It appears that you are describing a specific business rule or requirement related to CHF (Claim Handling Fee) processing within an insurance or financial system, possibly named AIS. This requirement outlines how CHF deposits should be considered in calculations and exhibits based on various scenarios related to policy types and adjustments. Here's a summary of the key points:

1. CHF Deposit Initial Consideration:

- When calculating CHF for the first time on an invoice, the "CHF Deposit" field should be used in the exhibit/calculation.

2. Policy Type Transition:

- In cases where a policy number transitions from being set up as a paid loss deductible or loss fund to being incurred (LRF), the treatment of CHFs should change.

- After the 4th or 5th adjustment in the period, when the deductible converts to incurred, any CHFs billed should be treated as subsequent adjustments, and any deposit entered should be ignored.

3. Common Scenario:

- This scenario is most common for the second line in the CHF parameters tab when the CHF is being billed on a deductible policy or outside of the retro adjustment (billed on the front page of the invoice).

- If there is a deposit on the retro, it should have been used in the first adjustment.

4. Exhibit and Calculation Placement:

- The deposit should be contemplated in the same way it is today for all CHF exhibits.

- It should be part of the "Total Retro CHF" if part of the retro or part of "Claim Handling Fee Due Zurich (Due Insured)" if a deductible or being billed on the front page summary outside the retro adjustment.

This requirement outlines how CHF deposits should be managed and considered in various scenarios, ensuring that they are appropriately factored into calculations and exhibits. It appears to be specific to the business rules and processes within your organization's AIS system or a similar financial system. Implementation of these rules would typically involve configuring or modifying the system's logic to accommodate these requirements accurately. Additionally, thorough testing and validation of these rules in a development or testing environment would be essential before deploying them in a production environment.