

## 2019 Projected Payout Multiple (Updated 12/31/19)

The Projected Payout Multiple is used to calculate an insurer's projected payout for the FHCF coverage pursuant to Section 215.555(4)(d)2.b., Florida Statutes.

The Payout Multiple is derived by dividing the estimated single season Claims-Paying Capacity of the FHCF by the total industry Reimbursement Premium for the FHCF for the Contract Year billed as of 12/31 of the Contract Year. The Company's Reimbursement Premium, as paid to the SBA for the Contract Year, is multiplied by the Payout Multiple to estimate the Company's coverage from the FHCF for the Contract Year. The SBA is not obligated to reimburse for any losses under the Reimbursement Contract unless the Company incurs losses from Covered Events for Covered Policies in excess of its retention.

The Payout Multiple for the FHCF coverage is calculated as follows:

<u>Projected Maximum Claims Paying Capacity</u>		<u>Aggregate 2019 FHCF Premium</u>		<u>Payout Multiple</u>
\$17,000,000,000	/	\$1,187,111,000	=	14.3205