pay the FHCF a resubmission fee of $1,000 for resubmissions that are not a result of an examination by the SBA. If a resubmission is necessary as a result of an examination report issued by the SBA, the first resubmission fee will be $2,000. If the Company's examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be $2,000. A resubmission of exposure data may delay the processing of the Company's request for reimbursement or an advance.

(6) **Confidential Information/Trade Secret Information**

Pursuant to the provisions of Section 215.557, Florida Statutes, the reports of insured values under Covered Policies by ZIP Code submitted to the SBA pursuant to Section 215.555, Florida Statutes, are confidential and exempt from the provisions of Section 119.07(1), Florida Statutes, and Section 24(a), Art. I of the State Constitution. If the Company submits other information to the SBA intending to seek trade secret protection, as defined in Section 688.002, Florida Statutes, the Company shall comply with all provisions of Florida law to protect such disclosure.

ARTICLE XI - COMMUTATION

(1) **Timeframe for Commutation Process**

(a) The Company and SBA may mutually agree to initiate and complete a Commutation agreement for zero dollars at any time. Such zero-dollar Commutation, once completed, eliminates the mandatory Proof of Loss Report filing requirements for the applicable Covered Event(s) for all reporting periods after the completion of the Commutation.

(b) The Company and SBA may mutually agree to initiate the Commutation process after 36 months and prior to 60 months after the end of the Contract Year subject to the provisions in this Article.

(c) Provided the Company and SBA do not mutually initiate the Commutation process in subparagraph (a) or (b), the Commutation process will begin upon the later to occur: 60 months after the end of

the Contract Year or upon completion of the claims examination for the Company and the resolution of all outstanding examination issues.

(2) **Final Proof of Loss Report(s)**

(a) No less than 36 months or more than 60 months after the end of the Contract Year, the Company shall file a final Proof of Loss Report for each Covered Event during the Contract Year, except for a Company that has entered into a Commutation agreement as described in sub-subparagraph (1)(a). All outstanding Losses and incurred but not reported Losses must be submitted on an undiscounted basis.

(b) The final Proof of Loss Report must include the following supporting documentation:

1. All paid Losses, outstanding Losses, and incurred but not reported Losses, which are not settled and which may be reimbursable Losses under this Contract.

2. Requested supporting documentation (at a minimum, an adjuster's summary report or equivalent details) and a copy of a written opinion on the present value of the outstanding Losses and incurred but not reported Losses by the Company's certifying actuary.

(c) Increases in reported paid, outstanding, or incurred but not reported Losses on original or corrected Proof of Loss Report filings received later than 60 months after the end of the Contract Year shall not be eligible for reimbursement or Commutation.

(3) **The Loss Valuation Process**

Subject to the timeframes outlined in sub-paragraph (1), if the Company has submitted a Proof of Loss Report indicating that it exceeds or expects to exceed its Retention, the Company and the SBA, or their respective representatives, shall attempt to agree upon the present value of all outstanding Losses, both reported and incurred but not reported, resulting from Covered Events during the Contract Year.

(a) The Loss valuation process may only begin after all other issues arising under this Contract have been resolved, including completion of the claims examination, and shall be suspended pending resolution of any such issues that arise during the Loss valuation process.

(b) Payment by the SBA of its portion of any amount or amounts so mutually agreed and certified by the Company's certifying actuary shall constitute a complete and final release of the SBA with respect to all Losses, both reported and unreported, under this Contract.

(c) If agreement on present value cannot be reached within 90 days of the SBA's receipt of the final Proof of Loss Report, including supporting documentation in sub-subparagraph (2)(b), or completion of the claims examination, whichever is later, the Company and the SBA may mutually

appoint an actuary to determine such Losses. If both parties then agree, the SBA shall pay its portion of the amount so determined to be the present value of such Losses.

(d) If the parties fail to agree on the valuation of any Losses, any difference in valuation of the Loss shall be settled by a panel of three actuaries, as provided in this subparagraph. Either the SBA or the Company may initiate the process under this subparagraph by providing written notice to the other party stating that the parties are at an impasse with respect to valuation of Losses and specifying the dollar amounts in dispute.

