



**THE WORKERS' COMPENSATION
RATING AND INSPECTION BUREAU**

March 1, 2007

The Honorable Nonnie S. Burnes
Commissioner of Insurance
Massachusetts Division of Insurance
One South Station
Boston, Massachusetts 02110-2208

Dear Commissioner Burnes:

In accordance with General Laws, Chapter 152, Sections 52 and 53A, as amended by St. 1985, c. 572, I submit, on behalf of all members and subscribers of The Workers' Compensation Rating and Inspection Bureau of Massachusetts, a General Revision of Workers' Compensation Insurance Rates and Rating Values.

With this letter, I am submitting the technical support for the analysis underlying the proposed statewide decrease in average rates of 13.4%. Our Cost Containment filing is attached as Volume 3 of the filing.

We propose the manual rates to be effective 12:01 A.M., September 1, 2007, and to apply to each risk as of the first normal anniversary rating date following that effective date.

On behalf of the members and subscribers of the Bureau, I respectfully request early consideration and prompt approval of the General Revision of Rates.

Also enclosed is a check for the \$150 filing fee.

Sincerely,

Paul F. Meagher, Esq.
President

Enclosure

**COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE**

Docket No. 07-

In re:

**APPLICATION OF THE WORKERS'
COMPENSATION RATING AND INSPECTION
BUREAU OF MASSACHUSETTS FOR APPROVAL
OF A GENERAL RATE REVISION TO BE
EFFECTIVE ON AND AFTER SEPTEMBER 1, 2007**

PRE-FILED DIRECT TESTIMONY OF DAVID APPEL

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of David Appel in support of its application for a general rate revision to be effective on and after September 1, 2007.

Q. Please state your full name.

A. David Appel.

Q. What are your professional qualifications?

A. I am a Principal and Director of Economics Consulting with the firm of Milliman, Inc. Milliman is one of the nation's largest independently owned consulting firms specializing in the areas of risk and insurance. The company operates offices in 30 cities in the U.S., and, through our international network, Milliman Global, is affiliated with similar firms in more than 20 countries worldwide. Our U.S. employees number over 1,800, and our clients number in the thousands. They include insurers, self-insured

entities, Federal and State Governments, private corporations, non-profit organizations, unions, and many others. A complete description of my academic and professional credentials can be found in my curriculum vitae, which is attached to this testimony.

Q. What was your role in the preparation of the current WCRIB filing for a general rate revision?

A. I was responsible for and sponsor the materials in Section VIII of the WCRB's filing dealing with the estimation of the cost of capital and the use of an internal rate of return (IRR) model to derive the underwriting profit provision proposed by the WCRIB this year. To the best of my knowledge, information and belief, the data and calculations underlying Section VIII of the filing are complete and accurate, and the narrative statements offered in support of Section VIII are also accurate and correct.

Q. Are you familiar with the underwriting profit provision used by the WCRIB in calculating the proposed rates?

A. Yes.

Q. Are you familiar with the statutory standard that must be applied by the Commissioner in reviewing the rates proposed in the WCRB's current filing – that they “are not excessive, inadequate or unfairly discriminatory” and that they “fall within a range of reasonableness”?

A. Yes. That is the standard typically applied by regulators in assessing insurance rates.

Q. Do you have an opinion as to whether the rates proposed in the WCRIB's current filing satisfy the statutory standard?

A. Yes.

Q. What is your opinion?

A. For the reasons I offer in Section VIII-B and in the accompanying Appendix, it is my professional opinion that if the actuarial projections of losses, expenses and premiums in the filing are reasonable, then the proposed rates satisfy the statutory standard because the underwriting profit provision has been calculated so that the rates will yield a fair return to the insurers who have invested their capital in the Massachusetts workers' compensation market.

Q. Do you have anything to add to the text of Section VIII of the filing at this time?

A. Yes. While I have concluded that the rates as filed by the WCRIB are reasonable and not excessive, I must also note that I believe that the calculations used to derive the indicated profit provision are extremely conservative in the sense that they overstate the income insurers would reasonably expect to earn from the sale of workers' compensation insurance in Massachusetts. To the extent that income is overstated, of course, the required rate change will be set too low. There are two principal reasons for this.

First, we have not reflected the true cost of policyholder dividends in the IRR model. Policyholder dividends are refunds of premium paid at the end of the policy period (and are frequently tied to the loss experience of the insured). Dividend payments definitively reduce insurer income, and should be reflected as such in the IRR. However, in her Decision on 2003 Rates, the Commissioner rejected consideration of dividends in any fashion, and hence in this year's model the WCRIB has not considered policyholder dividends in any form. (I understand that previous practice in Massachusetts had been to simply reflect the reduction in investible funds due to the payment of policyholder dividends, but not to reflect the dividend expense itself. In this filing neither the dividend expense nor the reduction in investible funds has been reflected.)

Second, the WCRIB has included a provision for the cost of reinsurance in the current filing, but its provision is restricted solely to the reinsurer's expense costs. That is, it does not consider the true net cost of reinsurance, which includes not only the reinsurer's expenses, but also the reinsurer's required profit. Had the reinsurer's required profit been reflected, the required rate change would have been higher.

I would add that I have not adjusted the target rate of return to reflect the arguably greater risk of workers' compensation relative to the average line of property/casualty insurance. While this does not result in an overstatement of income (as do the two considerations just discussed), I note that had I set

Pre-Filed Direct Testimony
David Appel

the target return higher, a higher underwriting profit would have been indicated as well.

Signed this 23rd day of February 2007 under the pains and penalties of perjury.



David Appel

DAVID APPEL

One Pennsylvania Plaza
New York, NY 10119
(646) 473-3000

PROFESSIONAL EXPERIENCE:

1989 to present	MILLIMAN, INC. Principal & Director - Economics Consulting Responsible for the formation, development and management of a national consulting practice in insurance economics.
1980 to 1989	NATIONAL COUNCIL ON COMPENSATION INSURANCE Economic and Social Research Division
1985 to 1989	Vice President
1983	Assistant Vice President Responsible for all economic and social research of NCCI
1982	Director of Economic and Social Research
1981	Senior Research Economist
1980	Associate Research Economist
1976 to 1997	RUTGERS UNIVERSITY
1981-97	Associate of the Graduate Faculty, Department of Economics, Newark, New Jersey
1981-93	Teach variety of graduate courses including: Microeconomic Theory, Industrial Organization, Public Finance
1978-80	Instructor, Department of Economics, New Brunswick, New Jersey
1976-78	Adjunct Instructor, Department of Economics, Newark, New Jersey

EDUCATION:

1980	Ph.D., Economics, Rutgers University
1976	M.A., Economics, Rutgers University
1972	B.A., Economics, Brooklyn College, CUNY Certified ARIAS Arbitrator and Umpire Member: AAA Panel of Neutrals

PAPERS AND PUBLICATIONS

"Comment on Jaffee and Russell" in Deregulating Property-Liability Insurance, J. David Cummins, Editor, Brookings Institution Press, Washington, DC, 2002

"Dynamic Financial Analysis of a Workers Compensation Insurer", CAS Call Papers Program, 1997 (with Susan Witcraft and Mark Mulvaney)

"The Impact of Managed Care on Workers Compensation Claim Costs," in a volume of conference proceedings published by the Workers' Compensation Research Institute, September 1994, (with Philip Borba).

"Health Care Costs in Workers' Compensation", Benefits Quarterly, Vol. 9, No. 4, Fourth Quarter, 1993

"The Transition From Temporary to Permanent Disability: A Longitudinal Analysis" in Workers' Compensation Insurance: Claims Costs, Prices and Regulation, David Durbin and Philip Borba, Editors, Kluwer Academic Publishers, Boston, 1992, (with Richard Butler, David Durbin and John Worrall)

"Leverage, Interest Rates and Workers' Compensation Survival" in Workers' Compensation Insurance: Claims Costs, Prices and Regulation, David Durbin and Philip Borba, Editors, Kluwer Academic Publishers, Boston, 1992, (with Richard Butler, David Durbin and John Worrall)

Benefits, Costs and Cycles in Workers' Compensation, Kluwer Academic Publishers, Boston, 1990, (co-editor with Philip Borba)

"Benefit Increases in Workers' Compensation", Southern Economics Journal, January 1990, (with Richard J. Butler)

"Internal Rate of Return Criteria in Ratemaking", NCCI Digest, Vol. IV, Issue III, September 1990, (with Richard J. Butler).

"Social Inflation in Workers' Compensation: The Phenomenon of Benefit Utilization", Proceedings of the Casualty Loss Reserve Seminar, 1988. Also in Contingencies, Nov./Dec., 1989.

Workers' Compensation Insurance Pricing: Current Programs and Proposed Reforms, Kluwer Academic Publishers, Boston, 1988,(co-editor with Philip Borba)

"Prices and Costs of Workers' Compensation" in Workers' Compensation Insurance Pricing: Current Programs and Proposed Reforms, Kluwer Academic Publishers, Boston, 1988, (with Philip Borba)

"1986 Tax Reform Act: Effects on Workers' Compensation Profitability", NCCI Digest, Vol. II, Issue II, July 1987 (with James Gerofsky)

"The Propensity for Permanently Disabled Workers' to Hire Legal Services" , Industrial and Labor Relations Review, April 1987, (with Philip Borba)

"Sex, Marital Status, and Medical Utilization by Injured Workers", Journal of Risk and Insurance, Vol. LIV, No. 1, March 1987, (with John Worrall and Richard Butler)

"The Impact of Workers' Compensation Benefits on Low Back Claims" in Clinical Concepts in Regional Musculoskeletal Illness, Nortin M. Hadler, ed. (Boston: 1986, Grune and Stratton), (with John Worrall)

"Workers' Compensation and Employment: An Industry Analysis" in Disability and the Labor Market: Economic Problems, Policies and Programs, M. Anne Hill and Monroe Berkowitz, eds., (Ithaca:1986 ILR Press), (with James Lambrinos)

"Some Benefit Issues in Workers' Compensation", in Workers' Compensation Benefits: Adequacy, Equity, Efficiency, (Ithaca:1985 ILR Press), (with John Worrall)

Workers' Compensation Benefits: Adequacy, Equity, Efficiency, (co-editor with John Worrall), (Ithaca:1985 ILR Press)

"Survivorship and the Size Distribution of the Property-Liability Insurance Industry", Journal of Risk and Insurance, October 1985, (with John Worrall and Richard Butler).

"Regulating Competition-The Case of Workers' Compensation Insurance", Journal of Insurance Regulation, (with James Gerofsky), June 1985.

"The Wage Replacement Rate and Benefit Utilization in Workers' Compensation Insurance", Journal of Risk and Insurance, September 1982 (with John Worrall)

"Property Damages", in Joseph Seneca and Peter Asch, The Benefits of Air Pollution Control in New Jersey, Center for Coastal and Environmental Studies, Rutgers University, 1979

WORKING PAPERS

"Workers' Compensation Pricing: The Role of Policyholder Dividends" (with David Durbin)

"The Impact of Lifetime Work on Mortality: Do Unisex Pensions Matter?" (with Richard J. Butler)

"Regulatory Survival: Rate Changes in Workers' Compensation" (with Richard J. Butler and John D. Worrall)

"Framing, Firm Size and Financial Incentives in Workers' Compensation Insurance" (with Richard J. Butler and John D. Worrall)

"Application of NAIC Profitability Models to Long Tailed Lines of Insurance" (with James Gerofsky)

INVITED PRESENTATIONS

Salt Lake City, Utah, March 13, 2006
CAS Ratemaking Seminar
"Including Reinsurance Costs in Primary Insurance Rates"

New Orleans, Louisiana, March 11, 2005
CAS Ratemaking Seminar
"Including Reinsurance Costs in Primary Insurance Rates"

Philadelphia, Pennsylvania, March 11, 2004
CAS Ratemaking Seminar
"The Consideration of Risk Loads and Reinsurance Costs in Primary Insurance Ratemaking"

New York, New York, December 12, 2003
Goldman Sachs Insurance Conference
"Interest Rate Changes and Insurance Underwriting"

San Antonio, Texas, March 28, 2003
CAS Ratemaking Seminar
"The Consideration of Risk Loads and Reinsurance Costs in Primary Insurance Ratemaking"

San Antonio, Texas, March 27, 2003
CAS Ratemaking Seminar
"Rate of Return Models in Insurance Ratemaking"

San Diego, California, May 20, 2002
CAS Annual Meeting
"The Actuary as an Expert Witness"

Tampa, Florida, March 7, 2002
CAS Ratemaking Seminar
"Parameterizing Rate of Return Models in Insurance Ratemaking"

Chicago, Illinois, December 10, 2001
NAIC Meeting
"The Impact of Proposition 103 in California"

Kansas City, Missouri, April 30, 2001
NAIC Meeting
"Personal Lines Regulation"

Las Vegas, Nevada, March 12, 2001
CAS Ratemaking Seminar
"Parameterizing Rate of Return Models in Insurance Ratemaking"

Washington DC, January 18, 2001
Brookings Institution Conference on Insurance Regulation
"Auto Insurance Experience in California"

Bermuda, September 14, 2000
Ace Insurance Worldwide Actuarial Conference
"Rate of Return Models In Property Casualty Insurance Ratemaking"

Orlando, Florida, June 9, 1998
Florida Managed Care Institute Annual Conference
"Issues in Integrated Health Care"

Seattle, Washington, July 21, 1997
CAS Dynamic Financial Analysis Seminar
"Dynamic Financial Analysis of a Workers Compensation Insurer"

Boston, Massachusetts, March 14, 1997
CAS Ratemaking Seminar
"Discounted Cash Flow Models in Insurance Ratemaking"

East Lansing, Michigan, July 15, 1996
National Symposium on Workers Compensation
"Managed Care in Workers Compensation"

New Orleans, Louisiana, March 20, 1996
Global Business Research Seminar: Partnerships Between Insurers and Providers
"Integrating the Data Systems"

Orlando, Florida, November 15, 1995
Global Business Research Seminar: Documenting Savings From Managed Care
"Evaluating Savings From Managed Care"

Orlando, Florida, October 27, 1995
Self Insurance Association of America Annual Meeting
"Managed Care in Workers Compensation: A Magic Act or Humbug?"

San Diego, California, October 16, 1995
Global Business Research Seminar: Documenting Savings From Managed Care
"Technical Issues in Measuring Savings From Managed Care"

Durham, North Carolina, September 6, 1995
North Carolina HMO Association Annual Meeting
"Workers Compensation in North Carolina: Risks and Opportunities for HMO's"

Washington, DC, May 22, 1995
Global Business Research Seminar: Outcomes for Workers' Compensation Managed Care
"Measuring and Reporting the Savings"

Orlando, Florida, April 13, 1995
NCCI Annual Meeting
"Managed Care in Workers Compensation"

Phoenix, Arizona, April 3, 1995
Casualty Actuarial Society Seminar on Profitability
"Rate of Return Models - Selecting the Parameters"

New Orleans, Louisiana, March 16, 1995
Casualty Actuarial Society Ratemaking Seminar
"Discounted Cash Flow Models for Insurance Ratemaking"

Orlando, Florida, March 14, 1995

Standard & Poor's Rating Conference
"Consolidation in the Property/Casualty Insurance Industry"
Minneapolis, Minnesota, October 11, 1994
Casualty Actuarial Society Seminar on Medical Cost Containment
"Managed Care and Workers' Compensation"

Toronto, Ontario, August 22, 1994
American Risk and Insurance Association Annual Meeting
"Current Issues in Workers' Compensation"

Boston, Massachusetts, May 17, 1994
Casualty Actuarial Society Annual Meeting
"Standard Of Practice on Profit and Contingency"

Hartford, Connecticut, April 20, 1994
University of Connecticut Blue Cross/Blue Shield Symposium
"24 Hour Coverage - What Will It Involve"

Atlanta, Georgia, March 10, 1994
Casualty Actuarial Society Ratemaking Seminar
"Cash Flow Models for Insurance Ratemaking"

Cambridge, Massachusetts, March 2, 1994
Workers' Compensation Research Institute Health Care Reform Conference
"Early Results of the Florida Pilot Project"

Phoenix, Arizona, November 15, 1993
Casualty Actuarial Society Annual Meeting
"The Use Of Managed Care in Workers' Compensation"

New York, New York, October 20, 1993
Insurance Information Institute/Reinsurance Association of America Research Conference
"The Impact of Health Care Reform on Casualty Insurance"

Somerset, New Jersey, July 13, 1993
National Symposium on Workers' Compensation
"Economic Analysis of Workers' Compensation Issues"

Boston, Massachusetts, June 30, 1993
Institute of Actuaries of Japan Special Meeting
"Health Care Costs in Workers' Compensation"

Dallas, Texas, June 15, 1993
Stirling-Cooke Workers' Compensation Seminar
"Workers' Compensation Medical Costs: Trends, Causes and Solutions"

New York, New York, June 3, 1993
New York Business Group On Health
"The Crisis in Workers' Compensation Health Care"

Mauna Lani Bay, Hawaii, May 3, 1993
Western Association of Insurance Brokers Annual Meeting
"Trends in Insurance Insolvency"

Kingston, Ontario, April 28, 1993
Queen's University Workers' Compensation Conference
"Exposure Bases for Workers' Compensation: Equity vs. Practicality"
Sanibel Island, Florida, March 29, 1993
Workers' Compensation Reinsurance Bureau Annual Meeting
"The Use of Managed Care in Workers' Compensation"

Baltimore, Maryland, March 23, 1993
CAMAR Annual Meeting
"Estimating the Cost of Capital in Insurance Ratemaking"

Philadelphia, Pennsylvania, December 1, 1992
Economic Issues in Workers' Compensation Seminar,
"Rate of Return Regulation in Workers' Compensation"

Seattle, Washington, October 16, 1992
Casualty Actuarial Society Seminar on Profitability
"Risk Based Capital Standards for Property Casualty Insurers"

Washington, DC, August 18, 1992
American Risk and Insurance Association Annual Meeting
"The Crisis in Workers' Compensation"

New York, New York, May 19, 1992
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Palm Beach, Florida, April 23, 1992
NCCI Annual Meeting
"Is the Workers' Compensation Industry Competitive?"

Philadelphia, Pennsylvania, March 20, 1992
University of Pennsylvania/Duncanson & Holt Special Seminar
"Current Issues in Workers' Compensation"

Dallas, Texas, March 12, 1992
Casualty Actuarial Society Ratemaking Seminar
"Profitability Models in Insurance Ratemaking: Estimating the Parameters"

Houston, Texas, December 11, 1991
NCCI/NAIC Commissioners Symposium
"Rate Adequacy: Solvency and Safety Implications"

New York, New York, November 17, 1991
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Philadelphia, Pennsylvania, November 12, 1991
Casualty Actuarial Society Annual Meeting
"The Impact of Medical Costs on Casualty Coverages"

New York, New York, May 17, 1991
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Kiawah Island, South Carolina, April 15 & 16, 1991
Casualty Actuarial Society Seminar on Profitability
"Cost of Capital Estimation: Lessons From Public Utilities"
Chicago, Illinois, March 14, 1991
Casualty Actuarial Society Ratemaking Seminar
"The Use of Profitability Models in Insurance Ratemaking"

Orlando, Florida, October 24, 1990,
Financial Management Association Annual Meeting,
"Current Issues in Insurance Rate Regulation: California Prop. 103 and Pennsylvania Act 6"

New Brunswick, New Jersey, May 18, 1990,
Joint Conference on Workers' Compensation,
"Current State Issues and Benefit Reforms"

Orlando, Florida, May 8, 1990,
National Association of Insurance Commissioners Southeast Zone Raters Conference,
"Loss Cost Rating for Workers' Compensation"

Orlando, Florida, April 3, 1990,
Workers' Compensation Reinsurance Bureau Annual Meeting,
"Medical Costs in Workers' Compensation: Recent Trends in Cost Containment"

Philadelphia, Pennsylvania, March 15, 1990,
CAS Ratemaking Seminar,
"Rate of Return Models in Insurance Regulation: Return on Sales vs. Return on Equity"

Chicago, Illinois, November 10, 1989,
Alliance of American Insurers Research Committee,
"Recent Developments in Rate Regulation: California Proposition 103"

New York, New York, October 5, 1989,
NCCI Legal Trends Seminar,
"Medical Cost Containment in Workers' Compensation"

Philadelphia, Pennsylvania, September 7, 1989,
Workers' Compensation Congress,
"Medical Cost Containment in Workers' Compensation"

Denver, Colorado, August 21, 1989,
American Risk and Insurance Association Annual Meeting,
"Regulatory Survival: Rate Changes in Workers' Compensation" (with Richard J. Butler)

Hilton Head, South Carolina, April 4, 1989,
Workers' Compensation Reinsurance Bureau Annual Meeting,
"Prospects for Workers' Compensation in the 1990's"

Mountain Lakes, New Jersey, March 29, 1989,
St. Clares-Riverside Medical Center,
"Stress in the Workplace"

Dallas, Texas, March 16, 1989,
Casualty Actuarial Society Ratemaking Seminar,

"The Impact of Tax Reform on Insurance Profitability"

New Orleans, Louisiana, December 15, 1988,
NAIC-NCCI Commissioners School,
"A Forecast for Workers' Compensation"
Philadelphia, Pennsylvania, November 17, 1988,
Economic Issues in Workers' Compensation Seminar,
"The Impact of Regulation on the Probability of Insolvency" (with John D. Worrall and David Durbin)

Boston, Massachusetts, November 14, 1988,
American Public Health Association Annual Meeting,
"Stress in the Workplace"

Atlanta, Georgia, September 14, 1988,
Casualty Loss Reserve Seminar,
"Estimating the Cost of Social Inflation in Workers' Compensation"

Reno, Nevada, August 15, 1988,
American Risk and Insurance Association Annual Meeting,
"Benefit Increases in Workers' Compensation"

New York, New York, June 13, 1988,
National Association Of Insurance Commissioners Annual Meeting,
"Alternative Rate of Return Models for Insurance Regulation"

Syracuse, New York, May 5, 1988,
Current Issues in Workers' Compensation Symposium,
"Workers' Compensation Stress Claims"

Hilton Head, South Carolina, April 22, 1988,
Workers' Compensation Reinsurance Bureau Annual Meeting,
"A Forecast for Workers' Compensation Insurers"

Absecon, New Jersey, April 19, 1988,
Pennsylvania Coal Mine Rating Bureau Annual Meeting,
"The Use of Rate of Return Models in Insurance Rate Regulation"

Philadelphia, Pennsylvania, November 17, 1987,
Economic Issues in Workers' Compensation Seminar,
"The Transition to Permanent Disability Status" (with John D. Worrall and David Durbin)

Charlotte, North Carolina, October 20, 1987,
American Insurance Association Government Affairs Conference,
"Prospects for Workers' Compensation in 1988"

Minneapolis, Minnesota, September 29, 1987,
Minnesota Workers' Compensation Reinsurance Association Annual Meeting,
"Economic and Demographic Characteristics of Workers' Compensation Claims"

Airlie, Virginia, July 7, 1987,
National Symposium on Workers' Compensation,
"Forecasting Workers' Compensation Experience"

Santa Clara, California, June 30, 1987,

Symposium on Recent Advances in Ratemaking,
"Econometric Models of Workers' Compensation Losses"

Storrs, Connecticut, May 1, 1987,
University of Connecticut Symposium on Current Issues in Workers' Compensation,
"Current Research in Workers' Compensation"
Philadelphia, Pennsylvania, April 16, 1987,
Wharton School Graduate Seminar Series,
"Impact of Tax Reform on Workers' Compensation Profitability"

Boca Raton, Florida, December 4, 1986,
National Association of Insurance Commissioners/NCCI Commissioners School,
Panel Discussion on Current Issues in Workers' Compensation

Philadelphia, Pennsylvania, November 7, 1985,
Wharton School, University of Pennsylvania, Graduate Seminar Series,
"Litigation in Workers' Compensation"

Vancouver, British Columbia, August 19, 1985,
American Risk and Insurance Association Annual Meeting,
"Earnings Loss and Permanent Disability"

Washington, D.C., April 23, 1985,
Washington Conference on the Economics of Disability,
"Employment Effects of Workers' Compensation Insurance"

Schenectady, New York, January 18, 1985,
Union University Graduate Business Seminar Series,
"The Use of Modern Portfolio Theory in Insurance Regulation"

EXPERT TESTIMONY

Austin, Texas, August 14, 2006
Biennial Title Insurance Rate Hearing

Raleigh, North Carolina, September 28, 2005
Auto Insurance Rate Hearing

Providence, Rhode Island, September 27, 2005
Norcal Medical Malpractice Insurance Rate Hearing

San Francisco, CA, August 23, 2005
Safeco Insurance Company Earthquake Rate Hearing

Boston, Massachusetts, April 15, 2005
Massachusetts Workers Compensation Rate Hearing

Lawrence, Massachusetts, February 14, 2005
Highground, Inc. v. Mazonson

New York, NY, January 21, 2005
NFHA v. Prudential Deposition

Austin, Texas, July 13, 2004
Medical Protective Insurance Company Medical Malpractice Insurance Rate Hearing

Austin, Texas, December 16, 2003
Biennial Title Insurance Rate Hearing

Providence, Rhode Island, November 17, 2003
Norcal Medical Malpractice Insurance Rate Hearing

San Francisco, California, September 16, 2003
Century National Proposition 103 Rollback Hearing

Austin, Texas, September 11, 2003
Farmers Insurance Exchange Homeowner Rate Rollback Hearing

Austin, Texas, September 2, 2003
State Farm Lloyds Homeowners Rate Rollback Hearing

Austin, Texas, May 21, 2003
Farmers Insurance Group Settlement Hearing

Boston, Massachusetts, April 29, 2003
Massachusetts Workers Compensation Rate Hearing

Los Angeles, California, March 12, 2003
SCPIE Medical Malpractice Rate Hearing

Raleigh, North Carolina, July 17, 2002
Auto Insurance Rate Hearing

Tallahassee, Florida, February 25, 2002

NCCI Workers Compensation Insurance Rate Hearing

Austin, Texas, February 5, 2002
Biennial Title Insurance Rate Hearing

Raleigh, North Carolina, September 24, 2001
Auto Insurance Rate Hearing

Boston, Massachusetts, August 14, 2001
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, March 6, 2001
Texas Auto Benchmark Rate Hearing

Boston, Massachusetts, August 23, 2000
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, December 7, 1999
Texas Auto Insurance Plan Association Rate Hearing

Raleigh, North Carolina, December 3, 1999
Auto Insurance Rate Hearing

Austin, Texas, November 3, 1999
Biennial Title Insurance Rate Hearing

Austin, Texas, September 8, 1999
Texas Auto Benchmark Rate Hearing

Boston, Massachusetts, August 13, 1999
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, June 22, 1999
Texas Property Benchmark Rate Hearing

Honolulu, Hawaii, December 16, 1998
NCCI Workers Compensation Insurance Rate Hearing

Richmond, Virginia, November 15, 1998
NCCI Workers Compensation Insurance Rate Hearing

Boston, Massachusetts, October 9, 1998
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, May 19, 1998
Texas Auto Insurance Plan Association Rate Hearing

Austin, Texas, April 7, 1998
Auto Insurance Benchmark Rate Hearing

Austin, Texas, February 17, 1998
Property Insurance Benchmark Rate Hearing

Austin, Texas, November 18, 1997
Biennial Title Insurance Rate Hearing

Tallahassee, Florida, September 8, 1997
NCCI Workers Compensation Insurance Rate Hearing

Austin, Texas, April 8, 1997
Texas Auto Insurance Plan Association Rate Hearing

Austin, Texas, March 10, 1997
Auto Insurance Benchmark Rate Hearing

San Francisco, California, March 4, 1997
Insurance Department Hearing on Rating Factors

Raleigh, North Carolina, July 16, 1996
Auto Insurance Rate Hearing

San Francisco, California, March 11, 1996
Century National Proposition 103 Rollback Hearing

Sacramento, California, January 30, 1996
Hartford Steam Boiler Proposition 103 Rollback Hearing

San Francisco, California, January 8, 1996
SAFECO Insurance Company Earthquake Rate Hearing

Austin, Texas, December 21, 1995
Residential Property Insurance Benchmark Rate Hearing

Clearwater, Florida, December 8, 1995
Florida Windstorm Underwriting Association Rate Hearing

Austin, Texas, November 28, 1995
Private Passenger Auto Insurance Benchmark Rate Hearing

Austin, Texas, October 31, 1995
Texas Automobile Insurance Plan Association Rate Hearing

Sacramento, California, April 18, 1995
California Insurance Department Hearing on Auto Insurance Rating Factors

Portland, Maine, April 13, 1995
Workers Compensation Assigned Risk Pool Fresh Start Hearing

San Francisco, California, February 6, 1995
Farmers Insurance Group Earthquake Insurance Rate Hearing

Austin, Texas, January 6, 1995
Special Hearing on Classification Rules for Automobile Insurance

Austin, Texas, December 15, 1994
Residential Property Insurance Benchmark Rate Hearing

Austin, Texas, October 4, 1994
Texas Automobile Insurance Plan Association Rate Hearing

Austin, Texas, September 27, 1994
Private Passenger Auto Insurance Benchmark Rate Hearing

Raleigh, North Carolina, July 19, 1994
Private Passenger Auto Insurance Rate Hearing

San Francisco, California, December 22, 1993
Century National Homeowner's Insurance Rate Hearing

Raleigh, North Carolina, October 13, 1993
Homeowners/Farmowners Insurance Rate Hearing

Tallahassee, Florida, October 4, 1993
Workers' Compensation Insurance Rate Hearing

Boston, Massachusetts, September 9, 1993
Automobile Insurance Rate Hearing

Austin, Texas, March 4, 1993
Residential Property Insurance Benchmark Rate Hearing

Austin, Texas, February 10, 1993
Automobile Insurance Benchmark Rate Hearing

Honolulu, Hawaii, November 18, 1992
Liberty Mutual Insurance Automobile Rate Hearing

Raleigh, North Carolina, November 13, 1992
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, October 29, 1992
Workers' Compensation Insurance Rate Hearing

San Francisco, California, October 14, 1992
Workers' Compensation Insurance Rate Hearing

Atlanta, Georgia, September 24, 1992
Workers' Compensation Insurance Rate Hearing

Nashville, Tennessee, May 27, 1992
Workers' Compensation Insurance Rate Hearing

San Francisco, California, May 13, 1992
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, April 10, 1992
Mercury General Proposition 103 Rollback Proceedings

Austin, Texas, January 27, 1992
Texas Automobile Insurance Plan Rate Hearing

Austin, Texas, December 17, 1991
Automobile Insurance Rate Hearing

Raleigh, North Carolina, December 16, 1991
Workers' Compensation Insurance Rate Hearing

San Francisco, California, October 22, 1991
Workers' Compensation Rate Hearing

Los Angeles, California, May 23, 1991,
Proposition 103 RCD-2 Proceedings

San Francisco, California, April 9, 1991
California Workers' Compensation Rate Study Commission

Nashville, Tennessee, March 20, 1991
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, March 12, 1991,
California Workers' Compensation Rate Study Commission

Olympia, Washington, February 26, 1991,
House Financial Institutions/Insurance Committee Hearing on Rules for Insurance Regulatory Legislation

Olympia, Washington, November 27, 1990,
Insurance Department Public Hearing on Proposed Rules for Ratemaking

Harrisburg, Pennsylvania, November 12, 1990,
Allstate Insurance Company Automobile Insurance Rate Hearing

Tallahassee, Florida, November 1, 1990,
Scanlan v. Martinez, et.al., Superior Court of Leon County

San Bruno, California, October 1, 1990,
SAFECO Insurance Group Proposition 103 Rate Rollback Hearing

Austin, Texas, July 23, 1990,
Texas State Board of Insurance Special Hearing on Investment Income in Ratemaking

Harrisburg, Pennsylvania, July 18, 1990,
Pennsylvania National Mutual Insurance Company Automobile Insurance Rate Hearing

Harrisburg, Pennsylvania, June 28, 1990,
Harleysville Mutual Insurance Company Automobile Insurance Rate Hearing

Columbia, South Carolina, March 30, 1990,
Workers' Compensation Insurance Rate Hearing

San Bruno, California, March 19, 1990,
California Proposition 103 Generic Hearing

Denver, Colorado, December 12, 1989,
Workers' Compensation Insurance Rate Hearing

Tampa, Florida, October 23, 1989,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, October 17, 1989,
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, September 25, 1989,
SAFECO Insurance Company of America Proposition 103 Rate Hearing

Austin, Texas, August 29, 1989,
Texas Insurance Advisory Association Property Insurance Rate Hearing

Providence, Rhode Island, April 13, 1989,
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, January 24, 1989,
Workers' Compensation Insurance Rate Hearing

Hartford, Connecticut, November 14, 1988,
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 3, 1988,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, November 2, 1988,
Workers' Compensation Insurance Rate Hearing

Montgomery, Alabama, June 30, 1988,
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, March 24, 1988,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, October 27, 1987,
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, October 9, 1987,
Workers' Compensation Insurance Rate Hearing

Atlanta, Georgia, August 6, 1987,
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, February 24, 1987,
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 14, 1986,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, November 18, 1986,
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, May 28, 1986,

Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, December 6, 1985,
Workers' Compensation Insurance Rate Hearing

Oklahoma City, Oklahoma, October 10, 1985,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, July 23, 1985,
Workers' Compensation Insurance Rate Hearing

Austin Texas, June 14, 1985,
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 18, 1984,
Workers' Compensation Insurance Rate Hearing

Austin, Texas, August 29, 1984,
Workers' Compensation Insurance Rate Hearing

Portland, Oregon, March 6, 1984,
National Association of Insurance Commissioners,
Public Hearing on Investment Income and Insurance Profitability

Tallahassee, Florida, February 25, 1984,
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, August 18, 1983,
Workers' Compensation Insurance Rate Hearing

Austin Texas, July 13, 1983,
Workers' Compensation Insurance Rate Hearing

Oklahoma City, Oklahoma, March 6, 1983,
Workers' Compensation Insurance Rate Hearing

Baton Rouge, Louisiana, March 16, 1982,
Louisiana Insurance Commission Public Hearing on Investment Income

Providence, Rhode Island, February 3, 1982,
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, October 1, 1981,
Workers' Compensation Insurance Rate Hearing

**COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE**

Docket No. 07-

In re:

**APPLICATION OF THE WORKERS'
COMPENSATION RATING AND INSPECTION
BUREAU OF MASSACHUSETTS FOR APPROVAL
OF A GENERAL RATE REVISION TO BE
EFFECTIVE ON AND AFTER SEPTEMBER 1, 2007**

PRE-FILED DIRECT TESTIMONY OF ROBERT F. CONGER

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of Robert F. Conger in support of its application for a general rate revision to be effective on and after September 1, 2007.

Q. Please state your full name.

A. Robert Frederick Conger.

Q. What are your professional qualifications?

A. I am a consulting actuary with the Tillinghast business of Towers Perrin. I am a principal of Towers Perrin. My consulting practice at Tillinghast covers the full range of issues facing property/casualty insurers, with a particular expertise on the workers' compensation line. I have assisted clients with pricing, reserving, operational reviews, financial analysis, reinsurance structures, mergers and acquisitions, strategy, and litigation involving business and regulatory issues. These clients include

insurance companies, state funds, industry bureaus, self-insured entities and regulators. I have served as Professional Standards Officer for Tillinghast, as manager of Tillinghast's Midwest offices, and as leader of the firm's property/casualty insurance industry practice.

Before joining Tillinghast in 1986, I served as senior vice president and actuary at the Massachusetts Rating Bureau (which at that time carried on both the work presently performed by the WCRIB and the work now conducted by the Automobile Insurers Bureau or "AIB"). I was responsible for all ratemaking, research and statistical functions of the Bureau and testified at numerous rate hearings before the Division of Insurance on workers' compensation and automobile insurance rates. Before that, I worked for the American Mutual Liability Insurance Group.

I am a Fellow of the Casualty Actuarial Society, a Member of the American Academy of Actuaries, a Fellow of the Canadian Institute of Actuaries, and an Honorary Fellow of the UK Institute of Actuaries. I served as President of the CAS and also served the CAS as Chairman of the Board, as Vice President-Administration, and as an elected Board member. I have chaired and served on numerous CAS committees over the years. I am also a past president of Casualty Actuaries of New England and of the Casualty Actuaries of the Southeast. I served on the Board of Directors of the American Academy of Actuaries.

I have written various articles and professional papers, frequently spoken at insurance industry forums and co-authored "Estimating ULAE Liabilities: Rediscovering and Expanding Kittel's Approach," the winner of the 2003 James C.H. Anderson Award for the advancement of current actuarial practice.

I have a B.A., with honors, in economics and mathematics from Amherst College.

Q. What was your role in the preparation of the current WCRIB filing for a general rate revision?

A. I was responsible for preparing and sponsoring the WCRIB's analysis of net trend, found in Section V of its filing. I also participated in the development, preparation and review of all of the sections of the filing, and in the deliberations regarding the data to use in those sections, except Section VI-K, Exhibit 4 (reinsurance costs), Section VIII (underwriting profit) and Section XII (cost containment). To the best of my knowledge, information and belief, the data and calculations underlying Section V of the filing are complete and accurate, and the narrative statements offered in support of Section V are also accurate and correct.

Q. Mr. Conger, what general rate level change is the WCRIB recommending this year?

A. As shown in Section I of the filing, the WCRIB is recommending an average decrease of 13.4% in the rates for workers' compensation, effective September 1, 2007.

Q. Are you familiar with the statutory standard that must be applied by the Commissioner in reviewing the rates proposed in the WCRIB's current filing – that they “are not excessive, inadequate or unfairly discriminatory” and that they “fall within a range of reasonableness”?

A. Yes. That standard is found in the governing statutes of many states and articulates the commonly understood standard for insurance rate-setting.

Q. Do you have an opinion as to whether the rates proposed in the WCRIB's current filing satisfy the statutory standard?

A. Yes.

Q. What is your opinion?

A. It is my professional opinion that the rates proposed in the WCRIB's current filing are not excessive, inadequate or unfairly discriminatory for the classifications to which they apply, and they fall within a range of reasonableness. For these reasons, in my judgment the Commissioner should approve the WCRIB's filing.

Q. Do you have anything to add at this time?

A. No.

Signed this 28th day of February 2007 under the pains and penalties of perjury.



Robert F. Conger

ROBERT F. CONGER

Mr. Conger is a consulting actuary with the Tillinghast business of Towers Perrin. He is a principal of Towers Perrin.

Mr. Conger's consulting practice at Tillinghast covers the range of issues facing property/casualty insurers, with a particular expertise in the area of workers' compensation. He has assisted clients with pricing, reserving, operational reviews, financial analysis, reinsurance structures, mergers and acquisitions, strategy, and litigation involving business and regulatory issues. These clients include insurance companies, state funds, industry bureaus, self-insured entities and regulators. Mr. Conger has served as Professional Standards Officer for Tillinghast, as manager of Tillinghast's Midwest Region, and as leader of the firm's property/casualty insurance industry practice.

Prior to joining Tillinghast in 1986, his experience included pricing and loss reserving all property/casualty lines at the American Mutual Liability Insurance Company group. Subsequently, at the Massachusetts Rating Bureaus, Mr. Conger held the position of senior vice president and actuary, responsible for all ratemaking, research and statistical functions of the organization, and he testified at numerous public hearings.

Mr. Conger is a Fellow of the Casualty Actuarial Society, a Member of the American Academy of Actuaries, a Fellow of the Canadian Institute of Actuaries, and an Honorary Fellow of the UK Institute of Actuaries. Mr. Conger is a leader of the actuarial profession. He is a Past President of the CAS, and also served the CAS as Chairman of the Board, as Vice President-Administration, and as an elected Board member. He has chaired and served on numerous CAS committees over the years. Mr. Conger is a past president of Casualty Actuaries of New England and of the Casualty Actuaries of the Southeast, a CAS regional affiliate he helped found. Mr. Conger also served on the Board of Directors of the American Academy of Actuaries.

Mr. Conger is the author of various articles and professional papers, and a frequent speaker at insurance industry forums. He co-authored "Estimating ULAE Liabilities: Rediscovering and Expanding Kittel's Approach," which was the winner of the 2003 James C.H. Anderson Award for the advancement of current actuarial practice.

He has a B.A., with honors, in economics and mathematics from Amherst College.

**COMMONWEALTH OF MASSACHUSETTS
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BUREAU OF MASSACHUSETTS FOR APPROVAL
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EFFECTIVE ON AND AFTER SEPTEMBER 1, 2007**

PRE-FILED DIRECT TESTIMONY OF CLAUDIA B. CUNNIFF

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of Claudia B. Cunniff in support of its application for a general rate revision to be effective on and after September 1, 2007.

Q. Please state your full name.

A. Claudia B. Cunniff.

Q. Ms. Cunniff, please describe your current employment and your educational and professional experience.

A. I am presently employed as Actuary of the Workers' Compensation Rating and Inspection Bureau of Massachusetts, 101 Arch Street, Boston, Massachusetts. My educational background includes a Bachelors degree in Biology from College of the Holy Cross. I am a fellow of the Casualty Actuarial Society. Before joining the WCRIB in February 2000, I worked for ten years as an actuary in Massachusetts. My actuarial career began in 1990 at Liberty Mutual Insurance Company where I focused on ratemaking issues on both personal and commercial lines. In 1994, I moved to Trust Insurance Group,

Inc., where I became a Manager and Actuary and dealt with a broad range of actuarial and financial matters. A copy of my curriculum vitae is attached to this testimony.

Q. What was your role in the preparation of the current WCRIB filing for a general rate revision?

A. I had principal responsibility for the preparation of the following sections of the filing, which I am sponsoring: Sections II (Loss Development), III (Premium) and X (Classification). To the best of my knowledge, information and belief, the data and calculations underlying the sections of the filing that I am sponsoring are complete and accurate, and the narrative statements offered in support of those sections are also accurate and correct.

Q. Have you explained the basis of your derivation of each of the ratemaking factors that you are sponsoring in the text and accompanying exhibits found in the WCRIB's filing?

A. Yes.

Q. Do you have anything to add to the text of the filing at this time?

A. No, I do not.

Signed this 28th day of February 2007 under the pains and penalties of perjury.


Claudia B. Cunniff, FCAS, MAAA

Claudia B. Cunniff, FCAS, MAAA

Workers' Compensation Rating and Inspection Bureau of Massachusetts
101 Arch Street, 5th floor
Boston, MA 02110
(617) 646-7589

PROFESSIONAL EXPERIENCE:

WORKERS' COMPENSATION RATING & INSPECTION BUREAU OF MA, Boston, MA

Vice President and Actuary

Actuary

Directs development of rate indication and strategy of filing and approval process
Directs preparation of main rate filing and other filings
Supports filings with hearing testimony
Prepares and directs preparation of informational reports
Processes information requests, etc. from members, regulators, etc.

2/00 – present

8/01 – 9/03

10/03 – present

TRUST GROUP, INC., Taunton, MA

8/94-1/00

Manager - Actuary

Financial Modeling - Developed pro-forma income statement model and assisted with the preparation of projected balance sheet and cash flow items
Merger & Acquisition analysis - Performed due diligence analysis associated with various company investment opportunities
Corporate Reporting & Reserving - Responsible for coordinating the quarterly/annual loss reserve analysis, financial booking of company results by component, and Schedule P preparation for all lines of business
Reinsurance Treaty evaluation - Analyzed company reinsurance needs, prepared data for reinsurance pricing negotiations and provided recommendations to senior management regarding reinsurance purchases
Pricing - Responsible for monitoring the regulatory environment and tracking marketplace activity including preparation of competitor analyses, rate-setting, and pricing proposals
Cession strategy - Developed a sophisticated Massachusetts Involuntary Market cession strategy model incorporating the dynamics of the company and industry
Manager - Led a team of 12 professional and technical staff responsible for profitability studies, statistical reporting, statutory reporting, price setting/monitoring, data compilation and analysis

LIBERTY MUTUAL INSURANCE GROUP, Boston MA

6/90-8/94

Senior Actuarial Analyst - Personal Lines ratemaking

Presented actuarial recommendations to Sales, Marketing, and Underwriting
Evaluated loss ratios, retention, growth, competition, and legislation by state to be incorporated in pricing decisions
Completed rate indications and provided actuarial support to the field in over 20 states
Prepared rate filings consistent with state regulatory requirements
Organized training seminars for Actuarial Student Program

Actuarial Assistant/Analyst - Commercial Lines ratemaking

Implemented Loss Costs and rate filings: Commercial Lines Task Force
Prepared actuarial proposals for senior management to aid in rate adequacy decisions
Analyzed Involuntary Market mechanisms and results

EDUCATION:

F.C.A.S. 1999, M.A.A.A. 2000

College of the Holy Cross, Worcester, Massachusetts, B.A. Biology 1990

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PRE-FILED DIRECT TESTIMONY OF ROBERT McCARTHY

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of Rob McCarthy in support of its application for a general rate revision to be effective on and after September 1, 2007.

Q. Please state your full name.

A. Robert McCarthy.

Q. What are your professional qualifications?

A. I am presently employed as Vice President and Actuary at the WCRIB. I joined the WCRIB in this capacity in March of 2004. I am a Fellow of the Casualty Actuarial Society. I have been working as an actuary on the workers' compensation line since 1989, when I graduated from the University of Florida with bachelors degrees in Mathematics, Business Management, and Industrial and Systems Engineering. From 1989 until 2003, I worked in a variety of capacities for the FCCI Insurance Group in Florida. My responsibilities included reserving, pricing and product development, reinsurance, data management, decision and accounting support, and investments and cash management. My curriculum vitae is attached to this testimony.

Q. What was your role in the preparation of the current WCRIB filing for a general rate revision?

A. I was ultimately responsible for the preparation of the entire filing. I worked closely with the WCRIB's actuarial staff and with our two outside consulting experts (David Appel and Robert Conger) in putting the filing together. I am testifying in support of the reasonableness of the WCRIB's overall rate indication and sponsor Sections I (Rate Recommendation), IV (Benefit Change Adjustments), VI (Expenses), VII (Small Deductible Credits), IX (Retrospective Rating) and XI (Experience Rating). I am also testifying in support of Section VIII (Profit), to the extent that it is not sponsored by Dr. Appel, and in support of Section XIII (Cost Containment), to the extent it is not sponsored by Jessica Stanton. To the best of my knowledge, information and belief, the data and calculations underlying the sections of the filing I am sponsoring are complete and accurate, and the narrative statements offered in support of these sections are also accurate and correct.

Q. Mr. McCarthy, what general rate level change is the WCRIB recommending this year?

A. As shown in Section I of the filing, the WCRIB is recommending an average decrease of 13.4% in the rates for workers' compensation, effective September 1, 2007.

Q. Are you familiar with the statutory standard that must be applied by the Commissioner in reviewing the rates proposed in the WCRIB's current filing – that they “are not excessive, inadequate or unfairly discriminatory” and that they “fall within a range of reasonableness”?

A. Yes.

Q. Do you have an opinion as to whether the rates proposed in the WCRIB's current filing satisfy the statutory standard?

A. Yes.

Q. What is your opinion?

A. It is my professional opinion that the rates proposed in the WCRIB's current filing are not excessive, inadequate or unfairly discriminatory for the classifications to which they apply, and they fall within a range of reasonableness. Accordingly, I recommend that the Commissioner approve the WCRIB's filing.

Q. Have you explained in the text and accompanying exhibits found in the WCRIB's filing the basis of your derivation of the factors contributing to the overall rate increase that you are sponsoring?

A. Yes.

Q. What was your role in the preparation of the cost containment section of the current WCRIB filing?

A. It was compiled under my supervision and control.

Q. Are you familiar with the statutory provisions that require the WCRIB to make a cost containment filing?

A. Yes. It is my understanding that the legislature has mandated that the Commissioner make a finding, based on the information we submit in our filing, as to whether insurers employ acceptable "cost control programs and techniques ... which have had or are expected to have a substantial impact on fraudulent claim costs, unnecessary health care costs, and any other unreasonable costs and expenses, as well as the collection of appropriate premium charges owed" to the insurers the WCRIB represents.

Q. Does this filing provide the information the Commissioner would need to make a finding that the industry's cost control programs and techniques satisfy the statutory standard?

A. Yes.

Q. Do have an opinion on what her finding should be this year?

A. Yes.

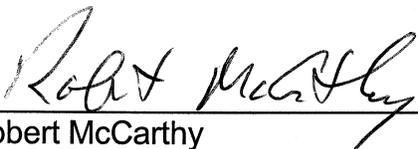
Q. What is your opinion?

A. In my professional opinion, the information we have submitted this year should lead the Commissioner to make the same finding that was made in the decision on 9/1/99 rates: that "there are acceptable 'cost control programs and techniques' presently in place which satisfy the statutory requirements."

Q. Do you have anything to add at this time?

A. No.

Signed this 28th day of February 2007 under the pains and penalties of perjury.


Robert McCarthy

Robert McCarthy, FCAS, CFA

101 Arch St ♦ Boston, MA 02110
E-mail: rmccarthy@wcribma.org

PROFESSIONAL EXPERIENCE

WCRIBMA, Boston, MA

(Mar 2004 – Current)

Vice President & Actuary responsible for the management of the Actuarial and Financial Aggregate Services departments. Manage the process of the preparation of the workers' compensation rate filing for the state of Massachusetts.

[FCCI Insurance Group](#), Sarasota, FL

(Dec 1989 – Jan 2003)

Senior Vice President of Decision Support & Chief Actuary Jan 2002 – Jan 2003

Senior Vice President of Investments & Chief Actuary July 2001 – Dec 2001

Vice President of Investments & Chief Actuary July 2000 – Jun 2001

Assistant Vice President of Investments & Chief Actuary Jan 1999 – Jun 2000

Chief Actuary May 1995 – Dec 1998

Early Positions at FCCI Included: Actuary (May 1995 – Dec 1998), **Assistant Actuary** (May 1995 – Dec 1998), and **Actuarial Trainee** (Dec 1989 – Dec 1998)

Reserving

- Responsible for internally generated reserve estimates and quarterly presentation to board.
- Collaborated with opining actuary on reserves carried in the annual statement.
- Contact for insurance department examiners and independent auditors.

