

Date: _____

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**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME _____
 ADDRESS _____

PERSON RESPONSIBLE FOR FILING _____
 TITLE _____ TELEPHONE # _____

2. INSURER NAIC # _____

3. LINE OF INSURANCE _____

4. ADVISORY ORGANIZATION _____

5. ADVISORY ORGANIZATION REFERENCE FILING # _____

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.

The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

7. PROPOSED RATE LEVEL CHANGE _____ % EFFECTIVE DATE _____

8. PRIOR RATE LEVEL CHANGE _____ % EFFECTIVE DATE _____

9. ATTACH "SUMMARY OF SUPPORTING INFORMATION FORM"
 (Use a separate Summary for each insurer-selected loss cost multiplier.)

10. CHECK ONE OF THE FOLLOWING:

The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and, if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or amended or withdrawn by the insurer.

The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

Insurer Name: _____
NAIC Number: _____

Date: _____

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
SUMMARY OF SUPPORTING INFORMATION FORM**

CALCULATION OF COMPANY LOSS COST MULTIPLIER

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

2. Loss Cost Modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(CHECK ONE)

Without modification. (factor = 1.000)

With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

B. Loss Cost Modification Expressed as a Factor:
(See examples below.)

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 3 - 7 BELOW.

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Selected Provision
A. Total Production Expense	_____
B. General Expense	_____
C. Taxes, Licenses & Fees	_____
D. Profit & Contingencies	_____
E. Credit for Investment Income*	_____ ()
F. Other (explain)	_____
G. TOTAL	_____

* Include as an offset, or explain how investment income is taken into account

4A. Expected Loss Ratio: $ELR = 100\% - 3G =$ _____

4B. ELR in decimal form = _____

5. Company Formula Loss Cost Multiplier: $(2B - 4B) =$ _____

6. Company Selected Loss Cost Multiplier = _____

Explain any differences between 5 and 6:

7. Rate Level change for the coverage to which this page applies _____

Example 1: Loss Cost modification factor: If your company's loss cost modification is - 10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss Cost modification factor: If your company's loss cost modification is +15%, a factor of 1.15 (1.000 + .150) should be used.

Insurer Name: _____
 NAIC Number: _____

Date: _____

EXPENSE CONSTANT SUPPLEMENT

CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Overall	Selected Provisions Variable	Fixed
A. Total Production Expense	_____	_____	_____
B. General Expense	_____	_____	_____
C. Taxes, Licenses & Fees	_____	_____	_____
D. Profit & Contingencies	_____	_____	_____
E. Credit for Investment Income	()	()	()
F. Other (explain)	_____	_____	_____
G. TOTAL	_____	_____	_____

* Include as an offset, or explain how investment income is taken into account

4. A. Expected Loss Ratio: ELR=100% - Overall 3G = _____
 B. ELR expressed in decimal form = _____
 C. Variable Expected Loss Ratio VELR = 100% - Variable 3G = _____
 D. VELR in decimal form = _____

5. Formula Expense Constant:
 $[(1.00 \quad 4B) - (1.00 \quad 4D)] \times \text{Average Underlying Loss Cost} =$ _____

Formula Variable Loss Cost Multiplier: $(2B \quad 4D) =$ _____

6. Selected Expense Constant = _____

Selected Variable Loss Cost Multiplier = _____

7. Explain any differences between 5 and 6:

8. Rate level change for the coverages to which this page applies _____

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