REPORT PREPARED FOR THE FLORIDA HURRICANE CATASTROPHE FUND

CLAIMS-PAYING CAPACITY ESTIMATES

MAY 15, 2014

ONCE FINALIZED, THE STATEMENT OF THE FHCF'S ESTIMATED BORROWING CAPACITY, ESTIMATED CLAIMS-PAYING CAPACITY, AND PROJECTED YEAR-END BALANCE REQUIRED UNDER S. 215.555(4)(C)2., F.S., WILL BE PUBLISHED IN THE FLORIDA ADMINISTRATIVE REGISTER AS REQUIRED BY LAW.

RAYMOND JAMES
PUBLIC FINANCE DEPARTMENT
880 CARILLON PARKWAY
TOWER 3, THIRD FLOOR
ST. PETERSBURG, FLORIDA 33716
(727) 567-2868

Florida Hurricane Catastrophe Fund

SECTION PAGE

I. Introduction 1

II. The Process 3

III. Analytical Considerations 4

IV. Bonding and Claims-Paying Capacity Estimates 10

Appendix

A) Bonding Capacity Solicitation & Senior Manager Responses

B) FHCF Assessment Base History

RAYMOND JAMES

I. *Introduction*

The Florida Hurricane Catastrophe Fund ("FHCF") is a tax-exempt trust fund created by the State of Florida in 1993. Its purpose is to stabilize the State's property insurance markets by providing contractually specified coverage for loss reimbursement to participating insurers after a hurricane(s). In exchange for this loss reimbursement, participating insurers pay the FHCF annual reimbursement premiums (based on exposure reported annually) that are proportionate to each insurer's share of the FHCF's risk exposure and are determined by a premium formula to derive actuarially indicated premiums. In addition, participating insurers must meet a contractually specified retention on each hurricane before insurers trigger reimbursements, and all such reimbursements are subject to co-pay amounts selected by each participating insurer based on three statutorily available options. With limited exceptions, participation in the FHCF is mandatory for property insurers writing residential property insurance in the State.

The FHCF may obtain funds to pay its contractual reimbursement obligations from the following available potential sources:

(1) Accumulated reimbursement premiums

(2) Pre-event bond proceeds and other pre-event liquidity resources

(3) Reinsurance recoveries (if any)

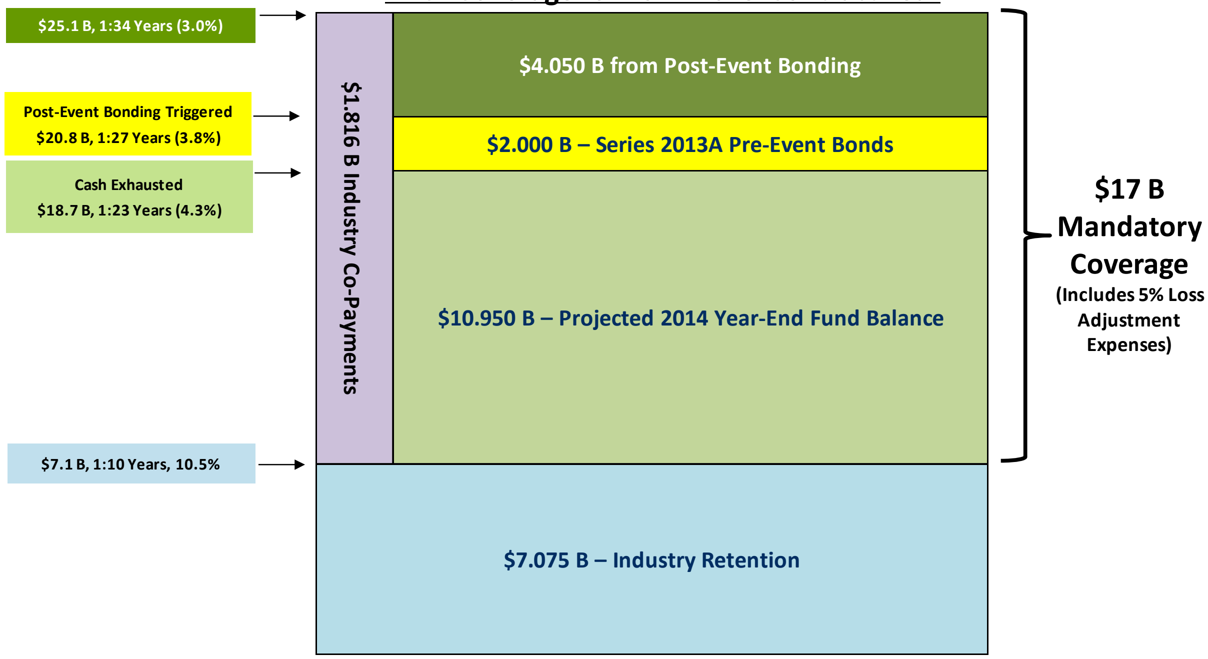
(4) Post-event revenue bond proceeds (issued pursuant to Section 215.555(6)), Florida Statutes, secured by emergency assessments

(5) Emergency assessments (which may be levied pursuant to Section 215.555(6)(b), Florida Statutes, in lieu of or in addition to revenue bonds)

(6) Investment earnings on accumulated reimbursement premiums and emergency assessments

The total potential obligation of the FHCF is capped by statute for each contract year. For the contract year June 1, 2014 – May 31, 2015, the maximum total obligation of the FHCF is $17 billion. However, the FHCF obligation is limited to its actual claims-paying capacity which depends on financial market conditions at the time when post-event revenue bonds need to be issued following an event. The chart on the next page depicts a summary of the FHCF's projected coverage for the 2014-2015 contract year.

FHCF Coverage for 2014-2015 Contract Year



Not drawn to scale

In this chart the relevant data are aggregated for all of the approximately 160 FHCF participating insurers. The references to probabilities, probable maximum losses, and cash exhaustion are shown for illustrative purposes only. The probabilities in this chart are presented as if all of the participating insurers had uniform exposures and loss experiences. In actual practice, each participating insurer has its own retention and coverage limits based upon its actual exposures, and therefore each participating insurer has its own unique probabilities of triggering its FHCF coverage and reaching its FHCF coverage limit. See the discussion on page 10 for further information.

Pursuant to Section 215.555(4)(c)(2), Florida Statutes, *"in May and October of the contract year, the board shall publish in the Florida Administrative Register a statement of the fund's estimated borrowing capacity, the fund's estimated claims-paying capacity, and the projected balance of the fund as of December 31."* The purpose of this claims-paying capacity estimates report is to provide an estimate of the borrowing and claims-paying capacity of the FHCF for the 2014 season in order to assist participating insurers in determining their reimbursements.

Estimates of the FHCF's claims-paying capacity are required by law to be made in May and October of each year. These estimates are useful from the perspective that some insurers operate in multiple states and tend to purchase their private reinsurance effective January, while many other insurers operate solely in Florida and purchase their private reinsurance effective June of each year.

II. *The Process*

As in prior years, in order to estimate the FHCF's borrowing capacity for the 2014 and 2015 seasons, we took the following three steps:

Raymond James and the FHCF staff utilized the resources of the FHCF's senior managing underwriters to estimate FHCF bonding capacity

(1) *Evaluated market conditions for the FHCF using its internal resources.* Raymond James & Associates, Inc. ("Raymond James"), a full service broker-dealer with approximately $7.0 billion in market capitalization (NYSE: RJF, www.raymondjames.com), serves as the independent financial advisor to the FHCF. We rank among the top 10 municipal underwriters in the country and participate daily in the market for fixed income securities similar to those the FHCF has or would issue to help meet its reimbursement obligations after an event and have served as advisor or underwriter on the issuance of over $32 billion of debt and related financial instruments for the FHCF and other state-sponsored property insurance entities around the country since 2005.

(2) *Solicited formal written feedback from the five newly selected senior managing underwriters of the FHCF's financial services team.* These firms – Bank of America / Merrill Lynch, Citi, JP Morgan, Morgan Stanley and Wells Fargo[1] – are among the largest financial services firms in the world, and each one has extensive experience and expertise with FHCF securities and similar instruments for other issuers. In the solicitation, we asked them to provide their estimates, given certain assumptions, of the FHCF's bonding capacity. In our written request for feedback, we sought to ensure that the underwriters had a clear understanding of the purpose of asking them to provide such estimates and the uses therefor. A copy of the solicitation and the response of each of the managers is contained in Appendix A.

(3) *With FHCF staff, evaluated the written feedback and determined a recommended bonding capacity estimate for inclusion in this report.*

[1] *The financial services team was selected through a competitive solicitation process in April 2014.*

III. *Analytical Considerations*

The major constraint for the FHCF in achieving its maximum reimbursement obligation is potential limitation of market access and capacity, not a lack of assessment capability

The FHCF has very strong debt repayment capabilities. From a credit standpoint, the ability to levy emergency assessments on all property and casualty insurance lines except workers' compensation, medical malpractice, and accident and health functions similarly to a statewide sales tax on an essential product with an underlying premium base of approximately $38 billion. The strength of this pledged revenue stream is the primary reason the three major rating agencies – Moody's, Standard & Poor's, and Fitch – rate the FHCF's debt Aa3, AA-, and AA, respectively. To put those ratings in perspective, less than 5% of U.S. corporations have ratings in the AA category by Standard & Poor's.

While the FHCF statute does limit the amount of assessments that can be levied – 6% for losses attributable to one contract year and 10% for all years – these percentages, when applied to the current size of the assessment base ($37.933 billion[2]) mean the FHCF could levy annual assessments of as much as $2.276 billion for hurricanes occurring in one contract year and $3.793 billion for hurricanes occurring over multiple contract years. These annual amounts, in conjunction with the other available resources of the FHCF, are estimated to be more than sufficient to support enough bonds to enable the FHCF to meet its maximum initial season obligation, and to fund a full subsequent season of coverage as well, *assuming that the markets are functioning in a normal manner and the FHCF has market access to issue such bonds at the current market rate for the initial season, or even at inflated rates of as high as 8%*.

Although market conditions have significantly improved over the last four years and the FHCF's Series 2013A taxable pre-event financing was extremely successful, market conditions and access are still critical to understanding the challenges facing the FHCF, especially after a large event. Given the FHCF's current resources and potential statutory obligations, it could still need to bond the remaining $4.050 billion after a hurricane event that causes losses up to the potential FHCF obligations during the 2014 - 2015 contract year. The table below shows the calculations for potential bonding.

FHCF Obligations and Cash Resources – 2014-2015 Contract Year	Amount ($ in billions)
Total Potential FHCF Obligations (Mandatory Coverage)	**$17.000**
Projected 2014 Year-End Fund Balance	**$10.950**
Series 2013A Pre-Event Bonds Balance	**$2.000**
Net Amount Potentially Needed from Bonding	**$4.050**

[2] *See Appendix B for an analysis of the size of the FHCF's assessment base over time.*

Bonding needs of this size are extremely large by municipal market standards. For example, the chart below and on the following page show that only three issues were completed above this amount in the taxable or tax-exempt municipal market since 2009: $6.855 billion (taxable) and $6.543 billion (tax-exempt), both issued by the State of California, and $4.118 billion (tax-exempt) issued by the Puerto Rico Sales Tax Finance Corporation[3].

Largest 25 Taxable Municipal Issuances By Par Amount Since 2009

Rank	Issuer Name	State	Year of Sale	Issue Description	Par ($MM)
1	**California**	**CA**	**2009**	**Various Purpose GO Bonds**	**$6,855**
2	Illinois	IL	2011	General Obligation Bonds	$3,700
3	Illinois	IL	2010	General Obligation Bonds	$3,466
4	California	CA	2010	Various Purpose GO Bonds	$3,400
5	California	CA	2010	Various Purpose GO Bonds	$3,275
6	Grand Parkway Transport Corp	TX	2013	Subordinated Tier Toll Rev Bonds	$2,920
7	California	CA	2009	Various Purpose GO & Ref Bonds	$2,825
8	California	CA	2013	Various Purpose GO Bonds	$2,472
9	Regents of the Univ of California	CA	2013	General Revenue Bonds	$2,459
10	California	CA	2011	General Obligation Bonds	$2,391
11	New Jersey Economic Dev Auth	NJ	2013	School Facilities Con Ref Bonds	$2,253
12	Utility Debt Securitization Auth	NY	2013	Restructuring Bonds	$2,022
13	Port Authority of NY & NJ	NY	2012	Consolidated Bonds	$2,000
13	**Florida Hurricane Catastrophe Finance Corp.**	**FL**	**2013**	**Revenue Bonds**	**$2,000**
14	California	CA	2011	Various Purpose GO Bonds	$1,980
15	New Jersey Turnpike Authority	NJ	2010	Turnpike Revenue Bonds	$1,850
16	Los Angeles USD	CA	2010	General Obligation Bonds	$1,808
17	New Jersey Turnpike Authority	NJ	2009	Turnpike Revenue Bonds	$1,750
18	Los Angeles USD	CA	2009	General Obligation Bonds	$1,656
19	Regents of the Univ of California	CA	2013	General Revenue Bonds	$1,594
20	JobsOhio Beverage System	OH	2013	Stwide Sr Ln Liquor Profits Bonds	$1,511
21	Bay Area Toll Authority (BATA)	CA	2010	Subordinate Toll Bridge Rev Bonds	$1,500
21	Texas Transportation Commission	TX	2010	State Highway Fund Revenue Bonds	$1,500
22	Empire State Development Corp	NY	2009	State Personal Inc Tax Rev Bonds	$1,472
23	NYC Transitional Finance Auth	NY	2012	Future Tax Secured Sub Bonds	$1,400
24	American Municipal Power Inc	OH	2010	Revenue Bonds	$1,379
25	SC Pub Svc Au (Santee Cooper)	SC	2013	Revenue Obligations	$1,341

Source: Thomson Financial for long-term taxable issuances from January 1, 2009 to April 30, 2014.

[3] *For this and all other market comparison data, we have restricted the data set to 2009 and later. The financial crisis that began in 2007 fundamentally changed the dynamics of fixed income markets from both an issuer and an investor standpoint. Therefore, comparisons to transactions that occurred in 2008 or prior to the crisis have little analytical value for the FHCF in 2014-2015.*

Largest 25 Tax-Exempt Municipal Issuances By Par Amount Since 2009					
Rank	Issuer Name	State	Year of Sale	Issue Description	Par ($MM)
1	**California**	**CA**	**2009**	**Various Purpose GO Bonds**	**$6,543**
2	**Puerto Rico Sales Tax Fin Corp**	**PR**	**2009**	**Sales Tax Revenue Bonds**	**$4,118**
3	Puerto Rico	PR	2014	General Obligation Bonds	$3,500
4	California	CA	2009	Economic Recovery Ref Bonds	$3,436
5	Michigan Finance Authority	MI	2011	Unemployment Oblig Assess Bonds	$3,323
6	California Dept of Wtr Resources	CA	2010	Power Supply Revenue Bonds	$2,993
7	Grand Parkway Transport Corp	TX	2013	Toll Rev Bonds	$2,920
8	Michigan Finance Authority	MI	2012	Unemploy Oblig Assess Rev Bonds	$2,917
9	Pennsylvania Econ Dev Fin Auth	PA	2012	Unemploy Compensation Rev Bond	$2,827
10	California	CA	2013	GO Various Purpose Bonds	$2,630
11	New York Liberty Dev Corp	NY	2009	Revenue Bonds	$2,594
12	California	CA	2010	Various Purpose GO Bonds	$2,500
13	California	CA	2013	Various Purpose GO Bonds	$2,472
14	Regents of the Univ of California	CA	2013	General Revenue Bonds	$2,459
15	**Florida Citizens Prop Ins Corp**	**FL**	**2010**	**High-Risk Acct Senior Bonds**	**$2,400**
16	California	CA	2011	Various Purpose GO & Ref Bonds	$2,391
17	Puerto Rico	PR	2012	GO Public Improvement Ref Bonds	$2,318
18	Foothill/Eastern Transp Corridor Agy	CA	2013	Toll Road Refunding Revenue Bond	$2,275
19	New Jersey Economic Dev Auth	NJ	2013	School Facs Con Ref Bonds	$2,253
20	California	CA	2013	General Obligation Bonds	$2,097
21	Utility Debt Securitization Auth	NY	2013	Restructuring Bonds	$2,022
22	California	CA	2011	Various Purpose GO Bonds	$1,980
23	California	CA	2012	Various Purpose GO Ref Bonds	$1,905
24	California Statewide Comm Dev Auth	CA	2009	Revenue Bonds	$1,895
25	Puerto Rico Sales Tax Fin Corp	PR	2010	Sales Tax Revenue Bonds	$1,824

Source: Thomson Financial for long-term tax-exempt issuances from January 1, 2009 to April 30, 2014.