Pricing / Product Development

- Provided product development with the supporting materials needed for rate filings.
- Developed and monitored all workers compensation sliding scale dividend plans.
- Developed the workers comp large deductible product and the rating mechanism used by underwriting.

Reinsurance

- Reviewed quotes and independently developed experience and exposure based pricing.
- Provided data to reinsurers and reinsurance brokers and served as their technical contact.
- Developed an automated system for the calculation of reinsurance recoverables.

Data Warehouse / Decision Support

- Identify and analyze data warehouse software options that facilitated data mining and reporting.
- Developed data warehouse architecture and championed consistent definitions for terms.
- Responsible for ISO CSP statistical reporting and NCCI Aggregate Financial calls
- Responsible for the conversion of many Excel and Access based reports to SAS.

EDUCATION

Bachelor of Science ♦ Industrial and Systems Engineering ♦ [University of Florida](#) ♦ 1989

Bachelor of Arts ♦ Mathematics ♦ [University of Florida](#) ♦ 1989

Bachelor of Science ♦ Business Management ♦ [University of Florida](#) ♦ 1989

Fellow of the Casualty Actuarial Society ♦ 1995

Chartered Financial Analyst ♦ 2007

COMMONWEALTH OF MASSACHUSETTS
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PRE-FILED DIRECT TESTIMONY OF JESSICA STANTON

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of Jessica Stanton in support of its application for a general rate revision to be effective on and after September 1, 2007.

Q. Please state your full name.

A. Jessica Stanton.

Q. Can you please describe your current employment and your educational and professional experience?

A. I am currently employed as an actuarial analyst at the Workers' Compensation Rating and Inspection Bureau of Massachusetts, in Boston, Massachusetts. I have a Bachelor's degree in mathematics and a business certificate in accounting and finance from the University of Rochester in Rochester, New York. A copy of my resume is attached.

Q. What was your role in the preparation of the cost containment section of the current WCRIB filing?

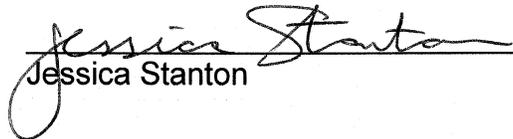
A. I was responsible for preparing this section of the filing. I reviewed the cost containment surveys for the ten participating companies and contacted them about any outstanding questions the bureau may have had. I also reviewed all additional supporting material that was submitted by the companies and included it in the filing.

In addition to compiling these ten survey responses, I also obtained updated data and information from the Fraud Bureau of Massachusetts, which can be found in the cost containment filing. To the best of my knowledge, the information and exhibits in this section of the filing are complete and accurate.

Q. Do you have anything to add at this time?

A. No.

Signed this 28th day of February 2007 under the pains and penalties of perjury.


Jessica Stanton

Jessica Stanton

Workers' Compensation Rating and Inspection Bureau of Massachusetts
101 Arch Street, 5th floor
Boston, MA 02110
(617) 646-7527

PROFESSIONAL EXPERIENCE

WORKERS' COMPENSATION RATING AND INSPECTION BUREAU OF MASSACHUSETTS,
Boston, MA

Actuarial Analyst: Prepared cost containment section of 2007 rate filing, compile exhibits for 2006 and 2007 NCCI Annual Statistical Bulletin, create model for premium algorithm in SAS as well as in Excel. January 2006-present.

NATION ONE MORTGAGE COMPANY, Norwell, MA

Junior Underwriter: Analyze the risk associated with mortgage loan applications and approve or decline these loans based on their level of risk in a sub-prime market. Examine all loan documentation including credit reports, W2's and 1040's, purchase and sale agreements, and appraisals, and create stipulations for each loan in order for it to be committed. August 2005-January 2006

STATE STREET CORPORATION, Boston, MA

Portfolio Administrator: Process trades, dividends, and expenses, monitor daily activity for 20+ funds, balance mutual funds daily, research cash exceptions including interest and dividends, run daily macros, work in a team environment, enter daily cap stock, report available cash figures to clients, and email cash sheets to clients. June 2004-August 2005

ACTUARIAL EXAMS

Passed Course P/1 exam in May 2005

Passed Course FM/2 exam in November 2006

VEE credit for Economics, Finance, and Statistics received 2007

EDUCATION

UNIVERSITY OF ROCHESTER, Rochester, NY

Bachelor of Arts in Mathematics, May, 2004

- Management Studies Certificate (Accounting and Finance Track), courses taught by faculty of the William E. Simon Graduate School of Business and faculty of the college.
- Minor: Spanish

MASSACHUSETTS WORKERS' COMPENSATION

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Introduction

On behalf of all member carriers writing workers' compensation insurance in Massachusetts, the Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") recommends that average rates for workers' compensation insurance be decreased by 13.4% for the policies effective September 1, 2007 and after. The rates for workers' compensation insurance were last revised two years ago, effective September 1, 2005, when the Commissioner of Insurance ordered a 3.0% decrease in the rates. If the WCRIB's filing is approved, the cumulative rate decrease since 1991 – when the most recent reform legislation was enacted – would be 64%.

There are two principal reasons why the WCRIB is proposing a rate reduction this year. First, as a result of the combined efforts of insurers, employers, regulators and workers, the frequency of workplace injuries has continued to decline in Massachusetts. Consequently, total loss costs for both indemnity and medical claims in Massachusetts have decreased despite continuing increases in the severity of claims when injuries do occur. Second, loss development has shown much improvement since the filing of September 1, 2005 rates was made. Loss development factors are down for both medical and indemnity losses.

The WCRIB has given very careful attention and scrutiny to the premium and loss experience reported by the insurance industry in Massachusetts. Over the past several years, on its own initiative and in response to concerns raised at the Division of Insurance, the WCRIB has intensified its efforts to ensure that the data collected from its members are sufficiently reliable for use in ratemaking. The WCRIB uses two major

types of data reported by its member insurers to compile the industry's actual loss experience in the Massachusetts market: "aggregate financial" data and "Schedule Z" (or "Unit Statistical") data. An enormous number of insurance transactions are captured in these two databases. The WCRIB uses a comprehensive set of editing techniques as it compiles these data to verify their reliability.

These editing techniques have been improved since the WCRIB's last rate filing. The WCRIB now follows protocols that were proposed by the WCRIB and approved by the Commissioner of Insurance after questions arose about the reliability of the aggregate financial data reported by American International Group ("AIG") in anticipation of the WCRIB's 2005 rate filing. (The AIG aggregate financial data were excluded from the WCRIB's filing in 2005 when the questions about their reliability could not be resolved.) The WCRIB tests the reported data to make sure that it satisfies certain mandated reconciliations and can now call for an independent auditing firm to conduct a "targeted" Agreed Upon Procedures Engagement ("AUP") of the data reported by selected insurers when questions arise about the reliability of their submissions. The WCRIB takes into account the findings made by the independent auditing firms selected by insurers to perform on-site triennial AUPs to test aggregate financial data reported by the companies. These AUPs are prescribed by the WCRIB and the Division of Insurance.

The WCRIB and its members are distressed by the fact that the aggregate financial data submitted by AIG are once again this year not suitable for ratemaking. These data have been the subject of mandated reconciliations and both a targeted AUP

and a triennial AUP in accordance with Massachusetts Workers Compensation Statistical Plan. Despite its persistent efforts to resolve the data quality issues raised by AIG's aggregate financial data, the WCRIB is presently unable to include AIG's experience in the aggregate financial data that are used throughout the WCRIB's rate filing.¹

AIG has become the largest writer of workers' compensation insurance in Massachusetts and currently accounts for about 30% of the workers' compensation premiums written in the Commonwealth. It is, to put it mildly, disappointing to the WCRIB and its member companies that AIG's aggregate financial data are not yet sufficiently reliable to be used in the present rate filing. The WCRIB is proposing new rates for the entire industry; it is obviously not desirable, when making an industry-wide rate filing, to exclude the experience of a company that accounts for such a large share of the market.² It appears that if the WCRIB could have included AIG's most recently reported data in this filing, the indicated decrease in rate level would have been less than the WCRIB is currently proposing, producing tens of millions of dollars in additional premiums.

While we are continuing to work with AIG to resolve data issues, law requires a rate filing to be made by March 1, 2007. With this filing made, the WCRIB intends to

¹ The Unit Statistical data reported by AIG have not exhibited the kinds of unexplained anomalies that have caused the WCRIB (and the Division of Insurance) to question AIG's aggregate financial data. AIG's Unit Statistical data appear to be suitable for use in ratemaking and therefore have been used in this filing.

² For different kinds of reasons – but consistent with its strong desire to ensure that the data used for ratemaking are reliable – the WCRIB has also excluded all of the aggregate financial data reported by a handful of small insurers that together account for only about 2% of the market. The exclusion of their data from the rate filing has little, if any, impact on the rate indication. The WCRIB has also excluded some of the aggregate financial data reported by one other insurer when calculating certain rate factors.

continue its diligent efforts to resolve the data quality issues presented by AIG's aggregate financial data. If AIG's aggregate financial data are ultimately deemed suitable for ratemaking, the WCRIB may seek to amend this filing to include AIG's reported experience. The WCRIB reserves its right to do so.

Although the WCRIB is proposing a 13.4% decrease in average rates, the Commissioner should be mindful that the Massachusetts Residual Market remains one of the largest in the country, with approximately 15% of the market, making it the second largest provider of workers' compensation coverage in the state.

The Commissioner should also take note of the continued growth in the severity of claims for both lost wages and medical expenses arising out of accidents in the workplace. While improving claim frequency has tended to offset much of the growth in claim severity in recent years, at some point claim frequencies will stabilize or possibly begin to rise. When that happens, the loss costs borne by Massachusetts workers' compensation carriers are likely to grow quickly.

The WCRIB's filing also recognizes that in the current economic climate, insurers continue to have much less opportunity than they had in the past to make up for underwriting losses with investment income. Interest rates remain low. Expected yields on insurance company investment portfolios are less than they were several years ago. As a result, the WCRIB has proposed an underwriting profit provision that is very close to zero.

The carriers writing workers' compensation coverage in Massachusetts have, in recent years, had to face another economic reality. Especially since the events of 9/11,

carriers purchasing reinsurance are faced with increased costs for less comprehensive reinsurance coverage. In the past, the rate-setting methods used in Massachusetts have ignored the costs of reinsurance, even though without reinsurance many carriers would not have the capacity to continue to write workers' compensation in this state. Recognizing this undeniable economic reality, this year, as in its last filing, the WCRIB proposes to include a modest provision in the rates for the "frictional costs" of reinsurance based on the long term average costs of reinsurance.

The WCRIB urges the Commissioner to approve its rate filing, which calls for a 13.4% rate reduction in average rates, to ensure that the rates remain adequate and to encourage a robust voluntary market for workers' compensation insurance in Massachusetts.

Filing Summary

This filing is divided into three parts. The first is the main rate level filing, with the explanatory text and actuarial exhibits underlying the rate calculations. The second part contains the revised experience and retrospective rating plan parameters, and the industry group and classification rate displays. The third part deals with cost containment. The pre-filed testimony of the three WCRIB actuaries supporting this filing (Robert McCarthy, Claudia Cunniff and Jessica Stanton) and of the WCRIB's outside expert witnesses, David Appel of Milliman, Inc. and Robert Conger of Tillinghast – Towers Perrin, follows this introduction.

This filing presents the required testimony, data and calculations supporting the WCRIB's proposed rate revisions. The rates the WCRIB proposes are neither excessive nor inadequate, nor unfairly discriminatory, and they fall within a range of reasonableness. The Commissioner should, therefore, approve the WCRIB's filing.

In this introduction the WCRIB presents a summary of the principal ratemaking issues and methods considered in the filing. In preparing this filing, the WCRIB has continued the efforts it began several years ago to simplify its filings and the methods it uses to make rates. The WCRIB has heeded the Commissioner's repeated admonitions to avoid unnecessary complexity and needless change. The WCRIB has not introduced any new methods on the core rate-setting issues that drive the indication.

Consistent with past practice, the WCRIB uses a loss ratio methodology to derive two separate rate indications that are then averaged to produce the final recommendation. This year the WCRIB derived one indication from policy year 2003 data and the other from policy year 2004 data. Policy year 2003 data consist of premium and loss experience generated by policies written during 2003. Policy year 2004 data consist of premium and loss experience generated by policies written during 2004. The WCRIB averages these two years of experience to get its filed indication.

In the loss ratio method, the WCRIB calculated a permissible loss, Loss Adjustment Expense ("LAE") and fixed expense ratio ("Target Cost Ratio") and compared it to an adjusted loss, LAE and fixed expense ratio reflecting the past experience that supports this filing ("Actual Cost Ratio"). The WCRIB adjusts aggregate financial premium and loss data from the experience period so that they reflect as

accurately as possible the conditions that are expected to prevail during the period when the rates will be in effect (here 9/1/07-8/31/08). The proposed rate change is designed to bring the Actual Cost Ratio into alignment with the Target Cost Ratio.

It is important to look at the ratemaking methodology not as a series of unrelated calculations, but as an integrated series of adjustments to the reported experience that taken together yield a reasonable rate level. Each of these adjustments is summarized below and further detailed in the body of the filing.

Losses

Losses require three separate adjustments to rate period levels. The first, described in Section II of the filing, is loss development. Since the claims associated with policy year 2003 and policy year 2004 losses have not yet all been settled, the WCRIB looks at past settlement patterns to estimate ultimate values. Workers' compensation payments may reflect claims for either (or both) medical and indemnity (wage loss and survivor) benefits, and these are developed separately. The WCRIB calculates two different estimates of ultimate medical and indemnity losses, the first based on the development of paid losses, and the second based on the development of the sum of paid losses and case reserves. These are averaged when the WCRIB calculates the experience period loss ratios. In this filing the WCRIB again uses aggregate industry losses as the source of loss development factors.

Next, losses are adjusted to current benefit levels, and these calculations are displayed in Section IV of the filing. In this filing, these adjustments are for recent

changes in the Statewide Average Weekly Wage only since there have not been recent changes in the medical fee schedule. The WCRIB estimates the wage-based benefit effects with a version of the evaluation model used by the National Council on Compensation Insurance (“NCCI”).

Finally, losses are adjusted for trend to account for expected changes in loss costs from the experience period to the time the proposed rates will be in effect. In this filing regression techniques were used to analyze separately the distinct underlying components of observed loss trends: changes in claim frequency, claim severity, and wages.³ Details of the loss trend calculations are found in Section V.

Premiums

For many workers’ compensation policies, the final premium is not known until after the policy expires. Insurers base initial premiums on estimated payroll, subject to a post-expiration audit. As a result, policy year premium is developed using a technique much like loss development and the WCRIB also adjusts reported premiums to current rate level. These adjustments are found in Section III.

Expenses

Section VI contains the calculations underlying the expense provisions in the rates. As in past years, these calculations are based on the methods specified by the Commissioner in the 1987 rate decision. Expenses are divided into fixed and variable

³ Wages are used as a proxy for exposure since the predominant exposure base is payroll.

categories. Variable expenses are proportional to either premium (premium taxes, commissions, and other acquisition expenses) or losses (loss adjustment expenses). Fixed expenses are divided into expense categories (salaries, postage, utilities, etc.). As was done in the last filing, the WCRIB uses a composite external index to estimate expense trends. The WCRIB also continues to include a provision to reflect the estimated net cost to insurers for the purchase of reinsurance.

Underwriting Profit

The underwriting profit provision is calculated in Section VIII of the filing using an internal rate of return (“IRR”) model. The IRR model is widely used in insurance ratemaking and was approved by the Commissioner in setting 9/1/2003 rates. To implement the IRR model, the WCRIB first determines the cost of capital (or target rate of return) for workers’ compensation insurers. The cost of capital represents the rate of return required by investors who assume the risk of investment in the insurance industry. The WCRIB then uses the internal rate of return model to derive the premium level required to achieve the target return on capital.

Small Deductible Credits

Section VII details the derivation of factors used to calculate premium credits for insureds electing to retain a portion of their losses via a small deductible. Factors are derived for both the Massachusetts Benefits Deductible Program and the Massachusetts Benefits Claim and Aggregate Deductible Program.

Classifications and Rating Plan Parameters

Section IX includes the calculation of various retrospective rating parameters, including updated expected loss groups and a revision of state and hazard group relativities. Section X describes how the overall rate change is distributed among the more than four hundred classifications for which workers' compensation is written in Massachusetts. Section XI presents D-Ratio and expected loss rate calculations for use in experience rating. There is no proposal to revise the Experience Rating Plan at this time.

Cost Containment

The WCRIB's cost containment filing once again includes the responses of ten representative carriers to a survey of cost containment practices. The WCRIB recommends that, as in the past, the Commissioner accept this filing as evidence of the industry's compliance with its statutory cost containment obligations.

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Section I - Rate Recommendation
 Subsection A - Introduction
 9/1/2007

Section I - A
 Exhibit 1

RATE INDICATION SUMMARY

Statewide Rate Change Summary		
<i>Indication Effective Date: 9/01/07</i>		
(1)	Indicated Rate Change Based on Policy Year 2003 Data <i>(Section I-B, Exhibit 2)</i>	-15.4%
(2)	Indicated Rate Change Based on Policy Year 2004 Data <i>(Section I-B, Exhibit 2)</i>	-11.5%
(3)	Average Indicated Rate Change <i>[(1) + (2)]/2.0</i>	-13.4%

Expense Constants		
	Current	Proposed
For Risks developing at least \$200 in Standard Premium	\$284	\$318
For Risks developing less than \$200 in Standard Premium	\$142	\$159
Per Capita Risks (for each exposure, up to a maximum of 4)	\$57	\$64

Calculation of Indicated Rate Change

	Policy Year <u>2003</u>	Policy Year <u>2004</u>
(1) Standard Earned Premium + ARAP	784,248,502	735,097,133
(2) Adjustment Factor (Section III - A)	1.049	1.056
(3) Adjusted Standard Earned Premium plus ARAP [(1) x (2)]	822,553,162	776,063,914
(4) Development Factor to Ultimate	1.001	1.003
(5) Factor to Adjust Premium to Current Rate Level	0.909	0.930
(6) Adjusted On-Level Standard Earned Premium at Ultimate = (3) x (4) x (5)	748,312,506	724,076,445
(7) Wage Trend Factor to 09/01/08 (Section V-A)	1.167	1.129
(8) Standard Earned Premium Projected to Policy Effective Period = (6) x (7)	873,416,004	817,542,810
(9) Incurred Losses Projected to Policy Effective Period I-C Exhibit I, Page 1 Item (26), Page 2 Item (26)	469,092,136	461,040,392
(10) Loss Ratio Projected to Policy Effective Period [(9)/(8)]	0.537	0.564
(11) Factor to Reflect Impact of Large Deductible Policies	0.998	0.998
(12) Loss Adjustment Expense Factor (Section VI-D)	1.182	1.182
(13) Fixed Expense Ratio (Section VI-B)	0.067	0.068
(14) Indicated Policy Year Loss, LAE, and Fixed Expense Ratio [((10) x (12)) + (13)] x (11)	0.700	0.732
(15) Commission and Other Acquisition Expense (Section VI-K)	0.115	0.115
(16) Premium Tax Ratio (Section VI-A)	0.022	0.022
(17) Premium Discount (Section VI-I)	0.038	0.038
(18) Variable Expense Ratio [(15) + (16) + (17)]	0.175	0.175
(19) Underwriting Profit Provision (Section VIII)	-0.003	-0.003
(20) Permissible Loss, LAE, and Fixed Expense Ratio [1.0 - (18) - (19)]	0.827	0.827
(21) Indicated Rate Change (14)/(20) - 1.0	-15.4%	-11.5%
(22) Overall Indicated Rate Change [(21) PY2003 + (21) PY2004]/2.0		-13.4%

Policy Year 2003

	<u>Paid Method</u>	<u>Paid + Case</u>
Indemnity Losses		
(1) Indemnity Losses at Latest Month - Industry Total (Section II-A)	134,498,229	195,891,554
(2) Indemnity Loss Development Factor to 252 months	1.732	1.158
(3) Tail Factor 252 to ultimate	1.046	1.033
(4) Factor to Adjust for Escalated Benefits	1.031	1.011
(5) Estimated Ultimate Indemnity Loss = [(1) x (2) x (3) x (4)]	251,196,866	236,708,856
(6) Annual Indemnity Loss Trend (Section V-A)	0.007	0.007
(7) Indemnity Loss Trend Factor to 09/01/08	1.035	1.035
(8) Estimated Indemnity Losses Trended = [(5) x (7)]	260,062,252	245,062,923
(9) Estimated Benefit Change Factor Prior to 1/1/2007 (Section IV-A)	1.032	1.032
(10) On Level Losses = [(8) x (9)]	268,469,963	252,985,712
(11) Estimated Benefit Change Factor Subsequent to 1/1/2007	1.012	1.012
(12) Incurred Losses Projected to Policy Effective Period [(10) x (11)]	271,721,346	256,049,568
Medical Losses		
(13) Medical Losses at Latest Month - Industry Total (Section II-A)	101,812,995	129,566,125
(14) Medical Loss Development Factor to 252 months	1.379	1.291
(15) Tail Factor 252 months to ultimate	1.080	1.043
(16) Factor to Adjust for Escalated Benefits	1.000	1.000
(17) Estimated Ultimate Medical Loss = [(13) x (14) x (15) x (16)]	151,668,275	174,431,466
(18) Annual Medical Loss Trend (Section V-A)	0.047	0.047
(19) Medical Loss Trend Factor to 09/01/08	1.241	1.241
(20) Estimated Medical Losses Trended = [(17) x (19)]	188,286,429	216,545,470
(21) Estimated Benefit Change Factor Prior to 1/1/2007 (Section IV-A)	1.014	1.014
(22) On Level Losses = [(20) x (21)]	190,882,353	219,531,004
(23) Estimated Benefit Change Factor Subsequent to 1/1/2007	1.000	1.000
(24) Incurred Losses Projected to Policy Effective Period = [(22) x (23)]	190,882,353	219,531,004
Total Combined Medical and Indemnity Losses		
(25) Total Estimated Ultimate Losses Trended and On Level = [(12) + (24)]	462,603,699	475,580,572
(26) Average Incurred Losses Projected to Policy Effective Period	469,092,136	

Policy Year 2004

	<u>Paid Method</u>	<u>Paid + Case</u>
Indemnity Losses		
(1) Indemnity Losses at Latest Month - Industry Total (Section II-A)	78,091,841	155,576,666
(2) Indemnity Loss Development Factor to 252 months	3.073	1.418
(3) Tail Factors 252 months to ultimate	1.046	1.033
(4) Factor to Adjust for Escalated Benefits	1.031	1.011
(5) Estimated Ultimate Indemnity Loss = [(1) x (2) x (3) x (4)]	258,747,055	230,221,566
(6) Annual Indemnity Loss Trend (Section V-A)	0.007	0.007
(7) Indemnity Loss Trend Factor to 09/01/08	1.028	1.028
(8) Estimated Indemnity Losses Trended = [(5) x (7)]	265,891,854	236,578,689
(9) Estimated Benefit Change Factor Prior to 1/1/2007 (Section IV-A)	1.026	1.026
(10) On Level Losses (8) x (9)	272,780,165	242,707,600
(11) Estimated Benefit Change Factor Subsequent to 1/1/2007	1.012	1.012
(12) Incurred Losses Projected to Policy Effective Period = [(10) x (11)]	276,083,748	245,646,981
Medical Losses		
(13) Medical Losses at Latest Month - Industry Total (Section II-A)	78,490,723	128,513,006
(14) Medical Loss Development Factor to 252 months	1.814	1.363
(15) Tail Factors 252 months to ultimate	1.080	1.043
(16) Factor to Adjust for Escalated Benefits	1.000	1.000
(17) Estimated Ultimate Medical Loss = [(13) x (14) x (15) x (16)]	153,813,545	182,571,714
(18) Annual Medical Loss Trend (Section V-A)	0.047	0.047
(19) Medical Loss Trend Factor to 09/01/08	1.185	1.185
(20) Estimated Medical Losses Trended = [(17) x (19)]	182,287,467	216,369,340
(21) Estimated Benefit Change Factor Prior to 1/1/2007 (Section IV-A)	1.004	1.004
(22) On Level Losses = [(20) x (21)]	183,061,711	217,288,343
(23) Estimated Benefit Change Factor Subsequent to 1/1/2005	1.000	1.000
(24) Incurred Losses Projected to Policy Effective Period = [(22) x (23)]	183,061,711	217,288,343
Total Combined Medical and Indemnity Losses		
(25) Total Estimated Ultimate Losses Trended and On Level = [(12) + (24)]	459,145,459	462,935,324
(26) Average Incurred Losses Projected to Policy Effective Period	461,040,392	

Derivation of Large Deductible Factor Applied to Remove the Benefit of the Residual Market Subsidy Paid by Large Deductible Insureds

The WCRIB makes rates based on the experience of voluntary market risks excluding large deductibles and residual markets risks. However, large deductibles are subject to the assigned risk assessment. Consequently, when the WCRIB makes rates using the current methodology (9/1/2005), an estimate should be made of the residual market subsidy that is being paid by large deductibles and this estimate is treated as an offset in the rates.

The WCRIB does this by applying a factor to the indicated Rate Change.

Derivation of Factor:

Assumptions

w_1	- Proportion of Voluntary Non-Large Deductible Exposure to the sum of Voluntary Non-Large Deductible Exposure plus Residual Market Exposure
w_2	- $1 - w_1$
Q_v	- Average Voluntary Market Rate equivalent
Q_r	- Average Residual Market Rate equivalent
Q_{oa-0}	- Average Rate equivalent for Voluntary and Residual Market in total assuming no subsidy paid for by large deductibles.
Q_{oa-1}	- Average Rate equivalent for Voluntary and Residual Market in total assuming a subsidy paid for by large deductibles
u	- Ratio of Non-Large Deductible Voluntary Assessable Premium to the Total Voluntary Assessable Premium
d	- Q_r / Q_v

Assuming no residual market subsidy paid by anyone other than w_1 .

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$$(1) w_1 Q_v + w_2 Q_r = Q_{oa-0}$$

This is a weighted average of the voluntary rate and the residual market rate.

Now assume that large deductible subsidize the residual market. The residual market subsidy would be:

$$(2) w_2 (Q_r - Q_{oa-0}) = \text{Residual Market Subsidy}$$

The large deductible share of the residual market subsidy would be:

$$(3) (1 - u) w_2 (Q_r - Q_{oa-1})$$

The formula for the overall rate that reflects the subsidy paid by the large deductibles would follow:

$$(4) w_1 Q_v + w_2 Q_r - (1 - u) w_2 (Q_r - Q_{oa-1}) = Q_{oa-1}$$

Therefore for Q_{oa-1} :

$$(5) Q_{oa-1} = w_1 Q_v - (1 - u) w_2 (Q_r - Q_{oa-1}) + w_2 Q_r$$

$$(6) Q_{oa-1} / Q_{oa-0} = [w_1 Q_v - (1 - u) w_2 (Q_r - Q_{oa-1}) + w_2 Q_r] / [w_1 Q_v + w_2 Q_r]$$

If we assume that:

$$(7) w_1 Q_v + w_2 Q_r = Q_{oa-0} = 1.00,$$

the average rate equivalent for the total market.

Then the factor we are looking for Q_{oa-1} / Q_{oa-0} reduces to Q_{oa-1} . Also solving (7)

for Q_v and Q_r and introducing the variable d , results in the following:

$$(8) w_1 Q_v + w_2 Q_r = Q_{oa-0} = 1.00$$

$$(9) Q_v (w_1 + w_2 d) = 1.00, \text{ where } d = Q_r / Q_v$$

$$(10) Q_v = 1 / (w_1 + w_2 d)$$

Similarly:

$$(11) Q_r = d / (w_1 + w_2d)$$

Replacing Q_v and Q_r from (5) with (10) and (11) results in:

$$(12) Q_{oa-1} = 1.00 - (1 - u) w_2 (Q_r - Q_{oa-1})$$

$$(13) \text{ Adjustment Factor} = Q_{oa-1} = [1.0 - w_2Q_r(1 - u)] / [1.0 - w_2(1 - u)]$$

Calculation of the “d”

“d” is defined as: $d = Q_r / Q_v$

Let’s define Q_v and Q_r as follows, based on the WCRIB’s formula for a rate:

$$(14) Q_v = (L_v + F) / (1 - V_v)$$

$$(15) Q_r = (L_r + F) / (1 - V_r)$$

$$(16) w_1L_v + w_2L_r = L_f$$

- where
- L_v - Voluntary Loss & LAE Ratio to the sum of Standard Premium plus ARAP
 - L_r - Residual Market Loss & LAE Ratio to the sum of Standard Premium plus ARAP
 - L_f - Voluntary plus Residual Market Loss & LAE Ratio to the sum of Standard Premium plus ARAP
 - F - Fixed Expense Ratio relative to the sum of Standard Premium plus ARAP
 - V_v - Voluntary Variable Expenses Ratio
 - V_r - Residual Market Variable Expenses Ratio
 - w_1, w_2 - Weights for Voluntary and Residual Market Standard Premium plus ARAP
 - r - L_r / L_v

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$$(17) w_1L_v + w_2rL_v = L_f$$

$$(18) L_v = L_f / (w_1 + w_2r)$$

$$(19) w_1L_r / r + w_2L_r = L_f$$

$$(20) L_r = L_f r / (w_1 + w_2r)$$

Consequently, if a loss ratio differential, r , is selected, the values of L_v and L_r can be derived.

Taking formulas (14) and (15) we can derive a formula for d :

$$(21) d = Q_r / Q_v = [(L_r + F) / (1 - V_r)] / [(L_v + F) / (1 - V_v)]$$

$$(22) d = Q_r / Q_v = [(L_r + F) / (L_v + F)] \times [(1 - V_v) / (1 - V_r)]$$

We can solve the first term given a loss ratio differential and formulas (18) and (20). This leaves the second term.

The V_v and V_r can be thought of as the following:

$$(23) V_v = C_v + A + T + P + D_v$$

$$(24) V_r = C_r + A + T + P$$

- where
- C_v, C_r - Commission Ratio relative to the sum of Standard Premium plus ARAP for the Voluntary and Residual Market, respectively
 - A - Other Acquisition Expense Ratio relative to the sum of Standard Premium plus ARAP
 - T - Premium Tax Ratio relative to the sum of Standard Premium plus ARAP
 - P - Profit provision relative to the sum of Standard Premium plus ARAP
 - D - Premium Discount relative to the sum of Standard Premium plus ARAP

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Subsection D – Reflecting the Impact of Large Deductibles
9/1/07

Section I-D
Page 5

If you assume that $D_v = (D / \text{Voluntary Market Share})$, then the second term in

(23) becomes:

$$(25) [1 - (C_v + A + T + P + D_v)] / [1 - (C_r + A + T + P)]$$

and the remaining unknowns are C_v and C_r .

$$(26) w_1 C_v + w_2 C_r = C_f$$

Introducing a new variable k such that :

$$(27) k = C_r / C_v,$$

the commission ratio differential between the Residual Market and the Voluntary Market.

Then equations can be derived for C_v and C_r as follows.

$$(28) C_v = C_f / (w_1 + w_2 k)$$

$$(29) C_r = C_f k / (w_1 + w_2 k)$$

“ k ” is the estimated commission differential.

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 Subsection D - Reflecting the Impact of Large Deductibles
 9/1/2007

Section I - D
 Exhibit 1
 Page 1

Massachusetts Workers' Compensation Calculation of Adjustment Factor

	Total Market	Residual Market	Voluntary Market	Differential
(1) Permissible Loss, LAE, and Fixed Expense Ratio	83.1%			
(2) Fixed Expense Ratio (Section VI-B)	6.7%			
(3) Permissible Loss and LAE Ratio [(1)-(2)]	76.3%			
(4) Loss Ratio Differential	1.156			
(5) Market Weight		31%	69%	
(6) Implied Loss and LAE Ratio		0.842	0.728	
(7) Implied Loss, LAE, and Fixed Expense Ratio		0.909	0.796	1.142
(8) Variable Expense Ratio	17.5%	12.0%	20.0%	
(9) Implied Rate Differential "d"		1.033	0.995	1.039
(10) Residual Market Rate equivalent, Q_r	1.0264			
(11) Proportion of Total Voluntary Assessable Premium not from Large Deductibles, u	0.736			
(12) Adjustment Factor	0.998			

- (1) Consistent with Section VI-A
- (4) Loss Ratio Differential from Section I-D, Exhibit 1, Page 2
- (5) Residual Market weight, w_2 , from Section I-D, Exhibit 2, Voluntary Market weight = $1.0 - (5)_{Residual Market}$
- (6) Voluntary Market Implied Loss and LAE Ratio = $(3)/[(5)*(4)+\{(1.0-(5))\}]$
- (7) = (2) + (6), Differential = $(7)_{Residual Market}/(7)_{Voluntary Market}$
- (8) Section VI-A, Exhibit 1, Total Market
- (9) = $(7)/[1.0 - (8)]$
- (10) $Q_r = d/[w_1 + (w_2 * d)]$
- (11) u is from Section I-D, Exhibit 3
- (12) = $[1.0 - w_2*Q_r*(1.0-u)]/[1.0 - w_2*(1.0-u)]$

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 Subsection D - Reflecting the Impact of Large Deductibles
 9/1/2007

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 Exhibit 1
 Page 2

Calculation of Loss Ratio Differential

(1)	(2) Total Market	(3) Residual Market	(4) Voluntary Market	(5) Differential
Policy Year 1998:				
Standard Earned Premium plus ARAP	717.8	41.7	676.1	
Paid Losses and Case Reserves	347.0	32.3	314.7	
Loss Ratio	48.3%	77.5%	46.5%	1.666
Policy Year 1999:				
Standard Earned Premium plus ARAP	710.8	39.6	671.2	
Paid Losses and Case Reserves	378.0	19.5	358.6	
Loss Ratio	53.2%	49.1%	53.4%	0.920
Policy Year 2000:				
Standard Earned Premium plus ARAP	688.2	55.0	633.2	
Paid Losses and Case Reserves	408.3	30.2	378.1	
Loss Ratio	59.3%	54.9%	59.7%	0.920
Policy Year 2001:				
Standard Earned Premium plus ARAP	722.6	102.7	619.8	
Paid Losses and Case Reserves	383.9	57.9	325.9	
Loss Ratio	53.1%	56.4%	52.6%	1.072
Policy Year 2002				
Standard Earned Premium plus ARAP	786.6	164.5	622.1	
Paid Losses and Case Reserves	365.7	77.4	288.3	
Loss Ratio	46.5%	47.0%	46.3%	1.016
Policy Year 2003				
Standard Earned Premium plus ARAP	784.2	182.2	602.0	
Paid Losses and Case Reserves	325.5	79.4	246.1	
Loss Ratio	41.5%	43.5%	40.9%	1.065
Policy Year 2004				
Standard Earned Premium plus ARAP	735.1	183.4	551.7	
Paid Losses and Case Reserves	284.1	87.1	197.0	
Loss Ratio	38.6%	47.5%	35.7%	1.331
Two Year Average Loss Ratio		45.5%	38.3%	1.189
All Year Average Loss Ratio		53.7%	47.9%	1.122
Loss Ratio Differential				1.156

Notes:

Data as of 12/31/05, in millions.

ARAP was effective 1/1/90. Premium discounts were discontinued in the Residual Market effective 1/1/91

(2) From Financial Aggregate Database, excludes large deductible policies

(3) From Financial Aggregate Data, excludes large deductible policies

(4) = (2) - (3) for Premium and Losses, Loss Ratio is calculated

(5) = (3) / (4)

Residual Market Weight "w₂"

(1) Year	(2) Residual Market Written Premium (\$millions)	(3) Take-Out Program Written Premium (\$millions)	(4) Voluntary Full Coverage Not in Take-Out Program Written Premium (\$millions)	(5) Residual Market Weight "w ₂ " (2)/[(3)+(4)]
Calendar Year 1999	59	23	698	0.082
Calendar Year 2000	66	10	735	0.089
Calendar Year 2001	99	3	699	0.141
Calendar Year 2002	184	12	785	0.231
Calendar Year 2003	203	33	785	0.249
Calendar Year 2004	241	60	658	0.336
Calendar Year 2005	238	46	783	0.287
Proposed Effective Policy Period	240	53	720	0.310

Refers to the Proposed Policy Effective Period of 9/01/07 through 9/01/08.

I 000022

Proportion of Voluntary Assessable Premium not from Large Deductibles, " u "

(1) Year	(2) Voluntary Net Assessable Premium (\$millions)	(3) Large Deductible Standard + ARAP Written Premium (\$millions)	(4) " u " -- Proportion of Assessable Premium Not from Large Deductibles [(2) - (3)]/(2)
Calendar Year 1998	934	226	0.758
Calendar Year 1999	889	188	0.789
Calendar Year 2000	913	177	0.806
Calendar Year 2001	969	270	0.721
Calendar Year 2002	1083	299	0.724
Calendar Year 2003	1013	227	0.775
Calendar Year 2004	910	252	0.724
Calendar Year 2005	1049	267	0.746
Proposed Effective Policy Period	979	259	0.736

Refers to the Proposed Policy Effective Period of 9/01/07 through 9/01/08.

I 000023

INSOLVENCY FUND IMPACT ON MANUAL RATES**Background**

We calculate a loading for the recoupment of the Massachusetts Insolvency Fund (“Fund”) assessments in this section (I-E). The insolvency fund loading is being shown here to highlight its significance in the determination of final manual rates. It is not considered part of the indicated change in average rates. The calculation of the insolvency fund loading is done as in previous years and the result flows through to Section X-L as in past filings.

Section X-L displays the proposed manual rates and rating values for this filing. Proposed manual rates are determined by initially loading the proposed average rates to offset the impacts of the application of merit rating, experience rating, and construction credits, and subsequently loading for recoupment of Fund assessments. We continue to calculate these offsets in Section X-L.

Loading for Recoupment of Insolvency Fund Assessments

Under Massachusetts law, the Fund may assess carriers to cover the Fund's costs of providing relief in the event of insurer insolvencies. If a carrier writes premiums for a line of business covered by the Fund, including workers' compensation, such premium will be subject to assessment. The law provides that these assessments can be recouped from the policyholders. Beginning in 1988, workers' compensation insurance has been covered by the Fund. The loading included in this filing is intended to recoupment prior year assessments consistent with the Fund Statute.

I 000025

The Fund does not maintain segregated accounts by line of business and consequently workers' compensation insurers may be assessed by the Fund for expenses related to the insolvency of a non-workers' compensation carrier. The Fund assessment base is the total written premium for all lines covered by the Fund and a individual carrier's assessment is a function of its written premium for all lines covered by the Fund. Therefore, we must first determine the proportion of the total Fund assessment that is attributable to workers' compensation. This is done by dividing the Massachusetts workers' compensation Statutory Page 14 written premium by the total premium assessment base of the Fund. The assessment applicable to workers' compensation is the product of this ratio and the total Fund assessment. The resulting estimated workers' compensation assessment is then adjusted to reflect the impact of the time value of money, premium taxes, and commissions. This net assessment is divided by the 2007 expected written premium to arrive at the factor to load the assessment.

The Fund assessed carriers on 12/7/05 and 12/28/06. The loading provides for the recoupment of the portion of these assessments that are attributable to the workers' compensation line and that have not yet been recouped. The factor to load the 2005 assessment is 0.9996 (Section I-E, Exhibit 2, Page 1) and the factor to load the 2006 assessment is 1.0006 (Section I-E, Exhibit 2, Page 1). Because the currently effective rates have been in effect for two years and contain a provision for Insolvency Fund assessments that assumed those rates would only be in effect for one year, we need to reduce what would otherwise be the load for Insolvency Fund assessments in the 2007 rates. The net effect of these adjustments is -2.478%.

I 000026

Insolvency Fund Recoupments

Amounts Filing to be Collected:

(1)	(2)	(3)	(4)	(5)	(6)	(7) = (3)x(4)x(5)x(6)
Rate Basis	PY to Collect	Approved or Filed %	Factor to 9/1/2005 Rate Level	Factor for Exposure Growth to 9/01/07-09/01/08 @ -3.0%	Factor for Interest to 9/01/07-09/01/08 @ 4.82%	Adjusted Approved or Filed %
9/1/2007	2006	0.0%	1.155	1.020	1.032	-0.054%
9/1/2007	2007	0.1%	1.155	1.020	1.032	0.076%
						0.022%

Amounts Collected:

(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) =(10)x(11)x(12) x(13)x(14) Adjusted Approved or Filed %
Rate Basis	Period Collected	Collected %	Number of Years	Factor to 9/1/2005 Rate Level	Factor for Exposure Growth to 9/01/07-09/01/08 @ -3.0%	Factor for Interest to 9/01/07-09/01/08 @ 4.82%	Adjusted Approved or Filed %
9/1/2005	9/1/2006 to 8/31/07	2.3%	1.0	1.00	1.023	1.048	2.500%
							2.500%

Excess Collected = (15) - TT(7) = 2.478%

Therefore, the "Truing-up" loading is -2.478%

- (3): On 9/01/05 the truing up loading approved was 2.3%. Included in this filing is a .0% loading for insolvency fund recoupments in the 2006 rates, and a .1% loading for insolvency fund recoupments in the 2007 rates.
- (6): Section VIII-F, Exhibit 1.
- (9): Assumes the effective date will be 9/01/07.
- (11): The period for which the rates are in effect after completing the last truing up will be from 9/01/06 to 9/01/07 which is 1 years.
- (13): Average date of the period from 9/01/06 to 8/31/07 is 9/01/06. Average date of 9/01/07 to 9/01/08 is 8/31/08. Difference is 1.0 years.

I 000027

Section I - Rate Recommendation
Subsection E - Adjustments to Derive Final Manual Rates
9/1/2007

Section I-E
Exhibit 2
Page 1

2007 Recoupment of Insolvency Fund Assessments

	Assessment Date	
	12/7/2005	12/28/2006
(1) Total Assessment	(524,072)	739,551
(2) 2005 Calendar Year Written Premium Absent Insolvency Assessments	1,332,496,563	1,332,496,563
(3) Expected Premium Growth Absent Rate Change	0.941	0.941
(4) Rate Change from Calendar Year 2005 Written to 2007	-5.7%	-5.7%
(5) Expected Written Premium in 2007 $(2) \times (3) \times [1.0 + (4)]$	1,181,966,450	1,181,966,450
(6) Factor to Load Assessment $1.0 + [(1)/(5)]$	0.9996	1.0006

Notes:

- (1) Sum of adjusted assessments for all calendar years since 1988, Exhibit 2, Pages 2 and 3.
- (2) The adjustment factor for the insolvency fund loading of -0.9% in the 9/1/2003 rates is 1.009 and the loading of -2.3% in the 9/1/2005 rates is .977.
- (3) Assumes a -3.01% annual change over two years.
- (4) The 09/01/05 Rate Change was -3.0%.
- (5) The factor to load the assessment into the rates has been computed with the intention that it will be applied to 9/01/07 average rates by class.

2007 Recoupment of Insolvency Fund Assessments

Assessment Base Year (1)	Workers' Compensation Calendar Year Written Premium (2)	Assessment Base (3)	Percentage Charged to Workers' Compensation (2) / (3) (4)	12/7/2005		12/28/2006	
				Assessment (5)	Assessment Charged to Workers' Compensation (4) x (5) (6)	Assessment (7)	Assessment Charged to Workers' Compensation (4) x (7) (8)
1988	1,192,120,104	6,766,445,953	17.62%	-294,000	-51,797	0	0
1989	1,303,051,741	6,692,131,638	19.47%				
1990	1,364,830,026	6,755,551,749	20.20%				
1991	1,436,058,443	6,868,646,572	20.91%				
1992	1,309,252,255	6,888,088,844	19.01%	-400,000	-76,030	0	0
1993	1,395,560,326	7,233,247,733	19.29%	-50,590	-9,761	0	0
1994	1,175,326,757	7,224,575,261	16.27%	-1,247,000	-202,868	-1,587,126	-258,201
1995	1,043,750,298	7,139,153,644	14.62%	-1,435,000	-209,798	0	0
1996	981,758,872	6,855,906,608	14.32%				
1997	914,971,260	6,781,202,666	13.49%	-591,297	-79,782	0	0
1998	896,280,476	6,877,677,561	13.03%				
1999	852,073,429	6,979,043,413	12.21%	-6,000,000	-732,542	-9,000,000	-1,098,813
2000	873,456,717	7,642,598,776	11.43%	-10,000,000	-1,142,879	0	0
2001	877,204,341	8,497,773,752	10.32%				
2002	1,270,355,928	9,481,535,538	13.40%				
2003	1,248,676,750	10,132,906,831	12.32%				
2004	1,278,067,386	10,622,095,884	12.03%	17,000,000	2,045,467	0	0
2005	1,334,785,281	10,811,968,111	12.35%	0	0	16,250,000	2,006,134
(9) Total					-459,990		649,121
(10) Interest to Average Collection Date					1.024		1.024
(11) Premium Tax Rate					2.2%		2.2%
(12) Commission Rate					7.9%		7.9%
(13) Net Assessment =(9) x (10/[1.0-(11)-(12)])					(524,072)		739,551

(1) Assessment Base Years 2002 and beyond from the Guaranty Fund Management Systems. Remaining years bases on a compilation of Statutory Page 14s. 1998 was the first year that Workers' Compensation was included in the assessment.
 (2),(5),(7) Information from Guaranty Fund Management Services; see Page 3.
 (10) 4.82% is the risk-free rate of interest, shown in Sec. VIII-H.
 (11) From Sec. VI-A, Exhibit 1.
 (12) The average commission is 7.64%, consistent with Section VI-K.
 Since the average premium discount is 3.84% (Sec VI-I, Exhibit1), the average commission as a percent of net premium is 7.64%/(1.0-3.84%) =
 The assessments of each insurer are in the proportion that the net direct written premiums of the insurer for the calendar year preceding the assessment bears to the net direct written premiums of all insurers for the calendar year preceding the assessment. MGL. Ch. 175D.

I 000028

2007 Recoupment of Insolvency Fund Assessments

Assessment Date	Insolvent Company	Assessments By Base Year									
		1988	1992	1993	1994	1995	1997	1999	2000	2004	2005
12/07/05	Abington Mutual Insurance Company				(1,186,000)	(1,314,000)					
	American Eagle Insurance Company						(479,297)				
	Casualty Reciprocal Exchange								1,000,000		
	Employers Casualty Company			(50,590)	(61,000)	(121,000)	(100,000)				
	Home Insurance Company									3,000,000	
	Ideal Mutual Insurance Company	(294,000)					(12,000)				
	Legion Insurance Company									10,000,000	
	New England Fidelity Insurance Company							(4,000,000)			
	PHICO									3,000,000	
	Trust Insurance Company							(2,000,000)	(10,000,000)		
Warwick Insurance Company		(400,000)									
12/07/05 Total		(294,000)	(400,000)	(50,590)	(1,247,000)	(1,435,000)	(591,297)	(6,000,000)	(10,000,000)	17,000,000	
12/28/06	Abington Mutual Insurance Company				(1,500,000)						
	Midland Insurance Company									16,000,000	
	Mission National Insurance Company									250,000	
	New England Fidelity Insurance Company							(1,000,000)			
	Premier Alliance Insurance Company				(87,126)						
Trust Insurance Company							(8,000,000)				
12/28/06 Total				(1,587,126)				(9,000,000)		16,250,000	

The assessment base year is the year of written premium prior to the year of Assessment.

I 000029

LOSS DEVELOPMENT

“The ultimate value of losses cannot be determined from reported losses alone, because losses are not always reported immediately and loss values change over time as payments are made and reserves adjusted.” Decision on 2003 Rates, p. 5. Loss development is an actuarial method of estimating the ultimate settlement value of losses based on “reported¹” losses and historical patterns of development, ie. the change in the observed value of a loss between valuation dates. Loss development factors are derived mathematically by analyzing the development of losses from initial reporting and reserving to ultimate value at time of the final settlement. The assumption is that losses develop in a consistent pattern over the years so that historical experience can be used to predict future development.

Reported losses are developed to their estimated “ultimate” level based on these historical loss development, or settlement, patterns. The pattern of change in reported losses over time is observed at regular intervals and converted into age-to-age link ratios, each of which reflects the ratio of the loss valued as of time (T+1) to the loss valued as of time T. When applied successively age-to-age link ratios yield the cumulative loss development factors. Cumulative Loss development factors are then applied to current reported losses to estimate what the ultimate value of losses will be when all associated claims are settled.

¹ In this filing, reported losses refers to either of paid loss or paid loss plus case reserves.

In this section of the filing, reported losses for policy years 2003 and 2004 are developed to their estimated ultimate levels using the same basic method employed by the Commissioner in the 2003 Rate Decision and by the WCRIB in the 2005 Rate Filing. Consistent with the Statement of Actuarial Principles of the Casualty Actuarial Society, the WCRIB has examined the results of more than one method of estimating ultimate losses in an effort to derive a reasonable estimate of losses. The selected estimate of ultimate losses is the average of the estimates derived by developing paid losses and by developing the sum of paid losses and case reserves. The paid loss data used in this filing are the actual inception to date paid losses net of subrogation and second injury fund recoveries. The case reserve data used in this filing are the amounts held as reserves for anticipated future claims payments.

One of the goals when using historical data as the basis for the ultimate loss predictions is to balance stability with responsiveness. Stability is desired so as to avoid any large or random fluctuations that are not truly representative of the future. Here, the more years that are considered, the more stable the result will be. We must, however, also consider responsiveness. We only want to include data that we believe truly represent current conditions. This would weigh in favor of using only the most recent data. As in prior filings, our selected age-to-age development factors are the unweighted averages of the latest two indicated age-to-age link ratios.

