

COMMONWEALTH AUTOMOBILE REINSURERS

SCHEDULE 107 Rating Components

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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)	
	Average Loss Pure Premium (Form 100)	Territory Relativity (100K)	Fleet/ Non-Fleet Differential (100K)		Company Expense Pure Premium (Form 100)	Variable Expense Factor* (Form 100)	Final Base Rates***	
			Fleet	Non-Fleet			Fleet	Non-Fleet
A-1 & B**	317.53				69.78	0.8112		
Territory:								
1		2.9159	0.9965	1.0056			1223	1234
2		2.9159	0.9965	1.0056			1223	1234
3		2.9159	0.9965	1.0056			1223	1234
4		2.9159	0.9965	1.0056			1223	1234
5		2.9159	0.9965	1.0056			1223	1234
6		2.9159	0.9965	1.0056			1223	1234
7		2.9159	0.9965	1.0056			1223	1234
8		2.9159	0.9965	1.0056			1223	1234
9		2.9159	0.9965	1.0056			1223	1234
10		2.9159	0.9965	1.0056			1223	1234
11		0.6395	1.0000	1.0000			336	336
12		0.7844	1.0000	1.0000			393	393
13		0.8143	1.0000	1.0000			405	405
14		0.8963	1.0000	1.0000			437	437
15		0.9335	1.0000	1.0000			451	451
16		1.0464	1.0000	1.0000			496	496
17		1.2411	1.0000	1.0000			572	572
18		1.3010	0.9963	1.0040			593	597
19		1.5478	1.0000	1.0000			692	692
20		1.6556	0.9999	1.0002			734	734
A-1**								
Territory:								
1							1092	1102
2							1092	1102
3							1092	1102
4							1092	1102
5							1092	1102
6							1092	1102
7							1092	1102
8							1092	1102
9							1092	1102
10							1092	1102
11							300	300
12							351	351
13							362	362
14							390	390
15							403	403
16							443	443
17							511	511
18							530	533
19							618	618
20							655	655
B. Basic**								
Territory:								
1							131	132
2							131	132
3							131	132
4							131	132
5							131	132
6							131	132
7							131	132
8							131	132
9							131	132
10							131	132
11							36	36
12							42	42
13							43	43
14							47	47
15							48	48
16							53	53
17							61	61
18							63	64
19							74	74
20							79	79

* (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: 89.3% of Combined rates.
B: 10.7% 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 (Form 100)	Territory Relativity (100K)	Fleet/ Non-Fleet Differential (100K)		Company Expense Pure Premium (Form 100)	Variable Expense Factor*	Final Base Rates**	
			Fleet	Non-Fleet			Fleet	Non-Fleet
<u>A-2</u>								
Territory:	20.9				5.04	0.8112		
1		2.9159	0.9965	1.0056			81	82
2		2.9159	0.9965	1.0056			81	82
3		2.9159	0.9965	1.0056			81	82
4		2.9159	0.9965	1.0056			81	82
5		2.9159	0.9965	1.0056			81	82
6		2.9159	0.9965	1.0056			81	82
7		2.9159	0.9965	1.0056			81	82
8		2.9159	0.9965	1.0056			81	82
9		2.9159	0.9965	1.0056			81	82
10		2.9159	0.9965	1.0056			81	82
11		0.6395	1.0000	1.0000			23	23
12		0.7844	1.0000	1.0000			26	26
13		0.8143	1.0000	1.0000			27	27
14		0.8963	1.0000	1.0000			29	29
15		0.9335	1.0000	1.0000			30	30
16		1.0464	1.0000	1.0000			33	33
17		1.2411	1.0000	1.0000			38	38
18		1.3010	0.9963	1.0040			40	40
19		1.5478	1.0000	1.0000			46	46
20		1.6556	0.9999	1.0002			49	49
<u>PDL, Basic</u>	327.09				76.61	0.8444		
Territory:								
1		2.9159	0.9965	1.0056			1216	1227
2		2.9159	0.9965	1.0056			1216	1227
3		2.9159	0.9965	1.0056			1216	1227
4		2.9159	0.9965	1.0056			1216	1227
5		2.9159	0.9965	1.0056			1216	1227
6		2.9159	0.9965	1.0056			1216	1227
7		2.9159	0.9965	1.0056			1216	1227
8		2.9159	0.9965	1.0056			1216	1227
9		2.9159	0.9965	1.0056			1216	1227
10		2.9159	0.9965	1.0056			1216	1227
11		0.6395	1.0000	1.0000			338	338
12		0.7844	1.0000	1.0000			395	395
13		0.8143	1.0000	1.0000			406	406
14		0.8963	1.0000	1.0000			438	438
15		0.9335	1.0000	1.0000			452	452
16		1.0464	1.0000	1.0000			496	496
17		1.2411	1.0000	1.0000			571	571
18		1.3010	0.9963	1.0040			593	597
19		1.5478	1.0000	1.0000			690	690
20		1.6556	0.9999	1.0002			732	732

