

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 5/1/2023:

- Base rates by coverage have been modified to reflect current loss experience.
- Rating territories are unchanged.
- BI, PDL, Med Pay, U-1 and U-2 increased limit factors have been updated for vehicles other than Motorcycles.
- Deductible relativities are unchanged.
- Model year/VRG relativities are revised only to shift the model years of the current relativity tables by one year and now include 2024. The VRG Assignment By Price Table is unchanged.
- The Stated Amount Divisor Table is unchanged.
- The Stated Amount Rates have been updated.
- Miscellaneous rating factors are updated (RS-1). The update is for the addition of rates for the four wheeled limited use vehicles (Rule 43).
- Towing and Labor and Substitute Transportation are unchanged for vehicles other than Motorcycles.
- The commission schedule for assigned risk business is unchanged.
- The motorcycle rates have been updated, including the base rates, increased limit factors, physical damage percentages for "other deductibles", substitute transportation, and towing and labor. Also, the number of groupings to determine age rate factors based on model year have been increased from 8 to 12.