The 2003 policy year and 2004 policy year ultimate loss estimates used in our rate indication are calculated by multiplying the reported losses by the applicable loss development factor to ultimate, which is the product of all age-to-age development factors

(including the tail factor discussed below) from a given month (“age”) development forward to the point at which we expect no further development.

As in the two previous rate filings, the WCRIB has again calculated ultimate losses based on aggregate industry-wide loss development data. This method is easy to understand and consistent with customary ratemaking practices. Medical and indemnity losses are developed separately because of their differing development patterns. In doing so, we also avoid potential distortions that may arise because of changes in the relative proportions of medical and indemnity losses over time. Section II-A Exhibit 1 summarizes the results. The underlying details of the methodology are displayed in Section II-B.

The experience for prior years of companies that have stopped writing new business in Massachusetts and that did not report policy experience valued as of the latest calendar year’s end has been excluded from our financial aggregate database in order to avoid any distortions to the rate indication.

In this filing, the WCRIB uses historical data and the resultant loss development factors to develop the policy year paid and the paid plus case losses to 252 months. An industry based “tail factor” accounts for development beyond 252 months to ultimate.

Indicated ultimate indemnity losses are then adjusted for escalation. We make this adjustment for escalated benefits because some of the losses in the experience period do not reflect the change in the law that introduced inflation-based increases in indemnity benefits or lost wages. See St. 1986, c. 572. Therefore the development

II 000004

Section II - Loss Development
Subsection A - Summary
9/1/07

Section II - A
Page 4

pattern of indemnity losses that are subject to escalation differs from that of indemnity losses not subject to escalation. See Section II-D for the details of the calculation.

TAIL FACTOR

Workers' compensation carriers in Massachusetts report aggregated financial policy year loss experience to the WCRIB at year-end valuation points for twenty-one consecutive years (252 months). Hence the WCRIB can develop losses to 252 months using the age-to-age link ratios described previously. However, workers' compensation losses may continue to develop well beyond 252 months. A young person could suffer a severe work-related injury and collect workers' compensation benefits for the balance of his/her lifetime, in some cases forty years or more. The "tail factor" accounts for loss development from 252 months of development to ultimate.

Beyond 252 months of development, policy year loss experience is aggregated for statistical reporting purposes and reported in total as a single value. This loss experience is summarized and reported each year as an aggregate number "prior to" a given policy year. It does not lend itself to the calculation and application of age-to-age link ratios. However, these data can be used to develop a tail factor, which is essentially a loss development factor to ultimate intended to account for all remaining loss development beyond a given point. In this filing, we derive tail factor estimates for loss development from 252 months of development to ultimate (the point at which there is no further payment activity).

The WCRIB's calculation of tail factors involves calculating the calendar year change in losses for all policy years included in the most recent "prior to" line and comparing that result to the reported losses for the oldest policy year not included in the "prior to" line.

Growth Factor Adjustment

Changes in exposure (typically payroll dollars) over time can distort the calculation of the tail factor. Without a growth factor adjustment, the tail factor would aggregate all years beyond 252 months and calculate the factor based on the assumption that policy years prior to 1985 had the same level of exposure as policy year 1985 – a fact known to be false. Stated mathematically, if the ratios used to calculate the tail factor reflect losses in the numerator that are not at the same exposure level as the losses used in the denominator, the tail factor will be distorted. This is not a problem for the age-to-age link ratios used through 252 months of development which only use the data for a given policy year in the calculation. The growth factor is intended to adjust for differences in the ultimate value of losses across policy years caused by increases or decreases in market size, thereby creating a more appropriate expectation of development in the tail (see Section II-C, Exhibit 1, Page 2 and Exhibit 2, Page 2). The growth factor decomposes the numerator of each tail factor ratio, calendar year development for years prior to 1985, into individual policy year components, and then adjusts each year individually based on its contribution to aggregate development.

In this filing, we calculate separate tail factors directly for medical and indemnity losses in order to reflect their differing development patterns. Medical losses tend to develop differently than do indemnity losses (see Section II-B). Application of separate tail factors captures the different development patterns and prevents the estimate of ultimate losses from being unduly distorted by shifts in the proportions of medical and indemnity losses over time. Moreover, separate tail factors were estimated for paid and paid-plus-case reported losses.

As in previous filings, the selected tail factor is based on the average of five observations in order to maintain stability and reduce volatility. In this filing, we use the link factor method (i.e., stating each factor as of the same month (age) of development) to bring each of the five valuations to a common report level, 252 months, so that the calculated tail factor is consistent with the losses to which it is applied. We then calculate a tail factor to project losses from 252 months to ultimate values. The tail factor calculation is detailed on Exhibit 1, Page 1 and Exhibit 2, Page 1 of Section II-C.

II 000008

Section II - Loss Development
 Subsection A - Summary
 9/1/2007

Section II - A
 Exhibit 1

Summary of Estimated Ultimate Losses

Paid Loss Development Method

Policy Year (1)	Benefit Type (2)	Paid Losses at 12/31/2005 (3)	Cumulative Factors from Latest Month to 252 Months (4)	Tail Factor from 252 Months to Ultimate (5)	Factor to Adjust for Escalated Benefits (6)	Estimated Ultimate Losses (7)
2003	Indemnity	134,498,229	1.732	1.046	1.031	251,196,866
2003	Medical	101,812,995	1.379	1.080	1.000	151,668,275
2003	Total	236,311,224				402,865,140
2004	Indemnity	78,091,841	3.073	1.046	1.031	258,747,055
2004	Medical	78,490,723	1.814	1.080	1.000	153,813,545
2004	Total	156,582,564				412,560,600

Paid Plus Case Loss Development Method

Policy Year (8)	Benefit Type (9)	Paid Plus Case Losses at 12/31/2005 (10)	Cumulative Factors from Latest Month to 252 Months (11)	Tail Factor from 252 Months to Ultimate (12)	Factor to Adjust for Escalated Benefits (13)	Estimated Ultimate Losses (14)
2003	Indemnity	195,891,554	1.158	1.033	1.011	236,708,856
2003	Medical	129,566,125	1.291	1.043	1.000	174,431,466
2003	Total	325,457,679				411,140,322
2004	Indemnity	155,576,666	1.418	1.033	1.011	230,221,566
2004	Medical	128,513,006	1.363	1.043	1.000	182,571,714
2004	Total	284,089,672				412,793,280

Notes:

- (4),(11): Section II - B, Exhibit 1.
- (5): Section II - C, Exhibit 1, Page 1.
- (6): Section II - D, Exhibit 1, Page 1.
- (7): (3) x (4) x (5) x (6)
- (12): Section II - C, Exhibit 2, Page 1.
- (13): Section II - D, Exhibit 2, Page 1.
- (14): (10) x (11) x (12) x (13)

Policy Year Financial Aggregate Data
 Summary of Loss Development Factors
 Industrywide

Loss Development Factors From																			
Months of Development	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252
(1) Indemnity Paid Losses																			
2 Year Average	1.774	1.294	1.125	1.064	1.029	1.020	1.014	1.011	1.005	1.008	1.005	1.002	1.004	1.003	1.002	1.003	1.004	1.003	1.001
Cumulative Factor to 252	3.073	1.732	1.339	1.190	1.119	1.088	1.066	1.052	1.041	1.035	1.028	1.023	1.020	1.017	1.014	1.012	1.008	1.004	1.001
(2) Medical Paid Losses																			
2 Year Average	1.315	1.103	1.056	1.030	1.020	1.014	1.013	1.011	1.013	1.012	1.009	1.008	1.007	1.007	1.005	1.007	1.006	1.004	1.004
Cumulative Factor to 252	1.814	1.379	1.250	1.184	1.150	1.127	1.111	1.097	1.085	1.071	1.059	1.049	1.041	1.033	1.026	1.021	1.013	1.008	1.004
(3) Indemnity Paid Plus Case Losses																			
2 Year Average	1.225	1.071	1.031	1.013	1.006	1.001	1.002	1.006	0.999	0.999	1.002	1.002	0.999	1.003	1.004	1.001	1.003	1.006	1.000
Cumulative Factor to 252	1.418	1.158	1.081	1.048	1.035	1.029	1.028	1.026	1.020	1.021	1.022	1.019	1.017	1.017	1.014	1.011	1.010	1.007	1.000
(4) Medical Paid Plus Case Losses																			
2 Year Average	1.055	1.035	1.052	1.036	1.029	1.023	1.021	1.001	1.003	1.017	1.005	0.999	1.006	1.010	1.007	1.002	1.008	1.004	1.001
Cumulative Factor to 252	1.363	1.291	1.248	1.186	1.145	1.112	1.087	1.065	1.063	1.061	1.043	1.038	1.039	1.033	1.023	1.016	1.013	1.005	1.001

Notes:

- (1): From Section II-B, Exhibit 2, Page 1.
- (2): From Section II-B, Exhibit 2, Page 2.
- (3): From Section II-B, Exhibit 3, Page 1.
- (4): From Section II-B, Exhibit 3, Page 2.

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II 000010

Section II - Loss Development
 Subsection B - Policy Year Data
 9/1/2007

Section II - B
 Exhibit 2
 Page 1

Policy Year Financial Aggregate Data Calculation of Indemnity Paid Loss Development Factors Industrywide

Policy Year	Losses Evaluated at Month		Loss Development Factor	Policy Year	Losses Evaluated at Month		Loss Development Factor
	24	36			144	156	
2002	81,282,233	146,432,849	1.802	1992	287,856,413	289,717,473	1.006
2003	77,005,068	134,498,229	1.747	1993	235,737,663	236,511,286	1.003
Average			1.774	Average			1.005
	36	48			156	168	
2001	146,267,892	191,392,493	1.309	1991	470,915,753	471,771,651	1.002
2002	146,432,849	187,357,937	1.279	1992	289,717,473	290,429,301	1.002
Average			1.294	Average			1.002
	48	60			168	180	
2000	200,214,010	225,267,798	1.125	1990	706,851,261	708,920,391	1.003
2001	191,392,493	215,256,182	1.125	1991	471,771,651	473,923,845	1.005
Average			1.125	Average			1.004
	60	72			180	192	
1999	205,456,169	218,496,449	1.063	1989	781,858,493	783,835,134	1.003
2000	225,267,798	239,603,571	1.064	1990	708,920,391	711,031,107	1.003
Average			1.064	Average			1.003
	72	84			192	204	
1998	197,886,351	203,317,283	1.027	1988	746,939,820	748,790,380	1.002
1999	218,496,449	224,989,127	1.030	1989	783,835,134	785,419,650	1.002
Average			1.029	Average			1.002
	84	96			204	216	
1997	169,799,640	174,007,031	1.025	1987	658,970,899	660,294,663	1.002
1998	203,317,283	206,412,161	1.015	1988	748,790,380	751,980,778	1.004
Average			1.020	Average			1.003
	96	108			216	228	
1996	173,078,022	175,182,555	1.012	1986	529,621,264	532,097,289	1.005
1997	174,007,031	176,643,147	1.015	1987	660,294,663	662,882,425	1.004
Average			1.014	Average			1.004
	108	120			228	240	
1995	186,866,674	188,561,449	1.009	1985	417,147,721	418,513,380	1.003
1996	175,182,555	177,447,769	1.013	1986	532,097,289	533,502,870	1.003
Average			1.011	Average			1.003
	120	132			240	252	
1994	187,601,253	188,350,101	1.004	1985	418,513,380	418,987,871	1.001
1995	188,561,449	189,725,951	1.006	Average			1.001
Average			1.005				
	132	144					
1993	234,318,777	235,737,663	1.006				
1994	188,350,101	190,047,340	1.009				
Average			1.008				

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 Exhibit 2
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Policy Year Financial Aggregate Data Calculation of Medical Paid Loss Development Factors Industrywide

Policy Year	Losses Evaluated at Month		Loss Development Factor	Policy Year	Losses Evaluated at Month		Loss Development Factor
	24	36			144	156	
2002	76,821,658	101,491,783	1.321	1992	129,988,895	131,325,793	1.010
2003	77,730,060	101,812,995	1.310	1993	105,250,044	105,994,492	1.007
Average			1.315	Average			1.009
	36	48			156	168	
2001	95,053,601	104,411,663	1.098	1991	167,066,537	168,527,945	1.009
2002	101,491,783	112,478,961	1.108	1992	131,325,793	132,328,514	1.008
Average			1.103	Average			1.008
	48	60			168	180	
2000	106,315,198	111,462,736	1.048	1990	199,551,185	200,973,009	1.007
2001	104,411,663	111,039,104	1.063	1991	168,527,945	169,803,322	1.008
Average			1.056	Average			1.007
	60	72			180	192	
1999	106,653,575	110,271,046	1.034	1989	213,539,806	214,928,253	1.007
2000	111,462,736	114,264,712	1.025	1990	200,973,009	202,496,029	1.008
Average			1.030	Average			1.007
	72	84			192	204	
1998	98,984,963	100,674,043	1.017	1988	196,817,564	198,068,447	1.006
1999	110,271,046	112,772,826	1.023	1989	214,928,253	215,869,017	1.004
Average			1.020	Average			1.005
	84	96			204	216	
1997	83,961,470	85,345,980	1.016	1987	167,332,820	168,505,800	1.007
1998	100,674,043	101,909,449	1.012	1988	198,068,447	199,493,819	1.007
Average			1.014	Average			1.007
	96	108			216	228	
1996	82,494,510	83,748,508	1.015	1986	141,344,319	141,903,358	1.004
1997	85,345,980	86,329,491	1.012	1987	168,505,800	169,769,841	1.008
Average			1.013	Average			1.006
	108	120			228	240	
1995	85,851,442	86,671,801	1.010	1985	121,400,114	121,841,831	1.004
1996	83,748,508	84,793,508	1.012	1986	141,903,358	142,438,219	1.004
Average			1.011	Average			1.004
	120	132			240	252	
1994	89,852,313	91,177,116	1.015	1985	121,841,831	122,326,693	1.004
1995	86,671,801	87,570,711	1.010	Average			1.004
Average			1.013				
	132	144					
1993	104,178,460	105,250,044	1.010				
1994	91,177,116	92,405,162	1.013				
Average			1.012				

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Section II - Loss Development
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Policy Year Financial Aggregate Data Calculation of Indemnity Paid Plus Case Loss Development Factors Industrywide

Policy Year	Losses Evaluated at Month		Loss Development Factor	Policy Year	Losses Evaluated at Month		Loss Development Factor
	24	36			144	156	
2002	178,314,205	218,181,826	1.224	1992	298,100,845	299,361,281	1.004
2003	159,824,428	195,891,554	1.226	1993	245,485,021	245,655,984	1.001
Average			1.225	Average			1.002
	36	48			156	168	
2001	219,978,201	237,893,478	1.081	1991	487,305,316	489,329,151	1.004
2002	218,181,826	231,427,928	1.061	1992	299,361,281	299,589,996	1.001
Average			1.071	Average			1.002
	48	60			168	180	
2000	247,710,838	253,765,966	1.024	1990	730,715,878	730,875,329	1.000
2001	237,893,478	246,779,402	1.037	1991	489,329,151	488,662,252	0.999
Average			1.031	Average			0.999
	60	72			180	192	
1999	237,299,741	239,089,795	1.008	1989	809,628,975	811,356,084	1.002
2000	253,765,966	258,286,957	1.018	1990	730,875,329	733,314,795	1.003
Average			1.013	Average			1.003
	72	84			192	204	
1998	214,424,991	215,843,291	1.007	1988	770,630,157	775,275,373	1.006
1999	239,089,795	240,566,320	1.006	1989	811,356,084	812,832,966	1.002
Average			1.006	Average			1.004
	84	96			204	216	
1997	185,035,907	184,497,687	0.997	1987	680,078,221	681,708,011	1.002
1998	215,843,291	216,690,020	1.004	1988	775,275,373	774,557,819	0.999
Average			1.001	Average			1.001
	96	108			216	228	
1996	183,030,771	182,840,806	0.999	1986	544,000,867	547,762,060	1.007
1997	184,497,687	185,383,723	1.005	1987	681,708,011	681,237,421	0.999
Average			1.002	Average			1.003
	108	120			228	240	
1995	199,232,375	199,304,595	1.000	1985	423,458,672	425,989,811	1.006
1996	182,840,806	185,047,445	1.012	1986	547,762,060	551,567,881	1.007
Average			1.006	Average			1.006
	120	132			240	252	
1994	201,885,488	201,461,088	0.998	1985	425,989,811	426,066,189	1.000
1995	199,304,595	199,377,098	1.000	Average			1.000
Average			0.999				
	132	144					
1993	244,875,265	245,485,021	1.002				
1994	201,461,088	200,637,477	0.996				
Average			0.999				

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Policy Year Financial Aggregate Data Calculation of Medical Paid Plus Case Loss Development Factors Industrywide

Policy Year	Losses Evaluated at Month		Loss Development Factor	Policy Year	Losses Evaluated at Month		Loss Development Factor
	24	36			144	156	
2002	123,557,608	129,677,654	1.050	1992	145,942,696	149,591,485	1.025
2003	122,121,956	129,566,125	1.061	1993	119,971,707	118,097,014	0.984
Average			1.055	Average			1.005
	36	48			156	168	
2001	122,995,328	127,235,085	1.034	1991	186,357,924	186,319,892	1.000
2002	129,677,654	134,261,371	1.035	1992	149,591,485	149,307,189	0.998
Average			1.035	Average			0.999
	48	60			168	180	
2000	141,233,347	145,002,513	1.027	1990	218,941,802	220,380,452	1.007
2001	127,235,085	137,114,010	1.078	1991	186,319,892	187,305,307	1.005
Average			1.052	Average			1.006
	60	72			180	192	
1999	129,730,039	134,525,470	1.037	1989	234,197,658	235,924,901	1.007
2000	145,002,513	150,006,611	1.035	1990	220,380,452	223,352,252	1.013
Average			1.036	Average			1.010
	72	84			192	204	
1998	121,504,094	125,956,493	1.037	1988	219,806,353	221,409,822	1.007
1999	134,525,470	137,464,024	1.022	1989	235,924,901	237,339,171	1.006
Average			1.029	Average			1.007
	84	96			204	216	
1997	95,624,225	96,781,722	1.012	1987	181,793,768	182,927,977	1.006
1998	125,956,493	130,291,904	1.034	1988	221,409,822	221,078,664	0.999
Average			1.023	Average			1.002
	96	108			216	228	
1996	95,663,506	97,175,983	1.016	1986	149,193,902	150,018,350	1.006
1997	96,781,722	99,344,928	1.026	1987	182,927,977	184,823,749	1.010
Average			1.021	Average			1.008
	108	120			228	240	
1995	98,038,658	98,027,881	1.000	1985	130,656,881	131,157,786	1.004
1996	97,175,983	97,405,274	1.002	1986	150,018,350	150,649,992	1.004
Average			1.001	Average			1.004
	120	132			240	252	
1994	107,101,410	106,953,054	0.999	1985	131,157,786	131,345,992	1.001
1995	98,027,881	98,655,718	1.006	Average			1.001
Average			1.003				
	132	144					
1993	118,483,718	119,971,707	1.013				
1994	106,953,054	109,222,369	1.021				
Average			1.017				

Paid Loss Tail Factors

Indemnity 252nd Month to Ultimate Loss Tail Development Factor

(1)	Valuation Date [Y]	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05
(2)	Prior to Policy Year 1985 at [Y]	3,219,929,473	3,228,739,772	3,239,081,484	3,251,963,014	3,253,067,592
(3)	Prior to Policy Year 1985 at [Y]-1	3,210,363,849	3,219,929,473	3,228,739,772	3,239,081,484	3,251,963,014
(4)	Difference = (2) - (3)	9,565,624	8,810,299	10,341,712	12,881,530	1,104,578
(5)	Policy Year 1985 at [Y]	415,295,020	416,707,360	417,147,721	418,513,380	418,987,871
(6)	Ratio = (4) / (5)	0.023	0.021	0.025	0.031	0.003
(7)	Growth Factor	2.500	2.500	2.500	2.500	2.500
(8)	Product = (6) x (7)	0.058	0.053	0.062	0.077	0.007
(9)	Factor to Ultimate = 1.000 + (8)	1.058	1.053	1.062	1.077	1.007
(10)	Month [M]	204	216	228	240	252
(11)	Factor to Ultimate = (9)	1.058	1.053	1.062	1.077	1.007
(12)	Factor from [252] to [M]	0.989	0.992	0.996	0.999	1.000
(13)	Indicated [252] to Ultimate Tail Factor = (11) x (12)	1.045	1.044	1.058	1.076	1.007
(14)	Five Year Average					1.046

Medical 252nd Month to Ultimate Loss Tail Development Factor

(15)	Valuation Date [Y]	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05
(16)	Prior to Policy Year 1985 at [Y]	996,172,058	1,000,383,059	1,005,615,705	1,009,634,930	1,013,532,028
(17)	Prior to Policy Year 1985 at [Y]-1	991,644,176	996,172,058	1,000,383,059	1,005,615,705	1,009,634,930
(18)	Difference = (16) - (17)	4,527,882	4,211,001	5,232,646	4,019,225	3,897,098
(19)	Policy Year 1985 at [Y]	120,374,533	121,033,047	121,400,114	121,841,831	122,326,693
(20)	Ratio = (18) / (19)	0.038	0.035	0.043	0.033	0.032
(21)	Growth Factor	2.500	2.500	2.500	2.500	2.500
(22)	Product = (20) x (21)	0.094	0.087	0.108	0.082	0.080
(23)	Factor to Ultimate = 1.000 + (22)	1.094	1.087	1.108	1.082	1.080
(24)	Month [M]	204	216	228	240	252
(25)	Factor to Ultimate = (23)	1.094	1.087	1.108	1.082	1.080
(26)	Factor from [252] to [M]	0.980	0.987	0.992	0.996	1.000
(27)	Indicated [252] to Ultimate Tail Factor = (25) x (26)	1.072	1.073	1.099	1.078	1.080
(28)	Five Year Average					1.080

Notes:

(7), (21): Section II - C, Exhibit 1, Page 2.

(12), (26): 1.0 / LDF from Section II - B, Exhibit 1.

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 Subsection C - Tail Factor Calculation
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Growth Factor Adjustment Paid Losses

Policy Year (1)	On-Level Annual Growth Factor (2)	On-Level Cumulative Growth Factor (3)	Relative Volume of Losses (4)	Quarters in Report Interval (5)	Percent Development for Report Interval (6)	Prior to 1985 Dollar Development (7)	On-Level Prior to 1985 Dollar Development (8)
1985			1,000,000				
1984	1.157	1.157	864,348	85 - 88	0.350%	3,025	3,499
1983	1.153	1.334	749,537	89 - 92	0.336%	2,518	3,359
1982	1.149	1.533	652,105	93 - 96	0.322%	2,099	3,220
1981	1.146	1.757	569,204	97 - 100	0.308%	1,753	3,080
1980	1.142	2.006	498,481	101 - 104	0.294%	1,465	2,940
1979	1.138	2.283	437,989	105 - 108	0.280%	1,226	2,800
1978	1.134	2.590	386,116	109 - 112	0.266%	1,027	2,660
1977	1.131	2.928	341,520	113 - 116	0.252%	860	2,520
1976	1.127	3.299	303,084	117 - 120	0.238%	721	2,380
1975	1.123	3.705	269,876	121 - 124	0.224%	604	2,240
1974	1.119	4.147	241,115	125 - 128	0.210%	506	2,100
1973	1.116	4.626	216,147	129 - 132	0.196%	424	1,960
1972	1.112	5.143	194,420	133 - 136	0.182%	354	1,820
1971	1.108	5.699	175,472	137 - 140	0.168%	295	1,680
1970	1.104	6.293	158,910	141 - 144	0.154%	245	1,540
1969	1.100	6.925	144,405	145 - 148	0.140%	202	1,400
1968	1.097	7.595	131,673	149 - 152	0.126%	166	1,260
1967	1.093	8.300	120,478	153 - 156	0.112%	135	1,120
1966	1.089	9.040	110,616	157 - 160	0.098%	108	980
1965	1.085	9.812	101,914	161 - 164	0.084%	86	840
1964	1.082	10.613	94,223	165 - 168	0.070%	66	700
1963	1.078	11.439	87,417	169 - 172	0.056%	49	560
1962	1.074	12.287	81,387	173 - 176	0.042%	34	420
1961	1.070	13.151	76,040	177 - 180	0.028%	21	280
1960	1.067	14.026	71,294	181 - 184	0.014%	10	140
						18,000	45,493
(9) Indicated Growth Factor:							2.527
(10) Selected Growth Factor:							2.500

Notes:

Assume 1985 losses of \$1,000,000. This produces a tail of 1.80% = 18,000 / \$1,000,000 (with no growth).
 However, putting Prior to 1985 Losses on-level produces a tail of 4.55% = 2.527 x 1.80%.
 Therefore, a growth factor of 2.500 has been selected.

- (2): These are fitted growth factors based on a linear regression of actual Calendar Year growth factors.
 Source: Massachusetts Calendar Year Incurred Losses from Policy Year Calls
- (3): Cumulative product of Column (2), beginning at top of column.
- (4): Column (4) represents the equivalent of what \$1,000,000 of paid losses in 1985 would be in each prior policy year (1960-1984) given the on-level cumulative growth factors in Column (3).
 In other words, Column (4) = \$1,000,000 / Column (3)
- (5): Column (5) displays the quarters that correspond to the prior policy years.
- (6): Column (6) displays the change in paid losses during the quarters displayed in Column (5).
 These values are selected based on judgment.
- (7): Column (4) x Column (6).
- (8): Column (3) x Column (7).
- (9): Sum of Column (8) divided by Sum of Column (7).

Paid Plus Case Loss Tail Factors

Indemnity 252nd Month to Ultimate Loss Tail Development Factor

(1)	Valuation Date [Y]	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05
(2)	Prior to Policy Year 1985 at [Y]	3,265,709,627	3,272,605,462	3,280,033,913	3,291,263,112	3,294,823,679
(3)	Prior to Policy Year 1985 at [Y]-1	3,257,996,471	3,265,709,627	3,272,605,462	3,280,033,913	3,291,263,112
(4)	Difference = (2) - (3)	7,713,156	6,895,835	7,428,451	11,229,199	3,560,567
(5)	Policy Year 1985 at [Y]	423,061,207	423,744,299	423,458,672	425,989,811	426,066,189
(6)	Ratio = (4) / (5)	0.018	0.016	0.018	0.026	0.008
(7)	Growth Factor	2.200	2.200	2.200	2.200	2.200
(8)	Product = (6) x (7)	0.040	0.036	0.039	0.058	0.018
(9)	Factor to Ultimate = 1.000 + (8)	1.040	1.036	1.039	1.058	1.018
(10)	Month [M]	204	216	228	240	252
(11)	Factor to Ultimate = (9)	1.040	1.036	1.039	1.058	1.018
(12)	Factor from [252] to [M]	0.990	0.990	0.993	1.000	1.000
(13)	Indicated [252] to Ultimate Tail Factor = (11) x (12)	1.029	1.026	1.032	1.058	1.018
(14)	Five Year Average					1.033

Medical 252nd Month to Ultimate Loss Tail Development Factor

(15)	Valuation Date [Y]	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05
(16)	Prior to Policy Year 1985 at [Y]	1,031,721,465	1,036,108,068	1,040,750,583	1,041,430,697	1,042,080,163
(17)	Prior to Policy Year 1985 at [Y]-1	1,027,170,561	1,031,721,465	1,036,108,068	1,040,750,583	1,041,430,697
(18)	Difference = (16) - (17)	4,550,904	4,386,603	4,642,515	680,114	649,466
(19)	Policy Year 1985 at [Y]	130,149,911	130,857,350	130,656,881	131,157,786	131,345,992
(20)	Ratio = (18) / (19)	0.035	0.034	0.036	0.005	0.005
(21)	Growth Factor	2.200	2.200	2.200	2.200	2.200
(22)	Product = (20) x (21)	0.077	0.074	0.078	0.011	0.011
(23)	Factor to Ultimate = 1.000 + (22)	1.077	1.074	1.078	1.011	1.011
(24)	Month [M]	204	216	228	240	252
(25)	Factor to Ultimate = (23)	1.077	1.074	1.078	1.011	1.011
(26)	Factor from [252] to [M]	0.984	0.987	0.995	0.999	1.000
(27)	Indicated [252] to Ultimate Tail Factor = (25) x (26)	1.060	1.059	1.072	1.010	1.011
(28)	Five Year Average					1.043

Notes:

(7), (21): Section II - C, Exhibit 2, Page 2.

(12), (26): 1.0/LDF from Section II - B, Exhibit 1.

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Growth Factor Adjustment Paid Plus Case Losses

Policy Year (1)	On-Level Annual Growth Factor (2)	On-Level Cumulative Growth Factor (3)	Relative Volume of Losses (4)	Quarters in Report Interval (5)	Percent Development for Report Interval (6)	Prior to 1985 Dollar Development (7)	On-Level Prior to 1985 Dollar Development (8)
1985			1,000,000				
1984	1.157	1.157	864,348	85 - 88	0.277%	2,392	2,767
1983	1.153	1.334	749,537	89 - 92	0.263%	1,970	2,629
1982	1.149	1.533	652,105	93 - 96	0.249%	1,624	2,490
1981	1.146	1.757	569,204	97 - 100	0.235%	1,339	2,352
1980	1.142	2.006	498,481	101 - 104	0.221%	1,103	2,214
1979	1.138	2.283	437,989	105 - 108	0.208%	909	2,075
1978	1.134	2.590	386,116	109 - 112	0.194%	748	1,937
1977	1.131	2.928	341,520	113 - 116	0.180%	614	1,799
1976	1.127	3.299	303,084	117 - 120	0.166%	503	1,660
1975	1.123	3.705	269,876	121 - 124	0.152%	411	1,522
1974	1.119	4.147	241,115	125 - 128	0.138%	334	1,383
1973	1.116	4.626	216,147	129 - 132	0.125%	269	1,245
1972	1.112	5.143	194,420	133 - 136	0.111%	215	1,107
1971	1.108	5.699	175,472	137 - 140	0.097%	170	968
1970	1.104	6.293	158,910	141 - 144	0.083%	132	830
1969	1.100	6.925	144,405	145 - 148	0.069%	100	692
1968	1.097	7.595	131,673	149 - 152	0.055%	73	553
1967	1.093	8.300	120,478	153 - 156	0.042%	50	415
1966	1.089	9.040	110,616	157 - 160	0.028%	31	277
1965	1.085	9.812	101,914	161 - 164	0.014%	14	138
						13,000	29,053
(9) Indicated Growth Factor:							2.235
(10) Selected Growth Factor:							2.200

Notes:

Assume 1985 losses of \$1,000,000. This produces a tail of 1.30% = 13,000 / \$1,000,000 (with no growth). However, putting Prior to 1985 Losses on-level produces a tail of 2.91% = 2.235 x 1.30%. Therefore, a growth factor of 2.200 has been selected.

- (2): These are fitted growth factors based on a linear regression of actual Calendar Year growth factors.
 Source: Massachusetts Calendar Year Incurred Losses from Policy Year Calls
- (3): Cumulative product of Column (2), beginning at top of column.
- (4): Column (4) represents the equivalent of what \$1,000,000 of paid plus case losses in 1985 would be in each prior policy year (1965-1984) given the on-level cumulative growth factors in Column (3).
 In other words, Column (4) = \$1,000,000 / Column (3)
- (5): Column (5) displays the quarters that correspond to the prior policy years.
- (6): Column (6) displays the change in paid plus case losses during the quarters displayed in Column (5).
 These values are selected based on judgment.
- (7): Column (4) x Column (6).
- (8): Column (3) x Column (7).
- (9): Sum of Column (8) divided by Sum of Column (7).

**LOSS DEVELOPMENT
ADJUSTMENT FOR ESCALATED BENEFITS**

This section calculates factors that reflect the impact of the introduction of escalation (inflation-indexed wage loss benefit increases) on loss development. This adjustment for differences in development patterns is necessary because some of our loss data predates the law change introducing escalation of indemnity benefits. These older, unescalated losses exhibit a development pattern that will differ from the expected development of indemnity loss subject to escalation.

Policy years 1987 and subsequent reflect the impact of escalation of indemnity benefits which became law on 10/1/86, following the passage of chapter 572 of the Acts of 1986. Age-to-age link ratios derived from experience for policy years 1987 and subsequent only allow us to develop losses to 228 months, through policy year 2005. Beyond 228 months of development, loss development factors, including age-to-age link ratios and tail factors, are derived from experience for policy years 1986 and prior. Reported losses for these years do not reflect the impact of escalation and therefore an adjustment factor is warranted.

We have used the same simulation model to quantify the adjustment for escalated benefits the WCRIB used in both its 9/1/03 filing and 9/1/05 filing. The simulation model assumes that permanent total claimants experience impaired mortality.

Exhibits 1 and 2 estimate the differentials between the escalated and non-escalated benefit levels for both the paid and paid-plus-case loss development methods, respectively. In Section II-A, the resulting factors are used to derive estimates of ultimate losses.

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Section II - Loss Development
 Subsection D - Adjustment for Escalation of Benefits
 9/1/2007

Section II - D
 Exhibit 1
 Page 1

Differential in Indemnity Loss Development

Paid Loss Development Method Calculation of Adjustment for Differential in Loss Development

Escalated or Unescalated (1)	Injury Type (2)	Implicit LDF to Ultimate From Month				
		168	180	192 (3)	204	216
Escalated	Fatal	2.601	2.859	2.703	2.562	2.433
Escalated	Permanent Total	6.962	3.719	3.417	3.157	2.929
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.061	1.055	1.053	1.052	1.050
Unescalated	Fatal	1.136	1.861	1.789	1.725	1.668
Unescalated	Permanent Total	2.862	2.295	2.160	2.043	1.941
Unescalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Unescalated	Total Indemnity	1.018	1.021	1.020	1.019	1.018

Escalated or Unescalated (4)	Injury Type (5)	Differential in Loss Development at Month				
		168	180	192 (6)	204	216
Escalated	Fatal	2.289	1.536	1.511	1.485	1.459
Escalated	Permanent Total	2.432	1.620	1.582	1.545	1.509
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.042	1.033	1.033	1.032	1.031

Notes:

(3): [(8) from Section II-D, Exhibit 1, Page 2] / [(9) from Section II-D, Exhibit 1, Page 2]

(6): [(3) for Escalated] / [(3) for Unescalated]

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Section II - Loss Development
 Subsection D - Adjustment for Escalation of Benefits
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Section II - D
 Exhibit 1
 Page 2

Differential in Indemnity Loss Development

Paid Loss Development Method Calculation of Adjustment for Differential in Loss Development

Escalated or Unescalated (1)	Injury Type (2)	Losses at Month						Injury Type Weights @ Ultimate (5)
		Ultimate (3)	168	180	192 (4)	204	216	
Escalated	Fatal	874,958	336,400	306,023	323,680	341,550	359,626	1.63%
Escalated	Permanent Total	1,668,738	239,708	448,697	488,350	528,641	569,759	3.10%
Escalated	Other Indemnity							58.72%
Escalated	Total Indemnity							63.45%
Unescalated	Fatal	465,615	409,709	250,218	260,195	269,862	279,221	0.87%
Unescalated	Permanent Total	824,906	288,217	359,427	381,858	403,713	424,987	1.53%
Unescalated	Other Indemnity							58.72%
Unescalated	Total Indemnity							61.12%

Escalated or Unescalated (6)	Injury Type (7)	Estimated Losses at Month					
		Ultimate (8)	168	180	192 (9)	204	216
Escalated	Fatal	1,630	627	570	603	636	670
Escalated	Permanent Total	3,098	445	833	907	981	1,058
Escalated	Other Indemnity	58,717	58,717	58,717	58,717	58,717	58,717
Escalated	Total Indemnity	63,445	59,789	60,120	60,227	60,335	60,445
Unescalated	Fatal	868	763	466	485	503	520
Unescalated	Permanent Total	1,532	535	667	709	750	789
Unescalated	Other Indemnity	58,717	58,717	58,717	58,717	58,717	58,717
Unescalated	Total Indemnity	61,116	60,015	59,850	59,911	59,969	60,026

Notes:

(3),(4): Average discounted losses are calculated from Simulation Model loss flows using a 3.5% discount factor.

(5): Escalated: From Section IV-I, Exhibit 1. As a % of total losses, Indemnity and Medical.

Unescalated: [(5) for Escalated] x [(3) for Unescalated] / [(3) for Escalated]

(8): (5) x 100,000

(9): (8) x [(4) / (3)]

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Section II - Loss Development
 Subsection D - Adjustment for Escalation of Benefits
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Section II - D
 Exhibit 2
 Page 1

Differential in Indemnity Loss Development

Paid Plus Case Loss Development Method Calculation of Adjustment for Differential in Loss Development

Escalated or Unescalated (1)	Injury Type (2)	Implicit LDF to Ultimate From Month				
		168	180	192 (3)	204	216
Escalated	Fatal	1.364	1.340	1.317	1.295	1.274
Escalated	Permanent Total	1.398	1.368	1.340	1.313	1.288
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.021	1.020	1.019	1.018	1.017
Unescalated	Fatal	1.212	1.198	1.184	1.171	1.159
Unescalated	Permanent Total	1.253	1.234	1.215	1.198	1.183
Unescalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Unescalated	Total Indemnity	1.008	1.007	1.007	1.006	1.006

Escalated or Unescalated (4)	Injury Type (5)	Differential in Loss Development at Month				
		168	180	192 (6)	204	216
Escalated	Fatal	1.125	1.119	1.112	1.105	1.099
Escalated	Permanent Total	1.115	1.109	1.102	1.096	1.089
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.013	1.013	1.012	1.011	1.011

Notes:

(3): [(8) from Section II-D, Exhibit 2, Page 2] / [(9) from Section II-D, Exhibit 2, Page 2]

(6): [(3) for Escalated] / [(3) for Unescalated]

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Section II - Loss Development
 Subsection D - Adjustment for Escalation of Benefits
 9/1/2007

Section II - D
 Exhibit 2
 Page 2

Differential in Indemnity Loss Development

Paid Plus Case Loss Development Method Calculation of Adjustment for Differential in Loss Development

Escalated or Unescalated (1)	Injury Type (2)	Losses at Month						Injury Type Weights @ Ultimate (5)
		Ultimate (3)	168	180	192 (4)	204	216	
Escalated	Fatal	874,958	641,246	652,979	664,504	675,808	686,874	1.63%
Escalated	Permanent Total	1,668,738	1,193,905	1,219,988	1,245,595	1,270,688	1,295,221	3.10%
Escalated	Other Indemnity							58.72%
Escalated	Total Indemnity							63.45%
Unescalated	Fatal	465,615	384,035	388,719	393,217	397,535	401,676	0.87%
Unescalated	Permanent Total	824,906	658,201	668,658	678,696	688,321	697,538	1.53%
Unescalated	Other Indemnity							58.72%
Unescalated	Total Indemnity							61.12%

Escalated or Unescalated (6)	Injury Type (7)	Estimated Losses at Month					
		Ultimate (8)	168	180	192 (9)	204	216
Escalated	Fatal	1,630	1,195	1,217	1,238	1,259	1,280
Escalated	Permanent Total	3,098	2,217	2,265	2,313	2,359	2,405
Escalated	Other Indemnity	58,717	58,717	58,717	58,717	58,717	58,717
Escalated	Total Indemnity	63,445	62,128	62,199	62,268	62,335	62,401
Unescalated	Fatal	868	716	724	733	741	748
Unescalated	Permanent Total	1,532	1,222	1,241	1,260	1,278	1,295
Unescalated	Other Indemnity	58,717	58,717	58,717	58,717	58,717	58,717
Unescalated	Total Indemnity	61,116	60,654	60,683	60,710	60,736	60,760

Notes:

(3),(4): Average discounted losses are calculated from Simulation Model loss flows using a 3.5% discount factor.

(5): Escalated: From Section IV-I, Exhibit 1.

Unescalated: [(5) for Escalated] x [(3) for Unescalated] / [(3) for Escalated]

(8): (5) x 100,000

(9): (8) x [(4) / (3)]

PREMIUMS**Background**

The rate indication evaluates the adequacy of the current rate level by comparing an historical loss, LAE, and fixed expense ratio to a permissible loss, LAE, and fixed expense ratio. The historical loss ratio is the ratio of losses and loss adjustment expenses to earned premium. In the current ratemaking methodology, "earned premium" includes policy year earned standard premium and All Risk Adjustment Program ("ARAP") premium. Policy year premiums are defined as the premiums associated with all policies taking effect in a given year. Earned premiums are the premiums related to the portion of the policy period that has already expired. Standard premium is defined as the accumulated premium resulting from standard rating procedures after the application of experience rating adjustments, Merit Rating Plan adjustments, Construction Class Premium Adjustment Program ("CCPAP") Credits, expense constants, and loss constants.

Policy years 2003 and 2004 earned standard and ARAP premiums are used in the indication and are brought to the current rate level in Section III.

Summary

Initial workers' compensation insurance premiums are by necessity estimates. Workers' compensation premiums are typically a function of the employer's payroll during the time the policy is in effect and consequently are not known definitively at policy inception. In addition to payroll audit adjustments, other adjustments may occur

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to the premium as a result of changes to the policy. For example, experience modification factors may change during the term of a policy or CCPAP credit applications may be filed up to six months after the termination date of a policy.

Insurance carriers typically try to estimate the impact of premium adjustments. However, industry-wide policy year earned standard and ARAP premium historically develops upward until such time as all audits have been finalized and no further premiums modifications can be made. Therefore, premiums must be developed to ultimate so that the premiums used in the indication properly reflect the actual exposure level which gave rise to the ultimate losses.

The currently-effective rates were derived using "estimated values" for the average experience modification, the average merit rating credit, the average ARAP surcharge, and the average CCPAP credit. However, the "actual values" for the policy years under review differ from the "estimated values" loaded into the current rates. The WCRIB applies factors to premiums to adjust the "actual values" of the experience modification, merit rating credit, ARAP surcharge, and Construction Class Premium Adjustment Program credit to the "estimated values" loaded in the current rates. These offsets are necessary to insure that the change in the current manual rates (which contain the same "estimated values") is consistent with the overall indicated change. Additionally, the loading for prior Insolvency Fund assessments is removed.

Premium Development

Premium development factors are estimated in this filing using the same methodology as was employed in the 9/1/05 filing. The WCRIB utilized premium development factors based on the average of the latest two age-to-age development factors, also known as link ratios. For a given policy year, a premium development link ratio is the ratio of the premium valued as of time (T+1) to the premium valued as of time T. As in recent filings, annual age-to-age link ratios are calculated using the sum of earned standard premium and earned ARAP premium.

Impact of Experience and Merit Rating

The currently-effective rates contain an assumed load to reflect an estimated average experience modification and merit rating impact. The actual experience modifications and merit rating debits or credits for the policy years under review differ from the estimated values used in deriving the current rates. A factor is applied to premiums to reflect the impact of experience and merit rating to the level anticipated in the current rates.

In the 2003 filing, the WCRIB selected a projected average experience modification for the prospective period in the derivation of the adjustment factor. In the 2005 filing as well as in this filing the WCRIB used the historical experience modification anticipated in the rates. This is appropriate as the intention of the adjustment factor is to bring premium to the current rate level. The experience modification in the rates for non-merit-rated risks is 1.00 and the average merit rating for merit-rated risks is minus 2.7%. The selected

average modifications and corresponding premium adjustment factors are displayed in Subsection B.

ARAP

The All Risk Adjustment Program (“ARAP”) was introduced in Massachusetts for policies effective 1/1/90 and after. The premium used to develop the rate indication is standard premium plus premium collected under ARAP.

An adjustment for the ARAP offset is included to reflect the fact that the ARAP surcharges during policy year 2003 and policy year 2004 were not precisely balanced by the offset in the rates. These adjustments are derived in Subsection C.

Construction Credit

An adjustment for the Construction Credit offset is included because the revenue generated from the rates effective during policy year 2003 and policy year 2004 due to the offsets for this program is different than the credits paid out during these periods of time. These adjustments are calculated in Subsection D.

Insolvency Fund

In Subsection E, factors are calculated to adjust the policy year 2003 and policy year 2004 premiums so that one-time Insolvency Fund recoupment amounts are excluded.

On-Level Adjustment

The rate indication is a review of the adequacy of the current rate level. Therefore, the reported premium should be brought to the current rate level. Since the beginning of the historical period, there has been a 4.0% rate decrease (effective 9/1/03) and a 3.0% rate decrease (effective 9/1/05). Workers' compensation premium is not written evenly throughout the year, and a disproportionate number of policies are effective on January 1 or July 1. To take this into account, the on-level calculation in this filing uses a Schedule Z monthly premium distribution. Premium on-level factors are calculated in Subsection F.

Premium Adjustment Factor

The premium adjustment factor is intended to bring the experience period policy year standard premium data to the level of the policy effective period. It is used to determine the percentage of premium eligible for experience rating, adjust the layers of standard premium for premium discount and expense constant, and determine weightings in the premium flow of the profit provision. This factor incorporates average wage trend, current premium level, the estimated proposed rate level change, impacts of changes in rating programs, and exposure growth. These adjustments are calculated in Subsection G.

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Section III - Premiums
Subsection A - Summary
9/1/2007

Section III-A
Exhibit 1

Policy Year Financial Aggregate Data
Calculation of Standard Premium plus ARAP Premium Development Factors
Industrywide

Policy Year	Premiums evaluated at Month:		Premium Development Factor
	24	36	
2002	657,793	657,147	0.999
2003	638,871	642,220	1.005
Average			1.002
	36	48	
2001	597,358	598,664	1.002
2002	657,147	655,866	0.998
Average			1.000
	48	60	
2000	564,902	565,662	1.001
2001	598,664	598,548	1.000
Average			1.001

Summary of Premium Development Factors
Premium Development Factors From:

	24-36	36-48	48-60
2 Yr average	1.002	1.000	1.001
Cumulative	1.003	1.001	1.001

Summary Exhibit

	Policy Year	
	2003	2004
(1) Standard Earned Premium plus ARAP Premium	784,248,502	735,097,133
(2) Adjustment for Experience and Merit Rating Offbalance <i>(Section III-B)</i>	1.036	1.030
(3) Adjustment for ARAP Offbalance <i>(Section III-C)</i>	1.015	1.012
(4) Adjustment for Construction Credit Offbalance <i>(Section III-D)</i>	1.004	1.004
(5) Adjustment for Insolvency Fund Recoupment Loading <i>(Section III-E)</i>	0.994	1.009
(6) Development Factor to Ultimate <i>(Development Factors above)</i>	1.001	1.003
(7) Premium On-Level Factor <i>(Section III-F)</i>	0.909	0.930
(8) Adjustment Factors = (2) x (3) x (4) x (5) x (6) x (7)	0.954	0.985
(9) Adjusted On-Level Earned Premium at Ultimate = (1) x (8)	748,312,506	724,076,445

Note:

(1) From 2005 Policy Year Call Data

Adjustment for Experience Rating and Merit Rating Offbalance

Rate Level Effective Date (1)	Experience Mod for non-Merit Rated Risks		Merit Rating Impact		Average Experience Mod and Merit Rating Impact (6)	Policy Year Weights	
	Anticipated in Rates (2)	Percentage of Premium (3)	Anticipated in Rates (4)	Percentage of Premium (5)		2003 (7)	2004 (8)
07/01/2001	1.000	0.904	(0.042)	0.096	0.996	74.5%	0.0%
09/01/2003	1.000	0.895	(0.042)	0.105	0.996	25.5%	100.0%
09/01/2005	1.000	0.880	(0.027)	0.120	0.997	0.0%	0.0%

Policy Year	
2003	2004

(9) Weighted Average Experience and Merit Rating impact anticipated in current rates

0.996 0.996

(10) Standard Premium

777,878,079 721,094,921

(11) Manual Premium

809,039,211 745,821,878

(12) Average Impact of Experience Modification and Merit Rating
 = (10) / (11)

0.961 0.967

(13) Adjustment Factor
 = (9) / (12)

1.036 1.030

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Notes:

(3) = 1.0 - (5)

(4), (5): From old filings

(6) = (2) * (3) + [1.0 + (4)] * (5)

(7), (8) Policy Year weights are from Section III-F, Exhibit 1.

(9) = Sumproduct ((6) and (7) or (6) and (8))

(10), (11): From Schedule Z, Excluding Large Deductible Policies and SIGs

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Section III - Premiums
 Subsection C - Adjustment for ARAP Offbalance
 9/1/2007

Section III - C
 Exhibit 1

Adjustment for ARAP Offbalance

Rate Level Effective Date (1)	ARAP Charge in Rates (2)	Policy Year Weights	
		2003 (3)	2004 (4)
07/01/2001	5.20%	74.5%	0.0%
09/01/2003	5.10%	25.5%	100.0%
09/01/2005	6.10%	0.0%	0.0%

Policy Year	
2003	2004

(5) Weighted ARAP Charge in Rates	0.052	0.051
(6) Standard Premium	777,878,079	721,094,921
(7) ARAP Premium	28,391,974	27,496,059
(8) Average ARAP Surcharge = (7) / (6)	0.036	0.038
(9) Adjustment Factor = [1.0 + (5)] / [1.0 + (8)]	1.015	1.012

Notes:

- (2) From old filings
- (3), (4) Policy Year weights are from Section III-F, Exhibit 1
- (5) = Sumproduct ((2)and(3) or (2)and(4))
- (6), (7): From Schedule Z, Excluding Large Deductible Policies and SIGs

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Section III - Premiums
 Subsection D - Adjustment for Construction Credit Offbalance
 9/1/2007

Section III-D
 Exhibit 1

Adjustment for Construction Credit Offbalance

Rate Level Effective Date (1)	Construction Credit in Rates (2)	Policy Year Weights	
		2003 (3)	2004 (4)
07/01/2001	-1.90%	74.5%	0.0%
09/01/2003	-2.30%	25.5%	100.0%
09/01/2005	-2.50%	0.0%	0.0%

Policy Year	
2003	2004

(5) Weighted Average Construction Credit in Rates (For Construction Credit eligible risks)	(0.020)	(0.023)
(6) Actual Average Construction Credit	(0.032)	(0.035)
(7) Percentage of Premium for Eligible Classes	0.307	0.301
(8) Adjustment Factor	1.004	1.004
$= \frac{\{ (7) \times [1.0 + (5)] + [1.0 - (7)] \times 1.0 \}}{\{ (7) \times [1.0 + (6)] + [1.0 - (7)] \times 1.0 \}}$		

Notes:

(3), (4) Policy Year weights are from Section III-F, Exhibit 1.

