

COMMONWEALTH AUTOMOBILE REINSURERS

SCHEDULE 107 Rating Components

Effective April 1, 2013

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

2013 CAR
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Coverage	(1) Average Loss Pure Premium (Form 100)	(2) Territory Relativity (100K)	(3) Fleet/ Non-Fleet Differential (100K)		(4) Company Expense Pure Premium (Form 100)	(5) Variable Expense Factor** (Form 100)	(6) Final Base Rates***	
			Fleet	Non-Fleet			Fleet	Non-Fleet
<u>A-1 & B**</u>	262.71				84.61	0.8065		
Territory:								
1		3.5999	0.9671	1.0824			1239	1374
2		3.5999	0.9671	1.0824			1239	1374
3		3.5999	0.9671	1.0824			1239	1374
4		3.5999	0.9671	1.0824			1239	1374
5		3.5999	0.9671	1.0824			1239	1374
6		3.5999	0.9671	1.0824			1239	1374
7		3.5999	0.9671	1.0824			1239	1374
8		3.5999	0.9671	1.0824			1239	1374
9		3.5999	0.9671	1.0824			1239	1374
10		3.5999	0.9671	1.0824			1239	1374
11		0.6600	0.9556	1.0512			310	331
12		0.7561	0.9686	1.0327			343	359
13		0.7894	0.9819	1.0162			357	366
14		0.8378	0.9554	1.0440			366	390
15		0.9237	1.0000	1.0000			406	406
16		1.0173	0.9959	1.0042			435	438
17		1.2175	0.9726	1.0309			491	514
18		1.3325	0.9446	1.0681			515	569
19		1.5768	0.9381	1.0635			587	651
20		1.7016	0.9440	1.0808			628	704

A-1**

Territory:								
1							1126	1249
2							1126	1249
3							1126	1249
4							1126	1249
5							1126	1249
6							1126	1249
7							1126	1249
8							1126	1249
9							1126	1249
10							1126	1249
11							282	301
12							312	326
13							325	333
14							333	355
15							369	369
16							395	398
17							446	467
18							468	517
19							534	592
20							571	640

B. Basic**

Territory:								
1							113	125
2							113	125
3							113	125
4							113	125
5							113	125
6							113	125
7							113	125
8							113	125
9							113	125
10							113	125
11							28	30
12							31	33
13							32	33
14							33	35
15							37	37
16							40	40
17							45	47
18							47	52
19							53	59
20							57	64

* (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: 90.9% of Combined rates.

B: 9.1% of Combined rates.

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

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107 TTT.xlsx A1 & B

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

	(1)	(2)	(3)		(4)	(5)	(6)	
	Average		Fleet/ Non-Fleet		Company	Variable	Final	
	Loss	Territory	Differential		Expense	Expense	Base	
	Pure	Relativity	(100K)		Pure	Factor*	Rates**	
Premium					Premium			
Coverage	(Form 100)	(100K)	Fleet	Non-Fleet	(Form 100)	(Form 100)	Fleet	Non-Fleet
<u>A-2</u>								
Territory:	21.01				4.85	0.8065		
1		3.5999	0.9671	1.0824			97	108
2		3.5999	0.9671	1.0824			97	108
3		3.5999	0.9671	1.0824			97	108
4		3.5999	0.9671	1.0824			97	108
5		3.5999	0.9671	1.0824			97	108
6		3.5999	0.9671	1.0824			97	108
7		3.5999	0.9671	1.0824			97	108
8		3.5999	0.9671	1.0824			97	108
9		3.5999	0.9671	1.0824			97	108
10		3.5999	0.9671	1.0824			97	108
11		0.6600	0.9556	1.0512			22	24
12		0.7561	0.9686	1.0327			25	26
13		0.7894	0.9819	1.0162			26	27
14		0.8378	0.9554	1.0440			27	29
15		0.9237	1.0000	1.0000			30	30
16		1.0173	0.9959	1.0042			32	33
17		1.2175	0.9726	1.0309			37	39
18		1.3325	0.9446	1.0681			39	43
19		1.5768	0.9381	1.0635			45	50
20		1.7016	0.9440	1.0808			48	54
<u>PDL, Basic</u>	312.92				70.74	0.8422		
Territory:								
1		3.5999	0.9671	1.0824			1378	1532
2		3.5999	0.9671	1.0824			1378	1532
3		3.5999	0.9671	1.0824			1378	1532
4		3.5999	0.9671	1.0824			1378	1532
5		3.5999	0.9671	1.0824			1378	1532
6		3.5999	0.9671	1.0824			1378	1532
7		3.5999	0.9671	1.0824			1378	1532
8		3.5999	0.9671	1.0824			1378	1532
9		3.5999	0.9671	1.0824			1378	1532
10		3.5999	0.9671	1.0824			1378	1532
11		0.6600	0.9556	1.0512			318	342
12		0.7561	0.9686	1.0327			356	374
13		0.7894	0.9819	1.0162			372	382
14		0.8378	0.9554	1.0440			381	409
15		0.9237	1.0000	1.0000			427	427
16		1.0173	0.9959	1.0042			460	464
17		1.2175	0.9726	1.0309			524	550
18		1.3325	0.9446	1.0681			552	613
19		1.5768	0.9381	1.0635			634	707
20		1.7016	0.9440	1.0808			681	767

