

October 30, 1992

SUBJECT: INSURANCE

Circular Letter No. 19 (1992)

October 30, 1992

TO: ALL AUTHORIZED PROPERTY/CASUALTY INSURERS, INSURANCE PRODUCER ORGANIZATIONS,
AND ADVISORY RATE SERVICE ORGANIZATIONS

RE: PROSPECTIVE LOSS COSTS AND NEW REPORTING FORMS

Certain advisory rate service organizations, particularly the Insurance Services Office (ISO) and Surety Association of America (SAA), have indicated that they will no longer provide their members and subscribers with full advisory rates for the various kinds or lines of insurance they service. Instead, in the future, such organizations intend to provide only prospective loss cost information in New York and elsewhere. Prospective loss costs furnished by an advisory rate service organization include development and trending of loss experience.

Whether rates are independently developed or based upon information furnished by an advisory rate service organization, each insurer licensed in this State has the responsibility to determine that its rates comply with Insurance Law Article 23 standards. This fundamental responsibility is not altered by a loss cost system. Every insurer remains responsible for the propriety of its final rate, whether submitted in whole (as independently developed, or adopted, "full rate") or in parts (as adopted "loss costs" plus "expense factors").

In order to accommodate utilization of prospective loss costs and conversion of such loss costs into final rates, and to facilitate insurer compliance with governing provisions of Article 23 and Regulation 129 (11 NYCRR 161), the Insurance Department is changing the reporting requirements and forms, previously set forth in Circular Letter No. 15 (1986). In addition, a new form for submitting "a" rate filings is being implemented.

Pursuant to Insurance Law Section 308 and 11 NYCRR 161.9, all commercial and personal property/casualty (except workers compensation) rate-related filings submitted to the Insurance Department on or after January 1, 1993 must be accompanied by Form 129-B (Ed. 1/93) or Form 129-C (Ed. 1/93), as appropriate, completed in accordance with applicable instructions. Exemplars of these revised forms with accompanying instructions are annexed to this Circular Letter. Insurers may reproduce these sample forms or use computer or word-processing generated facsimiles, as long as they are of similar size and contain all prescribed information.

While ISO and SAA may move to a prospective loss cost system, the Insurance Department neither expects nor requires all advisory rate service organizations to do so in connection with specialty lines or sublines. For example, full advisory rates remain appropriate in regard to: (a) Title Insurance Rate Service Association (TIRSA) for title insurance purposes; and (b) Factory Mutual Service Bureau (FMSB) for highly protected risks. For the present, the New York Compensation Insurance Rating Board (NYCIRB), for its members and subscribers, will continue to submit filings based upon full rates.

Residual market submissions to the Department on a full rate basis should also continue on the part of the Automobile Insurance Plan Service Office (AIPSO). In addition, a special approach will be applied in regard to the New

York Property Insurance Underwriting Association (NYPIUA), whose rates are predicated upon voluntary market experience compiled by ISO.

Any questions concerning this Circular Letter should be directed to:

Mark Presser (212-602-0386)
Assistant Bureau Chief
Property & Casualty Insurance Bureau
New York State Insurance Department
160 West Broadway -- 13th Floor
New York, New York 10013

Applying a loss cost approach creates an opportunity for insurers to evaluate underlying loss costs as well as expense components, in light of experience and changing market conditions. In this context, insurers should pay particular attention to the Insurance Expense Exhibit. Insurers are also reminded of the 11 NYCRR 161.7(c) three-year rate filing duration rule.

Very truly yours,

[SIGNATURE]

SALVATORE R. CURIALE

SUPERINTENDENT OF INSURANCE

ATTACHMENTS

REPORT OF CHANGES IN RATES, PROSPECTIVE LOSS COSTS AND RATING RULES NYSID FORM 129-B
FOR NEW YORK STATE INSURANCE DEPARTMENT USE ONLY

File No.: R Type: Submitted Received
Assigned Examiner: Unit
Company Codes:
PACIFIC LOB codes:
RSO Name RSO Ref No.
Comments

A. INSURER INFORMATION

Insurer's NAIC Code /_/_/_/_/-/_/_/_/_/_/_/_

Name of insurer Insurer's File No.

