

# **COMMONWEALTH AUTOMOBILE REINSURERS**

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## **SCHEDULE 107 Rating Components**

**Effective September 1, 2014**

**Printed and Distributed by**

**Commonwealth Automobile Reinsurers  
225 Franklin Street, Boston, MA 02110**

**(617) 338-4000**

**FAX: (617) 338-5422      TTY: (617) 880-7848**

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Commonwealth Automobile Reinsurers

2014 CAR  
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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 &amp; B**</u>	284.02				68.44	0.7938		
Territory:								
1		3.2399	0.9586	1.0748			1197	1332
2		3.2399	0.9586	1.0748			1197	1332
3		3.2399	0.9586	1.0748			1197	1332
4		3.2399	0.9586	1.0748			1197	1332
5		3.2399	0.9586	1.0748			1197	1332
6		3.2399	0.9586	1.0748			1197	1332
7		3.2399	0.9586	1.0748			1197	1332
8		3.2399	0.9586	1.0748			1197	1332
9		3.2399	0.9586	1.0748			1197	1332
10		3.2399	0.9586	1.0748			1197	1332
11		0.6474	0.9628	1.0393			309	327
12		0.7770	0.9893	1.0102			361	367
13		0.8130	0.9979	1.0018			376	378
14		0.8586	0.9579	1.0406			380	406
15		0.9389	1.0000	1.0000			422	422
16		1.0421	0.9938	1.0060			457	461
17		1.2413	0.9791	1.0214			521	540
18		1.3354	0.9574	1.0473			544	587
19		1.5463	0.9603	1.0354			618	659
20		1.6510	0.9596	1.0463			653	704
<u>A-1**</u>								
Territory:								
1							1078	1200
2							1078	1200
3							1078	1200
4							1078	1200
5							1078	1200
6							1078	1200
7							1078	1200
8							1078	1200
9							1078	1200
10							1078	1200
11							278	295
12							325	331
13							339	341
14							342	366
15							380	380
16							412	415
17							469	487
18							490	529
19							557	594
20							588	634
<u>B. Basic**</u>								
Territory:								
1							119	132
2							119	132
3							119	132
4							119	132
5							119	132
6							119	132
7							119	132
8							119	132
9							119	132
10							119	132
11							31	32
12							36	36
13							37	37
14							38	40
15							42	42
16							45	46
17							52	53
18							54	58
19							61	65
20							65	70

\* (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: 90.1% of Combined rates.  
B: 9.9% 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:	20.49				5.47	0.7938		
1		3.2399	0.9586	1.0748			87	97
2		3.2399	0.9586	1.0748			87	97
3		3.2399	0.9586	1.0748			87	97
4		3.2399	0.9586	1.0748			87	97
5		3.2399	0.9586	1.0748			87	97
6		3.2399	0.9586	1.0748			87	97
7		3.2399	0.9586	1.0748			87	97
8		3.2399	0.9586	1.0748			87	97
9		3.2399	0.9586	1.0748			87	97
10		3.2399	0.9586	1.0748			87	97
11		0.6474	0.9628	1.0393			23	24
12		0.7770	0.9893	1.0102			27	27
13		0.8130	0.9979	1.0018			28	28
14		0.8586	0.9579	1.0406			28	30
15		0.9389	1.0000	1.0000			31	31
16		1.0421	0.9938	1.0060			34	34
17		1.2413	0.9791	1.0214			38	40
18		1.3354	0.9574	1.0473			40	43
19		1.5463	0.9603	1.0354			45	48
20		1.6510	0.9596	1.0463			48	51
<u>PDL, Basic</u>	311.94				76.33	0.8371		
Territory:								
1		3.2399	0.9586	1.0748			1249	1389
2		3.2399	0.9586	1.0748			1249	1389
3		3.2399	0.9586	1.0748			1249	1389
4		3.2399	0.9586	1.0748			1249	1389
5		3.2399	0.9586	1.0748			1249	1389
6		3.2399	0.9586	1.0748			1249	1389
7		3.2399	0.9586	1.0748			1249	1389
8		3.2399	0.9586	1.0748			1249	1389
9		3.2399	0.9586	1.0748			1249	1389
10		3.2399	0.9586	1.0748			1249	1389
11		0.6474	0.9628	1.0393			323	342
12		0.7770	0.9893	1.0102			378	384
13		0.8130	0.9979	1.0018			394	395
14		0.8586	0.9579	1.0406			398	424
15		0.9389	1.0000	1.0000			441	441
16		1.0421	0.9938	1.0060			477	482
17		1.2413	0.9791	1.0214			544	564
18		1.3354	0.9574	1.0473			568	612
19		1.5463	0.9603	1.0354			645	688
20		1.6510	0.9596	1.0463			682	735

