

FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY

Post Office Box 13300
32317-3300
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308
(850) 413-1349

Steve Burgess
Consumer Advocate,
Florida Department of Financial Services

Randy E. Dumm, Ph.D.
Insurance Finance Expert,
Florida State University

Howard Eagelfeld, FCAS
Actuary,
Office of Insurance Regulation,
Florida Department of Financial Services

Craig Fugate
Director,
Florida Division of Emergency Management

Robert L. Ricker, Chair
Executive Director,
Citizens Property Insurance Corporation

Larry Johnson, FCAS, Vice Chair
Actuary,
Florida Hurricane Catastrophe Fund Advisory Council

Sneh Gulati, Ph.D.
Statistics Expert,
Florida International University

Steve Ludwig, FCAS
Actuary,
Property and Casualty Industry

Jainendra K. Navlakha, Ph.D.
Computer Systems Design Expert

Jack E. Nicholson, Ph.D.
Senior FHCF Officer
Florida Hurricane Catastrophe Fund

James J. O'Brien, Ph.D.
Meteorology Expert,
Florida State University

May 18, 2006

Mr. David Smith
EQECAT, Inc.
1111 Broadway, 10th Floor
Oakland, California 94607-5500

Re: Florida Commission on Hurricane Loss Projection Methodology

Dear Mr. Smith:

This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on May 18, 2006, that the EQECAT, Inc. computer model has been determined acceptable for projecting hurricane loss costs for personal residential rate filings.

The Commission has determined that the USWIND[®] 5.10/WORLDCATenterprise[™] 3.8 model complies with the Standards adopted by the Commission on September 14&15, 2005, and concludes that the USWIND[®] 5.10/WORLDCATenterprise[™] 3.8 model is sufficiently accurate and reliable for projecting hurricane loss costs for residential property in Florida.

In accordance with the Commission's procedures, this determination of acceptability expires on February 28, 2007, unless the modeler has complied with the latest adopted procedures described in the "Process for the Determination of Acceptability of a Computer Simulation Model" in order to maintain its acceptability.

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

Sincerely,


Robert L. Ricker, Chair