Report Prepared for the Florida Hurricane Catastrophe Fund

Claims-Paying Capacity Estimates

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RAYMOND JAMES
Public Finance Department
880 Carillon Parkway, Third Floor
St. Petersburg, Florida 33716
(727) 567-2868

Appendix

I. Introduction

The Florida Hurricane Catastrophe Fund ("FHCF") is a tax-exempt trust fund created by the State of Florida in 1993 and is administered by the State Board of Administration of Florida under Section 215.555, Florida Statutes. It was created to operate exclusively for the purpose of protecting and advancing the state's interest in maintaining insurance capacity by providing contractually specified coverage that provides reimbursement for a portion of residential property insurers' hurricane losses. Participation is mandatory for authorized property insurers, subject to limited exceptions.

Participating insurers pay the FHCF annual reimbursement premiums as consideration for this reimbursement coverage. The reimbursement premiums are based on insured values of covered properties, as reported annually to the FHCF. The FHCF statute requires the annual adoption of a reimbursement premium formula that generates actuarially indicated premiums as defined by law. An insurer's premium is proportionate to its coverage selection at a percentage level and its share of the FHCF's total risk exposure.

The annual reimbursement contract provides for reimbursement of a percentage of an insurer's residential hurricane losses in excess of its retention which is determined under a statutory formula. Reimbursement is provided at one of three percentage levels (90%, 75%, or 45%) selected in advance by the insurer.

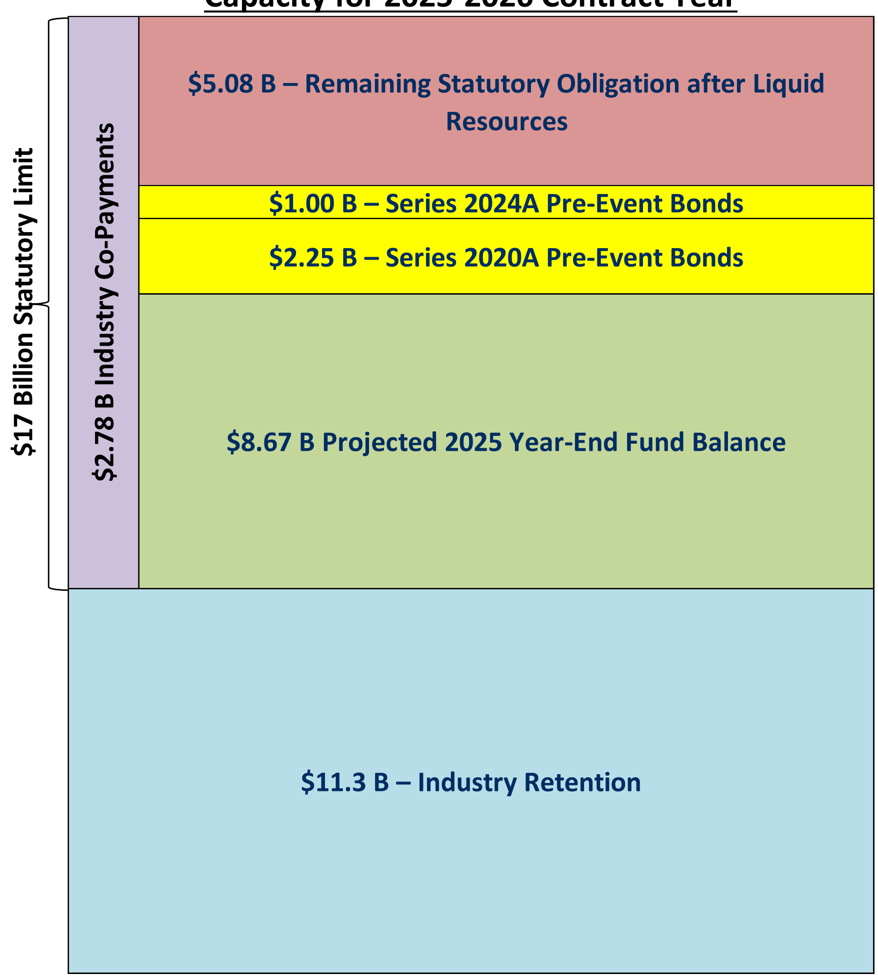
The FHCF may obtain funds to pay its contractual reimbursement obligations from the following available potential sources:

(1) *Accumulated and current year reimbursement premiums*
(2) *Recoveries from reinsurance and other risk-transfer mechanisms, if any*
(3) *Pre-event bond proceeds and other pre-event liquidity resources*
(4) *Proceeds of post-event revenue bonds or bank loans issued under Section 215.555(6), Florida Statutes, and secured by emergency assessments, if needed*
(5) *Investment earnings on accumulated reimbursement premiums and emergency assessments*

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 these claims-paying capacity estimate reports is to provide an estimate of the borrowing and claims-paying capacity of the FHCF for the remaining 2025-2026 Contract Year and the preliminary estimate for the following 2026-2027 contract year to assist the FHCF's participating insurers in determining their reimbursements. Providing estimates at these times of the year is useful since some insurers operate in multiple states and purchase private reinsurance effective January 1st, while many other insurers operate solely in Florida and purchase their private reinsurance prior to June, effective June 1st of each year.

The actual and potential obligations of the FHCF are limited by statute. The chart below summarizes the sources of funds for the FHCF’s statutory limit for the 2025-2026 Contract Year. The FHCF's financial projections and estimates are based on assumptions prepared by its independent actuary, Paragon Strategic Solutions Inc. (“Paragon”) and financial advisor, Raymond James, reflecting loss reserves for prior hurricanes. The industry retention is the maximum loss amount retained by the industry below the FHCF coverage layer. The industry co-payment amount is the maximum co-pay for the industry for losses in the FHCF coverage layer based on the projected industry overall coverage selection of 84.74%. The $17 billion of FHCF statutory limit includes an allowance of 10% for loss adjustment expenses.

FHCF Statutory Limit and Estimated Claims-Paying Capacity for 2025-2026 Contract Year



Numbers may not add due to rounding. Not drawn to scale

The FHCF's Projected Fund Balance is net of the estimated total loss for hurricanes occurring in prior years. Paragon estimates total FHCF losses of $7.5 billion for Hurricane Ian and $1 million for Hurricane Idalia. They estimate that the FHCF will not have any losses from Hurricane Debby, and the FHCF's share of losses is projected to be $10 million for Hurricane Helene and $2.25 billion for Hurricane Milton. The estimated ultimate loss for all prior year events was $9.8 billion as of September 30, 2025.

Section 215.555, Florida Statutes, specifies the calculation of the retention multiple for each participating insurer. Each participating insurer has its own loss experience based on its own exposure, retention, limit, and FHCF coverage selection with its own unique probabilities of incurring loss in the FHCF layer. To more accurately estimate ground up losses and return times for different levels within the FHCF coverage layer, Paragon uses a detailed, company-by-company approach which includes an additional analysis based on model results by ZIP code and type of business and each individual company retention, company limit, and coverage selection. The data shown in the table below is for the approximately 138 participating insurers where each insurer has its own retention and coverage limits based upon its projected market share exposures, and therefore each participating insurer has its own unique probabilities of triggering its FHCF coverage and reaching its FHCF coverage limit.

Layer	FHCF Layer Loss ($ in B)	Ground Up Losses for Average Verisk, RMS Company Retention Limit ($ in B)	Return Times (Yrs) for Aggregate Verisk, RMS Company Retention Limit
$1 Billion FHCF Layer	1.0	10.1	8.9
Projected Remaining Fund Balance Exhausted	8.7	23.2	19.1
Pre-Event Bonds Exhausted	11.9	29.3	25.6
1-in-100 Year Event	16.8	70.7	100.0
Maximum Statutory Limit	17.0	106.3	250.0

Source: Paragon Strategic Solutions.
Return times and ground up losses are based on probabilities for the entire season and are shown for illustrative purposes only.

II. The Process

In order to estimate the FHCF's borrowing capacity for the 2025 and 2026 seasons, we took the following three steps:

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

(1) Evaluated market conditions for the FHCF using our internal resources. Raymond James & Associates, Inc. ("Raymond James"), a full service broker-dealer with over $33 billion in market capitalization (RJF, www.raymondjames.com), serves as the independent financial advisor to the FHCF. Raymond James also serves as an independent advisor to numerous other governmental catastrophe insurance entities for all types of catastrophe perils across the country and its experience includes the evaluation and placement of risk transfer programs in both traditional and capital markets, the issuance of pre-event bonds and other liquidity mechanisms, the issuance of post-event bonds, structuring bank loans, and serving as an investment consultant. Raymond James ranks as the number one financial advisor to state-sponsored public insurance entities and is among the top ten municipal underwriters in the country and participates daily in the market for fixed income securities similar to those the FHCF has issued or would issue to help meet its reimbursement obligations after an event and has served as independent advisor or underwriter on the issuance of over $49 billion of debt and related financial instruments for the FHCF and other governmental catastrophe insurance entities around the country since 2005. Raymond James currently has approximately $1.7 trillion of assets under management.

(2) Solicited formal written feedback from the four current senior managing underwriters of the FHCF's financial services team given certain assumptions. These firms – Bank of America, J.P. Morgan, Morgan Stanley and Wells Fargo – are among the largest financial services firms and municipal underwriters in the world, and each one has extensive experience and expertise with FHCF securities and similar instruments for other municipal issuers. They were also part of the team for the successful execution of the FHCF's Series 2024A pre-event financing. A copy of the solicitation and the response of each of the managers is contained in Appendix A.

(3) We evaluated the written feedback and determined a recommended borrowing capacity estimate for inclusion in this report.

III. *Analytical Considerations*

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

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, federal flood, and accident and health lines is similar to a statewide sales tax on an essential product with an underlying premium base of $92.83 billion[1]. The FHCF's ability to levy and collect emergency assessments has been proven as it utilized emergency assessments to secure over $2.6 billion of post-event bonds to pay for losses from the 2004/2005 storms. The diversity and strength of this pledged revenue stream is the primary reason the four major rating agencies – Moody's, Standard & Poor's, Fitch, and Kroll – rate the FHCF's current debt as Aa2, AA, AA, and AA respectively. To put these ratings in perspective, less than 1% of U.S. corporations have ratings in the "AA" category by any three of the four rating agencies.

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 losses attributable to all years – these percentages, when applied to the very large and diversified current assessment base of $92.83 billion, mean the FHCF could levy annual assessments of as much as $5.57 billion for losses from hurricanes occurring in one contract year and as much as $9.28 billion for losses from hurricanes occurring over all contract years. These annual amounts, in conjunction with the other available resources of the FHCF, are estimated to be more than sufficient to support the estimated borrowing capacity to meet the statutory limit of the FHCF, even at above current market rates. We have utilized rates of 6% for the initial season and 7% for the subsequent season in the table on page 15, which are significantly above current market rates.

The FHCF successfully executed the Series 2024A taxable pre-event financing in May 2024. The Series 2024A financing was issued in the amount of $1 billion at a true interest cost of 5.55%. The Series 2024A transaction enabled the FHCF to lock-in $1 billion of additional liquidity for ten years at a spread of 93 basis points above the 10-year Treasury. As evidenced by the increase in interest rates since the FHCF's 2020A financing, interest rate levels can vary over time. It is unlikely the FHCF would not be able to access debt capital markets after an event; however, the favorability and accessability of debt capital markets will depend on market conditions at that time. Therefore, it is critical to understand the risk and potential challenges the FHCF may face after an event.

In addition, pricing conditions in the global reinsurance markets affect the participating insurers' coverage percentage selections. Hardening market conditions in the global reinsurance markets, especially

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

in the Florida marketplace, began in 2020 and continued into 2023. However, recent tort reforms passed by the Florida Legislature have helped the property and casualty insurance industry in the State. As reinsurance markets have stabilized, many carriers have experienced an increase in reinsurance capacity at stable prices. As a result, the FHCF's average coverage selection level decreased for 2025 to 84.74%; down from 86.87% in 2024.

The chart below illustrates the FHCF's projected $11.92 billion of liquid resources for the 2025-2026 Contract Year. These liquidity resources have been adjusted for paid losses, loss reserves, and loss estimates as of September 30th, 2025, totalling approximately $9.8 billion for Hurricanes Ian, Idalia, Helene, and Milton. This amount is $1.75 billion lower than the reserve projection in the May 2025 Bonding Capacity Report due to favorable reserve development, resulting in a decrease in loss reserves. As of September 30th, 2025, the FHCF's projected loss reserves are $7.5 billion from Hurricane Ian, $1 million from Hurricane Idalia, $10 million from Hurricane Helene, and $2.25 billion from Hurricane Milton.