However, after a hurricane occurs, the FHCF may not need to do one single large financing, but based on past payout patterns could potentially meet its obligations by issuing multiple series of bonds over a period of 12 months or longer. Therefore, it is also instructive to consider which issuers in the municipal market (both taxable and tax-exempt) have issued the most debt in a 12 month period. The chart on the following page shows that in 2009 the State of California issued over $23.180 billion of municipal debt (and an additional $10.544 billion in 2010). These are positive data points from the FHCF's standpoint, since this massive issuance occurred at a time when California was undergoing significant fiscal distress, and was being downgraded to become the lowest-rated of all 50 states (A1/A-/BBB, several notches below the FHCF's ratings). The largest amount issued in 2011 and 2012 was by the New York State Dormitory Authority in the amount of $4.0 billion and $7.0 billion, respectively, and the largest amount issued in 2013 was by the State of California in the amount of $8.5 billion. The largest amount issued year-to-date in 2014 is $3.5 billion by Puerto Rico, which was downgraded earlier this year by all three ratings agencies to non-investment grade (Ba2/BB/BB) due to its budget imbalance and dire economic condition, among other issues.

Largest 25 Issuers By Issued Par Amount In 2009		
Rank	Issuer Name	Par ($MM)
1	**California**	**$23,180**
2	NYS Dorm Authority	$7,501
3	New York City-New York	$6,161
4	Puerto Rico Sales Tax Fin Corp	$5,574
5	NYC Transitional Finance Auth	$4,344
6	Illinois Finance Authority	$4,137
7	California Statewide Comm Dev Au	$4,121
8	Connecticut	$3,788
9	Washington	$3,315
10	Pennsylvania Turnpike Commission	$2,946
11	Los Angeles USD	$2,925
12	Regents of the Univ of California	$2,741
13	New York Liberty Dev Corp	$2,594
14	Empire State Development Corp	$2,551
15	Georgia	$2,513
16	New Jersey Turnpike Authority	$2,499
17	NYC Municipal Water Finance Auth	$2,431
18	Wisconsin	$2,391
19	California Health Facs Fin Auth	$2,327
20	Indiana Finance Authority	$2,268
21	California St Public Works Board	$2,191
22	Massachusetts	$2,181
23	NYS Thruway Authority	$2,179
24	Bay Area Toll Authority	$2,069
25	District of Columbia	$2,067

Largest 25 Issuers By Issued Par Amount In 2010		
Rank	Issuer Name	Par ($MM)
1	**California**	**$10,544**
2	Illinois	$8,678
3	NYS Dorm Authority	$5,712
4	New York City-New York	$5,226
5	California Dept of Wtr Resources	$4,946
6	NYC Transitional Finance Auth	$4,317
7	NYC Municipal Water Finance Auth	$3,798
8	Puerto Rico Sales Tax Fin Corp	$3,625
9	Metropolitan Transport Auth (MTA)	$3,539
10	Chicago City-Illinois	$3,418
11	Washington	$3,398
12	Massachusetts	$3,289
13	Puerto Rico Electric Power Auth	$3,104
14	Georgia Muni Electric Au (MEAG)	$2,796
15	Puerto Rico Government Dev Bank	$2,783
16	Pennsylvania	$2,688
17	Clark Co-Nevada	$2,582
18	Texas Transportation Commission	$2,478
19	Texas Public Finance Authority	$2,435
20	Los Angeles USD	$2,411
21	Bay Area Toll Authority	$2,385
22	Miami-Dade Co-Florida	$2,385
23	American Municipal Power Inc	$2,364
24	New Jersey Trans Trust Fund Au	$2,359
25	Illinois Finance Authority	$2,327

Largest 25 Issuers By Issued Par Amount In 2011		
Rank	Issuer Name	Par ($MM)
1	**NYS Dorm Authority**	**$4,021**
2	Illinois	$3,700
3	NYC Transitional Finance Authority	$3,149
4	New York City-New York	$2,516
5	NYC Municipal Water Finance Authority	$2,505
6	California	$2,391
7	New Jersey Econ Dev Authority	$2,216
8	Indiana Finance Authority	$2,031
9	Houston City-Texas	$1,927
10	Regents of the University of California	$1,600
11	Los Angeles City-California	$1,581
12	Massachusetts	$1,557
13	Massachusetts Dev Finance Agency	$1,541
14	Port Authority of NY & NJ	$1,525
15	Florida State Board of Education	$1,514
16	Puerto Rico	$1,401
17	Puerto Rico Government Dev Bank	$1,395
18	Chicago City-Illinois	$1,394
19	Wisconsin	$1,349
20	Maryland	$1,293
21	California Dept of Wtr Resources	$1,269
22	Washington	$1,242
23	North Texas Tollway Authority	$1,191
24	Illinois Finance Authority	$1,129
25	Energy Northwest	$1,103

Largest 25 Issuers By Issued Par Amount In 2012		
Rank	Issuer Name	Par ($MM)
1	**NYS Dorm Authority**	**$7,029**
2	Metropolitan Transport Authority (MTA)	$6,691
3	California	$5,762
4	New York City-New York	$5,708
5	NYC Transitional Finance Authority	$5,663
6	Illinois	$5,118
7	Michigan Finance Authority	$3,819
8	Port Authority of NY & NJ	$3,695
9	Washington	$3,509
10	Pennsylvania Econ Dev Finance Authority	$3,030
11	Puerto Rico	$2,734
12	Chicago City-Illinois	$2,673
13	NYS Thruway Authority	$2,662
14	Connecticut	$2,653
15	NYC Municipal Water Finance Authority	$2,550
16	Dallas & Fort Worth Cities-Texas	$2,529
17	New Jersey Economic Dev Authority	$2,168
18	California St Public Works Board	$2,101
19	Puerto Rico Aqueduct & Sewer Authority	$2,096
20	Indiana Finance Authority	$1,970
21	Massachusetts	$1,957
22	San Antonio City-Texas	$1,912
23	Regents of the Univ of California	$1,860
24	Illinois Finance Authority	$1,830
25	Louisiana	$1,815

Largest 25 Issuers By Issued Par Amount In 2013		
Rank	Issuer Name	Par ($MM)
1	**California**	**$8,450**
2	New York City-New York	$5,574
3	Regents of the Univ of California	$4,702
4	Illinois	$3,354
5	Empire State Development Corp	$3,283
6	Massachusetts	$3,226
7	NYC Transitional Finance Auth	$3,207
8	NYS Dorm Authority	$3,031
9	New Jersey Economic Dev Auth	$3,018
10	Washington	$2,936
11	Grand Parkway Transport Corp	$2,920
12	Metropolitan Transport Auth (MTA)	$2,763
13	Connecticut	$2,730
14	NYC Municipal Water Finance Auth	$2,392
15	Foothill/Eastern Transp Corridor Agy	$2,275
16	New Jersey Turnpike Authority	$2,137
17	Dallas & Fort Worth Cities-Texas	$2,067
18	Utility Debt Securitization Auth	$2,022
19	**Florida Hurricane Catastrophe Finance Corp.**	**$2,000**
20	California St Public Works Board	$1,912
21	Port Authority of NY & NJ	$1,850
22	SC Pub Svc Au (Santee Cooper)	$1,848
23	NYS Thruway Authority	$1,831
24	Jefferson Co-Alabama	$1,786
25	NYC Housing Dev Corp	$1,773

Largest 25 Issuers By Issued Par Amount In 2014		
Rank	Issuer Name	Par ($MM)
1	**Puerto Rico**	**$3,500**
2	California	$2,558
3	Illinois	$2,427
4	NYC Transitional Finance Auth	$1,981
5	Texas Transportation Commission	$1,458
6	Houston City-Texas	$1,298
7	New Jersey Economic Dev Auth	$1,229
8	California St Public Works Board	$1,202
9	New York City-New York	$1,046
10	Port Authority of NY & NJ	$1,000
11	Regents of the Univ of California	$970
12	NYS Dorm Authority	$906
13	Metropolitan Transport Auth (MTA)	$900
14	NYC Municipal Water Finance Auth	$899
15	Chicago City-Illinois	$888
16	Atlanta City-Georgia	$868
17	Massachusetts Dev Finance Agcy	$851
18	Wisconsin	$846
19	Pennsylvania	$835
20	Louisiana	$816
21	Maryland	$737
22	Grand Parkway Transport Corp	$734
23	Univ of Texas Sys Bd of Regents	$721
24	Washington	$720
25	New Jersey Educational Facs Au	$719

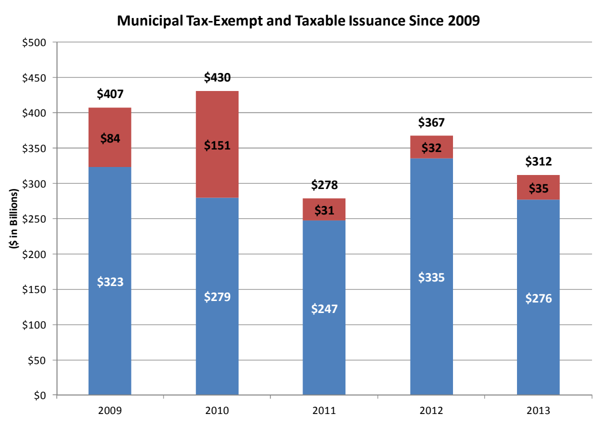
Source: Thomson Financial for long-term issuances from January 1, 2009 to April 30, 2014.

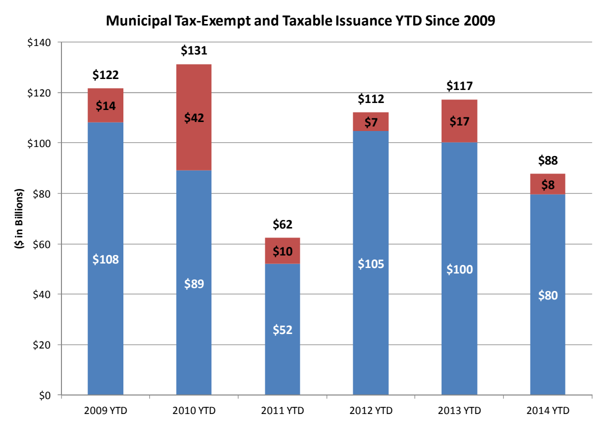
In reviewing this history of large municipal issuers, it is important to note that the FHCF has been a relatively infrequent issuer of debt. Since 2006, the FHCF has completed only six bond issues totaling $10.9 billion (three tax-exempt issues totaling $2.6 billion and three taxable issues totaling $8.3 billion), with $3.0 billion in debt currently outstanding. By comparison, for example, during this same timeframe the State of California has completed 86 bond issues totaling $139.5 billion, with $80.4 billion currently outstanding. The FHCF's debt has also been issued with relatively short maturities ranging from 1-7 years (although it has the authority to issue debt with maturities of up to 30 years). California's issues, by comparison, have had maturities ranging from 1-34 years. As a less frequent issuer with relatively less debt outstanding and primarily at the shorter end of the yield curve, the FHCF may not be as well covered by investor credit analysts in the primary or secondary markets, even though it has strong credit ratings. This relative lack of exposure and investor familiarity could serve as a limiting factor in determining the FHCF's potential market access in the short run.

Analysis of potential market acceptance of large amounts of FHCF debt must include not only relevant historical references, but also an evaluation of current market conditions and cash flow needs. In this regard, conditions seem to be consistent in the municipal tax-exempt market, but have significantly improved in both the taxable municipal and corporate markets.

U.S. corporate bond sales increased to $1.41 trillion in 2013, surpassing the record in 2012 of $1.39 trillion, as investors sought higher-yielding alternatives to government securities and companies took advantage of relative all-time low interest rates. So far in 2014 (through April 30th), corporate bond issuance is $514 billion, which is approximately equal to the $513 billion issued in 2013 over the same time period. The corporate bond market has topped $1 trillion each year since 2010 as interest rates have been consistently historically low.

After declining significantly in 2011, municipal issuance rebounded strongly in 2012 with a 32% increase. In 2013, the municipal bond market was down 15% compared to 2012, with $312 billion in issuance. Year-to-date 2014 issuance is 25% lower than 2013, with $88 billion issued through April 30, 2014 compared to $117 billion over the same time period in 2013.





Source: Thomson Financial for municipal long-term issuances from January 1, 2009 to April 30, 2014.

The reduction in issuance is encouraging for the FHCF, as it may be an indication of significant pent up demand in the tax-exempt markets; in addition, the FHCF has some factors working in its favor independent of market trends, including, but not limited to: (1) the FHCF is a well-regarded, highly-rated credit (AA category), closely associated with (though not guaranteed by) the State of Florida, which is a blue-chip name in the market; (2) in April 2013, the FHCF successfully priced $2 billion of Series 2013A taxable pre-event bonds with 3, 5 and 7-year maturities at a true interest cost of 2.61% and received over $3.6 billion in orders (1.79x oversubscribed), which helped to re-establish the FHCF in the taxable market and also reflected that there is significant capacity for the FHCF to issue bonds at cost-effective rates; and (3) similar to the Series 2013A pre-event financing, any post-event bond issuances of the size the FHCF may need to undertake would also be included in the various benchmark indices market observers use to track market performance, so institutional money managers seeking to at least match indexed returns may have a strong additional incentive to buy FHCF bonds, particularly if they are offered at interest rates marginally higher than those typically associated with AA category credits.

Estimating the FHCF's post-event bonding capacity is an inexact science. To do so requires a consideration of the factors above, an extrapolation about what market conditions might exist after hurricanes of various sizes, and an evaluation of the many subjective and substantive considerations surrounding these estimates and the uses thereof. Certainty is not a defining characteristic of an exercise like this; nor can the results be responsibly guaranteed. Nevertheless, with the proper experience, perspective and analysis, one can make estimates suitable for the FHCF's requirements – conservative estimates, not guaranteed to be accurate, but responsibly determined using the best available sources.

One additional note of caution is that financial markets can be highly volatile and uncertain. Such uncertainity creates significant risk for participating insurers who rely on the FHCF for reimbursements. Although financial market conditions have significantly improved and are currently expected to be conducive to favorable debt issuance, it is not possible to guarantee financial market conditions into the future. The FHCF's estimated claims-paying capacity is highly subjective and depends heavily on the opinions of senior managing underwriters. As such, participating insurers should recognize the potential impact that financial markets can have on the FHCF's claims-paying ability. The following pages provide current bonding and claims-paying estimates.

IV. *Bonding and Claims-Paying Capacity Estimates*

The preliminary estimated bonding capacity of the FHCF for the current contract year is $8.3 billion

To estimate the FHCF's bonding capacity, we used the general process described in Section II and detailed in Appendix A. The specific wording of the capacity question we asked the FHCF's senior managing underwriters was as follows:

> *"Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post event market capacity over the next 0-12 **and** 12-24 months at rates that are at or above the current "market" scale, as needed."*[4]

We considered all data, but based on a desire for conservatism, cash flow requirement projections from Paragon Strategic Solutions Inc., the FHCF's consulting actuary, and guidance from FHCF staff about potential payout timing, as in the past we continue to use the estimates for the first 12 months in formulating the bonding capacity estimate for the initial season.

In general, it would take a hurricane event producing reimbursable losses exceeding $11.6 billion to trigger post-event bonding or $18.0 billion in reimbursable losses to exhaust the FHCF's capacity. However, the timing of reimbursements to participating insurers is highly dependent on both the size of the event and the nature of the loss. A large event (e.g., 1 in 100 year hurricane) that involves many total losses (such as occurs with a category 5 hurricane) could result in exhausting the FHCF's resources in 3 to 6 months. Weaker hurricanes may result in slow loss development, thus potentially stretching the reimbursement of losses over several years. The FHCF's financing of losses needs to account for the rapid reimbursement of claims since some insurers may not be able to survive for over a year while waiting for FHCF recoveries. The amount of debt that the FHCF can raise within the first twelve months is important for participating insurers in protecting their financial solvency. Although the FHCF may be able to raise sufficient debt over two years, some participating insurers may not have financial resources to survive that long.