1. One actuary shall be chosen by each party, and the third actuary shall be chosen by those two actuaries. If either party does not appoint an actuary within 30 days after the initiation of the process, the other party may appoint two actuaries. If the two actuaries fail to agree on the selection of an independent third actuary within 30 days of their appointment, each of them shall name two, of whom the other shall decline one and the decision shall be made by drawing lots.
2. All of the actuaries shall be regularly engaged in the valuation of property claims and losses and shall be members of the Casualty Actuarial Society and of the American Academy of Actuaries.
3. None of the actuaries shall be under the control of either party to this Contract.
4. Each party shall submit a written statement related to its valuation of Losses to the panel of actuaries and the opposing party no later than 30 days after the appointment of the third actuary. Within 15 days after receiving the other party's submission, a party may submit its written response to the panel of actuaries and the other party. After the appointment of the third actuary, a party may not communicate with the panel or any member of the panel except in writing simultaneously furnished to all members of the panel and the opposing party. Any member of the panel may present questions to be answered by both parties, which shall be answered in writing and simultaneously furnished to the members of the panel and the opposing party or, at the discretion of the panel, may be provided in a meeting or teleconference attended by both parties and all members of the panel.
5. The written decision of a majority of the panel as to the disagreement over the valuation of Losses identified in the written notice of impasse, when filed with the parties hereto, shall be final and binding on both parties.

(e) The reasonable and customary expense of the actuaries and of the Commutation (as a result of sub-subparagraph (3)(c) and subparagraph (d)) shall be equally divided between the two parties. Said

Commutation shall take place in Tallahassee, Florida, unless some other place is mutually agreed upon by the Company and the SBA.

(f) Upon full execution of the Commutation agreement and the issuance of the final reimbursement payment, if any, each party, on behalf of its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys and its legal representatives, unconditionally and completely releases and forever discharges the other party, its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys, and its legal representatives from any and all past, present, and future rights, liabilities, and obligations including, but not limited to, payments, claims, debts, demands, causes of action, costs, disbursements, fees, attorney's fees, expenses, damages, injuries, or losses of every kind, whether known or unknown, reported or unreported, or fixed or contingent, relating to or arising out of this Contract.

ARTICLE XII - TAXES

The Company agrees not to make a deduction for the Reimbursement Premium when making premium tax returns to the appropriate authorities. Should any taxes be levied on the Company for the Reimbursement Premium, the Company agrees not to make a claim to the SBA for reimbursement of such taxes.

ARTICLE XIII - ERRORS AND OMISSIONS

Any inadvertent delay, omission, or error on the part of the SBA shall not relieve the Company from any liability which would attach to it hereunder if such delay, omission, or error had not been made.

ARTICLE XIV - INSPECTION OF RECORDS

The Company shall allow the SBA to inspect, examine, and verify, at reasonable times, all records of the Company relating to the Covered Policies under this Contract, including Company files concerning claims, Losses, or legal proceedings regarding subrogation or claims recoveries which involve this Contract, including premium, loss records and reports involving exposure data or Losses under Covered Policies. This right by the SBA to inspect, examine, and verify shall survive the completion and closure of an exposure examination or claims examination file and the termination of the Contract. The Company shall have no right to re-open an exposure or claims examination once closed and the findings have been accepted by the Company; any re-opening shall be at the sole discretion of the SBA. If the State Board of Administration Finance Corporation has issued revenue bonds and relied upon the exposure and Loss data submitted and certified by the Company as accurate to determine the amount of bonding needed, the SBA may choose not to require, or accept, a resubmission if the resubmission will result in additional reimbursements to the Company. The SBA may require any discovered errors, inadvertent omissions, and

typographical errors associated with the data reporting of insured values, discovered prior to the closing of the file and acceptance of the examination findings by the Company, to be corrected to reflect the proper values. The Company shall retain its records in accordance with the requirements for records retention regarding exposure reports and claims reports outlined herein, and in any administrative rules adopted pursuant to Section 215.555, Florida Statutes. Companies writing covered collateral protection policies, as defined in definition (12)(b) of Article V, must be able to provide documentation that the policy covers personal residences, protects both the borrower's and lender's interest, and that the coverage is in an amount at least equal to the coverage amount for the dwelling in place under the lapsed homeowner's policy, the coverage amount that the homeowner has been notified of by the collateral protection insurer, or the coverage amount that the homeowner requests from the collateral protection insurer.