* (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	\$13
10,000	15

Coverage U

	U-1 <u>Uninsured</u>	U-2 <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

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Coverage	(1) Average Loss Pure Premium (Form 100)	(2) Territory Relativity (100K)	(3) Fleet/ Non-Fleet Differential (100K)		(4) Loss Pure Premium by Territory *	
			Fleet	Non-Fleet	Fleet	Non-Fleet
<u>Collision</u>	325.03					
Territory:						
1		3.2735	0.9274	1.1088	987	1180
2		3.2735	0.9274	1.1088	987	1180
3		3.2735	0.9274	1.1088	987	1180
4		3.2735	0.9274	1.1088	987	1180
5		3.2735	0.9274	1.1088	987	1180
6		3.2735	0.9274	1.1088	987	1180
7		3.2735	0.9274	1.1088	987	1180
8		3.2735	0.9274	1.1088	987	1180
9		3.2735	0.9274	1.1088	987	1180
10		3.2735	0.9274	1.1088	987	1180
11		0.7787	0.9654	1.0248	244	259
12		0.8774	0.9210	1.0514	263	300
13		0.8889	0.9863	1.0086	285	291
14		0.9593	0.9770	1.0144	305	316
15		1.0012	0.9995	1.0004	325	326
16		1.0471	0.9472	1.0370	322	353
17		1.1127	0.9055	1.0765	327	389
18		1.1831	0.9101	1.0742	350	413
19		1.2616	0.8929	1.0834	366	444
20		1.2851	0.8882	1.0863	371	454
<u>Comprehensive</u>	104.90					
Territory:						
1		2.4010	0.9099	1.0580	231	269
2		2.4010	0.9099	1.0580	231	269
3		2.4010	0.9099	1.0580	231	269
4		2.4010	0.9099	1.0580	231	269
5		2.4010	0.9099	1.0580	231	269
6		2.4010	0.9099	1.0580	231	269
7		2.4010	0.9099	1.0580	231	269
8		2.4010	0.9099	1.0580	231	269
9		2.4010	0.9099	1.0580	231	269
10		2.4010	0.9099	1.0580	231	269
11		0.7980	0.9355	1.0270	79	87
12		0.8669	0.9620	1.0154	88	93
13		0.8857	0.9980	1.0008	94	94
14		0.9630	0.9544	1.0180	97	104
15		0.9968	0.9587	1.0169	101	107
16		1.0889	0.9603	1.0167	111	117
17		1.1409	0.9663	1.0152	117	123
18		1.1745	0.9357	1.0292	116	128
19		1.1537	0.9387	1.0271	115	125
20		1.2898	0.9049	1.0430	124	142