We are comfortable including estimates that contained some above-market interest rate capacity estimates in recognition of the fact that the FHCF has ample assessment capability within its statutory limits to issue bonds, even at significantly higher rates[5]. For purposes of calculating the potential assessment impact of the FHCF's bonding needs, we assumed that FHCF post-event bonds for the initial season would carry interest rates at current market levels and the refinancing of the Series 2013A pre-

---

[4] *The complete information request and all responses are included in Appendix A.*

[5] *For example a 30-year bond issue at an 8% interest rate sized to produce the maximum potential FHCF obligation ($4.050 billion) for the current contract year and refinancing the Series 2013A pre-event bonds would require an annual assessment of only 1.56%, well below the 6% statutory cap.*

event bonds and post-event bonds for subsequent season losses would be at 8%, several hundred basis points above where the senior managers estimate the FHCF could issue bonds in the current market. Since participating insurers rely on these estimates for solvency protection, this adds additional conservatism to the analysis. There is also some overlap between tax-exempt and taxable capacity estimates as the investor base has changed and market acceptance has increased for taxable bonds as a result of the initial increase in municipal taxable issuance in 2009 and 2010, which will marginally reduce the capacity for tax-exempt debt or vice-versa. A summary of the senior managers' responses is shown in the table below:

FHCF Post-Event Estimated Bonding Capacity

	Bank of America / Merrill Lynch	Citi	JP Morgan	Morgan Stanley	Wells Fargo	Average [1]
Bonding Estimates						
Tax-Exempt:						
0-12 Months	$2-$3B	$2.5B	$5-$6B	$3-$4B	$7-$10B	$4.5B
12-24 Months	$2-$3B	$2.5B	$3-$4B	$3-$4B	$3-$5B	$3.2B
Total tax-exempt	*$4-$6B*	*$5B*	*$8-$10B*	*$6-$8B*	*$10-$15B*	*$7.7B*
Taxable:						
0-12 Months	$3.5-$4.5B	$4B	$3-$4B	$3.5-$4B	$3-$4B	$3.8B
12-24 Months	$2.5-$3.5B	$4B	$3-$4B	$4-$5B	$1-$2B	$3.3B
Total taxable	*$6-$8B*	*$8B*	*$6-$8B*	*$7.5-$9B*	*$4-$6B*	*$7.1B*
0-12 Months Total	**$5.5-$7.5B**	**$6.5B**	**$8-$10B**	**$6.5-$8B**	**$10-$14B**	**$8.3B**
12-24 Months Total	$4.5-$6.5B	$6.5B	$6-$8B	$7-$9B	$4-$7B	$6.5B
0-24 Months Total	$10-$14B	$13B	$14-$18B	$13.5-$17B	$14-$21B	$14.8B

[1] Averages are rounded to the nearest hundred million dollars

As discussed earlier, we believe that using only the 0-12 months number to compute an average is a conservative and necessary approach to estimating bonding capacity for the intitial season. Using this methodology yields an estimated bonding capacity of approximately $8.3 billion and this capacity is significantly above what is needed to meet the FHCF's potential obligations for the initial season, even if one conservatively expects that the FHCF payout after an event will need to occur within the first twelve months. However, when considering the larger picture of the FHCF's ability to pay additional claims for a subsequent season, the FHCF's bonding capacity beyond 0-12 months is also an important factor. Each of the senior managers believes that the FHCF would have significant additional capacity in the period 12-24 months after an event[6]. This additional capacity, along with the subsequent season reimbursement premiums, could be used to fund over 70% of the amount potentially needed for subsequent season losses, in approximate amounts as shown on the following page:

[6] The longer the time frame for estimation purposes, the greater the degree of uncertainty.

Estimated Bonding Capacity ($ in B)	
Initial Season	
Estimated Bonding Capacity 0-12 months Average	8.300
Projected 2014 Year-End Fund Balance	10.950
Series 2013A Pre-Event Bonds	2.000
Estimated Claims Paying Capacity 0-12 months	**21.250**
Initial Season Statutory Limit	17.000
Potential Excess Capacity Available After Initial Season (0-12 months)	**4.250**
Subsequent Season	
Potential Additional Bonding Capacity - 12-24 months	6.500
Potential Additional Bonding Capacity - 0-24 months	10.750
Projected Subsequent Season Reimbursement Premiums	1.223
Potential Subsequent Season Claims Paying Capacity	**11.973**
Subsequent Season Statutory Limit	17.000
Amount Less than the Maximum Statutory Limit	**(5.027)**

Estimated Claims-Paying Capacity

Claims-paying capacity of the FHCF is equal to the sum of the projected year-end fund balance plus the available Series 2013A pre-event bonds (or any other financing resources available) and the estimated bonding capacity. The FHCF projects that its year-end fund balance for the 2014-2015 season will be approximately $10.950 billion as calculated by its administrator, Paragon.

Using this projection and the $2 billion of Series 2013A pre-event bonds, plus a bonding capacity estimate of $8.3 billion, the FHCF's estimated claims-paying capacity for the initial season is $21.250 billion, which is $4.250 billion above the total potential maximum claims-paying obligation of $17.000 billion. The FHCF can use the potential additional bonding amounts from the initial season or a portion of the Series 2013A pre-event bonds plus the projected $6.5 billion in bonding capacity for the following 12-24 months and the reimbursement premiums accumulated during the subsequent season to estimate its claims-paying capacity in the 2015-2016 season. The breakdown of this potential claims-paying capacity and annual assessment at the current interest rates is shown on the following page, for informational purposes only.

Estimated Claims-Paying Capacity					
	Projected Fund Balance	Series 2013A Pre-Event Bonds	Post-Event Estimated Borrowing Capacity *	Total Estimated Claims Paying Capacity	Annual Assessment %
Initial Season (0-12 Months)	$10.950B	$2.000B	$4.050B	$17.000B	1.31%**
Subsequent Season (12-24 Months)	$1.223B		$10.750B	$11.973B	2.49%

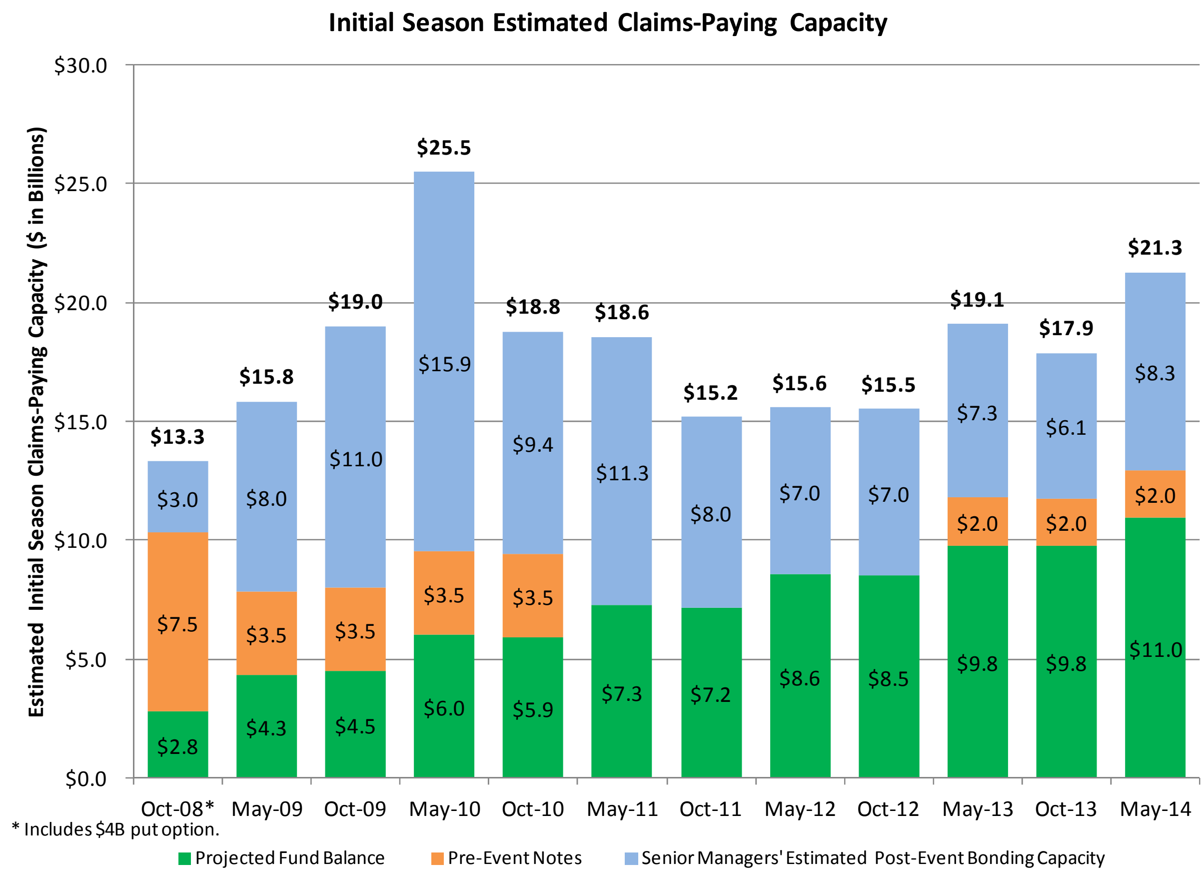
* *Post-Event Estimated Borrowing Capacity for Initial Season is $8.3 billion but only $4.050 billion is required to meet FHCF's initial season potential obligation. The remaining $4.250 billion is included in the subsequent season capacity.*

** *Assumes current market interest rates. However, a financing at an "above market" 8% interest rate sized to produce the maximum potential FHCF obligation ($4.050 billion) for the current contract year and refinancing the Series 2013A pre-event bonds would require an annual assessment of only 1.56%, well below the 6% statutory cap.*

Historical Perspective on Estimated Claims-Paying Capacity

The estimated claims-paying capacity of the FHCF over time is subject to changes in the projected fund balance, available pre-event liquidity, and estimates of bonding capacity. While the projected fund balance has climbed steadily due to eight years without a hurricane that triggered the FHCF, the senior managers' estimates of the FHCF's bonding capacity have significantly varied during that time period, reflecting both the big picture fundamental changes to the market described in Section III and the impact of market volatility at the time we asked them for estimates. The current average estimate for 0-12 months of $8.3 billion is approximately $2.2 billion higher than it was in October 2013.

The chart below shows the total estimated initial season claims-paying capacity of the FHCF since October 2008 with projected fund balance (**green**), pre-event notes (**orange**) and estimated post-event bonding capacity (**blue**).



Numbers may not add due to rounding.

The chart reflects the volatility of the FHCF's claims-paying capacity estimates over time. The pre-event notes and the projected fund balance are reliable amounts since they are known prior to an event, but the post-event bonding capacity can vary significantly depending on financial market conditions after a hurricane event, as denoted by the blue portion of the bars above. If the FHCF is unable to issue post-event debt consistent with its estimates, insurers may end up with a shortage of resources to pay their claims. It is therefore important that the FHCF's claims-paying capacity estimates be reasonable and conservative to minimize financial risk for participating insurers.

It is also interesting to compare the range of the estimates during this time period, which is indicative of the level of uncertainty and variability among the team of senior managers with regard to the FHCF's bonding capacity. The table below shows the aggregate ranges for each estimate since May 2010.

Post-Event Estimated Bonding Capacity Over 12 Months (Senior Managers' Range)										
($ in Billions)	May-10	Oct-10	May-11	Oct-11	May-12	Oct-12	May-13	Oct-13	May-14	Oct 2013-May 2014 Change
Overall Range	$12-$26	$10-$26	$4-$23	$5-$11	$1.5-$11	$2-$10	$3.5-$9.8	$4.5-$7.5	$5.5-$14	↑

The wide range of estimates shown in the table reflects the fundamental underlying uncertainty of the bonding capacity estimating process for the FHCF. We believe the process of using a survey of the opinions of the best experts with the most relevant experience, and employing a conservative approach to pick among several potential estimates of capacity, provides a reasonable estimate that suits the purposes of the FHCF and its participating insurers' needs. Due to the success of the Series 2013A pre-event financing and improved market conditions, the estimated ranges have significantly improved. However, it still does not provide a guaranteed source of liquidity or claims-paying capacity, and the actual bonding results achieved by the FHCF after a hurricane could vary substantially from this estimate.

In the event of a major storm event, the FHCF, Citizens Property Insurance Corporation ("Citizens"), and the Florida Insurance Guaranty Association ("FIGA") may have to issue post-event bonds. Because Citizens' capital position has also significantly improved and their risk transfer program has increased, its probability and amount of post-event bonding has significantly decreased in recent years. FIGA's potential bonding needs are unknown and cannot be estimated. Currently, FIGA can levy a 2% regular assessment and potentially generate up to $340 million in 30 days to pay claims in an expedited manner and issue post-event bonds with an additional 2% emergency assessment, if needed. However, based on the capital structure of the FHCF, Citizens, and FIGA, the FHCF will be required to and will have access to the capital market before Citizens and FIGA.

In the case of any bonding shortfall, the FHCF could levy assessments (up to a total of over $2.2 billion per year) without issuing bonds, although this approach could fall short of meeting the FHCF's payout timing needs for its participating insurers. However, any additional certainty of funding for the FHCF can only be achieved by increasing the pre-event committed cash resources of the fund (for example, by expanding the pre-event liquidity funding program to minimize the amount of post-event bonding needs for the initial and/or subsequent seasons) or by decreasing the potential obligations of the fund – or both – so that available committed cash resources meet or exceed potential obligations.

Disclaimer

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms.

The analysis or information presented herein is based upon projections and have limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice.

Appendix A – Bonding Capacity Solicitation & Senior Manager Responses

Memorandum

To: Florida Hurricane Catastrophe Fund

From: Bank of America Merrill Lynch

Date: May 1, 2014

Subject: Florida Hurricane Catastrophe Fund – May 2014 Bonding Capacity Analysis

---

Bank of America Merrill Lynch ("BofAML") is pleased to provide the FHCF with our firm's estimates and views of the FHCF's post-event bonding capacity and current market borrowing costs. Despite the Federal Reserve winding down its quantitative easing program, the municipal market has, in recent months, remained relatively strong. The market expected that the drawdown to the quantitative easing program would cause the municipal market to sell off, and immediately after the drawdown began that was largely the case. The recent turmoil in Ukraine, poor growth in the US economy and slow growth in employment contributed to a flight to quality to Treasuries with municipal bonds benefitting from the fund flows. Low supply in the municipal markets and positive municipal bond fund inflows have additionally contributed to a rally in the municipal markets. While the current market is very favorable for municipal issuers, a transaction or series of transactions by the FHCF after a hurricane event has been generally untested and may change current market dynamics for the specific transaction.

In the pages that follow, we provide BofAML's estimate of its current borrowing costs as well as our view on the FHCF's unconstrained capacity in the current market. If you have any questions, please contact the BofAML team.

1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with 5.0% coupons throughout when writing the scale. Base the scale on an uninsured financing given the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).

Below, we have provided a 30-year tax-exempt scale reflecting our view of the FHCF's estimated current market borrowing costs based on an uninsured financing, Aa3/AA-/AA- ratings from Moody's, S&P and Fitch, respectively, and no capacity constraints.

Florida Hurricane Catastrophe Fund
Tax-Exempt Scale

Maturity (July 1)	Coupon	MMD (4/29/14)	Spread (bps)	Yield
2015	5.00%	0.15%	45	0.60%
2016	5.00%	0.35%	80	1.15%
2017	5.00%	0.62%	90	1.52%
2018	5.00%	0.96%	95	1.91%
2019	5.00%	1.23%	100	2.23%
2020	5.00%	1.51%	105	2.56%
2021	5.00%	1.78%	115	2.93%
2022	5.00%	1.99%	120	3.19%
2023	5.00%	2.17%	125	3.42%
2024	5.00%	2.30%	130	3.60%
2025	5.00%	2.42%	135	3.77%
2026	5.00%	2.54%	135	3.89%
2027	5.00%	2.65%	135	4.00%
2028	5.00%	2.76%	135	4.11%
2029	5.00%	2.85%	135	4.20%
2030	5.00%	2.93%	135	4.28%
2031	5.00%	3.01%	135	4.36%
2032	5.00%	3.09%	135	4.44%
2033	5.00%	3.17%	135	4.52%
2034	5.00%	3.23%	135	4.58%
2035	5.00%	3.29%	-	-
2036	5.00%	3.34%	-	-
2037	5.00%	3.38%	-	-
2038	5.00%	3.41%	-	-
2039	5.00%	3.44%	130	4.74%
2040	5.00%	3.46%	-	-
2041	5.00%	3.48%	-	-
2042	5.00%	3.49%	-	-
2043	5.00%	3.50%	-	-
2044	5.00%	3.50%	130	4.80%

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with par-ish coupons throughout when writing the scale. Base the scale on an uninsured financing given again the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).

Below, we have provided a 30-year taxable scale reflecting our view of the FHCF's estimated current market borrowing costs based on an uninsured financing, Aa3/AA-/AA- ratings from Moody's, S&P and Fitch, respectively, and no capacity constraints.

Florida Hurricane Catastrophe Fund Taxable Scale					
Maturity (July 1)	Coupon	UST Term	UST (4/29/14)	Spread (bps)	Yield
2015	0.71%	1Y	0.11%	60	0.71%
2016	1.19%	2Y	0.44%	75	1.19%
2017	2.05%	3Y	0.90%	115	2.05%
2018	2.74%	5Y	1.74%	100	2.74%
2019	3.24%	5Y	1.74%	150	3.24%
2020	3.54%	7Y	2.29%	125	3.54%
2021	4.04%	7Y	2.29%	175	4.04%
2022	4.29%	10Y	2.69%	160	4.29%
2023	4.49%	10Y	2.69%	180	4.49%
2024	4.69%	10Y	2.69%	200	4.69%
2025	0.00%	-	-	-	-
2026	0.00%	-	-	-	-
2027	0.00%	-	-	-	-
2028	0.00%	-	-	-	-
2029	5.29%	10Y	2.69%	260	5.29%
2030	0.00%	-	-	-	-
2031	0.00%	-	-	-	-
2032	0.00%	-	-	-	-
2033	0.00%	-	-	-	-
2034	5.79%	30Y	3.49%	230	5.79%
2035	0.00%	-	-	-	-
2036	0.00%	-	-	-	-
2037	0.00%	-	-	-	-
2038	0.00%	-	-	-	-
2039	0.00%	-	-	-	-
2040	0.00%	-	-	-	-
2041	0.00%	-	-	-	-
2042	0.00%	-	-	-	-
2043	0.00%	-	-	-	-
2044	5.99%	30Y	3.49%	250	5.99%

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event market capacity over the next 0-12 **and** 12-24 months at rates that are at or above the current "market" scale, as needed. In addition, please include and describe briefly in your response if there is any overlap in tax-exempt / taxable capacity.