(1) **Purpose of FHCF Examination**
The purpose of the examinations conducted by the SBA is to evaluate the accuracy of the FHCF exposure or Loss data reported by the Company. However, due to the limited nature of the examination, it cannot be relied upon as an assurance that a Company's data is reported accurately or in its entirety. The Company should not rely on the SBA to identify every type of reporting error in its data. In addition, the reporting requirements are subject to change each Contract Year, so it is the Company's responsibility to be familiar with the applicable Contract Year requirements and to incorporate any changes into its data for that Contract Year. It is also the Company's responsibility to ensure that its data is reported accurately and to comply with Florida Statutes and any applicable rules when reporting exposure data. The examination report is not intended to provide a legal determination of the Company's compliance.

(2) **Examination Requirements for Exposure Verification**
The Company shall retain complete and accurate records, in policy level detail, of all exposure data submitted to the SBA in any Contract Year until the SBA has completed its examination of the Company's exposure submissions. The Company shall also retain complete and accurate records of any completed exposure examination for any Contract Year in which the Company incurred Losses until the completion of the claims examination and Commutation for that Contract Year. The records to be retained are outlined in the Data Call. ~~adopted for the Contract Year under Rule 19-8.029, F.A.C.~~ A complete list of records to be retained for the exposure examination is set forth in the Exposure Examination Advanced Preparation Instructions (Form FHCF-EAP1~~,~~ as adopted for the Contract Year under Rule 19-8.029, F.A.C.).

(3) **Examination Requirements for Loss Reports**

The Company shall retain complete and accurate records of all reported Losses and/or advances submitted to the SBA until the SBA has completed its examination of the Company's reimbursable Losses and Commutation for the Contract Year (if applicable) has been concluded. The records to be retained are set forth as part of the Proof of Loss Report, Detailed Claims Listing~~Form FHCF-L1B~~, and the Claims Examination Advanced Preparation Instructions (Form FHCF-LAP1 as~~, both~~ adopted for the Contract Year under Rule 19-8.029, F.A.C.).

(4) **Examination Procedures**

(a) The SBA will send an examination notice letter to the Company providing the commencement date of the examination, the site of the examination, any accommodation requirements of the examiner, and the reports and data which must be assembled by the Company and forwarded to the SBA. The Company shall be prepared to choose one location in which to be examined, unless otherwise specified by the SBA.

(b) The reports and data are required to be provided to the SBA as set forth in an examination notice letter, and the SBA will provide the information to the examiner. If the SBA receives accurate and complete records as requested, the examiner will contact the Company to inform the Company as to what policies or other documentation will be required once the examination begins. Any records not required to be provided to the examiner in advance shall be made available at the time the examination begins. Any records to support reported exposure or Losses which are provided after the examination has been completed will, at the SBA's discretion, result in an additional examination of exposure and/or Loss records or an extension or expansion of the examination. All costs associated with such additional examination or with the extension or expansion of the original examination shall be borne by the Company.

(c) At the conclusion of the examiner's work and the management review of the examiner's report, findings, recommendations, and work papers, the SBA will forward an examination report to the Company.

(d) Within 30 days from the date of the letter accompanying the examination report, the Company must provide a written response to the SBA. The response must indicate whether the Company agrees with the findings and recommendations of the examination report. If the Company disagrees with any examination findings or recommendations, the reason for the disagreement must be outlined in the response and the Company must provide supporting information to support its objection. An extension of 30 days may be granted if the Company can show that the need for additional time is due to circumstances beyond the reasonable control of the Company. No response is required if the examination report does not include any findings or recommendations.

(e) If the Company accepts the examination findings and recommendations, and there is no recommendation for additional information, the examination report will be finalized and the exam file closed.

(f) If the Company disputes the examiner's findings, the areas in dispute will be resolved by a meeting or a conference call between the Company and FHCF management.

