

COMMONWEALTH AUTOMOBILE REINSURERS

SCHEDULE 107 Rating Components

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Commonwealth Automobile Reinsurers

2009 CAR
Schedule 107-1
Page 1

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

Coverage	(1)	(2)	(3)		(4)	(5)	(6)	
	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* (Form 100)	Final Base Rates***	
			Fleet	Non-Fleet			Fleet	Non-Fleet
<u>A-1 & B**</u>	315.52				42.54	0.7637		
Territory:								
1		3.9999	0.9623	1.0955			1646	1866
2		3.9999	0.9623	1.0955			1646	1866
3		3.9999	0.9623	1.0955			1646	1866
4		3.9999	0.9623	1.0955			1646	1866
5		3.9999	0.9623	1.0955			1646	1866
6		3.9999	0.9623	1.0955			1646	1866
7		3.9999	0.9623	1.0955			1646	1866
8		3.9999	0.9623	1.0955			1646	1866
9		3.9999	0.9623	1.0955			1646	1866
10		3.9999	0.9623	1.0955			1646	1866
11		0.6863	0.9406	1.0717			322	360
12		0.7687	0.9795	1.0222			367	380
13		0.7498	0.9918	1.0076			363	368
14		0.8328	0.9397	1.0595			379	420
15		0.8442	0.9958	1.0043			403	406
16		0.9983	0.9889	1.0114			464	473
17		1.1640	0.9776	1.0260			526	549
18		1.3066	0.9377	1.0784			562	638
19		1.5711	0.9446	1.0622			669	745
20		1.7152	0.9754	1.0392			747	792
<u>A-1**</u>								
Territory:								
1							1448	1642
2							1448	1642
3							1448	1642
4							1448	1642
5							1448	1642
6							1448	1642
7							1448	1642
8							1448	1642
9							1448	1642
10							1448	1642
11							283	317
12							323	334
13							319	324
14							334	370
15							355	357
16							408	416
17							463	483
18							495	561
19							589	656
20							657	697
<u>B. Basic**</u>								
Territory:								
1							198	224
2							198	224
3							198	224
4							198	224
5							198	224
6							198	224
7							198	224
8							198	224
9							198	224
10							198	224
11							39	43
12							44	46
13							44	44
14							45	50
15							48	49
16							56	57
17							63	66
18							67	77
19							80	89
20							90	95

* (5) = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage) - (Limited Servicing Carrier Expense Provision).

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

A-1: 88.0% of Combined rates.
B: 12.0% of Combined rates.

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

Commonwealth Automobile Reinsurers

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

Coverage	(1)	(2)	(3)		(4)	(5)	(6)	
	Average Loss Pure Premium	Territory Relativity	Fleet/ Non-Fleet Differential (100K)		Company Expense Pure Premium	Variable Expense Factor*	Final Base Rates**	
	(Form 100)	(100K)	Fleet	Non-Fleet	(Form 100)	(Form 100)	Fleet	Non-Fleet
<u>A-2</u>								
Territory:	16.83				2.01	0.7637		
1		3.9999	0.9623	1.0955			87	99
2		3.9999	0.9623	1.0955			87	99
3		3.9999	0.9623	1.0955			87	99
4		3.9999	0.9623	1.0955			87	99
5		3.9999	0.9623	1.0955			87	99
6		3.9999	0.9623	1.0955			87	99
7		3.9999	0.9623	1.0955			87	99
8		3.9999	0.9623	1.0955			87	99
9		3.9999	0.9623	1.0955			87	99
10		3.9999	0.9623	1.0955			87	99
11		0.6863	0.9406	1.0717			17	19
12		0.7687	0.9795	1.0222			19	20
13		0.7498	0.9918	1.0076			19	19
14		0.8328	0.9397	1.0595			20	22
15		0.8442	0.9958	1.0043			21	21
16		0.9983	0.9889	1.0114			24	25
17		1.1640	0.9776	1.0260			28	29
18		1.3066	0.9377	1.0784			30	34
19		1.5711	0.9446	1.0622			35	39
20		1.7152	0.9754	1.0392			40	42
<u>PDL, Basic</u>	255.68				45.38	0.8056		
Territory:								
1		3.9999	0.9623	1.0955			1278	1447
2		3.9999	0.9623	1.0955			1278	1447
3		3.9999	0.9623	1.0955			1278	1447
4		3.9999	0.9623	1.0955			1278	1447
5		3.9999	0.9623	1.0955			1278	1447
6		3.9999	0.9623	1.0955			1278	1447
7		3.9999	0.9623	1.0955			1278	1447
8		3.9999	0.9623	1.0955			1278	1447
9		3.9999	0.9623	1.0955			1278	1447
10		3.9999	0.9623	1.0955			1278	1447
11		0.6863	0.9406	1.0717			261	290
12		0.7687	0.9795	1.0222			295	306
13		0.7498	0.9918	1.0076			292	296
14		0.8328	0.9397	1.0595			305	336
15		0.8442	0.9958	1.0043			323	325
16		0.9983	0.9889	1.0114			370	377
17		1.1640	0.9776	1.0260			417	435
18		1.3066	0.9377	1.0784			445	504
19		1.5711	0.9446	1.0622			527	586
20		1.7152	0.9754	1.0392			587	622