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Section III - Premiums
 Subsection E - Adjustment for Insolvency Fund Recoupment Loading
 9/1/2007

Section III-E
 Exhibit 1

Adjustment for Insolvency Fund Recoupment Loading

Rate Level Effective Date (1)	Insolvency Fund Recoupment Load (2)	Policy Year Weights	
		2003 (3)	2004 (4)
07/01/2001	1.10%	74.5%	0.0%
09/01/2003	-0.90%	25.5%	100.0%
09/01/2005	2.33%	0.0%	0.0%

Policy Year	
2003	2004

(5) Weighted Average Insolvency Load in Rates	0.006	-0.009
(6) Adjustment Factor to be Applied to Premiums = 1.0 / [1.0 + (1)]	0.994	1.009

Notes:

(3), (4) Policy Year weights are from Section III-F, Exhibit 1.

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Section III - Premiums
 Subsection F - Premium On-Level Factors
 9/1/2007

Section III-F
 Exhibit 1

Premium On-Level Factors

Policy Year (1)	Policy Month (2)	Written Premiums (3)	Percent of Policy Year Written Premium (4)	Percent Written at Rate Level Effective:	
				07/01/2001 (5)	09/01/2003 (6)
2003	1	146,871,770	18.88%	18.9%	0.0%
2003	2	52,514,487	6.75%	6.8%	0.0%
2003	3	51,267,686	6.59%	6.6%	0.0%
2003	4	78,412,904	10.08%	10.1%	0.0%
2003	5	61,543,915	7.91%	7.9%	0.0%
2003	6	63,434,497	8.15%	8.2%	0.0%
2003	7	69,630,424	8.95%	9.0%	0.0%
2003	8	55,608,263	7.15%	7.1%	0.0%
2003	9	48,780,088	6.27%	0.0%	6.3%
2003	10	51,358,621	6.60%	0.0%	6.6%
2003	11	38,654,711	4.97%	0.0%	5.0%
2003	12	59,800,713	7.69%	0.0%	7.7%
2003	Total	777,878,079	100.00%	74.5%	25.5%
2004	1	131,630,679	18.25%	0.0%	18.3%
2004	2	48,139,770	6.68%	0.0%	6.7%
2004	3	49,621,530	6.88%	0.0%	6.9%
2004	4	70,328,563	9.75%	0.0%	9.8%
2004	5	52,892,710	7.34%	0.0%	7.3%
2004	6	58,996,472	8.18%	0.0%	8.2%
2004	7	63,518,426	8.81%	0.0%	8.8%
2004	8	47,280,695	6.56%	0.0%	6.6%
2004	9	47,513,314	6.59%	0.0%	6.6%
2004	10	50,764,651	7.04%	0.0%	7.0%
2004	11	39,930,879	5.54%	0.0%	5.5%
2004	12	60,477,232	8.39%	0.0%	8.4%
2004	Total	721,094,921	100.00%	0.0%	100.0%

Rate Level Effective Date (7)	Rate Change (8)	Cumulative Rate Level Change (9)	Factor to Current Rate Level (10)	Policy Year Weights	
				2003 (11)	2004 (12)
07/01/2001		1.000	0.931	74.5%	0.0%
09/01/2003	0.960	0.960	0.970	25.5%	100.0%
09/01/2005	0.970	0.931	1.000		

		Policy Year	
		2003	2004
(13)	Weighted Average Factor	0.941	0.970
(14)	Factor to Remove Expense Constant	0.966	0.959
(15)	Premium On-Level Factors = (13) x (14)	0.909	0.930

Note:
 (14) from Section VI-J, Exhibit 1

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Section III - Premiums
 Subsection G - Premium Adjustment Factors
 9/1/2007

Section III-G
 Exhibit 1

Calculation of Premium Adjustment Factor CPY 03/04 to PY9/1/07-08/30/09

(1) Average Wage Trend from 03/04 to Pol Eff. Period	1.124
(2) Exposure Growth	0.880
(3) Rate Level Changes	0.963
(4) Estimated Rate Changes for policies eff. 9/1/2007	0.866
(5) Balance Experience Rating	1.030
(6) Balance Construction Credit Program	1.003
(7) Balance ARAP	1.012
(8) Change in Insolvency Fund Loading	1.033
 Adjustment Factor =product of all	 0.891

Selected factor	0.90
------------------------	-------------

Notes:

(1) Average Wage & Salary for CPY 03/04 (from Section V-G, Exhibit 2)	49,329
Average Wage & Salary for 10/01/06 (from Section V-G, Exhibit 2)	52,022
Average Wage & Salary at 9/1/08 (using wage trend of 3.37% from Section V-A, Exhibit 3)	55,431
(2) Exposure growth from 03/04 to Policy Effective Period (from Section VI-H, exhibit 1)	0.880
(3) Rate change effective 7/1/01	1.0%
Rate change effective 9/1/03	-4.0%
Rate change effective 9/1/05	-3.0%
(5) CPY03/04 Avg. MOD, excluding large deductible (std prem/manual prem = 735,442,544 / 757,483,668)	0.971
Est. Pol. Eff. Period Avg. MOD, excluding large deductibles	1.000
(6) Construction Credit offset in rates for 03/04	0.993
Average Construction Credit for 03/04	0.990
Adjustment to balance CPY03/04 Construction Credit = 0.993 / 0.99	1.003
Balanced Construction Credit for Policy Effective Period	1.000
(7) ARAP offset in rates for 03/04	1.051
Average ARAP for 03/04 (ARAP Premium/Std Premium= 28,359,003 / 735,442,544)	1.039
Adjustment to balance CPY03/04 ARAP = 1.051 / 1.039	1.012
Balanced ARAP for Policy Effective Period	1.000
(8) CPY03/04 Insolvency Fund Load	0.991
Est. Policy Effective Insolvency Fund Load	1.023

III 000013

Section III - Premiums
 Subsection G - Premium Adjustment Factors
 9/1/2007

Section III-G
 Exhibit 2

Calculation of Premium Adjustment Factor CPY 03/04 to PY03

(1) Average Wage Trend from 03/04 to 1/1/04	1.022
(2) Exposure Growth	1.015
(3) Rate Level Changes	1.021
(4) Balance Experience Rating	0.990
(5) Balance Construction Credit Program	0.999
(6) Balance ARAP	0.997
(7) Change in Insolvency Fund Loading	1.015
(8) Adjustment Factor =product of all	1.061

Selected factor	1.10
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Notes:

(1) Average Wage & Salary for 03/04 (from Section V-G, Exhibit 2)	49,329
Average Wage & Salary at 1/1/04 (from Section V-G, Exhibit 2)	50,404
(2) Exposure growth from 03/04 to PY03 (from Section VI-H, Exhibit 1)	1.015
(3) Rate change effective 7/1/01	1.0%
Rate change effective 9/1/03	-4.0%
Rate change effective 9/1/05	-3.0%
(4) CPY03/04 Avg. MOD, excluding large deductible (from Exhibit 1)	0.971
PY03 Avg. MOD, excluding large deductibles (from Section III-B, Exhibit 1)	0.961
(5) CPY03/04 Construction Credit offset (from Exhibit 1)	1.003
PY03 Construction Credit offset (from Section III-D, Exhibit 1)	1.004
(6) CPY03/04 ARAP offset, excluding large deductible (from Exhibit 1)	1.012
PY03 ARAP offset (from Section III-C, Exhibit 1)	1.015
(7) CPY03/04 Insolvency Fund Load (from Exhibit 1)	0.991
PY03 Insolvency Fund Load (from Section III-E, Exhibit 1)	1.006

III 000014

Section III - Premiums
 Subsection G - Premium Adjustment Factors
 9/1/2007

Section III-G
 Exhibit 3

Calculation of Premium Adjustment Factor CPY 03/04 to PY04

(1) Average Wage Trend from 03/04 to 1/1/05	1.022
(2) Exposure Growth	0.985
(3) Rate Level Changes	0.993
(4) Balance Experience Rating	0.996
(5) Balance Construction Credit Program	1.000
(6) Balance ARAP	1.000
(7) Change in Insolvency Fund Loading	1.000
(8) Adjustment Factor =product of all	0.994

Selected Factor	1.00
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Notes:

(1) Average Wage & Salary for 03/04 (from Section V-G, Exhibit 2)	49,329
Average Wage & Salary at 1/1/05 (from Section V-G, Exhibit 2)	50,404
(2) Exposure growth from 03/04 to PY04 (from Section VI-H, Exhibit 1)	0.985
(3) Rate change effective 7/1/01	1.0%
Rate change effective 9/1/03	-4.0%
Rate change effective 9/1/05	-3.0%
(4) CPY03/04 Avg. MOD, excluding large deductible (from Exhibit 1)	0.971
PY04 Avg. MOD, excluding large deductibles (from Section III-B, Exhibit 1)	0.967
(5) CPY03/04 Construction Credit offset (from Exhibit 1)	1.003
PY04 Construction Credit offset (from Section III-D, Exhibit 1)	1.004
(6) CPY03/04 ARAP offset, excluding large deductibles (from Exhibit 1)	1.012
PY04 ARAP offset, excluding large deductibles (from Section III-C, Exhibit 1)	1.012
(7) CPY03/04 Insolvency Fund Load (from Exhibit 1)	0.991
PY04 Insolvency Fund Load (from Section III-E, Exhibit 1)	0.991

BENEFIT CHANGE ADJUSTMENTS

In Section IV we calculate the estimated effect on indemnity losses of both prior and projected changes in the Statewide Average Weekly Wage (“SAWW”). There has been no change in the medical fee schedule since September 1, 2004.

Benefit Change Adjustments

The benefit change adjustments are summarized in Section IV-A, Exhibit 1. We calculate separate adjustments to bring indemnity and medical losses for policy years 2003 and 2004 to the 1/1/07 benefit level, and additional adjustments to bring losses from the 1/1/07 benefit level to the projected benefit level for the period the rates will be in effect.

Benefit changes considered in this section are the consequence of the reevaluations of the SAWW, performed every October 1 by the Commonwealth’s Department of Unemployment Assistance.

In Sections IV-B to IV-E, we display in detail the derivation of our estimates of the effects of the changes in the SAWW announced in 2005 and 2006 and projected for 2007 and 2008. Section IV-F summarizes the provisions of Chapter 398, showing benefits that are tied to the SAWW. Section IV-G contains backup data used in the evaluations. The model underlying the estimates is described below.

Determination of the Effect of Announced SAWW Changes**Introduction**

We use a version of the NCCI's "Automatics Model" to evaluate the effects of changes in the SAWW. The Automatics Model, a traditional approach, looks at benefits paid to average claimants. It is used by the NCCI in thirty-seven states and the District of Columbia.

Description of the Model

NCCI's "Automatics Model" is used to evaluate benefit changes that are dependent on changes in the SAWW. In Massachusetts, SAWW changes are announced every October. Most indemnity benefits are determined as a percentage of the SAWW, subject to maximum and minimum amounts.

For each injury type, the indemnity benefits payable to an average claimant are determined before and after each announced SAWW change. The estimated impact of the change in the SAWW is calculated by comparing the "before" and "after" costs.

Sections IV-B through IV-E detail the estimation of changes in the costs of benefits arising from changes in the SAWW effective October 1, 2005 and October 1, 2006, and the projected SAWW changes of October 1, 2007 and October 1, 2008. Exhibit 1, pages 1 to 4, in each of Sections IV-B, C, D, and E estimate the effect on fatal benefits. Exhibit 2, pages 1 and 2 in each of Sections IV-B, C, D, and E evaluate the effect on permanent total benefits. Exhibit 3, pages 1 and 2 in each of Sections IV-B, C, D, and E evaluate the effect

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on permanent partial benefits. Exhibit 4, page 1 in each of Sections IV-B, C, D, and E looks at temporary total benefits.

Benefits for Fatal Claims, Section IV-B

Fatal benefits are the sum of dependent survivor benefits, which are a function of the SAWW, and burial payments, which are not a function of the SAWW (Exhibit 1, page 1). Expected dependent survivor payments are valued on Exhibit 1, page 2. The NCCI provided the distribution of dependents by category - none, widow alone, widow with children, etc. For each category of dependents, the cost is estimated as the product of a contingent annuity value and an average weekly benefit.

The contingent annuity values represent the present value of a stream of payments of \$1 discounted to reflect not only the time value of money, but also the possible occurrence of a contingent event that would cause the payment stream to cease. Examples of contingent events that would affect dependent survivor benefits for workers' compensation include death or remarriage of the dependent survivor. For simplicity, we have used values from the approved pension tables in the Massachusetts' Workers' Compensation Statistical Plan which assume an interest rate of 3.5% and COLA adjustments of 2.9%. The annuities reflect the appropriate U.S. life tables in all cases except for the category of "three orphans," where an annuity certain was used to approximate joint survivorship.

Average weekly benefits before and after the SAWW revision are evaluated on the remaining pages of Exhibit 1. The estimated average weekly benefit depends on the proportions of workers whose wages result in either the application of the statutory

minimum benefit, the application of the statutory maximum benefit, or a benefit that falls somewhere between the minimum and the maximum. As in the last filing these proportions come from the Massachusetts Wage Table (“Wage Table”). As shown in Section IV-G Exhibit 1, the Wage Table is based on Massachusetts workers’ compensation data from accident years 1987 to 1994. For wage levels twice the statewide average and higher, the data were smoothed using a lognormal distribution.

Benefits for Permanent Total Cases, Section IV-C

To evaluate the effect of announced SAWW changes on permanent total losses, we consider weekly wage loss benefits and specific injury payments separately, and then we weight them together in Exhibit 2, page 1. Most permanent total payments relate to weekly wage loss benefits. The statutory weekly wage loss benefit is two thirds of the pre-injury wage subject to a minimum and maximum. The minimum and maximum are a function of the promulgated SAWW. Therefore changes to the SAWW affect the average benefit paid (Exhibit 2, page 2). The second component we consider is specific injury payments. These benefits vary directly with the SAWW. Specific injury payments are made for the loss of use of body parts and determined as various multiples of the SAWW as listed in Section 36 of M.G.L. Chapter 152.

Benefits for Permanent Partial Cases, Section IV-D

Permanent partial disability cases typically include a temporary period of total disability, referred to as the “healing period,” followed by a period of partial disability during which the worker has a wage earning capacity at a level below his pre-injury wage. Different benefit structures apply to the two periods. In addition, under Section 36 specific

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injury payments are made for the loss of use of various body parts. In Exhibit 3, page 1, we weight together the effect of the SAWW on wage loss, specific injury payments, and healing period payments, using weights provided by the NCCI.

Benefits for Temporary Total Cases, Section IV-E

We evaluate the effect on temporary total benefits on Exhibit 4, page 1. Temporary total wage loss benefits under Section 34 of M.G.L. Chapter 152 provide an injured worker sixty percent of their average weekly wage before the injury subject to a cap, the statutory maximum compensation rate, and a floor, the statutory minimum compensation rate. However, if the average weekly wage of the employee is less than the minimum compensation rate, his wage compensation rate is set equal to his average weekly wage.

Indemnity Benefit Level Factors

									Weighted Average Benefit Level
(1)	Date of Change	12/1/2002	10/1/2003	10/1/2004	10/1/2005	10/1/2006	10/1/2007	10/1/2008	
(2)	Benefit Level Change	1.000	1.001	1.009	1.011	1.011	1.009	1.009	
(3)	Cumulative Benefit Level Change	1.000	1.001	1.010	1.021	1.033	1.042	1.051	
(4)	PY 2003 Weights	0.375	0.608	0.017					1.000
(5)	PY 2004 Weights		0.367	0.615	0.019				1.007
(6)	1/1/2007 Weight					1.000			1.033
(7)	Prospective Period Weights					0.005	0.613	0.382	1.045

- (8) Average Policy Effective Period Benefit Level = (7) / (6) 1.012
 (9) PY 2003 Indemnity Benefit Level Factor = (6) / (4) 1.032
 (10) PY 2004 Indemnity Benefit Level Factor = (6) / (5) 1.026

Medical Benefit Level Factors

				Weighted Average Benefit Level
(11)	Date of Change	12/1/2002	9/1/2004	
(12)	Benefit Level Change	1.000	1.014	
(13)	Cumulative Benefit Level Change	1.000	1.014	
(14)	PY 2003 Weights	0.967	0.033	1.000
(15)	PY 2004 Weights	0.301	0.699	1.010
(16)	1/1/2007 Weight		1.000	1.014
(17)	Prospective Period Weights		1.000	1.014

- (18) Average Policy Effective Period Benefit Level = (17) / (16) 1.000
 (19) PY 2003 Indemnity Benefit Level Factor = (16) / (14) 1.014
 (20) PY 2004 Indemnity Benefit Level Factor = (16) / (15) 1.004

(2): The Benefit Level Changes were estimated using an adaptation of the NCCI's Automatics Model.
 10/1/2003 - 10/1/2004 from Section IV-A of 9/1/2005 filing.
 10/1/2005 - 10/1/2008 from Section IV - A, Exhibit 3.
 (4), (5), (14), (15), (16): From Exhibit 2.
 (12): Estimated Impact of Medical Fee Schedule change. 9/1/2004 from the 9/1/2005 filing.

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Section IV - Benefit Change Adjustments
 Subsection A - Summary
 9/1/2007

Section IV - A
 Exhibit 2

Calculation of Weights for Benefit Periods

Policy Year 2003

Effective Month (1)	% of PY Premium (2)	Indemnity Benefit Level			Medical Benefit Level	
		Months Policy in Force for			Months Policy in Force for	
		1/1/2003 (3)	10/1/2003 (4)	10/1/2004 (5)	1/1/2003 (6)	9/1/2004 (7)
Jan	18.9%	9	3		12	
Feb	6.8%	8	4		12	
Mar	6.6%	7	5		12	
Apr	10.1%	6	6		12	
May	7.9%	5	7		12	
Jun	8.2%	4	8		12	
Jul	9.0%	3	9		12	
Aug	7.1%	2	10		12	
Sep	6.3%	1	11		12	
Oct	6.6%		12		11	1
Nov	5.0%		11	1	10	2
Dec	7.7%		10	2	9	3

(8) Proportion of PY 2003 that was in effect 37.5% 60.8% 1.7% 96.7% 3.3%

Policy Year 2004

Effective Month (9)	% of PY Premium (10)	Indemnity Benefit Level			Medical Benefit Level	
		Months Policy in Force for			Months Policy in Force for	
		1/1/2004 (11)	10/1/2004 (12)	10/1/2005 (13)	1/1/2004 (14)	9/1/2004 (15)
Jan	18.3%	9	3		8	4
Feb	6.7%	8	4		7	5
Mar	6.9%	7	5		6	6
Apr	9.8%	6	6		5	7
May	7.3%	5	7		4	8
Jun	8.2%	4	8		3	9
Jul	8.8%	3	9		2	10
Aug	6.6%	2	10		1	11
Sep	6.6%	1	11			12
Oct	7.0%		12			12
Nov	5.5%		11	1		12
Dec	8.4%		10	2		12

(16) Proportion of PY 2004 that was in effect 36.7% 61.5% 1.9% 30.1% 69.9%

Policy Effective Period

Effective Month (17)	% of PY Premium (18)	Indemnity Benefit Level			Medical Benefit Level
		Months Policy in Force for			Months Policy in Force for
		10/1/2006 (19)	10/1/2007 (20)	10/1/2008 (21)	1/1/2007 (23)
Sep	6.6%	1	11		12
Oct	7.0%		12		12
Nov	5.5%		11	1	12
Dec	8.4%		10	2	12
Jan	18.3%		9	3	12
Feb	6.7%		8	4	12
Mar	6.9%		7	5	12
Apr	9.8%		6	6	12
May	7.3%		5	7	12
Jun	8.2%		4	8	12
Jul	8.8%		3	9	12
Aug	6.6%		2	10	12

(24) Proportion of Period that was in effect 0.5% 61.3% 38.2% 100.0%

Notes:

(2), (10): Monthly Distribution of Policy Year Premium from Section III - F.

(18): Policy Effective Period uses Policy Year 2004 Monthly Premium Distribution.

Summary of October 1 Benefit Change by Injury Type and for Total Indemnity

(1)	Indemnity Injury Type					Total Indemnity (7)	Total Losses (8)
	Fatal (2)	Permanent Total (3)	Major Permanent Partial (4)	Minor Permanent Partial (5)	Temporary Total (6)		
Weights	0.0163	0.0310	0.3454	0.0462	0.1955	0.6345	1.0000
Date of benefit change							
10/1/2005	0.6%	0.8%	1.5%	1.5%	0.4%	1.1%	0.7%
10/1/2006	0.5%	0.7%	1.5%	1.5%	0.4%	1.1%	0.7%
10/1/2007	0.4%	0.6%	1.2%	1.2%	0.3%	0.9%	0.5%
10/1/2008	0.4%	0.6%	1.2%	1.2%	0.3%	0.9%	0.5%

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Section IV - Benefit Change Adjustments
 Subsection A - Summary
 9/1/2007

Section IV - A
 Exhibit 4

Historical Benefit Level Changes

Effective Date (1)	Indemnity							Medical	Total
	Injury Type 1 (2)	Injury Type 2 (3)	Injury Type 3 (4)	Injury Type 4 (5)	Injury Types 3&4 (6)	Injury Type 5 (7)	All Injury Types (8)	All Injury Types (9)	All Injury Types (10)
10/1/1990	1.3%	0.8%	1.0%	1.2%	1.0%	1.0%	1.0%	0.0%	0.8%
10/1/1991	1.9%	1.1%	1.5%	2.9%	1.5%	1.2%	1.5%	0.0%	1.2%
12/1/1991	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.4%	0.6%
12/23/1991	-33.6%	-44.2%	-20.0%	-10.5%	-19.7%	-29.8%	-24.0%	-2.9%	-20.0%
10/1/1992	2.0%	1.2%	1.7%	3.0%	1.7%	0.8%	1.5%	0.0%	1.1%
7/1/1993	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	0.2%
10/1/1993	1.5%	0.9%	1.3%	2.3%	1.3%	0.6%	1.2%	0.0%	0.9%
10/1/1994	1.2%	0.6%	1.1%	1.9%	1.1%	0.3%	0.8%	0.0%	0.6%
2/1/1995	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.6%
10/1/1995	1.0%	0.5%	1.0%	1.8%	1.0%	0.3%	0.8%	0.0%	0.5%
7/1/1996	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	0.6%
10/1/1996	1.6%	0.9%	1.4%	2.5%	1.4%	0.5%	1.1%	0.0%	0.8%
10/1/1997	1.9%	1.1%	1.8%	3.0%	1.9%	0.7%	1.4%	0.0%	1.0%
10/1/1998	1.9%	1.1%	1.6%	2.8%	1.7%	0.6%	1.3%	0.0%	0.9%
10/1/1999	2.7%	1.5%	2.2%	3.9%	2.4%	0.8%	1.8%	0.0%	1.2%
9/1/2000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	1.0%
10/1/2000	4.2%	2.5%	3.4%	5.9%	3.7%	1.5%	3.0%	0.0%	2.1%
10/1/2001	0.8%	1.2%	2.2%	2.2%	2.2%	0.6%	1.5%	0.0%	0.9%
10/1/2002	-0.1%	-0.1%	-0.3%	-0.3%	-0.3%	-0.1%	-0.2%	0.0%	-0.1%
12/1/2002	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.2%	2.0%
10/1/2003	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%
9/1/2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	0.5%
10/1/2004	0.5%	0.7%	1.2%	1.2%	1.2%	0.4%	0.9%	0.0%	0.6%
10/1/2005	0.6%	0.8%	1.5%	1.5%	1.5%	0.4%	1.1%	0.0%	0.7%
10/1/2006	0.5%	0.7%	1.5%	1.5%	1.5%	0.4%	1.1%	0.0%	0.7%
10/1/2007	0.4%	0.6%	1.2%	1.2%	1.2%	0.3%	0.9%	0.0%	0.5%
10/1/2008	0.4%	0.6%	1.2%	1.2%	1.2%	0.3%	0.9%	0.0%	0.5%

Notes:

Historical changes are from Section IV - A, Exhibit 4 of the 9/1/2005 filing.

Changes for 10/1/2007 - 10/1/2008 are estimated.

(6): Benefit level changes for Injury Types 3 & 4 are an average of the benefit level changes for Injury Type 3 and Injury Type 4, weighted by the Injury Type weights at the time of benefit change.

Composite Policy Year Benefit On-Level Factors to 10/1/2006 Law Level

Composite Policy Year (1)	Indemnity Losses							Medical Losses
	Injury Type 1 (2)	Injury Type 2 (3)	Injury Type 3 (4)	Injury Type 4 (5)	Injury Types 3&4 (6)	Injury Type 5 (7)	All Injury Types (8)	All Injury Types (9)
1984/1985	2.579	1.962			0.983	0.800		1.678
1985/1986	1.684	1.278			1.003	0.803		1.578
1986/1987	0.911	0.688			1.054	0.816		1.376
1987/1988	0.869	0.662			1.035	0.799		1.261
1988/1989	0.845	0.650			1.012	0.782		1.165
1989/1990	0.827	0.641			0.995	0.768		1.157
1990/1991	0.854	0.676			1.011	0.792		1.155
1991/1992	1.150	1.047	1.200	1.360	1.209	1.029	1.143	1.152
1992/1993	1.194	1.130	1.215	1.340	1.224	1.071	1.168	1.147
1993/1994	1.177	1.120	1.200	1.311	1.208	1.066	1.155	1.139
1994/1995	1.164	1.114	1.187	1.287	1.196	1.062	1.146	1.124
1995/1996	1.150	1.107	1.174	1.262	1.182	1.059	1.136	1.110
1996/1997	1.132	1.097	1.157	1.230	1.165	1.053	1.122	1.100
1997/1998	1.111	1.085	1.137	1.195	1.144	1.046	1.107	1.100
1998/1999	1.087	1.072	1.117	1.158	1.122	1.039	1.091	1.100
1999/2000	1.055	1.053	1.090	1.109	1.092	1.029	1.069	1.088
2000/2001	1.022	1.032	1.058	1.059	1.058	1.016	1.042	1.067
2001/2002	1.016	1.023	1.042	1.042	1.042	1.012	1.031	1.058
2002/2003	1.016	1.023	1.043	1.043	1.043	1.013	1.032	1.019
2003/2004	1.014	1.021	1.039	1.039	1.039	1.011	1.029	1.009

Notes:
 On-Level Factors are calculated using parallelogram method using the benefit level changes from Exhibit 4.

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Composite Policy Year Benefit On-Level Factors to Policy Effective Period

Benefit On-Level Factors

Policy Period	Fatal	Permanent Total	Major Permanent Disability	Minor Permanent Disability	Temporary Total	Medical
(1) CPY 1999/2000	1.063	1.065	1.116	1.135	1.035	1.088
(2) CPY 2000/2001	1.030	1.044	1.083	1.084	1.023	1.067
(3) CPY 2001/2002	1.024	1.035	1.067	1.067	1.018	1.058
(4) CPY 2002/2003	1.024	1.035	1.068	1.068	1.019	1.019
(5) CPY 2003/2004	1.022	1.032	1.064	1.064	1.017	1.009
(6) PY 9/1/2007 to 8/31/2008	1.002	1.003	1.007	1.007	1.002	1.000

Benefit Level Adjustment Factors

Policy Period	Fatal	Permanent Total	Major Permanent Disability	Minor Permanent Disability	Temporary Total	Medical
(7) CPY 1999/2000 = (1) / (6)	1.061	1.062	1.108	1.128	1.033	1.088
(8) CPY 2000/2001 = (2) / (6)	1.028	1.040	1.076	1.077	1.021	1.067
(9) CPY 2001/2002 = (3) / (6)	1.021	1.031	1.060	1.060	1.016	1.058
(10) CPY 2002/2003 = (4) / (6)	1.022	1.031	1.061	1.061	1.017	1.019
(11) CPY 2003/2004 = (5) / (6)	1.020	1.029	1.057	1.057	1.016	1.009

Notes:

Effects of Benefit Changes from Exhibit 4. Benefit On-Level Factors are calculated using parallelogram method.
 Benefit Level Adjustment Factors adjust the experience policy to the proposed effective policy year period.

Prior Policy Effective Period Benefit On-Level Factors to Proposed Policy Effective Period

Benefit On-Level Factors

Policy Period	Fatal	Permanent Total	Major Permanent Disability	Minor Permanent Disability	Temporary Total	Medical
(1) PY 9/1/2005 to 8/31/2006	1.011	1.016	1.033	1.033	1.008	1.000
(2) PY 9/1/2007 to 8/31/2008	1.002	1.003	1.007	1.007	1.002	1.000

Benefit Level Adjustment Factors

Policy Period	Fatal	Permanent Total	Major Permanent Disability	Minor Permanent Disability	Temporary Total	Medical
(3) PY 9/1/2005 to PY9/1/2007 = (1) / (2)	1.008	1.012	1.026	1.026	1.007	1.000
(4) Injury Type Weights	0.016	0.031	0.345	0.046	0.195	0.366
(5) Effect by Injury Type:	Serious (Injury Types 1-3) 1.024		Non-Serious (Injury Types 4-5) 1.010		Medical (Injury Types 1-6) 1.000	

Notes:

Effects of Benefit Changes from Exhibit 4. Benefit On-Level Factors are calculated using parallelogram method. Benefit Level Adjustment Factors adjust the experience policy to the proposed effective policy year period.
 (4): Post-Chapter 398 weights at ultimate, from Section IV - I, Exhibits 1 and 2.

Benefit Level Change from Prior Projection of Average Benefit Level for Prior Policy Effective Period
 to Current Projection of Average Benefit Level for Proposed Policy Effective Period

Projected Average Benefit Level for Proposed Effective Policy Period Policy Year 9/1/2007 to 8/31/2008					
	10/1/2004	10/1/2005	10/1/2006	10/1/2007	10/1/2008
(1) Date of Change					
(2) Benefit Level Change	1.006	1.007	1.007	1.005	1.005
(3) Cumulative Benefit Level Change	1.006	1.013	1.020	1.026	1.031
(4) Policy Period Weights	0.000	0.000	0.003	0.575	0.421
(5) Average Policy Period Benefit Level = Sum of (3) x (4)					1.028

Average Benefit Level for Current Policy Period, Estimated at 9/1/2005 Policy Year 9/1/2005 to 8/31/2006					
	10/1/2004	10/1/2005	10/1/2006	10/1/2007	10/1/2008
(6) Date of Change					
(7) Benefit Level Change	1.006	1.005	1.005	1.000	1.000
(8) Cumulative Benefit Level Change	1.006	1.011	1.016	1.016	1.016
(9) Policy Period Weights	0.003	0.575	0.421	0.000	0.000
(10) Average Policy Period Benefit Level = Sum of (8) x (9)					1.013
(11) Benefit Level Change = (5) / (10)					1.015
(12) Benefit Level Change on Percentage Basis = [(11) - 1.000] x 100					1.5%

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Notes:

- (2): From Exhibit 4.
- (3): Product of (2) at successive benefit dates.
- (4): Policy Year 9/1/2007 to 8/31/2008.
- (7): From Section IV - A, Exhibit 1 of 9/1/2005 filing.
- (8): Product of (7) at successive benefit dates.
- (9): Policy Year 9/1/2005 to 8/31/2006.

Law Adjustment Factors

Law Factors			Fraction of Premium Earned at a Given Benefit Level			
Effective Date (1)	Law Amendment Factor (2)	Cumulative Factor (3)	Policy Effective Date			PY Effective 9/1/2007 (7)
			03/01/2004 (4)	03/01/2005 (5)	03/01/2006 (6)	
03/01/2004	Base Level	1.000	0.504			
09/01/2004	1.005	1.005	0.082			
10/01/2004	1.006	1.011	0.414	0.586		
10/01/2005	1.007	1.018		0.414	0.586	
10/01/2006	1.007	1.025			0.414	0.003
10/01/2007	1.005	1.031				0.576
10/01/2008	1.005	1.037				0.421

(8) Average Benefit Level

1.005	1.014	1.021	1.033
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(9) Adjustment to PY Effective 9/1/2007 Benefit Level

1.028	1.019	1.012
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Notes:

(1), (2): From Exhibit 4.

(4), (5), (6): Unit Stat Reports used to experience rate a policy taking effect 6 months after effective date of the proposed rates

IV 000015

Calculation of Law Amendment Factors for Use in Calculating D-Ratios

(1) Benefit Changes by Injury Type

	10/01/2000	10/01/2001	10/01/2002	10/01/2003	10/01/2004	10/01/2005	10/01/2006
Fatal	4.2%	0.8%	-0.1%	0.0%	0.5%	0.6%	0.5%
Permanent Total	2.5%	1.2%	-0.1%	0.0%	0.7%	0.8%	0.7%
Major Permanent Partial	3.4%	2.2%	-0.3%	0.1%	1.2%	1.5%	1.5%
Minor Permanent Partial	5.9%	2.2%	-0.3%	0.1%	1.2%	1.5%	1.5%
Temporary Total	1.5%	0.6%	-0.1%	0.0%	0.4%	0.4%	0.4%

(2) Cumulative Index

	Base	10/01/2000	10/01/2001	10/01/2002	10/01/2003	10/01/2004	10/01/2005	10/01/2006
Fatal	1.000	1.042	1.050	1.049	1.050	1.055	1.061	1.066
Permanent Total	1.000	1.025	1.037	1.036	1.037	1.044	1.053	1.060
Major Permanent Partial	1.000	1.034	1.057	1.054	1.054	1.067	1.083	1.100
Minor Permanent Partial	1.000	1.059	1.082	1.079	1.080	1.093	1.109	1.126
Temporary Total	1.000	1.015	1.021	1.020	1.020	1.025	1.029	1.033

(3) Schedule Z Composite Policy Year

Effect by Policy Year:

07/01/2001 - 06/30/2002	0.032	0.689	0.280			
07/01/2002 - 06/30/2003		0.032	0.688	0.280		
07/01/2003 - 06/30/2004			0.032	0.689	0.280	

(4) Average Policy Period

Effect by Policy Period:

03/01/2004 - 02/28/2005				0.585	0.415	
03/01/2005 - 02/28/2006					0.586	0.414
03/01/2006 - 02/28/2007						0.586
						0.414

(5) Sum of (2) Weighted by (3)

	Injury Type				
	Fatal	Perm Tot	Maj PP	Min PP	Temp Tot
07/01/2001 - 06/30/2002	1.050	1.037	1.055	1.081	1.021
07/01/2002 - 06/30/2003	1.049	1.036	1.054	1.079	1.020
07/01/2003 - 06/30/2004	1.051	1.039	1.058	1.083	1.021

(6) Sum of (2) Weighted by (4)

03/01/2004 - 02/28/2005	1.052	1.040	1.060	1.085	1.022
03/01/2005 - 02/28/2006	1.058	1.048	1.074	1.100	1.026
03/01/2006 - 02/28/2007	1.063	1.056	1.090	1.116	1.031

(7) Law Amendment Factor = (6) / (5)

2001/2002 to 03/01/2004	1.002	1.003	1.004	1.004	1.001
2002/2003 to 03/01/2005	1.008	1.011	1.019	1.019	1.006
2003/2004 to 03/01/2006	1.012	1.016	1.030	1.030	1.009

Notes:

(1): From Exhibit 4.

IV 000016

Section IV - Benefit Change Adjustments
 Subsection A - Summary
 9/1/2007

Section IV-A
 Exhibit 10
 Page 2

Calculation of Law Amendment Factors for Use in Calculating D-Ratios

A. Benefit Changes by Injury Type

	07/01/2001	12/01/2002	09/01/2004
All Medical		5.2%	1.4%

B. Cumulative Index

	Base			
All Medical	1.000	1.000	1.052	1.067

C. Schedule Z Composite Policy Year

Effect by Policy Year:

07/01/2001 - 06/30/2002	0.831	0.169	
07/01/2002 - 06/30/2003	0.088	0.912	
07/01/2003 - 06/30/2004		0.655	0.345

D. Average Policy Period

Effect by Policy Period:

03/01/2004 - 02/28/2005		0.503	0.497
03/01/2005 - 02/28/2006			1.000
03/01/2006 - 02/28/2007			1.000

E. Sum of (B) Weighted by (C)

	<u>All Medical</u>
07/01/2001 - 06/30/2002	1.009
07/01/2002 - 06/30/2003	1.047
07/01/2003 - 06/30/2004	1.057

F. Sum of (B) Weighted by (D)

03/01/2004 - 02/28/2005	1.059
03/01/2005 - 02/28/2006	1.067
03/01/2006 - 02/28/2007	1.067

G. Law Amendment Factor = (F) / (E)

2001/2002 to 03/01/2004	1.050
2002/2003 to 03/01/2005	1.018
2003/2004 to 03/01/2006	1.009

Notes:

A: Section IV - H, Exhibit 1.

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Section IV - Benefit Change Adjustments
Subsection B - Effects of SAWW Change of 10/01/2005
9/1/2007

Section IV-B
Exhibit 1
Page 1

Determination of the Monetary Cost and Effect of Amendments on Fatal Benefits

	10/01/2004	10/01/2005
(1) Cost for 1, 000 Fatal Dependency Cases From Section IV-B, Exhibit 1, Page 2	537,561,366	540,677,314
(2) Cost of Burial (1,000 cases)	4,000,000	4,000,000
(3) Total Monetary Cost (1)+(2)	541,561,366	544,677,314
(4) Effect		1.006

Valuation of Fatal Benefits

Number of Cases (1)	Person(s) Receiving Benefits (2)	Number of Dependents (3)	Average Arithmetic Age (4)	Annuity Symbol (5)	Annuity Value (c) (6)	Average Weekly Benefit Effective 10/01/2004 (7)	Average Weekly Benefit Effective 10/01/2005 (8)	10/01/2004 Cost = (1) x (6) x (7) (9)	10/01/2005 Cost = (1) x (6) x (8) (10)
204	None	0	xx	xxx	xxx			xxx	xxx
212	Widow Alone	1	40	a 40 : LIFE	1,572.01	524.54	527.71	174,812,730	175,868,244
407	Widow with Child(ren)	1 2 (a)	38 10	a 38 : LIFE a 416 (b)	1,574.20 405.01	524.54	527.71	336,073,718	338,102,922
21	Orphan	1	13	a 13 : 5	252.57	524.54	527.71	2,782,162	2,798,960
15	Orphans	3 (a)	12	a 312 (b)	303.79	524.54	527.71	2,390,265	2,404,697
141	Other Dependents	1.7 (a)	58	a 58 : LIFE	1,122.94	135.80	135.80	21,502,490	21,502,490
<u>1,000</u>								<u>537,561,366</u>	<u>540,677,314</u>

IV 000018

Notes:

- (a): Average number of dependents.
- (b): For two or more dependents, benefits are last-survivor contingent. An annuity certain is used to approximate the joint-survivor annuity.
- (c): From Pension Tables (see text).
- (1), (3), (4): From Section IV - G, Exhibit 2.
- (7), (8): From Pages 3 and 4.

Determination of the Average Weekly Benefit

Effective: 10/01/2004

(1)	Class of Injury	Fatal - Widows and Orphans
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	110.00
(4)	Max Weekly Compensation	918.78
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	115.42	110.00
164.99 - 1,378.10	Wage times compensation rate	0.20 - 1.70	89.5388	80.7159	730.23	486.84
1,378.10 - over	Statutory Maximum	1.70 - over	9.5355	19.1522	1,627.00	918.78
(13) Average Weekly Benefit						524.54

Effective: 10/01/2005

(14)	Class of Injury	Fatal - Widows and Orphans
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	110.00
(17)	Max Weekly Compensation	958.58
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	115.42	110.00
164.99 - 1,437.80	Wage times compensation rate	0.20 - 1.75	90.6732	82.6131	738.04	492.05
1,437.80 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,663.76	958.58
(26) Average Weekly Benefit						527.71

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

Determination of the Average Weekly Benefit

Effective: 10/01/2004

(1)	Class of Injury	Fatal - All Other Dependents
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	80.00
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	78.60	52.40
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	813.12	80.00

(13) Average Weekly Benefit 79.88

Effective: 10/01/2005

(14)	Class of Injury	Fatal - All Other Dependents
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	80.00
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	78.60	52.40
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	813.12	80.00

(26) Average Weekly Benefit 79.88

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

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Section IV - Benefit Change Adjustments
Subsection B - Effects of SAWW Change of 10/01/2005
9/1/2007

Section IV-B
Exhibit 2
Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Total Benefits

	10/01/2004	10/01/2005
A. PERMANENT TOTAL WAGE LOSS BENEFITS		
(1) Average Wage Loss Benefit - Exhibit 2, Page 2	526.59	530.16
(2) Effect on "Regular" PT benefits		1.007
B. SPECIFIC INJURY PAYMENTS		
(3) SAWW	918.78	958.58
(4) Effect on Specific Injuries		1.043
C. TOTAL EFFECT		
(5) PT Wage Loss Benefits as a Proportion of PT Cost		96.5%
(6) Specific Injury Payment as a Proportion of PT Cost		3.5%
(7) Permanent Total Effect		
= [(2) x (5)] + [(4) x (6)]		1.008

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5), (6): From the Filing for 9/1/2005 Rates, Section IV - B, Exhibit 2, Page 1. Estimated Average Schedule Benefit compared to Average Indemnity Cost per Claim.

Determination of the Average Weekly Benefit

Effective: 10/01/2004

(1)	Class of Injury	Permanent Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	183.76
(4)	Max Weekly Compensation	918.78
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 275.63	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	205.96	183.76
275.63 - 1,378.10	Wage times compensation rate	0.35 - 1.70	85.3971	79.5594	754.68	503.14
1,378.10 - over	Statutory Maximum	1.70 - over	9.5355	19.1522	1,627.00	918.78
(13) Average Weekly Benefit						526.59

Effective: 10/01/2005

(14)	Class of Injury	Permanent Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	191.72
(17)	Max Weekly Compensation	958.58
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 287.57	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	205.96	191.72
287.57 - 1,437.80	Wage times compensation rate	0.35 - 1.75	86.5315	81.4566	762.54	508.39
1,437.80 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,663.76	958.58
(26) Average Weekly Benefit						530.16

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

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Section IV - Benefit Change Adjustments
 Subsection B - Effects of SAWW Change of 10/01/2005
 9/1/2007

Section IV-B
 Exhibit 3
 Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Partial Benefits

		Permanent Partial Law Effective	
		10/01/2004	10/01/2005
A.	PERMANENT PARTIAL WAGE LOSS BENEFITS		
(1)	Average Weekly Benefit for PP Wage Loss	297.28	298.99
(2)	Effect on Wage Loss Benefits		1.006
B.	PERMANENT PARTIAL SPECIFIC INJURY PAYMENTS		
(3)	SAWW	918.78	958.58
(4)	Effect on Specific Injuries		1.043
C.	PERMANENT PARTIAL (HEALING PERIOD)		
(5)	Average Weekly Benefit for Temp Total	479.97	482.07
(6)	Effect on Healing Period		1.004
D.	TOTAL EFFECT		
(7)	Wage Loss Benefits as a Proportion of P.P. Cost		27%
(8)	Specific Injury Payment as a Proportion of P.P. Cost		26%
(9)	Healing Period Cost as a Proportion of P.P. Cost		47%
(10)	Permanent Partial Effect		
	= [(2) x (7)] + [(4) x (8)] + [(6) x (9)]		1.015

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5): From Exhibit 4, Page 1.
- (7), (8), (9): DCI for Permanent Partial Claims in Massachusetts.

Determination of the Average Weekly Benefit

Effective: 10/01/2004

(1)	Class of Injury	Permanent Partial Wage Loss
(2)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	607.54
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 1,633.17	Wage times compensation rate	0.00 - 2.00	96.2382	91.1467	767.19	285.40
1,633.17 - 4,835.68	Statutory Maximum	2.00 - 5.95	3.7226	8.6116	1,873.91	607.54
4,835.68 - over	Statutory Limitation	5.95 - over	0.0392	0.2417	4,995.18	0.00
(13) Average Weekly Benefit						297.28

Effective: 10/01/2005

(14)	Class of Injury	Permanent Partial Wage Loss
(15)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	718.94
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 1,932.62	Wage times compensation rate	0.00 - 2.40	99.1195	97.2019	794.38	295.51
1,932.62 - 5,045.16	Statutory Maximum	2.40 - 6.25	0.8463	2.5871	2,476.30	718.94
5,045.16 - over	Statutory Limitation	6.25 - over	0.0342	0.2110	4,997.43	0.00
(26) Average Weekly Benefit						298.99

Notes:

- (7), (20): Statutory Limitation: Insurer may reduce benefit to level at which benefits + earnings = 2 x SAWW.
- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

Determination of the Average Weekly Benefit

Effective: 10/01/2004

(1)	Class of Injury	Temporary Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(3)	Min Weekly Compensation	183.76
(4)	Max Weekly Compensation	918.78
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 183.76	Actual Wage	0.00 - 0.25	2.2314	0.4323	156.94	156.94
183.76 - 306.27	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	267.68	183.76
306.27 - 1,531.30	Wage times compensation rate	0.40 - 1.90	87.8211	86.2119	795.21	477.12
1,531.30 - over	Statutory Maximum	1.90 - over	5.3296	11.8298	1,798.02	918.78
(13) Average Weekly Benefit						479.97

Effective: 10/01/2005

(14)	Class of Injury	Temporary Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(16)	Min Weekly Compensation	191.72
(17)	Max Weekly Compensation	958.58
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2005	810.05

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 191.72	Actual Wage	0.00 - 0.25	2.2314	0.4323	156.94	156.94
191.72 - 319.53	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	267.68	191.72
319.53 - 1,597.63	Wage times compensation rate	0.40 - 1.95	88.6344	87.7354	801.83	481.10
1,597.63 - over	Statutory Maximum	1.95 - over	4.5163	10.3063	1,848.55	958.58
(26) Average Weekly Benefit						482.07

(27) Temporary Total Benefit Change Factor = (26) / (13) 1.004

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000025

IV 000026

Section IV - Benefit Change Adjustments
Subsection C - Effects of SAWW Change of 10/01/2006
9/1/2007

Section IV-C
Exhibit 1
Page 1

Determination of the Monetary Cost and Effect of Amendments on Fatal Benefits

	10/01/2005	10/01/2006
(1) Cost for 1, 000 Fatal Dependency Cases From Section IV-C, Exhibit 1, Page 2	555,737,715	558,438,389
(2) Cost of Burial (1,000 cases)	4,000,000	4,000,000
(3) Total Monetary Cost (1)+(2)	559,737,715	562,438,389
(4) Effect		1.005

Valuation of Fatal Benefits

Number of Cases (1)	Person(s) Receiving Benefits (2)	Number of Dependents (3)	Average Arithmetic Age (4)	Annuity Symbol (5)	Annuity Value (c) (6)	Average Weekly Benefit Effective 10/01/2005 (7)	Average Weekly Benefit Effective 10/01/2006 (8)	10/01/2005 Cost = (1) x (6) x (7) (9)	10/01/2006 Cost = (1) x (6) x (8) (10)
204	None	0	xx	xxx	xxx			xxx	xxx
212	Widow Alone	1	40	\overline{a} '40 : $\overline{\text{LIFE}}$	1,572.01	543.02	545.76	180,969,219	181,884,060
407	Widow with Child(ren)	1 2 (a)	38 10	\overline{a} '38 : $\overline{\text{LIFE}}$ \overline{a} 416 (b)	1,574.20 405.01	543.02	545.76	347,909,436	349,668,199
21	Orphan	1	13	\overline{a} 13 : $\overline{5}$	252.57	543.02	545.76	2,880,143	2,894,703
15	Orphans	3 (a)	12	\overline{a} 312 (b)	303.79	543.02	545.76	2,474,445	2,486,953
141	Other Dependents	1.7 (a)	58	\overline{a} 58: $\overline{\text{LIFE}}$	1,122.94	135.82	135.82	21,504,473	21,504,473
<hr/>								555,737,715	558,438,389
1,000									

IV 000027

Notes:

- (a): Average number of dependents.
- (b): For two or more dependents, benefits are last-survivor contingent. An annuity certain is used to approximate the joint-survivor annuity.
- (c): From Pension Tables (see text).
- (1), (3), (4): From Section IV - G, Exhibit 2.
- (7), (8): From Pages 3 and 4.

Determination of the Average Weekly Benefit

Effective: 10/01/2005

(1)	Class of Injury	Fatal - Widows and Orphans
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	110.00
(4)	Max Weekly Compensation	958.58
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	119.31	110.00
164.99 - 1,437.80	Wage times compensation rate	0.20 - 1.70	89.5388	80.7159	754.82	503.24
1,437.80 - over	Statutory Maximum	1.70 - over	9.5355	19.1522	1,681.78	958.58
(13) Average Weekly Benefit						543.02

Effective: 10/01/2006

(14)	Class of Injury	Fatal - Widows and Orphans
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	110.00
(17)	Max Weekly Compensation	1000.43
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	119.31	110.00
164.99 - 1,500.57	Wage times compensation rate	0.20 - 1.80	91.9360	84.7888	772.23	514.85
1,500.57 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,768.81	1000.43
(26) Average Weekly Benefit						545.76

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

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Determination of the Average Weekly Benefit

Effective: 10/01/2005

(1)	Class of Injury	Fatal - All Other Dependents
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	80.00
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	81.25	54.17
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	840.50	80.00
(13) Average Weekly Benefit						79.89

Effective: 10/01/2006

(14)	Class of Injury	Fatal - All Other Dependents
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	80.00
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	81.25	54.17
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	840.50	80.00
(26) Average Weekly Benefit						79.89

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000030

Section IV - Benefit Change Adjustments
Subsection C - Effects of SAWW Change of 10/01/2006
9/1/2007

Section IV-C
Exhibit 2
Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Total Benefits

	10/01/2005	10/01/2006
A. PERMANENT TOTAL WAGE LOSS BENEFITS		
(1) Average Wage Loss Benefit	545.26	548.43
(2) Effect on "Regular" PT benefits		1.006
B. SPECIFIC INJURY PAYMENTS		
(3) SAWW	958.58	1000.43
(4) Effect on Specific Injuries		1.044
C. TOTAL EFFECT		
(5) PT Wage Loss Benefits as a Proportion of PT Cost		96.5%
(6) Specific Injury Payment as a Proportion of PT Cost		3.5%
(7) Permanent Total Effect		
= [(2) x (5)] + [(4) x (6)]		1.007

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5), (6): From the Filing for 9/1/2005 Rates, Section IV - C, Exhibit 2, Page 1. Estimated Average Schedule Benefit compared to Average Indemnity Cost per Claim.