(g) 1. If the recommendation of the examiner is to resubmit the Company's exposure data for the Contract Year in question, the SBA will send the Company a letter outlining the process for resubmission and include a deadline to resubmit. Once the resubmission is received, the Administrator calculates a revised Reimbursement Premium for the Contract Year which has been examined. The SBA shall then review the resubmission with respect to the examiner's findings and accept the resubmission or contact the Company with any questions regarding the resubmission. Once the SBA has accepted the resubmission as a sufficient response to the examiner's findings, the exam is closed.

2. If the recommendation of the examiner is to give the Company the option to either resubmit the exposure data or to pay the estimated Reimbursement Premium difference, the SBA will send the Company a letter outlining the process for resubmission or for paying the estimated Reimbursement Premium difference and include a deadline for the resubmission or the payment to be received by the Administrator. If the Company chooses to resubmit, the same procedures outlined in Article XIV(4) apply.

(h) If the recommendation of the examiner is to update the Company's Proof of Loss Report(s) for the Contract Year under review, the SBA will send the Company a letter outlining the process for submitting the Proof of Loss Report(s) and include a deadline to file. Once the Proof of Loss Report(s) is received by the Administrator, the Administrator will calculate a revised reimbursement. The SBA shall review the submitted Proof of Loss Report(s) with respect to the examiner's findings and accept the Proof of Loss Report(s) as filed or contact the Company with any questions. Once the SBA has accepted the corrected Proof of Loss Report(s) as a sufficient response to the examiner's findings, the exam is closed.

(i) The examiner's list of errors is made available in the examination report sent to the Company. Given that the examination was based on a sample of the Company's policies or claims rather than all the Company's Covered Policies or reported claims, the error list is not intended to provide a complete list of errors but is intended to indicate what information needs to be reviewed and corrected throughout the Company's book of Covered Policy business or claims information to ensure more complete and accurate reporting to the FHCF.

(5) **Costs of the Examinations**

The costs of the examinations shall be borne by the SBA. The SBA shall be reimbursed by the Company for any reasonable and customary additional examination expenses incurred as a result of a Company's failure to provide requested information. All requested information must be complete and accurate.

ARTICLE XV - OFFSETS

The SBA reserves the right to offset amounts payable to the SBA from the Company, including amounts payable under the Reimbursement Contract for any Contract Year and also including the Company's full Reimbursement Premium for the current Contract Year (regardless of installment due dates), against any (1) Reimbursement Premium refunds under any Contract Year, (2) reimbursement or advance amounts, or (3) amounts agreed to in a Commutation agreement, which are due and payable to the Company from the SBA as a result of the liability of the SBA.

ARTICLE XVI - INSOLVENCY OF THE COMPANY

For the purpose of this Contract, a Company is insolvent when an order of liquidation with a finding of insolvency has been entered by a court of competent jurisdiction. No reimbursements will be made until the SBA has completed and closed its examination of the insolvent Company's Losses. Only those Losses supported by the examination will be reimbursed. Pursuant to Section 215.555(4)(g), Florida Statutes, the FHCF is required to pay reimbursement moneys due an insolvent insurer to the Florida Insurance Guaranty Association (FIGA) for the benefit of Florida policyholders. In light of the need for an immediate infusion of funds to enable policyholders of insolvent companies to be paid for their claims, the SBA may enter into agreements with FIGA allowing exposure and claims examinations to take place immediately without the usual notice and response time limitations and allowing the FHCF to make reimbursements (net of any amounts payable to the SBA from the Company or FIGA) to FIGA before the examinations are completed. Such agreements must ensure the availability of the necessary records and adequate security must be provided so that if the SBA determines that it overpaid FIGA on behalf of the Company, the funds will be repaid to the FHCF by FIGA within a reasonable time.

ARTICLE XVII - TERMINATION

The FHCF and the obligations of both parties under this Contract may only be terminated by law.

ARTICLE XVIII - VIOLATIONS

(1) **Statutory Provisions**

(a) Section 215.555(10), Florida Statutes, provides that any violation of Section 215.555, Florida Statutes, or of rules adopted under that section, constitutes a violation of the Florida Insurance

Code. This Contract has been adopted as part of Rule 19-8.010, Florida Administrative Code, under the authority of that section of Florida Statutes.

(b) Section 215.555(11), Florida Statutes, authorizes the SBA to take any action necessary to enforce the rules and the provisions and requirements of this Contract, required by and adopted pursuant to Section 215.555, Florida Statutes.