FHCF Obligations and Liquidity Resources – 2025-2026 Contract Year	Amount ($B)
Total Potential FHCF Obligations	**$17.00**
Projected 2025 Year-End Fund Balance	**$8.67**
Series 2020A Pre-Event Bonds Balance	**$2.25**
Series 2024A Pre-Event Bonds Balance	**$1.00**
Total Liquidity Resources	**$11.92**
Total Liquidity Resources Below Potential Obligations	**$5.08**

Numbers may not add due to rounding.

If an event occurs during the remainder of the 2025-2026 Contract Year and losses are projected to exceed the year-end fund balance of $8.67 billion, the FHCF could draw on its pre-event bond proceeds to make reimbursements and can either repay the pre-event bonds by issuing post-event bonds or by levying assessments. Alternatively, the FHCF could issue post-event bonds and preserve its $3.25 billion of available pre-event bond proceeds for subsequent seasons, depending on the market conditions and interest rates.

As shown in the next two charts, the largest single bond issuance since 2022 was $3.52 billion. Given the amount of time it takes for losses to develop after a hurricane of significant size, the FHCF may issue multiple series of post-event bonds over time to reimburse claims. Accordingly, it is helpful to evaluate which issuers in the municipal market (both taxable and tax-exempt) have issued the most debt over a 12-month period. The charts on page 8 show that the largest cumulative amount issued by a single issuer in a single calendar year since 2022 has ranged from $8.57-$13.74 billion.

Largest 25 Taxable Municipal Issuances By Par Amount Since 2022					
Rank	Issuer Name	State	Year of Sale	Issue Description	Par ($MM)
1	Texas Natural Gas Sec Fin Corp	TX	2023	Customer Rate Relief Bonds	$3,522
2	Louisiana Gov Env Fac & CDA (LCDA)	LA	2022	System Restoration Bonds	$3,194
3	Massachusetts	MA	2022	Special Obligation Rev Bonds	$2,681
4	Regents of the University of Michigan	MI	2022	General Revenue Bonds	$2,000
5	California	CA	2023	Various Purpose GO Bonds	$1,804
6	St Louis Co-Missouri	MO	2023	Industrial Revenue Bonds	$1,800
7	New York City-New York	NY	2025	General Obligation Bonds	$1,750
8	New York City-New York	NY	2024	General Obligation Bonds	$1,500
9	Louisiana Gov Env Fac & CDA (LCDA)	LA	2023	System Restoration Bonds	$1,491
10	Oklahoma Dev Finance Auth	OK	2022	Ratepayer-Backed Bonds	$1,354
11	Dallas & Fort Worth Cities-Texas	TX	2022	Joint Revenue Improvement Bodns	$1,188
12	Regents of the University of California	CA	2022	Medical Ctr Pooled Rev Bonds	$1,100
13	California Health Facs Fin Auth	CA	2022	Senior Revenue Bonds	$1,050
14	**Florida St Board Admin Fin Corp**	**FL**	**2024**	**Revenue Bonds**	**$1,000**
15	Mobile Airport Authority	AL	2023	Revenue Bonds	$1,000
16	NYS Dorm Authority	NY	2025	Revenue Bonds	$985
17	New York City-New York	NY	2023	General Obligation Bonds	$965
18	California	CA	2023	Various Purpose GO Bonds	$943
19	Virginia Small Business Fin Auth	VA	2022	Sub Lien Revenue Ref Notes	$841
20	District of Columbia	DC	2022	Income Tax Secured Rev Bonds	$775
21	Oklahoma Dev Finance Auth	OK	2022	Ratepayer-Backed Bonds	$762
22	Hawaii	HI	2024	General Obligation Bonds	$750
23	Hawaii	HI	2023	General Obligation Bonds	$750
24	Hawaii	HI	2022	General Obligation Bonds	$740
25	Oklahoma Dev Finance Auth	HI	2022	Ratepayer-Backed Bonds	$697

Source: Thomson Financial for long-term negotiated taxable issuances from January 1, 2022 to September 30, 2025.

Largest 25 Tax-Exempt Municipal Issuances By Par Amount Since 2022					
Rank	Issuer Name	State	Year of Sale	Issue Description	Par ($MM)
1	Wisconsin Public Finance Auth	WI	2025	Sr Lien Toll Revenue Bonds	$3,438
2	Triborough Bridge & Tunnel Auth	NY	2025	Real Est Transfer Tax Rev Bonds	$3,200
3	Florida Development Fin Corp	FL	2024	Revenue Bonds	$3,144
4	Los Angeles USD	CA	2024	GO Refunding Bonds	$2,975
5	NYS Dorm Authority	NY	2024	State Personal Inc Tax Rev Bonds	$2,811
6	California	CA	2025	Various Purp GO & Ref Bonds	$2,631
7	California	CA	2024	Various Purpose GO & Ref Bonds	$2,609
8	California	CA	2024	Various Purpose GO & Ref Bonds	$2,584
9	California	CA	2023	Var Purp GO & Ref Bonds	$2,582
10	California	CA	2023	Various Purpose GO & Ref Bonds	$2,553
11	New York Transportation Development Co	NY	2024	Special Facilities Revenue Bonds	$2,550
12	Regents of the University of California	CA	2025	General Revenue Bonds	$2,500
13	NYS Thruway Authority	NY	2025	State Personal Inc Tax Rev Bonds	$2,446
14	California	CA	2025	Various Purpose GO & Ref Bonds	$2,423
15	NYS Dorm Authority	NY	2022	State Personal Inc Tax Rev Bonds	$2,422
16	Columbus Regional Airport Auth	OH	2025	Airport Revenue Bonds	$2,415
17	Illinois	IL	2023	General Obligation & Ref Bonds	$2,311
18	California	CA	2022	Various Purpose GO & Ref Bonds	$2,292
19	NYC Transitional Finance Auth	NY	2024	Future Tax Secured Sub Bonds	$2,250
20	Jefferson Co-Alabama	AL	2024	Sewer Revenue Warrants	$2,243
21	NYS Dorm Authority	NY	2024	State Sales Tax Rev Bonds	$2,146
22	Regents of the University of California	CA	2023	General Revenue Bonds	$2,116
23	NYS Dorm Authority	NY	2025	State Personal Inc Tax Rev Bonds	$2,037
24	NYS Thruway Authority	NY	2022	State Personal Inc Tax Rev Bonds	$2,028
25	California Infrstr & Eco Dev Bank	CA	2025	Sr Sub Secured Rev Bonds	$2,000
25	New York Transportation Development Co	NY	2023	Special Facilities Rev Bonds	$2,000

Source: Thomson Financial for long-term negotiated tax-exempt issuances from January 1, 2022 to September 30, 2025.

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Largest 25 Issuers By Issued Par Amount 2025 YTD		
Rank	Issuer Name	Par ($MM)
1	**Regents of the University of California**	**$5,212**
2	Triborough Bridge & Tunnel Auth	$4,900
3	New York City-New York	$4,761
4	NYC Transitional Finance Auth	$3,748
5	California	$3,638
6	Massachusetts Dev Finance Agcy	$3,581
7	Southeast Energy Authority	$3,400
8	Los Angeles Dept of Airports	$2,931
9	Washington	$2,883
10	NYS Dorm Authority	$2,808
11	California Infrstr & Eco Dev Bank	$2,626
12	Columbus Regional Airport Auth	$2,415
13	NYC Municipal Water Fin Auth	$2,384
14	San Francisco City & Co Airport Comm	$1,978
15	Central Valley Energy Authority	$1,968
16	Orange Co Health Facs Auth	$1,706
17	San Diego Community College Dt	$1,700
18	Illinois Finance Authority	$1,599
19	Dallas ISD	$1,526
20	Wisconsin Public Finance Auth	$1,495
21	Main Street Natural Gas Inc	$1,479
22	Oregon	$1,439
23	Univ of Texas Sys Bd of Regents	$1,408
24	Connecticut	$1,399
25	Idaho Health Facilities Auth	$1,354

Largest 25 Issuers By Issued Par Amount 2024		
Rank	Issuer Name	Par ($MM)
1	**NYC Transitional Finance Auth**	**$10,672**
2	NYS Dorm Authority	$10,507
3	California Comm Choice Fin Auth	$9,049
4	California	$8,436
5	New York City-New York	$7,371
6	Florida Development Fin Corp	$5,873
7	Massachusetts	$5,487
8	New Jersey Trans Trust Fund Au	$4,750
9	New York Transportation Development C	$4,496
10	Triborough Bridge & Tunnel Auth	$4,310
11	Chicago City-Illinois	$4,259
12	New Hampshire National Fin Auth	$4,252
13	Regents of the University of California	$4,171
14	Washington	$4,139
15	Illinois	$4,088
16	NYC Municipal Water Fin Auth	$3,999
17	Los Angeles USD	$3,970
18	Main Street Natural Gas Inc	$3,840
19	Texas Transportation Commission	$3,517
20	Wisconsin Public Finance Auth	$3,340
21	Metropolitan Transportation Authority	$3,021
22	Connecticut	$2,976
23	Black Belt Energy Gas Dt	$2,961
24	Massachusetts Dev Finance Agcy	$2,873
25	Houston City-Texas	$2,705

Largest 25 Issuers By Issued Par Amount 2023		
Rank	Issuer Name	Par ($MM)
1	**California**	**$8,570**
2	NYC Transitional Finance Auth	$6,968
3	California Comm Choice Fin Auth	$5,483
4	New York City-New York	$5,420
5	Triborough Bridge & Tunnel Auth	$4,947
6	NYS Dorm Authority	$4,721
7	Main Street Natural Gas Inc	$4,194
8	Washington	$3,700
9	Texas Natural Gas Sec Fin Corp	$3,522
10	Illinois	$3,386
11	Massachusetts	$3,214
12	New York Transportation Development C	$3,013
13	Regents of the University of California	$2,875
14	Los Angeles Dept Wtr & Pwr (LADWP)	$2,858
15	Connecticut	$2,766
16	New Jersey Trans Trust Fund Au	$2,368
17	NYC Municipal Water Fin Auth	$2,186
18	Port Authority of New York & New Jersey	$2,177
19	Wisconsin Public Finance Auth	$2,123
20	Chicago City-Illinois	$2,117
21	Pennsylvania	$2,089
22	San Francisco City/Co Public Util Comm	$2,027
23	Colorado Hsg & Fin Auth (CHFA)	$2,004
24	District of Columbia	$2,004
25	Black Belt Energy Gas Dt	$1,968

Largest 25 Issuers By Issued Par Amount 2022		
Rank	Issuer Name	Par ($MM)
1	**NYC Transitional Finance Auth**	**$13,738**
2	Triborough Bridge & Tunnel Auth	$12,868
3	New York City-New York	$9,072
4	California	$8,935
5	NYS Dorm Authority	$7,976
6	Massachusetts	$6,719
7	Wisconsin Public Finance Auth	$5,623
8	Black Belt Energy Gas Dt	$5,450
9	NYC Municipal Water Fin Auth	$5,224
10	Regents of the University of California	$5,171
11	Washington	$4,917
12	Los Angeles Dept of Airports	$4,897
13	Virginia Small Business Fin Auth	$4,831
14	Oklahoma Dev Finance Auth	$4,402
15	Los Angeles Dept Wtr & Pwr (LADWP)	$4,203
16	Connecticut	$4,188
17	Louisiana Gov Env Fac & CDA (LCDA)	$4,180
18	Denver City and Co-Colorado	$4,109
19	Los Angeles City-California	$3,918
20	Texas Water Development Board	$3,878
21	Main Street Natural Gas Inc	$3,749
22	Illinois	$3,738
23	Colorado Health Facilities Auth	$3,582
24	Port Authority of New York & New Jersey	$3,568
25	NYS Thruway Authority	$3,564

Source: Thomson Financial for long-term issuances from January 1, 2022 to September 30, 2025.