Determination of the Average Weekly Benefit

Effective: 10/01/2005

(1)	Class of Injury	Permanent Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	191.72
(4)	Max Weekly Compensation	958.58
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 287.57	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	212.89	191.72
287.57 - 1,437.80	Wage times compensation rate	0.35 - 1.70	85.3971	79.5594	780.09	520.08
1,437.80 - over	Statutory Maximum	1.70 - over	9.5355	19.1522	1,681.78	958.58
(13) Average Weekly Benefit						545.26

Effective: 10/01/2006

(14)	Class of Injury	Permanent Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	200.09
(17)	Max Weekly Compensation	1000.43
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 300.12	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	212.89	200.09
300.12 - 1,500.57	Wage times compensation rate	0.35 - 1.80	87.7943	83.6323	797.63	531.78
1,500.57 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,768.81	1000.43
(26) Average Weekly Benefit						548.43

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000031

IV 000032

Section IV - Benefit Change Adjustments
 Subsection C - Effects of SAWW Change of 10/01/2006
 9/1/2007

Section IV-C
 Exhibit 3
 Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Partial Benefits

		Permanent Partial Law Effective	
		10/01/2005	10/01/2006
A.	PERMANENT PARTIAL WAGE LOSS BENEFITS		
(1)	Average Weekly Benefit for PP Wage Loss	306.59	308.83
(2)	Effect on Wage Loss Benefits		1.007
B.	PERMANENT PARTIAL SPECIFIC INJURY PAYMENTS		
(3)	SAWW	958.58	1000.43
(4)	Effect on Specific Injuries		1.044
C.	PERMANENT PARTIAL (HEALING PERIOD)		
(5)	Average Weekly Benefit for Temp Total	496.69	498.57
(6)	Effect on Healing Period		1.004
D.	TOTAL EFFECT		
(7)	Wage Loss Benefits as a Proportion of P.P. Cost		27%
(8)	Specific Injury Payment as a Proportion of P.P. Cost		26%
(9)	Healing Period Cost as a Proportion of P.P. Cost		47%
(10)	Permanent Partial Effect		
	= [(2) x (7)] + [(4) x (8)] + [(6) x (9)]		1.015

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5): From Exhibit 4, Page 1.
- (7), (8), (9): DCI for Permanent Partial Claims in Massachusetts.

Determination of the Average Weekly Benefit

Effective: 10/01/2005

(1)	Class of Injury	Permanent Partial Wage Loss
(2)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	607.54
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 1,633.17	Wage times compensation rate	0.00 - 1.95	95.4837	89.6937	786.55	292.60
1,633.17 - 5,045.16	Statutory Maximum	1.95 - 6.05	4.4789	10.0755	1,883.60	607.54
5,045.16 - over	Statutory Limitation	6.05 - over	0.0374	0.2308	5,167.97	0.00
(13) Average Weekly Benefit						306.59

Effective: 10/01/2006

(14)	Class of Injury	Permanent Partial Wage Loss
(15)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	718.94
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 1,932.62	Wage times compensation rate	0.00 - 2.30	98.8893	96.6609	818.46	304.47
1,932.62 - 5,265.42	Statutory Maximum	2.30 - 6.30	1.0773	3.1332	2,435.24	718.94
5,265.42 - over	Statutory Limitation	6.30 - over	0.0334	0.2059	5,162.52	0.00
(26) Average Weekly Benefit						308.83

Notes:

- (7), (20): Statutory Limitation: Insurer may reduce benefit to level at which benefits + earnings = 2 x SAWW.
- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000033

Determination of the Average Weekly Benefit

Effective: 10/01/2005

(1)	Class of Injury	Temporary Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(3)	Min Weekly Compensation	191.72
(4)	Max Weekly Compensation	958.58
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 191.72	Actual Wage	0.00 - 0.25	2.2314	0.4323	162.22	162.22
191.72 - 319.53	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	276.70	191.72
319.53 - 1,597.63	Wage times compensation rate	0.40 - 1.90	87.8211	86.2119	821.98	493.19
1,597.63 - over	Statutory Maximum	1.90 - over	5.3296	11.8298	1,858.56	958.58
(13) Average Weekly Benefit						496.69

Effective: 10/01/2006

(14)	Class of Injury	Temporary Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(16)	Min Weekly Compensation	200.09
(17)	Max Weekly Compensation	1000.43
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2006	837.33

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval AIWW(18) (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 200.09	Actual Wage	0.00 - 0.25	2.2314	0.4323	162.22	162.22
200.09 - 333.48	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	276.70	200.09
333.48 - 1,667.38	Wage times compensation rate	0.40 - 2.00	89.3889	89.1884	835.45	501.27
1,667.38 - over	Statutory Maximum	2.00 - over	3.7618	8.8533	1,970.63	1000.43
(26) Average Weekly Benefit						498.57

(27) Temporary Total Benefit Change Factor = (26) / (13) 1.004

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000034

IV 000035

Section IV - Benefit Change Adjustments
Subsection D - Effects of SAWW Change of 10/01/2007
9/1/2007

Section IV-D
Exhibit 1
Page 1

Determination of the Monetary Cost and Effect of Amendments on Fatal Benefits

	10/01/2006	10/01/2007
(1) Cost for 1, 000 Fatal Dependency Cases From Section IV-D, Exhibit 1, Page 2	574,197,793	576,486,055
(2) Cost of Burial (1,000 cases)	4,000,000	4,000,000
(3) Total Monetary Cost (1)+(2)	578,197,793	580,486,055
(4) Effect		1.004

Valuation of Fatal Benefits

Number of Cases (1)	Person(s) Receiving Benefits (2)	Number of Dependents (3)	Average Arithmetic Age (4)	Annuity Symbol (5)	Annuity Value (c) (6)	Average Weekly Benefit Effective 10/01/2006 (7)	Average Weekly Benefit Effective 10/01/2007 (8)	10/01/2006 Cost = (1) x (6) x (7) (9)	10/01/2007 Cost = (1) x (6) x (8) (10)
204	None	0	xx	xxx	xxx			xxx	xxx
212	Widow Alone	1	40	\overline{a} '40 : $\overline{\text{LIFE}}$	1,572.01	561.78	564.10	187,221,797	187,996,936
407	Widow with Child(ren)	1 2 (a)	38 10	\overline{a} '38 : $\overline{\text{LIFE}}$ \overline{a} 416 (b)	1,574.20 405.01	561.78	564.10	359,929,883	361,420,071
21	Orphan	1	13	\overline{a} 13 : $\overline{5}$	252.57	561.78	564.10	2,979,653	2,991,990
15	Orphans	3 (a)	12	\overline{a} 312 (b)	303.79	561.78	564.10	2,559,938	2,570,537
141	Other Dependents	1.7 (a)	58	\overline{a} 58: $\overline{\text{LIFE}}$	1,122.94	135.83	135.83	21,506,522	21,506,522
<u>1,000</u>								<u>574,197,793</u>	<u>576,486,055</u>

IV 000036

Notes:

- (a): Average number of dependents.
- (b): For two or more dependents, benefits are last-survivor contingent. An annuity certain is used to approximate the joint-survivor annuity.
- (c): From Pension Tables (see text).
- (1), (3), (4): From Section IV - G, Exhibit 2.
- (7), (8): From Pages 3 and 4.

Determination of the Average Weekly Benefit

Effective: 10/01/2006

(1)	Class of Injury	Fatal - Widows and Orphans
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	110.00
(4)	Max Weekly Compensation	1000.43
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	123.33	110.00
164.99 - 1,500.57	Wage times compensation rate	0.20 - 1.75	90.6732	82.6131	788.58	525.75
1,500.57 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,777.69	1000.43
(13) Average Weekly Benefit						561.78

Effective: 10/01/2007

(14)	Class of Injury	Fatal - Widows and Orphans
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	110.00
(17)	Max Weekly Compensation	1034.12
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	123.33	110.00
164.99 - 1,551.10	Wage times compensation rate	0.20 - 1.80	91.9360	84.7888	798.23	532.18
1,551.10 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,828.37	1034.12
(26) Average Weekly Benefit						564.10

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000037

Determination of the Average Weekly Benefit

Effective: 10/01/2006

(1)	Class of Injury	Fatal - All Other Dependents
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	80.00
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	83.98	55.99
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	868.80	80.00
(13) Average Weekly Benefit						79.90

Effective: 10/01/2007

(14)	Class of Injury	Fatal - All Other Dependents
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	80.00
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	83.98	55.99
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	868.80	80.00
(26) Average Weekly Benefit						79.90

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000039

Section IV - Benefit Change Adjustments
Subsection D - Effects of SAWW Change of 10/01/2007
9/1/2007

Section IV-D
Exhibit 2
Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Total Benefits

	10/01/2006	10/01/2007
A. PERMANENT TOTAL WAGE LOSS BENEFITS		
(1) Average Wage Loss Benefit	564.23	566.89
(2) Effect on "Regular" PT benefits		1.005
B. SPECIFIC INJURY PAYMENTS		
(3) SAWW	1000.43	1034.12
(4) Effect on Specific Injuries		1.034
C. TOTAL EFFECT		
(5) PT Wage Loss Benefits as a Proportion of PT Cost		96.5%
(6) Specific Injury Payment as a Proportion of PT Cost		3.5%
(7) Permanent Total Effect = [(2) x (5)] + [(4) x (6)]		1.006

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5), (6): From the Filing for 9/1/2005 Rates, Section IV - D, Exhibit 2, Page 1. Estimated Average Schedule Benefit compared to Average Indemnity Cost per Claim.

Determination of the Average Weekly Benefit

Effective: 10/01/2006

(1)	Class of Injury	Permanent Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	200.09
(4)	Max Weekly Compensation	1000.43
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 300.12	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	220.06	200.09
300.12 - 1,500.57	Wage times compensation rate	0.35 - 1.75	86.5315	81.4566	814.76	543.20
1,500.57 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,777.69	1000.43
(13) Average Weekly Benefit						564.23

Effective: 10/01/2007

(14)	Class of Injury	Permanent Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	206.82
(17)	Max Weekly Compensation	1034.12
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 310.21	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	220.06	206.82
310.21 - 1,551.10	Wage times compensation rate	0.35 - 1.80	87.7943	83.6323	824.49	549.69
1,551.10 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,828.37	1034.12
(26) Average Weekly Benefit						566.89

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000040

IV 000041

Section IV - Benefit Change Adjustments
 Subsection D - Effects of SAWW Change of 10/01/2007
 9/1/2007

Section IV-D
 Exhibit 3
 Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Partial Benefits

		Permanent Partial Law Effective	
		10/01/2006	10/01/2007
A.	PERMANENT PARTIAL WAGE LOSS BENEFITS		
(1)	Average Weekly Benefit for PP Wage Loss ¹	317.65	319.53
(2)	Effect on Wage Loss Benefits		1.006
B.	PERMANENT PARTIAL SPECIFIC INJURY PAYMENTS		
(3)	SAWW ²	1000.43	1034.12
(4)	Effect on Specific Injuries		1.034
C.	PERMANENT PARTIAL (HEALING PERIOD)		
(5)	Average Weekly Benefit for Temp Total ³	513.78	515.36
(6)	Effect on Healing Period		1.003
D.	TOTAL EFFECT		
(7)	Wage Loss Benefits as a Proportion of P.P. Cost ⁴		27%
(8)	Specific Injury Payment as a Proportion of P.P. Cost ⁴		26%
(9)	Healing Period Cost as a Proportion of P.P. Cost ⁴		47%
(10)	Permanent Partial Effect = [(2) x (7)] + [(4) x (8)] + [(6) x (9)]		1.012

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5): From Exhibit 4, Page 1.
- (7), (8), (9): DCI for Permanent Partial Claims in Massachusetts.

Determination of the Average Weekly Benefit

Effective: 10/01/2006

(1)	Class of Injury	Permanent Partial Wage Loss
(2)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	649.14
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 1,745.00	Wage times compensation rate	0.00 - 2.00	96.2382	91.1467	819.73	304.94
1,745.00 - 5,265.42	Statutory Maximum	2.00 - 6.10	3.7252	8.6274	2,004.50	649.14
5,265.42 - over	Statutory Limitation	6.10 - over	0.0366	0.2259	5,342.82	0.00
(13) Average Weekly Benefit						317.65

Effective: 10/01/2007

(14)	Class of Injury	Permanent Partial Wage Loss
(15)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	775.59
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 2,084.91	Wage times compensation rate	0.00 - 2.40	99.1195	97.2019	848.78	315.74
2,084.91 - 5,442.72	Statutory Maximum	2.40 - 6.30	0.8471	2.5922	2,648.55	775.59
5,442.72 - over	Statutory Limitation	6.30 - over	0.0334	0.2059	5,336.35	0.00
(26) Average Weekly Benefit						319.53

Notes:

- (7), (20): Statutory Limitation: Insurer may reduce benefit to level at which benefits + earnings = 2 x SAWW.
- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000042

Determination of the Average Weekly Benefit

Effective: 10/01/2006

(1)	Class of Injury	Temporary Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(3)	Min Weekly Compensation	200.09
(4)	Max Weekly Compensation	1000.43
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 200.09	Actual Wage	0.00 - 0.25	2.2314	0.4323	167.68	167.68
200.09 - 333.48	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	286.01	200.09
333.48 - 1,667.38	Wage times compensation rate	0.40 - 1.95	88.6344	87.7354	856.74	514.04
1,667.38 - over	Statutory Maximum	1.95 - over	4.5163	10.3063	1,975.14	1000.43
(13) Average Weekly Benefit						513.78

Effective: 10/01/2007

(14)	Class of Injury	Temporary Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(16)	Min Weekly Compensation	206.82
(17)	Max Weekly Compensation	1034.12
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2007	865.52

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 206.82	Actual Wage	0.00 - 0.25	2.2314	0.4323	167.68	167.68
206.82 - 344.70	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	286.01	206.82
344.70 - 1,723.53	Wage times compensation rate	0.40 - 2.00	89.3889	89.1884	863.58	518.15
1,723.53 - over	Statutory Maximum	2.00 - over	3.7618	8.8533	2,036.98	1034.12
(26) Average Weekly Benefit						515.36

(27) Temporary Total Benefit Change Factor = (26) / (13) 1.003

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000043

IV 000044

Section IV - Benefit Change Adjustments
Subsection E - Effects of SAWW Change of 10/01/2008
9/1/2007

Section IV-E
Exhibit 1
Page 1

Determination of the Monetary Cost and Effect of Amendments on Fatal Benefits

	10/01/2007	10/01/2008
(1) Cost for 1, 000 Fatal Dependency Cases From Section IV-E, Exhibit 1, Page 2	592,776,101	595,141,413
(2) Cost of Burial (1,000 cases)	4,000,000	4,000,000
(3) Total Monetary Cost (1)+(2)	596,776,101	599,141,413
(4) Effect		1.004

Valuation of Fatal Benefits

Number of Cases (1)	Person(s) Receiving Benefits (2)	Number of Dependents (3)	Average Arithmetic Age (4)	Annuity Symbol (5)	Annuity Value (c) (6)	Average Weekly Benefit Effective 10/01/2007 (7)	Average Weekly Benefit Effective 10/01/2008 (8)	10/01/2007 Cost = (1) x (6) x (7) (9)	10/01/2008 Cost = (1) x (6) x (8) (10)
204	None	0	xx	xxx	xxx			xxx	xxx
212	Widow Alone	1	40	a 40 : LIFE	1,572.01	580.66	583.06	193,514,402	194,315,641
407	Widow with Child(ren)	1 2 (a)	38 10	a 38 : LIFE a 416 (b)	1,574.20 405.01	580.66	583.06	372,027,280	373,567,645
21	Orphan	1	13	a 13 : 5	252.57	580.66	583.06	3,079,801	3,092,553
15	Orphans	3 (a)	12	a 312 (b)	303.79	580.66	583.06	2,645,978	2,656,934
141	Other Dependents	1.7 (a)	58	a 58 : LIFE	1,122.94	135.84	135.84	21,508,640	21,508,640
<hr/>								592,776,101	595,141,413
1,000									

IV 000045

Notes:

- (a): Average number of dependents.
- (b): For two or more dependents, benefits are last-survivor contingent. An annuity certain is used to approximate the joint-survivor annuity.
- (c): From Pension Tables (see text).
- (1), (3), (4): From Section IV - G, Exhibit 2.
- (7), (8): From Pages 3 and 4.

Determination of the Average Weekly Benefit

Effective: 10/01/2007

(1)	Class of Injury	Fatal - Widows and Orphans
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	110.00
(4)	Max Weekly Compensation	1034.12
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	127.48	110.00
164.99 - 1,551.10	Wage times compensation rate	0.20 - 1.75	90.6732	82.6131	815.14	543.45
1,551.10 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,837.55	1034.12
(13) Average Weekly Benefit						580.66

Effective: 10/01/2008

(14)	Class of Injury	Fatal - Widows and Orphans
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	110.00
(17)	Max Weekly Compensation	1068.94
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 164.99	Statutory Minimum	0.00 - 0.20	0.9257	0.1319	127.48	110.00
164.99 - 1,603.32	Wage times compensation rate	0.20 - 1.80	91.9360	84.7888	825.11	550.10
1,603.32 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,889.93	1068.94
(26) Average Weekly Benefit						583.06

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000046

Determination of the Average Weekly Benefit

Effective: 10/01/2007

(1)	Class of Injury	Fatal - All Other Dependents
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	80.00
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	86.81	57.88
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	898.05	80.00
(13) Average Weekly Benefit						79.91

Effective: 10/01/2008

(14)	Class of Injury	Fatal - All Other Dependents
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	80.00
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 0.00	Statutory Minimum	0.00 - 0.00	0.0000	0.0000	0.00	0.00
0.00 - 119.99	Wage times compensation rate	0.00 - 0.15	0.4174	0.0405	86.81	57.88
119.99 - over	Statutory Maximum	0.15 - over	99.5826	99.9595	898.05	80.00
(26) Average Weekly Benefit						79.91

Notes

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000047

IV 000048

Section IV - Benefit Change Adjustments
Subsection E - Effects of SAWW Change of 10/01/2008
9/1/2007

Section IV-E
Exhibit 2
Page 1

Determination of the Monetary Cost and Effect of Amendments on Permanent Total Benefits

	10/01/2007	10/01/2008
A. PERMANENT TOTAL WAGE LOSS BENEFITS		
(1) Average Wage Loss Benefit	583.22	585.98
(2) Effect on "Regular" PT benefits		1.005
B. SPECIFIC INJURY PAYMENTS		
(3) SAWW	1034.12	1068.94
(4) Effect on Specific Injuries		1.034
C. TOTAL EFFECT		
(5) PT Wage Loss Benefits as a Proportion of PT Cost		96.5%
(6) Specific Injury Payment as a Proportion of PT Cost		3.5%
(7) Permanent Total Effect		
= [(2) x (5)] + [(4) x (6)]		1.006

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5), (6): From the Filing for 9/1/2005 Rates, Section IV - E, Exhibit 2, Page 1. Estimated Average Schedule Benefit compared to Average Indemnity Cost per Claim.

Determination of the Average Weekly Benefit

Effective: 10/01/2007

(1)	Class of Injury	Permanent Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(3)	Min Weekly Compensation	206.82
(4)	Max Weekly Compensation	1034.12
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 310.21	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	227.47	206.82
310.21 - 1,551.10	Wage times compensation rate	0.35 - 1.75	86.5315	81.4566	842.19	561.49
1,551.10 - over	Statutory Maximum	1.75 - over	8.4011	17.2550	1,837.55	1034.12
(13) Average Weekly Benefit						583.22

Effective: 10/01/2008

(14)	Class of Injury	Permanent Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6667
(16)	Min Weekly Compensation	213.79
(17)	Max Weekly Compensation	1068.94
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 320.67	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	227.47	213.79
320.67 - 1,603.32	Wage times compensation rate	0.35 - 1.80	87.7943	83.6323	852.25	568.20
1,603.32 - over	Statutory Maximum	1.80 - over	7.1383	15.0793	1,889.93	1068.94
(26) Average Weekly Benefit						585.98

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000049

IV 000050

Determination of the Monetary Cost and Effect of Amendments on Permanent Partial Benefits

		Permanent Partial Law Effective	
		10/01/2007	10/01/2008
A.	PERMANENT PARTIAL WAGE LOSS BENEFITS		
(1)	Average Weekly Benefit for PP Wage Loss	328.35	330.29
(2)	Effect on Wage Loss Benefits		1.006
B.	PERMANENT PARTIAL SPECIFIC INJURY PAYMENTS		
(3)	SAWW	1034.12	1068.94
(4)	Effect on Specific Injuries		1.034
C.	PERMANENT PARTIAL (HEALING PERIOD)		
(5)	Average Weekly Benefit for Temp Total	531.08	532.71
(6)	Effect on Healing Period		1.003
D.	TOTAL EFFECT		
(7)	Wage Loss Benefits as a Proportion of P.P. Cost		27%
(8)	Specific Injury Payment as a Proportion of P.P. Cost		26%
(9)	Healing Period Cost as a Proportion of P.P. Cost		47%
(10)	Permanent Partial Effect		
	= [(2) x (7)] + [(4) x (8)] + [(6) x (9)]		1.012

Notes:

- (1): From Page 2.
- (3): The specific injury payment equals the SAWW multiplied by a number, according to the injury, for scheduled injuries, and equals the SAWW x 32, for non-scheduled injuries. The multipliers do not change year by year, so the effect on specific injuries equals the change in the SAWW.
- (5): From Exhibit 4, Page 1.
- (7), (8), (9): DCI for Permanent Partial Claims in Massachusetts.

Determination of the Average Weekly Benefit

Effective: 10/01/2007

(1)	Class of Injury	Permanent Partial Wage Loss
(2)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(3)	Min Weekly Compensation	0.00
(4)	Max Weekly Compensation	671.00
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 1,803.76	Wage times compensation rate	0.00 - 2.00	96.2382	91.1467	847.33	315.21
1,803.76 - 5,442.72	Statutory Maximum	2.00 - 6.10	3.7252	8.6274	2,071.99	671.00
5,442.72 - over	Statutory Limitation	6.10 - over	0.0366	0.2259	5,522.72	0.00
(13) Average Weekly Benefit						328.35

Effective: 10/01/2008

(14)	Class of Injury	Permanent Partial Wage Loss
(15)	Nominal Rate of Compensation Based on Gross Wages	0.3720
(16)	Min Weekly Compensation	0.00
(17)	Max Weekly Compensation	801.70
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 2,155.11	Wage times compensation rate	0.00 - 2.40	99.1195	97.2019	877.36	326.38
2,155.11 - 5,625.98	Statutory Maximum	2.40 - 6.30	0.8471	2.5922	2,737.73	801.70
5,625.98 - over	Statutory Limitation	6.30 - over	0.0334	0.2059	5,516.04	0.00
(26) Average Weekly Benefit						330.29

Notes:

- (7), (20): Statutory Limitation: Insurer may reduce benefit to level at which benefits + earnings = 2 x SAWW.
- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000051

Determination of the Average Weekly Benefit

Effective: 10/01/2007

(1)	Class of Injury	Temporary Total
(2)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(3)	Min Weekly Compensation	206.82
(4)	Max Weekly Compensation	1034.12
(5)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (6)	Benefit (7)	= (6) / Average Wage (8)	Percentage in Interval		Avg. Wage in Interval = (10) / (9) x AIWW (11)	Avg. Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 206.82	Actual Wage	0.00 - 0.25	2.2314	0.4323	173.33	173.33
206.82 - 344.70	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	295.64	206.82
344.70 - 1,723.53	Wage times compensation rate	0.40 - 1.95	88.6344	87.7354	885.59	531.35
1,723.53 - over	Statutory Maximum	1.95 - over	4.5163	10.3063	2,041.64	1034.12
(13) Average Weekly Benefit						531.08

Effective: 10/01/2008

(14)	Class of Injury	Temporary Total
(15)	Nominal Rate of Compensation Based on Gross Wages	0.6000
(16)	Min Weekly Compensation	213.79
(17)	Max Weekly Compensation	1068.94
(18)	Average Injured Worker Weekly Wage for 12 months starting 10/01/2008	894.66

Wage Intervals (19)	Benefit (20)	= (19) / Average Wage (21)	Percentage in Interval		Avg. Wage in Interval = (23) / (22) x AIWW (24)	Avg. Benefit in Interval (25)
			Workers (22)	Wages (23)		
0.00 - 213.79	Actual Wage	0.00 - 0.25	2.2314	0.4323	173.33	173.33
213.79 - 356.32	Statutory Minimum	0.25 - 0.40	4.6179	1.5260	295.64	213.79
356.32 - 1,781.56	Wage times compensation rate	0.40 - 2.00	89.3889	89.1884	892.66	535.59
1,781.56 - over	Statutory Maximum	2.00 - over	3.7618	8.8533	2,105.57	1068.94
(26) Average Weekly Benefit						532.71

(27) Temporary Total Benefit Change Factor = (26) / (13) 1.003

Notes:

- (8), (21): Rounded to nearest 0.05.
- (9), (22): From (2) in Section IV - G, Exhibit 1.
- (10), (23): From (3) in Section IV - G, Exhibit 1.
- (13), (26): Weighted Average of (12) on (9) and (25) on (22), respectively.

IV 000052

IV 000053

Section IV- Benefit Change Adjustments
 Subsection F - Provisions of the Law
 9/1/2007

Section IV-F
 Exhibit 1

Summary of Principal Benefit Changes Due to the Increase in the Maximum and Minimum Weekly Benefits

	10/01/2004	10/01/2005
(1) Fatal		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit		
Widow/Orphan	\$110.00 / \$918.78	\$110.00 / \$958.58
Others	\$0.00 / \$80.00	\$0.00 / \$80.00
Each Additional Child		\$6.00, if benefit under \$150.00
Maximum Aggregate Payable		250 x SAWW
Burial Allowance		\$4,000
Cost of Living Adjustment - benefits increase annually by:		Each October 1 after 2 years after injury. Based on the lesser of 5%, N.E. region urban area CPI, and the % change in the SAWW
(2) Total Disability		
Permanent Total		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit	\$183.76 / \$918.78	\$191.72 / \$958.58
Duration		Lifetime
Cost of Living Adjustment - benefits increase annually by:		Same as Fatal
Temporary Total		
% Rate of Compensation		60 %
Minimum/Maximum Weekly Benefit	\$183.76 / \$918.78	\$191.72 / \$958.58
Waiting Period/Retroactive After		5 days/21 days
(3) Permanent Partial Disability		
% Rate of Compensation		60 % of lost wage-earning capacity
Minimum Weekly Benefit	\$0.00	\$0.00
Maximum Weekly Benefit		75% of total incapacity benefit
(4) Specific Injury Payments		
Scheduled Injuries		
		According to the injury, a scheduled number multiplied by the SAWW
Non-Scheduled Injuries		
		SAWW multiplied by 32
Disfigurement		
Maximum Benefit		\$15,000
Benefit		As determined by the reviewing board

Notes:

- (1), (2): Maximum Weekly Benefit for Fatalities and Total Disabilities is 100% of the State Average Weekly Wage.
- (2): Minimum Weekly Benefit for Total Disability is 20% of the SAWW.

IV 000054

Section IV- Benefit Change Adjustments
 Subsection F - Provisions of the Law
 9/1/2007

Section IV-F
 Exhibit 2

Summary of Principal Benefit Changes Due to the Increase in the Maximum and Minimum Weekly Benefits

	10/01/2005	10/01/2006
(1) Fatal		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit		
Widow/Orphan	\$110.00 / \$958.58	\$110.00 / \$1000.43
Others	\$0.00 / \$80.00	\$0.00 / \$80.00
Each Additional Child		\$6.00, if benefit under \$150.00
Maximum Aggregate Payable		250 x SAWW
Burial Allowance		\$4,000
Cost of Living Adjustment - benefits increase annually by:		Each October 1 after 2 years after injury. Based on the lesser of 5%, N.E. region urban area CPI, and the % change in the SAWW
(2) Total Disability		
Permanent Total		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit	\$191.72 / \$958.58	\$200.09 / \$1000.43
Duration		Lifetime
Cost of Living Adjustment - benefits increase annually by:		Same as Fatal
Temporary Total		
% Rate of Compensation		60 %
Minimum/Maximum Weekly Benefit	\$191.72 / \$958.58	\$200.09 / \$1000.43
Waiting Period/Retroactive After		5 days/21 days
(3) Permanent Partial Disability		
% Rate of Compensation		60 % of lost wage-earning capacity
Minimum Weekly Benefit	\$0.00	\$0.00
Maximum Weekly Benefit		75% of total incapacity benefit
(4) Specific Injury Payments		
Scheduled Injuries		
		According to the injury, a scheduled number multiplied by the SAWW
Non-Scheduled Injuries		
		SAWW multiplied by 32
Disfigurement		
Maximum Benefit		\$15,000
Benefit		As determined by the reviewing board

Notes:

- (1), (2): Maximum Weekly Benefit for Fatalities and Total Disabilities is 100% of the State Average Weekly Wage.
- (2): Minimum Weekly Benefit for Total Disability is 20% of the SAWW.

IV 000055

Section IV- Benefit Change Adjustments
 Subsection F - Provisions of the Law
 9/1/2007

Section IV-F
 Exhibit 3

Summary of Principal Benefit Changes Due to the Increase in the Maximum and Minimum Weekly Benefits

	10/01/2006	10/01/2007
(1) Fatal		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit		
Widow/Orphan	\$110.00 / \$1000.43	\$110.00 / \$1034.12
Others	\$0.00 / \$80.00	\$0.00 / \$80.00
Each Additional Child		\$6.00, if benefit under \$150.00
Maximum Aggregate Payable		250 x SAWW
Burial Allowance		\$4,000
Cost of Living Adjustment - benefits increase annually by:		Each October 1 after 2 years after injury. Based on the lesser of 5%, N.E. region urban area CPI, and the % change in the SAWW
(2) Total Disability		
Permanent Total		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit	\$200.09 / \$1000.43	\$206.82 / \$1034.12
Duration		Lifetime
Cost of Living Adjustment - benefits increase annually by:		Same as Fatal
Temporary Total		
% Rate of Compensation		60 %
Minimum/Maximum Weekly Benefit	\$200.09 / \$1000.43	\$206.82 / \$1034.12
Waiting Period/Retroactive After		5 days/21 days
(3) Permanent Partial Disability		
% Rate of Compensation		60 % of lost wage-earning capacity
Minimum Weekly Benefit	\$0.00	\$0.00
Maximum Weekly Benefit		75% of total incapacity benefit
(4) Specific Injury Payments		
Scheduled Injuries		According to the injury, a scheduled number multiplied by the SAWW
Non-Scheduled Injuries		SAWW multiplied by 32
Disfigurement		
Maximum Benefit		\$15,000
Benefit		As determined by the reviewing board

Notes:

- (1), (2): Maximum Weekly Benefit for Fatalities and Total Disabilities is 100% of the State Average Weekly Wage.
- (2): Minimum Weekly Benefit for Total Disability is 20% of the SAWW.

IV 000056

Section IV- Benefit Change Adjustments
 Subsection F - Provisions of the Law
 9/1/2007

Section IV-F
 Exhibit 4

Summary of Principal Benefit Changes Due to the Increase in the Maximum and Minimum Weekly Benefits

	10/01/2007	10/01/2008
(1) Fatal		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit		
Widow/Orphan	\$110.00 / \$1034.12	\$110.00 / \$1068.94
Others	\$0.00 / \$80.00	\$0.00 / \$80.00
Each Additional Child		\$6.00, if benefit under \$150.00
Maximum Aggregate Payable		250 x SAWW
Burial Allowance		\$4,000
Cost of Living Adjustment - benefits increase annually by:		Each October 1 after 2 years after injury. Based on the lesser of 5%, N.E. region urban area CPI, and the % change in the SAWW
(2) Total Disability		
Permanent Total		
% Rate of Compensation		66 2/3 %
Minimum/Maximum Weekly Benefit	\$206.82 / \$1034.12	\$213.79 / \$1068.94
Duration		Lifetime
Cost of Living Adjustment - benefits increase annually by:		Same as Fatal
Temporary Total		
% Rate of Compensation		60 %
Minimum/Maximum Weekly Benefit	\$206.82 / \$1034.12	\$213.79 / \$1068.94
Waiting Period/Retroactive After		5 days/21 days
(3) Permanent Partial Disability		
% Rate of Compensation		60 % of lost wage-earning capacity
Minimum Weekly Benefit	\$0.00	\$0.00
Maximum Weekly Benefit		75% of total incapacity benefit
(4) Specific Injury Payments		
Scheduled Injuries		
		According to the injury, a scheduled number multiplied by the SAWW
Non-Scheduled Injuries		
		SAWW multiplied by 32
Disfigurement		
Maximum Benefit		\$15,000
Benefit		As determined by the reviewing board

Notes:

- (1), (2): Maximum Weekly Benefit for Fatalities and Total Disabilities is 100% of the State Average Weekly Wage.
- (2): Minimum Weekly Benefit for Total Disability is 20% of the SAWW.

IV 000057

Section IV - Benefit Change Adjustments
 Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2007

Section IV-G
 Exhibit 1

Massachusetts Standard Wage Distribution Table

- R = Ratio to Average Wage
- A = Percentage of workers receiving not more than the percentage of the average wage indicated by column R
- B = Percentage of wages received by the % of workers in column A

R (1)	A (2)	B (3)	R (1)	A (2)	B (3)	R (1)	A (2)	B (3)
0.05	0.0856	0.0013	2.40	99.1195	97.2019	4.75	99.9236	99.5618
0.10	0.1766	0.0085	2.45	99.2068	97.4138	4.80	99.9259	99.5728
0.15	0.4174	0.0405	2.50	99.2808	97.5971	4.85	99.9281	99.5834
0.20	0.9257	0.1319	2.55	99.3443	97.7576	4.90	99.9302	99.5937
0.25	2.2314	0.4323	2.60	99.3993	97.8994	4.95	99.9322	99.6035
0.30	3.5317	0.7887	2.65	99.4474	98.0258	5.00	99.9342	99.6135
0.35	5.0674	1.2884	2.70	99.4897	98.1390	5.05	99.9360	99.6226
0.40	6.8493	1.9583	2.75	99.5271	98.2411	5.10	99.9378	99.6317
0.45	8.8185	2.8024	2.80	99.5604	98.3335	5.15	99.9395	99.6404
0.50	11.3281	4.0021	2.85	99.5902	98.4178	5.20	99.9412	99.6492
0.55	14.4745	5.6622	2.90	99.6170	98.4949	5.25	99.9428	99.6576
0.60	18.4932	7.9785	2.95	99.6412	98.5658	5.30	99.9443	99.6655
0.65	23.0308	10.8200	3.00	99.6631	98.6310	5.35	99.9458	99.6735
0.70	28.5691	14.5564	3.05	99.6831	98.6915	5.40	99.9472	99.6810
0.75	35.0225	19.2288	3.10	99.7013	98.7475	5.45	99.9486	99.6886
0.80	40.0471	23.1320	3.15	99.7180	98.7998	5.50	99.9499	99.6957
0.85	44.3868	26.7137	3.20	99.7333	98.8484	5.55	99.9512	99.7029
0.90	48.9940	30.7458	3.25	99.7474	98.8939	5.60	99.9524	99.7096
0.95	53.5531	34.9727	3.30	99.7604	98.9365	5.65	99.9536	99.7164
1.00	57.4700	38.7995	3.35	99.7724	98.9764	5.70	99.9547	99.7226
1.05	61.0338	42.4490	3.40	99.7836	99.0143	5.75	99.9558	99.7289
1.10	64.9829	46.6881	3.45	99.7939	99.0496	5.80	99.9569	99.7353
1.15	68.2577	50.3695	3.50	99.8035	99.0829	5.85	99.9579	99.7411
1.20	71.1419	53.7606	3.55	99.8125	99.1147	5.90	99.9589	99.7470
1.25	73.9565	57.2095	3.60	99.8209	99.1447	5.95	99.9599	99.7529
1.30	76.3431	60.2534	3.65	99.8288	99.1734	6.00	99.9608	99.7583
1.35	78.8313	63.5465	3.70	99.8361	99.2002	6.05	99.9617	99.7637
1.40	80.9932	66.5149	3.75	99.8430	99.2260	6.10	99.9626	99.7692
1.45	83.1764	69.6230	3.80	99.8495	99.2505	6.15	99.9634	99.7741
1.50	85.3328	72.8012	3.85	99.8556	99.2739	6.20	99.9643	99.7796
1.55	87.3234	75.8346	3.90	99.8613	99.2960	6.25	99.9650	99.7840
1.60	89.0732	78.5889	3.95	99.8667	99.3172	6.30	99.9658	99.7890
1.65	90.4645	80.8478	4.00	99.8718	99.3375	6.35	99.9666	99.7941
1.70	91.5989	82.7450	4.05	99.8767	99.3572	6.40	99.9673	99.7985
1.75	92.8617	84.9207	4.10	99.8812	99.3755	6.45	99.9680	99.8030
1.80	93.8677	86.7057	4.15	99.8856	99.3937	6.50	99.9687	99.8076
1.85	94.6704	88.1702	4.20	99.8897	99.4108	6.55	99.9693	99.8115
1.90	95.4837	89.6937	4.25	99.8935	99.4269	6.60	99.9700	99.8161
1.95	96.2382	91.1467	4.30	99.8972	99.4427	6.65	99.9706	99.8201
2.00	96.9125	92.4774	4.35	99.9008	99.4583	6.70	99.9712	99.8241
2.05	97.4495	93.5662	4.40	99.9041	99.4727	6.75	99.9718	99.8281
2.10	97.9350	94.5748	4.45	99.9073	99.4869	6.80	99.9724	99.8322
2.15	98.2808	95.3105	4.50	99.9103	99.5003	6.85	99.9729	99.8356
2.20	98.5368	95.8679	4.55	99.9132	99.5135	6.90	99.9735	99.8397
2.25	98.7336	96.3063	4.60	99.9160	99.5263	6.95	99.9740	99.8432
2.30	98.8893	96.6609	4.65	99.9186	99.5383	7.00	99.9745	99.8467
2.35	99.0155	96.9546	4.70	99.9211	99.5500			

Notes:

For $R > 2.00$, $B_i = B_{i-1} + ((0.55 \times R_i + 0.45 \times R_{i-1}) \times (A_i - A_{i-1}))$

IV 00058

Section IV - Benefit Change Adjustments
 Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2007

Section IV-G
 Exhibit 2

Dependency Table

Dependency Class (1)	Number of Cases (2)	Average Number of Dependents (3)	Average Dependent Age (4)
No Dependents	204	0	N/A
Spouse, No Children	212	1	40
Spouse	153	1	38
1 Child		1	11
Spouse	166	1	38
2 Children		2	10
Spouse	63	1	37
3 Children		3	10
Spouse	18	1	37
4 Children		4	10
Spouse	5	1	37
5 Children		5	10
Spouse	2	1	38
More than 5 Children		7	10
Spouse	407	1	38
with children		2	10
Orphan	21	1	13
2 Children	10	2	12
3 Children	3	3	12
4 Children	1	4	12
More than 4 Children	1	5	12
Orphans	15	3	12
No spouse			
1 Parent	41	1	62
2 Parents	91	2	58
Sibling	7	1	37
Other	2	2	31
Other Dependents	141	1.7	58

Notes:

(2): Dependent count includes working adult household members standardized to a total of 1,000 cases.

Source: NCCI, CPS data, 1989-1993, reweighted using DCI Data for Fatalities, 1984-1993.

IV 000059

Section IV - Benefit Change Adjustments
 Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2007

Section IV- G
 Exhibit 3

Derivation of AIWW (Average Injured Worker Wage)

SAWW Promulgation Date (1)	AIWW Average Date (2)	Based on Data (3)	AIWW (4)	Calculation (5)
10/1/2005	4/1/2006	10/1/2005 - 10/1/2006	810.05	$= .827 \times \{(958.58 + 1000.43) / 2\}$
10/1/2006	4/1/2007	10/1/2006 - 10/1/2007	837.33	$= 810.05 \times 1.034$
10/1/2007	4/1/2008	10/1/2007 - 10/1/2008	865.52	$= 837.33 \times 1.034$
10/1/2008	4/1/2009	10/1/2008 - 10/1/2009	894.66	$= 865.52 \times 1.034$

Notes:

- (4): Historical Relationship of .827 for the ratio of AIWW to SAWW is selected based on DCI data.
 4/1/96: SAWW = 648.29, AIWW = 536.40
 4/1/94: SAWW = 594.85, AIWW = 492.23
 4/1/93: SAWW = 575.80, AIWW = 479.68
- (5): 3.4% Payroll Trend from Section V - A.

IV 000060

Section IV - Benefit Change Adjustments
Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
9/1/2007

Section IV-G
Exhibit 4

Derivation of Estimated SAWW (Statewide Average Weekly Wage)

SAWW Promulgated Date (1)	Based on Data (2)	Midpoint of the Data (3)	SAWW (4)	Calculation (5)
10/1/2004	4/1/03 to 4/1/04	10/1/2003	918.78	= as promulgated
10/1/2005	4/1/04 to 4/1/05	10/1/2004	958.58	= as promulgated
10/1/2006	4/1/05 to 4/1/06	10/1/2005	1000.43	= as promulgated
10/1/2007	4/1/06 to 4/1/07	10/1/2006	1034.12	= 1000.43 x 1.034
10/1/2008	4/1/07 to 4/1/08	10/1/2007	1068.94	= 1034.12 x 1.034

Notes:

(5): 3.4% Payroll Trend from Section V - A.

IV 000061

Section IV - Benefit Change Adjustments
 Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2007

Section IV-G
 Exhibit 5
 Page 1

Average Wage Loss for Major Permanent Partial Claimants

Report	Accident Year Weekly Benefits/ Pre-Injury Wage					Average
	1979 (1)	1980 (2)	1981 (3)	1982 (4)	1983 (5)	
1	0.61	0.62	0.60	0.62	0.60	0.61
2	0.62	0.62	0.59	0.63	0.62	0.62
3	0.64	0.60	0.65	0.60		0.62
4	0.60	0.64	0.62			0.62
(6) Selected average weekly benefit/ pre-injury wage						0.62

Notes:

(6): These data were compiled prior to Chapter 398. To be consistent with Chapter 398, 62% will be used as the wage loss as a percent of pre-injury wage. The percent of that that is paid is 60% subject to maximums.

Source: Detail Claim Call, compiled as of 10/1/85. Report 1 is valued six months after injury date. Report 2 is valued eighteen months after injury date, and includes any claim with activity after report 1. Report 3 is valued thirty months after injury date and includes any claim with activity after report 2. Report 4 is valued forty-two months after injury date and includes any claim with activity after report 3.

IV 000062

Section IV - Benefit Change Adjustments
 Subsection G - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2007

Section IV- G
 Exhibit 5
 Page 2

Average Wage Loss for Minor Permanent Partial Claimants

Report	Accident Year Weekly Benefits/ Pre-Injury Wage					Average
	1979 (1)	1980 (2)	1981 (3)	1982 (4)	1983 (5)	
1	0.58	0.58	0.58	0.60	0.59	0.59
2	0.62	0.60	0.59	0.58	0.64	0.61
3	0.66	0.64	0.65	0.56		0.63
4	0.62	0.70	0.66			0.66
(6) Selected average weekly benefit/ pre-injury wage						0.62

Notes:

(6): These data were compiled prior to Chapter 398. To be consistent with Chapter 398, 62% will be used as the wage loss as a percent of pre-injury wage. The percent of that that is paid is 60% subject to maximums.

Source: Detail Claim Call, compiled as of 10/1/85. Report 1 is valued six months after injury date. Report 2 is valued eighteen months after injury date, and includes any claim with activity after report 1. Report 3 is valued thirty months after injury date and includes any claim with activity after report 2. Report 4 is valued forty-two months after injury date and includes any claim with activity after report 3.

IV 000063

Section IV - Benefit Change Adjustments
Subsection H - Medical Fee Schedules
9/1/2007

Section IV-H
Exhibit 1

Impact of Revised Medical Fee Schedule

Date of Change in Medical Fee Schedule (1)	Impact on Medical Losses (2)
9/1/2000	3.1%
12/1/2002	5.2%
9/1/2004	1.4%

Notes:

- (2) 9/1/2000 from the filing for 9/1/01 rates.
- 12/1/2002 from the filing for 9/1/03 rates.
- 9/1/2004 from the filing for 9/1/05 rates.

Post-Chapter 398 Injury Type Weights
 Indemnity

Injury Type (1)	Composite Policy Year (2)	Losses at Fifth Report (3)	On-Level Factor to 10/1/2004 (4)	On-level Losses at Fifth Report = (3) x (4) (5)	Weights at 5th report (6)	Development Factors 5th to Ultimate (7)	Losses at Ultimate Used in Weights = (5) x (7) (8)	Weights at Ultimate (9)
1	1995/1996	8,577,272	1.150	9,868,129		1.116	11,010,326	
	1996/1997	9,196,824	1.132	10,407,521		1.116	11,612,150	
	1997/1998	7,664,599	1.111	8,512,644		1.116	9,497,949	
	1998/1999	7,923,459	1.087	8,616,395		1.116	9,613,708	
	1999/2000	6,419,123	1.055	6,770,776	1.62%	1.116	7,554,466	1.63%
2	1995/1996	19,285,444	1.107	21,352,458		1.116	23,823,921	
	1996/1997	12,060,688	1.097	13,228,515		1.116	14,759,664	
	1997/1998	18,309,629	1.085	19,865,266		1.116	22,164,592	
	1998/1999	17,791,806	1.072	19,071,554		1.116	21,279,011	
	1999/2000	9,908,772	1.053	10,437,060	3.09%	1.116	11,645,108	3.10%
3	1995/1996	154,565,703	1.174	181,509,486		1.116	202,518,491	
	1996/1997	143,478,238	1.157	165,998,442		1.116	185,212,105	
	1997/1998	157,152,969	1.137	178,726,087		1.116	199,412,924	
	1998/1999	165,619,464	1.117	185,059,582		1.116	206,479,496	
	1999/2000	206,232,895	1.090	224,780,507	34.40%	1.116	250,797,961	34.54%
4	1995/1996	16,460,292	1.262	20,769,010		1.000	20,769,010	
	1996/1997	16,660,283	1.230	20,484,507		1.000	20,484,507	
	1997/1998	29,725,173	1.195	35,508,832		1.000	35,508,832	
	1998/1999	26,189,095	1.158	30,335,705		1.000	30,335,705	
	1999/2000	29,496,367	1.109	32,716,148	5.14%	1.000	32,716,148	4.62%
5	1995/1996	97,812,881	1.182	115,649,344		1.000	115,649,344	
	1996/1997	93,066,961	1.165	108,381,095		1.000	108,381,095	
	1997/1998	107,643,161	1.144	123,105,818		1.000	123,105,818	
	1998/1999	111,692,674	1.122	125,343,598		1.000	125,343,598	
	1999/2000	108,553,026	1.092	118,567,560	21.72%	1.000	118,567,560	19.55%
(10) Total Indemnity					65.97%			63.45%

Notes:

- (3): From Schedule Z Data, 2006 Review, Excluding Large Deductibles.
- (4): Calculated using parallelogram method. Factors from Section IV-A, Exhibit 5.
- (6): Total Losses at Fifth Report for Injury Type divided by Total Losses at Fifth Report.
- (7): From Exhibit 3.
- (9): Total Losses at Ultimate for Injury Type divided by Total Losses at Ultimate.