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

\*\* (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	\$18
10,000	20

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Coverage U

	<u>U-1</u> <u>Uninsured</u>	<u>U-2</u> <u>Underinsured</u>
20/40	4	0
20/50	5	0
25/50	6	2
35/80	7	8
50/100	8	14
100/300	9	34
250/500	10	114
500/500	11	279

**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>	393.97					
Territory:						
1		2.9462	0.9673	1.0408	1123	1208
2		2.9462	0.9673	1.0408	1123	1208
3		2.9462	0.9673	1.0408	1123	1208
4		2.9462	0.9673	1.0408	1123	1208
5		2.9462	0.9673	1.0408	1123	1208
6		2.9462	0.9673	1.0408	1123	1208
7		2.9462	0.9673	1.0408	1123	1208
8		2.9462	0.9673	1.0408	1123	1208
9		2.9462	0.9673	1.0408	1123	1208
10		2.9462	0.9673	1.0408	1123	1208
11		0.7495	0.9218	1.0512	272	310
12		0.8763	0.9835	1.0104	340	349
13		0.8913	0.9501	1.0305	334	362
14		0.9782	0.9242	1.0464	356	403
15		0.9936	0.9877	1.0077	387	394
16		1.0770	0.9289	1.0486	394	445
17		1.1260	0.9039	1.0719	401	476
18		1.1893	0.9634	1.0283	451	482
19		1.2959	0.9493	1.0367	485	529
20		1.2926	0.9449	1.0402	481	530
<u>Comprehensive</u>	120.72					
Territory:						
1		2.1609	0.8976	1.0606	237	280
2		2.1609	0.8976	1.0606	237	280
3		2.1609	0.8976	1.0606	237	280
4		2.1609	0.8976	1.0606	237	280
5		2.1609	0.8976	1.0606	237	280
6		2.1609	0.8976	1.0606	237	280
7		2.1609	0.8976	1.0606	237	280
8		2.1609	0.8976	1.0606	237	280
9		2.1609	0.8976	1.0606	237	280
10		2.1609	0.8976	1.0606	237	280
11		0.7933	0.8716	1.0525	84	102
12		0.9170	0.9876	1.0049	111	113
13		0.9057	1.0000	1.0000	111	111
14		0.9753	0.9812	1.0073	117	120
15		1.0156	0.9887	1.0044	123	125
16		1.0581	0.9676	1.0135	125	131
17		1.1213	0.9997	1.0001	137	137
18		1.1681	0.9405	1.0267	134	147
19		1.1795	0.9396	1.0266	135	148
20		1.1680	0.8807	1.0515	126	150

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

0.988

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

(1) Statewide Average \$500 Collision Base Rate Pure Premium.	\$393.97
(2) Company Expense Pure Premium for \$500 Collision.	\$101.13
(3) Variable Expense Factor	0.8186
(4) Statewide Average \$500 Collision Base Rate $\{(1) + (2) / (3)\}$	\$604.81
(5) Statewide Average \$500 Limited Collision Base Rate Pure Premium.	\$39.40
(6) Company Expense Pure Premium for \$500 Limited Collision.	\$10.11
(7) Variable Expense Factor	0.8186
(8) Statewide Average \$500 Limited Collision Base Rate $\{(5) + (6) / (7)\}$	\$60.48
(9) $[(8) / (4)]$	10.0%