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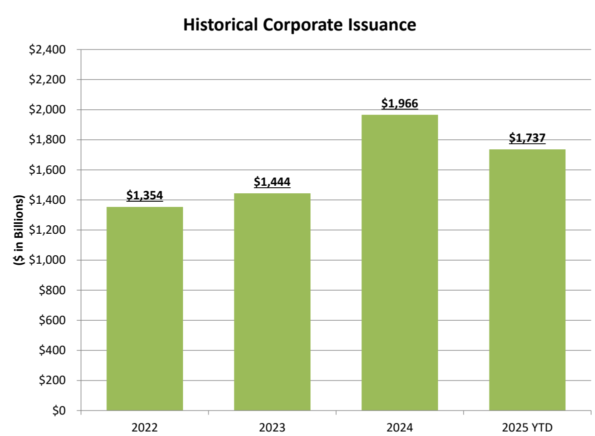
In reviewing this history of large municipal issuers, however, it is important to note that the FHCF has been a large but relatively infrequent issuer of debt. Since 2006, the FHCF has completed nine bond issues totaling $16.6 billion (three tax-exempt issues totaling $2.6 billion and six taxable issues totaling $14 billion), of which $3.25 billion is currently outstanding. By comparison, for example, since 2022, the State of California has completed 39 long-term bond issues totaling over $29 billion, the New York State Dormitory Authority has completed 81 long-term bond issues totaling approximately $30 billion, the New York City Transitional Finance Authority has completed 57 long-term bond issues totaling approximately $33 billion, and the Commonwealth of Massachusetts has completed 35 long-term bond issues totaling approximately $17 billion. The FHCF's debt has historically been issued with relatively short maturities ranging from 1-10 years (although it has the authority to issue debt with maturities of up to 30 years). All of the issuers listed above have had final maturities of 30 years or longer.

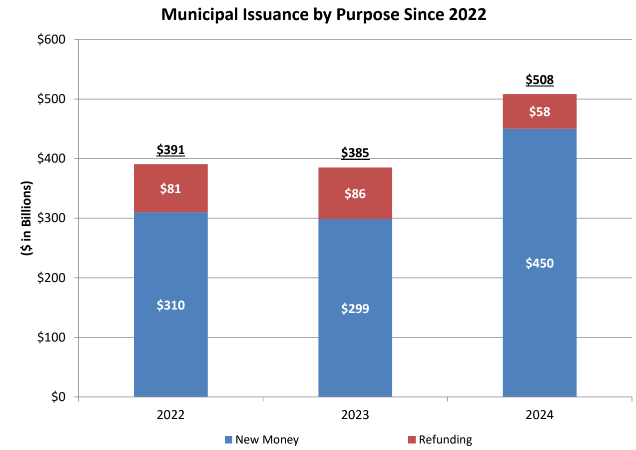
Analysis of potential market acceptance of large amounts of FHCF debt must include not only relevant historical references, but also an evaluation of current market conditions and cash flow needs. Market conditions in both tax-exempt and taxable municipal markets, as well as in the corporate market, are relatively stable with corporate spreads at historically low levels, but are always unpredictable.

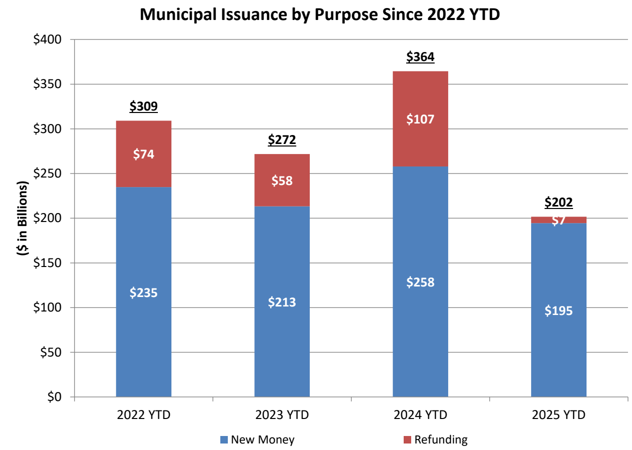
In 2024, corporate issuance was over $1.9 trillion, which was 36% higher than 2023 issuance of $1.4 trillion. The corporate bond market has topped $1 trillion each year since 2011 while rates were historically low, but rates are increasing in 2025 due to economic uncertainty and volatility. Through September 30, 2025, corporate bond issuance is over $1.7 trillion, or marginally above the $1.6 trillion issued over the same time period in 2024. Corporate issuance in September 2025 was particularly strong with $283 billion issued – the most issuance in a single month ever.

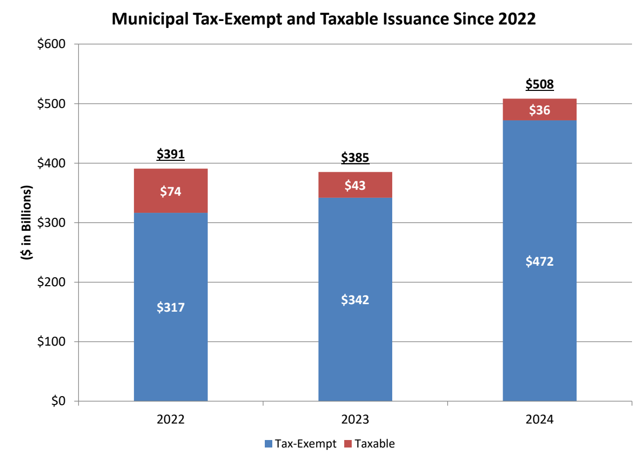


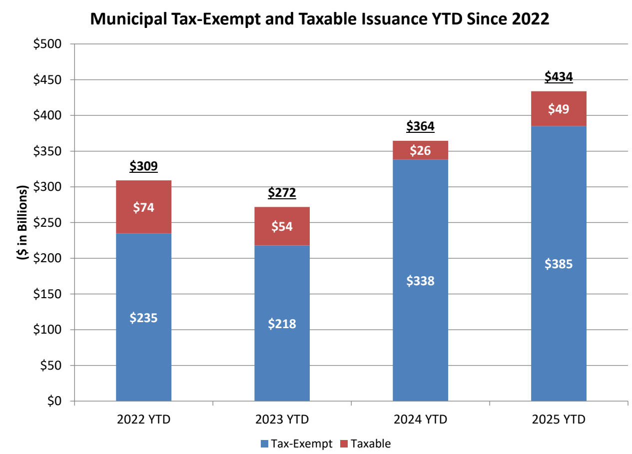
Source: SIFMA, 2025 year-to-date through April 30, 2025

For 2024, municipal long-term issuance was 32% higher as compared to 2023 with $508 billion of issuance. For year-to-date 2025, municipal long-term issuance is $434 billion and is 19% higher compared to the $365 billion issued over the same time period in 2024.









Source: Thomson Financial for municipal long-term issuances from January 1, 2022 to September 30, 2025.

As an issuer, the FHCF has multiple factors working in its favor, including: (1) the FHCF is a well-regarded, highly-rated credit (AA category), closely associated with (though not guaranteed by) the State of Florida (AAA category), a blue-chip name in the market; (2) in May 2024, the FHCF successfully priced $1 billion of Series 2024A taxable pre-event bonds with a 10-year maturity at a spread to the 10-year Treasury of 93 basis points, which re-established the strength of the FHCF credit in the taxable market and provides liquidity for the FHCF over a 10-year period; and (3) similar to its pre-event financings, any large FHCF post-event bond issuances would likely be included in the major market indexes that investors use to track market performance, so institutional money managers may have a strong additional incentive to buy FHCF bonds, particularly if they are offered at interest rates marginally higher than other similarly rated credits.

Insurers should be aware of the significant impact of financial market conditions on FHCF's claims-paying ability for the 2025-2026 Contract Year and beyond. Estimating the FHCF's post-event borrowing capacity is an inexact science. It involves considering various factors, predicting market conditions after hurricanes, and evaluating subjective elements. While certainty cannot be guaranteed, experienced analysis can provide conservative estimates suitable for FHCF's needs even in uncertain times.

Financial markets and risk transfer markets are volatile, especially in today's macro-economic and geopolitical environment, posing additional risks for insurers relying on FHCF reimbursements. The estimated borrowing capacity is subjective, influenced heavily by the opinions of senior managing underwriters and their responses. The following pages provide current borrowing and claims-paying capacity estimates.

IV. *Borrowing and Claims-Paying Capacity Estimates*

The preliminary estimated borrowing capacity of the FHCF is $7.10 billion for 0-12 months

To estimate the FHCF's borrowing capacity, we used the general process described in Section II and detailed in Appendix A. Below is the capacity question we asked the FHCF's senior managing underwriters:

"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."*[2]

We considered all data elements, and based on cash flow requirement projections from Paragon, input from FHCF staff about potential payout timing, and a desire for prudence to meet the FHCF's statutory limit, we plan to use the borrowing capacity estimates for the first 12 months in formulating the borrowing capacity estimate for the initial season. Based on past payout patterns, the amount of debt that the FHCF can raise within the first 12 months, and up to 24 months (as needed), is integral for the FHCF and its ability to reimburse participating insurers up to its statutory limit.

We are also comfortable including estimates that contain some above-market interest rate capacity in recognition of the significant current market volatility and the current higher rates with significant Treasury issuance to fund fiscal deficits along with the fact that the FHCF's strong assessment capability can support its estimated borrowing capacity, even at significantly higher rates. For purposes of calculating the potential assessment impact of the FHCF's bonding needs, we have calculated the assessment rate assuming the FHCF post-event bonds carry interest rates at an above current market interest rate of 6% for the initial season and 7% for the subsequent season. There is also some overlap between tax-exempt and taxable capacity estimates and therefore the total capacity available could be marginally less than the sum of the tax-exempt and taxable capacity individually. A summary of the senior managers' responses is shown in the table on the following page:

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

FHCF Post-Event Estimated Borrowing Capacity					
	Bank of America	J.P. Morgan	Morgan Stanley	Wells Fargo	Average [1]
Borrowing Estimates					
Tax-Exempt:					
0-12 Months	\$1.5-\$2B	\$3-\$3.5B	\$3-\$4B	\$3-\$4B	\$3.0B
12-24 Months	\$2-\$3B	\$3.5-\$4B	\$2-\$3B	\$2-\$3B	\$2.8B
Total tax-exempt	*\$3.5-\$5B*	*\$6.5-\$7.5B*	*\$5-\$7B*	*\$5-\$7B*	*\$5.8B*
Taxable:					
0-12 Months	\$3-\$5B	\$4-\$5B	\$4-\$5B	\$3-\$4B	\$4.1B
12-24 Months	\$3-\$5B	\$4-\$5B	\$3-\$4B	\$2-\$3B	\$3.6B
Total taxable	*\$6-\$10B*	*\$8-\$10B*	*\$7-\$9B*	*\$5-\$7B*	*\$7.7B*
Tax-Exempt and Taxable					
0-12 Months Total	**\$4.5-\$7B**	**\$7-\$8.5B**	**\$7-\$9B**	**\$6-\$8B**	**\$7.1B**
12-24 Months Total	\$5-\$8B	\$7.5-\$9B	\$5-\$9B	\$4-\$6B	\$6.4B
0-24 Months Total	\$9.5-\$15B	\$14.5-\$17.5B	\$12-\$18B	\$10-\$14B	\$13.5B

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

Estimated Claims-Paying Capacity

The FHCF's estimated claims-paying capacity is equal to the sum of the projected year-end fund balance plus risk transfer purchased, if any, plus the estimate of borrowing capacity. The FHCF projects that its year-end fund balance for the 2025-2026 Contract Year is approximately \$8.67 billion. It also has pre-event liquidity available of \$3.25 billion for total available liquidity of \$11.92 billion. The FHCF has an estimated borrowing capacity of \$7.10 billion over 0-12 months and \$6.40 billion over 12-24 months.

The table on the following page reflects the 2025-2026 Contract Year claims-paying capacity estimate of \$19.02 billion, which is \$2.02 billion over the 2025-2026 Contract Year coverage obligation of \$17 billion. The table also shows the FHCF's 2026-2027 Contract Year claims-paying capacity estimates using two different scenarios; one assumes the FHCF exhausts its statutory limit in the remaining 2025-2026 Contract Year and the alternative assumes no additional covered events occur in the remaining 2025-2026 Contract Year. If the FHCF's statutory limit is exhausted in the 2025-2026 Contract Year, the 2026-2027 estimated claims-paying capacity would be \$9.84 billion. Conversely, if the FHCF does not have any additional covered events for the remaining 2025-2026 Contract Year, the claims-paying resources for the 2026-2027 Contract Year would be \$19.61 billion.