* (5) = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage) - (Limited Servicing Carrier Expense Provision).

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

Commonwealth Automobile Reinsurers
Trucks, Tractors, and Trailers
Liability Coverages for Which Rates do not Vary by Territory

Coverage D

\$ 5,000	\$3
10,000	5

Coverage U

	U-1	U-2
	<u>Uninsured</u>	<u>Underinsured</u>
20/40	4	0
20/50	5	1
25/50	6	3
35/80	7	11
50/100	8	18
100/300	9	42
250/500	10	122
500/500	12	307

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

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
<u>Collision</u>	277.65					
Territory:						
1		2.9990	0.9166	1.1198	763	932
2		2.9990	0.9166	1.1198	763	932
3		2.9990	0.9166	1.1198	763	932
4		2.9990	0.9166	1.1198	763	932
5		2.9990	0.9166	1.1198	763	932
6		2.9990	0.9166	1.1198	763	932
7		2.9990	0.9166	1.1198	763	932
8		2.9990	0.9166	1.1198	763	932
9		2.9990	0.9166	1.1198	763	932
10		2.9990	0.9166	1.1198	763	932
11		0.7777	0.9374	1.0451	202	226
12		0.8624	0.9765	1.0155	234	243
13		0.8231	0.9327	1.0418	213	238
14		0.9152	0.9168	1.0518	233	267
15		0.9183	0.9601	1.0270	245	262
16		1.0206	0.9789	1.0147	277	288
17		1.0439	0.9480	1.0419	275	302
18		1.1348	0.9143	1.0712	288	338
19		1.2052	0.9314	1.0539	312	353
20		1.2891	0.9644	1.0275	345	368
<u>Comprehensive</u>	163.76					
Territory:						
1		2.6160	0.9349	1.0376	403	447
2		2.6160	0.9349	1.0376	403	447
3		2.6160	0.9349	1.0376	403	447
4		2.6160	0.9349	1.0376	403	447
5		2.6160	0.9349	1.0376	403	447
6		2.6160	0.9349	1.0376	403	447
7		2.6160	0.9349	1.0376	403	447
8		2.6160	0.9349	1.0376	403	447
9		2.6160	0.9349	1.0376	403	447
10		2.6160	0.9349	1.0376	403	447
11		0.7912	0.9869	1.0056	129	131
12		0.8656	0.9736	1.0109	139	144
13		0.8289	0.9931	1.0027	135	137
14		0.8981	0.9822	1.0071	145	149
15		0.9362	0.9843	1.0065	152	155
16		1.0528	0.9845	1.0066	171	174
17		1.0748	1.0000	1.0000	177	177
18		1.1520	0.9684	1.0147	184	192
19		1.1653	0.9422	1.0257	181	197
20		1.2824	0.9674	1.0140	204	214

Collision

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

Comprehensive

* (4) = [(1) x (2) x (3)] / (Anti-Theft Off Balance Factor)

OTC Anti-Theft Off Balance Factor

0.995

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

(1) Statewide Average \$500 Collision Base Rate Pure Premium.	\$277.65
(2) Company Expense Pure Premium for \$500 Collision.	\$61.74
(3) Variable Expense Factor	0.8214
(4) Statewide Average \$500 Collision Base Rate $\{[(1) + (2)] / (3)\}$	\$413.18
(5) Statewide Average \$500 Limited Collision Base Rate Pure Premium.	\$16.66
(6) Company Expense Pure Premium for \$500 Limited Collision.	\$4.82
(7) Variable Expense Factor	0.8214
(8) Statewide Average \$500 Limited Collision Base Rate $\{[(5) + (6)] / (7)\}$	\$26.15
(9) $[(8) / (4)]$	6.3%