Post-Chapter 398 Injury Type Weights
 Medical

Injury Type (1)	Composite Policy Year (2)	Losses at Fifth Report (3)	On-Level Factor to 10/1/2004 (4)	On-level Losses at Fifth Report = (3) x (4) (5)	Weights at 5th (6)	Development Factors 5th to Ultimate (7)	Losses at Ultimate Used in Weights = (5) x (7) (8)	Weights at Ultimate (9)
1	1995/1996	322,968	1.110	358,461		1.000	358,461	
	1996/1997	81,309	1.100	89,447		1.000	89,447	
	1997/1998	121,392	1.100	133,541		1.000	133,541	
	1998/1999	709,478	1.100	780,485		1.000	780,485	
	1999/2000	371,235	1.088	404,073	0.06%	1.000	404,073	0.06%
2	1995/1996	13,530,726	1.110	15,017,695		1.459	21,907,412	
	1996/1997	5,476,977	1.100	6,025,131		1.459	8,789,300	
	1997/1998	13,457,771	1.100	14,804,669		1.459	21,596,655	
	1998/1999	10,735,935	1.100	11,810,423		1.459	17,228,729	
	1999/2000	21,834,059	1.088	23,765,434	2.62%	1.459	34,668,379	3.45%
3	1995/1996	45,884,713	1.110	50,927,247		1.459	74,291,305	
	1996/1997	48,157,614	1.100	52,977,387		1.459	77,281,994	
	1997/1998	52,996,398	1.100	58,300,452		1.459	85,047,139	
	1998/1999	53,963,775	1.100	59,364,647		1.459	86,599,559	
	1999/2000	89,788,326	1.088	97,730,729	11.73%	1.459	142,566,973	15.41%
4	1995/1996	11,981,350	1.110	13,298,049		1.000	13,298,049	
	1996/1997	11,931,594	1.100	13,125,747		1.000	13,125,747	
	1997/1998	18,924,312	1.100	20,818,320		1.000	20,818,320	
	1998/1999	17,736,460	1.100	19,511,583		1.000	19,511,583	
	1999/2000	18,936,845	1.088	20,611,941	3.21%	1.000	20,611,941	2.89%
5	1995/1996	52,522,749	1.110	58,294,775		1.000	58,294,775	
	1996/1997	53,809,936	1.100	59,195,412		1.000	59,195,412	
	1997/1998	57,342,292	1.100	63,081,298		1.000	63,081,298	
	1998/1999	64,683,072	1.100	71,156,767		1.000	71,156,767	
	1999/2000	60,507,679	1.088	65,860,005	11.67%	1.000	65,860,005	10.50%
6	1995/1996	20,372,229	1.110	22,611,050		1.000	22,611,050	
	1996/1997	21,397,388	1.100	23,538,909		1.000	23,538,909	
	1997/1998	23,780,684	1.100	26,160,733		1.000	26,160,733	
	1998/1999	24,616,308	1.100	27,079,989		1.000	27,079,989	
	1999/2000	26,761,590	1.088	29,128,839	4.72%	1.000	29,128,839	4.25%
				(10) Total Medical	34.03%			36.55%
				(11) Medical Only fraction of total medical	13.88%			11.63%

Notes:

- (3): From Schedule Z Data, 2006 Review, Excluding Large Deductibles.
- (4): Calculated using parallelogram method. Factors from Section IV-A, Exhibit 5.
- (6): Total Losses at Fifth Report for Injury Type divided by Total Losses at Fifth Report.
- (7): From Exhibit 3.
- (9): Total Losses at Ultimate for Injury Type divided by Total Losses at Ultimate.

Injury Type Weights
 Using Paid Losses and Case Reserves at Fifth Report
 Excluding Large Deductibles
 Indemnity

Policy Year (1)	Injury Type 1 Fatal (2)	Injury Type 2 Permanent Total (3)	Injury Type 3 Major Partial Disability (4)	Injury Type 4 Minor Partial Disability (5)	Injury Type 5 Temporary Total (6)	Ratio of Serious Losses to Total Losses (7)
1995/1996	8,577,272	19,285,444	154,565,703	16,460,292	97,812,881	61.5%
1996/1997	9,196,824	12,060,688	143,478,238	16,660,283	93,066,961	60.0%
1997/1998	7,664,599	18,309,629	157,152,969	29,725,173	107,643,161	57.1%
1998/1999	7,923,459	17,791,806	165,619,464	26,189,095	111,692,674	58.1%
1999/2000	6,419,123	9,908,772	206,232,895	29,496,367	108,553,026	61.7%

- (8) Serious Losses (Injury Types 1, 2, and 3) divided by Total Losses 59.7%
 (9) Financial Aggregate Indemnity Policy Year Fifth to Ultimate Development Factor 1.069
 (10) Schedule Z Serious Indemnity Fifth to Ultimate Development Factor 1.116

Medical

Policy Year (11)	Injury Type 1 Fatal (12)	Injury Type 2 Permanent Total (13)	Injury Type 3 Major Partial Disability (14)	Injury Type 4 Minor Partial Disability (15)	Injury Type 5 Temporary Total (16)	Injury Type 6 Medical Only (17)	Ratio of PTs and Major Permanent Partials to Total Losses (18)
1995/1996	322,968	13,530,726	45,884,713	11,981,350	52,522,749	20,372,229	41.1%
1996/1997	81,309	5,476,977	48,157,614	11,931,594	53,809,936	21,397,388	38.1%
1997/1998	121,392	13,457,771	52,996,398	18,924,312	57,342,292	23,780,684	39.9%
1998/1999	709,478	10,735,935	53,963,775	17,736,460	64,683,072	24,616,308	37.5%
1999/2000	371,235	21,834,059	89,788,326	18,936,845	60,507,679	26,761,590	51.2%

- (19) Injury Type 2 and 3 Losses divided by Total Losses 42.2%
 (20) Financial Aggregate Medical Policy Year Fifth to Ultimate Development Factor 1.194
 (21) Schedule Z Injury Types 2 and 3 Medical Fifth to Ultimate Development Factor 1.459

Notes:

- (2) - (6): From Schedule Z Data, 2006 Review, Excluding Large Deductibles.
 (9): From Section II - B, Exhibit 1 and Section II - C, Exhibit 2, Page 1.
 (10): $1.000 + \{[(9) - 1.000] / (8)\}$
 (12) - (17): From Schedule Z Data, 2004 Review, Excluding Large Deductibles.
 (20): From Section II - B, Exhibit 2, Page 2 and Section II - C, Exhibit 2, Page 1.
 (21): $1.000 + \{[(20) - 1.000] / (19)\}$

NET TREND**The Role of Trend**

The rate level indication in this filing is based on recent historical Massachusetts premium and loss data. Because the filing develops rates for a future period, beginning with policies issued 9/1/07, basic principles of ratemaking require that historical losses and premiums be adjusted to the levels expected during the prospective rate period. The trend factors we use represent the expected change from the experience period (in this filing, policy years 2003 and 2004) to September 1, 2008, the midpoint of the policy period for which we are setting rates. The trend factors reflect movements in the frequency of claims, the average cost of claims (often called “severity”) and payroll levels (which in turn drive the amount of premium collected). Trend factors exclude certain otherwise-quantifiable changes over time such as benefit changes and on-level factors for historical rate changes, which are quantified and included elsewhere in the filing.

WCRIB Recommendation

The composite trend factor developed in this section is expressed as a “net” trend, meaning that it incorporates the combined effects on loss ratios of claim frequency movements, claim cost movements, and wage inflation –which may offset one another. Net trends are developed in this section separately for indemnity losses and medical losses (including medical only claims and medical on lost time claims). Based on the methodology documented in this section, the WCRIB has used net trend

factors of -2.5% per year for indemnity losses, and +1.3% per year for medical losses.

The indicated trend factors and their key components are summarized on Section V-A Exhibit 1.

Indemnity Net Trend	-2.5%
Medical Net Trend	1.3%

We are projecting that average claim costs for workers' compensation will continue to rise, as they have in recent years in both Massachusetts and elsewhere, at annual rates ranging from 6% to 10% for indemnity and medical benefits. We are projecting downward movement in claim frequency per worker week, at a pace of 5% annually for lost time claims and approximately 4% for medical only claims. Finally, we are projecting an increase of 3.4% annually in average wages.

Trend	Indemnity	Medical
Severity	6.2%	9.6%
Frequency	-5.1%	-4.8%
AWW	3.4%	
Net	-2.5%	1.3%

The annual net trends we use in this filing reflect our expectations about the extent to which growth in the cost of claims will be offset by declining claim frequencies and the natural growth of premium due to wage inflation.

General Methodology

The WCRIB has separately calculated claim cost trends (for indemnity benefits, for medical on lost time claims, and for medical only claims); claim frequency trends (for lost time claims and for medical only claims); and average weekly wage trends.

We have used the same method that we introduced in the 2005 filing. This method was developed in response to the criticisms of the trend method used in the WCRIB's 2003 filing. The WCRIB has not used econometric models to calculate the net trend. We continue to believe that such models may, one day, be the preferred basis for projecting future Massachusetts workers' compensation trends, and we intend to continue our research in this area. In the meantime, we have continued to rely on a model that – although not capable of projecting turning points in claim frequency, claim severity or wage trends – will be well-behaved, unbiased and effective in estimating overall trends, from one year to the next. Accordingly, we believe that our proposed methodology both produces a result that should be accepted for rate-setting this year and provides a precedent that should be accepted by the Commissioner for use in the future.

For each component (claim severity, frequency and wage trend), our primary method of measuring historical trends is an exponential least squares regression fit to the most recent five years of Massachusetts Unit Statistical Plan data. The results of these regressions indicate an annual rate of change for the component data analyzed in the regression. Second, we tested the credibility or reliability of these indicated trends based on the degree of consistency between the historical data and the fitted exponential curve. Using a methodology from the actuarial literature,¹ we assigned higher credibility to the indicated trend if the trend line more closely fit the data, and a lower credibility if the data displayed wide departures from the fitted trend line. Third, to

¹ Venter, Gary, "Classical Partial Credibility with Application to Trend," *PCAS LXXIII*, 1986, pp. 27-51.

the extent that this credibility test suggested that the indicated trend from the five year data should be given less than 100% weight, we complemented the five year indication with an indicated trend from a longer or broader data base. In the case of claim cost trends, we looked to national trends in workers' compensation claim costs to provide the complementary trend indication. In the case of claim frequency trends and average weekly wage trends, we looked to longer term (15 year) Massachusetts trends to provide the complementary trend indication. The five year trend indications, the credibilities assigned to those indications, and the complementary trend indications are summarized in Exhibits 1 through 3 of Section V-A for claim cost and claim frequency, and in Exhibit 4 of Section V-A for average weekly wage.

	Empirical Trend	Credibility	Complement of Credibility	Selected Trend
SEVERITY				
Indemnity	0.3%	29%	8.6%	6.2%
Medical on Lost Time	3.4%	25%	13.0%	10.6%
Medical Only	7.6%	100%	11.8%	7.6%
FREQUENCY				
Lost Time Claims	-6.2%	21%	-4.9%	-5.1%
Medical Only	-7.0%	30%	-3.0%	-4.2%
Average Weekly Wage	3.4%	100%	4.8%	3.4%

The WCRIB recommends that the calculation of trend factors be based upon movements in the underlying factors of claim severity, claim frequency, and wages – rather than fitting time trends to loss ratios themselves. Given the differences in the directions, rates and stability of movement of the various components, it is our view that

analyzing them separately provides better insights into the drivers of net trend, and gives us better ability to evaluate the credibility of the indicated trend factors.

Any trending method that relies on fitting linear or exponential curves to the historical data as a basis for quantifying and projecting trend rates – whether that method is applied to cost components or to final loss ratios – will, by its nature, not only fail to predict turning points, but also respond relatively slowly to turning points as they first emerge in the experience. The ideal trending method would be able to forecast the timing and degree of turning points. However, discussions in prior hearings, and in other venues, reveal the difficulty of forecasting the timing and degree of turning points for any economic or social phenomenon. The methodology used by the WCRIB will not actually predict turning points, and the WCRIB is not using final trend factors that anticipate turning points for claim frequency or any of the other components. By blending indications from short term and long term movements, as in the case of frequency and wages, or state-specific and nationwide trends, as in severity, however, the WCRIB has introduced a method that we believe provides a reasonable balance between stability and responsiveness. Further, if used consistently over time, we believe this methodology would avoid some of the wide swings in trend and rate indications that could result from the application of significantly different judgments (about turning points, for example) from one year to the next. In short, the WCRIB believes that the trend methodology presented in this filing not only provides an appropriate and reasonable basis for selecting trend factors in the current context, but

also represents a methodology that we anticipate will produce reasonable results in future years.

We recommend that the Commissioner accept the WCRIB's net trend factors in this filing, and that the Commissioner endorse the WCRIB's methodology so that the parties can narrow the range of issues addressed in subsequent hearings.

Section V-A – Net Trend Calculation

Section V-A documents the calculation of the separate trends for claim severity, claim frequency, and average weekly wage.

Exhibit 1 in this section summarizes and combines all of the trend components, beginning with the indicated trend based on five years of Massachusetts data (row 1), applying the credibility parameter that is based on how well the trend fits the data (row 2), and applying the complement of the credibility to the trend indications that are based on broader or longer data series (row 3). The claim severity trend and the claim frequency trend are then combined to produce loss trends (row 8). The medical trends for lost time claims and medical only claims are weighted together, based on relative volume of claim dollars, to produce an overall medical loss trend. Finally, the loss trends for indemnity and medical losses are offset by the credibility-weighted average weekly wage trend to produce the total net annual trend.

Exhibits 2 and 3 of Section V-A, respectively, document the calculation of the severity trends, frequency trends, and average weekly wage trends. In each of these exhibits, the first step is to calculate an exponential fit to the most recent five years of Massachusetts data that are displayed; this exponential fit produces fitted values for

each year, and also an indicated annual rate of change in the data series. The exponential fits here and elsewhere in this section were calculated using a standard function within Microsoft Excel™.

Next, using a procedure documented in the Venter paper, these exhibits document the calculation of the credibility associated with the fitted annual trend rate. This procedure requires defining the parameters of a confidence interval. The WCRIB judgmentally selected parameters such that we seek to achieve at least a 90% probability that the trend observed in the future be within 6% of the projected trend in this filing. Selecting a higher required degree of confidence (probability) or a lower tolerance for error would reduce the amount of credibility assigned to the latest five year trend indications, while a lower required degree of confidence (probability) or higher tolerance for error would increase the credibility assigned to the latest five year trend indications. Based on our review of Venter's paper, judgment, and sensitivity testing, we selected 90% and 6% as reasonable parameters to use in the credibility calculation.

The specific steps and calculations that implement Venter's procedure to calculate the credibility assigned to the five year Massachusetts trend (row (1)) are detailed in Exhibits 2 and 3 of Section V-A, in the formula rows numbered (3) through (11). Row (3), denoted "s," quantifies the goodness of fit of the exponential curve to the five years of Massachusetts data. $S = \text{SQRT} (\text{SSR} / (n-2))$, where SSR is the sum of the squared differences between the observed and fitted points over the five years ($n=5$) of Massachusetts data, and $n-2$ is an adjustment for degrees of freedom. Row (4), denoted "t," is the 95th percentile of the t-distribution with $n-2=3$ degrees of freedom. We use the 95th percentile one-sided distribution to correspond to the selected 90%

probability of being within a specified tolerance in either direction. Row (6) implements the formula that Venter provides for a component element of the standard deviation of the projected point, given the distance into the future that we are projecting, and Row (7) then calculates the confidence interval for the projection. The confidence interval incorporates both the uncertainty about the parameters of the trend line, and the potential variability of the actual future point from its expected value on the line. Row (9) expresses this confidence interval as a percentage of the projected value of frequency, severity, or average weekly wage, which is calculated in Row (8). If Row (9) is less than the selected error tolerance (i.e., 6% in this filing), then there is at least 90% probability that the actual value is within 6% of the five-year fitted value; therefore, the credibility procedure assigns 100% to the indicated five-year trend. If the ratio in (9) is greater than the selected error tolerance, then the credibility assigned to the five-year trend must be less than 100%. Specifically, it is calculated in line (10) as the ratio of the selected error tolerance, divided by the calculated confidence interval.

To the extent that the credibility assigned to the fitted trend based on five years of Massachusetts data is less than 100%, the balance of the credibility is assigned to a longer term Massachusetts trend (frequency; average weekly wage) or countrywide trend (claim severity). The calculations of the annual trend rates from these complementary data series are documented at the foot of Section V-A Exhibit 2 (severity), Section V-B (frequency) and Section V-G Exhibit 2 (average weekly wage), and use the same exponential fit function within Microsoft Excel™.

The complementary data set to be given weight when the five-year Massachusetts indications are not fully credible provides a trend indication for a

particular component (severity, frequency, average weekly wage) that would be reasonable to use if we had no recent local data. For severity, the WCRIB expects that trends will tend to vary more over time than across state lines. Thus, it is our expectation that severity trends recently observed in other states will provide useful information about severity trends to be expected in in Massachusetts. The actual level of claim costs is likely to vary by state (depending on benefit levels, demographics, industry mix, and social factors), but we would expect that the average trend across a broad mix of states creates a reasonable basis for a baseline expectation of Massachusetts severity trends. Consequently, we have selected a multi-state severity trend as the complement of credibility for Massachusetts severity trends. The multi-state severities are shown at the foot of Section V-A Exhibit 2, and supporting information is provided in Section V-G.

For claim frequency and average weekly wage, it is our expectation that Massachusetts trends observed in the short term will tend to revert to long term Massachusetts averages, and that these long-term Massachusetts averages would thus represent a reasonable expectation of future trends in the absence of recent observations. Consequently, we have selected a long-term Massachusetts trend as the complement of credibility for Massachusetts five-year frequency and average weekly wage trends. We judgmentally selected fifteen years of data to calculate the long-term Massachusetts trends primarily because we were concerned that data older than fifteen years could not easily be placed on a consistent level with the more recent data.

Finally, Section V-A Exhibits 2 and 3 lines (11) calculate the credibility-weighted annual trend, which is:

Credibility-weighted annual trend =

$$\begin{aligned} & [\text{credibility, } Z] \times [\text{indicated annual trend based on 5-year Mass data}] \\ & + [1.0 \text{ minus } Z] \times [\text{indicated annual trend based on complementary data}] \end{aligned}$$

These various components of the final net trend calculation are shown graphically on Exhibits 4 through 9 of Section V-A, and are brought forward to Exhibit 1.

Data Used in the WCRIB Trend Analysis

For the trend analysis in this year's filing, the WCRIB has used Unit Statistical data, as we did in our last filing. The WCRIB selected this data source because it provides detailed, matching payroll, claim count, and claim dollar data that can be used to calculate historical claim frequencies and claim severities. Unit Statistical data are reported on a policy-by-policy basis and in individual claim detail (except for the smallest claims, which may be reported in a batch for an individual employer and policy period).

The Unit Statistical data used in the trend analysis has been compiled on a "composite policy year" basis. Composite policy year 1999/2000, for example, includes all policies with inception dates between July 1, 1999 and June 30, 2000. The average policy of this composite policy has an inception date of January 1, 2000 and the average accident date is June 30, 2000.

Unit Statistical data include coding that designates the "injury kind" of a claim (i.e., fatal, permanent total, permanent partial, temporary total, medical only). We have used separate data for lost time claims and medical only claims as the starting point for

our analysis, because the medical only claims are very numerous but small in average severity, and thus could mask important trends if combined with the lost time claims. The Unit Statistical data also report medical loss dollars separately from indemnity loss dollars, and we have preserved this separation in the data entering our analysis.

The Unit Statistical data for a particular policy are first reported to the Bureau eighteen months after policy inception (i.e., six months after a twelve month policy expires), and then each policy is reported again at successive twelve month intervals, 30, 42, 54, and 66 months after policy inception. (The Unit Statistical data reporting timeline thus differs from some other policy year data in which all policies are reported at a common calendar date, such as December 31). These successive reports are compiled in order to evaluate the composite policy years at various maturities, which in turn enables us to compile loss development histories that allow us to select and apply development patterns to develop the most recent, least mature composite policy years to the same fifth report maturity as the older, more mature composite policy years.

Unit Statistical data are collected and compiled systematically out to fifth report. For purposes of the trend analysis, we have used all composite policy years developed to fifth report. While we could have used other data sources to derive development factors from fifth report to ultimate, we expect that we would have applied the same fifth-to-ultimate development factor to all composite policy years, and thus not have produced a different trend indication. In the interest of not adding unnecessary complexity to the filing, we opted to leave all the composite policy years at fifth report.

Overview of

Section V-B – Claim Count Development

Section V-C – Indemnity Loss Development

Section V-D – Medical Loss Development

Section V-B documents the calculation of historical claim counts developed to fifth report, which are used in the calculation of claim frequencies and average claim costs. Section V-C and Section V-D document the calculation of historical loss dollars for indemnity and medical, respectively, developed to fifth report and adjusted to current benefit levels; the resulting on-level developed losses are used in the calculation of average claim costs.

These sections use standard loss development techniques to develop the claim counts and losses to a fifth report basis. We have developed indemnity losses separately from medical, and medical only losses separately from lost time medical. In all cases we have used the two most recent years of data to calculate the development factors.

For purposes of the trend calculations, we have only developed the claim counts and loss dollars to fifth report, not to ultimate, because the unit statistical plan data for some of the years included in our analysis do not provide information to estimate tail factors beyond fifth report. If we were to estimate a loss development factor from fifth report to ultimate, it would be the same (or similar) for all policy years, and would not affect the calculated annual trends in claim frequency or claim severity.

After the losses and claim counts are developed to fifth report, as described above, Sections V-B, C and D of the filing calculate the historical year-by-year average

claim costs and claim frequencies that are used in the calculation of the indicated Massachusetts loss trends in Section V-A.

Section V-B – Massachusetts Claim Frequency

The historical claim frequencies derived in Section V-B for each year are derived as the ratio of:

- (a) the reported claim counts as of the most recent unit statistical plan compilation, developed to fifth report, and adjusted to the current mix of Massachusetts payrolls by employment classification, divided by
- (b) Estimated worker weeks underlying the unit statistical plan data (described below in Section V-E).

For purposes of the trend calculations, we calculate claim frequencies separately for lost time claims and for medical only claims. We have only developed the claim counts to fifth report, not to ultimate, because the unit statistical plan data does not provide information to estimate tail factors beyond fifth report. If we were to estimate a loss development factor from fifth report to ultimate, it would be similar for all policy years, and not significantly affect the calculated annual trends in claim frequency.

The adjustment to the current mix of Massachusetts payrolls by employment classification is intended to remove any trend in claim frequency that is attributable to historical shifts in the mix of employments in Massachusetts, since our objective is to estimate the level of premiums that would be adequate for the current mixture of classes (any future shifts in the mix of employments would be adjusted for automatically in the premium base because these shifts would move payroll to lower-rated or higher-

rated classifications). Details of the class mix adjustment calculations are provided in Section V-F.

Section V-B also displays the indicated claim frequency trend based on the exponential fit to the fifteen years of Massachusetts data, calculated using the claim frequencies as shown, and the standard function in Microsoft Excel™. This long term claim frequency trend is used as the complement of credibility in Section V-A.

Sections V-C and V-D – Massachusetts Average Claim Costs

The historical average claim costs derived in Section V-C and Section V-D for each year are simply the ratio of:

- (a) reported losses as of the most recent unit statistical plan compilation, developed to fifth report, and adjusted to current benefit levels, divided by
- (b) reported claim counts as of the most recent unit statistical plan compilation, developed to fifth report.

The Unit Statistical data, as reported, reflects the statutory benefit provisions that applied to each individual claim. Thus, claims from the 1999/2000 composite policy year were handled and are reported based on the benefits in effect at that time. Similarly, claims from the 2003/2004 composite policy year were handled and reported based on the benefits in effect at that time. The changes in benefit statutes over time would contribute to a trend in the average claim cost data; we do not want this trend to affect the data because the statutory benefit changes are specifically addressed in another section of the filing. Therefore, before the Unit Statistical data are used in our trend analysis, the losses all are adjusted to a common current benefit level. In

Sections V-C and V-D the developed loss dollars are placed “on-level” to the current Massachusetts benefit levels. By placing all of the loss data on current benefit level, we avoid a distortion in the trend analysis.

The resulting Massachusetts historical average claim costs in the final columns of Sections V-C and V-D are carried forward to Section V-A for use in calculating the five year fitted Massachusetts trends.

Section V-E – Payroll Development and Worker-Weeks

Section V-E documents the estimation of worker weeks that underlie the unit statistical plan data for each year. The resulting estimate of worker weeks is used as the denominator of the claim frequency calculation in Section V-B, as described above.

In summary, worker weeks for a particular time period are estimated by dividing total covered payroll for that period by the state average weekly wage corresponding to that same period.

More specifically, the historical worker weeks estimated in Section V-E for each policy year are derived as the ratio of:

- (a) the reported payroll as of the most recent unit statistical plan compilation, developed to fifth report, divided by
- (b) the state average weekly wage corresponding to the same period.

For purposes of this analysis, we have only developed the payrolls to fifth report, not to ultimate, because the unit statistical plan data for all the years included in our analysis does not provide information to estimate tail factors beyond fifth report. If we were to estimate a payroll development factor from fifth report to ultimate, it would be

similar for all policy years, and would not significantly affect the calculated annual trends in claim frequency.

The state average weekly wage is based on Massachusetts wage data compiled by the Division of Unemployment Assistance (DUA). Although it is not compiled for workers' compensation purposes, and is not defined in exactly the same way as payrolls used in workers' compensation calculations, we believe that the overall movement over time in this series should be reasonably representative of the overall movement to be expected in the average wages used to calculate workers' compensation premiums. The time periods for which the Massachusetts wage data are compiled do not correspond to the policy periods we are analyzing; we use a weighted average of several wage data periods to correspond to the policy periods, as detailed in the footnotes in Section V-E. The underlying Massachusetts average wage series is documented in Section V-G.

Section V-F – Adjustment Factor for Class Mix; On-Level Factors

Section V-F documents the quantification of the estimated effect of a shifting mix of payrolls by classification over time. This effect is estimated by examining the proportion of payrolls that are in high-rated classifications versus low-rated classifications; specifically by calculating a weighted average of the *current* manual rates, weighted by each year's payrolls by classification. For example, using the 2003/2004 distribution of payrolls by classification, the weighted average of the current rates is \$1.37, while using the 1989/1990 distribution of payrolls by classification against the same current rates produces an average rate of \$1.45. Since the manual rate in

each classification is based on the workers' compensation claims experience within that classification, this movement in average rates indicates that the insured employment mix in Massachusetts has shifted towards less hazardous occupations. The claim trends caused by this shift should not be included in the trend factors because other sections of the filing (specifically the classification rate section) incorporate an explicit distribution of payrolls, and any further movement in the insured employment mix towards less hazardous occupations will automatically produce premium reductions by means of the lower rates that apply to those less hazardous occupations.

While the class mix change may affect the average cost of claims as well as the frequency of claims, we have made the simplifying assumption that all of the effect is related to claim frequency, and we have applied the class mix adjustment to the claim frequency series that is developed in Section V-B.

Section V-G – External Data

Section V-G Exhibit 1 displays some details underlying the countrywide severity data used to develop the complementary average claim cost trends.

Section V-G Exhibit 2 displays the Massachusetts average weekly wage data used in our analysis.

Net Trend

		Indemnity		Medical			SAWW	
		Severity	Frequency	Lost Time Medical		Medical Only		
				Severity	Frequency	Severity		Frequency
(1)	Trend	0.3%	-6.2%	3.4%	-6.2%	7.6%	-7.0%	3.4%
(2)	Credibility	29%	21%	25%	21%	100%	30%	100%
(3)	Complement of Credibility	8.6%	-4.9%	13.0%	-4.9%	11.8%	-3.0%	4.8%
(4)	Credibility weighted trend	6.2%	-5.1%	10.7%	-5.1%	7.6%	-4.2%	3.4%

		Lost Time Medical	Medical Only
(5)	Medical Loss Trend	5.0%	3.0%
(6)	Fraction of Total	88.4%	11.6%
(7)	Total Medical Trend	4.7%	

		Indemnity	Medical
(8)	Total Loss Trend	0.7%	4.7%
(9)	SAWW Trend	3.4%	3.4%
(10)	Total Net Trend	-2.5%	1.3%

Notes:

- (1),(2),(3) From Section V-A, Exhibits 2,3
- (4) = (1) x (2) + [1.0 - (2)] x (3)
- (5) = (1.0 + Credibility Weighted Severity Trend) x (1.0 + Credibility Weighted Frequency Trend) - 1.0
- (6) = Fraction of Total Medical Losses (for Medical Only). From Section IV-I, Exhibit 2
- (7) = Weighted Average of (5) using (6) as weights
- (8) Indemnity = (1.0 + Credibility Weighted Severity Trend) x (1.0 + Credibility Weighted Frequency Trend) - 1.0, Medical from Row (7)
- (9) From Section V-A, Exhibit 3
- (10) = [1.0 + (8)] / [1.0 + (9)] - 1.0

Severity Trend Calculation

Composite Policy Year	Indemnity			Lost Time Medical			Medical Only		
	Massachusetts Severity	5 Year Exponential Fit	Difference squared	Massachusetts Severity	5 Year Exponential Fit	Difference squared	Massachusetts Severity	5 Year Exponential Fit	Difference Squared
1999/2000	15,244	15,922	459,160	8,242	7,867	140,492	475	472	9
2000/2001	16,796	15,973	676,698	7,867	8,130	69,383	504	508	15
2001/2002	16,253	16,025	51,686	8,252	8,403	22,695	545	546	0
2002/2003	15,999	16,077	6,077	8,251	8,685	187,900	587	587	0
2003/2004	15,874	16,129	65,157	9,490	8,976	264,140	634	632	4
(1)	Trend based on Five Year Exponential Fit		0.3%			3.4%			7.6%
(2)	s		647.76			477.71			3.10
(3)	t		2.35			2.35			2.35
(4)	m		6.17			6.17			6.17
(5)	$[1+1/n+12*m^2/(n^3-3)]^{.5}$		2.24			2.24			2.24
(6)	Confidence Interval		3,412			2,516			16.33
(7)	Projected Severity		16,349			10,300			856
(8)	CI/Projected Severity		0.21			0.24			0.02
(9)	Z		29%			25%			100%
NCCI Annual Statistical Bulletin Year	Indemnity Severity	CW Indemnity On-Level Factors	On-Level Indemnity Severity	Medical Severity	CW Medical On-Level Factors	On-Level Medical Severity	Medical Only Severity	CW Medical On-Level Factors	On-Level Med Only Severity
2002	11,950	1.060	12,661	12,707	1.008	12,809	478	1.008	482
2003	13,824	1.038	14,345	15,334	1.007	15,441	531	1.007	535
2004	15,433	1.015	15,664	16,251	1.007	16,357	572	1.007	576
2005	16,893	0.996	16,829	19,113	1.001	19,124	696	1.001	696
2006	18,217	0.984	17,926	21,843	0.997	21,782	759	0.997	757
(10)	Complement of Credibility (Annual Countrywide Severity Trend)		8.6%			13.0%			11.8%
(11)	Credibility weighted percentage change		6.2%			10.7%			7.6%

Notes

Massachusetts Severity data from Sections V-C and V-D; Countrywide severity data from NCCI.

(1) Trend from five-year exponential fit to Massachusetts severities

(2) $\sqrt{SSR/(n-2)}$ where SSR is the sum of squared residuals and n is the number of years in the regression.

(3) Value from two-tailed t distribution p of 90% (confidence interval) and degrees of freedom

(4) Number of years between midpoint of data and projected point

(5) n = number of years of data used (five)

(6) Confidence Interval, = (2) x (3) x (5)

(7) Severity projected to policy effective period using exponential fit to data

(8) = (6) / (7)

(9) The credibility is the ratio of the target value k to the confidence interval divided by the projected severity, capped at 100%. Numerically, (9) = the minimum of k / (8) and 100%.

(10) Trend from five-year exponential fit to on-level countrywide severity

(11) = (9) x (1) + [1.0 - (9)] x (10)

Calculation of Frequency and SAWW Trend

Composite Policy Year	Lost Time			Medical Only			Statewide Average Weekly Wage			
	Frequency (claims per million worker-weeks)	5 Year Exponential Fit	Difference squared	Frequency (claims per million worker-weeks)	5 Year Exponential Fit	Difference squared	Data period	SAWW	5 year Exponential Fit	Difference squared
	1999/2000	337.50	326.25	126.57	825.79	810.07	247.09	4/1/01 to 4/1/02	882.57	868.41
2000/2001	299.02	306.13	50.57	740.09	753.48	179.36	4/1/02 to 4/1/03	884.46	897.65	174
2001/2002	276.59	287.25	113.62	701.14	700.85	0.08	4/1/03 to 4/1/04	918.78	927.88	83
2002/2003	272.39	269.54	8.14	636.50	651.89	236.93	4/1/04 to 4/1/05	958.58	959.12	0
2003/2004	257.22	252.91	18.55	619.97	606.36	185.27	4/1/05 to 4/1/06	1,000.43	991.42	81
(1)	Trend based on Five Year Exponential Fit		-6.2%			-7.0%				3.4%
(2)	s		10.29			16.82				13.40
(3)	t		2.35			2.35				2.35
(4)	m		6.17			6.17				4.92
(5)	[1+(1/n)+12*m^2/(n^3-n)]^0.5		2.24			2.24				1.90
(6)	Confidence Interval		54.19			88.60				59.99
(7)	Projected Frequency		193.92			448.24				1,091.95
(8)	CI/Projected Frequency		0.28			0.20				0.05
(9)	Z		21%			30%				100%
(10)	Complement of credibility		-4.9%			-3.0%				4.8%
(11)	Credibility weighted trend		-5.1%			-4.2%				3.4%

Notes

Frequencies are from section V-B, Exhibits 1 and 2, SAWW from Section V-G, Exhibit 2

(1) Trend from five-year exponential fit to Massachusetts claim frequencies, SAWW

(2) $\sqrt{SSR/(n-2)}$ where SSR is the sum of squared residuals and n is the number of years in the regression.

(3) Value from two-tailed t distribution for given p (confidence interval) and degrees of freedom

(4) Number of years between midpoint of data and projected point

(5) n = number of years of data used (five)

(6) Confidence Interval, = (2) x (3) x (5)

(7) Frequency, SAWW projected to policy effective period using exponential fit to data

(8) = (6) / (7)

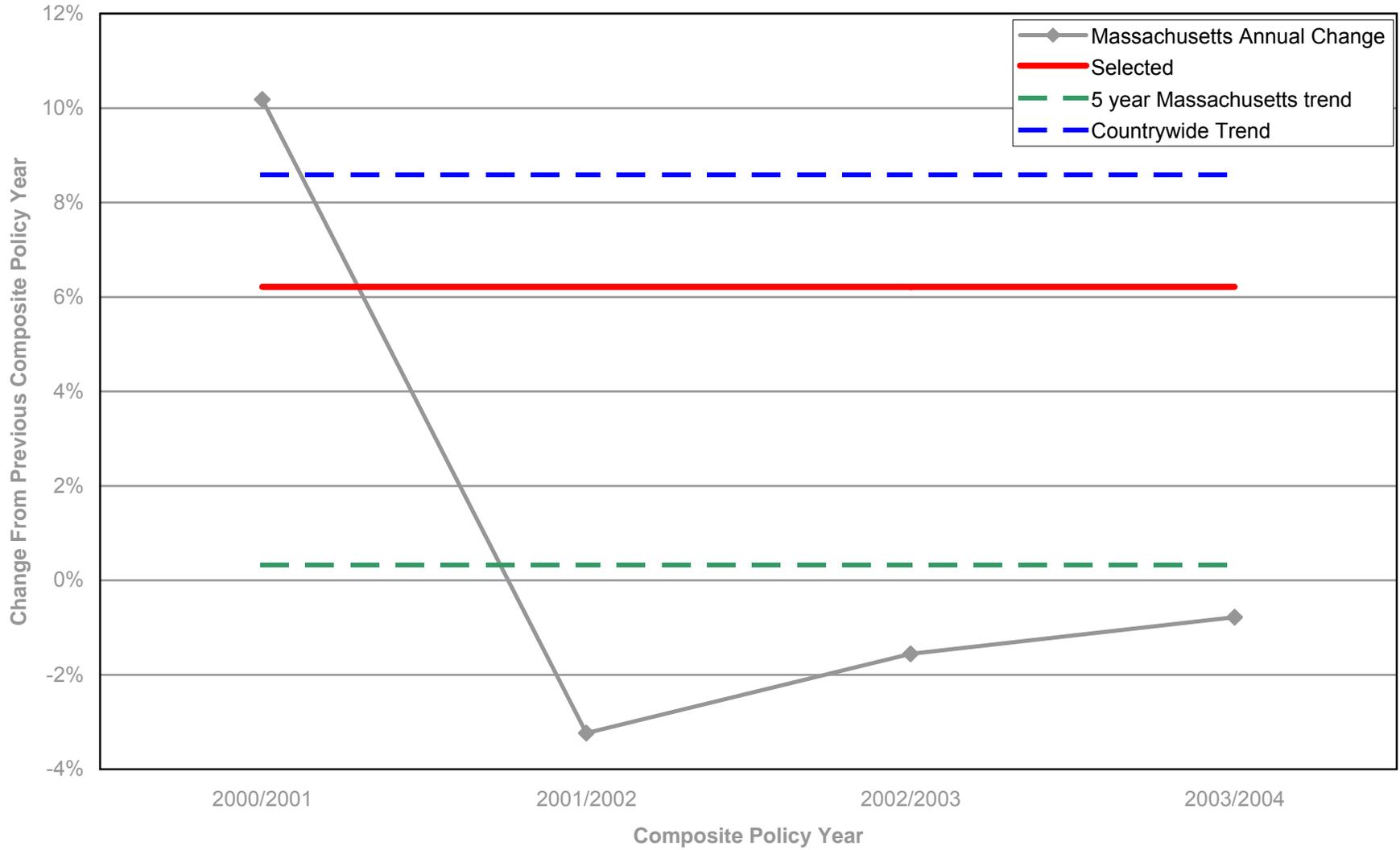
(9) The credibility is the ratio of the target value k to the confidence interval divided by the projected frequency, capped at 100%. Numerically, (9) = the minimum of k / (8) and 100%.

(10) Trend from fifteen-year exponential fit to on-level Massachusetts claim frequency (industrywide), SAWW from Section V-G, Exhibit 2

(11) = (9) x (1) + [1.0 - (9)] x (10)