In the table below, we have provided our current tax-exempt and taxable "unconstrained" FHCF capacity estimates. We believe that sufficient demand exists at these capacity levels to complete a transaction of the sizes provided below and the risk of cross-market cannibalization is low.

Florida Hurricane Catastrophe Fund Post-Event Market Capacity ($BN)			
Time Period	**Tax-Exempt**	**Taxable**	**Total**
0-12 Months	$2.0-3.0	$3.5-4.5	$5.5-7.5
12-24 Months	$2.0-3.0	$2.5-3.5	$4.5-6.5
0-24 Months	**$4.0-6.0**	**$6.0-8.0**	**$10.0-14.0**

Notice to Recipient

"Bank of America Merrill Lynch" is the marketing name for the global banking and global markets businesses of Bank of America Corporation. Lending, derivatives, and other commercial banking activities are performed globally by banking affiliates of Bank of America Corporation, including Bank of America, N.A., member FDIC. Securities, strategic advisory, and other investment banking activities are performed globally by investment banking affiliates of Bank of America Corporation ("Investment Banking Affiliates"), including, in the United States, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp., which are both registered broker dealers and members of FINRA and SIPC, and, in other jurisdictions, by locally registered entities.

Investment products offered by Investment Banking Affiliates:
Are Not FDIC Insured * May Lose Value * Are Not Bank Guaranteed.

These materials have been prepared by one or more subsidiaries of Bank of America Corporation for the client or potential client to whom such materials are directly addressed and delivered (the "Company") in connection with an actual or potential mandate or engagement and may not be used or relied upon for any purpose other than as specifically contemplated by a written agreement with us. These materials are based on information provided by or on behalf of the Company and/or other potential transaction participants, from public sources or otherwise reviewed by us. We assume no responsibility for independent investigation or verification of such information (including, without limitation, data from third party suppliers) and have relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the managements of the Company and/or other potential transaction participants or obtained from public sources, we have assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such managements (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Company and are being furnished and should be considered only in connection with other information, oral or written, being provided by us in connection herewith. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials do not constitute an offer or solicitation to sell or purchase any securities and are not a commitment by Bank of America Corporation or any of its affiliates to provide or arrange any financing for any transaction or to purchase any security in connection therewith. These materials are for discussion purposes only and are subject to our review and assessment from a legal, compliance, accounting policy and risk perspective, as appropriate, following our discussion with the Company. We assume no obligation to update or otherwise revise these materials. These materials have not been prepared with a view toward public disclosure under applicable securities laws or otherwise, are intended for the benefit and use of the Company, and may not be reproduced, disseminated, quoted or referred to, in whole or in part, without our prior written consent. These materials may not reflect information known to other professionals in other business areas of Bank of America Corporation and its affiliates.

Bank of America Corporation and its affiliates (collectively, the "BAC Group") comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and strategic advisory services and other commercial services and products to a wide range of corporations, governments and individuals, domestically and offshore, from which conflicting interests or duties, or a perception thereof, may arise. In the ordinary course of these activities, parts of the BAC Group at any time may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt, equity or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Company, potential counterparties or any other company that may be involved in a transaction. Products and services that may be referenced in the accompanying materials may be provided through one or more affiliates of Bank of America Corporation. We have adopted policies and guidelines designed to preserve the independence of our research analysts. The BAC Group prohibits employees from, directly or indirectly, offering a favorable research rating or specific price target, or offering to change a rating or price target to a subject company as consideration or inducement for the receipt of business or for compensation and the BAC Group prohibits research analysts from being directly compensated for involvement in investment banking transactions. We are required to obtain, verify and record certain information that identifies the Company, which information includes the name and address of the Company and other information that will allow us to identify the Company in accordance, as applicable, with the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) and such other laws, rules and regulations as applicable within and outside the United States.

We do not provide legal, compliance, tax or accounting advice. Accordingly, any statements contained herein as to tax matters were neither written nor intended by us to be used and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on such taxpayer. If any person uses or refers to any such tax statement in promoting, marketing or recommending a partnership or other entity, investment plan or arrangement to any taxpayer, then the statement expressed herein is being delivered to support the promotion or marketing of the transaction or matter addressed and the recipient should seek advice based on its particular circumstances from an independent tax advisor. Notwithstanding anything that may appear herein or in other materials to the contrary, the Company shall be permitted to disclose the tax treatment and tax structure of a transaction (including any materials, opinions or analyses relating to such tax treatment or tax structure, but without disclosure of identifying information or, except to the extent relating to such tax structure or tax treatment, any nonpublic commercial or financial information) on and after the earliest to occur of the date of (i) public announcement of discussions relating to such transaction, (ii) public announcement of such transaction or (iii) execution of a definitive agreement (with or without conditions) to enter into such transaction; provided, however, that if such transaction is not consummated for any reason, the provisions of this sentence shall cease to apply.

BofAML IS NOT YOUR MUNICIPAL ADVISOR OR FIDUCIARY.

Bank of America Merrill Lynch ("BofAML") is providing the information contained herein for discussion purposes only either as an underwriter or in anticipation of being engaged to serve as an underwriter. BofAML is not acting as your "municipal advisor" within the meaning of Section 15B of the Securities Exchange Act of 1934, as amended (the "Act"), and does not owe a fiduciary duty to you pursuant to the Act with respect to the information and material contained in this communication. BofAML is serving as, or is seeking to serve as, an underwriter and not as a financial advisor or municipal advisor. The primary role of BofAML, as an underwriter, is to purchase securities with a view to distribution in an arm's-length commercial transaction between you and BofAML and BofAML has financial and other interests that differ from yours. BofAML is acting for its own interests. You should discuss any information and material contained in this communication with any and all of your own internal or external municipal and/or financial, legal, accounting, tax and other advisors and experts, as applicable, to the extent you deem appropriate before acting on this information or material.

MEMORANDUM

To: Florida Hurricane Catastrophe Fund

From: Citigroup Global Markets Inc.

Date: May 2, 2014

Re: May 2014 Capacity Analysis

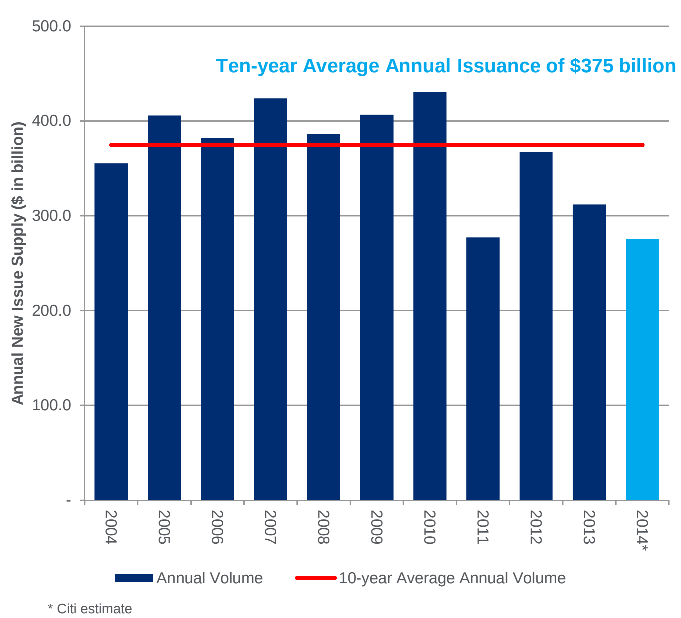
Citigroup is pleased to provide the Florida Hurricane Catastrophe Fund (the "FHCF") with an updated estimated post-event bond capacity analysis. Given the current market conditions and the dearth of supply in the tax exempt markets, our capacity estimates have increased slightly for the FHCF's tax exempt bonds. Furthermore, both our taxable and tax exempt indicative yields have decreased due to the reduction in both credit spreads as well as MMD and Treasury yields relative to our September 2013 update.

Current Market Conditions. The volatility in the fixed income markets still remains. However, after the severe sell-off that occurred in 2013, both Treasuries and Municipals have seen a healthy rally in 2014.

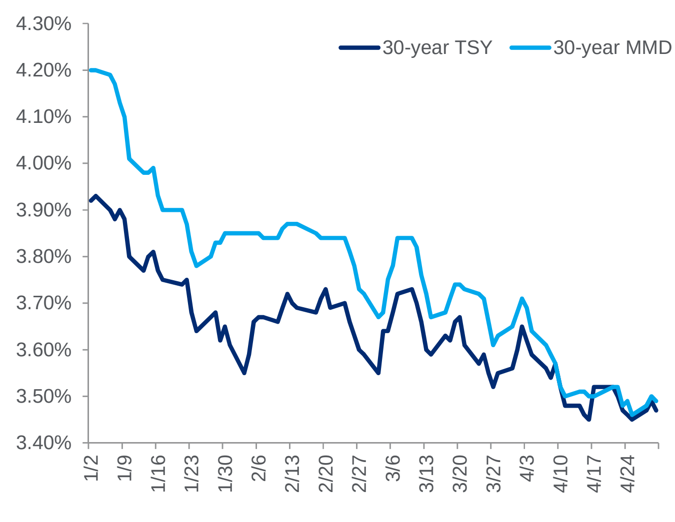
While the Federal Reserve recently announced a fourth $10 billion reduction to its quantitative easing program, the Treasury market is still showing a positive tone. Since the beginning of 2014, 10-year and 30-year Treasuries have rallied by 37 and 49 basis points, respectively. This could be attributed to the Fed reiterating that they will keep their benchmark interest rate close to zero for a considerable time, as well as geopolitical fears given the Russia/Ukraine situation and weaker housing and inventory numbers.

Municipals have not only benefited from the rally in the Treasury market, but the overall lack of new municipal supply has sent investors scrambling to purchase what little new issuance is being brought to the market. Net fund flows have turned positive for a majority of 2014, and 30-day visible supply still remains low. Overall issuance is down 30% year-over-year, and Citi estimates full-year 2014 supply to be a mere $275 billion. This confluence of events has had an extremely positive effect on municipal yields, as 10-year and 30-year MMD have rallied by 48 and 75 basis points, respectively, since the beginning of 2014. Furthermore, as evidenced by our enclosed scales, we have seen spreads tighten across the credit spectrum, further benefiting the FHCF should they need to access the debt capital markets.

Annual New Issue Supply Since 2004



30-year MMD and TSY yields



1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a “market” scale given the FHCF’s credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with 5.0% coupons throughout when writing the scale. Base the scale on an uninsured financing given the FHCF’s current underlying ratings of Aa3/AA-/AA (Moody’s / S&P / Fitch).

Tax-Exempt Scale				
Year	29-Apr MMD	MMD Spread	Coupon	Base Yield
2015	0.15%	20	5.00%	0.35%
2016	0.35%	30	5.00%	0.65%
2017	0.62%	40	5.00%	1.02%
2018	0.96%	50	5.00%	1.46%
2019	1.23%	60	5.00%	1.83%
2020	1.51%	70	5.00%	2.21%
2021	1.78%	75	5.00%	2.53%
2022	1.99%	75	5.00%	2.74%
2023	2.17%	75	5.00%	2.92%
2024	2.30%	75	5.00%	3.05%
2025	2.42%	80	5.00%	3.22%
2026	2.54%	90	5.00%	3.44%
2027	2.65%	100	5.00%	3.65%
2028	2.76%	110	5.00%	3.86%
2029	2.85%	120	5.00%	4.05%
2030	2.93%	130	5.00%	4.23%
2031	3.01%	130	5.00%	4.31%
2032	3.09%	130	5.00%	4.39%
2033	3.17%	130	5.00%	4.47%
2034	3.23%	130	5.00%	4.53%
2035	3.29%			
2036	3.34%			
2037	3.38%			
2038	3.41%			
2039	3.44%	130	5.00%	4.74%
2040	3.46%			
2041	3.48%			
2042	3.49%			
2043	3.50%			
2044	3.50%	130	5.00%	4.80%

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with par-ish coupons throughout when writing the scale. Base the scale on an uninsured financing given again the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).

Taxable Scale					
Year	**TSY Benchmark**	**29-Apr TSY**	**TSY Spread**	**Coupon**	**Base Yield**
2015	2 Yr	0.44%	40	0.840%	0.840%
2016	2 Yr	0.44%	60	1.040%	1.040%
2017		0.91%			
2018	5 Yr	1.74%	80	2.540%	2.540%
2019		1.74%			
2020		2.29%			
2021	7 Yr	2.29%	100	3.290%	3.290%
2022		2.71%			
2023		2.71%			
2024	10 Yr	2.71%	125	3.960%	3.960%
2025		2.71%			
2026		2.71%			
2027		2.71%			
2028		2.71%			
2029	10 Yr	2.71%	190	4.610%	4.610%
2030		3.49%			
2031		3.49%			
2032		3.49%			
2033		3.49%			
2034	30 Yr	3.49%	175	5.240%	5.240%
2035		3.49%			
2036		3.49%			
2037		3.49%			
2038		3.49%			
2039		3.49%			
2040		3.49%			
2041		3.49%			
2042		3.49%			
2043		3.49%			
2044	30 Yr	3.49%	190	5.390%	5.390%

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event market capacity over the next 0-12 and 12-24 months at rates that are at or above the current "market" scale, as needed. In addition, please include and describe briefly in your response if there is any overlap in tax-exempt / taxable capacity.

FHCF Post-Event Market Capacity			
Time Period	**Tax-Exempt**	**Taxable**	**Total**
0-12 Months	$2.5 bn	$4.0 bn	$6.5 bn
12-24 Months	$2.5 bn	$4.0 bn	$6.5 bn
Total	**$5.0 bn**	**$8.0 bn**	**$13.0 bn**

In connection with any proposed transaction, Citi will be acting solely as a principal and not as your agent, advisor, account manager or fiduciary. Citi has not assumed a fiduciary responsibility with respect to the proposed transaction, and nothing in this or in any prior relationship between you and Citi will be deemed to create an advisory, fiduciary or agency relationship between us in respect of a proposed transaction. You should consider carefully whether you would like to engage an independent advisor to represent or otherwise advise you in connection with any proposed transaction, if you have not already done so.

Any terms set forth herein are intended for discussion purposes only and are subject to the final terms as set forth in separate definitive written agreements. This presentation is not a commitment to lend, syndicate a financing, underwrite or purchase securities, or commit capital nor does it obligate us to enter into such a commitment. By accepting this presentation, subject to applicable law or regulation, you agree to keep confidential the existence of and proposed terms for any contemplated transaction.

The provision of information in this presentation is not based on your individual circumstances and should not be relied upon as an assessment of suitability for you of a particular product or transaction. Even if Citi possesses information as to your objectives in relation to any transaction, series of transactions or trading strategy, this will not be deemed sufficient for any assessment of suitability for you of any transaction, series of transactions or trading strategy.

This presentation is provided for information purposes and is intended for your use only. Except in those jurisdictions where it is impermissible to make such a statement, Citi hereby informs you that this presentation should not be considered as an offer to sell or the solicitation of an offer to purchase any securities or other financial products. This presentation does not constitute investment advice and does not purport to identify all risks or material considerations which should be considered when undertaking a transaction. Citi makes no recommendation as to the suitability of any of the products or transactions mentioned. Any trading or investment decisions you take are in reliance on your own analysis and judgment and/or that of your advisors and not in reliance on us.

Certain transactions, including those involving swaps and options, give rise to substantial risk including the potential loss of the principal amount invested, and are not suitable for all investors. Citi does not provide investment, accounting, tax, financial or legal advice; however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your independent advisors. Therefore, prior to entering into any transaction, you should determine, without reliance on Citi, the economic risks or merits, as well as the legal, tax and accounting characteristics and consequences of the transaction and that you are able to assume these risks. By acceptance of these materials, you and Citi hereby agree that from the commencement of discussions with respect to any transaction, and notwithstanding any other provision in this presentation, Citi hereby confirms that no participant in any transaction shall be limited from disclosing the U.S. tax treatment or U.S. tax structure of such transaction.

This presentation is not intended to forecast or predict future events. Past performance is not a guarantee or indication of future results. Any estimates and opinions included herein constitute Citi's judgment as of the date hereof and are subject to change without any notice.

This presentation may contain "forward-looking" information. Such information may include, but not be limited to, projections, forecasts or estimates of cash flows, yields or return, scenario analyses and proposed or expected portfolio composition. Any forward-looking information is based upon certain assumptions about future events or conditions and is intended only to illustrate hypothetical results under those assumptions (not all of which are specified herein or can be ascertained at this time). It does not represent actual termination or unwind prices that may be available to you. Actual events or conditions are unlikely to be consistent with, and may differ significantly from, those assumed. Illustrative performance results may be based on mathematical models that calculate those results by using inputs that are based on assumptions about a variety of future conditions and events and not all relevant events or conditions may have been considered in developing such assumptions. Accordingly, actual results may vary and the variations may be substantial. The products or securities identified in any of the illustrative calculations presented herein may therefore not perform as described and actual performance may differ, and may differ substantially, from those illustrated in this material. When evaluating any forward looking information you should understand the assumptions used and, together with your independent advisors, consider whether they are appropriate for your purposes.