B. FILING INFORMATION

(1) Type of filing

(check all that apply):

(3) Does this revision result in rate level changes that would exceed the flex-band applicable to this market? Yes No

(4) Does this revision include any changes in class, territory, increased limits factors, package modifier or similar rating factor which affect the rates of any individual insured by more than +/- 20% in addition to the overall statewide revision? Yes No

(5) Has this insurer made three (3) or more rate filings affecting this market in the preceding twelve (12) months? Yes No

IMPORTANT

IF ANY OF THE RESPONSES TO QUESTIONS 3 THROUGH 5 ABOVE IS "YES", THE RUNG IS SUBJECT TO THE SUPERINTENDENT'S PRIOR APPROVAL.

(6) On an attached schedule, please set forth (by class and territory) the rate level effect of this filing, indicating any applicable flex-band(s) and Pivot Rate Level(s) for this kind of business.

AFFIRMATION

I, _____, a duly authorized officer of _____, do hereby affirm that the foregoing information, including the following (check all that apply):

PART D - ADOPTION OF RATES AND/OR RULES OF A RATE SERVICE ORGANIZATION

PART E - ADOPTION OF PROSPECTIVE LOSS COSTS OF A RATE SERVICE ORGANIZATION

PART F - CALCULATION OF EXPECTED LOSS RATIO

INVESTMENT INCOME EXHIBIT

and all other attached exhibits, schedules and supporting information, is true to the best of my knowledge and belief.

Signature of Authorized Officer Date

Name of Authorized Officer (please print) Address of Insurer

Title City State Zip Code

(____)____ (____)____
Direct Telephone Number Fax Number

D. ADOPTION OF RATES AND/OR RULES OF A RATE SERVICE ORGANIZATION

[Use Part E for adoption of Prospective Loss Costs]

(Complete this Part only if the filing includes the adoption of rates and/or rules filed with this Department by a Rate

Service Organization of which the insurer is a member or subscriber.)

Name of Rate Service Organization Reference No. of Filing being Adopted

Line, Sub-line, Coverage, Territory, Class or combination, etc., to which this Part applies

(1) Rate modification:

Check one:

The above filing is hereby adopted without modification

The above filing is hereby adopted subject to the following modification

(indicate nature and percent modification and attach all supporting data and justification for the modification): (indicate "+" or "-") /__/_/_/_/_/- /__/_/_/%

(2) Is the modification indicated in (1) above the same as the modification currently being used by this insurer for this market? Yes No

(3) If the answer to (2) above is "No", what is the rate effect of the change in modification only? (indicate "+" or "-") /__/_/_/_/_/- /__/_/_/%

E. ADOPTION OF PROSPECTIVE LOSS COSTS OF A RATE SERVICE ORGANIZATION

(Complete this Part only if the filing includes the adoption of prospective loss costs filed with this Department by a Rate Service Organization of which the insurer is a member or subscriber.)

Name of Rate Service Organization Reference No. of Filing being Adopted

Line, Sub-line, Coverage, Territory, Class or combination, etc., to which this Part applies

(1) Loss Cost Modification:

Check one:

The above filing is hereby adopted without modification

The above filing is hereby adopted subject to the following modification

(indicate nature and percent modification and attach all supporting data and justification for the

modification): (indicate "+" or "-") /__/_/_/_/_/-/_/_/_/%

(2) Is the modification indicated in (1) above the same as the modification currently being used by this insurer for this market? Yes No

(3) If the answer to (2) above is "No", what is the rate effect of the change in modification only? (indicate "+" or "-") /__/_/_/_/_/-/_/_/_/%

(4) Express the Loss Cost Modification, indicated in (1) above, as a factor: (see instructions) /__/_/_/_/_/

(5) Insurer Expected Loss Ratio (ELR), expressed as a factor: [From Part F, line (10)] 0 - /__/_/_/_/

(6) Insurer Formula Loss Cost Multiplier: [(4) divided by (5)] /__/_/_/_/_/

(7) Insurer Selected Loss Cost Multiplier:

(Explain any differences between (6) and (7)): /__/_/_/_/_/

(8) Is the ELR indicated in (5) above the same as the ELR currently being used by this insurer for the Line, Sub-line, etc., indicated above? Yes No

(9) If the answer to (8) above is "No," what is the rate effect of the change in ELR only? (indicate "+" or "-") /__/_/_/_/_/-/_/_/_/%