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

0.991

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

(1) Statewide Average \$500 Collision Base Rate Pure Premium.	\$325.03
(2) Company Expense Pure Premium for \$500 Collision.	\$71.25
(3) Variable Expense Factor	0.8233
(4) Statewide Average \$500 Collision Base Rate $\{[(1) + (2)] / (3)\}$	\$481.33
(5) Statewide Average \$500 Limited Collision Base Rate Pure Premium.	\$32.50
(6) Company Expense Pure Premium for \$500 Limited Collision.	\$7.13
(7) Variable Expense Factor	0.8233
(8) Statewide Average \$500 Limited Collision Base Rate $\{[(5) + (6)] / (7)\}$	\$48.13
(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	0.316	0.290	0.258	0.157
4,501 - 6,000	02	0.461	0.423	0.376	0.228
6,001 - 8,000	03	0.589	0.540	0.481	0.292
8,001 - 10,000	04	0.796	0.730	0.650	0.394
10,001 - 15,000	05	1.090	1.000	0.890	0.540
15,001 - 20,000	06	1.570	1.440	1.282	0.778
20,001 - 25,000	07	1.711	1.570	1.397	0.848
25,000 - 40,000	08	1.962	1.800	1.602	0.972
40,001 - 65,000	10	2.572	2.360	2.100	1.274
65,001 - 90,000	11	2.823	2.590	2.305	1.399
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	0.357	0.350	0.333	0.263
4,501 - 6,000	02	0.386	0.378	0.359	0.284
6,001 - 8,000	03	0.530	0.520	0.494	0.390
8,001 - 10,000	04	0.785	0.770	0.732	0.578
10,001 - 15,000	05	1.020	1.000	0.950	0.750
15,001 - 20,000	06	1.489	1.460	1.387	1.095
20,001 - 25,000	07	1.285	1.260	1.197	0.945
25,000 - 40,000	08	1.331	1.305	1.240	0.979
40,001 - 65,000	10	1.856	1.820	1.729	1.365
65,001 - 90,000	11	2.009	1.970	1.872	1.478
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:

$$2.948 = 2.823 + (\$95,000 - \$90,000) / 1000 \times 0.025$$

* 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	71.25
Limited Collision	7.13
Comprehensive	44.58

VARIABLE EXPENSES

<u>Coverage</u>	Variable Expense Factor* (Form 100)
Collision	0.8233
Limited Collision	0.8233
Comprehensive	0.8233

* 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))

(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	31	36	62	94	116	130	140
2	31	36	62	94	116	130	140
3	31	36	62	94	116	130	140
4	31	36	62	94	116	130	140
5	31	36	62	94	116	130	140
6	31	36	62	94	116	130	140
7	31	36	62	94	116	130	140
8	31	36	62	94	116	130	140
9	31	36	62	94	116	130	140
10	31	36	62	94	116	130	140
11	8	9	15	23	29	32	35
12	8	10	16	25	31	35	37
13	9	10	18	27	34	37	41
14	10	11	19	29	36	40	43
15	10	12	20	31	38	43	46
16	10	12	20	31	38	42	46
17	10	12	20	31	39	43	47
18	11	13	22	33	41	46	50
19	11	13	23	35	43	48	52
20	12	14	23	35	44	49	53

WAIVER CHARGES FOR NON-FLEET

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	37	43	74	112	139	155	168
2	37	43	74	112	139	155	168
3	37	43	74	112	139	155	168
4	37	43	74	112	139	155	168
5	37	43	74	112	139	155	168
6	37	43	74	112	139	155	168
7	37	43	74	112	139	155	168
8	37	43	74	112	139	155	168
9	37	43	74	112	139	155	168
10	37	43	74	112	139	155	168
11	8	9	16	25	31	34	37
12	9	11	19	28	35	39	43
13	9	11	18	28	34	38	41
14	10	12	20	30	37	42	45
15	10	12	20	31	38	43	46
16	11	13	22	34	42	46	50
17	12	14	24	37	46	51	55
18	13	15	26	39	49	54	59
19	14	16	28	42	52	58	63
20	14	17	28	43	54	60	65

Commonwealth Automobile Reinsurers

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

<u>Deductible</u>	<u>Buyback *</u> <u>Percentage</u>	<u>Statewide Average</u> <u>\$500 Deductible</u> <u>Collectible Premiums **</u>	<u>Minimum</u> <u>Buyback</u> <u>Charge ***</u>
\$300	0.030	205.81	5

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

** Form 100 Line (16)

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