* (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	\$19
10,000	21

Coverage U

	U-1 <u>Uninsured</u>	U-2 <u>Underinsured</u>
20/40	6	0
20/50	7	0
25/50	8	2
35/80	9	6
50/100	10	11
100/300	11	29
250/500	12	105
500/500	16	267

**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>	321.64					
Territory:						
1		2.6516	0.9993	1.0008	852	854
2		2.6516	0.9993	1.0008	852	854
3		2.6516	0.9993	1.0008	852	854
4		2.6516	0.9993	1.0008	852	854
5		2.6516	0.9993	1.0008	852	854
6		2.6516	0.9993	1.0008	852	854
7		2.6516	0.9993	1.0008	852	854
8		2.6516	0.9993	1.0008	852	854
9		2.6516	0.9993	1.0008	852	854
10		2.6516	0.9993	1.0008	852	854
11		0.7624	0.9840	1.0099	241	248
12		0.8911	1.0000	1.0000	287	287
13		0.8897	0.9911	1.0057	284	288
14		0.9739	0.9211	1.0479	289	328
15		1.0069	0.9487	1.0318	307	334
16		1.0949	0.9256	1.0500	326	370
17		1.1089	0.9348	1.0464	333	373
18		1.1573	0.9481	1.0384	353	387
19		1.3135	1.0000	1.0000	422	422
20		1.2722	0.8873	1.0744	363	440
<u>Comprehensive</u>	123.17					
Territory:						
1		1.9448	0.9134	1.0459	222	254
2		1.9448	0.9134	1.0459	222	254
3		1.9448	0.9134	1.0459	222	254
4		1.9448	0.9134	1.0459	222	254
5		1.9448	0.9134	1.0459	222	254
6		1.9448	0.9134	1.0459	222	254
7		1.9448	0.9134	1.0459	222	254
8		1.9448	0.9134	1.0459	222	254
9		1.9448	0.9134	1.0459	222	254
10		1.9448	0.9134	1.0459	222	254
11		0.7709	0.9202	1.0316	89	99
12		0.9674	0.9585	1.0162	116	123
13		0.9400	0.9842	1.0061	116	118
14		1.0030	0.9921	1.0030	124	126
15		1.0113	0.9737	1.0104	123	128
16		1.0521	0.9654	1.0140	127	133
17		1.0694	0.9438	1.0239	126	137
18		1.1529	0.9404	1.0258	135	148
19		1.1629	0.9699	1.0124	141	147
20		1.1243	0.9262	1.0300	130	145