(10) Has Part F, Calculation of Expected Loss Ratio, containing the supporting data for the ELR indicated in (5) above, been previously filed with this Department within the past 3 years? Yes No

IF THE ANSWER TO EITHER QUESTION (8) OR (10) IS "NO," PART F, CALCULATION OF EXPECTED LOSS RATIO, MUST BE COMPLETED

(11) Will any expense constant be used in conjunction with these prospective loss costs to develop final rates? Yes No

If "Yes", indicate the expense constant(s) and attach all supporting information_____

F. CALCULATION OF EXPECTED LOSS RATIO

(Complete this Part if the calculation of the Expected Loss Ratio that the insurer intends to use with its Prospective Loss Costs to determine final rates is new or has not been filed with this Department within the past three years. Ratios for this Part are to be derived, wherever possible, directly from the insurer's Insurance Expense Exhibits, as filed with this Department)

Line, Sub-line, Coverage, Territory, Class, or combination, etc., to which this Part applies

Indicate the three most recent years' expense ratios (not the actual dollars spent), for DIRECT BUSINESS for the applicable line of insurance:

	19____	19____	19____	Average	Selected
(1) Commissions and Brokerage:					
(2) Other Acquisition Expenses					
(3) General Expenses					
(4) Taxes, licenses and fees					
(5) Other (attach explanation)					
(6) Profit and contingencies					_____
(7) Total Selected lines (1) through (6)					_____
(8) Investment income (attach Investment income exhibit or explanation of how investment income is reflected)					_____
(9) Line (7) minus line (8)					
(10) Expected Loss Ratio [1.000 minus line (9)] (use in Part E, line 5)					0. /__/_/_/

(11) If any of the selected expense provisions deviate from the insurer's own averages, as shown above, identify each such deviation, indicate the specific reasons therefor, and attach all schedules and other information supporting the deviation: _____

APPLICABILITY

Form 129-B (Ed. 1/93) should accompany all general rate filings submitted in accordance with the provisions of Article 23, other individual risk, "a" rate, and workers compensation filings.

Form 129-B (Ed. 1/93) consists of 6 parts, identified as Parts A through F, and an Affirmation section. Regardless of the type of filing being submitted, Parts A, B and C and the Affirmation must be completed. Completion of Parts D, E and F will depend on the nature of the filing, as explained further in these instructions.

For purposes of these instructions and completing Form 129-B, Rate Service Organizations (RSOs) should check box (a), and otherwise consider themselves "insurers" when submitting filings of advisory rates, rules or prospective loss costs. Further, RSOs submitting filings of advisory prospective loss costs should consider the term "rate" to mean "prospective loss cost" wherever applicable.

In addition to the form itself, insurers and RSOs are required to attach all supporting and explanatory exhibits, schedules, memoranda, etc., as well as all applicable manual pages, subject to the following:

When an insurer elects to adopt the rates or prospective loss costs of an RSO of which it is a member or subscriber, the filing must include either:

(a) a manual page indicating the modification to be applied to the RSO's rates, or the Loss Cost Multiplier(s) to be used with the RSO's prospective loss costs; or

(b) manual pages indicating the final rates as developed by application of the modification factor to the RSO's rates or the Loss Cost Multiplier(s) to the RSO's prospective loss costs.

PART A INSURER INFORMATION

The identifying information should refer to the specific insurer to which the filing will apply. Separate Forms 129-B are required for each company, even if the rates, rules or prospective loss costs being filed or adopted are identical for separate companies within a group.

NAIC Code:

Use the full eight digit number, including the three digit group prefix if applicable.

Insurer's File No.:

This space is provided for any identifying file number that the insurer may choose to assign to its filings. It is not to be used to identify the reference number of an RSO filing that an insurer is adopting.

PART B FILING INFORMATION

(1) Check all boxes that apply to the filing. A filing can contain elements that include independently developed rates and/or rules, combined with the adoption of those developed by an RSO. Regardless of the type of filing, the Affirmation must be completed, and all supporting schedules and exhibits attached.

(2) Insurers should indicate the kind of insurance to which the filing will apply. Where applicable, the market descriptions referred to in Section 161.4 of Regulation 129 (Flex-Rating Regulation) should be used. Where such descriptions are not applicable, appropriate market descriptions, including sub-line, should be used (Homeowners, Commercial Fire, etc.)