($ in Billions, Totals may not add due to rounding)		2025-2026 Contract Year	Maximum Statutory Limit Exhausted in Prior Year 2026-2027 Contract Year	Assuming No Additional Events in Prior Year 2026-2027 Contract Year
FHCF Potential Coverage Obligation				
FHCF Maximum Coverage Obligation	(A)	$17.00	$17.00	$17.00
FHCF Estimated Funding Sources Available				
Projected FHCF Year-End Fund Balance	(B)	$8.67	$1.42	$10.26
Risk Transfer and Other Financial Transactions	(C)	$0.00	$0.00	$0.00
Pre-Event Bond Proceeds Available[1]	(D)	$3.25	$0.00	$2.25
Total Funding Sources Available	**(B + C + D) = (E)**	**$11.92**	**$1.42**	**$12.51**
Additional Funds / Potential Borrowing Need	**(E - A) = (F)**	**($5.08)**	**($15.58)**	**($4.49)**
FHCF Claims-Paying Capacity				
Estimated FHCF Borrowing Capacity (0-12 Months)	(G)	$7.10	$6.40	$7.10
Unutilized FHCF Borrowing Capacity (0-12 Months)	(H)	N/A	$2.02	N/A
Total Estimated Claims-Paying Capacity	**(E + G + H) = (I)**	**$19.02**	**$9.84**	**$19.61**
Total Estimated Claims-Paying Capacity as a % of FHCF Coverage Obligation (I / A) = (J)		**112%**	**58%**	**115%**
Amount Above / (Below) Coverage Obligation	**(J - A) = (K)**	**$2.02**	**($7.16)**	**$2.61**

[1] *Pre-event bonds are available as a liquidity resource for the 2025-2026 Contract Year in the amount of $3.25 billion, and we are assuming pre-event bonds will be used to pay claims for the 2025-2026 Contract Year. In the scenario of no additional events in the 2025-2026 Contract Year, the amount of pre-event bonds available for the 2026-2027 Contract Year would be $2.25 billion as $1 billion of the Series 2020A pre-event bonds matures on July 1, 2027.*

The table below is for informational purposes only, which shows the breakdown of the potential assessments required for the FHCF's potential post-event borrowing needs and repayment of pre-event bond proceeds based on an interest rate of 6% for the initial season and 7% for the subsequent season over a 30-year period.

($ in Billions)	2025-2026 Contract Year[1]	2026-2027 Contract Year[2]
Total Potential Borrowing	**$5.08**	**$8.42**
Assessment % over 30 Years if Financed at a Rate of 6% for the Initial Season and 7% for the Subsequent Season	**0.40%**	**0.73%**
Assessment % over 10 Years if Financed at a Rate of 6% for the Initial Season and 7% for the Subsequent Season	**0.74%**	**1.29%**

[1] *The potential borrowing for the 2025-2026 Contract Year is shown as the estimated potential borrowing of approximately $5.08 billion. The assessment amount of repaying the pre-event bond proceeds is not included and will depend on the tenor of repayment, which is based on the maturity schedule of the pre-event bonds. If the pre-event bonds were refinanced over a 10-year period, the annual emergency assessment required for the $3.25 billion of pre-event bonds is 0.48%. The total assessment burden for the $8.33 billion of bonding would be 1.22% over a 10-year period if the maximum statutory limit is exhausted.*

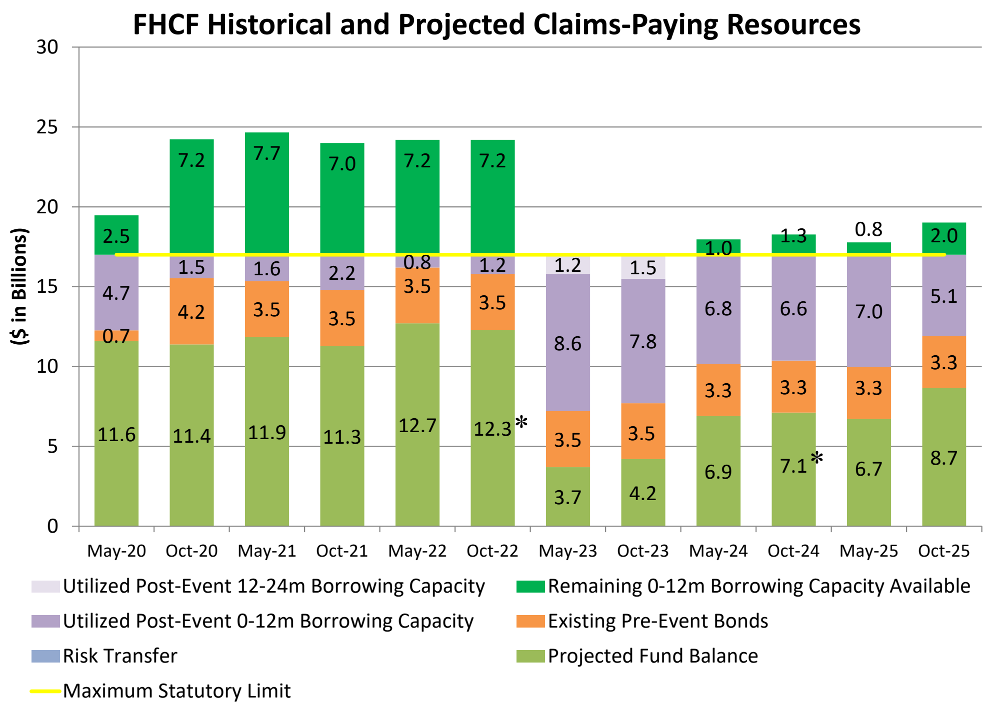
[2] *The potential borrowing for the 2026-2027 Contract Year of $8.42 billion reflects the maximum statutory limit exhausted in the prior year and is shown as the remaining 0-12 month estimated borrowing capacity of $2.02 billion and the 12-24 month estimated borrowing capacity of $6.40 billion.*

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, risk transfer amount, available pre-event liquidity, and estimates of borrowing capacity. While the projected fund balance climbed steadily from 2006 to 2017 without a major hurricane that triggered the FHCF, Hurricanes Irma, Michael, Ian, Idalia, Helene, and Milton losses have reduced the

FHCF's projected fund balance to approximately $8.67 billion available for the 2025-2026 Contract Year. In recent years, the senior managers' estimate ranges of the FHCF's borrowing capacity have remained relatively stable, but due to volatility in the marketplace, the senior managers' estimates have been diverse, 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 October 2025 average borrowing capacity estimates of $7.10 billion for 0-12 months and $6.40 billion for 12-24 months are lower by $700 million and $300 million, respectively, as compared to the May 2025 average borrowing estimate. This reduction in the 0-12 month average is within the historical range of capacity estimates as shown in the following page and is not reflective of any market changes since May 2025.

The chart below reflects the history of the FHCF's claims-paying resources since May 2020 with projected fund balance (light green), existing pre-event bonds (orange), risk transfer (blue), utilized post-event 0-12 month borrowing capacity (purple), utilized 12-24 month borrowing capacity (light purple) and maximum statutory limit (yellow) with remaining 0-12 month borrowing capacity available above (**dark green**). The outstanding pre-event bonds, risk transfer, and the projected fund balance are reliable amounts since they are known prior to an event, but the post-event borrowing capacity can vary significantly depending on financial market conditions after a hurricane event. It is important that the FHCF's claims-paying capacity estimates be reasonable and prudent to minimize financial risk for participating insurers for the initial and subsequent seasons as well as for long-term sustainability of the Florida residential property insurance market even under the current volatile market conditions.



Numbers may not add due to rounding.

The additional capacity above the maximum statutory limit reflects the estimated borrowing capacity plus any additional funds available.

**The fund balance reflects amounts before reserves are established for hurricanes within that contract year.*

It is 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 borrowing capacity. The table below shows the aggregate ranges for each estimate since May 2022.

Post-Event Estimated Borrowing Capacity (Senior Managers' Range)									
($ in Billions)	May-22	Oct-22	May-23	Oct-23	May-24	Oct-24	May-25	Oct-25	May 2025 - Oct. 2025 Change
0-12 Months	$4.5-$13	$4.5-$13	$4.5-$13	$4.5-$11	$4.5-$12	$4.5-$12	**$4.5-$12**	**$4.5-$9**	
12-24 Months	$4-17	$4-$20	$4-$13	$5-$11	$5-$9	$5-$9.5	**$5-$9**	**$5-$9**	

We believe surveying the opinions of the best experts with the most relevant experience and employing a prudent approach to pick among several potential estimates of capacity provides a reasonable estimate that suits the purposes of the FHCF and the needs of its participating insurers. The FHCF currently maintains sufficient claims-paying resources to meet its maximum statutory obligation of $17 billion for the 2025–2026 contract year. In the event that these resources are fully exhausted, the Fund's projected claims-paying capacity for the 2026–2027 contract year is estimated at $9.84 billion, representing approximately 58% of its maximum statutory limit. This projection excludes any potential post-event borrowing capacity over the subsequent 12–24 months, as such borrowing is not incorporated into near-term estimates due to the extended time horizon. The continued stability and sustainability of the FHCF are critical to the resilience of Florida's property insurance market, ensuring the Fund's ability to provide reliable reimbursement capacity for both the initial and subsequent contract years.

Appendix A – Bonding Capacity Solicitation & Senior Manager Responses

From:	Sasha Stipanovich
Cc:	Kapil Bhatia
Bcc:	doug.draper@bofa.com; nathaniel.e.johnson@bofa.com; Cai, Tom; James.Howard@morganstanley.com; Trevor.Moxley@morganstanley.com; John.Generalli@wellsfargo.com; Thomas.J.Munn@wellsfargo.com; Whitehouse, T J; Lawrence, Kent W; Cook, Jim T; Brilliant, Carly; Achanti, Archisha; mark.h.weinberg@jpmorgan.com
Subject:	FHCF Bonding Capacity Estimates
Date:	Wednesday, September 24, 2025 4:45:00 PM

Good afternoon FHCF Senior Manager Team:

It is that time of year where we need your input in preparation for presenting the bonding capacity estimates at the FHCF Advisory Council Meeting on Thursday, October 23rd at 1:30 PM.

For the bonding capacity analysis, we would like to know your opinion of the FHCF's <u>tax-exempt</u> and <u>taxable</u> bonding capacity over a <u>0-12 month</u> and <u>12-24 month</u> period and are still comfortable including estimates that contain 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 above market rates, if needed.

In order to prepare the FHCF Bonding Capacity Report for October 2025, we need the following data elements from you by close of business Thursday, October 2nd:

1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout, as needed, when writing the scale. Base your scale on an uninsured financing given the FHCF's strong current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout when writing the scale. Again, base the scale on the FHCF's current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event conservative market capacity over the next 0-12 **<u>and</u>** 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			
12-24 Months			

We would like to have to your responses back by close of business Thursday, October 2nd. Additionally, we would like a representative from your firm (banker and/or underwriter) to dial-in during the meeting to answer any questions. As you are preparing your responses, please let us know if you have any questions or comments – you can call or e-mail Kapil Bhatia (727-415-3267, kapil.bhatia@raymondjames.com) or Sasha Stipanovich (850-544-1117, sasha.stipanovich@raymondjames.com).

Sasha Stipanovich
Director

Public Finance
Raymond James & Associates, Inc.
C 850.544.1117
880 Carillon Parkway, St. Petersburg, FL 33716

RAYMOND JAMES®

Memorandum

To:	Florida Hurricane Catastrophe Fund
From:	BofA Securities, Inc.
Date:	October 2, 2025
Subject:	Florida Hurricane Catastrophe Fund – October 2025 Bonding Capacity Analysis

BofA Securities, Inc. ("BofA") is pleased to provide the Florida Hurricane Catastrophe Fund ("FHCF" of the "Fund") with our firm's estimates and views of the FHCF's post-event bonding capacity and current market borrowing costs.

Market Commentary. As we are preparing this response, the Federal government has shut down as the two chambers of Congress were unable to reach a compromise by the midnight deadline on Tuesday, September 30, for a Continuing Resolution. A government shutdown primarily affects nonessential functions related to discretionary spending. While the economic impact of the shutdown is expected to be limited, it could lead to financial market volatility, especially if delayed government economic reports obscure the Federal Reserve's decision-making on future rate cuts. Notably, there have only been five true government shutdowns since 1995, but each fiscal year since 1998 has had a Continuing Resolution. The economy during the third quarter started strong, but has moderated slightly each month. Preliminary S&P PMI data released last week suggests that September's economy is still quite solid, but somewhat cooler than the previous two months'. It also indicates that there are little upside surprises for inflation. As a result, the Fed cut 25 bps as expected during the September meeting. Macro rates have been going sideways since the Fed meeting, giving back some of the 40 bps rally in the first half of September. Municipal rates performed similarly, only that yield retracement since the Fed rate cut is much less than Treasuries, maintaining its outperformance streak in September. BofA research believes it is likely that the Fed rate cut prospect is slow and uncertain, much as Chair Powell's post-meeting conference call and comments he made this week suggested.

Rates Forecast. In August, BofA research revised their rate cut forecast to two cuts this year (one of which already occurred during the September meeting) and three additional cuts in 2026, taking the Fed Funds rate to 3.25% by the end of 2026. Fed commentary from the September meeting acknowledged moderating economic activity in the first half of the year and slowly job gains, as well as the unemployment rate edging up. That being said, the Fed reasserted their dual mandate of achieving maximum employment and inflation at the rate of 2% over the long run.