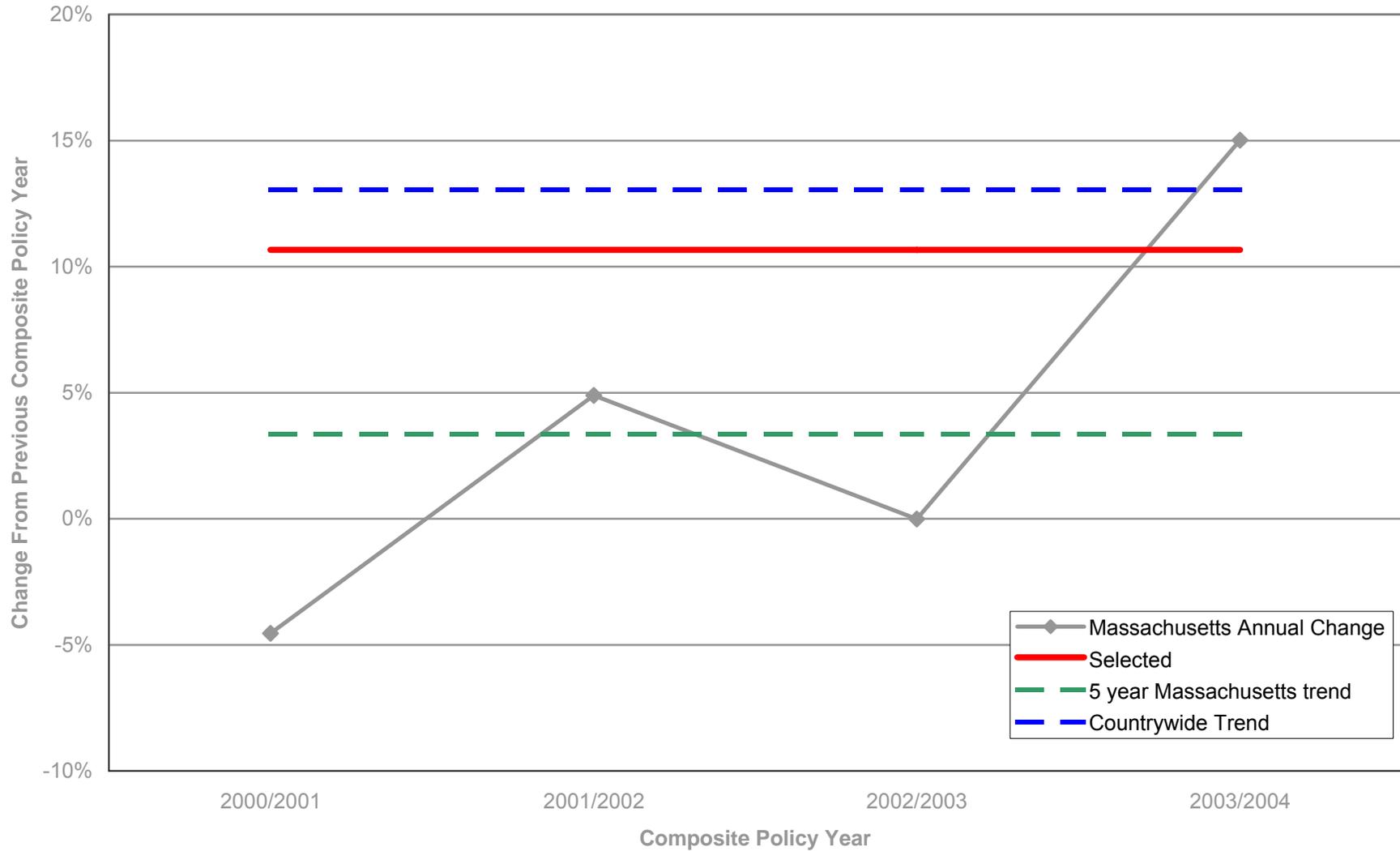
V 000020

Indemnity Severity Trend



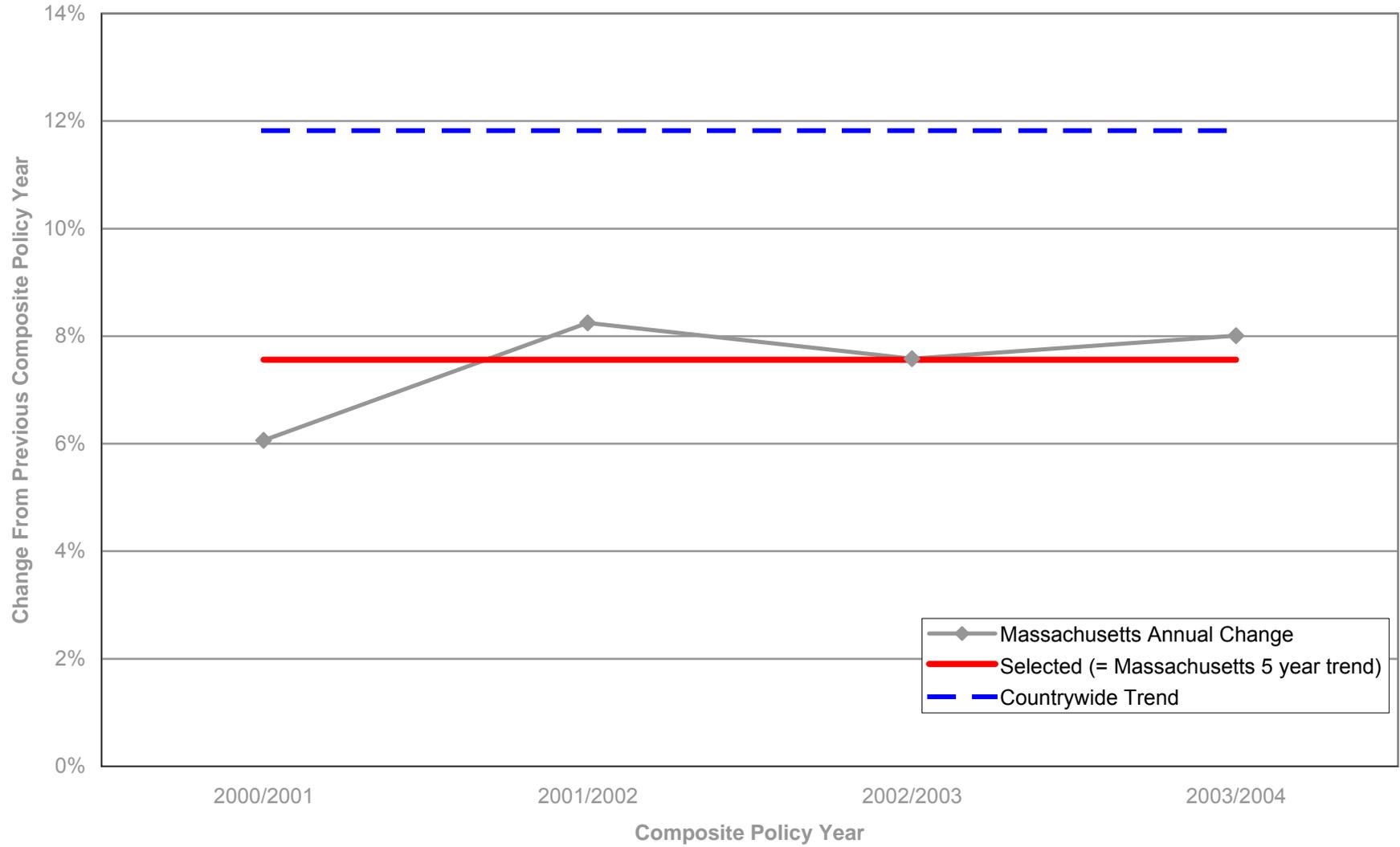
V 000021

Medical Lost Time Severity Trend



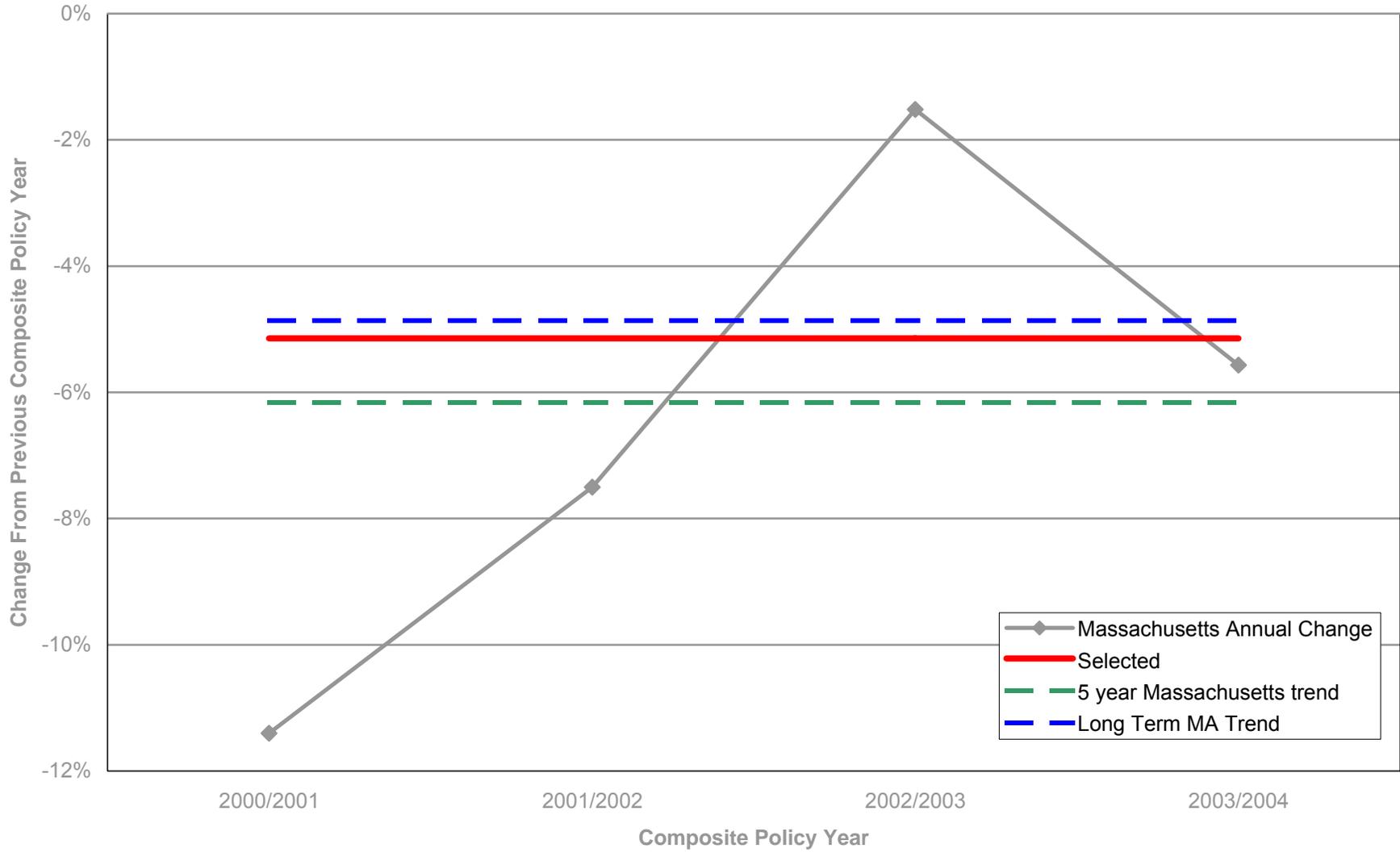
V 000022

Medical Only Severity Trend



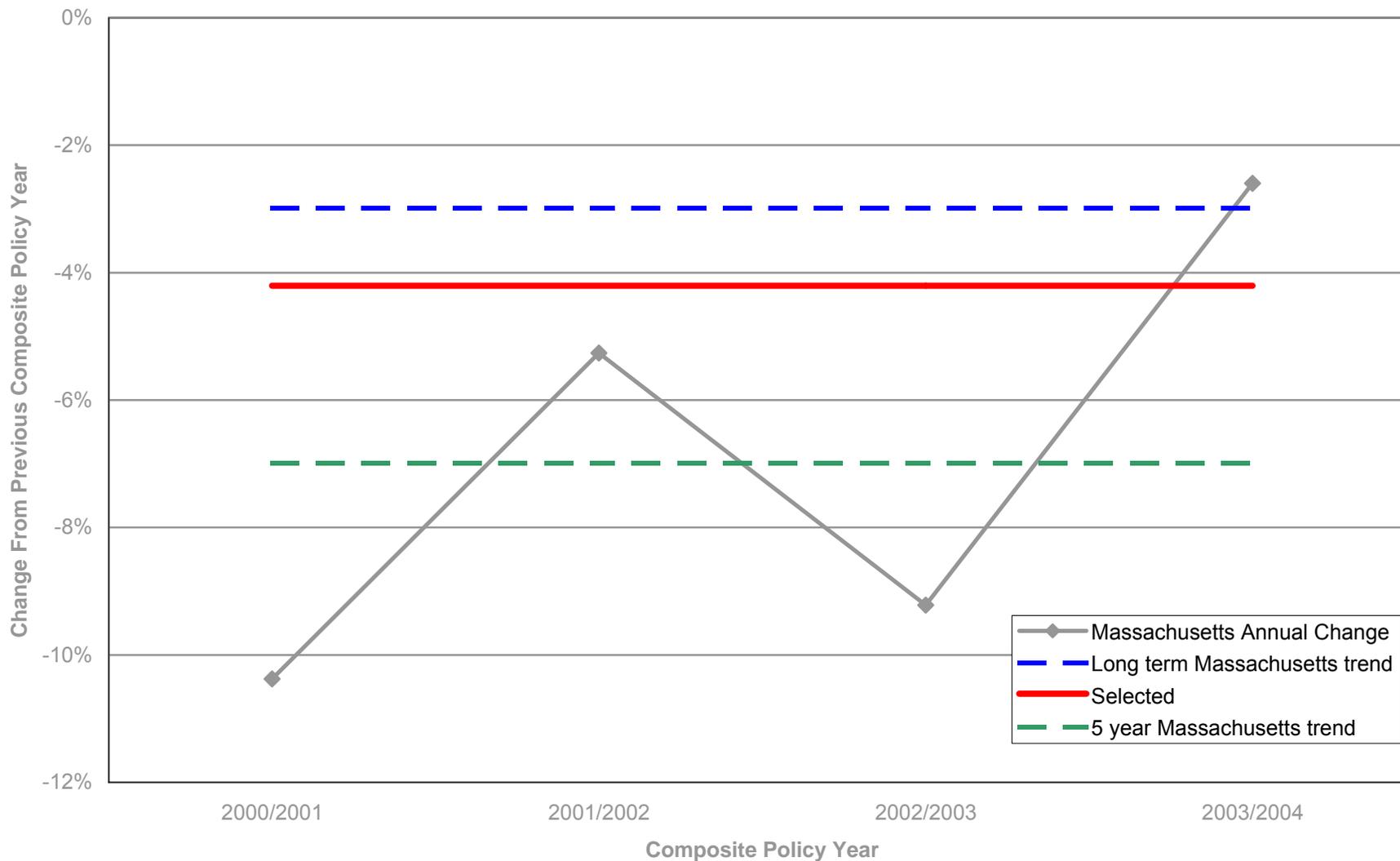
V 000023

Lost Time Frequency Trend



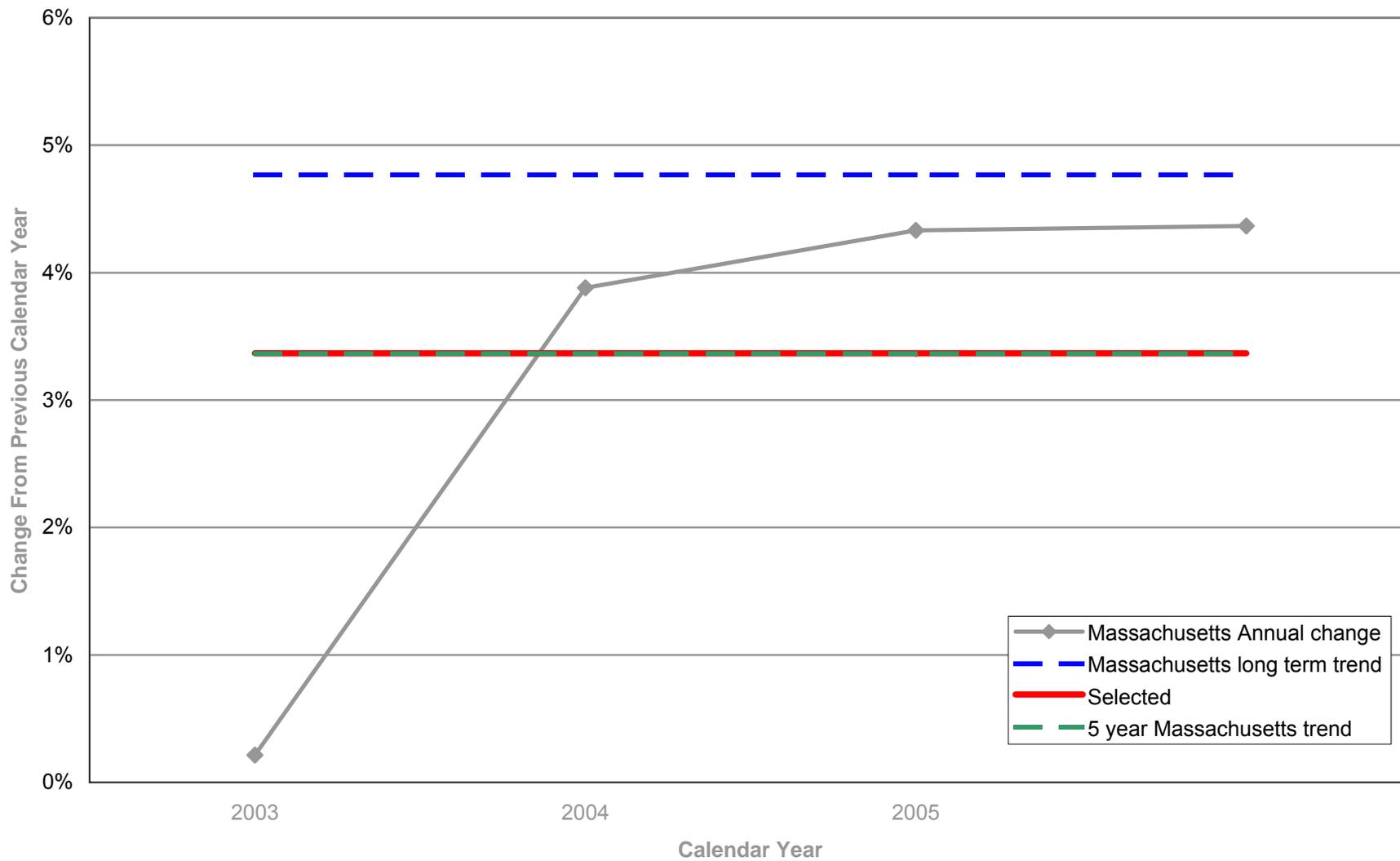
V 000024

Medical Only Frequency Trend



V 000025

SAWW Trend



V 000026

Lost Time Claim Counts

Composite Policy Year (1)	Report					Claims Counts Developed to Fifth Report (3)	Estimated Million Worker-Weeks (4)	Unadjusted Claim Frequency (5)	Class Mix Adjustment (6)	Adjusted Claim Frequency (7)
	1	2	3	4	5					
1989/1990						58,393	100.74	579.62	0.946	548.08
1990/1991						48,299	92.11	524.38	1.026	538.11
1991/1992						33,695	76.89	438.23	1.039	455.12
1992/1993						27,007	64.47	418.90	1.016	425.59
1993/1994						24,621	64.36	382.53	1.033	395.02
1994/1995					24,793	24,793	66.81	371.08	1.016	376.84
1995/1996				24,693	25,210	25,210	72.02	350.03	1.044	365.42
1996/1997			24,779	24,908	24,953	24,953	74.02	337.11	1.063	358.46
1997/1998		25,317	25,001	25,655	25,263	25,263	72.97	346.19	1.012	350.33
1998/1999	24,003	24,713	24,867	24,614	24,619	24,619	73.12	336.67	1.026	345.27
1999/2000	24,656	25,318	25,230	25,279	25,283	25,283	77.49	326.29	1.034	337.50
2000/2001	22,247	22,418	22,592	22,616		22,620	78.85	286.89	1.042	299.02
2001/2002	20,433	20,752	20,793			20,828	76.62	271.84	1.017	276.59
2002/2003	20,096	20,313				20,449	75.70	270.15	1.008	272.39
2003/2004	17,939					18,298	71.14	257.22	1.000	257.22

Development Factors

15 year Lost Time Frequency trend

-4.9%

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.013	1.005	1.002	1.000
Cumulative	1.020	1.007	1.002	1.000

Notes

Development factors are claim count weighted average from latest two years

(4) From Section V-E, Exhibit 1

(5) = (3) / (4)

(6) From Section V-F, Exhibit 1

(7) = (5) x (6)

V 000027

Medical Only Claim Counts

Composite Policy Year (1)	Report					Claims Counts Developed to Fifth Report (3)	Estimated Million Worker-Weeks (4)	Unadjusted Claim Frequency (5)	Class Mix Adjustment (6)	Adjusted Claim Frequency (7)
	1	2	3 (2)	4	5					
1989/1990						99,685	100.74	989.49	0.946	935.64
1990/1991						85,978	92.11	933.47	1.026	957.90
1991/1992						72,119	76.89	937.97	1.039	974.12
1992/1993						61,114	64.47	947.94	1.016	963.07
1993/1994						57,979	64.36	900.80	1.033	930.21
1994/1995					59,540	59,540	66.81	891.15	1.016	904.97
1995/1996				58,372	60,083	60,083	72.02	834.22	1.044	870.90
1996/1997			59,588	60,103	60,530	60,530	74.02	817.74	1.063	869.55
1997/1998		60,551	61,685	62,650	62,471	62,471	72.97	856.07	1.012	866.30
1998/1999	56,950	59,575	60,376	60,839	60,987	60,987	73.12	834.01	1.026	855.31
1999/2000	57,330	60,592	61,576	61,678	61,862	61,862	77.49	798.37	1.034	825.79
2000/2001	53,425	55,120	55,718	55,835		55,986	78.85	710.06	1.042	740.09
2001/2002	50,324	52,302	52,558			52,799	76.62	689.08	1.017	701.14
2002/2003	45,945	47,191				47,784	75.70	631.27	1.008	636.50
2003/2004	42,144					44,103	71.14	619.97	1.000	619.97

Development Factors

15 year Medical Only Frequency trend

-3.0%

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.033	1.008	1.002	1.003
Cumulative	1.046	1.013	1.005	1.003

Notes

Development factors are claim count weighted average from latest two years

(4) From Section V-E, Exhibit 1

(5) = (3) / (4)

(6) From Section V-F, Exhibit 1

(7) = (5) x (6)

Indemnity Losses

Composite Policy Year	Report				
	1	2	3	4	5
1998/1999	209,914,727	268,370,875	307,599,102	324,224,519	329,216,498
1999/2000	227,085,956	319,699,906	355,552,995	356,585,612	360,610,183
2000/2001	270,629,361	336,953,611	346,692,272	359,716,407	
2001/2002	234,758,862	291,709,420	317,565,058		
2002/2003	215,979,895	290,252,072			
2003/2004	200,172,903				

Development Factors

	Report				(6)	(7)
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th		
Two year weighted average	1.291	1.057	1.020	1.013		
Cumulative	1.410	1.092	1.034	1.013		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Composite Policy Year	Indemnity Losses Developed to Fifth Report	On-Level Indemnity Losses Developed to Fifth Report	Developed Claim Counts	Severity	Cost Containment Adjustment	Severity Adjusted for the effect of Cost Containment
1999/2000	360,610,183	385,420,396	25,283	15,244	1.00	15,244
2000/2001	364,480,439	379,929,330	22,620	16,796	1.00	16,796
2001/2002	328,211,688	338,517,932	20,828	16,253	1.00	16,253
2002/2003	316,967,763	327,169,919	20,449	15,999	1.00	15,999
2003/2004	282,237,294	290,464,009	18,298	15,874	1.00	15,874

Notes

Development factors are loss weighted average from latest two years

On-Level Factors are from Section IV-A, Exhibit 5

(4) From Section V-B, Exhibit 1

(5) = (3) / (4)

(6) Cost Containment adjustment is calculated based on the Commissioner's 1999 decision

(7) = (5) x (6)

V 000029

Lost Time Medical Losses

Composite Policy Year	Report				
	1	2	3	4	5
1998/1999	120,802,722	130,839,359	141,797,501	144,918,836	147,828,720
1999/2000	137,601,643	162,752,466	173,617,841	187,121,931	191,438,144
2000/2001	140,537,612	148,376,228	153,881,392	163,155,332	
2001/2002	136,025,211	142,551,748	148,699,603		
2002/2003	136,683,903	145,727,141			
2003/2004	143,190,314				

Development Factors

	Report				(6)	(7)
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th		
Two year weighted average	1.057	1.040	1.070	1.022		
Cumulative	1.201	1.137	1.093	1.022		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Composite Policy Year	Lost Time Medical Losses Developed to Fifth Report	On-Level Lost Time Medical Losses Developed to Fifth Report	Developed Claim Counts	Severity	Cost Containment Adjustment	Severity Adjusted for the effect of Cost Containment
1999/2000	191,438,144	208,372,182	25,283	8,242	1.00	8,242
2000/2001	166,706,029	177,953,544	22,620	7,867	1.00	7,867
2001/2002	162,503,046	171,884,111	20,828	8,252	1.00	8,252
2002/2003	165,633,547	168,728,934	20,449	8,251	1.00	8,251
2003/2004	172,042,081	173,642,700	18,298	9,490	1.00	9,490

Notes

Development factors are loss weighted average from latest two years

On-Level Factors are from Section IV-A, Exhibit 5

(4) From Section V-B, Exhibit 1

(5) = (3) / (4)

(6) Cost Containment adjustment is calculated based on the Commissioner's 1999 decision

(7) = (5) x (6)

Medical Only Losses

Composite Policy Year	Report				
	1	2	3	4	5
1998/1999	22,386,398	23,798,585	24,082,457	24,356,513	24,618,456
1999/2000	23,984,000	25,778,819	26,638,933	26,972,757	26,996,663
2000/2001	24,369,725	25,629,802	26,273,451	26,276,745	
2001/2002	24,635,915	26,496,695	26,899,695		
2002/2003	26,178,786	26,659,271			
2003/2004	25,642,089				

Development Factors

	Report				(6)	(7)
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th		
Two year weighted average	1.046	1.020	1.006	1.006		
Cumulative	1.080	1.032	1.012	1.006		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Composite Policy Year	Medical Only Losses Developed to Fifth Report	On-Level Medical Only Losses Developed to Fifth Report	Developed Claim Counts	Severity	Cost Containment Adjustment	Severity Adjusted for the effect of Cost Containment
1999/2000	26,996,663	29,384,706	61,862	475	1.00	475
2000/2001	26,423,078	28,205,821	55,986	504	1.00	504
2001/2002	27,221,837	28,793,314	52,799	545	1.00	545
2002/2003	27,520,236	28,034,539	47,784	587	1.00	587
2003/2004	27,689,807	27,947,423	44,103	634	1.00	634

Notes

Development factors are loss weighted average from latest two years

On-Level Factors are from Section IV-A, Exhibit 5

(4) From Section V-B, Exhibit 2

(5) = (3) / (4)

(6) Cost Containment adjustment is calculated based on the Commissioner's 1999 decision

(7) = (5) x (6)

V 000031

Composite Policy Year (1)	Payroll (in millions of dollars)					Payroll Developed to Fifth Report (in millions) (3)	Calendar Year (4)	Smoothed State Average Weekly Wage (5)	= (3) / (5) Estimated Million Worker-Weeks (6)
	1	2	3	4	5				
1989/1990						51,453	1990	510.73	100.74
1990/1991						49,305	1991	535.31	92.11
1991/1992						42,990	1992	559.12	76.89
1992/1993						37,402	1993	580.15	64.47
1993/1994						38,714	1994	601.48	64.36
1994/1995						41,884	1995	626.88	66.81
1995/1996				45,724		47,356	1996	657.51	72.02
1996/1997			51,309	51,413		51,457	1997	695.16	74.02
1997/1998		54,159	54,308	54,482		54,467	1998	746.39	72.97
1998/1999	58,032	58,951	59,256	59,224		59,079	1999	807.92	73.12
1999/2000	66,200	66,378	66,542	66,412		66,410	2000	857.06	77.49
2000/2001	70,125	70,387	69,587	69,587		69,506	2001	881.53	78.85
2001/2002	68,420	68,565	68,565			68,419	2002	892.95	76.62
2002/2003	69,750	69,755				69,206	2003	914.27	75.70
2003/2004	68,014					67,552	2004	949.60	71.14

Development Factors

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
2 Yr Weighted Average	1.001	0.994	0.999	0.999
Cumulative	0.993	0.992	0.998	0.999

Notes

Development factors are payroll weighted average from latest two years

(5) From Section V-G, Exhibit 2. The smoothed SAWW is the average of the calendar year SAWW with the preceding and following calendar year SAWW.

For all policy years the following class codes are excluded from reported Schedule Z payrolls: 0059, 0065, 0066, 0067, 0088,

0111, 0277, 0770, 0773, 0774, 0775, 0776, 0779, 0799, 0908, 0909, 0912, 0913, 7445, 7453, 9140, 9885, and 9985.

(6) Estimated Million Worker-weeks is the Developed Payroll divided by the Statewide Average Weekly wage

V 000033

Section V - Trend
Subsection B - Calculation of Adjustment Factor
9/1/2007

Section V - F
Exhibit 1

Calculation of Adjustment Factor For Class Mix Changes

Composite Policy Year	Average Manual Rates based on Rates Effective 9/1/05	Class Mix Adjustment Factor = 1.370 ÷ (2)
(1)	(2)	(3)
1989/1990	1.449	0.946
1990/1991	1.335	1.026
1991/1992	1.319	1.039
1992/1993	1.349	1.016
1993/1994	1.327	1.033
1994/1995	1.349	1.016
1995/1996	1.313	1.044
1996/1997	1.289	1.063
1997/1998	1.354	1.012
1998/1999	1.336	1.026
1999/2000	1.325	1.034
2000/2001	1.315	1.042
2001/2002	1.347	1.017
2002/2003	1.359	1.008
2003/2004	1.370	1.000

Notes

(2) Current rates (Effective 9/1/05) averaged over class payrolls (excluding large deductibles) by Composite Policy Year

(3) Adjustment to 2003/2004 level.

V 000034

Section V - Trend
 Subsection G - External Data
 9/1/2007

Section V - G
 Exhibit 1

External Data

Periods from which NCCI data is taken

State	Weights	Annual Statistical Bulletin Year				
		2002	2003	2004	2005	2006
Alabama	1.8%	1/1/1998	5/1/1999	5/1/2000	5/1/2001	5/1/2002
Alaska	0.8%	4/1/1998	4/1/1999	4/1/2000	4/1/2001	4/1/2002
Arizona	2.5%	3/1/1998	3/1/1999	3/1/2000	3/1/2001	3/1/2002
Arkansas	0.8%	8/1/1998	2/1/1999	2/1/2000	2/1/2001	2/1/2002
Colorado	2.6%	3/1/1998	3/1/1999	3/1/2000	3/1/2001	3/1/2002
Connecticut	2.2%	1/1/1998	8/1/1999	8/1/2000	8/1/2001	8/1/2002
District Of Columbia	0.3%	4/1/1998	2/1/1999	2/1/2000	2/1/2001	2/1/2002
Florida	11.6%	10/1/1997	10/1/1998	1/1/2000	1/1/2001	1/1/2002
Georgia	4.4%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Hawaii	0.8%	1/1/1998	6/1/1999	6/1/2000	6/1/2001	6/1/2002
Idaho	0.7%	3/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Illinois	8.3%	4/1/1998	4/1/1999	4/1/2000	4/1/2001	4/1/2002
Indiana	2.4%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Iowa	1.7%	3/1/1998	3/1/1999	3/1/2000	3/1/2001	3/1/2002
Kansas	1.3%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Kentucky	2.4%	1/1/1998	5/1/1999	5/1/2000	5/1/2001	5/1/2002
Louisiana	2.1%	4/1/1998	9/1/1999	9/1/2000	9/1/2001	9/1/2002
Maine	1.2%	6/1/1998	6/1/1999	6/1/2000	6/1/2001	6/1/2002
Maryland	2.6%	4/1/1998	4/1/1999	4/1/2000	4/1/2001	4/1/2002
Michigan	2.9%	4/1/1998	4/1/1999	4/1/2000	4/1/2001	4/1/2002
Mississippi	1.2%	1/1/1998	9/1/1999	9/1/2000	9/1/2001	9/1/2002
Missouri	3.4%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Montana	1.0%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
Nebraska	1.2%	1/1/1998	8/1/1999	8/1/2000	8/1/2001	8/1/2002
Nevada	1.1%	7/1/1997	7/1/1998	7/1/1999	7/1/2000	1/1/2002
New Hampshire	1.1%	4/1/1998	4/1/1999	4/1/2000	4/1/2001	4/1/2002
New Mexico	0.7%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
North Carolina	4.7%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
Oklahoma	2.4%	1/1/1998	6/1/1999	6/1/2000	6/1/2001	6/1/2002
Oregon	2.4%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
Rhode Island	0.4%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
South Carolina	2.4%	1/1/1998	5/1/1999	5/1/2000	5/1/2001	5/1/2002
South Dakota	0.3%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
Tennessee	3.8%	1/1/1998	6/1/1999	8/1/2000	8/1/2001	6/1/2002
Texas	12.1%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
Utah	0.9%	1/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Vermont	0.5%	4/1/1998	7/1/1999	7/1/2000	7/1/2001	7/1/2002
Virginia	3.2%	2/1/1998	2/1/1999	2/1/2000	2/1/2001	2/1/2002
Wisconsin	4.0%	1/1/1998	1/1/1999	1/1/2000	1/1/2001	1/1/2002
TOTAL	100.0%					

Policy Period Start Date	1/13/98	3/10/99	3/22/00	3/23/01	3/22/02
Average Written Date	7/13/98	9/10/99	9/22/00	9/23/01	9/22/02
Average Earned Date	1/13/99	3/10/00	3/22/01	3/23/02	3/22/03
Years	8.04	9.19	10.23	11.23	12.23

Time = 0 corresponds to 1/1/1991

Weights are derived from data obtained from NCCI that underlies the 2006 NCCI Annual Statistical Bulletin. Policy Periods are from the NCCI Annual Statistical Bulletin of the relevant year.

V 000035

Section V - Trend
 Subsection G - External Data
 9/1/2007

Section V - G
 Exhibit 2

Summary of SAWW Data

Date Promulgated by DUA (1)	Period of Data Used by DUA (2)	Average Weekly Wage (3)	Corresponding Composite Policy Year (4)	Corresponding Calendar Year (5)	SAWW (6)
10/1/84	4/1/83 to 4/1/84	341.06	1984/1985	1985	377.80
10/1/85	4/1/84 to 4/1/85	360.50	1985/1986	1986	404.14
10/1/86	4/1/85 to 4/1/86	383.57	1986/1987	1987	435.90
10/1/87	4/1/86 to 4/1/87	411.00	1987/1988	1988	466.90
10/1/88	4/1/87 to 4/1/88	444.20	1988/1989	1989	486.55
10/1/89	4/1/88 to 4/1/89	474.47	1989/1990	1990	509.28
10/1/90	4/1/89 to 4/1/90	490.57	1990/1991	1991	536.36
10/1/91	4/1/90 to 4/1/91	515.52	1991/1992	1992	560.28
10/1/92	4/1/91 to 4/1/92	543.30	1992/1993	1993	580.73
10/1/93	4/1/92 to 4/1/93	565.94	1993/1994	1994	599.44
10/1/94	4/1/93 to 4/1/94	585.66	1994/1995	1995	624.28
10/1/95	4/1/94 to 4/1/95	604.03	1995/1996	1996	656.92
10/1/96	4/1/95 to 4/1/96	631.03	1996/1997	1997	691.32
10/1/97	4/1/96 to 4/1/97	665.55	1997/1998	1998	737.25
10/1/98	4/1/97 to 4/1/98	699.91	1998/1999	1999	810.59
10/1/99	4/1/98 to 4/1/99	749.69	1999/2000	2000	875.93
10/1/00	4/1/99 to 4/1/00	830.89	2000/2001	2001	884.66
10/1/01	4/1/00 to 4/1/01	890.94	2001/2002	2002	883.99
10/1/02	4/1/01 to 4/1/02	882.57	2002/2003	2003	910.20
10/1/03	4/1/02 to 4/1/03	884.46	2003/2004	2004	948.63
10/1/04	4/1/03 to 4/1/04	918.78	2004/2005	2005	989.97
10/1/05	4/1/04 to 4/1/05	958.58			
10/1/06	4/1/05 to 4/1/06	1,000.43			
15 Year Exponential Fit, Trend =					4.8%

(6) SAWW for Year i = [.25 x AWW during period 4/1/(i-1) to 4/1/i] + [.75 x AWW during period 4/1/i to 4/1/(i+1)]

The DUA is the Department of Unemployment Assistance; previously this data was compiled by the DET (the Division of Employment and Training)

EXPENSES

The WCRIB has employed in this filing the same general methods to calculate expenses that were used in the WCRIB's filing for 9/1/05 rates.

Fixed Expenses

The provision for fixed expenses has three components: general expenses, Pool expenses, and other taxes.

The determination of the general expense allowance involves estimating general expenses from the latest three available years of Massachusetts data (Section VI-B, Exhibit 2, Page 2). For each of the three years, a general expense ratio calculated from industry-wide data (excluding data for one carrier due to reporting problems is applied to Massachusetts standard earned premium plus ARAP, excluding expense constant revenue, to obtain an estimate of Massachusetts general expenses for all companies (Section VI-B, Exhibit 2, Page 1). These estimated general expense dollars are trended and adjusted for exposure growth to be consistent with the data periods on which the rate indication in Section I is based. The three years of estimated general expenses are averaged to obtain an estimate of Massachusetts general expense requirements for all companies. In this filing, general expenses relating to Boards and Bureaus were estimated using the actual WCRIB expenses taken from WCRIB Financial Statements and Expense Analysis Report rather than the Incurred Boards and Bureaus expense item from the Expense Call.

The latest three available years of Massachusetts data, taken from the Massachusetts Workers' Compensation Assigned Risk Pool Annual Report and the WCRIB Financial Statements and Expense Analysis Report, are used to determine the Pool expense allowance (Section VI-B, Exhibit 1). The estimated Pool expense dollars are trended and adjusted for exposure growth to be consistent with the data periods on which the rate indication in Section I is based. The three years of estimated Pool expenses are averaged to obtain an estimate of Massachusetts Pool expense requirements for all companies.

The WCRIB used the "Other Tax" percentage for "Property-Casualty Companies with Commercial Casualty Predominating" as compiled in Best's Aggregates and Averages (2005) to estimate the allowance for miscellaneous taxes in Massachusetts. The resulting allowance for other taxes is then trended and adjusted for exposure growth to be consistent with the experience periods on which the rate indication in Section I is based (Section VI-C).

Expense Trends

Fixed expenses are trended over two separate time periods. Fixed expenses are first trended from the historical periods for which they are reported to the periods on which the rate indication is based. Next, fixed expenses are trended forward to the proposed effective period for which the rates are being set. For the first trend period,

VI 000003

reported external index values (such as the CPI) are available that span the time period over which the WCRIB is trending. Consequently, the first trend factor is taken as a ratio of index values for the corresponding time periods (Section VI-G, Exhibit 1). For the second trend period, index values are not available for the proposed effective period of the rates. Therefore, a projection needs to be made and the WCRIB used an exponential least squares regression to do so.

The trends in the individual components of insurance company expenses have been estimated by using government indices that reflect changes in the prices of the goods and services used in operating an insurance company. Specifically, the selected indices are:

Expense	Index
Average Weekly Earnings	Average Weekly Earnings of Massachusetts Private Fire, Marine, and Casualty Insurance Employees. This series is provided on an annual basis.
Food Away From Home	Consumer Price Index for Food Away from Home
Private Transportation	Consumer Price Index for Private Transportation
Telephone Services	Consumer Price Index for Telephone
Postage	Consumer Price Index for Postage
Office and Store Machines and Equipment	Producer Price Index for Office and Store Machines and Equipment
Paper	Producer Price Index for Paper

(No specific external indices have been utilized for the remaining components of insurance company expenses; rather, it has been assumed that the trends in the costs of these other components will be equal to the weighted average of the trends in the

major components detailed above.) These indices are first normalized to a value of 100 for Calendar Year 2005 and are then combined using the weights shown in Section VI-F, Exhibit 1 to derive the expense trend shown in Section VI-G. The weights attributed to the various components of insurance company expenses for the workers' compensation line are based on the experience of "Property-Casualty Companies with Commercial Casualty Predominating" as compiled in Best's Aggregates and Averages (2005). Premium taxes, which are not incorporated in the expenses to which the expense trends and projection factors apply, are excluded from the determination of the component weights.

Variable Expenses

As in the past, the variable expense ratio is comprised of the following components: commissions, other acquisition expenses, premium discounts and premium taxes. The WCRIB has also considered two additional variable expenses: earned but uncollected premium along with incidental income, and the "frictional costs" of reinsurance.

The provision for commission expenses is calculated by taking the ratios of reported commission expenses to reported written premium for each of the latest three calendar years. A three-year average is taken to arrive at the commission expense ratio (Section VI-K, Exhibit 3).

The WCRIB calculates the other acquisition expense load by taking the ratios of reported other acquisition expenses to reported standard earned premium for each of

the latest three calendar years. The WCRIB then averages these three years to determine the other acquisition expense ratio (Section VI-K, Exhibit 2).

The average premium discount is calculated from the Premium Discount Schedules using the methodology of the Commissioner's Decision on 9/1/99 Rates and in the WCRIB's Filings for 9/1/01, 9/1/03 and 9/1/05 Rates. Based on the projected size of policy distributions and each Premium Discount Table, the WCRIB calculated an average premium discount for each of the Type A and Type B Tables. These two averages are weighted using the percentages of voluntary market premium written by Type A insurers and Type B insurers (Section VI-I, Exhibit 1) as weights. The resulting average premium discount for the voluntary market is used to obtain the premium discount used in the overall rate indication in Section I.

The premium tax rate is 2.28% of net premiums. To put this expense on a "standard premium plus ARAP" basis, the WCRIB multiplies the premium tax rate by (one minus the "average premium discount for the total market") (Section VI-I, Exhibit 1).

Incidental Income and Earned but Uncollected Premium

During the hearing on 2003 rates, questions were raised about whether the WCRIB should take various forms of "incidental income" (such as finance charges) into account and, if the WCRIB were to do so, whether it would also be appropriate to make off-setting adjustments for earned but uncollected premium ("EBUP"). The WCRIB therefore instituted a call for data on both incidental income and EBUP. The WCRIB

proposes to treat incidental income as a negative expense item and to offset incidental income by EBUP. This year, the net effect of accounting for both incidental income and EBUP, based upon a three-year average of the experience reported for Policy Years 2002, 2003 and 2004, is no adjustment at all, because incidental income has been more than offset by EBUP (Section VI-K, Exhibit 5).

Frictional Costs of Reinsurance

Fundamental to the business of insurance is the concept of sharing underwriting risk among risk bearers. Examples include the sharing of large property risks across a syndicate of primary insurers; self insureds participating in group self insurance funds; and reinsurers assuming risks from primary carriers. In workers' compensation, primary insurers utilize reinsurance to reduce their overall underwriting risk, and reinsurers (not unlike primary insurers) must commit capital – surplus – to support the underwriting risk they assume from primary insurers. Reinsurance allows primary insurers to underwrite risks that, but for the existence of a risk-sharing business partner, they would not be able to insure.

The business of reinsurance is not an altruistic endeavor, and primary carriers must cover their costs of purchasing reinsurance and provide an opportunity for reinsurers to earn a fair rate of return on their invested capital. Prior to the 2005 filing, both the benefits of reinsurance and the costs of obtaining it were overlooked in making rates for workers' compensation in Massachusetts. In the 2005 filing, the WCRIB introduced an expense load intended to recognize only the "frictional costs" of

reinsurance. Frictional costs, as that term is used in this filing, are the sum of the acquisition expenses (reduced for recognition of ceding commissions), general expenses and taxes associated with providing reinsurance coverage that must be borne by the primary carriers. The estimation of the WCRIB's load for frictional costs associated with the purchase of reinsurance does not include any provision for reinsurer profit (although the primary carriers undeniably must pay enough for the reinsurance they procure to provide the reinsurers with a reasonable return) and is detailed in Section VI-K, Exhibit 4.

Expense Constants

The current expense constants are \$142 and \$284 for risk sizes less than and exceeding \$200, respectively. The indicated constants of \$159 and \$318 for risk sizes less than and exceeding \$200, respectively, are calculated in the same manner as in the WCRIB's Filings for 9/1/03 and 9/1/05 Rates.

The WCRIB calculated a trend factor to bring the current expense constants from 3/1/06 expense levels to those of 3/1/08, the average effective date for policies written during the rate period. The WCRIB then applies this factor to the current expense constants to arrive at the indicated expense constants for the policy effective period (Section VI-E, Exhibit 1).

Loss Adjustment Expense

The loss adjustment expense (“LAE”) provision is calculated using a three-year average ratio of LAE to losses (Section VI-D). The Adjusting and Other Expense (“AO”) portion of the LAE ratio is adjusted for the effects of losses eliminated by large deductibles. The reported AO for large deductible policies is assumed to be less than it would have been had the policies been written on a full coverage basis, but more than it would have been as a percentage of net losses. In other words, AO is assumed to be partially variable and partially fixed with respect to large deductible losses. The selected adjustment factor is an average of that which would result from assuming AO is fixed and from assuming AO is variable (Section VI-L, Exhibit 1, Page 1).

VI 000009

Section VI - Expenses
Subsection A - Summary
9/1/2007

Section VI - A
Exhibit 1

Loss Ratios Underlying the Proposed Rates

	<u>As a % of Standard Premium plus ARAP</u>
(1) Acquisition Expenses	11.5%
(2) Premium Discount	3.8%
(3) Premium Taxes = 2.28% x [1.0 - (2)]	2.2%
(4) Variable Expense Ratio = (1) + (2) + (3)	17.5%
(5) Profit and Contingencies	-0.3%
(6) Permissible Loss, LAE, and Fixed Expense Ratio = 1.0 - [(4) + (5)]	82.7%
(7) Fixed Expense Ratio	7.7%
(8) Insolvency Fund Assessment	-2.5%
(9) Expected Loss and Loss Adjustment Expense Ratio = (6) - [(7) + (8)]	77.5%
(10) Loss Adjustment Expenses (As a percent of losses)	18.2%
(11) Expected Loss Ratio without Loss Adjustment Expense = (9) / [1.0 + (10)]	65.6%

Notes:

- (1) Section VI - K, Exhibit 1.
- (2) Section VI - I, Exhibit 1.
- (3) 2.28% is Premium Tax as % of Net Premium.
- (5) Section VIII-B, Exhibit 1.
- (6) Used in Section I.
- (7) Section VI - B, Exhibit 1. The Fixed Expense Ratio for Policy Year 2003 is 6.7%. The Fixed Expense Ratio for Policy Year 2004 is 6.8%. The average of these two ratios is divided by the [1.00 + indicated rate change], -13.4%, to give the Fixed Expense Ratio underlying the rates.
- (8) Section I-E, Exhibit 1, Page 1.
- (10) Section VI-D, Exhibit 1.
- (11) Used in Section IX-C, Exhibit 1.

Calculation of Fixed Expenses

Calendar Year	General Expense			Projected to PY2003			Projected to PY2004		
	Exclusive of Expense Constant Revenue	Pool Expense	Total General Expense = (2) + (3)	General Expense Trend Factor	Exposure Growth Factor	Projected General Expense = (4) x (5) x (6)	General Expense Trend Factor	Exposure Growth Factor	Projected General Expense = (4) x (8) x (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2003	26,996,198	3,549,290	30,545,488	1.044	0.985	31,395,716	1.151	0.955	33,594,677
2004	25,520,888	3,666,378	29,187,265	0.960	1.015	28,446,672	1.059	0.985	30,439,082
2005	29,685,103	3,106,230	32,791,333	0.859	1.047	29,476,067	0.947	1.015	31,540,576
Average			30,841,362			29,772,818			31,858,111

Policy Year	Three Year Average Projected General Expense	Provision for Other Taxes	Provision for Fixed Expenses = (12) + (13)	Expense Trends from PYs to Policy Effective 9/1/07	Trended Fixed Expenses = (14) x (15)	Standard Earned Premium plus ARAP	Fixed Expense Ratio to Standard Earned Premium plus ARAP = (16) / (17)
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
2003	29,772,818	3,289,656	33,062,475	1.355	44,790,430	669,168,996	6.7%
2004	31,858,111	3,520,064	35,378,176	1.228	43,440,686	642,713,769	6.8%

Notes:

- (2) Section VI - B, Exhibit 2, Page 1.
- (3) From the Massachusetts Workers' Compensation Assigned Risk Pool Annual Report and WCRIB Financial Statements and Expense Analysis Report.
- (5), (8) Section VI - G, Exhibit 1.
- (6), (9) -3% annual growth in worker-weeks, from Section VI-H, Exhibit 1; 0.5 years from CY 2003 to PY 2003, 1.5 years from CY 2003 to PY 2004, etc.
- (13) Section VI-C, Exhibit 1.
- (15) Section VI - G, Exhibit 1.
- (17) These premium amounts do not match those displayed in Section I. This is due to the exclusion from this section of a company included in the loss and premium sections. The premium amounts displayed have been adjusted by the same development, trend, and premium level factors

VI 000010

VI 000011

Section VI - Expenses
 Subsection B - Fixed Expenses
 9/1/2007

Section VI - B
 Exhibit 2
 Page 1

General Expense Exclusive of Proposed Expense Constant

	Calendar Year		
	2003	2004	2005
(1) Standard Earned Premium plus ARAP Including Expense Constant Revenue	654,646,422	612,860,404	609,942,391
(2) Expense Constant Offset	0.966	0.961	0.959
(3) Standard Earned Premium plus ARAP Excluding Expense Constant Revenue = (1) x (2)	632,459,770	588,922,679	584,929,962
(4) Ratio of General Expense to Standard + ARAP Premium	5.8%	6.1%	7.0%
(5) General Expenses = (1) x (4)	38,055,115	37,177,314	42,833,312
(6) Historical Expense Constant Revenue = (1) - (3)	22,186,652	23,937,725	25,012,429
(7) General Expense Portion of Expense Constant	51.0%	51.0%	51.0%
(8) Average Expense Constant in Effect	196.15	218.32	226.09
(9) Proposed Average Expense Constant	271.20	271.20	271.20
(10) Trend Factor to Adjust Proposed Average Expense Constant to Calendar Year	1.414	1.300	1.163
(11) Adjusted Proposed Average Expense Constant = (9) / (10)	191.81	208.57	233.16
(12) Adjusted General Expenses Generated by the Expense Constant = [(6) x (7)] x [(11) / (8)]	11,058,917	11,656,426	13,148,209
(13) General Expenses Exclusive of Expense Constant Revenue = (5) - (12)	26,996,198	25,520,888	29,685,103
(14) General Expense Percent Exclusive of Expense Constant = (13) / (3)	4.3%	4.3%	5.1%

Notes:

- (1) Policy Year Call Data.
- (2) 2003 and 2004 values: Section VI - J, Exhibit 2. 2005 value: Section VI-J, Exhibit 1.
- (4) Section VI - B, Exhibit 2, Page 2.
- (7) Section VI - B, Exhibit 3.
- (8) The parallelogram method was used to calculate the average expense constant in effect.
- (9) Section VI - E, Exhibit 1.
- (10) Section VI - G, Exhibit 1.

VI 000012

Section VI - Expenses
 Subsection B - Fixed Expenses
 9/1/2007

Section VI - B
 Exhibit 2
 Page 2

Calculation of General Expense

		Calendar Year		
		2003	2004	2005
(1)	Direct Standard Earned Premium	757,887,539	715,388,494	694,662,039
(2)	Factor to include ARAP	1.039	1.041	1.039
(3)	Standard Earned Premium plus ARAP = (1) x (2)	787,703,869	744,870,255	721,819,030
(4)	Actual Bureau Expenses	6,921,112	5,576,018	6,545,014
(5)	Audit, Inspection and Other General Expenses	38,868,738	39,609,272	44,144,854
(6)	General Expense = (4) + (5)	45,789,850	45,185,290	50,689,868
(7)	Ratio of General Expense to Standard + ARAP Premium = (6) / (3)	5.8%	6.1%	7.0%

Notes:

- (1) MA Data from the Massachusetts Expense Calls, Calendar Years 2003 - 2005.
Reported premium excludes ARAP and includes large deductible policies at Standard premium.
- (2) Estimated using Schedule Z data for Composite Policy Years 02/03, 03/04 and 04/05
- (4) From the WCRIB Financial Statements and Expense Analysis Report. Excludes Workers' Compensation Bureau Pool Expenses.
- (5) MA Data from the Massachusetts Expense Calls, Calendar Years 2003 - 2005.

VI 000013

Section VI - Expenses
Subsection B - Fixed Expenses
9/1/2007

Section VI-B
Exhibit 3

Expense Constant Components

(1)	Portion of Expense Constant for General Expenses loaded for Premium Taxes	52.16%
(2)	Current Premium Tax rate	2.28%
(3)	General Expense Portion of Expense Constant = (1) x [1.000 - (3)]	51.0%
(4)	Other Acquisition Portion of Expense Constant = [100% - (1)] x [1.000 - (3)]	46.7%

Note:

(1) NCCI 1991 Calendar Year Expense database.

VI 000014

Section VI - Expenses
Subsection C - Other Taxes
9/1/2007

Section VI - C
Exhibit 1

Calculation of Other Taxes

(1)	2005 Calendar Year Massachusetts Standard Earned Premium plus ARAP	609,942,391
(2)	2005 Other Tax Allowance	0.60%
(3)	2005 Massachusetts Other Taxes = (1) x (2)	3,659,654
(4A)	Other Tax Trend Factor, CY 2005 to PY 2003	0.859
(4B)	Other Tax Trend Factor, CY 2005 to PY 2004	0.947
(5A)	Exposure Growth from CY 2005 to PY 2003	1.047
(5B)	Exposure Growth from CY 2005 to PY 2004	1.015
(6A)	Massachusetts Other Taxes for PY 2003 = (3) x (4A) x (5A)	3,289,656
(6B)	Massachusetts Other Taxes for PY 2004 = (3) x (4B) x (5B)	3,520,064

Notes:

- (1) Massachusetts Policy Year Call.
- (2) 2006 Best's Aggregates and Averages. Pages 694-695.
- (4A),(4B) From VI - G, Exhibit 1.
- (5A),(5B) -3.0% per year (Section VI - H, Exhibit 1); -0.5 years from CY 2005 to PY 2004,
-1.5 years from CY 2005 to PY 2003.

VI 000015

Section VI - Expenses
 Subsection D - Loss Adjustment Expense
 9/1/2007

Section VI - D
 Exhibit 1

Loss Adjustment Expense

		Calendar Year		
		2003	2004	2005
(1)	Direct Incurred Losses (\$000)	508,813	412,256	394,361
(2)	Direct Incurred Defense and Cost Containment Expense (\$000)	40,025	30,331	35,333
(3)	Average Provision for Defense and Cost Containment Expense = (2) / (1)	7.9%	7.4%	9.0%
(4)	Three Year Average Provision for Defense and Cost Containment Expense = Average of (3)	8.1%		
(5)	Direct Incurred Adjusting and Other Expense (\$000)	51,129	47,696	45,776
(6)	Average Provision for Adjusting and Other Expense = (5) / (1)	10.0%	11.6%	11.6%
(7)	Factor to adjust for effect of Large Deductible policies	0.903	0.915	0.922
(8)	Adjusted Provision for Adjusting and Other Expense = (6) x (7)	9.1%	10.6%	10.7%
(9)	Three Year Average Provision for Adjusting and Other Expense = Average of (8)	10.1%		
(10) Adjusted Provision for Total Loss Adjustment Expense = (4) + (9)		18.2%		

Notes:

- (1),(2),(5) 2003, 2004, and 2005 Massachusetts Expense Calls.
- (7) Section VI - L, Exhibit 1, Page 1.

VI 000016

Section VI - Expenses
 Subsection E - Expense Constant
 9/1/2007

Section VI - E
 Exhibit 1

Calculation of Revised Expense Constant

Risk Size Intervals		CPY03/04 Policy Count		Policy Distribution	Current Expense Constant	Trend Factor from 3/1/06 to 3/1/08	Calculated Expense Constant (6) x (7)
Unadjusted	Adjusted	Interstate	Intrastate				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Less than \$200	Less Than \$222.22	-	34,710	29%	\$142.00	1.120	\$159.00
\$200 or more	\$222.22 or more	9,587	73,626	71%	\$284.00	1.120	\$318.00
TOTAL		9,587	108,336	100%	\$242.20		\$271.20

Notes:

Schedule Z Composite PY 03/04 (excluding Large Deductible policies).

Risk sizes in terms of Standard Premium

(2) Intervals have been adjusted by a factor of 0.9. See Section III - G, Exhibit 1.

(7) from VI - G, Exhibit 1.

VI 000017

Section VI - Expenses
 Subsection F- Expense Trends
 9/1/2007

Section VI - F
 Exhibit 1

Weights for Expense Trends

Expense Component (1)	Percentage of Net Written Premium (2)	Weight (3)	Corresponding Index (4)	Weight (5)
Salaries	6.00	63.0%	Average Weekly Earnings Covered Employment and Wages; Private Fire, Marine, Casualty	79.8%
Payroll Taxes	0.37	3.9%	Massachusetts	
Employee Relations	1.23	12.9%		
<hr/>				
Travel & Travel Items	0.40	4.2%	Food Away From Home-CPI-US	2.1%
			Private Transportation-CPI-US	2.1%
<hr/>				
Postage & Telephone	0.38	4.0%	Postage-CPI-US	2.0%
			Telephone-CPI-US	2.0%
<hr/>				
Equipment	0.95	10.0%	Office & Stores Machines & Equipment-PPI	10.0%
<hr/>				
Printing & Stationery	0.19	2.0%	Paper-PPI	2.0%
<hr/>				
Total	9.52	100.0%		100.0%

Note:

(2): 2006 Best's Aggregates and Averages, Property-Casualty, Totals for Predominately Commercial Casualty Companies with Written Premium Net of Reinsurance Ceded over \$15 million.

VI 000018

Calculation of Expense Trend Index

Economic Indices

Calendar Year (1)	Average Weekly Earnings (2)	Food (3)	Private Transportation (4)	Phone (5)	Postage (6)	Machines & Equipment (7)	Paper (8)
1999	1,026.00	165.00	140.70	100.20	165.60	112.30	141.80
2000	1,075.00	169.00	150.10	98.70	165.60	112.70	149.80
2001	1,133.00	173.80	150.80	99.40	172.10	112.70	150.60
2002	1,166.00	178.20	149.00	99.90	182.60	112.50	144.70
2003	1,265.00	182.00	153.50	98.50	191.70	112.30	146.10
2004	1,406.00	187.40	158.80	96.00	191.70	113.20	149.40
2005	1,609.00	193.30	170.30	95.00	191.70	115.10	159.60

Economic Indices, Normalized to Calendar Year 2005 Index of 100

Calendar Year (9)	Average Weekly Earnings (10)	Food (11)	Private Transportation (12)	Phone (13)	Postage (14)	Machines & Equipment (15)	Paper (16)
1999	63.77	85.36	82.62	105.47	86.38	97.57	88.85
2000	66.81	87.43	88.14	103.89	86.38	97.91	93.86
2001	70.42	89.91	88.55	104.63	89.78	97.91	94.36
2002	72.47	92.19	87.49	105.16	95.25	97.74	90.66
2003	78.62	94.15	90.14	103.68	100.00	97.57	91.54
2004	87.38	96.95	93.25	101.05	100.00	98.35	93.61
2005	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(17) Weight 79.8% 2.1% 2.1% 2.0% 2.0% 10.0% 2.0%

Calendar Year (18)	Expense Trend Index (19)	Using Actual Values			Exponential Fit (23)	Trend to Policy Effective Period (24)
		Trend to Latest Calendar Year (20)	Trend to PY2003 (21)	Trend to PY2004 (22)		
1999	69.77	1.433	1.231	1.358	67.82	1.667
2000	72.47	1.380	1.185	1.307	71.77	1.605
2001	75.50	1.325	1.137	1.255	75.95	1.541
2002	77.19	1.296	1.112	1.227	80.38	1.507
2003	82.26	1.216	1.044	1.151	85.07	1.414
2004	89.45	1.118	0.960	1.059	90.03	1.300
2005	100.00	1.000	0.859	0.947	95.28	1.163
				PY2003		1.355
				PY2004		1.228
				3/1/2006	98.95	1.120
				3/1/2008	110.82	1.000
				9/1/2008	114.00	

Notes:

- (2) Average Weekly Earnings, Covered Employment and Wages, Private Fire, Marine, and Casualty Insurers - Massachusetts Unadjusted for Seasonality
 Years 1997 - 2000: Bureau of Labor Statistics, Series IDs EWU250004050H633 (Fire, Marine, and Casualty Insurance Average Weekly Wage) and EWU250004050H635 (Surety Insurance average Weekly wage), weighted by Series IDs EWU250001050H633 (Fire, Marine, and Casualty Insurance Number of Employees) and EWU250001050H635 (Surety Insurance Number of Employees), respectively.
- Years 2001 - 2005: Bureau of Labor Statistics, Series ID ENU25000405524126 (Direct Property and Casualty Insurers Average Weekly Wage.)
- (3) Food Away From Home, Consumer Price Index, Urban Wage Earners and Clerical Workers - U.S.
 Unadjusted for Seasonality, Base: 1982 - 1984 = 100. Bureau of Labor Statistics, Series ID CWUR0000SEFV.
- (4) Private Transportation, Consumer Price Index, Urban Wage Earners and Clerical Workers - U.S.
 Unadjusted for Seasonality, Base: 1982 - 1984 = 100. Bureau of Labor Statistics, Series ID CWUR0000SAT1.
- (5) Telephone Services, Consumer Price Index, Urban Wage Earners and Clerical Workers - U.S.
 Unadjusted for Seasonality, Base: December 1997 = 100. Bureau of Labor Statistics, Series ID CWUR0000SEED.
- (6) Postage, Consumer Price Index, Urban Wage Earners and Clerical Workers - U.S.
 Unadjusted for Seasonality, Base: 1982 - 1984 = 100. Bureau of Labor Statistics, Series ID CWUR0000SEEC01.
- (7) Office and Store Machines and Equipment, Producer Price Index
 Unadjusted for Seasonality, Base: 1982 = 100. Bureau of Labor Statistics, Series ID WPU1193.
- (8) Paper, Producer Price Index
 Unadjusted for Seasonality, Base: 1982 - 1984 = 100. Bureau of Labor Statistics, Series ID WPU0913.
- (17) Section VI-F, Exhibit 1.
- (19) = Average of (10)-(16) weighted by (17)
- (20) = [(19) for CY 2005] / (19)
- (21) = [(19) for PY 2003] / (19). Index for PY 2003 is computed as average of indices for CY 2003 - 2004.
- (22) = [(19) for PY 2004] / (19). Index for PY 2003 is computed as average of indices for CY 2004 - 2005.

