

Nevada Profitability Report Guidelines – Homeowners’ Insurance

Provide a Profitability Report containing information pertaining to the past 3 to 5 years of *Nevada experience only*. The report must state the valuation date of losses and define the experience period as ending month, date, and year. In addition, the following information is required:

<i>Item Name</i>	Accident Year Ending _____.	Months of Development	Earned Premium (A)	Incurred Loss, Including all Loss Adjustment Expenses (LAE) (B)	Anticipated Development of Loss and LAE (C)	Ultimate Loss, Including all LAE (D)	Loss Ratio (E)	Underwriting Expenses (F)	Expense Ratio (G)	Underwriting Gain/Loss (H)	Percent Gain/Loss (I)
<i>How the Item is Calculated</i>	Company provides the ending date of each accident year.	Based on time between ending date of each accident year and the present.	Based on company data external to this exhibit.	Based on company data external to this exhibit.	Dollar figure, based on company data external to this exhibit.	$D = B + C$	$E = D/A$	Based on company data external to this exhibit.	$G = F/A$	$H = A - D - F$	$I = H/A$, expressed as a percentage.
<i>Example*</i>	06/30/2008	24	341,134	201,314	45,315	246,629	72.30%	33,389	9.79%	61,116	+17.92%
<i>HO-3 Form</i>	06/30/2009	12	355,674	202,231	55,518	257,749	72.47%	34,100	9.59%	63,825	+17.94%
	06/30/2010	0	333,090	199,244	65,120	264,364	79.37%	35,120	10.54%	33,606	+10.09%
	Total		1,029,898	602,789	165,953	768,742	74.64%	102,609	9.96%	158,547	+15.39%

*** The example figures are provided for illustration purposes only. In the example, data are evaluated as of July 1, 2010.**

The above information should be provided:

- (a) For each coverage form (e.g., forms pertaining to homeowners, tenants, condominium unit owners, etc.) used by the company in this program:
 - By year and
 - In aggregate, for all the years addressed in the exhibit.

- (b) For the company’s total book of business in this program:
 - By year and
 - In aggregate, for all the years addressed in the exhibit.