

**Minimum Premium Support
Contractors GL Only Policies**

ACE Fire Underwriters Insurance Company;
 Company: ACE Property & Casualty Insurance Company;
 Pacific Employers Insurance Company
 Form/Peril: CMP - Businessowners

Prospective Expenses		(a)	(b)	(c)	(d)
		Total %	Fixed %	Variable %	Fixed \$
(1)	Commissions	17.5%		17.5%	\$0
(2)	Other Acquisitions	0.0%	0.0%	0.0%	\$0
(3)	General Expense	20.0%	20.0%	0.0%	\$691
(4)	Taxes, Licenses and Fees	3.2%		3.2%	\$0
(5)	Profit and Conting. Incl. Investment Income	2.0%		3.7%	\$0
(6)	Total	42.7%	20.0%	24.4%	\$691
(7)	Permissible Loss and LAE Ratio	57.3%			
(8)	Estimated Average Policy Premium	\$3,455			
(9)	Estimated Average Premium of Small Risks Subject to Minimum Premium	\$342			
(10)	Fixed Expenses Per Policy	\$691			
(11)	Expected Loss for Risks Subject to Minimum Premium	\$196			
(12)	Variable Expense and Profit	\$83			
(13)	Indicated Minimum Premium	\$970			
(14)	Selected Minimum Premium				485

NOTES:
 All (a), (b), and (c) have the following relationship:
 (a) = (b) + (c)

All (d) values are calculated similarly:
 (1d) = (8) * (1b)

Line 6 should be calculated similarly:
 (6a) = SUM [Lines 1 through 5 Column (a)]

(7) = 1 - (6a)
 (8) : Must be supported by the company
 (9) : Must be supported by the company
 (10) = (6d)
 (11) = (7) * (9)
 (12) = (9) * (6c)
 (13) = (10) + (11) + (12)