

January 19, 2017

**-Addendum-**

Addendum to AIR's Submission – The AIR Hurricane Model: AIR Atlantic Tropical Cyclone Model V15.0.1 as Implemented in Touchstone 3.0.0, Submitted in Compliance with the 2013 Standards of the Florida Commission on Hurricane Loss Projection Methodology, May 2015

**Disclosure of Type I Difference:** A minor difference was discovered in the model, with no impact to loss costs or PMLs at the 5-digit ZIP or PML level for any return period. As a part of the AIR Atlantic Tropical Cyclone Model V15.0.1 implemented in Touchstone V3.0.0, locations that are analyzed for the impact of secondary water resistance on the damageability of the roof receive no adjustment to the property's vulnerability when the wind speed is exactly 80 mph, for both engineered and non-engineered constructions.

**Source and Explanation of Difference:** We discovered and corrected this issue during our initial research and development for our next model release in 2016/2017. While in discussions with the Professional Team on January 10, 2017 we decided that it warranted a notification to the Commission under ROA Section V, Subsection VI.F. The issue is minor due to the fact that wind speeds are continuous and the chance of ever experiencing a wind speed of exactly 80 mph is almost zero.

**Discussion of Loss Costs and PMLs:** AIR believes this Type I Difference does not have an impact on the validity of the loss costs or PMLs produced by the model.