

**Report Name: Summary Book of Business for Recon Reduction**  
**Exhibit: 4-1**

**Reinsurance Year: 2018**  
**Version: Approved**  
**Release Date: 1/31/2018**

**REC002 Summary Book of Business for Recon Reduction (Pipe Delimited Return File)**

| <b>Field Number</b> | <b>Field Name</b>          | <b>Data Type</b> | <b>Max Length</b> | <b>Format</b> | <b>Rules</b>  |
|---------------------|----------------------------|------------------|-------------------|---------------|---|
| 1                   | AIP Code                   | Character        | 2                 |               | AIP Code must be valid; edit with AIP ICE, "D00100".  |
| 2                   | Reinsurance Year           | Numeric          | 4                 | CCYY          | Reinsurance Year must equal "2017".   |
|                     |                            |                  |                   |               | AIP's must begin sending P70 records to PASS beginning at the annual settlement date, i.e. 2017 RY would begin in October, 2018.  |
| 3                   | Accounting Period Code     | Character        | 6                 | YYYYMM        | Month and Year of the accounting cycle.   |
| 4                   | Location State Code        | Character        | 2                 |               | Location State Code must be valid; edit with the State ADM, "A00520".   |
| 5                   | Coverage Type Code         | Character        | 1                 |               | Coverage Type Code must be valid; edit with Coverage ICE, "D00016".   |
| 6                   | P70 Total Premium Amount   | Numeric          | 10                |               | Total Premium amount from "P70" field 6 submitted from AIP. The total premium will be by AIP/Reinsurance Year/Location State Code/Coverage Type. Totals should include all data for policies covered by the Standard Reinsurance Agreement which includes data submitted through eDAS (AGR/AGRLite in RY 2014 and prior).   |
| 7                   | P70 Premium Subsidy Amount | Numeric          | 10                |               | Premium Subsidy amount from "P70" field 7 submitted from AIP. The total subsidy will be by AIP/Reinsurance Year/Location State Code/Coverage Type. Totals should include all data for policies covered by the Standard Reinsurance Agreement which includes data submitted through eDAS (AGR/AGRLite in RY 2014 and prior). |
| 8                   | P70 Indemnity Amount       | Numeric          | 10                |               | Indemnity amount from "P70" field 8 submitted from AIP. The total indemnity will be by AIP/Reinsurance Year/Location State Code/Coverage Type. Totals should include all data for policies covered by the Standard Reinsurance Agreement which includes data submitted through eDAS (AGR/AGRLite in RY 2014 and prior).     |
| 9                   | AIP Total Premium Amount   | Numeric          | 10                |               | RMA derived value from the AIP submitted record that was "Accepted" at policy level detail. Policy level will be totalled by AIP/Reinsurance Year/Location State Code/Coverage Type and compared to P70 Total Premium Amount.   |

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|---------------------|-----------------------------------|------------------|-------------------|---------------|---|
| 10                  | Total Premium Amount              | Numeric          | 10                |               | RMA derived value from PASS "Accepted" policy level detail totalled AIP/Reinsurance Year/Location State Code/Coverage Type.   |
| 11                  | Difference Total Premium Amount   | Numeric          | 10                |               | RMA calculated value based on the data from "P70 Total Premium Amount" (field 6) minus the data from "AIP Total Premium Amount" (field 9). <i>(Note: AIP Submitted value for the Accepted data will be used in calculation to eliminate discrepancies for the Summary Book of Business because of the \$3 accepted tolerance level.)</i>      |
| 12                  | AIP Premium Subsidy Amount        | Numeric          | 10                |               | RMA derived value from the AIP submitted record that was "Accepted" at policy level detail. Policy level will be totalled by AIP/Reinsurance Year/Location State Code/Coverage Type and compared to P70 AIP Subsidy Amount.   |
| 13                  | Premium Subsidy Amount            | Numeric          | 10                |               | RMA derived value from PASS "Accepted" policy level detail totalled AIP/Reinsurance Year/Location State Code/CoverageType.  |
| 14                  | Difference Premium Subsidy Amount | Numeric          | 10                |               | RMA calculated value based on the data from "P70 Premium Subsidy Amount" (field 7) minus the data from "AIP Premium Subsidy Amount" (field 12). <i>(Note: AIP Submitted value for the Accepted data will be used in calculation to eliminate discrepancies for the Summary Book of Business because of the \$3 accepted tolerance level.)</i> |
| 15                  | Difference Producer Premium       | Numeric          | 10                |               | RMA calculated value based on the data from "Difference Total Premium Amount" (field 11) minus the data from "Difference Premium Subsidy Amount" (field 14).  |
| 16                  | AIP Average A&O Percentage        | Numeric          | 10,6              | 99.999999     | RMA derived value based on the Premium from the ADR002 State Reports. The value will be based on AIP/Reinsurance Year/Location State Code/Coverage Type.  |
| 17                  | AIP A&O Amount                    | Numeric          | 10                |               | RMA derived value based on the "Total Premium Amount" (field 10) multiplied by "AIP Average A&O Percentage" (field 16).   |
| 18                  | AIP Indemnity Amount              | Numeric          | 10                |               | RMA derived value from the AIP submitted record that was "Accepted" at policy level detail. Policy level will be totalled by AIP/Reinsurance Year/Location State Code/Coverage Type and compared to P70 AIP Loss Amount.  |

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|--|----------------------------------|-----------|------------|--------|---|
| Field Number   | Field Name                       | Data Type | Max Length | Format | Rules   |
| 19   | Indemnity Amount                 | Numeric   | 10         |        | RMA derived value from PASS "Accepted" policy level detail totalled AIP/Reinsurance Year/Location State Code/Coverage Type.   |
| 20   | Difference Indemnity Amount      | Numeric   | 10         |        | RMA calculated value based on the data from "P70 Indemnity Amount" (field 8) minus the data from "AIP Indemnity Amount" (field 18) . (Note: AIP Submitted value for the Accepted data will be used in calculation to eliminate discrepancies for the Summary Book of Business because of the \$3 accepted tolerance level.)   |
| 21   | Premium Recon Reduction Amount   | Numeric   | 10         |        | RMA calculated recon reduction amount for premium based on the negative financial impact by AIP/Reinsurance/Location State Code/Coverage Type/Premium. The "Difference Producer Premium" (field 15) minus A&O("P70 Total Premium Amount" (field 6) multiplied by "AIP Average A&O Percent" (field 16) minus "AIP Total Premium Amount" (field 9) multiplied by "AIP Average A&O Percent" (field 16)). |
| 22   | Indemnity Recon Reduction Amount | Numeric   | 10         |        | RMA calculated recon reduction amount for indemnity based on the negative financial impact by AIP/Reinsurance/Location State Code/Coverage Type/Indemnity. The absolute vale of the "Difference Indemnity Amount" (field 20) is used to determine the negative financial impact.  |
| 23   | Recon Reduction Amount           | Numeric   | 10         |        | RMA calculated recon reduction amount for premium and/or losses based on the negative financial impact by AIP/Reinsurance/Location State Code/Coverage Type/Premium/Indemnity. The "Premium Recon Reduction Amount" (field 21) plus "Indemnity Recon Reduction Amount" (field 22).  |
| 24   | Batch Number                     | Numeric   | 4          | 9999   | P70 Batch Number  |

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