Any securities or other financial products described herein may be subject to fluctuations of their mark-to market price or value. Such fluctuations may be substantial, depending on the type of securities or other financial products and the financial environment. In addition certain securities described in the presentation may provide for payments linked to or derived from prices or yields of one or more securities or other instruments or foreign currencies, and such provisions may result in negative fluctuations in the value of and the amounts payable with respect to such securities prior to or at redemption. You should consider the implication of such fluctuation with your independent accounting, tax and risk advisors.

Citi shall have no liability to you, the user or to third parties, for the quality, accuracy, timeliness, continued availability or completeness of the data nor for any special, direct, indirect, incidental or consequential loss or damage which may be experienced because of the use of the information in this presentation or otherwise arising in connection with this presentation, provided that this exclusion of liability shall not exclude or limit any liability under any law or regulation applicable to Citi that may not be excluded or restricted. These materials are intended for distribution solely to customers of Citi in jurisdictions where such distribution is permitted. The information contained herein is proprietary information of Citi and may not be reproduced or otherwise disseminated in whole or in part without Citi's prior written consent.

Citi often acts as (i) a market maker; (ii) an issuer of financial instruments and other products; and (iii) trades as principal in many different financial instruments and other products, and can be expected to perform or seek to perform investment banking and other services for the issuer of such financial instruments or other products. The author of this presentation may have discussed the information contained herein with others within or outside Citi and the author and/or such other Citi personnel may have already acted on the basis of this information (including by trading for Citi's proprietary accounts or communicating the information contained herein to other customers of Citi). Citi, Citi's personnel (including those with whom the author may have consulted in the preparation of this presentation), and other customers of Citi may be long or short the financial instruments or other products referred to in this presentation, may have acquired such positions at prices and market conditions that are no longer available, and may have interests different from or adverse to your interests.

Citi is required to obtain, verify and record certain information that identifies each entity that enters into a formal business relationship with Citi. Citi will ask for your complete name, street address, and taxpayer ID number. Citi may also request corporate formation documents, or other forms of identification, to verify information provided.

IRS Circular 230 Disclosure: Citi and its employees are not in the business of providing, and do not provide, tax or legal advice to any taxpayer outside of Citi. Any statements in this presentation regarding tax matters were not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

J.P.Morgan

To:	Florida Hurricane Catastrophe Fund
From:	J.P. Morgan
Date:	May 2, 2014
Subject:	Debt Capacity and Indicative Pricing

Please find below J.P. Morgan's estimate of the Florida Hurricane Catastrophe Fund's ("FHCF") potential bonding capacity over the next 0-12 and 12-24 months, based on current market conditions. In addition, we have provided indicative pricing for taxable and tax-exempt offerings, as requested.

Due to recent and favorable market conditions, we are revising our capacity estimates upward from our September 2013 submission. Market conditions for both the tax-exempt and taxable bonds continue to become more favorable for an FHCF issuance, and our current estimate includes a maximum FHCF issuance size of $18 billion over a 24 month window, across two or more offerings. The municipal market is in a period of significantly reduced primary issuance, with 2014's projected new issuance of $295 billion, down approximately 10% from 2013 and 38.4% from the recent maximum of $495 billion in 2010. The taxable fixed income markets also show considerable strength and depth, with large corporate bond issuances receiving very favorable reception, including the recent $17 billion offering by Apple in April 2014, and the $49 billion Verizon offering in September 2013 for which J.P. Morgan served as Bookrunner and Global Coordinator.

Indicative yields for both an FHCF tax-exempt or taxable offering have decreased since our September 2013 Capacity Analysis. Since our last analysis, 10-year MMD has decreased by 30 basis points, and 30-year MMD decreased by 70 basis points. Similarly, 10-year and 30-year Treasuries decreased by 6 and 20 basis points over this period, respectively. Tax-exempt and taxable credit spreads have also tightened relative to our September 2013 analysis. Tax-exempt estimated 30-year spreads fell by 10 basis points and 30-year taxable spreads fell by 100 basis points. These changes reflect the current rates at which comparable credits and FHCF secondary market trades are pricing in the market. Additional market information is provided below in the "Fixed Income Market Update" section, and in Appendix A.

***Potential Market Capacity*.** Based on current market conditions as of April 29, 2014, J.P. Morgan estimates that FHCF could sell $5-6 billion tax-exempt bonds and $3-4 billion taxable bonds over the next 0-12 months. Over the following 12-24 month period, FHCF could sell an additional $3-4 billion of tax-exempt bonds and $3-4 billion of taxable bonds. This would provide FHCF a total post-event market capacity of $8-10 billion tax-exempt and $6-8 billion taxable.

Please see the table below for potential market capacity over the next 0-12 and 12-24 months.

Indicative Market Capacity, as of April 29, 2014

Time Period	Tax-exempt	Taxable	Total
0 - 12 Months	$5-6 billion	$3-4 billion	$8-10 billion
12 - 24 Months	$3-4 billion	$3-4 billion	$6-8 billion
Total	**$8-10 billion**	**$6-8 billion**	**$14-18 billion**

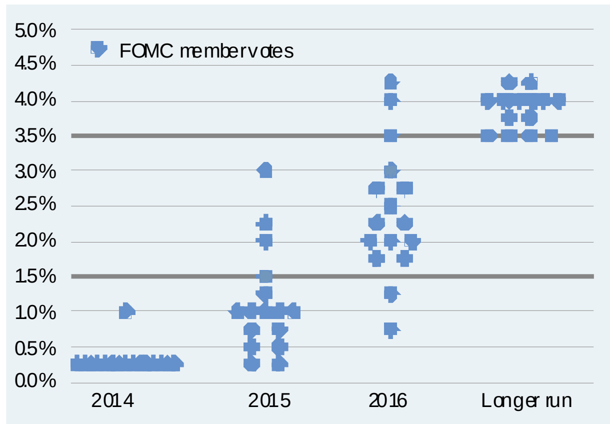
Indicative Capacity Detail, as of April 29, 2014

	0-12 Months	12-24 Months	Potential Total Capacity by Product
30-year Tax-exempt -- Current Rates	$3-4 billion	$2-3 billion	$5-7 billion
30-year Tax-exempt -- Unconstrained Rates	$5-6 billion	$3-4 billion	$8-10 billion
30-year Taxable -- Current Rates	$2-3 billion	$2-3 billion	$4-6 billion
30-year Taxable -- Unconstrained Rates	$3-4 billion	$3-4 billion	$6-8 billion

In order to accomplish an issuance of maximum size, FHCF would likely want to access both the tax-exempt and taxable markets across one or more offerings. Although the post-event bonds would qualify for tax-exemption, the taxable markets may provide additional depth of institutional buyers. By issuing taxable bonds in addition to tax-exempt bonds, FHCF would access certain investors that do not typically participate in tax-exempt offerings, and are not able to use the tax-exemption of municipal bonds. FHCF would likely see a significant increase in capacity by offering both a tax-exempt and taxable series as part of the same issuance, with the ultimate goal being to maximize the tax-exempt issuance. The capacity estimates above do consider the capacity overlap from investors that participate in both the tax-exempt and taxable markets, while prioritizing tax-exempt capacity over taxable.

Fixed Income Market Update. Both tax-exempt and taxable markets have experienced a significant rally for 2014YTD. 10- and 30-year MMD have decreased 49 and 71 basis points in 2014, respectively, while 10- and 30-year U.S. Treasuries have decreased 33 and 45 basis points. Throughout the balance of 2014 J.P. Morgan Research expects a gradually improving economy and a rising and steepening yield curve. We expect persistent, but moderate, gains in housing, as improved economic and employment conditions manifest in solid housing demand and improving buyer qualifications, thereby offsetting higher mortgage rates. Near term macro policy risk persists, as the new Federal Reserve chairperson, Janet Yellen, is charged with unwinding the unprecedented stimulus used to combat the impact of the Great Recession.

Fed Funds Target Rate Projections (year-end)



Source: Federal Reserve Board, March 19, 2014

J.P. Morgan projections for the Fed Funds rate remain low, at 0.10% throughout the balance of 2014. By the end of 2Q14, we expect the 10-year U.S. Treasury to be 23bps higher than current values. By mid-2014, our forecast calls for 10-year and 30-year U.S. Treasury yields to rise to 2.90% and 3.70%, respectively. By year-end, 10-year and 30-year Treasury bond yields are projected to be 3.40% and 4.10%. Municipal rate forecasts follow a similar pattern, with 10-year MMD forecasted to increase 73bps by year end, slightly more than the 59bps 30-year MMD projection. In addition to J.P. Morgan forecasts below, the Fed Funds target rate projections are provided by FOMC vote in the illustration to the above. Additional market information is also provided in Appendix A.

JPM U.S. Treasury Interest Rate Forecast (%)

	4/25/14	5/25/14	6/30/14	9/30/14	12/31/14	3/31/15
	Current	1m ahead Forecast	2Q14 Forecast	3Q14 Forecast	4Q14 Forecast	1Q15 Forecast
Fed Funds	**0.10**	0.10	0.10	0.10	0.10	0.15
3M LIBOR	**0.23**	0.24	0.24	0.25	0.30	0.35
2Y UST	**0.43**	0.45	0.50	0.70	0.90	1.00
5Y UST	**1.73**	1.80	1.90	2.25	2.45	2.55
10Y UST	**2.67**	2.75	2.90	3.20	3.40	3.50
30Y UST	**3.44**	3.60	3.70	3.95	4.10	4.20

JPM Tax-Exempt Yield Forecast (%)

	4/25/14	5/25/14	6/30/14	9/30/14	12/31/14
AAA MMD	Current	1m ahead Forecast	2Q14 Forecast	3Q14 Forecast	4Q14 Forecast
2Y	**0.35**	0.39	0.40	0.65	0.82
5Y	**1.19**	1.28	1.37	1.88	1.89
10Y	**2.27**	2.41	2.47	2.88	3.00
30Y	**3.46**	3.60	3.70	4.05	4.05
10Y MMD/ UST Ratio	**85.2%**	87.6%	85.2%	90.0%	88.2%
30Y MMD/ UST Ratio	**100.6%**	100.0%	100.0%	102.5%	98.8%

Source: Thomson Reuters Municipal Market Data; J.P. Morgan Research, *US Fixed Income Weekly - Municipals,* 4/25/2014, jpmm.com

On the following pages, please find J.P. Morgan's estimated 30-year tax-exempt and taxable scales assuming market conditions as of April 29, 2014. The scales assume FHCF's current underlying ratings of Aa3/AA-/AA. As market conditions change, we will review our estimates of FHCF's post-event pricing and capacity and promptly update FHCF and its Financial Advisor.

Florida Hurricane Catastrophe Fund Tax-Exempt Rates as of Close of Business April 29, 2014				
Maturity	**MMD**	**Coupon (%)**	**Yield (%)**	**Spread (bps)**
7/1/2015	0.15%	5.00%	0.35%	20
7/1/2016	0.35%	5.00%	0.65%	30
7/1/2017	0.62%	5.00%	1.02%	40
7/1/2018	0.96%	5.00%	1.46%	50
7/1/2019	1.23%	5.00%	1.78%	55
7/1/2020	1.51%	5.00%	2.11%	60
7/1/2021	1.78%	5.00%	2.43%	65
7/1/2022	1.99%	5.00%	2.69%	70
7/1/2023	2.17%	5.00%	2.92%	75
7/1/2024	2.30%	5.00%	3.08%	78
7/1/2025	2.42%	5.00%	3.22%	80
7/1/2026	2.54%	5.00%	3.34%	80
7/1/2027	2.65%	5.00%	3.45%	80
7/1/2028	2.76%	5.00%	3.56%	80
7/1/2029	2.85%	5.00%	3.65%	80
7/1/2030	2.93%	5.00%	3.73%	80
7/1/2031	3.01%	5.00%	3.81%	80
7/1/2032	3.09%	5.00%	3.89%	80
7/1/2033	3.17%	5.00%	3.97%	80
7/1/2034	3.23%	5.00%	4.03%	80
7/1/2035	3.29%			
7/1/2036	3.34%			
7/1/2037	3.38%			
7/1/2038	3.41%			
7/1/2039	3.44%	5.00%	4.24%	80
7/1/2040	3.46%			
7/1/2041	3.48%			
7/1/2042	3.49%			
7/1/2043	3.50%			
7/1/2044	3.50%	5.00%	4.30%	80

Florida Hurricane Catastrophe Fund Taxable Rates as of Close of Business April 29, 2014				
Maturity	**Treasury**	**Coupon (%)**	**Yield (%)**	**Spread (bps)**
7/1/2015	0.09%	0.49%	0.49%	40
7/1/2016	0.44%	0.94%	0.94%	50
7/1/2017	0.90%	1.55%	1.55%	65
7/1/2018	1.74%	2.19%	2.19%	45
7/1/2019	1.74%	2.64%	2.64%	90
7/1/2020	2.29%	3.09%	3.09%	80
7/1/2021	2.29%	3.39%	3.39%	110
7/1/2022	2.69%	3.64%	3.64%	95
7/1/2023	2.69%	3.84%	3.84%	115
7/1/2024	2.69%	3.94%	3.94%	125
7/1/2025	2.69%	4.09%	4.09%	140
7/1/2026	2.69%	4.24%	4.24%	155
7/1/2027	2.69%	4.39%	4.39%	170
7/1/2028	2.69%	4.49%	4.49%	180
7/1/2029	2.69%	4.59%	4.59%	190
7/1/2030	3.49%			
7/1/2031	3.49%			
7/1/2032	3.49%			
7/1/2033	3.49%			
7/1/2034	3.49%	4.84%	4.84%	135
7/1/2035	3.49%			
7/1/2036	3.49%			
7/1/2037	3.49%			
7/1/2038	3.49%			
7/1/2039	3.49%			
7/1/2040	3.49%			
7/1/2041	3.49%			
7/1/2042	3.49%			
7/1/2043	3.49%			
7/1/2044	3.49%	4.99%	4.99%	150

Disclosures

Analyst Certification: The research analyst(s) denoted by an "AC" on the cover of this report certifies (or, where multiple research analysts are primarily responsible for this report, the research analyst denoted by an "AC" on the cover or within the document individually certifies, with respect to each security or issuer that the research analyst covers in this research) that: (1) all of the views expressed in this report accurately reflect his or her personal views about any and all of the subject securities or issuers; and (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report.

Company-Specific Disclosures: Important disclosures, including price charts, are available for compendium reports and all J.P. Morgan–covered companies by visiting https://mm.jpmorgan.com/disclosures/company, calling 1-800-477-0406, or e-mailing research.disclosure.inquiries@jpmorgan.com with your request. J.P. Morgan's Strategy, Technical, and Quantitative Research teams may screen companies not covered by J.P. Morgan. For important disclosures for these companies, please call 1-800-477-0406 or e-mail research.disclosure.inquiries@jpmorgan.com.

Analysts' Compensation: The research analysts responsible for the preparation of this report receive compensation based upon various factors, including the quality and accuracy of research, client feedback, competitive factors, and overall firm revenues.

Other Disclosures
J.P. Morgan ("JPM") is the global brand name for J.P. Morgan Securities LLC ("JPMS") and its affiliates worldwide. J.P. Morgan Cazenove is a marketing name for the U.K. investment banking businesses and EMEA cash equities and equity research businesses of JPMorgan Chase & Co. and its subsidiaries.