Metric	9/26/25	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4
Fed Funds Rate	4.25%	4.25%	4.00%	4.00%	3.75%	3.50%	3.25%
2YR T-Note	3.63%	3.50%	3.30%	3.30%	3.30%	3.35%	3.45%
5YR T-Note	3.76%	3.70%	3.50%	3.55%	3.55%	3.60%	3.70%
10YR T-Note	4.20%	4.20%	4.00%	4.05%	4.10%	4.15%	4.25%
30YR T-Bond	4.77%	4.80%	4.70%	4.75%	4.80%	4.90%	5.00%

Since our April 2025 update, tax-exempt rates have decreased 2-63 bps, with the majority of decrease occurring within the first 10 years. The steepening of the yield curve is especially pronounced when comparing the 2-30 year tax-exempt MMD yield differential, with the current difference approximately 205 bps. This represents a 49 bps increase since April 2025. Notably, the ratio of tax-exempt rates to Treasuries continues to remain rich on a short-term basis while mostly neutral on a long-term basis.

The municipal market has seen net inflows of approximately $17 billion year-to-date that has contributed to strong performance in the muni market, despite very robust issuance volume with year-to-date total of $423 billion or 13% increase year over year. New money issuance is up 26%, while refundings are down 15% year over year. Redemptions, coupon payments and constant large inflows to munis should keep the market roughly balanced. BofA research expect issuance for October to be on the order of $58 billion, much heavier than September, while principal redemption and coupon payments should be $47 billion. BofA believes both the macro rates environment and municipal market internal supply/demand dynamics support the idea that the municipal market is going nowhere for the next few weeks, and that large, positive performance will come in the November/December time frame.

As we have stated in the past, and especially true in this market, despite the market dynamics in play in the current environment, a transaction or series of transactions by the FHCF and possibly other insurance-related entities in the State of Florida (e.g. Citizens, FIGA) after a hurricane event has been generally untested and may significantly impact market dynamics for a specific transaction. In the pages that follow, we provide BofA's estimate of the FHCF's current borrowing costs, as well as our view on the FHCF's unconstrained issuance capacity in the current market. If you have any questions, please contact the BofA team.

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1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout, as needed, when writing the scale. Base your scale on an uninsured financing given the FHCF's strong current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

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, Aa2/AA/AA/AA ratings from Moody's, S&P, Fitch, and Kroll, respectively, and no capacity constraints.

Tax-Exempt Scale

Term	Maturity (July 1)	Premium Coupon	MMD	Spread	Yield
1	2026	5.000%	2.310%	25 bps	2.560%
2	2027	5.000%	2.210%	25 bps	2.460%
3	2028	5.000%	2.180%	25 bps	2.430%
4	2029	5.000%	2.180%	25 bps	2.430%
5	2030	5.000%	2.250%	25 bps	2.500%
6	2031	5.000%	2.360%	27 bps	2.630%
7	2032	5.000%	2.530%	28 bps	2.810%
8	2033	5.000%	2.620%	30 bps	2.920%
9	2034	5.000%	2.730%	30 bps	3.030%
10	2035	5.000%	2.890%	30 bps	3.190%
11	2036	5.000%	3.070%	33 bps	3.400%
12	2037	5.000%	3.200%	35 bps	3.550%
13	2038	5.000%	3.330%	37 bps	3.700%
14	2039	5.000%	3.440%	40 bps	3.840%
15	2040	5.000%	3.560%	40 bps	3.960%
16	2041	5.000%	3.680%	40 bps	4.080%
17	2042	5.000%	3.790%	40 bps	4.190%
18	2043	5.000%	3.880%	40 bps	4.280%
19	2044	5.000%	3.960%	40 bps	4.360%
20	2045	5.000%	4.020%	40 bps	4.420%
21	2046		4.070%		
22	2047		4.120%		
23	2048		4.150%		
24	2049		4.180%		
25	2050	5.250%	4.210%	45 bps	4.660%
26	2051		4.220%		
27	2052		4.230%		
28	2053		4.240%		
29	2054		4.250%		
30	2055	5.250%	4.260%	45 bps	4.710%

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout when writing the scale. Again, base the scale on the FHCF's current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

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, Aa2/AA/AA/AA ratings from Moody's, S&P, Fitch, and Kroll, respectively, and no capacity constraints.

Taxable Scale					
Term	**Maturity (July 1)**	**Coupon**	**UST**	**Spread**	**Yield**
1	2026	4.260%	3.660%	60 bps	4.260%
2	2027	4.210%	3.660%	55 bps	4.210%
3	2028	4.260%	3.660%	60 bps	4.260%
4	2029	4.360%	3.760%	60 bps	4.360%
5	2030	4.460%	3.760%	70 bps	4.460%
6	2031	4.640%	3.940%	70 bps	4.640%
7	2032	4.690%	3.940%	75 bps	4.690%
8	2033	4.870%	4.170%	70 bps	4.870%
9	2034	4.920%	4.170%	75 bps	4.920%
10	2035	4.970%	4.170%	80 bps	4.970%
11	2036	5.020%	4.170%	85 bps	5.020%
12	2037	5.070%	4.170%	90 bps	5.070%
13	2038	5.120%	4.170%	95 bps	5.120%
14	2039	5.170%	4.170%	100 bps	5.170%
15	2040	5.220%	4.170%	105 bps	5.220%
16	2041				
17	2042				
18	2043				
19	2044				
20	2045	5.650%	4.750%	90 bps	5.650%
21	2046				
22	2047				
23	2048				
24	2049				
25	2050				
26	2051				
27	2052				
28	2053				
29	2054				
30	2055	5.700%	4.750%	95 bps	5.700%

*Taxable scale assumes make-whole call.

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event conservative 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 FHCF capacity estimates at rates that are at or above the current "market" scale, as needed. We believe that sufficient demand exists at these capacity levels to complete a transaction of the sizes provided below. In the current market, there has been some crossover participation and believe there is some probability of cannibalization between tax-exempt/taxable capacity.

FLORIDA HURRICANE CATASTROPHE FUND
POST-EVENT MARKET CAPACITY ($ BILLION)

Time Period	Tax-Exempt	Taxable	Total
0-12 Months	$1.5-2.0	$3.0-5.0	$4.5-7.0
12-24 Months	$2.0-3.0	$3.0-5.0	$5.0-8.0
0-24 Months	**$3.5-5.0**	**$6.0-10.0**	**$9.5-15.0**

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Memorandum

J.P.Morgan

To: Florida Hurricane Catastrophe Fund

From: J.P. Morgan

Date: October 2, 2025

Subject: FHCF Estimated Bonding Capacity and Pricing

J.P. Morgan Securities LLC ("J.P. Morgan") is pleased to provide Florida Hurricane Catastrophe Fund ("FHCF") with our estimate of FHCF's bonding capacity and pricing levels for October 2025. On the following pages please find J.P. Morgan's estimate of the FHCF's 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 tax-exempt and taxable offerings, as requested.

Market Update

Trade and Geopolitical Developments. U.S. trade policy changes and escalating geopolitical uncertainty have contributed to increased market volatility. On August 7th, the U.S. implemented new tariffs ranging from 10% to 41% on nearly 70 countries, pushing the effective tariff rate above 17% - the highest seen since the Great Depression. Additionally, President Trump announced a 100% tariff on patented or branded drugs unless manufacturers establish production facilities in the U.S., alongside a 25% tariff on heavy trucks and a 25%-50% tariff on furniture. These measures reflect a significant shift in U.S. trade strategy and have broad implications for global supply chains and market sentiment.

ECONOMIC DATA

Data	Last	Period	Estimate	Actual	Prior
Prices					
Core CPI YoY	9/11	August	3.1%	**3.1%**	3.1%
Core PCE YoY	9/26	August	2.9%	**2.9%**	2.9%
Core PPI YoY	9/10	August	3.5%	**2.8%**	3.4%**
GDP Price Index	9/25	2Q25	2.0%	**2.1%**	2.0%
Labor Market					
Unemployment Rate	9/5	August	4.3%	**4.3%**	4.2%
Change in Nonfarm Payrolls	9/5	August	75K	**22k**	79k**
Initial Jobless Claims	9/25	Sep 20	233k	**218k**	232k**
Continuing Claims	9/25	Sep 13	1,932k	**1,926k**	1,928k**
JOLTS Job Openings	9/3	July	7,380k	**7,181k**	7,357k**
National Accounts					
GDP	9/25	2Q25	3.3%	**3.8%**	3.3%
Personal Consumption	9/25	2Q25	1.7%	**2.5%**	1.6%

Source: Bloomberg as of 9/26/2025 **Revised number

J.P. MORGAN INTEREST RATE FORECASTS

	Sep-25	Dec-31	Mar-31	Jun-30	Sep-30
	Current	**4Q25**	**1Q26**	**2Q26**	**3Q26**
Fed Funds	4.08%	3.60%	3.35%	3.35%	3.35%
2Y UST	3.66%	3.50%	3.25%	3.40%	3.40%
5Y UST	3.77%	3.65%	3.50%	3.65%	3.65%
10Y UST	4.17%	4.20%	4.15%	4.30%	4.30%
30Y UST	4.75%	4.85%	4.80%	4.90%	4.90%
2Y MMD	2.21%	2.10%	2.05%	2.10%	2.15%
5Y MMD	2.26%	2.25%	2.20%	2.25%	2.30%
10Y MMD	2.92%	2.90%	3.05%	3.10%	3.15%
30Y MMD	4.26%	4.25%	4.40%	4.40%	4.45%
2Y MMD/UST	60%	60%	63%	62%	63%
5Y MMD/UST	60%	62%	63%	62%	63%
10Y MMD/UST	70%	69%	73%	72%	73%
30Y MMD/UST	90%	88%	92%	90%	91%

Source: Current rates as of 9/25/2025; Thomson Reuters Municipal Market Data as of 9/25/2025; Bloomberg as of 9/25/2025; J.P. Morgan Research

Fed Developments. At its September meeting, the Federal Reserve lowered its benchmark rate by 25 basis points to a range of 4.00%-4.25%, marking the first rate cut of 2025 and signaling the beginning of a new easing cycle. Chair Powell cited growing signs of labor market weakness, noting that job creation is now running below the level needed to keep unemployment steady, while also acknowledging persistent inflation pressures from tariffs. The revised Summary of Economic Projections indicated a slightly higher median outlook for growth and inflation next year, and modestly lower unemployment forecasts for 2026 and 2027. The updated dot plot surprised markets with a dovish tilt, projecting two more rate cuts by year-end and additional cuts in 2026 and 2027, bringing rates to a new neutral level of 3.125%. J.P. Morgan economists expect the next 25 basis point cut at the October meeting, followed by two similar moves before the Fed pauses.

Labor Market. August's U.S. jobs report underscores a weakening labor market, increasing the likelihood of a rate cut at the Fed's October FOMC meeting. Job growth continued to cool, with nonfarm payrolls rising by just 22,000, well below expectations of 75,000, while the unemployment rate edged up to 4.3% from 4.2%. Additionally, JOLTS job openings fell to 7.18 million, missing forecasts and marking the lowest level in ten months. These indicators point to softer labor demand and reinforce the case for further monetary easing.

Inflation. After mixed inflation readings earlier in the year, recent data points to easing price pressures, though it remains uncertain how newly imposed tariffs will impact future inflation. In August, headline CPI rose 0.4% month-over-month, slightly above expectations, while Core CPI increased 0.3%, matching forecasts. Year-over-year, CPI climbed to 2.9% from 2.7%. The PCE index also rose by 2.7% year-over-year and 0.3% month-over-month, both in line with expectations. Core PCE, the Fed's preferred inflation measure, met estimates at 0.2% month-over-month and 2.9% year-over-year, suggesting inflation remains contained for now.

Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event conservative 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.

Indicative Post-Event Market Capacity as of 9/25/2025			
Time Period	Tax-Exempt	Taxable	Total
0-12 Months	$3.0-3.5 billion	$4.0-5.0 billion	$7.0-8.5 billion
12-24 Months	$3.5-4.0 billion	$4.0-5.0 billion	$7.5-9.0 billion
Total	**$6.5-7.5 billion**	**$8.0-10.0 billion**	**$14.5-17.5 billion**

Based on market conditions as of close of business September 25, 2025, J.P. Morgan estimates that FHCF could sell $3.0-3.5 billion of tax-exempt bonds and $4.0-5.0 billion of taxable bonds over the next 0-12 months at the market rate assumptions provided. Over the following 12-24 month period, FHCF could sell an additional $3.5-4.0 billion of tax-exempt bonds and $4.0-5.0 billion of taxable bonds. This would provide FHCF a total post-event market capacity of $6.5-7.5 billion tax-exempt and $8.0-10.0 billion taxable, for a total of $14.5-17.5 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.

Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout, as needed, when writing the scale. Base your scale on an uninsured financing given the FHCF's strong current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

Florida Hurricane Catastrophe Fund - Tax-Exempt Scale

Year	Maturity	Sinker/Term	Int. MMD	Spread	Coupon	Stated Yield
1	7/1/2026		2.31%	25	5.00%	2.56%
2	7/1/2027		2.21%	27	5.00%	2.48%
3	7/1/2028		2.18%	30	5.00%	2.48%
4	7/1/2029		2.18%	32	5.00%	2.50%
5	7/1/2030		2.25%	35	5.00%	2.60%
6	7/1/2031		2.36%	37	5.00%	2.73%
7	7/1/2032		2.53%	40	5.00%	2.93%
8	7/1/2033		2.62%	42	5.00%	3.04%
9	7/1/2034		2.73%	45	5.00%	3.18%
10	7/1/2035		2.89%	45	5.00%	3.34%
11	7/1/2036		3.07%	47	5.00%	3.54%
12	7/1/2037		3.20%	50	5.00%	3.70%
13	7/1/2038		3.33%	52	5.00%	3.85%
14	7/1/2039		3.44%	55	5.00%	3.99%
15	7/1/2040		3.56%	55	5.00%	4.11%
16	7/1/2041		3.68%	55	5.00%	4.23%
17	7/1/2042		3.79%	55	5.00%	4.34%
18	7/1/2043		3.88%	55	5.00%	4.43%
19	7/1/2044		3.96%	55	5.00%	4.51%
20	7/1/2045		4.02%	55	5.00%	4.57%
21	7/1/2046	*				
22	7/1/2047	*				
23	7/1/2048	*				
24	7/1/2049	*				
25	7/1/2050	T	4.21%	53	5.25%	4.74%
26	7/1/2051	*				
27	7/1/2052	*				
28	7/1/2053	*				
29	7/1/2054	*				
30	7/1/2055	T	4.26%	53	5.25%	4.79%

Assumes MMD as of close of business September 25, 2025, an optional redemption date of 7/1/2035 at par and $3 billion transaction size.

Please provide a 30-year taxable scale using the Treasury curve at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout when writing the scale. Again, base the scale on the FHCF's current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

Florida Hurricane Catastrophe Fund - Taxable Scale

Year	Maturity	Sinker/Term	UST	Spread	Coupon	Stated Yield
1	7/1/2026		3.662%	60	4.262%	4.262%
2	7/1/2027		3.662%	65	4.312%	4.312%
3	7/1/2028		3.662%	70	4.362%	4.362%
4	7/1/2029		3.767%	75	4.517%	4.517%
5	7/1/2030		3.767%	85	4.617%	4.617%
6	7/1/2031		3.953%	75	4.703%	4.703%
7	7/1/2032		3.953%	85	4.803%	4.803%
8	7/1/2033		4.173%	75	4.923%	4.923%
9	7/1/2034		4.173%	85	5.023%	5.023%
10	7/1/2035		4.173%	95	5.123%	5.123%
11	7/1/2036		4.173%	105	5.223%	5.223%
12	7/1/2037		4.173%	115	5.323%	5.323%
13	7/1/2038		4.173%	122	5.393%	5.393%
14	7/1/2039		4.173%	130	5.473%	5.473%
15	7/1/2040		4.173%	135	5.523%	5.523%
16	7/1/2041	*				
17	7/1/2042	*				
18	7/1/2043	*				
19	7/1/2044	*				
20	7/1/2045	T	4.731%	115	5.881%	5.881%
21	7/1/2046	*				
22	7/1/2047	*				
23	7/1/2048	*				
24	7/1/2049	*				
25	7/1/2050	*				
26	7/1/2051	*				
27	7/1/2052	*				
28	7/1/2053	*				
29	7/1/2054	*				
30	7/1/2055	T	4.752%	125	6.002%	6.002%

Assumes UST as of close of business September 25, 2025, a make-whole call and $3 billion transaction size.

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Morgan Stanley

Memorandum

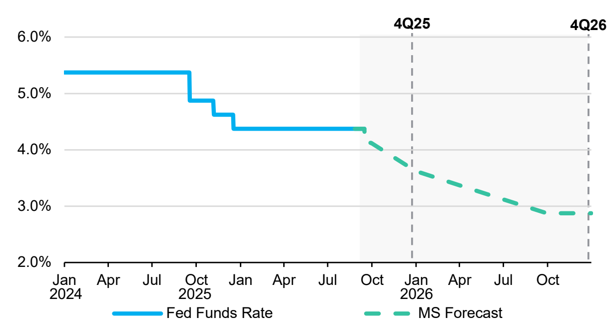
To:	Florida Hurricane Catastrophe Fund	Date: October 2, 2025
From:	Morgan Stanley	
Subject:	FHCF October 2025 Semi-Annual Bonding Capacity Analysis	

Morgan Stanley is pleased to provide the Florida Hurricane Catastrophe Fund ("FHCF") with our Firm's Semi-Annual Bonding Capacity Analysis. On the following pages, please find our current market tax-exempt and taxable scales along with our estimate of post-event bonding capacity over 0-12 and 12-24 month periods.

Macroeconomic Data and Fed Policy. The FOMC cut the Fed Funds rate by 25 bp at the September meeting, as expected, and projected two more rate cuts through year-end given a softening labor market. The labor market has continued to weaken, with nonfarm payrolls increasing by only 22k vs. 75k expected, demonstrating increased downsized risk to labor markets. Additionally, curbs on immigration have kept the unemployment rate low despite declining employment gains, resulting in lower labor supply and demand. Overall, a cooling labor market, earlier and broader implementation of tariffs, and lower immigration are expected to slow growth in the remainder of 2025 and into 2026. Fed Chair Jerome Powell said last Tuesday that "there is no risk-free path" as the central bank navigated upside inflation risks and downside labor market risks, citing slowing job creation and tariff-driven price pressures while offering no hints on whether he might support a rate cut at the Fed's October meeting. Even so, 2Q25 inflation-adjusted GDP grew at a revised 3.8% annualized pace - up from the previously reported 3.3% - marking the fastest expansion in nearly two years and reinforcing strength in underlying economic activity, which drove yields sharply higher. August CPI was in line with expectations, with headline and core CPI increasing by 2.9% and 3.1% YoY, respectively.

Market Dynamics. Despite recent flattening, the tax-exempt yield curve has steepened significantly over the course of the year. Tax-exempts have started to outperform amid lighter supply and Fed rate cuts, which has driven ratios of 60% for the 10-year ratio and 90% for the 30-year ratio. Municipal supply remains at all-time highs with $432 billion of new issuance volume year-to-date. This volume has been well-met by inflows from mutual funds and ETFs.

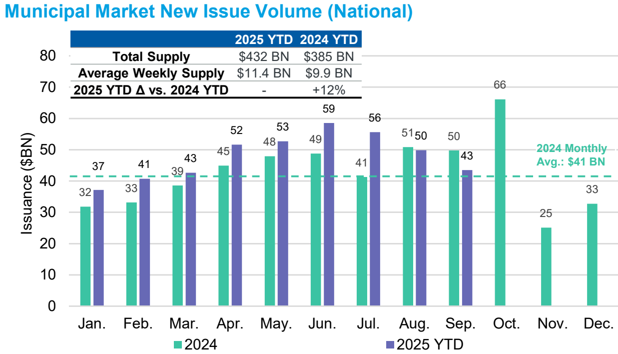
Fed Funds Rates Cuts



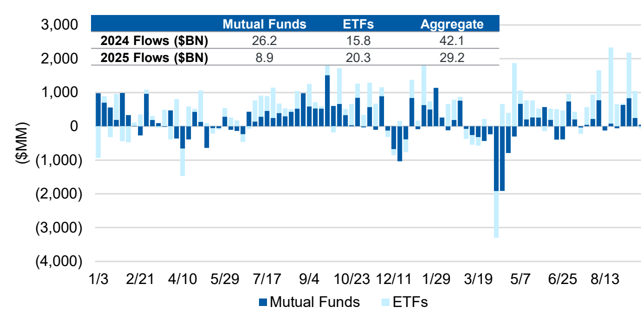
Rates and Ratios Movement (9/25/2025)

	Current	Δ WoW	Δ MoM	Δ YTD	Δ YTD High
5Y MMD	2.26%	+11	-11	-61	-133
10Y MMD	2.92%	+4	-31	-14	-97
30Y MMD	4.26%	+5	-35	+36	-58
5Y UST	3.77%	+10	+3	-62	-85
10Y UST	4.17%	+7	-8	-41	-63
30Y UST	4.75%	+3	-15	-4	-34
5Y Ratio	60%	+1%	-3%	-5%	-28%
10Y Ratio	70%	-	-6%	+3%	-19%
30Y Ratio	90%	-	-4%	+8%	-12%

Municipal Market New Issue Volume (National)



Municipal Mutual Fund and ETF Flows



Sources: Morgan Stanley Matrix, SDC, Bloomberg as of 9/26/2025

Pricing Views. On the following pages, we have provided our estimate of current pricing levels and bonding capacity over a 0-12 month and 12-24 month period.

1. Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout, as needed, when writing the scale. Base your scale on an uninsured financing given the FHCF's strong current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

FHCF Pricing Views: 30-Year Tax-Exempt Scale(1)					
Year	Maturity	MMD (9/25/2025)(1)	Spread (bps)	Coupon	Yield
1	2026	2.31%	25	5.00%	2.56%
2	2027	2.21%	27	5.00%	2.48%
3	2028	2.18%	30	5.00%	2.48%
4	2029	2.18%	33	5.00%	2.51%
5	2030	2.25%	35	5.00%	2.60%
6	2031	2.36%	38	5.00%	2.74%
7	2032	2.53%	40	5.00%	2.93%
8	2033	2.62%	42	5.00%	3.04%
9	2034	2.73%	43	5.00%	3.16%
10	2035	2.89%	45	5.00%	3.34%
11	2036	3.07%	48	5.00%	3.55%
12	2037	3.20%	50	5.00%	3.70%
13	2038	3.33%	50	5.00%	3.83%
14	2039	3.44%	50	5.00%	3.94%
15	2040	3.56%	50	5.00%	4.06%
16	2041	3.68%	50	5.00%	4.18%
17	2042	3.79%	50	5.00%	4.29%
18	2043	3.88%	50	5.00%	4.38%
19	2044	3.96%	50	5.00%	4.46%
20	2045	4.02%	50	5.00%	4.52%
21	2046				
22	2047				
23	2048				
24	2049				
25	2050	4.21%	55	5.00%	4.76%
26	2051				
27	2052				
28	2053				
29	2054				
30	2055	4.26%	55	5.00%	4.81%

Notes:

(1) Assumes 10-year par call on 7/1/2035

(2) Based on July Interpolated MMD on 9/25/2025

2. Please provide a 30-year taxable scale using the Treasury curve at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout when writing the scale. Again, base the scale on the FHCF's current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).

FHCF Pricing Views: 30-Year Taxable Scale(1)

Year	Maturity	UST (9/25/2025)	Spread (bps)	Coupon	Yield
1	2026				
2	2027	3.66%	60	4.26%	4.26%
3	2028	3.66%	60	4.26%	4.26%
4	2029				
5	2030	3.77%	65	4.42%	4.42%
6	2031				
7	2032	3.95%	85	4.80%	4.80%
8	2033				
9	2034				
10	2035	4.17%	100	5.17%	5.17%
11	2036				
12	2037				
13	2038				
14	2039				
15	2040	4.17%	125	5.42%	5.42%
16	2041				
17	2042				
18	2043				
19	2044				
20	2045	4.75%	100	5.75%	5.75%
21	2046				
22	2047				
23	2048				
24	2049				
25	2050				
26	2051				
27	2052				
28	2053				
29	2054				
30	2055	4.75%	110	5.85%	5.85%

Notes:
(1) Assumes Make-Whole Call

3. Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event conservative 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 to 4	4 to 5	7 to 9
12-24 Months	2 to 3	3 to 4	5 to 7

Notes:

- There is no overlap in tax-exempt and taxable capacity
- This assumes a range of maturities structured to meet market demand and capacity

Morgan Stanley

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100 South Ashley Drive, 10th Floor
Tampa, FL 33602

WELLS FARGO | Corporate & Investment Banking

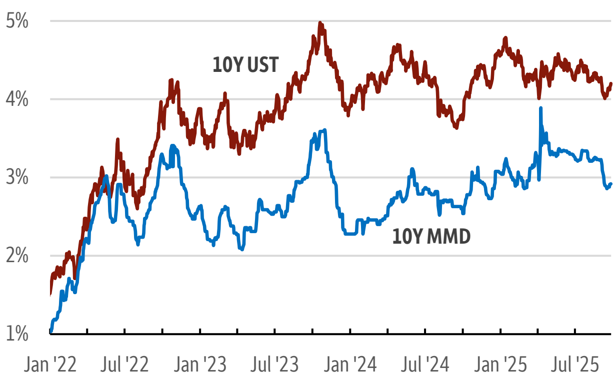
To: Florida Hurricane Catastrophe Fund
From: Wells Fargo Corporate and Investment Banking
Date: October 2, 2025
Re: Florida Hurricane Catastrophe Fund Bonding Capacity Estimate for October 2025

Wells Fargo Corporate and Investment Banking ("Wells Fargo") is pleased to provide the Florida Hurricane Catastrophe Fund ("FHCF") with our estimate of FHCF's bonding capacity for October 2025. On the following pages, please find our estimate of current market tax-exempt and taxable scales and spreads along with our estimate of bonding capacity for the 0- to 12-month and 12- to 24-month periods. Please contact any member of the Wells Fargo team if we can provide additional information or address any questions regarding these estimates. Wells Fargo appreciates the opportunity to present our estimate of FHCF's current bonding capacity.