(2) **Noncompliance**

(a) As used in this Article, the term "noncompliance" means the failure of the Company to meet any applicable requirement of Section 215.555, Florida Statutes, or of any rule adopted under the authority of that section of Florida Statutes, including, but not limited to, any failure to meet a deadline for an FHCF payment, Data Call submissions or resubmissions, Loss reporting or Commutation documentation, or a deadline related to SBA examination requirements. The Company remains in a state of noncompliance as long as the Company fails to meet the applicable requirement(s).

(b) If the Company is in a state of noncompliance, the SBA reserves the right to withhold any payments or advances due to the Company until the SBA determines that the Company is no longer in a state of noncompliance.

ARTICLE XIX - APPLICABLE LAW

This Contract shall be governed by and construed according to the laws of the State of Florida in respect of any matter relating to or arising out of this Contract.

ARTICLE XX - DUE DATES

If any due date provided in this Contract is a Saturday, Sunday or a legal State of Florida or federal holiday, then the actual due date will be the day immediately following the applicable due date which is not a Saturday, Sunday or a legal State of Florida or federal holiday.

ARTICLE XXI - REIMBURSEMENT CONTRACT ELECTIONS

(1) **Coverage Level**

For purposes of determining reimbursement (if any) due the Company under this Contract and in accordance with Section 215.555, Florida Statutes, the Company has the option to elect a 45 percent, 75 percent, or 90 percent Coverage Level under this Contract. If the Company is a member of an NAIC group, all members must elect the same Coverage Level, and the individual executing this Contract on behalf of the Company, by placing his or her initials in the box under (a) below, affirms that the Company has elected the same Coverage Level as all members of its NAIC group. If the Company is an entity created pursuant to Section 627.351, Florida Statutes, the Company must elect the 90 percent Coverage Level. The Company shall not be permitted to change its Coverage Level once the Ceontract

has been executed or after the statutory deadline of March 1, whichever comes first. The Company shall be permitted to change its Coverage Level upon timely execution of the Contract for the next Contract Year but may not reduce its Coverage Level if revenue bonds issued under Section 215.555(6), Florida Statutes, after a Covered Event are outstanding.

The Coverage Level elected by the Company for the prior Contract Year effective June 1, 20262025 was as follows: «Legal_Name» - «20262025_Coverage_Option» **NAIC Group Affirmation**: Indicate if the Company is part of an NAIC Group (enter Yes or No):

(b) **Coverage Level Election**: The Company hereby elects the following Coverage Level for the Contract Year from 12:00:01 a.m., Eastern Time, June 1, 20272026, to 12:00 a.m., Eastern Time, May 31, 20282027, (the individual executing this Contract on behalf of the Company shall place his or her initials in the box to the left of the percentage elected for the Company):

	45%	**OR**		**75%**	**OR**		**90%**

ARTICLE XXII - COMPANY COVERAGE OF UNSOUND INSURERS

If a Company seeks to provide coverage for Covered Policies of an Unsound Insurer, pursuant to Section 215.555(5)(e), Florida Statutes, the Company may, subject to the provisions mutually agreed to below, obtain coverage for such policies under its Reimbursement Contract with the FHCF or accept an assignment of the Unsound Insurer's Reimbursement Contract with the FHCF. Prior to the date the Company takes a transfer of policies from an Unsound Insurer, the Company shall select one of the options below using Appendix A and submit to the SBA as instructed.

(1) **Providing Coverage for an Unsound Insurer's Policies Under Company's Reimbursement Contract**

(a) If a Covered Event has occurred prior to the transfer of policies from an Unsound Insurer to the Company, the Company must accept an assignment of the Unsound Insurer's Reimbursement Contract and cannot cover such policies under the Company's Reimbursement Contract through an assumption of the Unsound Insurer's Covered Policies. Only in those situations where a Covered

Event has not occurred shall the Company be able to obtain coverage under its own Reimbursement Contract for those policies assumed from an Unsound Insurer.

