FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY

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June 4, 2021

Mr. Glen Daraskevich Karen Clark & Company 116 Huntington Avenue Boston, Massachusetts 02116

Dear Mr. Daraskevich,

Floyd Yager, FCAS, Chair Actuary, Florida Hurricane Catastrophe Fund Advisory Council

> Steve Paris, Ph.D., ASA, Vice Chair Statistics Expert, Florida State University

Jainendra Navlakha, Ph.D. Computer Systems Design Expert, Florida International University

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This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on June 2, 2021, that the Karen Clark & Company model has been determined acceptable for projecting hurricane loss costs and hurricane probable maximum loss levels for residential rate filings. The determination of acceptability expires on November 1, 2023.

The Commission has determined that the KCC US Hurricane Reference Model Version 3.0 on RiskInsight[®] 4.10.3.129 (*primary platform*), limited to the options selected in the input form and reported in the output form provided in Standard A-1, Hurricane Modeling Input Data and Output Reports, Disclosures 4 and 5:

- (1) complies with the hurricane standards adopted by the Commission on October 29, 2019, and
- (2) is sufficiently accurate and reliable for projecting hurricane loss costs and probable maximum loss levels for residential property in Florida.

On behalf of the Commission, I congratulate you and your colleagues. We appreciate your participation and input in this process.

Sincerely,

Floyd Yager, Chair