Market Commentary[1]

Municipal yields moved higher last week, mirroring the upward drift in U.S. Treasuries, with 5-, 10-, and 30-year AAA MMD rates rising by 15, 4, and 4 basis points respectively. The front end of the curve saw the most pronounced movement. Despite rate pressure, the municipal market absorbed a heavier supply of nearly $16 billion, led by Wells Fargo's $2.4 billion State of California GO issuance, which saw strong demand and was upsized due to robust institutional interest. Credit conditions remain constructive, with multiple affirmations and outlook upgrades across credits. Municipal fund flows turned negative for the first time in five weeks, with $18 million in net outflows, while short-term rates rose modestly, with SIFMA resetting at 2.89% and SOFR at 4.16%.

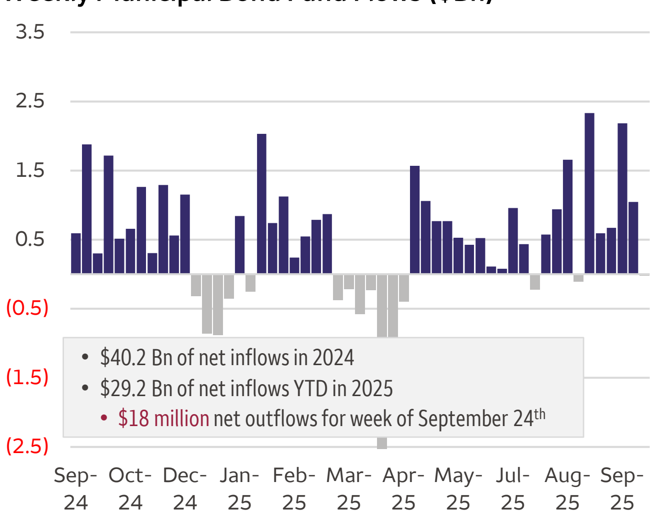
Historical 10Y UST and MMD Since January 2022[2]



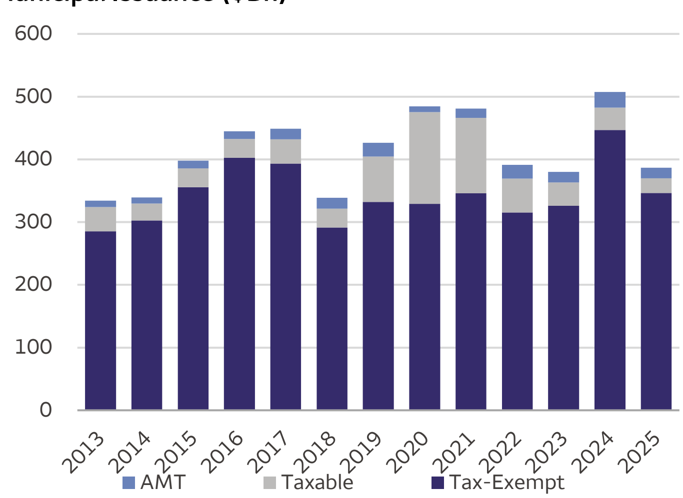
Wells Fargo Economist Interest Rate Projections[3]

	2025			2026	
	Current	Q3	Q4	Q1	Q2
Fed Funds Rate	4.25%	4.25%	3.75%	3.50%	3.25%
5-Year UST	3.76%	3.60%	3.50%	3.45%	3.45%
10-Year UST	4.20%	4.05%	4.00%	3.95%	4.00%
30-Year UST	4.77%	4.75%	4.70%	4.70%	4.80%

Weekly Municipal Bond Fund Flows ($Bn)[4]



Municipal Issuance ($Bn)[5]



[1] Sources: Thomson Reuters TM3, Ipreo, Bloomberg, The Bond Buyer, The iMoneyNet – Money Fund Report, as of September 26, 2025.
[2] Sources: US Treasury, Thomson Reuters TM3, from September 2, 2020 to September 26. 2025.
[3] Rates as of April 16, 2025. Forecast published by the Wells Fargo Economics Group, as of September10, 2025.
[4] Source: LSEG Lipper Global Fund Flows, as of September 25, 2025; Note: Only represents data for funds that report weekly.
[5] Source: The Bond Buyer, through August 31, 2025. Data reports monthly.

WELLS FARGO

1. ***Please provide a 30-year tax-exempt scale for the FHCF using the MMD at the close of business Thursday, September 25th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout, as needed, when writing the scale. Base your scale on an uninsured financing given the FHCF's strong current underlying ratings of Aa2/AA/AA/AA (Moody's / S&P / Fitch / Kroll).***

Please note that the tax-exempt scale shown below assumes that the bonds would be issued with a 10-year par call option. Bond prices shown in the table assume a delivery date of January 12, 2026 and term bond maturities in 2050 and 2055.

Florida Hurricane Catastrophe Fund Indicative Tax-Exempt Scale Market Rates as of COB September 25, 2025						
Maturity	I-MMD Index Rate	Spread (bps)	Coupon	Yield-to-Worst	Price ($)	Yield-to-Maturity
7/1/2026	2.31%	+45	5.00%	2.76%	101.036	-
7/1/2027	2.21%	+48	5.00%	2.69%	103.305	-
7/1/2028	2.18%	+50	5.00%	2.68%	105.507	-
7/1/2029	2.18%	+52	5.00%	2.70%	107.567	-
7/1/2030	2.25%	+53	5.00%	2.78%	109.269	-
7/1/2031	2.36%	+55	5.00%	2.91%	110.496	-
7/1/2032	2.53%	+57	5.00%	3.10%	111.059	-
7/1/2033	2.62%	+59	5.00%	3.21%	111.803	-
7/1/2034	2.73%	+60	5.00%	3.33%	112.235	-
7/1/2035	2.89%	+63	5.00%	3.52%	111.829	-
7/1/2036	3.07%	+66	5.00%	3.73%	110.052	-
7/1/2037	3.20%	+68	5.00%	3.88%	108.803	3.95%
7/1/2038	3.33%	+68	5.00%	4.01%	107.735	4.13%
7/1/2039	3.44%	+68	5.00%	4.12%	106.840	4.27%
7/1/2040	3.56%	+68	5.00%	4.24%	105.875	4.40%
7/1/2041	3.68%	+70	5.00%	4.38%	104.762	4.53%
7/1/2042	3.79%	+70	5.00%	4.49%	103.897	4.63%
7/1/2043	3.88%	+70	5.00%	4.58%	103.196	4.71%
7/1/2044	3.96%	+70	5.00%	4.66%	102.577	4.77%
7/1/2045	4.02%	+70	5.00%	4.72%	102.116	4.82%
7/1/2046	4.07%	-	-	-		-
7/1/2047	4.12%	-	-	-		-
7/1/2048	4.15%	-	-	-		-
7/1/2049	4.18%	-	-	-		-
7/1/2050	4.21%	+70	5.25%	4.91%	102.548	5.05%
7/1/2051	4.22%	-	-	-		-
7/1/2052	4.23%	-	-	-		-
7/1/2053	4.24%	-	-	-		-
7/1/2054	4.25%	-	-	-		-
7/1/2055	4.26%	+70	5.25%	4.96%	102.168	5.10%

WELLS FARGO

2. ***Please provide a 30-year taxable scale using the Treasury curve at the close of business Wednesday, April 16th. This scale should be the one that you believe reflects a "market" scale given the FHCF's strong credit with no capacity constraints. Please use serial bonds and 15, 20, 25, and/or 30-year term bonds, as needed, over a 30-year amortization period (7/1/26 - 7/1/55) with par-ish coupons throughout when writing the scale. Again, base the scale on the FHCF's current underlying ratings of Aa3/AA/AA/AA (Moody's/S&P/Fitch/Kroll).***

Please note that the indicative taxable scale shown below assumes that the bonds would be issued with a 10-year par call option. Bond prices shown in the table assume a delivery date of January 12, 2026.

Florida Hurricane Catastrophe Fund
Indicative Taxable Scale
Market Rates as of COB September 25, 2025

Maturity	Benchmark UST Rate	Spread (bps)	Coupon	Yield	Price ($)	Yield-to-Maturity
7/1/2026	3.653%	-	-	-	-	--
7/1/2027	3.653%	-	-	-	-	--
7/1/2028	3.655%	+80	4.455%	4.455%	100.00	--
7/1/2029	3.765%	-	-	-	-	--
7/1/2030	3.765%	+90	4.665%	4.665%	100.00	--
7/1/2031	3.950%	-	-	-	-	--
7/1/2032	3.950%	+105	5.000%	5.000%	100.00	--
7/1/2033	4.172%	-	-	-	-	--
7/1/2034	4.172%	-	-	-	-	--
7/1/2035	4.172%	+115	5.322%	5.322%	100.00	--
7/1/2036	4.172%	-	-	-	-	--
7/1/2037	4.172%	-	-	-	-	--
7/1/2038	4.172%	-	-	-	-	--
7/1/2039	4.172%	-	-	-	-	--
7/1/2040	4.172%	-	-	-	-	--
7/1/2041	4.736%	-	-	-	-	--
7/1/2042	4.736%	-	-	-	-	--
7/1/2043	4.736%	-	-	-	-	--
7/1/2044	4.736%	-	-	-	-	--
7/1/2045	4.736%	+125	5.986%	5.986%	100.00	--
7/1/2046	4.736%	-	-	-	-	--
7/1/2047	4.736%	-	-	-	-	--
7/1/2048	4.736%	-	-	-	-	--
7/1/2049	4.736%	-	-	-	-	--
7/1/2050	4.736%	-	-	-	-	--
7/1/2051	4.736%	-	-	-	-	--
7/1/2052	4.736%	-	-	-	-	--
7/1/2053	4.736%	-	-	-	-	--
7/1/2054	4.736%	-	-	-	-	--
7/1/2055	4.736%	+140	6.136%	6.136%	100.00	--

WELLS FARGO

3. ***Please provide us with your firm's opinion on the potential tax-exempt and/or taxable post-event conservative 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.***

We estimate that FHCF could issue between $10.0 and $14.0 billion in combined tax-exempt and taxable bonds over a 24-month time horizon. The capacity estimates shown in the table below assume FCHF 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. The scales that we included on the prior pages for taxable and tax-exempt FHCF bonds reflect market conditions as of September 25, 2025 and assume a $3 billion issuance amortized in discrete $100 million amounts over 30 years. We believe this level of issuance falls well within the market's current capacity for FHCF's debt.

Our bonding capacity estimates have not changed since our May 2025 memorandum.

