

## 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 10/1/2016:

- Base rates by coverage have been modified to reflect current loss experience.
- Rating territories are unchanged.
- BI, U-1, U-2, and PDL increased limit factors have been updated for vehicles other than Motorcycles.
- Med Pay increased limits rates are updated.
- Deductible relativities are unchanged.
- Model year/VRG relativities are revised and updated through 2017 MY.
- The VRG Assignment By Price Table has been revised.
- The Stated Amount Rates have been updated. The Stated Amount Divisor Table has been revised.
- Miscellaneous rating factors are updated (RS-1)
- Towing and Labor and Substitute Transportation are unchanged.
- Discounts remain unchanged.
- The commission schedule for assigned risk business is unchanged
- Deleted HT-1 High Theft Vehicle List pursuant to Rule 23.
- Motorcycle base rates have been updated. Note that territory rating groups for motorcycles are the same as private passenger vehicles and have not changed.
- A rating procedure for Electric Motorcycles has been added to the Motorcycle rate pages.
- Motorcycle increased limit factors have been updated for U-1 and U-2 coverage's.
- Motorcycle Med Pay Rates By Limit have been updated.
- Motorcycle Substitute Transportation and Towing and Labor Rates have been updated.