

# IMPORTANT NOTICE

## ASSESSMENT CHANGE

### Please Read

The method by which The Washington Surveying and Rating Bureau (WSRB) has calculated assessments is changing. Up to now, we estimated necessary operating expenses and charged a Provisional Assessment (WSRB is a not-for-profit corporation) based on Written Premiums from prior years to cover those expenses. At the end of 24 months, we calculated a Final or Reapportionment for each Subscriber based on premiums actually written for that year and the Bureau's actual expenses. The Reapportionment Assessment could result in a refund or an additional assessment depending on whether a Subscriber's book of business grew or declined. This system, in place for many years, is complicated and often confusing to our Subscribers. With the current information technology available, it is time for a change.

After calculating the 2010 Final Reapportionment (calculated in 2012), we will cease having two calculations for any one calendar year (a Provisional Assessment and a Reapportionment). Each year's Assessment will be calculated only once. Any surplus assessments from that calendar year will be credited pro-rata to those Subscribers with assessments over \$10,000, calculated by total assessment size. What this means is each Subscriber will only have only one assessment per year and no additional assessments owed. Your first credit of this nature will be applied to the 2013 Assessment.

Also, your reporting to us will be simplified considerably with our new Report of Premium form. This form has been changed to follow, as closely as we can, your reporting to regulators - the Page 14 breakdowns. A copy of that new form is attached for your review.

Finally, we are increasing the overall assessment by less than 4%. WSRB has held the assessment factors *unchanged* since 2009 by tightly controlling expenses, taking advantage of technology to increase our productivity and turnaround times and more. With the pressures of the economy, we must take this small increase.

If you have any questions or comments, please contact Tracy Skinner, Manager of Subscriber Services at 206-273-7146 or [Tracy.Skinner@WSRB.com](mailto:Tracy.Skinner@WSRB.com).