Time Period	Tax-Exempt	Taxable	Total
0-12 Months	$3.0 - $4.0 billion	$3.0 - $4.0 billion	$6.0 - $8.0 billion
12-24 Months	$2.0 - $3.0 billion	$2.0 - $3.0 billion	$4.0 - $6.0 billion

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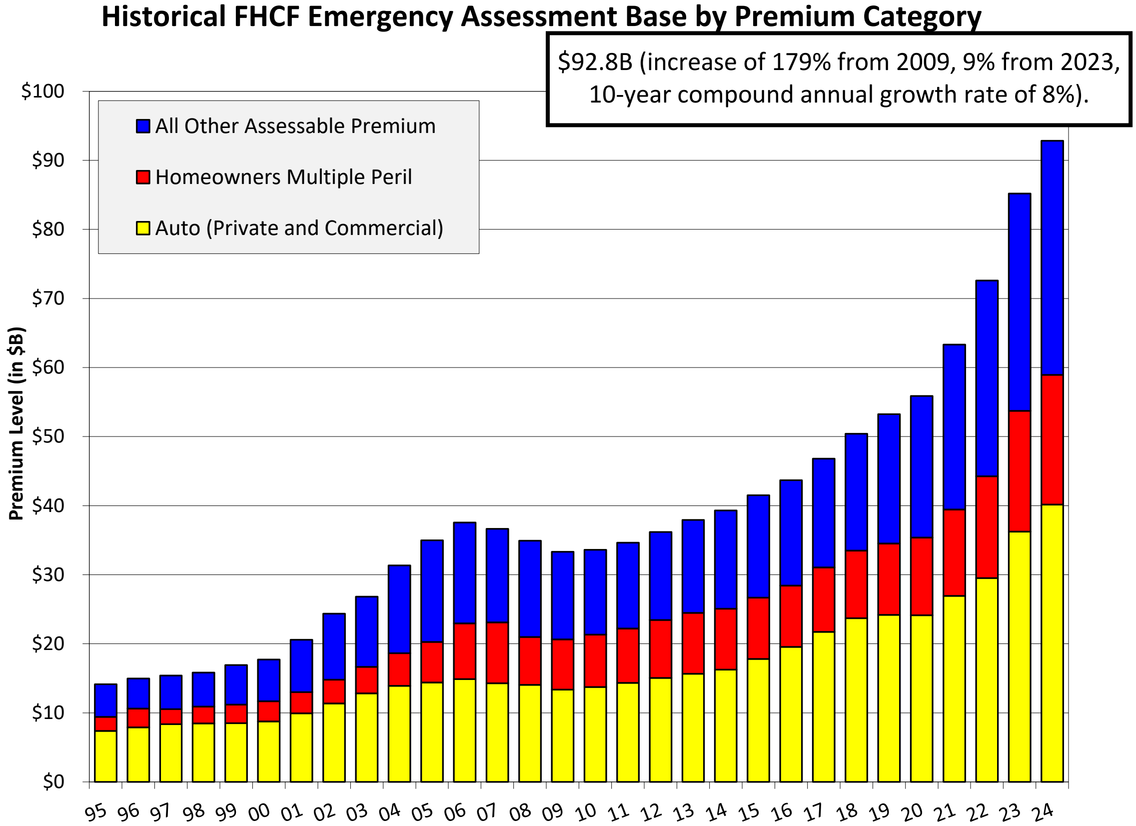
Appendix B – The FHCF's Emergency Assessment Base

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 2024 (the last official measurement date), totaled approximately $92.8 billion. The chart below and table on the following page show the evolution of the FHCF's assessment base over time, both by type of coverage and admitted market and surplus lines.

Historical FHCF Emergency Assessment Base by Premium Category



Historical FHCF Emergency Assessment Base ($MM)

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

Calendar Year	Admitted Lines DWP*	Surplus Lines and NIMA Clearinghouse DWP	Total Aggregate Premium	6% Emergency Assessment	% Premium Change from Prior Year
1995	$13,783	-	$13,783	-	
1996	$14,994	-	$14,994	-	8.79%
1997	$15,402	-	$15,402	-	2.72%
1998	$15,817	-	$15,817	-	2.70%
1999	$16,036	-	$16,036	-	1.38%
2000	$16,780	-	$16,780	-	4.64%
2001	$19,195	-	$19,195	-	14.39%
2002	$22,150	-	$22,150	-	15.39%
2003	$24,411	$2,435	$26,845	$1,611	21.20%
2004	$28,649	$2,695	$31,344	$1,881	16.76%
2005	$31,714	$3,275	$34,989	$2,099	11.63%
2006	$33,346	$4,208	$37,554	$2,253	7.33%
2007	$32,545	$4,101	$36,646	$2,199	-2.42%
2008	$30,830	$4,095	$34,926	$2,096	-4.69%
2009	$29,454	$3,859	$33,313	$1,999	-4.62%
2010	$29,888	$3,715	$33,603	$2,016	0.87%
2011	$30,943	$3,696	$34,640	$2,078	3.09%
2012	$32,323	$3,862	$36,185	$2,171	4.46%
2013	$33,726	$4,206	$37,933	$2,276	4.83%
2014	$35,085	$4,216	$39,302	$2,358	3.61%
2015	$36,957	$4,550	$41,507	$2,490	5.61%
2016	$39,069	$4,623	$43,693	$2,622	5.26%
2017	$41,844	$4,973	$46,817	$2,809	7.15%
2018	$44,858	$5,547	$50,405	$3,024	7.66%
2019	$47,033	$6,205	$53,238	$3,194	5.62%
2020	$48,827	$7,066	$55,892	$3,354	4.99%
2021	$54,253	$9,065	$63,318	$3,799	13.29%
2022	$61,027	$11,568	$72,595	$4,356	14.65%
2023	$70,287	$14,917	$85,204	$5,112	17.37%
2024	$76,413	$16,417	$92,830	$5,570	8.95%

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. In 2004, the Florida legislature excluded medical malpractice for 3 years and included surplus lines. Medical malpractice has since been permanently exempted.
Average direct written premium increase (geometric mean) from 2000-2024 is 7.28%.

2024 Admitted Market Lines Premiums ($MM)

Line of Business	2024 Total Assessable Premium
Aircraft (all perils)	$240.1
Allied lines	$4,592.0
Boiler and machinery	$90.8
Burglary and theft	$28.5
Commercial auto no-fault (personal injury protection)	$180.6
Commercial auto physical damage	$780.1
Commercial multiple peril (liability portion)	$919.3
Commercial multiple peril (non-liability portion)	$1,478.0
Credit	$170.6
Earthquake	$13.4
Farmowners multiple peril	$21.8
Fidelity	$72.7
Financial guaranty	$48.0
Fire	$1,335.8
Homeowners multiple peril	$17,660.3
Inland marine	$2,153.9
Mortgage guaranty	$454.6
Multiple peril crop	$278.3
Ocean marine	$622.7
Other commercial auto liability	$5,302.5
Other liability - claims-made	$1,079.2
Other liability - occurrence	$3,259.6
Other private passenger auto liability	$17,123.0
Private crop	$0.5
Private flood	$142.0
Private passenger auto no-fault (personal injury protection)	$6,053.0
Private passenger auto physical damage	$10,472.2
Products liability - claims-made	$3.1
Products liability - occurrence	$153.6
Surety	$797.9
Warranty	$884.7
Totals	**$76,412.8**

Source: Florida Office of Insurance Regulation, Market Research Unit

2024 Surplus Lines Premiums ($MM)

Coverage Code		2024 Surplus Lines Premiums ($MM)
1000	Commercial Property	$6,230.4
1001	Builders Risk - Commercial	$467.1
1002	Business Income	$0.1
1003	Apartments - Commercial	$6.2
1004	Boiler and Machinery	$17.0
1005	Commercial Package	$840.1
1006	Condominium Package - Commercial	$152.8
1007	Crop Hail	$0.0
1008	Difference In Conditions	$37.5
1009	Earthquake	$1.3
1010	Flood - Commercial	$72.6
1011	Glass - Commercial	$0.0
1012	Mortgage Impairment	$15.7
1013	Windstorm and/or Hail - Commercial	$451.3
1014	Mold Coverage - Commercial	$1.5
1015	Sinkhole Coverage - Commercial	$0.0
1016	Excess Flood - Commercial	$30.7
1017	Collateral Protection (Force Placed Coverage)	$50.1
1100	Bankers Blanket Bond	$1.5
1101	Blanket Crime Policy	$1.1
1102	Employee Dishonesty	$0.1
1103	Identity Theft	$0.1
1104	Deposit Forgery	$0.0
1105	Miscellaneous Crime	$5.1
1200	Accident & Health	$0.0
1201	Credit Insurance	$20.0
1202	Animal Mortality	$0.3
1203	Mortgage Guaranty	$0.4
1204	Worker's Compensation-Excess Only	$0.0
1205	Product Recall	$15.8
1206	Kidnap/Ransom	$0.3
1207	Surety	$34.6
1208	Weather Insurance	$0.7
1209	Prize Indemnification	$2.1
1210	Travel Accident	$0.3
1211	Terrorism	$36.3
1212	Fidelity	$1.3
1213	Deductible Buyback – Property	$81.6
1214	Parametric or Index-Based - Commercial	$5.1
1215	Parametric or Index-Based - Personal	$0.0
2000	Homeowners-HO-1	$19.8
2001	Homeowners-HO-2	$3.6
2002	Homeowners-HO-3	$657.0
2003	Homeowners-HO-4 - Tenant	$26.6
2004	Homeowners-HO-5	$185.2
2005	Homeowners-HO-6 - Condo Unit Owners	$186.3
2006	Homeowners-HO-8	$22.5
2007	Builders Risk - Residential	$58.5
2008	Flood - Personal	$130.4
2009	Dwelling Property	$143.6
2010	Farmowners Multi-Peril	$2.1
2011	Mobile Homeowners	$29.6
2012	Windstorm - Residential	$63.8
2013	Mold Coverage - Residential	$0.1
2014	Sinkhole Coverage - Residential	$0.0
2015	Excess Flood - Personal	$37.7
3000	Marina Operators Legal Liability	$2.1
3001	Marine Liabilities Package	$16.8
3002	Ocean Marine-Hull and/or Protection & Indemnit	$34.0
3003	Ocean Cargo Policy	$61.1

Coverage Code		2024 Surplus Lines Premiums ($MM)
3004	Ship Repairers Legal Liability	$3.3
3005	Stevedores Legal Liability	$0.0
3006	Personal & Pleasure Boats & Yachts	$79.9
3007	Ocean Marine Builders Risk	$1.2
3008	Longshoremen (Jones Act)	$0.0
4000	Inland Marine - Commercial	$113.8
4001	Inland Marine - Personal	$19.0
4002	Motor Truck Cargo	$29.5
4003	Jewelers Block	$8.3
4004	Furriers Block	$0.0
4005	Contractors Equipment	$3.9
4006	Electronic Data Processing	$0.0
5000	Commercial General Liability	$2,472.7
5001	Commercial Umbrella Liability	$220.4
5002	Directors & Officers Liability - Profit	$79.9
5003	Directors & Officers Liability - Non-Profit	$16.1
5004	Educator Legal Liability	$2.0
5005	Employment Practices Liability	$37.5
5006	Excess Commercial General Liability	$1,318.4
5007	Excess Personal Liability	$21.5
5008	Liquor Liability	$16.2
5009	Owners & Contractors Protective Liability	$9.7
5010	Personal Umbrella	$19.9
5011	Personal Liability	$55.8
5012	Pollution & Environment Liability	$126.8
5013	Product & Completed Operations Liability	$27.1
5014	Public Officials Liability	$5.5
5015	Police Professional Liability	$1.0
5016	Media Liability	$5.5
5017	Railroad Protective Liability	$14.1
5018	Asbestos Removal & Abatement	$0.0
5019	Guard Service Liability	$0.0
5020	Special Events Liability	$14.5
5021	Miscellaneous Liability	$228.8
5022	Cyber Liability	$286.5
6000	Hospital Professional Liability	$0.0
6001	Miscellaneous Medical Professionals	$0.0
6002	Nursing Home Professional Liability	$0.0
6003	Physician/Surgeon, Dentist Professional Liability	$0.0
7000	Architects & Engineers Liability	$55.3
7001	Insurance Agents & Brokers E&O	$23.7
7002	Lawyers Professional Liability	$56.3
7003	Miscellaneous E&O Liability	$321.0
7004	Real Estate Agents E&O	$5.9
7005	Software Design Computer E&O	$6.1
8000	Commercial Auto Liability	$174.7
8001	Commercial Auto Excess Liability	$26.9
8002	Commercial Auto Physical Damage	$50.4
8003	Dealers Open Lot	$43.5
8004	Garage Liability	$59.1
8005	Garage Keepers Legal	$2.9
8006	Private Passenger Auto-Physical Damage Only	$1.0
8007	Personal Excess Auto Liability	$1.1
9000	Commercial Aircraft Hull and/or Liability	$45.4
9001	Airport Liability	$5.7
9002	Aviation Cargo	$7.8
9003	Aviation Product Liability	$28.8
9004	Hangarkeepers Legal Liability	$0.1
9005	Personal & Pleasure Aircraft	$0.4
	Totals	**$16,417**

Source: FSLSO
Based on policies with a submitted (filed) date from 1/1/24 to 12/31/24.