

EXPENSE CONSTANT SUPPLEMENT

State of Wisconsin
 Office of the Commissioner of Insurance
 P.O. Box 7873
 Madison, WI 53707-7873
 (608) 266-3585

Ref: Section 601.42(2), Wis. Stat.

Insurer Name	NAIC Number	Date
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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.)

	Selected Provisions		
	Overall	Variable	Fixed
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: $ELR = 100\% - \text{Overall } 3F$	_____		
B. ELR in decimal form	_____		
C. Variable Expected Loss Ratio $VELR = 100\% - \text{Variable } 3F$		_____	
D. VELR in decimal form		_____	
5. Formula Expense Contract: $[(1.00 \div 4B) - (1.00 \div 4D)] \times \text{Average Underlying Loss Cost}$			_____
Formula Variable Loss Cost Multiplier: $(2B \div 4D)$			_____
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			_____ %