Options related research: If the information contained herein regards options related research, such information is available only to persons who have received the proper option risk disclosure documents. For a copy of the Option Clearing Corporation's Characteristics and Risks of Standardized Options, please contact your J.P. Morgan Representative or visit the OCC's website at http://www.optionsclearing.com/publications/risks/riskstoc.pdf

Legal Entities Disclosures
U.S.: JPMS is a member of NYSE, FINRA, SIPC and the NFA. JPMorgan Chase Bank, N.A. is a member of FDIC and is authorized and regulated in the UK by the Financial Services Authority. **U.K.:** J.P. Morgan Securities plc (JPMS plc) is a member of the London Stock Exchange and is authorized and regulated by the Financial Services Authority. Registered in England & Wales No. 2711006. Registered Office 25 Bank Street, London, E14 5JP. **South Africa:** J.P. Morgan Equities South Africa Proprietary Limited is a member of the Johannesburg Securities Exchange and is regulated by the Financial Services Board. **Hong Kong:** J.P. Morgan Securities (Asia Pacific) Limited (CE number AAJ321) is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission in Hong Kong. **Korea:** J.P. Morgan Securities (Far East) Ltd, Seoul Branch, is regulated by the Korea Financial Supervisory Service. **Australia:** J.P. Morgan Australia Limited (JPMAL) (ABN 52 002 888 011/AFS Licence No: 238188) is regulated by ASIC and J.P. Morgan Securities Australia Limited (JPMSAL) (ABN 61 003 245 234/AFS Licence No: 238066) is regulated by ASIC and is a Market, Clearing and Settlement Participant of ASX Limited and CHI-X. **Taiwan:** J.P.Morgan Securities (Taiwan) Limited is a participant of the Taiwan Stock Exchange (company-type) and regulated by the Taiwan Securities and Futures Bureau. **India:** J.P. Morgan India Private Limited, having its registered office at J.P. Morgan Tower, Off. C.S.T. Road, Kalina, Santacruz East, Mumbai - 400098, is a member of the National Stock Exchange of India Limited (SEBI Registration Number - INB 230675231/INF 230675231/INE 230675231) and Bombay Stock Exchange Limited (SEBI Registration Number - INB 010675237/INF 010675237) and is regulated by Securities and Exchange Board of India. **Thailand:** JPMorgan Securities (Thailand) Limited is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Indonesia:** PT J.P. Morgan Securities Indonesia is a member of the Indonesia Stock Exchange and is regulated by the BAPEPAM LK. **Philippines:** J.P. Morgan Securities Philippines Inc. is a Trading Participant of the Philippine Stock Exchange and a member of the Securities Clearing Corporation of the Philippines and the Securities Investor Protection Fund. It is regulated by the Securities and Exchange Commission. **Brazil:** Banco J.P. Morgan S.A. is regulated by the Comissao de Valores Mobiliarios (CVM) and by the Central Bank of Brazil. **Mexico:** J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero is a member of the Mexican Stock Exchange and authorized to act as a broker dealer by the National Banking and Securities Exchange Commission. **Singapore:** This material is issued and distributed in Singapore by J.P. Morgan Securities Singapore Private Limited (JPMSS) [MIC (P) 049/04/2013 and Co. Reg. No.: 199405335R] which is a member of the Singapore Exchange Securities Trading Limited and is regulated by the Monetary Authority of Singapore (MAS) and/or JPMorgan Chase Bank, N.A., Singapore branch (JPMCB Singapore) which is regulated by the MAS. **Japan**: JPMorgan Securities Japan Co., Ltd. is regulated by the Financial Services Agency in Japan. **Malaysia:** This material is issued and distributed in Malaysia by JPMorgan Securities (Malaysia) Sdn Bhd (18146-X) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets Services License issued by the Securities Commission in Malaysia. **Pakistan:** J. P. Morgan Pakistan Broking (Pvt.) Ltd is a member of the Karachi Stock Exchange and regulated by the Securities and Exchange Commission of Pakistan. **Saudi Arabia:** J.P. Morgan Saudi Arabia Ltd. is authorized by the Capital Market Authority of the Kingdom of Saudi Arabia (CMA) to carry out dealing as an agent, arranging, advising and custody, with respect to securities business under licence number 35-07079 and its registered address is at 8th Floor, Al-Faisaliyah Tower, King Fahad Road, P.O. Box 51907, Riyadh 11553, Kingdom of Saudi Arabia. **Dubai:** JPMorgan Chase Bank, N.A., Dubai Branch is regulated by the Dubai Financial Services Authority (DFSA) and its registered address is Dubai International Financial Centre - Building 3, Level 7, PO Box 506551, Dubai, UAE.

Country and Region Specific Disclosures
U.K. and European Economic Area (EEA): Unless specified to the contrary, issued and approved for distribution in the U.K. and the EEA by JPMS plc. Investment research issued by JPMS plc has been prepared in accordance with JPMS plc's policies for managing conflicts of interest arising as a result of publication and distribution of investment research. Many European regulators require a firm to establish, implement and maintain such a policy. This report has been issued in the U.K. only to persons of a kind described in Article 19 (5), 38, 47 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is only available to relevant persons and will be engaged in only with relevant persons. In other EEA countries, the report has been issued to persons regarded as professional investors (or equivalent) in their home jurisdiction. **Australia:** This material is issued and distributed by JPMSAL in Australia to "wholesale clients" only. This material does not take into account the specific investment objectives, financial situation or particular needs of the recipient. The recipient of this material must not distribute it to any third party or outside Australia without the prior written consent of JPMSAL. For the purposes of this paragraph the term "wholesale client" has the meaning given in section 761G of the Corporations Act 2001. **Germany:** This material is distributed in Germany by J.P. Morgan Securities plc, Frankfurt Branch and J.P.Morgan Chase Bank, N.A., Frankfurt Branch which are regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht. **Hong Kong:** The 1% ownership disclosure as of the previous month end satisfies the requirements under Paragraph 16.5(a) of the Hong Kong Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission. (For research published within the first ten days of the month, the disclosure may be based on the month end data from two months prior.) J.P. Morgan Broking (Hong Kong) Limited is the liquidity provider/market maker for derivative warrants, callable bull bear contracts and stock options listed on the Stock Exchange of Hong Kong Limited. An updated list can be found on HKEx website: http://www.hkex.com.hk. **Japan:** There is a risk that a loss may occur due to a change in the price of the shares in the case of share trading, and that a loss may occur due to the exchange rate in the case of foreign share trading. In the case of share trading, JPMorgan Securities Japan Co., Ltd., will be receiving a brokerage fee and consumption tax (shouhizei) calculated by multiplying the executed price by the commission rate which was individually agreed between JPMorgan Securities Japan Co., Ltd., and the customer in advance. Financial Instruments Firms: JPMorgan Securities Japan Co., Ltd., Kanto Local Finance Bureau (kinsho) No. 82 Participating Association / Japan Securities Dealers Association, The Financial Futures Association of Japan, Type II Financial Instruments Firms Association and Japan Investment Advisers Association. **Korea:** This report may have been edited or contributed to from time to time by affiliates of J.P. Morgan Securities (Far East) Ltd, Seoul Branch. **Singapore:** JPMSS and/or its affiliates may have a holding in any of the securities discussed in this report; for securities where the holding is 1% or greater, the specific holding is disclosed in the Important Disclosures section above. **India:** For private circulation only, not for sale. **Pakistan:** For private circulation only, not for sale. **New Zealand:** This material is issued and distributed by JPMSAL in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money. JPMSAL does not issue or distribute this material to members of "the public" as determined in accordance with section 3 of the Securities Act 1978. The recipient of this material must not distribute it to any third party or outside New Zealand without the prior written consent of JPMSAL. **Canada:** The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, or solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. The information contained herein is under no circumstances to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed judgment upon these materials, the information contained herein or the merits of the securities described herein, and any representation to the contrary is an offence. **Dubai:** This report has been issued to persons regarded as professional clients as defined under the DFSA rules. **Brazil**: Ombudsman J.P. Morgan: 0800-7700847 / ouvidoria.jp.morgan@jpmorgan.com.

General: Additional information is available upon request. Information has been obtained from sources believed to be reliable but JPMorgan Chase & Co. or its affiliates and/or subsidiaries (collectively J.P. Morgan) do not warrant its completeness or accuracy except with respect to any disclosures relative to JPMS and/or its affiliates and the analyst's involvement with the issuer that is the subject of the research. All pricing is as of the close of market for the securities discussed, unless otherwise stated. Opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The opinions and recommendations herein do not take into account individual client circumstances, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies to particular clients. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein. JPMS distributes in the U.S. research published by non-U.S. affiliates and accepts responsibility for its contents. Periodic updates may be provided on companies/industries based on company specific developments or announcements, market conditions or any other publicly available information. Clients should contact analysts and execute transactions through a J.P. Morgan subsidiary or affiliate in their home jurisdiction unless governing law permits otherwise.

"Other Disclosures" last revised March 30, 2013.

Disclaimer

This presentation was prepared exclusively for the benefit and internal use of the J.P. Morgan client to whom it is directly addressed and delivered (including such client's affiliates, the "Client") in order to assist the Client in evaluating, on a preliminary basis, the feasibility of possible transactions referenced herein. The materials have been provided to the Client for informational purposes only and may not be relied upon by the Client in evaluating the merits of pursuing transactions described herein. No assurance can be given that any transaction mentioned herein could in fact be executed.

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. Opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results. Any financial products discussed may fluctuate in price or value. This presentation does not constitute a commitment by any J.P. Morgan entity to underwrite, subscribe for or place any securities or to extend or arrange credit or to provide any other services.

J.P. Morgan's presentation is delivered to you for the purpose of being engaged as an underwriter, not as an advisor, (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)) . The role of an underwriter and its relationship to an issuer of debt is not equivalent to the role of an independent financial advisor. The primary role of an underwriter is to purchase, or arrange for the purchase of, securities in an arm's-length commercial transaction between the issuer and the underwriter. An underwriter has financial and other interests that differ from those of the issuer. If selected as your underwriter, J.P. Morgan will be acting as a principal and not as your agent or your fiduciary with respect to the offering of the securities or the process leading to issuance (whether or not J.P. Morgan or any affiliate has advised or is currently advising the Client on other matters). Any portion of this presentation which provides information on municipal financial products or the issuance of municipal securities is given in response to your questions or to demonstrate our experience in the municipal markets and does not constitute "advice" within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. We encourage you to consult with your own legal and financial advisors to the extent you deem appropriate in connection with the offering of the securities. If you have any questions concerning our intended role and relationship with you, we would be happy to discuss this with you further.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

This material is not a product of the Research Departments of J.P. Morgan Securities LLC ("JPMS") and is not a research report. Unless otherwise specifically stated, any views or opinions expressed herein are solely those of the authors listed, and may differ from the views and opinions expressed by JPMS's Research Departments or other departments or divisions of JPMS and its affiliates. Research reports and notes produced by the Research Departments of JPMS are available from your Registered Representative or at http://www.morganmarkets.com. JPMS's policies prohibit employees from offering, directly or indirectly, a favorable research rating or specific price target, or offering to change a rating or price target, to a subject Client as consideration or inducement for the receipt of business or for compensation. JPMS also prohibits its research analysts from being compensated for involvement in investment banking transactions except to the extent that such participation is intended to benefit investors.

J.P. Morgan makes no representations as to the legal, tax, credit, or accounting treatment of any transactions mentioned herein, or any other effects such transactions may have on you and your affiliates or any other parties to such transactions and their respective affiliates. You should consult with your own advisors as to such matters.

IRS Circular 230 Disclosure: JPMorgan Chase & Co. and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters included herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone not affiliated with JPMorgan Chase & Co. of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

This presentation does not carry any right of publication or disclosure, in whole or in part, to any other party, without the prior consent of J.P. Morgan. Additional information is available upon request.

J.P. Morgan is the marketing name for the investment banking activities of JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC (member, NYSE), J.P. Morgan Securities plc (authorized by the FSA and member, LSE) and their investment banking affiliates.

One or more of the services included in this Invitation to Negotiate may be considered municipal advisory activities under the final rules (SEC Rel. No. 34-70462 (Sept. 20, 2013)) (such final rules and to the extent referenced therein, Section 975, the "Municipal Advisor Rules"), implementing Section 975 ("Section 975") of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

We may not be able to perform some of the services you may request of us from time to time in connection with the engagement on which you are requesting information, unless we have confirmed that such requested services do not cause us to be considered a "municipal advisor" under the Municipal Advisor Rules or are otherwise excluded or exempt under the

Municipal Advisor Rules. We are responding to the ITN to serve as an underwriter, and not as a municipal advisor. Any certifications, guarantees, warranties and agreements, with respect to our ability to perform the services described in the ITN or otherwise requested by you in connection with this engagement are hereby qualified and may only be performed to the extent that any such services may be performed without causing us to be considered a "municipal advisor" under the Municipal Advisor Rules.

Morgan Stanley

Memorandum

To: Florida Hurricane Catastrophe Fund

Date: May 2, 2014

From: Morgan Stanley

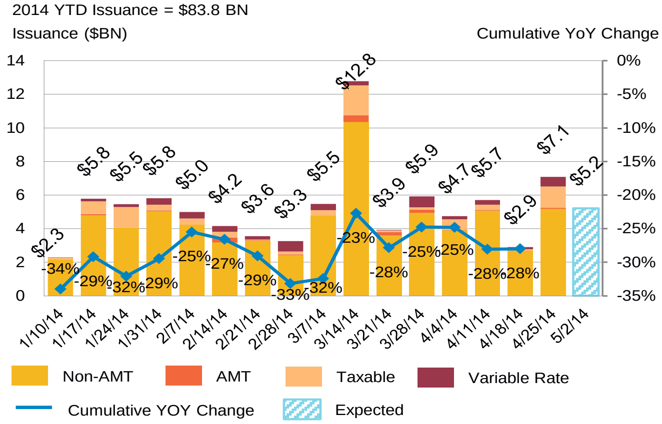
Subject: Florida Hurricane Catastrophe Fund Financing Corporation, May 2014 Capacity Analysis

Morgan Stanley is pleased to provide its estimate of Florida Hurricane Catastrophe Fund's ("FHCF") post-event bonding capacity. Much has changed in the municipal market since this time last year, particularly new issue volume. New issue volumes have dipped significantly from already low numbers in 2013. Municipal market technicals are strong in the current market, in part due to light volumes and positive inflows into municipal bond funds. Year-to-date issuance totaled just under $84 billion as of last week, representing a decrease of 28% relative to 2013 levels. With a shortage of municipal bond supply, most transactions continue to be well received by the market. Investors across all asset classes continue to struggle to find yield. We have seen new investors, not typically buyers of municipal bonds, take sizeable positions where ample yield exists, such as the $3.5 billion Puerto Rico deal that priced mid-March.

Additionally, rates have decreased in recent months in both the tax-exempt and taxable markets. 30-year MMD has decreased 23 bps since March 1, and the 30-year US Treasury has rallied 14 bps over the same period. Treasury rates remain slightly rich to MMD rates in the long end of the yield curve, and posted significant long-end-led gains Thursday after a mixed batch of economic data ahead of Friday's key employment report. ***Given the current issuance volume, rate environment and investor appetite, we are confident that the FHCF could successfully issue several billion in the coming months.***

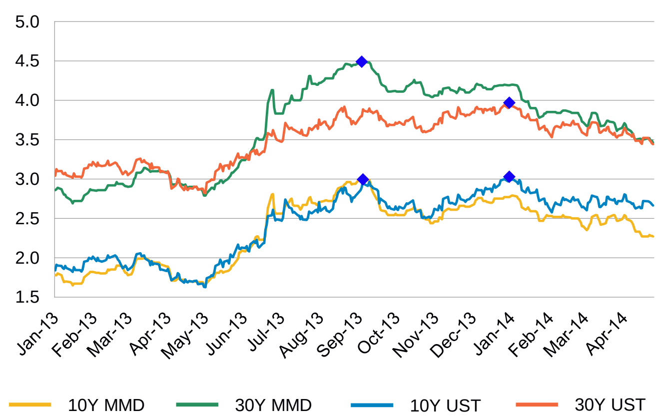
Weekly Long-Term Municipal New Issuance Volume

2014 YTD Issuance = $83.8 BN



Historical Interest Rates

2013 and 2014 YTD Yields (%)



Morgan Stanley

1. **Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with 5.0% coupons throughout when writing the scale. Base the scale on an uninsured financing given the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).**

Tax-Exempt 30-Year Scale

Year	Maturity	MMD (4/29/2014)	Spread	Coupon	Yield
1	2015	0.160%	25	5.000%	0.410%
2	2016	0.360%	35	5.000%	0.710%
3	2017	0.640%	45	5.000%	1.090%
4	2018	0.980%	55	5.000%	1.530%
5	2019	1.250%	65	5.000%	1.900%
6	2020	1.530%	75	5.000%	2.280%
7	2021	1.800%	80	5.000%	2.600%
8	2022	2.010%	85	5.000%	2.860%
9	2023	2.190%	90	5.000%	3.090%
10	2024	2.320%	95	5.000%	3.270%
11	2025	2.440%	100	5.000%	3.440%
12	2026	2.560%	100	5.000%	3.560%
13	2027	2.660%	100	5.000%	3.660%
14	2028	2.760%	100	5.000%	3.760%
15	2029	2.850%	100	5.000%	3.850%
16	2030	2.930%	100	5.000%	3.930%
17	2031	3.010%	100	5.000%	4.010%
18	2032	3.090%	100	5.000%	4.090%
19	2033	3.170%	100	5.000%	4.170%
20	2034	3.230%	100	5.000%	4.230%
21	2035	3.290%			
22	2036	3.340%			
23	2037	3.380%			
24	2038	3.410%			
25	2039	3.440%			
26	2040	3.460%			
27	2041	3.480%			
28	2042	3.490%			
29	2043	3.500%			
30	2044	3.500%	100	5.000%	4.500%

2. **Please provide a 30-year taxable scale using the Treasury curve at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with par-ish coupons throughout when writing the scale. Base the scale on an uninsured financing given again the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).**

Taxable 30-Year Scale

Year	Maturity	UST (4/29/2014)	Spread	Coupon	Yield
1	2015	0.440%	60	1.040%	1.040%
2	2016	0.440%	75	1.190%	1.190%
3	2017	0.898%	90	1.798%	1.798%
4	2018	1.739%	75	2.489%	2.489%
5	2019	1.739%	110	2.839%	2.839%
6	2020	2.290%	95	3.240%	3.240%
7	2021	2.290%	130	3.590%	3.590%
8	2022	2.692%	115	3.842%	3.842%
9	2023	2.692%	135	4.042%	4.042%
10	2024	2.692%	150	4.192%	4.192%
11	2025	2.692%			
12	2026	2.692%			
13	2027	2.692%			
14	2028	2.692%			
15	2029	2.692%	210	4.792%	4.792%
16	2030	3.490%			
17	2031	3.490%			
18	2032	3.490%			
19	2033	3.490%			
20	2034	3.490%	175	5.240%	5.240%
21	2035	3.490%			
22	2036	3.490%			
23	2037	3.490%			
24	2038	3.490%			
25	2039	3.490%			
26	2040	3.490%			
27	2041	3.490%			
28	2042	3.490%			
29	2043	3.490%			
30	2044	3.490%	187.5	5.365%	5.365%

3. **Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event market capacity over the next 0-12 and 12-24 months at rates that are at or above the current "market" scale, as needed. In addition, please include and describe briefly in your response if there is any overlap in tax-exempt / taxable capacity.**

FHCF Post-Event Market Capacity ($ in Billions)			
Time Period	**Tax-Exempt**	**Taxable**	**Total**
0-12 Months	3-4	3.5-4	6.5-8
12-24 Months	3-4	4-5	7-9

Morgan Stanley

G-23 Disclosure

Morgan Stanley is providing the information contained in this document for discussion purposes only in anticipation of serving as underwriter to the Florida Hurricane Catastrophe Fund (the "FHCF"). The primary role of Morgan Stanley, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the FHCF and Morgan Stanley and that Morgan Stanley has financial and other interests that differ from those of the FHCF. Morgan Stanley is not acting as a municipal advisor, financial advisor or fiduciary to the FHCF or any other person or entity. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. The FHCF should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the FHCF would like a municipal advisor in this transaction that has legal fiduciary duties to the FHCF, then the FHCF is free to engage a municipal advisor to serve in that capacity.