(3) Indicate "Yes" if this filing consists of rates for a new program or if it includes rates for which the insurer does not presently have rates in effect.

(4) Indicate the intended or proposed implementation dates for New York. Allow time for mailing, processing, review and, where required, prior approval of the filing. Note that filings requiring prior approval may not be implemented prior to the date of such approval. Further note that adoptions of RSO rate, rule and prospective loss cost filings cannot become effective prior to the effective date contained in the underlying RSO filing, without the prior approval of this

Department.

(5) Indicate the insurer's annual New York State written premium for the kind of insurance affected by the filing. Where specific dollar amounts are not available, a reasonable estimate may be used. If the filing is for a new program, enter "0".

Rate - Indicate the "rate per unit of exposure" if the policy is rated on that basis. Otherwise indicate N/A.

Exposure Base - If the policy is rated on a "rate per unit of exposure" basis, indicate whichever of the following Exposure Base codes applies. (If "Other" (code 99) is used, indicate the exposure base in the space provided):

EXPOSURE BASE	COD
	E
Area	01
Payroll	02
Gross Sales/Receipts	03
Total Project Cost	04
Admissions	05
Number of Units	06
Total Annual Budget	07
Other	99

Total Premium - Indicate the total premium for the policy.

(1) Indicate whether all or any portion of the total premium was determined by the application of a minimum premium. For example, if the total premium for an umbrella policy were \$ 1,000, which was the insurer's minimum premium for umbrellas, the answer would be "Yes".

(2) If the answer to question (1) is "Yes" and minimum premium only represents a portion of the Total Premium, indicate the amount that represents minimum premium and explain how the Total Premium was computed.

(3) Identify the type and cost of any reinsurance that directly affected the rating of this risk.

(4) Describe how the risk was rated. Identify all elements of judgment used in the rating of this risk, and explain how these elements were evaluated in determining the final rate or premium.

(6) Indicate the overall Statewide rate effect of any changes included in the filing. Indicate "+" or "-" in the space provided. "Negligible" or "Nil" may be entered, but "Indeterminable" and "Not Available" are not acceptable responses.

Be sure to include the rate effect of any changes in modification of RSO rates or loss costs. For example, if an insurer were adopting an RSO +10% rate revision and simultaneously eliminating a -10% modification, the combined rate effect of the changes for the insurer would be +22.2% [1.10 divided by .90].

Where an insurer is adopting the prospective loss costs of an RSO, the overall Statewide effect must reflect the combined effect of: changes in the loss costs; changes in any loss cost modification; and changes in the Expected Loss Ratio. If applicable, the rate effect of any changes in expense constants must also be reflected.

(7) Indicate whether investment income has been taken into consideration in the filing. Attach any investment income exhibits or explanatory memoranda. If investment income is not taken into consideration, an explanation of the reasons for that approach must accompany the filing.

Questions (8) and (9) are self-explanatory.

PART C FLEX-RATING INFORMATION

(1) Indicate whether any of the rates included in the filing affect a market subject to Flex-rating. For example, if the filing was for package modifiers for multi-peril policies, the answer would be "Yes" since these modifiers would affect the liability portion of the policy.

If the answer to question number (1) is "No," skip the remaining questions in Part C, and go on to the next applicable Part or the Affirmation.

(2) Use the applicable flex-band specified in Section 161.4 of Regulation 129.

(3) Indicate if the filing includes any rate revisions that exceed the flex-band applicable to the market affected by the filing.

(4) In addition to the overall statewide rate effect, indicate if filing includes any changes in class relativity, territory relativity, increased limits factors, package modifier or similar rating factor that would affect the rates of any individual insured by more than +/- 20% (see Section 161.5(d) of Regulation 129).

(5) Not including the subject filing, indicate whether the insurer has made three or more flex-rate filings affecting this market within the preceding 12 months.

Any "Yes" response to questions (3), (4) or (5) means that the filing is subject to prior approval and should not be implemented until such approval has been obtained.

Question (6) is self-explanatory.

PART D ADOPTION OF RATES AND/OR RULES OF A RATE SERVICE ORGANIZATION

This Part is to be completed and attached whenever an insurer wishes to adopt, with or without modification (i.e. deviation), the rates and/or rules of an RSO of which the insurer is a member or subscriber (i.e., a "Me-Too").

