



CROP INSURANCE RATE FILING - NDPC200

NORTH DAKOTA INSURANCE DEPARTMENT

SFN 51682 (12/2004)

Adoption of Advisory Organization Loss Costs

Date:

1. Insurer Name
2. Advisory Organization:
3. Advisory Organization Reference Filing Number:

4. 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 loss costs in the captioned Reference Filing.

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

5. A. Rate Change due to Advisory Organization's revised Loss Costs:	%
B. Rate Change due to Insurer's revised Loss Cost Multipliers:	%
C. Total Rate Change:	%
D. Proposed Effective date of Rate Change:	

6. Cash Discount: %

7. Indicate below which of the supplemental pages of form NDPC200 are included with this filing.

<input type="checkbox"/> A. Page 2 - Development of Loss Cost Multiplier is required for each separate tier or product. Use this form if not filing a fixed expense component. If filing multiple tiers or products, use one form (page 2) for each tier or product filed.
<input type="checkbox"/> B. Page 3 - Development of Loss Cost Multiplier with Fixed Expense Component is required for each separate tier or product. Use in place of page 2 if filing a fixed expense component. If filing multiple tiers or products, use one form (page 3) for each tier or product filed.
<input type="checkbox"/> C. Page 4 - Historical Expense Exhibit
<input type="checkbox"/> D. Page 5 - Summary of Loss Cost Multipliers

Development of Loss Cost Multiplier

Insurer Name	
1. Description of Crop Insurance Product for which this page applies (Product type, Market Type, rate tier, etc.)	
2. Loss Cost Modification A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing CHECK ONE <input type="checkbox"/> Without Modification. <input type="checkbox"/> With the following modification. Cite the nature and percent of modification, and attach supporting data and/or rationale for the modification.	
B. Loss Cost Modification Expressed as a Factor (see examples below)	
Current Modifier	Proposed Modifier

3. Development of Expected Loss Ratio		
Attach 3 year insurer expense history and any other additional supporting information. This filing will not be considered unless the completed expense history form is attached.		
	Previous	Proposed
A. Total Regular Commissions:	%	%
B. Other Acquisition Expense: (including Contingent Commissions)	%	%
C. General Expense:	%	%
D. Loss Adjustment Expense:	%	%
E. Taxes, Licenses & Fees:	%	%
F. Underwriting Profit:	%	%
G. Other (Explain):	%	%
H. Total:	%	%
4. Expected Loss Ratio: $ELR = 100\% - 3H$	%	%
5. Company Formula Loss Cost Multiplier = (Proposed 2B / Proposed #4)		

6. Total Rate level change for the coverages to which this page applies	%
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Example If your company's loss cost modification is -10%, a factor $(1.00 - .10) = .90$ should be used.

Example If your company's loss cost modification is +15%, a factor $(1.00 + .15) = 1.15$ should be used.

Development of Loss Cost Multiplier with Fixed Expense Component

Insurer Name

1. Description of Crop Insurance Product for which this page applies (Product type, Market type, rate tier, etc.)

2. Loss Cost Modification

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing
CHECK ONE
 Without Modification.
 With the following modification. **Cite the nature and percent of modification, and attach supporting data and/or rationale for the modification.**

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

Current Modifier	Proposed Modifier
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3. Development of Expected Loss Ratio
Attach 3 year insurer expense history and any other additional supporting information.
This filing will not be considered unless the completed expense history form is attached.

	Overall	Expense Provisions	
		Variable	Fixed
A. Total Regular Commissions:			
B. Other Acquisition Expense: (including Contingent Commissions)			
C. General Expense:			
D. Loss Adjusting Expense:			
E. Taxes, Licenses & Fees:			
F. Underwriting Profit:			
G. Other (Explain)			
H. Total			

4A. Expected Loss Ratio: $ELR = 100\% - \text{Overall } 3H$

4B. Variable Expected Loss Ratio = $100\% - \text{Variable } 3H$

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

6. Formula Variable Loss Cost Multiplier: $(2B / 4B)$

7. Total Rate level change for the coverages to which this page applies %

Example 1 If your company's loss cost modification is -10%, a factor $(1.00 - .10) = .90$ should be used.

Example 2 If your company's loss cost modification is +15%, a factor $(1.00 + .15) = 1.15$ should be used.

Historical Expense Exhibit

Insurer Name:

Year	Countrywide						North Dakota						3 Year Historical Avg % of Premium
	\$ Amount	% of Prem	\$ Amount	% of Prem	\$ Amount	% of Prem	\$ Amount	% of Prem	\$ Amount	% of Prem	\$ Amount	% of Prem	
Crop Hail Premiums *		100%		100%		100%		100%		100%		100%	100%
Actual Losses **													
Regular Commissions													
Other Acquisition (incl Cont. Commissions)													
General Expense													
Loss Adjustment Expense													
Taxes, Licenses & Fees													
Other Expense (Explain)													
Profit(Loss)													

* Includes premium from Crop Hail and Companion Hail policies.

** Does not include any Loss Adjustment Expense

Summary of Loss Cost Multipliers

Insurer Name:

Crop Hail Products

Rate/Loss Cost Tier	Regular Commission Level	Expense Ratio	Fixed Expense Component	Profit Load	Loss Cost Modification Factor
	%	%		%	
	%	%		%	
	%	%		%	
	%	%		%	
	%	%		%	

Companion Hail Products

Rate/Loss Cost Tier	Regular Commission Level	Expense Ratio	Fixed Expense Component	Profit Load	Loss Cost Modification Factor
	%	%		%	
	%	%		%	
	%	%		%	
	%	%		%	
	%	%		%	