

RATE SECTION

Memorandum

The rates shown on the rate sheets are the liability and physical damage rates filed by the Commonwealth Automobile Reinsurers for the Massachusetts private passenger automobile residual market.

The same rates apply under a Personal Auto Policy on a risk for which compulsory coverage is not required. For bodily injury charge the total of the Parts 1, 2 and 5 premiums for risks subject to the compulsory law.

The bodily injury increased limits factors shown in this manual are to be applied against the Part 1 and Part 5, basic limits, premium in determining the increased limits premium. Increased limits factors are not applicable to Part 2.

The basic limits rates shown on the rate pages are for \$20,000/\$40,000 bodily injury (Parts 1 and 5) and \$5,000 property damage (Part 4). The charge for bodily injury increased limits is determined by applying the factors shown on the Increased Limits Tables to the total of the adjusted Part 1 premium and Part 5 basic limits premium and then subtracting the adjusted Part 1 premium as follows:

$$\text{Part 5} = (\text{Part 1} + \text{Part 5 } (\$20/40)) \times \text{Increased Limits Factor} - \text{Part 1}$$

The private passenger rate pages display liability rates for various classes at selected limits. For most risks, the liability premium can be determined directly from the rate pages.

As of 10/1/2013:

- Motorcycle rates have been modified, including substitute transportation and towing & labor rates. Note that territory rating groups for motorcycles are the same as private passenger vehicles and have not changed.
- BI and PDL increased limit factors are unchanged.
- MedPay increased limits rates are updated.
- U-1 increased limits rates reflect the change in base rates, with no change in underlying ILFs.
- Deductible relativities have been updated
- Model year/VRG relativities are shifted one year, but are otherwise unchanged.
- All discounts are the same as the prior year. Refer to Rule 19.
- Territory rating groups have not changed.
- A footnote has been added to the Model Year/VRG relativity factor tables to refer to Rule 22E for clarification in calculating relativities for VRG 50.
- Miscellaneous rating factors are updated (RS-1)