Please use the Reference Number of the RSO filing being adopted. This number is usually identified in the RSO's circular or bulletin as the number to use in identifying the filing to state regulators. **DO NOT USE THE CIRCULAR NUMBER, EDITION DATE, OR THE INSURER'S INTERNAL FILE NUMBER.**

A SEPARATE PART D MUST BE COMPLETED FOR EACH DIFFERENT MODIFICATION THAT AN INSURER WISHES TO ADOPT.

For example, if an insurer wishes to adopt an RSO's Premises and Operations rate revision with a -15% modification for territories X, Y and Z, but without modification for the remainder of the State, two Part D forms would have to be completed, each identifying the territories to which they apply.

(1) If the filing is being adopted without modification, check the appropriate box. If the insurer wishes to adopt the filing with a modification, indicate the percentage modification that will be used. If the modification indicated represents a change from the modification currently being used for this market; make sure that the rate effect of the

change in modification is properly reflected in the insurer's response to questions (2) and (3) and Part B, question (6).

(2) Indicate whether the modification (or absence of same) indicated in (1) is the same as the modification currently in effect.

(3) If the answer to (2) is "No," indicate the rate effect of the change in modification only. For example, if an insurer had been using a modification of -10% (.90) and was now changing to a modification of -5% (.95), the rate effect of this change alone is +5.56% (.95 divided by .90)

PART E ADOPTION OF PROSPECTIVE LOSS COSTS OF A RATE SERVICE ORGANIZATION

This Part is to be completed and attached whenever an insurer wishes to adopt, with or without modification, the prospective loss costs of an RSO of which the insurer is a member or subscriber.

Please use the Reference Number of the RSO filing being adopted. This number is usually identified in the RSO's circular or bulletin as the number to use in identifying the filing to state regulators. **DO NOT USE THE CIRCULAR NUMBER, EDITION DATE, OR THE INSURER'S INTERNAL FILE NUMBER.**

A SEPARATE PART E MUST BE COMPLETED FOR EACH DIFFERENT MODIFICATION AND/OR EXPECTED LOSS RATIO THAT AN INSURER WISHES TO ADOPT.

For example, if an insurer wishes to adopt an RSO's Premises and Operations Prospective Loss Costs with a -15% modification for territories X, Y and Z, but without modification for the remainder of the State, two Part E forms would have to be completed, each identifying the territories to which they apply. Similar distinction must be made if the Expected Loss Ratios used to calculate the Loss Cost Multipliers will vary by class, territory, subline, program, etc.

(1) If the loss costs are being adopted without modification, check the appropriate box. If the insurer wishes to adopt the loss costs with a modification, indicate the percentage modification that will be used. If the modification indicated represents a change from the modification currently being used for this market, make sure that the rate effect of the change in modification is properly reflected in the insurer's response to questions (2) and (3) and Part B, question (6).

(2) Indicate whether the modification (or absence of same) indicated in (1) is the same as the modification currently in effect.

(3) If the answer to (2) is "No," indicate the rate effect of the change in modification only. For example, if an insurer had been using a modification of -10% (.90) and was now changing to a modification of -5% (.95), the rate effect of this change alone is +5.56% (.95 divided by .90)

(4) Express any Loss Cost Modification as a decimal factor. For example if the Loss Cost Modification were the factor would be 0.850 (1.000 0.150). If the Loss Cost Modification were +10%, the factor would be 1.100 (1.000 + 0.100) If no modification is being used, the factor is 1.000.

(5) Indicate the Expected Loss Ratio as calculated on line (10) of Part F, which is included with the current filing, or which has been previously filed and applicable to this line, subline, etc.

(6) Divide line (1) by line (2).

(7) Indicate the selected Loss Cost Multiplier, and explain any differences between the Formula and Selected figures. Only minor adjustments for rounding and simplifying will be acceptable.

(8) Indicate whether the Expected Loss Ratio used in these calculations is the same as the one reflected in the insurer's current rates.

IF THE ANSWER TO QUESTION (8) IS "NO," PART F, CALCULATION OF EXPECTED LOSS RATIO, BE COMPLETED AND SUBMITTED WITH THIS FILING

(9) If a new Expected Loss Ratio is being used, indicate the rate level effect of the change in Expected Loss Ratio only. For example, if the Expected Loss Ratio were changing from 0.667 to 0.648, the rate effect of that change (regardless of any other change in loss costs or loss cost modification) would be +2.90% (0.667 divided by 0.648).

