



**INFORMATIONAL MEMORANDUM**  
**OIR – 03-009M**  
**ISSUED**  
**May 28, 2003**  
Office of Insurance Regulation  
**Kevin M. McCarty**  
Director

**ALL PROPERTY AND CASUALTY INSURERS AUTHORIZED TO DO BUSINESS IN FLORIDA**  
**RULE 4-170.003, FLORIDA ADMINISTRATIVE CODE, CALCULATION OF INVESTMENT INCOME**  
**2003 PROFIT AND CONTINGENCY FACTORS**

Pursuant to Rule 4-170.003, Florida Administrative Code, the Department of Financial Services, Office of Insurance Regulation, annually establishes underwriting profit and contingency factors that may be used in rate filings. Insurers may use the profit and contingency factors referenced below when they are unable to produce credible profit and contingency factors from their own data. These factors can also be obtained on the Department's website at <http://www.fldfs.com/companies/Memoranda/>

<u>LINE OF BUSINESS</u>	<u>2003 P &amp; C FACTOR</u>
ALLIED LINES (INCLUDING GLASS)	3.4%
BOILER & MACHINERY	0.7%
BURGLARY & THEFT	3.4%
COMMERCIAL MULTIPLE PERIL (BUSINESS OWNERS)	-1.4%
COMMERCIAL AUTO LIABILITY	-2.2%
COMMERCIAL AUTO PHYSICAL DAMAGE	4.8%
CREDIT	4.1%
EARTHQUAKE	3.6%
FARMOWNERS	3.7%
FIDELITY	0.7%
FINANCIAL GUARANTY	-1.8%
FIRE	3.5%
HOMEOWNERS	3.5%
INLAND MARINE	3.5%
MEDICAL MALPRACTICE - CLAIMS MADE	-9.7%
MEDICAL MALPRACTICE – OCCURRENCE	-18.6%
MORTGAGE GUARANTY	-1.6%
OTHER LIABILITY - CLAIMS MADE	-6.0%
OTHER LIABILITY – OCCURRENCE	-9.8%
PERSONAL LIABILITY	-6.0%
PRODUCTS LIABILITY - CLAIMS MADE	-15.8%
PRODUCTS LIABILITY – OCCURRENCE	-13.8%
SURETY	2.9%

If you have any questions, please contact Sri Ramanujam, Actuary, Bureau of Property and Casualty Forms and Rates, at (850) 413-5354.