(b) Responsibilities relating to the assumption of an Unsound Insurer's Covered Policies by the Company:

1. The Company shall accurately report the exposure and loss data related to Covered Policies assumed from the Unsound Insurer.
   a. For an assumption of an Unsound Insurer's Covered Policies that occurs on or before June 30, 2027~~2026~~, the Company shall report the exposure in effect for such policies as of June 30, 2027~~2026~~. This includes assumed policies renewed with the Company on or before June 30, 2027~~2026~~. As outlined in the Data Call, all such policies must be combined with the Company's Covered policies written as its direct business and reported as a single submission due September 1, 2027~~2026~~.
   b. For an assumption of Covered Policies from an Unsound Insurer to the Company that occurs after June 30, 2027~~2026~~, and before December 1, 2027~~2026~~, the Company shall report exposure in effect for such policies as of June 30, 2027~~2026~~, and the SBA shall treat all such policies as if they were in effect as of June 30, 2027~~2026~~, for the Company. The Company shall report assumed Covered Policies based on their status at June 30, 2027~~2026~~, in a single Data Call file combined with the Company's Covered Policies written as its direct business based on the requirements outlined in the Data Call. The combined Data Call file is due on September 1, 2027~~2026~~, or a maximum 60 days from the date of the assumption, whichever is later. If the Company's Data Call file has been previously submitted to the SBA, the Company will be required to resubmit its initial Data Call.
   c. If the Company is unable to submit the combined Data Call file by September 1, 2027~~2026~~, the Company must initially submit its Data Call file with all of its direct written Covered Policies that were in effect as of June 30, 2027~~2026~~ (prior to the assumption of additional Covered Policies from an Unsound Insurer) by September 1, 2027~~2026~~. The Company will then need to resubmit the combined Data Call file no later than 60 days from the date of the assumption.
   d. If a policy assumed by the Company from the Unsound Insurer is not reported in the Company's Data Call file, Losses under that policy may not be included in Losses reported to the SBA unless the Company is able to resubmit the Data Call file to include such omitted policies.

e. For an assumption of an Unsound Insurer's Covered Policies on or after December 1, 20272026, through and including May 31 of the Contract Year, the Company is not required to report its assumed policies to the SBA until the subsequent Contract Year based on the status of the policy at June 30 of that subsequent Contract Year.

f. Except as noted above, for purposes of reporting Losses to the SBA, the Company shall report all Losses including those associated with Covered Policies assumed from the Unsound Insurer on the Interim Loss Report, Proof of Loss Report, and Detailed Claims ListingForms FHCF-L1A and FHCF-L1B as required under the Contract.

2. The Reimbursement Premium for all Covered Policies assumed from the Unsound Insurer by the Company shall be due on December 1, 20272026, or within 15 days of being invoiced by the SBA, whichever is later. The total Reimbursement Premium resulting from the reporting of exposure on the Company's Covered Policies and the Reimbursement Premium associated with Covered Policies assumed by the Company from the Unsound Insurer shall be combined to determine the Company's Retention and its share of the FHCF's capacity.

3. An administrative fee of $1,000 shall apply to each resubmission of exposure data for resubmissions that are not a result of an examination by the SBA. If a resubmission is necessary as a result of an examination report issued by the SBA, the first resubmission fee will be $2,000. If the first examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be $2,000. Resubmission fees shall be invoiced along with the Reimbursement Premium billing discussed in (b) above.

4. The Company shall ensure that the books and records related to the Covered Policies assumed from the Unsound Insurer are preserved and accessible to the SBA for its exposure and claims examinations. The Company shall retain data related to the FHCF examinations as required in the Data Call, Detailed Claims Listing, Exposure Examination Advanced Preparation Instructions, and Claims Examination Advanced Preparation InstructionsFHCF-D1A, FHCF-DCL, FHCF-EAP1, and FHCF-LAP1 for the exposure assumed from the Unsound Insurer.

5. The Company is required to provide the SBA with a complete listing of all assumed policies, including Covered Policies and other policies not covered by the FHCF. As outlined in the Data Call, the listing must include each policy number and the policy's effective and expiration dates. In addition to the policy listing, the Company must provide an agreement between the Company and the Unsound Insurer that supports the number of policies assumed.

