

# **COMMONWEALTH AUTOMOBILE REINSURERS**

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## **SCHEDULE 107 Rating Components**

**Effective October 1, 2002**

**Printed and Distributed by**

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Commonwealth Automobile Reinsurers

Trucks, Tractors, and Trailers  
Liability Coverages for Which Rates Vary by Territory

Coverage	(1)	(2)	(3)		(4)	(5)	(6)	(7)		
	Average Loss Pure Premium (Form 100)	Territory Relativity (100K)	Fleet/ Non-Fleet Differential (100K)	Fleet	Non-Fleet	Company Expense Pure Premium (Form 100)	Variable Expense Factor*	20/40 Increased Limits Factor (Form 100)	Fleet	Non-Fleet
<b>A-1 &amp; B**</b>	346.98					32.69	0.9047	1.00		
Territory:										
1		0.6102	0.9856	1.0100					267	273
2		0.6944	0.9600	1.0309					292	311
3		0.7799	0.9806	1.0153					329	340
4		0.8359	0.9432	1.0430					339	371
5		0.8712	0.9519	1.0399					354	384
6		0.9269	0.9595	1.0295					377	402
ber 1, 2002		1.0483	0.9501	1.0499					418	458
8		1.2069	0.9691	1.0304					485	513
9		1.1773	0.9487	1.0522					465	511
10		1.1305	0.9800	1.0226					461	480
11		1.3039	0.9603	1.0392					516	556
12		1.3583	0.9364	1.0601					524	588
13		1.4271	0.9674	1.0411					566	606
14		1.4439	0.9334	1.0563					553	621
15		1.5677	0.9474	1.0710					606	680
16		1.6894	0.9474	1.0706					650	730
17-26		4.0403	0.9308	1.0931					1478	1730
27		0.5014	0.9247	1.0578					214	240
<b>A-1**</b>										
Territory:										
1									211	215
2									230	245
3									260	268
4									267	293
5									279	303
6									297	317
7									330	361
8									383	405
9									367	403
10									364	379
11									407	439
12									413	464
13									447	478
14									436	490
15									478	537
16									513	576
17-26									1166	1365
27									169	189
<b>B. Basic**</b>										
Territory:										
1									56	58
2									62	66
3									69	72
4									72	78
5									75	81
6									80	85
7									88	97
8									102	108
9									98	108
10									97	101
11									109	117
12									111	124
13									119	128
14									117	131
15									128	143
16									137	154
17-26									312	365
27									45	51

\* (5) = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage).

\*\* Combined A-1 & B rates are allocated in following manner (calculated from Section 100A of CAR filing):

A-1: 78.9% of Combined rates (Form 110).  
B: 21.1% of Combined rates (Form 110).

\*\*\*(7) = [(1) x (2) x(3) +(4)] x (6) / (5).

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Trucks, Tractors, and Trailers  
Liability Coverages for Which Rates Vary by Territory

Coverage	(1)	(2)	(3)		(4)	(5)	(6)	(7)		
	Average Loss Pure Premium (Form 100)	Territory Relativity (100K)	Fleet/ Non-Fleet Differential (100K)	Fleet	Non-Fleet	Company Expense Pure Premium (Form 100)	Variable Expense Factor*	Increased Limits Factor (Form 100)	Fleet	Non-Fleet
<u>A-2</u>										
Territory:	13.97					1.47	0.9047			
1		0.6102	0.9856	1.0100				11	11	
2		0.6944	0.9600	1.0309				12	13	
ber 1, 2002		0.7799	0.9806	1.0153				13	14	
4		0.8359	0.9432	1.0430				14	15	
5		0.8712	0.9519	1.0399				14	16	
6		0.9269	0.9595	1.0295				15	16	
7		1.0483	0.9501	1.0499				17	19	
8		1.2069	0.9691	1.0304				20	21	
9		1.1773	0.9487	1.0522				19	21	
10		1.1305	0.9800	1.0226				19	19	
11		1.3039	0.9603	1.0392				21	23	
12		1.3583	0.9364	1.0601				21	24	
13		1.4271	0.9674	1.0411				23	25	
14		1.4439	0.9334	1.0563				22	25	
15		1.5677	0.9474	1.0710				25	28	
16		1.6894	0.9474	1.0706				26	30	
17-26		4.0403	0.9308	1.0931				60	70	
27		0.5014	0.9247	1.0578				9	10	
<u>PDL Basic</u>	303.97					32.5	0.8827			
Territory:										
1		0.6102	0.9856	1.0100				244	249	
2		0.6944	0.9600	1.0309				266	283	
3		0.7799	0.9806	1.0153				300	309	
4		0.8359	0.9432	1.0430				308	337	
5		0.8712	0.9519	1.0399				322	349	
6		0.9269	0.9595	1.0295				343	365	
7		1.0483	0.9501	1.0499				380	416	
8		1.2069	0.9691	1.0304				440	465	
9		1.1773	0.9487	1.0522				421	463	
10		1.1305	0.9800	1.0226				418	435	
11		1.3039	0.9603	1.0392				468	503	
12		1.3583	0.9364	1.0601				475	533	
13		1.4271	0.9674	1.0411				512	548	
14		1.4439	0.9334	1.0563				501	562	
15		1.5677	0.9474	1.0710				548	615	
16		1.6894	0.9474	1.0706				588	660	
17-26		4.0403	0.9308	1.0931				1332	1558	
27		0.5014	0.9247	1.0578				196	219	

\* (5) = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage).

