

EXPENSE EXHIBIT FOR ALL AUTO & HOME 193R GROUP MARKETING RATE DEVIATIONS

Year Plan Will be Applied

<insert year>

Insurers are required to submit the expense ratios underlying their current rates and the expense ratio or average expense per unit associated with the group marketing rate deviation.

<u>INSURANCE COMPANY</u>	<u>GROUPNAME</u>	(1) Expenses Assumed In Insurer's Rates <u>Currently On File</u>	(2) Expenses Associated With Group Marketing <u>Plan</u>	(3) Reasons for Expensed <u>Difference</u>	(4) Requested Group Rate <u>Deviation</u>
ABC Company	AAA Engineers, Inc.	25.0%	20.0%	Lower Acquisition Costs	5.0%

<insert year below>

Year Plan Will be Applied

2012

Insurers are required to submit a minimum three (3) full years of data, but can at their option submit additional years of data by inserting additional columns.

<u>INSURANCE COMPANY</u>	<u>GROUPNAME</u>	<u>Earned Premium</u>		
		<u>2009</u>	<u>2010</u>	<u>2011</u>
ABC Company	ABC Company Total Group and	\$200,000,000	\$200,000,000	\$200,000,000
ABC Company	AAA Engineers, Inc.	\$125,000	\$250,000	\$305,000

<u>Incurring Loss Incl. IBNR</u>			<u>Incurring Loss Ratio</u>			
2009	2010	2011	2009	2010	2011	3 Yr. Total
\$150,000,000	\$175,000,000	\$125,000,000	75.0%	87.5%	62.5%	75.0%

\$92,354 \$67,000 \$200,000 73.9% 26.8% 65.6% 52.8%

**MASSACHUSETTS
GROUP MARKETING NEW/RENEWAL
AFFIDAVIT**

Attached is the documentation required for the application for the listed IDS Property Casualty Insurance Company's 2015 Group Marketing clients.

We have verified that it is the intention of each of the following clients to participate in the Group Marketing program within their organization for the year 2015 and have confirmed their participation to them in writing:

Costco Wholesale Club
Attn: John Conlon
999 Lake Drive
Issaquah, WA 98027

You may contact any of our clients to verify information and confirm participation.

Angela M. Sylvester

Angela M. Sylvester
Compliance Complaint Analyst

**IDS PROPERTY CASUALTY INSURANCE COMPANY
MASSACHUSETTS PERSONAL AUTO
COSTCO GROUP DISCOUNT SUPPORT**

Non - Costco Group Expenses

General	6.3%
Tax	2.2%
Commission	1.7%
Acq	10.0%
ALAE	<u>3.5%</u>
Total	23.7%

Costco Group Expenses

General	6.3%
Tax	2.2%
Commission	1.7%
Acq	5.2%
ALAE	<u>2.1%</u>
Total	17.5%

Expense Difference 6.2%

Selected Discount 7.0%

* Discount has been rounded up due to expense saving connected with lower commission as well as higher retention rates that have not been accounted for in this analysis