(10) Indicate whether Part F - Calculation of Expected Loss Ratio, containing the supporting data for the ELR indicated in (5), has been previously filed with this Department for use with this line, sub-line, class, territory, etc., within the past 3 years.

IF THE ANSWER TO QUESTION (10) IS "NO," PART F, CALCULATION OF EXPECTED LOSS RATIO, MUST BE COMPLETED AND SUBMITTED WITH THIS FILING.

(11) Indicate whether any Expense Constant will be used in conjunction with the Loss Cost Multiplier to develop final rates. If "Yes", indicate the expense constant(s), and attach the supporting data and information.

A SEPARATE PART F CALCULATION OF EXPECTED LOSS RATIO

This Part must be completed and attached whenever the Expected Loss Ratio that an Insurer will use in connection with prospective loss costs to calculate final] (as reported in Part E, line (5)) is different from the one currently being used by the insurer, or if no Expected Loss Ratio has been filed within the past 3 years.

A SEPARATE PART F MUST BE COMPLETED FOR EACH DIFFERENT EXPECTED LOSS RATIO THAT AN INSURER WISHES TO USE.

For example, if a particular program provides for a commission rate that differs from the commission rate that the insurer uses in its other programs, separate Part F forms should be filed, each reflecting the appropriate commission rate.

(1) through (5)

The historical data required on lines (1) through (5) should be taken directly from the insurer's Insurance Expense Exhibits, as filed with this Department. INDICATE THE EXPENSE RATIOS FOR DIRECT BUSINESS AS DECIMAL FACTORS, NOT THE ACTUAL DOLLARS SPENT.

Insurers that are part of multi-company groups may use group data.

Newly licensed independent insurers with experience in other states may, until they have three years of New York experience, use historical data from another state in which its experience is considered comparable to New York (indicate the state), or such an insurer should otherwise indicate the basis for its expense estimates.

Newly organized insurers that are not part of a multi-company group should reasonably estimate their anticipated expenses, and such an insurer should attach a separate exhibit indicating the basis for those estimates. Such estimates may only be used until the insurer has developed 3 years of actual experience.

In the appropriate columns, indicate the three-year average, and the selected ratios. If any of the selected ratios deviate from the three-year averages, an explanation of the differences must be shown on line (11).

(6) Indicate the provision for profit and contingencies included in this filing.

(7) Add lines (1) through (6).

(8) Indicate the factor being used to reflect investment income and attach an investment income exhibit to support such factor. If no specific factor is indicated, attach an explanation of how investment income is being reflected in the filing.

(9) Subtract line (8) from line (7).

(10) Subtract line (9) from 1.000. The result is the Expected Loss Ratio.

(11) Provide an explanation of any Selected expense factors that deviate from the insurer's own averages. Attach any additional sheets necessary.

"a" RATE SUBMISSION -- NYSID FORM 129-C

FOR NEW YORK STATE INSURANCE DEPARTMENT USE ONLY

File No.: A	Received	Assigned	Unit
PACIFIC LOB codes:		Examiner	Disposition Code
Comments			
		Date Closed	

A. INSURER INFORMATION

Insurer's NAIC Code /__/_/_/_/-/_/_/_/_/_/_/

Name of Insurer Insurer's File No.

B. FILING INFORMATION

(1) Type of filing (check one) "a" Rate Umbrella Excess

(2) Is this risk in a market subject to Flex-rating? Yes No

(3) Is this risk a renewal for your company? Yes No

(4) If the answers to (2) and (3) are "Yes," does the rate or total premium for the current period differ from that of the expiring policy by more than +/- 30%? Yes No

IF THE ANSWER TO (4) ABOVE IS "YES," THIS FILING IS SUBJECT TO THE SUPERINTENDENT'S PRIOR APPROVAL

C. COVERAGE INFORMATION

Policy Form: Claims-Made Occurrence Type of Coverage (use code) /__/_/_/

Last Name of Insured First Name Policy Limits:

_____ Per Claim \$ /___/___/___, /___/___/___, 000

Address Aggregate \$ /___/___/___, /___/___/___, 000

_____ SIR/Deductible \$ /___, /___/___/___, 000

City State Zip Code

_____ Policy Effective Date ___/___/___

Insured's Principal Business or Activity

D. RATING INFORMATION

/___/___/___/___/___ _____ /___/___/___ \$ _____
Rating Class Code Rate Exposure Base (use code) Total Premium

(1) Was all or a portion of the Total Premium shown determined by application of a minimum premium? Yes No

(2) If the answer to (1) is yes, and minimum premium only represents a portion of the Total Premium, indicate the nature and amount of the minimum premium: _____

(3) Describe the type and cost of any reinsurance affecting the rating of this risk:

(4) Identify, describe and explain each significant element of judgment employed in determining the "a" rate applicable to this risk (attach additional sheets as necessary): _____

Complete Affirmation on reverse side

AFFIRMATION

I, _____, a duly authorized officer of _____, do hereby affirm that the foregoing information, including all attached exhibits, schedules and other supporting information, is true to the best of my knowledge and belief.

Signature of Authorized Officer Date

Name of Authorized Officer (please print) Address of Insurer

Title Address (cont.)

(_____) _____
Direct Telephone Number City State Zip Code

(_____) _____

Fax Number

APPLICABILITY

Form 129-C (Ed. 1/93) should accompany all "a" rate filings submitted in accordance with the provisions of Article 23 and Regulation 129.

Form 129-C (Ed. 1/93) consists of four parts, identified as Parts A through D, and an Affirmation. Regardless of the type of filing being submitted, all parts and the Affirmation must be completed.

PART A INSURER INFORMATION

The identifying information should refer to the specific insurer providing the coverage. Separate Forms 129-C are required for each insured.

NAIC Code:

Use the full eight digit number, including the three digit group prefix if applicable.

Insurer's File No.:

This space is provided for any identifying file number that the insurer may choose to assign to the filing, including, but not limited to, the policy number.

PART B FILING INFORMATION

(1) Check the box that corresponds to the type of policy to which this filing applies (only one box should be checked).

(2) Indicate whether any of the rates included in the filing affect a market subject to Flex-rating. (See Section 161.3 of Regulation 129 for applicability of Flex-rating.)

(3) Indicate whether this policy is a renewal of an expiring policy. Please note that a policy is considered a "renewal" if it is renewed with either the same insurer or another insurer under common control (see Insurance Law Section 3426(a)(4)).

(4) If the answers to questions (2) and (3) are both "Yes", indicate if the renewal premium differs from that of the expiring policy by more than +/- 30%. For purposes of this determination, compare the current rate as it would apply to the same conditions in effect in the expiring policy. Do not include any premium changes resulting from changes in limits of coverage, the addition deletion of locations, changes in the scope of operations, etc.

For example, the renewal premium for a particular umbrella policy is 40% higher than the expiring umbrella policy. Fifteen percent of this increase was due to an increase in the rate for umbrella coverage, and 25% was due to the insured's increase in the limit of liability from \$ 1 million to \$ 2 million. For this insured, the answer to question No. 4 is "No" since the change in premium attributable to a change in rate was less than 30%.

IF THE ANSWER TO QUESTION (4) IS "YES," THE FILING IS SUBJECT TO PRIOR APPROVAL.

PART C COVERAGE INFORMATION

Provide all pertinent information. regarding the policy. Indicate the corporate or "DBA" name for affected insureds. For "Type of Coverage," use whichever of the following two-digit codes most closely describes the type of policy (if

"Other" (code 99) is used, indicate the type of coverage in the space provided):

TYPE OF COVERAGE	COD
	E
Premises/Operations (OL&T)	01
Manufacturers and Contractors	02
Products Liability	03
Completed Operations	04
Contractual Liability	05
Comprehensive General Liability	06
Medical Professional Liability	07
Hospital Professional Liability	08
Other Professional Liability	09
Other Errors and Omissions	10
Directors and Officers Liab.	11
Public Entity Liability	12
School Liability	13
Non-Profit Organization Liab.	14
Environmental Impairment/ Pollution Liab.	15
Jumbo Risk	16
Other	99

PART D RATING INFORMATION

Provide all pertinent information regarding the rating of the policy.

Rating Class Code - Use the applicable ISO five-digit class code. If a different coding system applies, identify the appropriate code. If no class code is applicable, indicate N/A.