INSURER NAME _____ DATE _____

NAIC NUMBER_____

VERMONT INSURER RATE FILING ADOPTION OF RATE SERVICE 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:
      ☐ 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 Provisions	
A.	Total Production Expense	_____	%
B.	General Expense	_____	%
C.	Taxes, Licenses and Fees	_____	%
D.	Underwriting Profit and Contingencies	_____	%
E.	Other (explain)	_____	%
F.	TOTAL	_____	%

4. A. Expected Loss Ratio: ELR = 100% – 3F = _____ %
   B. 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 coverages 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.