EXHIBIT 2
SAMPLE INSURANCE COMPANY
STATE XYZ

Calculation of Statewide Rate Level Change
Homeowners

(1) Total premiums on current rate level $4,544,326
(2) Current amount of insurance years (000’s) $872,589
(3) Current average rate per $1,000 (1)/(2) $5.21
(4) Catastrophe factor from last approved filing 1.327
(5) Portion of rate from catastrophes $1 – [1/(4)] 24.6%
(6) Portion of catastrophe from hurricane (est.) 80.0%
(7) Portion of rate from hurricane (5) (5) × (6) 19.7%
(8) Current average hurricane rate per $1,000 (3) × (7) $1.03
(9) Current average non-hurricane rate per $1,000 (3) – (8) $4.18
(10) Indicated average non-hurricane rate per $1,000 $4.02
(11) Indicated average hurricane rate per $1,000 $4.53
(12) Indicated total rate per $1,000 (10) + (11) $8.55
(13) Indicated rate level change—non-hurricane (10)/(9) – 1 –3.8%
(14) Indicated rate level change—hurricane (11)/(8) – 1 339.8%
(15) Indicated total rate level change (12)/(3) – 1 64.1%
(16) Filed average non-hurricane rate per $1,000 $4.02
(17) Filed average hurricane rate per $1,000 $4.25
(18) Filed average total rate per $1,000 (16) + (17) $8.27
(19) Filed average non-hurricane rate level change (16)/(9) – 1 –3.8%
(20) Filed average hurricane rate change (17)/(8) – 1 312.6%
(21) Filed average total rate change (18)/(3) – 1 58.7%

Rate Change Status for Future On-Level Calculations

(22) Approved average non-hurricane rate per $1,000 $4.02
(23) Approved average hurricane rate per $1,000 $3.75
(24) Approved average total rate per $1,000 (22) + (23) $7.77
(25) Approved average total rate level change (24)/(3) – 1 49.1%
(26) Premium level change for non-hurricane coverage (22)/(3) – 1 –22.8%