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

COLLISION

Cost New	Symbol Code	Age of Vehicle			
		1	2,3	4,5	6-9
\$ 0,000 - 4,500	01	0.349	0.320	0.282	0.160
4,501 - 6,000	02	0.425	0.390	0.343	0.195
6,001 - 8,000	03	0.534	0.490	0.431	0.245
8,001 - 10,000	04	0.785	0.720	0.634	0.360
10,001 - 15,000	05	1.090	1.000	0.880	0.500
15,001 - 20,000	06	1.624	1.490	1.311	0.745
20,001 - 25,000	07	1.886	1.730	1.522	0.865
25,000 - 40,000	08	2.158	1.980	1.742	0.990
40,001 - 65,000	10	2.834	2.600	2.288	1.300
65,001 - 90,000	11	3.107	2.850	2.508	1.425
90,001 & Over	12	(See Below)			

COMPREHENSIVE

Cost New	Symbol Code	Age of Vehicle			
		1	2,3	4,5	6-9
\$ 0,000 - 4,500	01	0.380	0.380	0.372	0.289
4,501 - 6,000	02	0.400	0.400	0.392	0.304
6,001 - 8,000	03	0.470	0.470	0.461	0.357
8,001 - 10,000	04	0.720	0.720	0.706	0.547
10,001 - 15,000	05	1.000	1.000	0.980	0.760
15,001 - 20,000	06	1.310	1.310	1.284	0.996
20,001 - 25,000	07	1.260	1.260	1.235	0.958
25,000 - 40,000	08	1.440	1.440	1.411	1.094
40,001 - 65,000	10	1.800	1.800	1.764	1.368
65,001 - 90,000	11	2.040	2.040	1.999	1.550
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:

$$3.232 = 3.107 + (\$95,000 - \$90,000) / 1000 \times 0.025$$

\* 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)

<u>Deductible</u>	<u>Coverage</u>	
	<u>Collision</u>	<u>Comprehensive</u>
300	1.060	1.030
500	1.000	1.000
1000	0.890	0.950
2000	0.720	0.900
3000	0.600	0.860
4000	0.520	0.840
5000	0.470	0.820

COMPANY EXPENSES

<u>Coverage</u>	Company Expense Pure Premium (Form 100)
Collision	101.13
Limited Collision	10.11
Comprehensive	33.05

VARIABLE EXPENSES

<u>Coverage</u>	Variable Expense Factor* (Form 100)
Collision	0.8186
Limited Collision	0.8186
Comprehensive	0.8186

\* 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**

(1) Average \$500 deductible Collision pure premium,  
 ( Form 100, (5) x (6) x (6A) )

420.83

(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	34	40	67	103	127	142	154
2	34	40	67	103	127	142	154
3	34	40	67	103	127	142	154
4	34	40	67	103	127	142	154
5	34	40	67	103	127	142	154
6	34	40	67	103	127	142	154
7	34	40	67	103	127	142	154
8	34	40	67	103	127	142	154
9	34	40	67	103	127	142	154
10	34	40	67	103	127	142	154
11	8	10	16	25	31	34	37
12	10	12	20	31	39	43	47
13	10	12	20	30	38	42	46
14	11	13	21	33	40	45	49
15	12	14	23	35	44	49	53
16	12	14	24	36	45	50	54
17	12	14	24	37	46	51	55
18	14	16	27	41	51	57	62
19	15	17	29	44	55	61	66
20	14	17	29	44	55	61	66

**WAIVER CHARGES FOR NON-FLEET**

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	36	43	73	110	137	153	166
2	36	43	73	110	137	153	166
3	36	43	73	110	137	153	166
4	36	43	73	110	137	153	166
5	36	43	73	110	137	153	166
6	36	43	73	110	137	153	166
7	36	43	73	110	137	153	166
8	36	43	73	110	137	153	166
9	36	43	73	110	137	153	166
10	36	43	73	110	137	153	166
11	9	11	19	28	35	39	43
12	10	12	21	32	40	44	48
13	11	13	22	33	41	46	50
14	12	14	24	37	46	51	55
15	12	14	24	36	45	50	54
16	13	16	27	41	51	56	61
17	14	17	29	43	54	60	65
18	14	17	29	44	55	61	66
19	16	19	32	48	60	67	73
20	16	19	32	48	60	67	73

**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	194.03	4

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

\*\* Form 100 Line (16)

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