Disclaimer

This information was prepared by Morgan Stanley sales, trading, banking or other non-research personnel. This is not a research report and the views or information contained herein should not be viewed as independent of the interest of Morgan Stanley trading desks. Such interest may conflict with your interests and recipients should be mindful of such potential conflicts of interest when reviewing this information. The views of the trading desk may differ from those of the Research Department or others at Morgan Stanley. Morgan Stanley may deal as principal in or own or act as market maker or liquidity provider for the securities/instruments (or related derivatives) mentioned herein. The trading desks may engage in a variety of trading activities (which may conflict with the position an investor may have) before or after providing this information, including accumulation of a position in the subject securities/instruments based on the information contained herein or otherwise. Morgan Stanley may also perform or seek to perform investment banking services for the issuers of the securities and instruments mentioned herein. Morgan Stanley is not a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice, including within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Please see additional important information and qualifications at the end of this material.

This material was prepared by sales, trading, banking or other non-research personnel of one of the following: Morgan Stanley & Co. LLC, Morgan Stanley & Co. International plc, Morgan Stanley MUFG Securities Co., Ltd., Morgan Stanley Capital Group Inc. and/or Morgan Stanley Asia Limited (together with their affiliates, hereinafter "Morgan Stanley"). Unless otherwise indicated, the views herein (if any) are the author's and may differ from those of the Morgan Stanley Research Department or others in the Firm. This information should be treated as confidential and is being delivered to sophisticated prospective investors in order to assist them in determining whether they have an interest in the type of instruments described herein and is solely for internal use.

This material does not provide investment advice or offer tax, regulatory, accounting or legal advice. By submitting this document to you, Morgan Stanley is not advising you to take any particular action based on the information, opinions or views contained in this document, and acceptance of such document will be deemed by you acceptance of these conclusions. You should consult with your own municipal, financial, accounting and legal advisors regarding the information, opinions or views contained in this document. Unless stated otherwise, the material contained herein has not been based on a consideration of any individual client circumstances and as such should not be considered to be a personal recommendation. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

This material has been prepared for information purposes only and is not a solicitation of any offer to buy or sell any security, commodity, futures contract or instrument or related derivative (hereinafter "instrument") or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the instrument or trading strategy and received all information it required to make its own investment decision, including, where applicable, a review of any prospectus, prospectus supplement, offering circular or memorandum describing such instrument or trading strategy. That information would supersede this material and contain information not contained herein and to which prospective participants are referred. If this material is being distributed in connection with or in advance of the issuance of asset backed securities, information herein regarding any assets backing any such securities supersedes all prior information regarding such assets. Unless otherwise specifically indicated, all information in these materials with respect to any third party entity not affiliated with Morgan Stanley has been provided by, and is the sole responsibility of, such third party and has not been independently verified by Morgan Stanley or its affiliates or any other independent third party. We have no obligation to tell you when information herein is stale or may change. We make no express or implied representation or warranty with respect to the accuracy or completeness of this material, nor are we obligated to provide updated information on the instruments mentioned herein. Further, we disclaim any and all liability relating to this material.

To the extent any prices or price levels are noted, they are for informational purposes only and are not intended for use by third parties, and are indicative as of the date shown and are not a commitment by Morgan Stanley to trade at any price.

This material may have been prepared by or in conjunction with Morgan Stanley trading desks that may deal as principal in or own or act as market maker or liquidity provider for the instruments or issuers mentioned herein and may also seek to advise issuers of such instruments. Where you provide us with information relating to your order or proposed transaction ("Information"), we may use that Information to facilitate the execution of your orders or transactions, in managing our market making, other counterparty facilitation activities or otherwise in carrying out our legitimate business (which may include, but is not limited to, hedging a risk or otherwise limiting the risks to which we are exposed). Counterparty facilitation activities may include, without limitation, us taking a principal position in relation to providing counterparties with quotes or as part of the ongoing management of inventories used to facilitate counterparties. Where we commit our capital in relation to either ongoing management of inventories used to facilitate clients, or in relation to providing you with quotes we may make use of that information to enter into transactions that subsequently enable us to facilitate clients on terms that are competitive in the prevailing market conditions. Trading desk materials are not independent of the proprietary interests of Morgan Stanley, which may conflict with your interests. Morgan Stanley may also perform or seek to perform investment banking services for the issuers of instruments mentioned herein.

The value of and income from investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities, prices of instruments or securities, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in instruments (or related derivatives) transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Morgan Stanley does not represent that any such assumptions will reflect actual future events or that all assumptions have been considered or stated. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. Some of the information contained in this document may be aggregated data of transactions executed by Morgan Stanley that has been compiled so as not to identify the underlying transactions of any particular customer.

Notwithstanding anything herein to the contrary, Morgan Stanley and each recipient hereof agree that they (and their employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the U.S. federal and state income tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to the tax treatment and tax structure. For this purpose, "tax structure" is limited to facts relevant to the U.S. federal and state income tax treatment of the transaction and does not include information relating to the identity of the parties, their affiliates, agents or advisors

This information is not intended to be provided to and may not be used by any person or entity in any jurisdiction where the provision or use thereof would be contrary to applicable laws, rules or regulations.

For additional information, research reports and important disclosures see https://secure.ms.com/servlet/cls. The trademarks and service marks contained herein are the property of their respective owners. Third-party data providers make no warranties or representations of any kind relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data.

This material may not be redistributed without the prior written consent of Morgan Stanley.

Government & Institutional Banking
Public Finance
Southeast Region
2363 Gulf-to-Bay Boulevard
Clearwater, Florida 33765
(727) 953-1073

WELLS FARGO SECURITIES

To: Florida Hurricane Catastrophe Fund

From: Wells Fargo Securities

Date: May 2, 2014

Re: Florida Hurricane Catastrophe Fund Bonding Capacity Analysis for May 2014

Wells Fargo Securities is pleased to provide the Florida Hurricane Catastrophe Fund ("FHCF") with our estimate of FHCF bonding capacity as of April 29, 2014. Below please find our estimate of current market tax-exempt and taxable scales and spreads along with our estimate of bonding capacity for 0-12 and 12-24 months assuming unconstrained spreads. Please feel free to contact any of the Wells Fargo team if we can provide additional information or address any questions.

1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with 5.0% coupons throughout when writing the scale. Base the scale on an uninsured financing given the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).

Florida Hurricane Catastrophe Fund Tax-Exempt Scale Rates as of April 29, 2014				
Maturity	**Coupon**	**MMD**	**Spread**	**Yield**
7/1/2015	5.000%	0.150%	0.200%	0.350%
7/1/2016	5.000%	0.350%	0.300%	0.650%
7/1/2017	5.000%	0.620%	0.400%	1.020%
7/1/2018	5.000%	0.960%	0.450%	1.410%
7/1/2019	5.000%	1.230%	0.500%	1.730%
7/1/2020	5.000%	1.510%	0.550%	2.060%
7/1/2021	5.000%	1.780%	0.600%	2.380%
7/1/2022	5.000%	1.990%	0.650%	2.640%
7/1/2023	5.000%	2.170%	0.700%	2.870%
7/1/2024	5.000%	2.300%	0.750%	3.050%
7/1/2025	5.000%	2.420%	0.800%	3.220%
7/1/2026	5.000%	2.540%	0.800%	3.340%
7/1/2027	5.000%	2.650%	0.800%	3.450%
7/1/2028	5.000%	2.760%	0.800%	3.560%
7/1/2029	5.000%	2.850%	0.800%	3.650%
7/1/2030	5.000%	2.930%	0.800%	3.730%
7/1/2031	5.000%	3.010%	0.800%	3.810%
7/1/2032	5.000%	3.090%	0.800%	3.890%
7/1/2033	5.000%	3.170%	0.800%	3.970%
7/1/2034	5.000%	3.230%	0.800%	4.030%
7/1/2035				
7/1/2036				
7/1/2037				
7/1/2038				
7/1/2039	5.000%	3.440%	0.800%	4.240%
7/1/2040				
7/1/2041				
7/1/2042				
7/1/2043				
7/1/2044	5.000%	3.500%	0.800%	4.300%

Government & Institutional Banking
Public Finance
Southeast Region
2363 Gulf-to-Bay Boulevard
Clearwater, Florida 33765
(727) 953-1072

WELLS FARGO SECURITIES

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business tomorrow (Tuesday, April 29th). This scale should be the one that you believe reflects a "market" scale given the FHCF's credit with no capacity constraints. Please use 30 years of serial bonds (7/1/15 - 7/1/44) with par-ish coupons throughout when writing the scale. Base the scale on an uninsured financing given again the FHCF's current underlying ratings of Aa3/AA-/AA (Moody's / S&P / Fitch).

Florida Hurricane Catastrophe Fund
Taxable Scale
Rates as of April 29, 2014

Maturity	Coupon	UST	Spread	Yield
7/1/2015	0.610%	0.110%	0.500%	0.610%
7/1/2016	1.040%	0.440%	0.600%	1.040%
7/1/2017	1.610%	0.910%	0.700%	1.610%
7/1/2018	2.140%	1.740%	0.400%	2.140%
7/1/2019	2.640%	1.740%	0.900%	2.640%
7/1/2020	3.090%	2.290%	0.800%	3.090%
7/1/2021	3.390%	2.290%	1.100%	3.390%
7/1/2022	3.610%	2.710%	0.900%	3.610%
7/1/2023	3.810%	2.710%	1.100%	3.810%
7/1/2024	3.960%	2.710%	1.250%	3.960%
7/1/2025				
7/1/2026				
7/1/2027				
7/1/2028				
7/1/2029				
7/1/2030				
7/1/2031				
7/1/2032				
7/1/2033				
7/1/2034	4.790%	3.490%	1.300%	4.790%
7/1/2035				
7/1/2036				
7/1/2037				
7/1/2038				
7/1/2039				
7/1/2040				
7/1/2041				
7/1/2042				
7/1/2043				
7/1/2044	4.990%	3.490%	1.500%	4.990%

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event market capacity over the next 0-12 and 12-24 months at rates that are at or above the current "market" scale, as needed. In addition, please include and describe briefly in your response if there is any overlap in tax-exempt / taxable capacity.

FHCF Post-Event Market Capacity

Time Period	Tax-Exempt	Taxable	Total
0-12 Months	$7.0 - $10.0 billion	$3.0 - $4.0 billion	$10.0 -$14.0 billion
12-24 Months	$3.0 - $5.0 billion	$1.0 - $2.0 billion	$4.0 - $7.0 billion
0-24 Months Total	$10.0 - $15.0 billion	$4.0 - $6.0 billion	$14.0 - $21.0 billion

The capacity estimates shown in the table above assume FHCF would issue debt at higher interest rates than the current "market" tax-exempt and taxable scales that we have provided in our response to questions 1 and 2. Also, please note that there is an overlap between the buyers of taxable and tax-exempt FHCF bonds and a transaction in one market is likely to reduce the available capacity in the other market.

Government & Institutional Banking
Public Finance
Southeast Region
2363 Gulf-to-Bay Boulevard
Clearwater, Florida 33765
(727) 953-1072

Important Disclosures

This document and any other materials accompanying this document (collectively, the "Materials") are provided for general informational purposes only. By accepting any Materials, the recipient acknowledges and agrees to the matters set forth below.

Wells Fargo Securities ("WFS") is providing these Materials to you for discussion purposes only in anticipation of serving as an underwriter or placement agent (collectively referred to herein as "underwriter") to you. We understand that you cannot make a commitment at this time with respect to designating senior managers or co-managers of the syndicate or any level of allocation with respect to the transaction described in the Materials. As part of our services as underwriter, WFS may provide advice concerning the structure, timing, terms, and other similar matters concerning the issue of municipal securities that WFS proposes to underwrite as described in the Materials. The Materials may also contain such advice. Any such advice has been, and would be, provided by WFS in the context of serving as an underwriter and not as your financial advisor. In our capacity as underwriter, our primary role would be to purchase securities from you (or the issuer in the case of a conduit transaction) for resale to investors, or arrange for the placement of securities with investors on your behalf, in an arm's length commercial transaction between you and WFS in which WFS would be acting solely as a principal or agent, as applicable, and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity regardless of whether we, or an affiliate has or is currently acting as such on a separate transaction (the use of the term "agent" does not imply any fiduciary relationship). As underwriter, WFS' financial and other interests differ from your (or the issuer's) interests. The information in the Materials is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. WFS is not expressing an opinion about whether or not you should enter into any swap transaction in this presentation nor in any conversation between you and WFS with respect to the materials addressed in this presentation. WFS will not have any duties or liability to any person or entity in connection with the information being provided in the Materials. You should consult with your own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent you deem appropriate. If you would like a municipal advisor that has legal fiduciary duties to you, you are certainly free to engage a municipal advisor to serve in that capacity.

Transactions referenced in the Materials which are attributed to Wells Fargo or to WFS may include transactions executed by a Wachovia Corporation or Wells Fargo & Company ("WFC") broker/dealer affiliate or by other municipal securities dealers and/or broker/dealers which were acquired by Wachovia Corporation or WFC.

WFS distributes municipal securities to institutional investors primarily through WFBNA and Wells Fargo Securities, LLC ("WFSLLC"). Distribution to middle market clients is provided primarily through WFSLLC and Wells Fargo Institutional Securities, LLC ("WFIS"). Retail distribution is primarily provided by Wells Fargo Advisors, which is the trade name used by Wells Fargo Advisors, LLC ("WFA") and Wells Fargo Advisors Financial Network, LLC ("WFAFN"), two non-bank separate registered broker-dealers (members FINRA and SIPC). WFSLLC, WFIS, WFBNA, WFA, and WFAFN are affiliates and are each wholly owned subsidiaries of WFC.

In the event that the Materials include information related to a bank-purchased bond transaction ("Direct Purchase"), please be advised that Direct Purchase is a product offering of Wells Fargo Bank, N.A. or a subsidiary thereof ("Purchaser") as purchaser / investor. WFS will not participate in any manner in any Direct Purchase transaction between you and Purchaser, and Wells Fargo employees involved with a Direct Purchase transaction are not acting on behalf of or as representatives of WFS. The information contained herein regarding Purchaser's Direct Purchase is being provided to you by WFS only for purposes of providing you , pursuant to your request, financing alternatives that may be available to you from Wells Fargo & Company and its affiliates. Information contained in this document regarding Direct Purchase is for discussion purposes only in anticipation of engaging in arm's length commercial transactions with you in which Purchaser would be acting solely as a principal to purchase securities from you or a conduit issuer, and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity regardless of whether Purchaser, or an affiliate has or is currently acting as such on a separate transaction. Additionally, Purchaser has financial and other interests that differ from your interests. Purchaser's sole role would be to purchase securities from you (or the issuer in the case of a conduit transaction).

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association. Commercial banking products and services are provided by WFBNA. Investment banking and capital markets products and services are provided by WFS, and are not a condition to any banking product or service.

