



January 19, 2016

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

Re: AIR Atlantic Tropical Cyclone Model Version 15.0.1 as Implemented in Touchstone Version 3.0.0, 3.1.0, 4.0.0, 4.2.0

Dear Dr. Medders:

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. 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 did not initially appear to be a reportable difference in the model because wind speeds are continuous and the chance of ever experiencing a wind speed of exactly 80 mph is almost zero. However, when reviewing the code with the Professional Team, we decided that from a theoretical perspective it warrants us notifying the Commission. In the future we will notify you on such matters immediately.

In accordance with the Report of Activities, Section VI.F., we have prepared the following forms with results illustrating the status of this issue to be Type I. The following forms' regression tests have been provided for Commission's review:

- Form A-1 (Zero Deductible Personal Residential Loss Costs by ZIP Code)
- Form A-4B (Output Ranges, 2012 FHCF Exposure Data)
- Form A-8 (Probable Maximum Loss for Florida)
- Form S-5 (Average Annual Zero Deductible Statewide Loss Costs – Historical vs Modeled)

Thank you for your consideration of this matter and please let me know if you need further documentation.

Best regards,

A handwritten signature in blue ink that reads "Brandie Andrews".

Brandie Andrews, CCM

Dr. Lori Medders

11/21/2016

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Vice President, Regulation and Rating Agency