

APPENDIX A

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Date of filling out form:
NEW JERSEY INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOST COSTS
FILING ADOPTION FORM

1. INSURER NAME
ADDRESS

PERSON RESPONSIBLE FOR FILING
TITLE TELEPHONE #

2. INSURER GROUP NAIC #
2A. INSURER COMPANY 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.

7. PROPOSED RATE LEVEL CHANGE % EFFECTIVE DATE

8. PRIOR RATE LEVEL CHANGE % EFFECTIVE DATE

9. ATTACH "FILING ADOPTION FORM" FOR EACH INSURER
IF SELECTED LOSS COST MULTIPLIER IS DIFFERENT.

** The Filed Loss Cost Level Change Factor for the initial filing is the Ratio of Revised Loss Costs to Current Rates divided by the Deviation which the insurer applied to the Current Rates (expressed as a decimal); and for subsequent filings, the Ratio Loss Cost Level to Current Loss Cost Levels.



Insurer Name: _____
 NAIC #: Group:- _____ Company:- _____

Date of filing out Form: _____

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

CALCULATION OF COMPANY LOSS COST MULTIPLIER

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

11. 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, AND DO NOT COMPLETE ITEMS 12-16 BELOW.

12. 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 & Fees	_____ %
D. Profit & Contingencies*	_____ %
E. Other (explain)	_____ %
F. TOTAL	_____ %

13A. Expected Loss Ratio: ELR = 100% - 12F = _____ %
 13B. ELR in decimal form = _____ %

14A. Company Loss Cost Multiplier: (11B/13B) = _____
 14B. Company Selected Loss Cost Multiplier = _____

15. Company Current Loss Cost Multiplier (Only on subsequent Loss Cost Filings): _____

16. Rate level change for the coverages to which this page applies: _____ %
 i.e. [(14B/15) x Filed Loss Cost Level Change Factor - 1.00].
 Note that for the initial Loss Cost Filing, Item 15 = 1.000).

Example 1: Loss Cost modification factor: If your company's loss cost modification is - 10%, a factor of 0.9 (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.

* This should reflect investment income.

Insurer Name: _____
 NAIC #: Group:- _____ Company:- _____

Date of filling out Form: _____

NEW JERSEY EXPENSE CONSTANT SUPPLEMENT
 CALCULATION OF COMPANY LOSS COST MULTIPLIER

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

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

18A. Expected Loss Ratio: ELR = 100% - Overall 17F = _____ %

B. ELR expressed in decimal form = _____

C. Variable Expected Loss Ratio VELR = 100% - Variable 17F = _____ %

D. VELR in decimal form = _____

19. Formula Expense Constant:
 [(1.00 / 18B) - (1.00 / 18D)] * Average Prospective Loss Cost = _____

Formula Variable Loss Cost Multiplier: (11B / 18D) = _____

20. Selected Expense Constant = _____

Selected Variable Loss Cost Multiplier = _____

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