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

0.986

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

(1) Statewide Average \$500 Collision Base Rate Pure Premium.	\$321.64
(2) Company Expense Pure Premium for \$500 Collision.	\$115.62
(3) Variable Expense Factor	0.8222
(4) Statewide Average \$500 Collision Base Rate { [(1) + (2)] / (3) }	\$531.82
(5) Statewide Average \$500 Limited Collision Base Rate Pure Premium.	\$32.16
(6) Company Expense Pure Premium for \$500 Limited Collision.	\$11.56
(7) Variable Expense Factor	0.8222
(8) Statewide Average \$500 Limited Collision Base Rate { [(5) + (6)] / (7) }	\$53.18
(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	0.375	0.350	0.319	0.186
4,501 - 6,000	02	0.385	0.360	0.328	0.191
6,001 - 8,000	03	0.482	0.450	0.410	0.239
8,001 - 10,000	04	0.781	0.730	0.664	0.387
10,001 - 15,000	05	1.070	1.000	0.910	0.530
15,001 - 20,000	06	1.744	1.630	1.483	0.864
20,001 - 25,000	07	2.033	1.900	1.729	1.007
25,000 - 40,000	08	2.333	2.180	1.984	1.155
40,001 - 65,000	10	3.060	2.860	2.603	1.516
65,001 - 90,000	11	3.360	3.140	2.857	1.664
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	0.420	0.420	0.420	0.332
4,501 - 6,000	02	0.420	0.420	0.420	0.332
6,001 - 8,000	03	0.420	0.420	0.420	0.332
8,001 - 10,000	04	0.660	0.660	0.660	0.521
10,001 - 15,000	05	1.000	1.000	1.000	0.790
15,001 - 20,000	06	1.270	1.270	1.270	1.003
20,001 - 25,000	07	1.390	1.390	1.390	1.098
25,000 - 40,000	08	1.580	1.580	1.580	1.248
40,001 - 65,000	10	1.890	1.890	1.890	1.493
65,001 - 90,000	11	2.080	2.080	2.080	1.643
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:

$$3.485 = 3.360 + (\$95,000 - \$90,000) / 1000 \times 0.025$$

* 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>	<u>Company Expense Pure Premium (Form 100)</u>
Collision	115.62
Limited Collision	11.56
Comprehensive	32.37

VARIABLE EXPENSES

<u>Coverage</u>	<u>Variable Expense Factor* (Form 100)</u>
Collision	0.8222
Limited Collision	0.8222
Comprehensive	0.8222

* 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))

439.55

(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	33	38	65	99	123	137	149
2	33	38	65	99	123	137	149
3	33	38	65	99	123	137	149
4	33	38	65	99	123	137	149
5	33	38	65	99	123	137	149
6	33	38	65	99	123	137	149
7	33	38	65	99	123	137	149
8	33	38	65	99	123	137	149
9	33	38	65	99	123	137	149
10	33	38	65	99	123	137	149
11	9	11	18	28	35	39	42
12	11	13	22	33	41	46	50
13	11	13	22	33	41	46	49
14	11	13	22	34	42	47	50
15	12	14	23	36	44	50	54
16	12	15	25	38	47	53	57
17	13	15	25	39	48	54	58
18	13	16	27	41	51	57	62
19	16	19	32	49	61	68	74
20	14	16	28	42	53	59	63

WAIVER CHARGES FOR NON-FLEET

Territory	Deductibles:						
	\$300	\$500	\$1000	\$2000	\$3000	\$4000	\$5000
1	33	38	65	99	123	138	149
2	33	38	65	99	123	138	149
3	33	38	65	99	123	138	149
4	33	38	65	99	123	138	149
5	33	38	65	99	123	138	149
6	33	38	65	99	123	138	149
7	33	38	65	99	123	138	149
8	33	38	65	99	123	138	149
9	33	38	65	99	123	138	149
10	33	38	65	99	123	138	149
11	9	11	19	29	36	40	43
12	11	13	22	33	41	46	50
13	11	13	22	33	42	46	50
14	13	15	25	38	47	53	57
15	13	15	26	39	48	54	58
16	14	17	28	43	53	60	65
17	14	17	29	43	54	60	65
18	15	17	30	45	56	62	67
19	16	19	32	49	61	68	74
20	17	20	34	51	64	71	77

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	220.18	5

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

** Form 100 Line (16)

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