**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	0.332	0.310	0.282	0.180
4,501 - 6,000	02	0.503	0.470	0.428	0.273
6,001 - 8,000	03	0.642	0.600	0.546	0.348
8,001 - 10,000	04	0.749	0.700	0.637	0.406
10,001 - 15,000	05	1.070	1.000	0.910	0.580
15,001 - 20,000	06	1.466	1.370	1.247	0.795
20,001 - 25,000	07	1.626	1.520	1.383	0.882
25,000 - 40,000	08	1.840	1.720	1.565	0.998
40,001 - 65,000	10	2.408	2.250	2.048	1.305
65,001 - 90,000	11	2.686	2.510	2.284	1.456
90,001 & Over	12		(See Below)		

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	0.320	0.320	0.307	0.240
4,501 - 6,000	02	0.420	0.420	0.403	0.315
6,001 - 8,000	03	0.580	0.580	0.557	0.435
8,001 - 10,000	04	0.820	0.820	0.787	0.615
10,001 - 15,000	05	1.000	1.000	0.960	0.750
15,001 - 20,000	06	1.380	1.380	1.325	1.035
20,001 - 25,000	07	1.400	1.400	1.344	1.050
25,000 - 40,000	08	1.450	1.450	1.392	1.088
40,001 - 65,000	10	1.650	1.650	1.584	1.238
65,001 - 90,000	11	1.800	1.800	1.728	1.350
90,001 & Over	12		(See Below)		

Factors to determine charges are based on the original cost new for vehicles with costs in excess of \$90,000.
 For each \$1000 in excess of \$90,000 add the following factors to the \$65,000-\$90,000 age/symbol factor:

	<u>Collision</u>	<u>OTC</u>
Factor	0.025	0.007

For example, the collision age/symbol factor for a vehicle with a \$95,000 cost new (age class1) would be:

$$2.811 = 2.686 + (\$95,000 - \$90,000) / 1000 \times 0.025$$

* 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)

Deductible	Coverage	
	Collision	Comprehensive
300	1.070	1.030
500	1.000	1.000
1000	0.870	0.950
2000	0.680	0.900
3000	0.550	0.860
4000	0.470	0.830
5000	0.410	0.810

COMPANY EXPENSES

<u>Coverage</u>	Company Expense Pure Premium (Form 100)
Collision	61.74
Limited Collision	4.82
Comprehensive	32.10

VARIABLE EXPENSES

<u>Coverage</u>	Variable Expense Factor* (Form 100)
Collision	0.8214
Limited Collision	0.8214
Comprehensive	0.8214

* Variable Expense Factor = 1 - (Premium Tax Allowance) - (Profit Load) - (Commission Expense Percentage) - (Limited Servicing Carrier Provision).

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

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

316.00

(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	22	30	50	79	98	112	122
2	22	30	50	79	98	112	122
3	22	30	50	79	98	112	122
4	22	30	50	79	98	112	122
5	22	30	50	79	98	112	122
6	22	30	50	79	98	112	122
7	22	30	50	79	98	112	122
8	22	30	50	79	98	112	122
9	22	30	50	79	98	112	122
10	22	30	50	79	98	112	122
11	6	8	13	21	26	30	32
12	7	9	15	24	30	34	37
13	6	8	14	22	27	31	34
14	7	9	15	24	30	34	37
15	7	9	16	25	32	36	39
16	8	11	18	29	36	41	44
17	8	11	18	29	35	40	44
18	8	11	19	30	37	42	46
19	9	12	20	32	40	46	50
20	10	13	22	36	44	51	55

WAIVER CHARGES FOR NON-FLEET

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	27	36	61	97	120	137	149
2	27	36	61	97	120	137	149
3	27	36	61	97	120	137	149
4	27	36	61	97	120	137	149
5	27	36	61	97	120	137	149
6	27	36	61	97	120	137	149
7	27	36	61	97	120	137	149
8	27	36	61	97	120	137	149
9	27	36	61	97	120	137	149
10	27	36	61	97	120	137	149
11	7	9	15	23	29	33	36
12	7	9	16	25	31	36	39
13	7	9	16	25	31	35	38
14	8	10	17	28	34	39	43
15	8	10	17	27	34	38	42
16	8	11	19	30	37	42	46
17	9	12	20	31	39	44	48
18	10	13	22	35	43	50	54
19	10	14	23	37	45	52	56
20	11	14	24	38	47	54	59

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	256.27	6

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

** Form 100 Line (18)

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