The Materials do not constitute an offer to sell or a solicitation of an offer to buy, or a recommendation or commitment for any transaction involving the securities or financial products named or described herein, and are not intended as investment advice or as a confirmation of any transaction. Externally sourced information contained in the Materials has been obtained or derived from sources we reasonably believe to be reliable, but WFS makes no representation or warranty, express or implied, with respect thereto, and does not represent or guarantee that such information is accurate or complete. Such information is subject to change without notice and WFS accepts no responsibility to update or keep it current. WFS does not assume or accept any liability for any loss which may result from reliance thereon. WFS and/or one or more of its affiliates may provide advice or may from time to time have proprietary positions in, or trade as principal in, any securities or other financial products that may be mentioned in the Materials, or in derivatives related thereto.

Notwithstanding anything to the contrary contained in the Materials, all persons may disclose to any and all persons, without limitations of any kind, the U.S. federal, state or local tax treatment or tax structure of any transaction, any fact that may be relevant to understanding the U.S. federal, state or local tax treatment or tax structure of any transaction, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state or local tax treatment or tax structure, other than the name of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, and any pricing terms or nonpublic business or financial information that is unrelated to the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer and is not relevant to understanding the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer.

Any opinions or estimates contained in the Materials represent the judgment of WFS at this time, and are subject to change without notice. Interested parties are advised to contact WFS for more information.

Government & Institutional Banking
Public Finance
Southeast Region
2363 Gulf-to-Bay Boulevard
Clearwater, Florida 33765
(727) 953-1072

IRS Circular 230 Disclosure:
To ensure compliance with requirements imposed by the IRS, we inform you that any advice contained in the Materials does not constitute tax advice and shall not be used for the purpose of (i) avoiding tax penalties or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

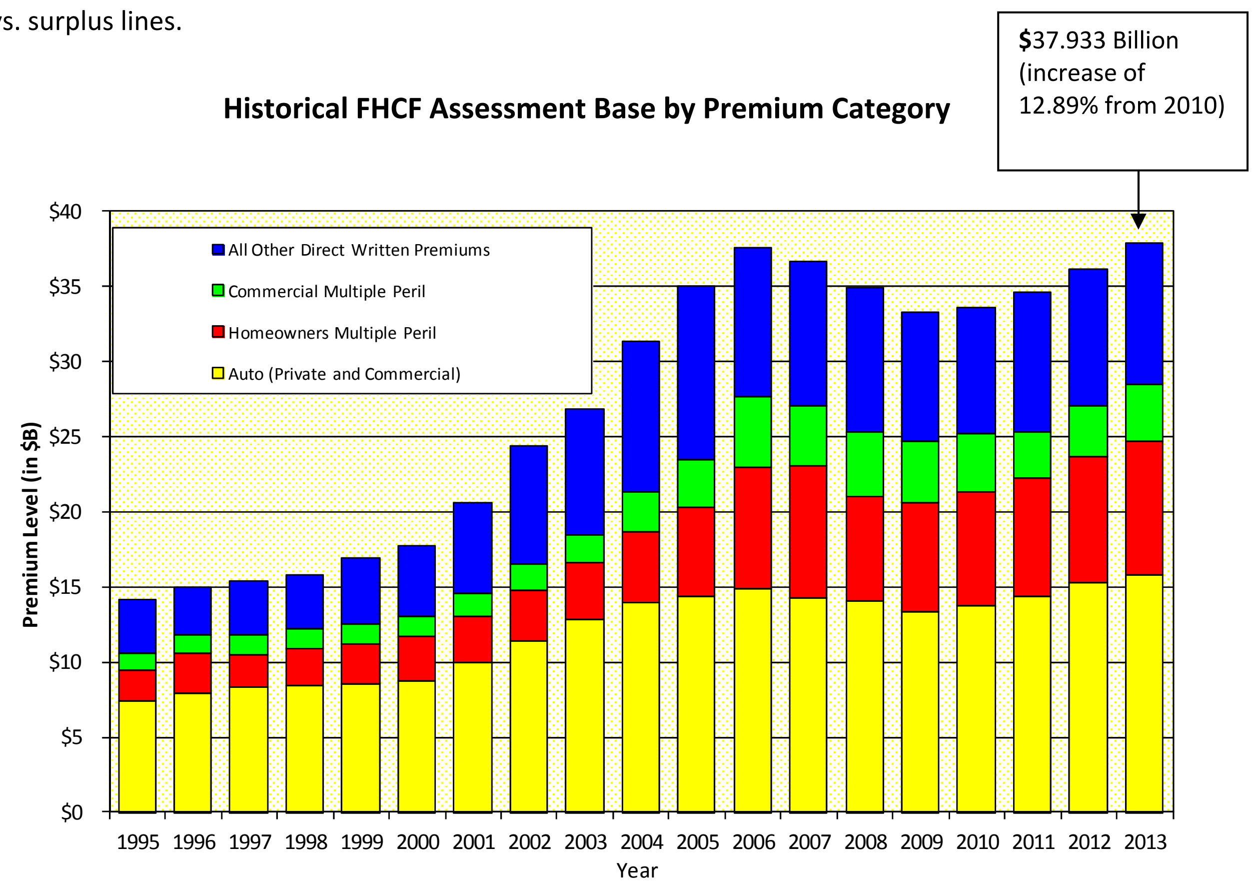
If you have any questions or concerns about the disclosures presented herein, you should make those questions or concerns known immediately to WFS.

Appendix B – The FHCF's Assessment Base

According to Section 215.555(6)(b)1., Florida Statutes, *"(i)f the board determines that the amount of revenue produced under subsection (5) is insufficient to fund the obligations, costs, and expenses of the fund and the corporation, including repayment of revenue bonds and that portion of the debt service coverage not met by reimbursement premiums, the board shall direct the Office of Insurance Regulation to levy, by order, an* ***emergency assessment on direct premiums for all property and casualty lines of business in this state, including property and casualty business of surplus lines insurers regulated under part VIII of chapter 626, but not including any workers' compensation premiums or medical malpractice premiums. As used in this subsection, the term "property and casualty business" includes all lines of business identified on Form 2, Exhibit of Premiums and Losses, in the annual statement required of authorized insurers by s. 624.424 and any rule adopted under this section, except for those lines identified as accident and health insurance and except for policies written under the National Flood Insurance Program****."*

In numerical terms, this gives the FHCF an ability to assess against a base which, as of the end of 2013 (the last official measurement date), totaled approximately $37.933 billion. The chart and table below show the evolution of the FHCF's assessment base over time, both by type of coverage and admitted market vs. surplus lines.

Historical FHCF Assessment Base by Premium Category



Historical FHCF Assessment Base

Admitted Market, Surplus Lines, and the dollar value of a 6% assessment

Calendar Year	Admitted Lines DWP	Surplus Lines and NIMA Clearinghouse DWP	Total Aggregate Premium	6% Emergency Assessment	% Premium Change from Prior Year
1995	$13,782,528,507	-	$13,782,528,507		
1996	$14,994,283,493	-	$14,994,283,493		8.79%
1997	$15,401,838,211	-	$15,401,838,211		2.72%
1998	$15,817,192,766	-	$15,817,192,766		2.70%
1999	$16,036,013,133	-	$16,036,013,133		1.38%
2000	$16,780,114,935	-	$16,780,114,935		4.64%
2001	$19,195,286,560	-	$19,195,286,560		14.39%
2002	$22,150,290,949	-	$22,150,290,949		15.39%
2003	$24,410,590,887	$2,434,696,171	$26,845,287,058	$1,610,717,223	21.20%
2004	$28,648,648,240	$2,695,485,410	$31,344,133,650	$1,880,648,019	16.76%
2005	$31,713,757,522	$3,275,286,947	$34,989,044,469	$2,099,342,668	11.63%
2006	$33,346,228,384	$4,207,911,564	$37,554,139,948	$2,253,248,397	7.33%
2007	$32,545,116,166	$4,101,192,689	$36,646,308,855	$2,198,778,531	-2.42%
2008	$30,830,430,041	$4,095,348,540	$34,925,778,581	$2,095,546,715	-4.69%
2009	$29,453,527,854	$3,859,038,017	$33,312,565,871	$1,998,753,952	-4.62%
2010	$29,888,170,348	$3,714,534,581	$33,602,704,929	$2,016,162,296	0.87%
2011	$30,943,210,703	$3,696,415,984	$34,639,626,687	$2,078,377,601	3.09%
2012	$32,322,974,210	$3,862,061,107	$36,185,035,317	$2,171,102,119	4.46%
2013	$33,726,402,951	$4,206,244,204	$37,932,647,155	$2,275,958,829	4.83%

Source: Office of Insurance Regulation ("OIR") and Florida Surplus Lines Service Office ("FSLSO")
DWP is as of 12/31 and is based on companies reporting to the OIR on behalf of the FHCF and is subject to change as company/agent adjustments are reported. The DWP for 2013, which is based on company reports to OIR, is currently being verified and is subject to change.
In 2004, the Florida legislature excluded medical malpractice for 3 years and included surplus lines.
In 2007 and 2010, the Florida legislature continued to exclude medical malpractice, it has now been extended until June 2016.
2011, 2012 and 2013 DWP is adjusted to reflect changes in the reporting requirements. The 2011, 2012 and 2013 DWP for admitted lines prior to these allowed adjustments was $31,399,556,105, $32,748,456,614 and $34,098,935,891 respectively.
Average direct written premium increase from 1995-2013 (geometric mean) is 5.79% and the average direct written premium increase from 2000-2013 (geometric mean) is 6.47%.

2013 Admitted Market Lines Premiums

Line of Business	2013 Total Assessable Premium
Fire	$1,091,013,667
Allied Lines	$2,290,911,050
Multiple Peril Crop	$100,137,124
Farmowners Multiple Peril	$20,519,100
Homeowners Multiple Peril	$8,583,613,606
Commercial Multiple Peril (Non-Liability)	$1,170,343,803
Commercial Multiple Peril (Liability)	$467,799,293
Mortgage Guaranty	$238,356,330
Ocean Marine	$290,996,417
Inland Marine	$920,421,959
Financial Guaranty	$24,062,549
Earthquake	$8,315,307
Other liability - occurrence	$1,484,914,677
Other liability - claims	$521,344,491
Products Liability	$94,801,012
Private Passenger Auto No-Fault (PIP)	$3,428,085,785
Other Private Passenger Auto Liability	$7,296,475,858
Commercial Auto No-Fault (PIP)	$86,800,991
Other Commercial Auto Liability	$1,272,683,619
Private Passenger Auto Physical	$3,432,328,735
Commercial Auto Physical Damage	$257,021,033
Aircraft (All Perils)	$89,552,165
Fidelity	$59,144,030
Surety	$269,783,694
Burglary and Theft	$13,661,094
Boiler and Machinery	$52,434,668
Credit	$77,387,397
Warranty	$363,487,707
Aggregate Write-ins	$92,538,730
Independently Procured Coverage (IPC)	$1,719,032
Allowed Adjustments *	($374,251,972)
Totals	**$33,726,402,951**

** Adjustments to DWP, which are not subject to FHCF assessments*
Source: Florida Office of Insurance Regulation, Market Research Unit

2013 Surplus Lines and NIMA Clearinghouse Premiums

Coverage Code		2013 Surplus Lines and NIMA Clearinghouse Premiums
1000	Commercial Property	$1,955,096,162
1001	Builders Risk	$40,269,084
1002	Business Income	$2,555,995
1003	Apartments (Commercial)	$3,453,384
1004	Boiler and Machinery	$81,652
1005	Commercial Package (Property & Casualty)	$262,103,471
1006	Condominium Package (Commercial)	$72,279,952
1007	Crop Hail	$35,211
1008	Difference In Conditions	$20,213,541
1009	Earthquake	$127,987
1010	Flood	$13,740,527
1011	Glass (Commercial)	$0
1012	Mortgagee Impairment	$1,428,628
1013	Windstorm &/or Hail	$70,195,510
1014	Mold Coverage - Commercial	$1,282,064
1015	Sinkhole Coverage - Commerical	$0
1016	Excess Flood - Commercial	$12,796,756
1017	Collateral Protection	$16,016,379
1018	Fire	$118,618
1100	Bankers Blanket Bond	$1,597,796
1101	Blanket Crime Policy	$410,361
1102	Employee Dishonesty	$516,203
1103	Identity Theft	$520,094
1104	Deposit Forgery	$9,900
1105	Miscellaneous Crime	$114,012
1200	Accident & Health	$0
1201	Credit Insurance	$8,610,351
1202	Animal Mortality	$197,730
1203	Mortgage Guaranty	$15,642
1204	Worker's Compensation-Excess Only	$0
1205	Product Recall	$4,116,614
1206	Kidnap/Ransom	$199,792
1207	Surety	$1,340,146
1208	Weather Insurance	$215,738
1209	Prize Indemnification	$36,073
1210	Travel Accident	$10,759
1211	Terrorism	$10,725,205
1212	Fidelity	$947,704
2000	Homeowners-HO-1	$1,126,404
2001	Homeowners-HO-2	$495,984
2002	Homeowners-HO-3	$197,063,493
2003	Tenant Homeowners-HO-4	$514,857
2004	Homeowners-HO-5	$12,735,159
2005	Condo Unit-Owners HO-6	$35,573,042
2006	Homeowners-HO-8	$22,853,093
2007	Dwelling Builders Risk	$3,490,572
2008	Dwelling Flood	-$618,907
2009	Dwelling Property	$45,241,754
2010	Farmowners Multi-Peril	$2,136,247
2011	Mobile Homeowners	$7,169,175
2012	Windstorm	$40,809,886
2013	Mold Coverage - Residential	$0
2014	Sinkhole Coverage - Residential	$0
2015	Excess Flood - Residential	$18,823,525
3000	Marine Operators Legal Liability - Taxable	$618,735
3001	Marine Liabilities Package - Taxable	$4,988,943
3002	Ocean Marine-Hull &/or Protection & Indemnity	$11,618,538
3003	Ocean Cargo Policy	$17,533,233
3004	Ship Repairers Legal Liability	$0

Coverage Code		2013 Surplus Lines and NIMA Clearinghouse Premiums
3005	Stevedores Legal Liability	$6,000,502
3006	Personal & Pleasure Boats & Yachts	$24,000,227
3007	Ocean Marine Builder's Risk	$450,651
3008	Longshoremen (Jones Act)	$0
3010	Marine Operators Legal Liability - Non Taxable	$0
3011	Marine Liabilities Package - Non Taxable	$3,467
4000	Inland Marine (Commercial)	$20,744,310
4001	Inland Marine (Personal)	$17,236,833
4002	Motor Truck Cargo	$15,799,711
4003	Jewelers Block	$7,095,277
4004	Furriers Block	$0
4005	Contractors Equipment	$1,612,273
4006	Electronic Data Processing	$563,629
5000	Commercial General Liability	$595,167,918
5001	Commercial Umbrella Liability	$51,705,980
5002	Directors & Officers Liability (Profit)	$21,936,670
5003	Directors & Officers Liability (Non-Profit)	$3,742,146
5004	Educator Legal Liability	$770,933
5005	Employment Practices Liability	$11,331,796
5006	Excess Commercial General Liability (Not Umbrella)	$110,680,673
5007	Excess Personal Liability (Not Umbrella)	$4,908,212
5008	Liquor Liability	$4,499,560
5009	Owners & Contractors Protective	$2,822,395
5010	Personal Umbrella	$7,161,891
5011	Personal Liability	$12,421,093
5012	Pollution & Environment Liability	$43,404,747
5013	Product & Completed Operations Liability	$10,261,128
5014	Public Officials Liability	$1,147,811
5015	Police Professional Liability	$1,001,151
5016	Media Liability	$6,993,194
5017	Railroad Protective Liability	$2,648,810
5018	Asbestos Removal & Abatement	$30,701
5019	Guard Service Liability	$933,449
5020	Special Events Liability	$1,668,423
5021	Miscellaneous Liability	$38,916,860
6000	Hospital Professional Liability	$0
6001	Miscellaneous Medical Professionals	$0
6002	Nursing Home Professional Liability	$0
6003	Physician/Surgeon	$0
7000	Architects & Engineers Liability	$17,694,428
7001	Insurance Agents & Brokers E&O	$14,697,016
7002	Lawyers Professional Liability	$36,925,974
7003	Miscellaneous E&O Liability	$97,169,366
7004	Real Estate Agents E&O	$1,701,358
7005	Software Design Computer E & S	$336,116
8000	Commercial Auto Liability	$8,437,047
8001	Commercial Auto Excess Liability	$7,181,943
8002	Commercial Auto Physical Damage	$15,113,659
8003	Dealers Open Lot	$3,426,314
8004	Garage Liability	$22,843,545
8005	Garage Keepers Legal	$1,422,491
8006	Private Passengers Auto-Physical Damage Only	$31,410
8007	Personal Excess Auto Liability	$96,598
9000	Commercial Aircraft Hull &/or Liability	$18,485,697
9001	Airport Liability	$961,328
9002	Aviation Cargo	$226,683
9003	Aviation Product Liability	$8,215,436
9004	Hanger Keepers Legal Liability	$1,837
9005	Personal & Pleasure Aircraft	$60,761
	Totals	**$4,206,244,204**

Source: FSLSO and NIMA Clearinghouse
Based on policies with a submitted/filed/written date from 1/1/13 to 12/31/13.