(2) **Acceptance of an Assignment of an Unsound Insurer's Reimbursement Contract**

(a) Responsibilities relating to assigned Reimbursement Contracts:

1. The Company, pursuant to Section 215.555(5)(e), Florida Statutes, has the rights and duties of the Unsound Insurer for such transferred Covered Policies.
2. The Company is responsible for the Reimbursement Premiums due under the assigned Reimbursement Contract. Should any Reimbursement Premium be owed at the time paid Losses for Covered Policies under the assigned Reimbursement Contract exceed the Retention under the assigned Reimbursement Contract, all Reimbursement Premiums (as well as any applicable fees and interest) shall be offset before the issuance of any reimbursement payment.
3. The Company has the responsibility to report all exposure and Loss information for Covered Policies under the assigned Reimbursement Contract separately for each assigned Reimbursement Contract pursuant to the reporting requirements specified in the Reimbursement Contract. If the Unsound Insurer has already submitted the required Data Call, the Company has the responsibility of filing any resubmissions as necessary.
4. The Company has the responsibility to ensure that the books and records related to the assigned Reimbursement Contract are preserved and accessible to the SBA for its exposure and claims examinations. The Company has the responsibility to retain data related to FHCF examinations as required in the Data Call, Detailed Claims Listing, Exposure Examination Advanced Preparation Instructions, and Claims Examination Advanced Preparation Instructions~~FHCF-D1A, FHCF-DCL, FHCF-EAP1, and FHCF-LAP1~~ for each assigned Reimbursement Contract.

(b) The Company will not be reimbursed by the FHCF for any Losses occurring prior to the date it first provides coverage for such transferred policies. Reimbursements for those Losses shall be made to the Unsound Insurer, the court-appointed receiver, or the applicable guaranty association, as provided by statute.

ARTICLE XXIII - SIGNATURES

Approved by:

[FHCF THIRD PARTY ADMINISTRATOR] on Behalf of the State Board of Administration of the State of Florida and as Administrator of the Florida Hurricane Catastrophe Fund.

By: _____ _____
Date

Authority to sign on behalf of the Company:

The person signing this Contract on behalf of the Company hereby represents that he or she is an officer of the Company, acting within his or her authority to enter into this Contract on behalf of the Company, with the requisite authority to bind the Company and make the representations on behalf of the Company as set forth in this Contract.

«Legal_Name»

_____
Printed Name and Title

By: _____ _____
Signature Date

APPENDIX A
to
REIMBURSEMENT CONTRACT

(Contract)

between

<< Legal Name>>
("Company")

NAIC # <<NAIC>>

and

THE STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA (SBA)
WHICH ADMINISTERS THE FLORIDA HURRICANE CATASTROPHE FUND (FHCF)

Pursuant to Section 215.555(5)(e), Florida Statutes

With reference to

_____
Name of Unsound Insurer ("Unsound Insurer")

We, the undersigned, being officers of the Company, acting within our authority, hereby make the following election with reference to the Unsound Insurer named above:

(Check appropriate box and provide date of transfer below):

☐ Company elects to obtain FHCF coverage for the Unsound Insurer's Covered Policies by including such Covered Policies under Company's 2027 ~~2026~~ FHCF Reimbursement Contract.

Date policies assumed by Company:_____

☐ Company elects to obtain FHCF coverage for the Unsound Insurer's Covered Policies by accepting an assignment of the Unsound Insurer's 2027 ~~2026~~ FHCF Reimbursement Contract.

Date Reimbursement Contract assigned to Company:_____

By:_____	By:_____
Typed Name:_____	Typed Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

STATE OF FLORIDA

JAMES UTHMEIER
ATTORNEY GENERAL

September 25,2026

Mr. Carson Good
647 North Interlachen Avenue
Winter Park, FL 32789

Dear Mr. Good:

Pursuant to section 215.444(2), Florida Statutes, it is my pleasure to nominate you to serve on the State Board of Administration Investment Advisory Council for a term ending February 1, 2028. Your appointment will be on the next State Board of Administration agenda for confirmation by the Trustees of the State Board of Administration.

Thank you for your willingness to serve.

Sincerely,

James Uthmeier
Attorney General

cc: Chris Spencer

PL-01, The Capitol, Tallahassee, Florida 32399-1050, Telephone (850) 414-3300 (850) 487-2564