\*\* (7) = {[ (1) x (2) x (3) + (4) ] x (6) / (5) }.

**Commonwealth Automobile Reinsurers**

**Trucks, Tractors, and Trailers  
 Liability Coverages for Which Rates do not Vary by Territory**

Coverage D

\$ 5,000	\$3	(From Form 110: rounded)
10,000	5	

Coverage U

Effective October 1, 2002

	U-1	U-2
	<u>Uninsured</u>	<u>Underinsured*</u>
20/40	8	0
20/50	9	1
25/50	10	4
35/80	11	14
50/100	12	24
100/300	13	49
250/500	14	127
500/500	20	317

\* U-2 rates are based on 100% of the Private Passenger U-2 rates, adjusted for Commercial profit and commission.

**Commonwealth Automobile Reinsurers  
Trucks, Tractors, & Trailers  
Physical Damage Loss Pure Premium by Territory**

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Coverage	(1)	(2)	(3)		(4)	
	Average Loss Pure Premium (Form 100)	Territory Relativity (100K)	Fleet/ Non-Fleet Differential (100K)		Loss Pure Premium by Territory *	
			Fleet	Non-Fleet	Fleet	Non-Fleet
<b>Collision</b>	372.57					
Territory:						
1		0.7672	0.9035	1.0473	258	299
2		0.7777	1.0000	1.0000	290	290
3		0.8187	1.0000	1.0000	305	305
4		0.8379	0.9640	1.0199	301	318
5		0.9322	1.0000	1.0000	347	347
6		0.9385	0.9805	1.0113	343	354
7		1.0166	1.0000	1.0000	379	379
8		1.1377	1.0000	1.0000	424	424
9		1.0094	0.8980	1.0741	338	404
10		0.9921	0.8942	1.0873	331	402
11		1.0589	0.9841	1.0107	388	399
12		1.2505	1.0000	1.0000	466	466
13		1.2080	0.9322	1.0585	420	476
14		1.1630	0.8765	1.0785	380	467
15		1.0801	0.9470	1.0445	381	420
16		1.4748	1.0000	1.0000	549	549
17-26		3.0293	0.8551	1.1331	965	1279
27		0.7401	1.0000	1.0000	276	276
<b>Comprehensive</b>	171.86					
Territory:						
1		0.7792	0.9648	1.0183	129	136
2		0.8266	0.9883	1.0065	140	143
3		0.8332	0.9831	1.0096	141	145
4		0.8941	0.9912	1.0050	152	154
5		0.9045	0.9776	1.0139	152	158
6		1.0105	0.9819	1.0109	171	176
7		1.1010	0.9848	1.0115	186	191
8		1.1473	0.9685	1.0241	191	202
9		1.0751	0.9655	1.0251	178	189
10		1.0666	0.9862	1.0113	181	185
11		1.0582	0.9973	1.0019	181	182
12		1.0880	0.9550	1.0315	179	193
13		1.2311	0.9355	1.0572	198	224
14		1.2680	0.9460	1.0354	206	226
15		1.1305	0.9521	1.0423	185	203
16		1.3270	0.9593	1.0445	219	238
17-26		2.6424	0.9147	1.0800	415	490
27		0.6952	0.9855	1.0075	118	120

\* (4) = (1) x (2) x (3)

**Commonwealth Automobile Reinsurers  
Trucks, Tractors, & Trailers Rates  
Calculation of Limited Collision Percentage of Collision Rate**

(1) Statewide Average \$500 Collision Base Rate Pure Premium.	\$372.57
(2) Company Expense Pure Premium for \$500 Collision.	\$36.58
(3) Variable Expense Factor	0.8787
(4) Statewide Average \$500 Collision Base Rate $\{[(1) + (2)] / (3)\}$	\$465.63
(5) Statewide Average \$500 Limited Collision Base Rate Pure Premium.	\$33.53
(6) Company Expense Pure Premium for \$500 Limited Collision.	\$3.08
(7) Variable Expense Factor	0.8787
(8) Statewide Average \$500 Limited Collision Base Rate $\{[(5) + (6)] / (7)\}$	\$41.66
(9) $[(8) / (4)]$	8.9%

**Commonwealth Automobile Reinsurers  
Trucks, Tractors, & Trailers  
Rate Relativities by Age and Cost New\***

COLLISION

Cost New	Symbol Code	Age of Vehicle			
		<u>1</u>	<u>2,3</u>	<u>4,5</u>	<u>6-9</u>
\$ 0,000 - 4,500	01	0.378	0.360	0.324	0.230
4,501 - 6,000	02	0.525	0.500	0.450	0.320
6,001 - 8,000	03	0.756	0.720	0.648	0.461
8,001 - 10,000	04	0.851	0.810	0.729	0.518
10,001 - 15,000	05	1.050	1.000	0.900	0.640
15,001 - 20,000	06	1.260	1.200	1.080	0.768
20,001 - 25,000	07	1.355	1.290	1.161	0.826
25,000 - 40,000	08	1.491	1.420	1.278	0.909
40,001 - 65,000	10	2.100	2.000	1.800	1.280
65,001 - 90,000	11	2.342	2.230	2.007	1.427
90,001 & Over	12	2.352	2.240	2.016	1.434

COMPREHENSIVE

Cost New	Symbol Code	Age of Vehicle			
		<u>1</u>	<u>2,3</u>	<u>4,5</u>	<u>6-9</u>
\$ 0,000 - 4,500	01	0.400	0.400	0.380	0.288
4,501 - 6,000	02	0.510	0.510	0.485	0.367
6,001 - 8,000	03	0.670	0.670	0.637	0.482
8,001 - 10,000	04	0.840	0.840	0.798	0.605
10,001 - 15,000	05	1.000	1.000	0.950	0.720
15,001 - 20,000	06	1.200	1.200	1.140	0.864
20,001 - 25,000	07	1.220	1.220	1.159	0.878
25,000 - 40,000	08	1.250	1.250	1.188	0.900
40,001 - 65,000	10	1.440	1.440	1.368	1.037
65,001 - 90,000	11	1.570	1.570	1.492	1.130
90,001 & Over	12	1.900	1.900	1.805	1.368

\* Relative to Symbol 5 and Age 2,3 (Section 105).

**Commonwealth Automobile Reinsurers**  
**Trucks, Tractors & Trailers**  
**Miscellaneous Components of Physical Damage Rates**

DEDUCTIBLE RELATIVITIES (Section 102)

<u>Deductible</u>	<u>Coverage</u>	
	<u>Collision</u>	<u>Comprehensive</u>
300	1.090	1.030
500	1.000	1.000
1000	0.830	0.940
2000	0.610	0.880
3000	0.480	0.830
4000	0.390	0.800
5000	0.330	0.780

COMPANY EXPENSES

<u>Coverage</u>	<u>Company Expense Pure Premium (Form 100)</u>
Collision	36.58
Comprehensive	17.53

VARIABLE EXPENSES

<u>Coverage</u>	<u>Variable Expense Factor* (Form 100)</u>
Collision	0.8787
Comprehensive	0.8787

\* Variable Expense Factor = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage).



**Commonwealth Automobile Reinsurers  
Trucks, Tractors, and Trailers Base Rates  
Collision Waiver of Deductible Charges**

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(1) Average \$500 deductible Collision pure premium,  
( Form 100, (7) x (8) x (8A) ) 409.37

(2) Waiver Charges = { [(1) x (Terr. Relativity) x (Fleet Relativity)] / Variable Expense Ratio } x  
{ \$X Selected Waiver of Deductible Relativity to \$500 Deductible Losses\* }  
where \$X is \$300, \$500, \$1000, \$2000, \$3000, \$4000, or \$5000.

\* Section 102, Exhibit 1, Page 1, Line 11.

**WAIVER CHARGES FOR FLEET**

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	8	12	21	32	38	43	46
2	9	13	23	36	43	48	52
3	9	14	24	37	45	51	55
4	9	14	24	37	45	50	54
5	10	16	28	43	52	58	62
6	10	16	27	42	51	57	61
7	11	18	30	46	56	63	68
8	13	20	34	52	63	70	76
9	10	16	27	41	50	56	60
10	10	15	26	41	49	55	59
11	12	18	31	48	58	65	69
12	14	22	37	57	69	77	83
13	13	19	34	51	62	70	75
14	11	18	30	47	57	63	68
15	11	18	30	47	57	63	68
16	16	25	44	67	82	91	98
17-26	29	45	77	118	144	161	173
27	8	13	22	34	41	46	49

**WAIVER CHARGES FOR NON-FLEET**

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	9	14	24	37	45	50	54
2	9	13	23	36	43	48	52
3	9	14	24	37	45	51	55
4	10	15	25	39	47	53	57
5	10	16	28	43	52	58	62
6	11	16	28	43	53	59	63
7	11	18	30	46	56	63	68
8	13	20	34	52	63	70	76
9	12	19	32	50	60	67	72
10	12	19	32	49	60	67	72
11	12	18	32	49	59	66	71
12	14	22	37	57	69	77	83
13	14	22	38	58	71	79	85
14	14	22	37	57	70	78	84
15	13	19	34	52	63	70	75
16	16	25	44	67	82	91	98
17-26	38	59	102	157	190	213	229
27	8	13	22	34	41	46	49

**Commonwealth Automobile Reinsurers**

**Trucks, Tractors, and Trailers  
Other than Collision  
Minimum Charge For Deductible**

<u>Deductible</u>	<u>Buyback * Percentage</u>	<u>Statewide Average \$500 Deductible Collectible Premiums **</u>	<u>Minimum Buyback Charge ***</u>
\$300	0.030	223.36	5

\* Equal to ( \$300 deductible relativity - 1 )

\*\* Form 100 Line (17)

\*\*\* (Statewide average premium) x (Buyback percentage) x ( 0.75 )