VI 000019

Section VI - Expenses
Subsection H - Exposure Growth
9/1/2007

Section VI - H
Exhibit 1

Growth in Worker-Weeks

Composite Policy Years	Annual Change in Worker-Weeks
1999/2000 to 2000/2001	1.8%
2000/2001 to 2001/2002	-2.8%
2001/2002 to 2002/2003	-1.2%
2002/2003 to 2003/2004	-6.0%
Average of Latest 4 annual changes	-2.1%
Average of Latest 3 annual changes	-3.4%
Average of Latest 2 annual changes	-3.6%

Selected for overall exposure growth ¹ :	-3.0%
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Notes:

Worker-weeks data from Section V-E, Exhibit 1

¹ The selected number is the average of the three entries in the "Average" section above for Schedule Z exposure growth rates.

VI 000020

Section VI - Expenses
Subsection I - Expenses Net of Premium Discount
9/1/2007

Section VI - I
Exhibit 1

Calculation of Average Premium Discount

		<u>Elected Premium Discount Table</u>	
		<u>Type A</u>	<u>Type B</u>
(1)	Average Premium Discount	5.8%	3.3%
(2)	% of Voluntary Premium using Discount Table	62.8%	37.2%
(3)	Weighted Average Premium Discount in Voluntary Market = (1) weighted by (2)	4.8%	
(4)	Voluntary Market Share	84.0%	
(5)	Average Premium Discount in Total Market = (3) x (4)	4.1%	
(6)	Average ARAP Surcharge for Policy Effective Period as a percentage of Standard Premium	6.0%	
(7)	Average Premium Discount as a percent of Standard Premium + ARAP = (5) / [1.0 + (6)]	3.8%	

Notes:

- (1) Section VI - I, Exhibit 2.
- (2) Section VI - I, Exhibit 4.
- (4) From Special Bulletin 02-07. Market Share is estimated using Standard Premium plus ARAP.
- (6) Section X - K, Exhibit 3, Page 1.

VI 000021

Section VI - Expenses
Subsection I - Expenses Net of Premium Discount
9/1/2007

Section VI - I
Exhibit 2

Determination of Average Premium Discount for Type A & B Companies Voluntary Market Risks

Layer of Standard Premium (1)	Policy Year Standard Earned Premium (2)	Proportion of Premium in Layer (3)	% Premium Discount		
			Type A Company (4)	Type B Company (5)	
First	10,000	176,245,200	0.396	0.0	0.0
Next	190,000	212,999,035	0.479	9.1	5.1
Next	1,550,000	50,923,523	0.114	11.3	6.5
Over	1,750,000	4,695,039	0.011	12.3	7.5
TOTALS		444,862,797	1.000	5.8	3.3

Note:

(2) Section VI - I, Exhibit 3, Page 1.

VI 000022

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 3
 Page 1

Standard Premium by Layer Voluntary Market Risks

03/04 Policy Year Layer of Standard Premium (1)	Standard Premium in Layer		Standard Premium = [(2) + (3)] (4)
	Intrastate (2)	Interstate (3)	
0 - 11,111	160,005,885	16,239,315	176,245,200
11,111 - 222,222	158,132,743	54,866,292	212,999,035
222,222 - 1,944,444	24,270,566	26,652,956	50,923,523
1,944,444 & Over	784,640	3,910,400	4,695,039
TOTAL	343,193,834	101,668,963	444,862,797

Notes:

- (1) Corresponds to first 10,000, next 190,000, next 1,550,000, and over 1,750,000 with 0.9 premium adjustment. See Section III - G, Exhibit 1.
- (2),(3) Section VI - I, Exhibit 3, Page 2.

VI 000023

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 3
 Page 2

Premium by Layer Within Intervals for All Companies Voluntary Market Risks

Intrastate Intervals							
Layer of Standard Premium (1)	Standard Premium Sizes				Total = [Sum of (2)] (3)		
	0 - 11,111	11,111 - 222,222	222,222 - 1,944,444	1,944,444 & Over			
0 - 11,111	95,994,774	62,644,444	1,355,556	11,111	160,005,885		
11,111 - 222,222		132,166,077	25,755,556	211,111	158,132,743		
222,222 - 1,944,444			22,548,344	1,722,222	24,270,566		
1,944,444 & Over				784,640	784,640		
Total	95,994,774	194,810,521	49,659,455	2,729,084	343,193,834		

Interstate Intervals					
Layer of Standard Premium (4)	Standard Premium Sizes				Total = [Sum of (5)] (6)
	0 - 4,444	4,444 - 88,889	88,889 - 777,778	777,778 & Over	
0 - 4,444	5,439,315	9,760,000	1,008,889	31,111	16,239,315
4,444 - 88,889		35,106,292	19,168,889	591,111	54,866,292
88,889 - 777,778			21,830,734	4,822,222	26,652,956
777,778 & Over				3,910,400	3,910,400
Total	5,439,315	44,866,292	42,008,512	9,354,844	101,668,963

Notes:

Schedule Z, Voluntary Market Data, Carriers choosing either Type A or Type B Discounts.
 Layers correspond to the Premium Discount layers (Exhibit 2) adjusted by the Premium Adjustment Factor from Section III-G, Exhibit 1.

(4) 40% of premium of Interstate risks is assumed to be in Massachusetts.

VI 000024

Section VI - Expenses
Subsection I - Expenses Net of Premium Discount
9/1/2007

Section VI - I
Exhibit 4

Calculation of Calendar Year 2005 Voluntary Premium: Type A vs. Type B Table Elected Premium Discount Schedule as of 2/5/07

(1)	Adjusted Voluntary Premium for Companies electing Type A Premium Discount Schedule (\$000)	341,498
(2)	Adjusted Voluntary Premium for Companies electing Type B Premium Discount Schedule (\$000)	202,694
(3)	Percentage of Voluntary Premium electing Type A Discount = (1) / [(1) + (2)]	62.8%
(4)	Percentage of Voluntary Premium electing Type B Discount = (2) / [(1) + (2)]	37.2%

Notes:

The total market premiums are from the 2005 Annual Statements, Page 15. Ceded and VDAC premium information is from NCCI and VDAC carriers. "Adjusted" Voluntary Premiums that are negative have been set equal to zero under the assumption that there are no negative values after audit.

(1),(2) Section VI - I, Exhibit 5, Page 7.

VI 000025

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
26158	Associated Industrial of Mass	A	108,804	53,205	55,599	55,599	0	0
16586	Liberty Mutual Fire Insurance Company	B	61,487	36,769	24,718	0	24,718	0
14974	Twin City Fire Insurance Company	B	44,792	0	44,792	0	44,792	0
29211	Atlantic Charter Insurance Company	A	30,546	7,961	22,585	22,585	0	0
21814	Liberty Insurance Corporation	B	29,352	0	29,352	0	29,352	0
10863	Zurich American Insurance Company	A	25,014	0	25,014	25,014	0	0
25844	NorGuard Insurance Company	A	21,197	0	21,197	21,197	0	0
40959	Associated Employers Insurance Company	B	20,221	0	20,221	0	20,221	0
10456	Hartford Underwriters Insurance Company	B	17,448	11,428	6,019	0	6,019	0
17965	American Zurich Insurance Company	A	15,685	11,097	4,588	4,588	0	0
10243	Continental Casualty Company	B	15,620	10,672	4,947	0	4,947	0
12890	Federal Insurance Company	A	15,425	(1)	15,426	15,426	0	0
14397	Hartford Casualty Insurance Company	B	13,085	0	13,085	0	13,085	0
15628	Liberty Mutual Insurance Company	B	12,587	(601)	13,188	0	13,188	0
20605	Hartford Insurance Company of the Midwest	B	11,785	0	11,785	0	11,785	0
35718	Endeavour Insurance Company	A	10,752	0	10,752	10,752	0	0
27723	Firemen's Insurance Company of Washington, D.C.	A	10,278	0	10,278	10,278	0	0
13269	Hartford Fire Insurance Company	B	10,076	0	10,076	0	10,076	0
12408	Transportation Insurance Company	B	9,132	0	9,132	0	9,132	0
35165	Arbella Protection Insurance Company, Inc.	A	7,980	0	7,980	7,980	0	0
33391	Acadia Insurance Company	A	7,206	0	7,206	7,206	0	0
24562	Star Insurance Company	A	6,424	0	6,424	6,424	0	0
16152	Public Service Mutual Insurance Company	A	6,411	0	6,411	6,411	0	0
15555	Employers Insurance Company of Wausau	A	6,410	0	6,410	6,410	0	0
41068	Alea North America Insurance Company	A	6,311	0	6,311	6,311	0	0
16721	Farm Family Casualty Insurance Company	A	6,160	0	6,160	6,160	0	0
13633	Hanover Insurance Company	A	6,053	0	6,053	6,053	0	0
31771	Savers Property and Casualty Insurance Company	A	5,921	0	5,921	5,921	0	0
36835	Independence Casualty Insurance Company	A	5,749	0	5,749	5,749	0	0
16993	Central Mutual Insurance Company	A	5,711	0	5,711	5,711	0	0
10545	Maryland Casualty Company	A	5,199	0	5,199	5,199	0	0
16640	Arrow Mutual Liability Insurance Company	B	4,803	0	4,803	0	4,803	0
10359	OneBeacon Insurance Company	A	4,686	1,856	2,830	2,830	0	0
16322	National Grange Mutual Insurance Company	A	4,622	0	4,622	4,622	0	0
21873	AmGuard Insurance Company	A	4,274	0	4,274	4,274	0	0
21059	Norfolk & Dedham Mutual Fire Insurance Company	A	3,920	0	3,920	3,920	0	0
15571	Sentry Insurance A Mutual Company	A	3,720	0	3,720	3,720	0	0
31879	Arbella Indemnity Insurance Company, Inc.	A	3,439	0	3,439	3,439	0	0
21644	Harleysville Worcester Insurance Company	B	3,409	0	3,409	0	3,409	0
11355	Peerless Insurance Company	A	3,216	0	3,216	3,216	0	0
30406	State National Insurance Company Inc.	A	3,133	0	3,133	3,133	0	0
27243	LM Insurance Corporation	B	3,127	1,542	1,585	0	1,585	0
12629	Electric Insurance Company	A	3,064	0	3,064	3,064	0	0
15717	Utica Mutual Insurance Company	A	2,604	0	2,604	2,604	0	0
19879	Virginia Surety Company, Inc.	A	2,475	0	2,475	2,475	0	0
11509	Old Republic Insurance Company	A	2,421	0	2,421	2,421	0	0
27103	Main Street America Assurance Company	A	2,313	0	2,313	2,313	0	0
23922	Paramount Insurance Company	A	2,286	0	2,286	2,286	0	0
12688	Transcontinental Insurance Company	A	2,260	0	2,260	2,260	0	0
10685	Pacific Indemnity Company	A	2,194	0	2,194	2,194	0	0
12777	United States Fire Insurance Company	A	2,181	0	2,181	2,181	0	0
25461	Clarendon National Insurance Company	A	2,095	0	2,095	2,095	0	0
15822	Graphic Arts Mutual Insurance Company	A	2,068	0	2,068	2,068	0	0

VI 000026

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
10448	Hartford Accident and Indemnity Company	B	1,942	0	1,942	0	1,942	0
10030	American Casualty Company of Reading, Pennsylvania	A	1,829	0	1,829	1,829	0	0
11363	Ohio Casualty Insurance Company	A	1,776	0	1,776	1,776	0	0
18996	Wausau Underwriters Insurance Company	A	1,732	0	1,732	1,732	0	0
13838	All America Insurance Company	A	1,726	0	1,726	1,726	0	0
28355	Arch Insurance Company	A	1,716	0	1,716	1,716	0	0
15032	Valley Forge Insurance Company	B	1,710	0	1,710	0	1,710	0
14567	Great Northern Insurance Company	A	1,524	0	1,524	1,524	0	0
16446	Federated Mutual Insurance Company	A	1,496	0	1,496	1,496	0	0
17507	Florists' Mutual Insurance Company	A	1,468	0	1,468	1,468	0	0
12238	National Fire Insurance Company of Hartford	A	1,460	0	1,460	1,460	0	0
10693	Vigilant Insurance Company	A	1,407	0	1,407	1,407	0	0
14095	Argonaut Insurance Company	A	1,357	0	1,357	1,357	0	0
11916	Pennsylvania Manufacturers' Association Ins. Co.	A	1,289	0	1,289	1,289	0	0
33936	EastGuard Insurance Company	A	1,265	0	1,265	1,265	0	0
13668	Sentry Select Insurance Company	A	1,262	0	1,262	1,262	0	0
12300	Employers' Fire Insurance Company	A	1,254	0	1,254	1,254	0	0
12297	Universal Underwriters Insurance Company	A	1,193	0	1,193	1,193	0	0
12440	General Casualty Company of Wisconsin	A	1,058	0	1,058	1,058	0	0
61417	Atlantic Specialty Insurance Company	A	993	0	993	993	0	0
14184	Netherlands Insurance Company (The)	A	982	0	982	982	0	0
19089	Mitsui Sumitomo Insurance Company of America	A	959	0	959	959	0	0
14281	Tokio Marine & Nichido Fire Insurance Co., Ltd.	A	931	0	931	931	0	0
27359	First Liberty Insurance Corporation (The)	B	905	0	905	0	905	0
11452	American Guarantee and Liability Insurance Company	A	875	0	875	875	0	0
27332	Wausau Business Insurance Company	A	864	0	864	864	0	0
38563	MEMIC Indemnity Company	A	845	0	845	845	0	0
14540	OneBeacon America Insurance Company	A	797	0	797	797	0	0
13854	TIG Insurance Company	A	791	0	791	791	0	0
27944	XL Specialty Insurance Company	A	786	0	786	786	0	0
34681	Great Divide Insurance Company	A	781	0	781	781	0	0
24023	Vanliner Insurance Company	A	778	0	778	778	0	0
16349	Safety National Casualty Corporation	A	771	0	771	771	0	0
10561	American Economy Insurance Company	A	770	0	770	770	0	0
14508	North River Insurance Company	A	707	0	707	707	0	0
32530	Fairfield Insurance Company	A	685	0	685	685	0	0
11495	American States Insurance Company	A	657	0	657	657	0	0
12742	Argonaut-Midwest Insurance Company	A	653	0	653	653	0	0
16853	Church Mutual Insurance Company	B	647	0	647	0	647	0
31097	Transguard Insurance Company of America, Inc.	A	592	0	592	592	0	0
10510	Fidelity and Deposit Company of Maryland	A	468	0	468	468	0	0
10650	Excelsior Insurance Company	A	424	0	424	424	0	0
13897	Great American Insurance Company of New York	A	393	0	393	393	0	0
15652	Merchants Mutual Insurance Company	A	379	0	379	379	0	0
17604	Pharmacists Mutual Insurance Company	A	338	0	338	338	0	0
20575	Harleysville Preferred Insurance Company	B	290	0	290	0	290	0
14788	Protective Insurance Company	A	288	0	288	288	0	0
10065	American Motorists Insurance Company	A	260	0	260	260	0	0
17027	Penn Millers Insurance Company	A	206	0	206	206	0	0
20583	Selective Insurance Company of the Southeast	A	165	0	165	165	0	0
10960	Middlesex Insurance Company	A	162	0	162	162	0	0
33790	Mountain Valley Indemnity Company	A	139	0	139	139	0	0
13714	Westport Insurance Corporation	A	132	0	132	132	0	0

VI 000027

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
15539	Employers Mutual Casualty Company	A	132	0	132	132	0	0
11126	Petroleum Casualty Company	A	129	0	129	129	0	0
12173	Assurance Company of America	A	128	0	128	128	0	0
11770	Patriot General Insurance Company	A	121	0	121	121	0	0
28312	Everest National Insurance Company	A	111	0	111	111	0	0
22055	Ullico Casualty Company	A	111	0	111	111	0	0
12572	Security Insurance Company of Hartford	A	107	0	107	107	0	0
15385	Cincinnati Insurance Company	A	98	0	98	98	0	0
24759	American Interstate Insurance Company	A	93	0	93	93	0	0
25992	Midwest Employers Casualty Company	A	88	0	88	88	0	0
36889	MassWest Insurance Company, Inc.	A	84	0	84	84	0	0
31607	National Interstate Insurance Company	N/A	84	0	84	0	0	84
14176	Great American Insurance Company	A	78	0	78	78	0	0
11037	Great West Casualty Company	A	76	0	76	76	0	0
10006	Massachusetts Bay Insurance Company	A	74	0	74	74	0	0
11266	American Fire and Casualty Company	A	69	0	69	69	0	0
14028	Great American Alliance Insurance Company	A	65	0	65	65	0	0
13145	Zenith Insurance Company	A	56	0	56	56	0	0
17299	GuideOne Mutual Insurance Company	A	51	0	51	51	0	0
31720	Chubb Indemnity Insurance Company	A	47	0	47	47	0	0
19968	Accident Fund Insurance Company of America	A	43	0	43	43	0	0
13765	Northern Insurance Company of New York	A	35	0	35	35	0	0
12963	Maine Bonding and Casualty Company	A	34	0	34	34	0	0
14842	State Farm Fire and Casualty Company	A	34	0	34	34	0	0
40851	T.H.E. Insurance Company	B	30	0	30	0	30	0
11029	Insurance Company of Greater New York	A	30	0	30	30	0	0
15660	Amerisure Mutual Insurance Company	B	20	0	20	0	20	0
11002	Citizens Insurance Company of America	A	17	0	17	17	0	0
27154	ACIG Insurance Company	B	17	0	17	0	17	0
12149	Centennial Insurance Company	A	16	0	16	16	0	0
19291	Ohio Security Insurance Company	A	15	0	15	15	0	0
10111	Republic Franklin Insurance Company	A	15	0	15	15	0	0
11614	Harco National Insurance Company	B	13	0	13	0	13	0
11061	Regent Insurance Company	A	13	0	13	13	0	0
19283	NIPPONKOA Insurance Company, Limited (U.S. Branch)	A	12	0	12	12	0	0
36196	Everest Reinsurance Company	A	12	0	12	12	0	0
14591	Greenwich Insurance Company	A	10	0	10	10	0	0
17116	American Manufacturers Mutual Insurance Company	A	10	0	10	10	0	0
19399	American Alternative Insurance Corporation	A	6	0	6	6	0	0
15849	Pennsylvania National Mutual Casualty Ins. Co.	B	4	0	4	0	4	0
13404	General Insurance Company of America	A	3	0	3	3	0	0
20052	Trans Pacific Insurance Company	A	3	0	3	3	0	0
18376	Lumbermen's Underwriting Alliance	B	2	0	2	0	2	0
16519	American Hardware Mutual Insurance Company	A	2	0	2	2	0	0
15407	Pennsylvania General Insurance Company	A	1	0	1	1	0	0
11525	Amerisure Insurance Company	B	1	0	1	0	1	0
10316	Employers Reinsurance Corporation	A	1	0	1	1	0	0
21830	Fitchburg Mutual Insurance Company	A	1	0	1	1	0	0
14869	Merchants Insurance Company of New Hampshire, Inc.	A	0	0	0	0	0	0
11576	West American Insurance Company	A	0	0	0	0	0	0
13420	Seneca Insurance Company, Inc.	A	0	0	0	0	0	0
20273	Coregis Insurance Company	A	0	0	0	0	0	0
51225	United National Casualty Insurance Company	N/A	0	0	0	0	0	0

VI 000028

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
17388	Frankenmuth Mutual Insurance Company	A	0	0	0	0	0	0
17442	Montgomery Mutual Insurance Company	A	0	0	0	0	0	0
13552	Allstate Indemnity Company	A	0	0	0	0	0	0
13773	Northern Assurance Company of America (The)	A	0	0	0	0	0	0
17612	Union Insurance Company of Providence	A	0	0	0	0	0	0
17698	Republic Western Insurance Company	A	0	0	0	0	0	0
17906	Citation Insurance Company	B	0	0	0	0	0	0
10332	Fidelity and Casualty Company of New York (The)	A	0	0	0	0	0	0
18244	Truck Insurance Exchange	A	0	0	0	0	0	0
14303	Firemen's Insurance Company of Newark, New Jersey	A	0	0	0	0	0	0
18937	Professional Liability Insurance Co. of America	A	0	0	0	0	0	0
17013	Tower National Insurance Company	N/A	0	0	0	0	0	0
17205	Seaton Insurance Company	A	0	0	0	0	0	0
19143	Commerce Insurance Company	B	0	0	0	0	0	0
19224	AXA Corporate Solutions Insurance Company	B	0	0	0	0	0	0
16411	Pennsylvania Lumbermens Mutual Insurance Company	A	0	0	0	0	0	0
10049	American Employers' Insurance Company	A	0	0	0	0	0	0
41270	Strathmore Insurance Company	N/A	0	0	0	0	0	0
13226	Peerless Indemnity Insurance Company	A	0	0	0	0	0	0
19518	Fairmont Insurance Company	A	0	0	0	0	0	0
19666	Trumbull Insurance Company	A	0	0	0	0	0	0
11673	Zurich American Ins Co of Illinois	N/A	0	0	0	0	0	0
11648	Housing Authority Property Insurance, a Mutual Co.	N/A	0	0	0	0	0	0
14710	Fairmont Specialty Insurance Company	A	0	0	0	0	0	0
20117	Massachusetts Homeland Insurance Company	A	0	0	0	0	0	0
11169	Selective Insurance Company of America	A	0	0	0	0	0	0
20354	TIG Indemnity Company	A	0	0	0	0	0	0
14559	TIG Premier Insurance Company	A	0	0	0	0	0	0
14680	CUMIS Insurance Society, Inc.	B	0	0	0	0	0	0
14338	Integon National Insurance Company	N/A	0	0	0	0	0	0
20699	Northbrook Indemnity Company	A	0	0	0	0	0	0
12246	Wausau General Insurance Company	A	0	0	0	0	0	0
11746	Carolina Casualty Insurance Company	B	0	0	0	0	0	0
21172	Insurance Corporation of Hannover	A	0	0	0	0	0	0
10871	Allianz Global Risks US Insurance Company	A	0	0	0	0	0	0
21733	Liberty Northwest Insurance Corporation	A	0	0	0	0	0	0
13943	Occidental Fire & Cas Co. of NC	A	0	0	0	0	0	0
14648	Kansas City Fire and Marine Insurance Company	A	0	0	0	0	0	0
11339	Countryway Insurance Company	A	0	0	0	0	0	0
16357	Preferred Mutual Insurance Company	A	0	0	0	0	0	0
22063	Vermont Mutual Insurance Company	N/A	0	0	0	0	0	0
39055	Caterpillar Insurance Company	N/A	0	0	0	0	0	0
22373	Plymouth Rock Assurance Corporation	B	0	0	0	0	0	0
22438	Nationwide Property & Casualty Insurance Company	B	0	0	0	0	0	0
22551	Patrons Mutual Insurance Company of Connecticut	B	0	0	0	0	0	0
22616	Markel Insurance Company	B	0	0	0	0	0	0
22764	Diamond State Insurance Company	A	0	0	0	0	0	0
15792	Cambridge Mutual Fire Insurance Company	N/A	0	0	0	0	0	0
23957	Selective Insurance Company of South Carolina	A	0	0	0	0	0	0
24015	Rampart Insurance Company	A	0	0	0	0	0	0
13935	Country Casualty Insurance Company	B	0	0	0	0	0	0
24147	North American Specialty Insurance Company	A	0	0	0	0	0	0
24201	NIPPONKOA Insurance Company of America	A	0	0	0	0	0	0

VI 000029

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
24252	Colonial American Casualty and Surety Company	A	0	0	0	0	0	0
24295	Insurance Corporation of New York (The)	N/A	0	0	0	0	0	0
24430	Banclinsure, Inc.	A	0	0	0	0	0	0
15741	Selective Insurance Company of New York	A	0	0	0	0	0	0
15121	Glens Falls Insurance Company (The)	A	0	0	0	0	0	0
24783	DaimlerChrysler Insurance Company	A	0	0	0	0	0	0
25038	Lancer Insurance Company	A	0	0	0	0	0	0
25453	Redland Insurance Company	A	0	0	0	0	0	0
12203	Boston Old Colony Insurance Company	A	0	0	0	0	0	0
25585	Merchants and Business Men's Mutual Insurance Co.	N/A	0	0	0	0	0	0
25631	Stonington Insurance Company	B	0	0	0	0	0	0
10200	Commercial Insurance Company of Newark, N.J.	A	0	0	0	0	0	0
15156	Atlanta International Insurance Company	N/A	0	0	0	0	0	0
26107	Warner Insurance Company	A	0	0	0	0	0	0
10928	Nationwide Affinity Insurance Company of America	A	0	0	0	0	0	0
26565	Dorchester Mutual Insurance Company	A	0	0	0	0	0	0
26689	York Insurance Company of Maine	N/A	0	0	0	0	0	0
15008	Niagara Fire Insurance Company	A	0	0	0	0	0	0
38199	Centre Insurance Company	A	0	0	0	0	0	0
16926	Harleysville Mutual Insurance Company	A	0	0	0	0	0	0
27308	Genesis Insurance Company	A	0	0	0	0	0	0
15806	Merrimack Mutual Fire Insurance Company	N/A	0	0	0	0	0	0
11142	Houston General Insurance Company	A	0	0	0	0	0	0
27545	Mapfre Reinsurance Corporation	A	0	0	0	0	0	0
27634	Hudson Insurance Company	N/A	0	0	0	0	0	0
10480	XL Insurance America, Inc.	A	0	0	0	0	0	0
27871	Commercial Casualty Insurance Company	A	0	0	0	0	0	0
15067	Allstate Insurance Company	A	0	0	0	0	0	0
15016	Northwestern National Ins. Co. of Milwaukee Wisc.	A	0	0	0	0	0	0
12602	Bituminous Fire and Marine Insurance Company	B	0	0	0	0	0	0
28401	Platte River Insurance Company	N/A	0	0	0	0	0	0
29084	AXA Re America Insurance Company	B	0	0	0	0	0	0
15326	Affiliated FM Insurance Company	B	0	0	0	0	0	0
29386	North American Elite Insurance Company	A	0	0	0	0	0	0
29432	Pilgrim Insurance Company	B	0	0	0	0	0	0
29637	OneBeacon Midwest Insurance Company	N/A	0	0	0	0	0	0
29661	Allmerica Financial Benefit Insurance Company	A	0	0	0	0	0	0
29734	American Compensation Insurance Company	A	0	0	0	0	0	0
29866	Converium Insurance (North America) Inc.	N/A	0	0	0	0	0	0
30147	Property and Casualty Insurance Co. of Hartford	A	0	0	0	0	0	0
30325	Beacon Mutual Insurance Company (The)	B	0	0	0	0	0	0
16381	Empire Insurance Company	B	0	0	0	0	0	0
30449	Maine Employers' Mutual Insurance Company	A	0	0	0	0	0	0
30732	Sirius America Insurance Company	B	0	0	0	0	0	0
30937	Hanover American Insurance Company (The)	A	0	0	0	0	0	0
14311	Union Insurance Company	N/A	0	0	0	0	0	0
11053	Continental Western Insurance Company	N/A	0	0	0	0	0	0
15997	Nationwide Mutual Fire Insurance Company	B	0	0	0	0	0	0
17051	American Country Insurance Company	A	0	0	0	0	0	0
12718	Transport Insurance Company	A	0	0	0	0	0	0
32239	Preferred Professionals Insurance Company	A	0	0	0	0	0	0
32247	Quincy Mutual Fire Insurance Company	A	0	0	0	0	0	0
16942	Eastern Casualty Insurance Company	A	0	0	0	0	0	0

VI 000030

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2007

Section VI - I
 Exhibit 5

Calendar Year 2005 Premiums

Company Number (1)	Company Name (2)	Elected Discount Schedule (3)	Written Premium (\$000) (4)	Residual Market Written Premium (\$000) (5)	Adjusted Voluntary Written Premium			
					Total Written Premium (\$000) (6)	Type A Written Premium (\$000) (7)	Type B Written Premium (\$000) (8)	Type N/A Written Unknown (\$000) (9)
32873	AXIS Reinsurance Company	N/A	0	0	0	0	0	0
14966	Integon Preferred Ins. Co.	A	0	0	0	0	0	0
33480	Tower Insurance Company of New York	N/A	0	0	0	0	0	0
33499	Executive Risk Indemnity Inc.	N/A	0	0	0	0	0	0
16284	Country Mutual Insurance Company	B	0	0	0	0	0	0
13129	Federated Service Insurance Company	N/A	0	0	0	0	0	0
14427	New England Insurance Company	A	0	0	0	0	0	0
34738	Allmerica Financial Alliance Insurance Company	A	0	0	0	0	0	0
13234	ProSelect Insurance Company	N/A	0	0	0	0	0	0
35173	Chubb National Insurance Company	A	0	0	0	0	0	0
35246	Covenant Insurance Company	A	0	0	0	0	0	0
10138	Bituminous Casualty Corporation	A	(0)	0	0	0	0	0
22098	Blue Ridge Insurance Company	A	(0)	0	0	0	0	0
20907	York Insurance Company	A	(0)	0	0	0	0	0
16195	Nationwide Mutual Insurance Company	B	(1)	0	0	0	0	0
13307	Great American Assurance Company	A	(4)	0	0	0	0	0
40991	Safety First Insurance Company	A	(9)	0	0	0	0	0
16772	Greater New York Mutual Insurance Company	B	(20)	0	0	0	0	0
12939	Providence Washington Insurance Company	A	(23)	0	0	0	0	0
15644	Lumbermens Mutual Casualty Company	B	(30)	0	0	0	0	0
15113	Continental Insurance Company, (The)	A	(132)	0	0	0	0	0
19321	Sompo Japan Insurance Company of America	A	(265)	0	0	0	0	0
16470	Atlantic Mutual Insurance Company	A	(266)	0	0	0	0	0
10723	Royal Indemnity Company	A	(362)	127	0	0	0	0
Total			677,090	134,055	544,275	341,498	202,694	84

Percentage of Voluntary premium electing Type A Discount: 62.7%
 Percentage of Voluntary premium electing Type B Discount: 37.2%
 Percentage of Voluntary premium electing no Discount: 0.0%

VI 000031

Section VI - Expenses
 Subsection J - Expense Constant Offset
 9/1/2007

Section VI - J
 Exhibit 1

Calculation of Expense Constant Offset for Policy Effective Period

- (1) Expense Constant Offset for Composite Policy Year 03/04 0.961

- (2) Expense Constant as percent of premium for Composite Policy Year 03/04 3.9%
 = 1.0 - (1)

- (3) Expense Constant for Composite Policy Year 03/04 \$214.91

(4) Period

Policy Effective Period	Policy Year 2003	Policy Year 2004	Calendar Year 2005
-------------------------	------------------	------------------	--------------------

- (5) Factor to bring Composite Policy Year 03/04 premium to premium level of (4) 0.90 1.10 1.00 1.00

- (6) Expense Constant for (4) \$271.20 \$204.68 \$225.15 \$226.09

- (7) Expense Constant as percent of premium for policy effective period 5.4% 3.4% 4.1% 4.1%
 = $[(2) \times \{(6) / (3)\}] / \{((5) \times (1)) + [(2) \times ((6) / (3))]\}$

- (8) Expense Constant Offset 0.946 0.966 0.959 0.959
 = 1.0 - (7)

Notes:

- (1) Section VI - J, Exhibit 2.
- (3) Average of the Expense Constants for Policy Years 2003 and 2004.
- (5) Section III - G, Exhibit 1.
- (6) For the Policy Effective Period: Section VI - E, Exhibit 1.

VI 000032

Section VI - Expenses
 Subsection J - Expense Constant Offset
 9/1/2007

Section VI - J
 Exhibit 2

Expense Constant Offsets

	Standard Premium Plus ARAP	Expense Constant	Expense Constant Offset (1) / [(1) + (2)]
	(1)	(2)	(3)
Policy Year 02/03			
A. First Report	648,735,427	22,757,873	0.966
B. Second Report	648,739,736	22,757,752	0.966
Policy Year 03/04			
A. First Report	587,176,373	23,866,744	0.961

Source: Schedule Z Classification Summaries. Excluding large deductible policies.
 (Reference Code 01A).

VI 000033

Section VI - Expenses
Subsection K - Acquisition Expenses
9/1/2007

Section VI - K
Exhibit 1

Provision for Acquisition Expense including Reinsurer's Expenses

(1)	Other Acquisition Expense (exclusive of Expense Constant)	2.3%
(2)	Average Commission (exclusive of Expense Constant)	8.2%
(3)	Average Frictional Reinsurance Cost	1.0%
(4)	Incidental Income and Earned but Uncollected Premium	0.0%

(5)	Acquisition Expense = (1) + (2) + (3) + (4)	11.5%
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Notes:

- (1) Section VI - K, Exhibit 2
- (2) Section VI - K, Exhibit 3
- (3) Section VI - K, Exhibit 4
- (4) Section VI - K, Exhibit 5

VI 000034

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2007

Section VI - K
 Exhibit 2

Calculation of Other Acquisition Expense All Companies Combined

	Calendar Year		
	2003	2004	2005
(1) Expense Call Standard Earned Premium	757,887,539	715,388,494	694,662,039
(2) Factor to include ARAP	1.039	1.041	1.039
(3) Standard Earned Premium plus ARAP = (1) x (2)	787,703,869	744,870,255	721,819,030
(4) Other Acquisition, Field Supervision, Collection Expenses for Home Office and Branch Office, excluding Commissions	37,880,159	33,851,297	34,206,065
(5) Percentage for Other Acquisition Expense = (4) / (3)	4.8%	4.5%	4.7%
(6) Three Year Average		4.7%	
(7) Expense Constant as a percent of Premium		5.4%	
(8) Other Acquisition Portion of Expense Constant		46.7%	
(9) Percent of Premium due to Portion of Expense Constant for Other Acquisition Expense = (7) x (8)		2.5%	
(10) Other Acquisition Expense and Field Supervision exclusive of Expense Constant = [(6) - (9)] / [1.0 - (7)]		2.3%	

Notes:

- (1),(4) Massachusetts Expense Calls, Calendar Years 2003 - 2005.
 - (1) For CY 2003 - 2005, Reported premium excludes ARAP and includes large deductible policies at Standard premium.
 - (2) Estimated using Schedule Z data for Composite Policy Years 02/03, 03/04 and 04/05
 - (7) Section VI - J, Exhibit 1.
 - (8) Section VI - B, Exhibit 3.

VI 000035

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2007

Section VI - K
 Exhibit 3

Calculation of Average Commission All Companies Combined

	Calendar Year		
	2003	2004	2005
(1) Expense Call Written Premium	689,734,827	653,298,249	676,734,334
(2) Factor to include ARAP	1.039	1.041	1.039
(3) Written Premium plus ARAP = (1) x (2)	716,869,936	680,221,218	703,190,463
(4) Total Commissions for Agents and Brokers	59,949,818	53,375,563	49,878,170
(5) Percentage for Commissions = (4) / (3)	8.4%	7.8%	7.1%
(6) Three Year Average		7.8%	
(7) Expense Constant as a Percent of Premium		5.4%	
(8) Commission Exclusive of Expense Constant = (6) / [1.0 - (7)]		8.2%	

Notes:

- (1),(4) Massachusetts Expense Calls, Calendar Years 2003 - 2005.
- (2) Estimated using Schedule Z data for Composite Policy Years 02/03, 03/04 and 04/05
- (7) Section VI - J, Exhibit 1.

VI 000036

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2007

Section VI - K
 Exhibit 4
 Page 1

Frictional Reinsurance Expenses

Calendar Year (1)	Reinsurer Expense as Percentage of Net Premium Written				
	Comm and Brokerage (2)	Other Acq. (3)	General Expenses (4)	Taxes (5)	Total Underwriting Expenses (2) + (3) + (4) + (5) (6)
1991	18.7%	3.4%	3.0%	0.3%	25.4%
1992	20.4%	3.6%	3.1%	0.2%	27.3%
1993	19.6%	3.4%	3.2%	0.1%	26.3%
1994	18.3%	3.1%	2.6%	0.1%	24.1%
1995	20.3%	3.2%	2.4%	0.1%	26.0%
1996	22.3%	3.8%	2.6%	0.4%	29.1%
1997	20.7%	4.1%	2.9%	0.2%	27.9%
1998	21.1%	4.8%	3.3%	0.2%	29.4%
1999	18.3%	3.8%	2.7%	0.2%	25.0%
2000	19.3%	3.3%	2.4%	0.8%	25.8%
2001	18.2%	3.8%	2.5%	0.3%	24.8%
2002	20.3%	3.7%	2.7%	0.4%	27.0%
2003	18.7%	4.2%	2.7%	0.6%	26.2%
2004	18.0%	4.0%	2.9%	0.5%	25.4%
2005	26.2%	8.0%	6.4%	0.7%	41.3%
(7) Average	20.0%	4.0%	3.0%	0.3%	27.4%
(8) Ceding Commissions Offset	13.0%				
(9) Adjusted Average	7.0%	4.0%	3.0%	0.3%	14.4%
(10) Est. % of Direct Premium Ceded for Non-Proportional Reinsurance					11.4%
(11) Implied Frictional Reinsurance Costs Relative to Direct Premiums (as a %)					1.65%
(12) Selected Frictional Reinsurance Costs Relative to Direct Premiums					1.0%

Notes:

(2)-(5): Insurance Expense Exhibit database - By Line Underwriting Experience from Best's
 Aggregates & Averages, Editions 1992 - 2006

(8): Page 2, (10)

(9): =(7) - (8)

(10): Page 2, (11)

(11): = [Adjusted Average for (6)] x (10)

Estimate of Ceding Commission Rate

Calendar Year (1)	Written Premiums (000's)			Ratio of Commission & Brokerage Incurred to Written Premium		Commission & Brokerage Expenses Incurred (000's)		
	Direct (2)	Net (3)	Direct - Net (2) - (3) (4)	Direct (5)	Net (6)	Direct (2) x (5) (7)	Net (3) x (6) (8)	Direct - Net (7) - (8) (9)
1991	0	0	0	0.000	0.000	0	0	0
1992	0	0	0	0.000	0.000	0	0	0
1993	37,285,854	34,261,902	3,023,952	0.050	0.054	1,864,293	1,850,143	14,150
1994	35,030,001	32,708,295	2,321,706	0.057	0.063	1,996,710	2,060,623	(63,913)
1995	31,917,541	29,538,099	2,379,442	0.061	0.068	1,946,970	2,008,591	(61,621)
1996	30,046,302	27,714,978	2,331,324	0.064	0.068	1,922,963	1,884,619	38,345
1997	29,775,890	27,583,106	2,192,784	0.069	0.063	2,054,536	1,737,736	316,801
1998	29,136,120	25,683,152	3,452,968	0.077	0.060	2,243,481	1,540,989	702,492
1999	29,524,205	24,653,790	4,870,415	0.082	0.064	2,420,985	1,577,843	843,142
2000	32,780,086	28,240,208	4,539,878	0.082	0.068	2,687,967	1,920,334	767,633
2001	37,333,721	31,520,736	5,812,985	0.084	0.066	3,136,033	2,080,369	1,055,664
2002	43,950,839	38,137,991	5,812,848	0.077	0.066	3,384,215	2,517,107	867,107
2003	50,031,977	43,333,685	6,698,292	0.072	0.063	3,602,302	2,730,022	872,280
2004	51,988,628	45,667,027	6,321,601	0.074	0.063	3,847,158	2,877,023	970,136
2005	53,139,231	46,633,441	6,505,790	0.068	0.056	3,613,468	2,611,473	1,001,995
Total	491,940,395	435,676,410	56,263,985	0.071	0.063	34,721,081	27,396,870	7,324,212

(10) Estimated Ceding Commission & Brokerage Ratio - Total (9) / Total (4) 13.0%

(11) Est. % of Direct Premium Ceded for Non-Proportional Reinsurance - Total (4) / Total (2) 11.4%

Notes:

(2), (3), (5), (6): Insurance Expense Exhibit database - By Line Underwriting Experience from Best's Aggregates & Averages

VI 000037

VI 000038

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2007

Section VI - K
 Exhibit 5

Effect of Incidental Income and Earned but Uncollected Premium (Amounts in \$000)

		Policy Year		
		2002	2003	2004
(1)	Standard + ARAP Earned Premium excluding Large Deductible policies	655,866	642,220	607,538
(2)	Standard + ARAP Earned Premium for Large Deductible policies	157,924	140,730	115,795
(3)	Standard + ARAP Earned Premium for all policies = (1) + (2)	813,790	782,950	723,333
(4)	Incidental Income	(82)	(108)	(158)
(5)	Earned But Uncollected Premium	1,953	3,305	1,545
(6)	Net Effect of Incidental Income and Earned but Uncollected Premium = [(4) + (5)] / (3)	0.2%	0.4%	0.2%
(7)	Three Year Average		0.3%	
(8)	Selected Effect of Incidental Income and Earned but Uncollected Premium		0.0%	

Notes:

- (1) Policy Year Call.
- (2) Large Deductible Policy Year Call (Gross).
- (4),(5) Call #25.

VI 000039

Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2007

Section VI - L
 Exhibit 1
 Page 1

Adjustment to the Adjusting and Other Expense Provision

	Calendar Year		
	2003	2004	2005
(1) Average premium reduction for Large Deductible policies	83.0%	81.2%	78.9%
(2) Loss Elimination Ratio (LER) for Large Deductible policies = (1) x 1.124	93.3%	91.3%	88.7%
(3) Market share (Standard Premium basis) of Large Deductible policies	19.0%	17.2%	16.3%
(4) LER for Full Coverage plus Large Deductible policies = [(2) x (3)] + { 0.0% x [100% - (3)] }	17.7%	15.7%	14.5%
(5) Factor to adjust the Direct Losses = 1 / [100% - (4)]	1.215	1.186	1.169
(6) Factor to adjust the Adjusting and Other Expense provision = 1 / [100% - { .5 x (4) }]	1.097	1.085	1.078
(7) Factor to adjust the Ratio of Direct Adjusting and Other Expense to Direct Losses = (6) / (5)	0.903	0.915	0.922

Notes:

- (1),(3) Section VI - L, Exhibit 2.
- (2) Section VI - L, Exhibit 1, Page 2.
- (6) Assumes 50% of AO vary directly with losses.

VI 000040

Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2007

Section VI - L
 Exhibit 1
 Page 2

Loss Elimination Ratio for Large Deductible Policies

Formulas to derive Factor

D = Premium Reduction for Large Deductible Policies

LER = Loss Elimination Ratio

ELARD = (ELAR for Portion of Loss + LAE that varies with deductible)

assume to be: Loss + DCC + (1/2 x AO)

$D = [LER \times ELARD] / [100\% - (Variable\ Expense)]$

$LER = D \times [100\% - (Variable\ Expense)] / ELARD$

Provisions Underlying the Adjustment of the Adjusting and Other Expense Ratio

Expense Provisions: Provisions approved for rates effective 9/1/05, for Voluntary policies.	Percentage of Standard Premium <u>plus ARAP</u>
Variable Expenses (VE):	
Acquisition	10.5%
Premium Discount	4.2%
Premium Taxes	2.2%
Profit	-0.8%
Insolvency Fund Assessment	2.4%
Residual Market Subsidy	0.7%
	19.2%
Fixed Expenses (FE):	
General + Misc. Tax	5.2%
Fixed Adjusting and Other Expenses	2.7%
Assumes that half of AO is fixed and half varies with losses	
= LAE x ELR x 50% x 50% = 16.6% x 63.9% x 50.0% x 50.0%	5.0%
	7.9%
Expected Loss and DCC Ratio (ELARD):	
ELR without LAE	63.9%
Defense and Cost Containment Expense	5.3%
Assumes LAE split into DCC and AO evenly	
= LAE x ELR x 50% = 16.6% x 63.9% x 50.0%	
Variable Adjusting and Other Expense	2.7%
see above note for Fixed AO	
	71.9%

100% - Variable Expenses = 80.8%

ELARD = 71.9%

LER = D x **1.124**

VI 000041

Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2007

Section VI - L
 Exhibit 2

Average Large Deductible Premium Reduction and Large Deductible Market Share (Amounts in \$000)

		Policy Year			
		2002	2003	2004	2005
(1)	Standard Earned Premium excluding Large Deductible policies	631,767	619,748	586,022	325,859
(2)	Earned Premium Net of Deductible Credit for Large Deductible policies	25,917	23,891	23,034	13,994
(3)	Standard Earned Premium for Large Deductible policies	155,213	137,792	113,502	63,822
(4)	Standard Earned Premium for all policies = (1) + (3)	786,980	757,540	699,523	389,682
(5)	Average premium reduction for Large Deductible policies = 1.000 - (2) / (3)	83.3%	82.7%	79.7%	78.1%
(6)	Market share (Standard Premium basis) of Large Deductible policies = (3) / (4)	19.7%	18.2%	16.2%	16.4%

		Calendar Year		
		2003	2004	2005
(7)	Average premium reduction for Large Deductible policies = Average of PY-1 and PY	83.0%	81.2%	78.9%
(8)	Market share (Standard Premium basis) of Large Deductible policies = Average of PY-1 and PY	19.0%	17.2%	16.3%

Notes:

For Calendar Years 2003 - 2005, premium reported on Expense Call includes large deductible policies at Standard premium.

(1) Policy Year Call.

(2),(3) Large Deductible Policy Year Call (Gross).

Small Deductible Credits

Massachusetts Workers' Compensation Law requires the Massachusetts Workers' Compensation Assigned Risk Pool and insurers to offer insureds with workers' compensation policies, which provide coverage in Massachusetts, a choice of medical and indemnity benefits deductibles.

In accordance with the statute, the Division of Insurance has approved two separate and distinct deductible programs: the Massachusetts Benefits Deductible Program effective January 1, 1993, and the Massachusetts Benefits Claim and Aggregate Deductible Program effective January 1, 1997. This section updates the small deductible credits for these two programs.

VII-A – Massachusetts Benefits Deductible Program Credits

The Massachusetts Benefits Deductible Program allows insureds to elect a per claim deductible applicable to the sum of medical and indemnity losses. Deductible levels of \$500, \$1,000, \$2,000, \$2,500 and \$5,000 are offered to every employer. Insureds that elect a deductible deserve a premium reduction reflective of the percentage of losses retained below the deductible. Higher deductibles should be associated with larger premium credits because an insured's expected retained losses increase as the deductible level increases.

VII 000002

Section VII-A, Exhibit 1 displays Loss Elimination Ratios and Premium Credits for the available deductible levels. The premium credits have been calculated with the following considerations:

- The deductible will apply to the sum of indemnity and medical losses.
- The database used is Massachusetts Workers' Compensation Schedule Z data from composite policy years 99/00, 98/99, 97/98, 96/97, 95/96, 94/95 at fifth report. Each loss is multiplied by appropriate trend, law amendment and development factors. Claim costs are trended to 9/1/2008, the average accident date (assuming the proposed small deductible benefits will be in effect for one year starting 9/1/2007). These factors are shown in Section VII-A, Exhibit 2 and they are taken directly from other sections of the filing.
- Each claim is then layered by size of loss to calculate loss elimination ratios (LER).
- The WCRIB used the same formula as in the last Massachusetts Benefits Deductible Program filing to calculate the premium credit. This is formula (8) in "Fundamentals of Individual Risk Rating", 1992, Part III by William R. Gillam and Richard H. Snader:

$$\text{Premium Credit} = \frac{\text{LER} \times \text{SF} \times \text{ELR}}{1.0 - \text{VEL}}$$

LER - Loss Elimination Ratio (Section VII-A, Exhibit 1)

ELR - Expected Loss Ratio (Section VI-A, Exhibit 1)

VII 000003

VEL - Variable Expense Load (sum of the variable expense ratio from Section VI-A, Exhibit 1 and the Profit Provision from Section VIII-A, Exhibit 1)

SF - Safety Factor (the same factor that was used in the previous Massachusetts Benefits Deductible Program filing)

The safety factor is warranted for a number of reasons. First, insureds that elect a small deductible are more likely to benefit from having the deductible than an insured chosen at random. This is referred to as adverse selection and this problem is exacerbated by the requirement in Massachusetts (Regulation 211 CMR 113.00) mandating that all risks are offered a policy with a deductible. Second, unlike personal auto or health insurance where the insurance company pays claims net of any applicable deductible, workers' compensation insurers must pay the entire amount of the claim and then seek reimbursement from the insured. This creates credit risk and unfortunately, some insureds default on their obligation to reimburse their insurance carrier. Additionally, the exposure insured by the insurance carrier is more risky if the policyholder has opted for a deductible because the policyholder is retaining the less risky portion of the total losses.

VII-B – Massachusetts Benefits Claim and Aggregate Deductible Program Credits

This Massachusetts Benefits Claim and Aggregate Deductible Program allows insureds to elect a per claim deductible applicable to the sum of medical and indemnity

losses. However, unlike the Massachusetts Benefits Deductible Program, the losses retained by the insured are subject to a maximum, the aggregate limit. Only one deductible option is available with the Massachusetts Benefits Claim and Aggregate Deductible Program. Insureds may elect a \$2,500 deductible with an aggregate limit equal to the greater of \$10,000 or 5% of the “Basis for the Aggregate Limit at Policy Inception” (which is defined in *Massachusetts Workers Compensation and Employers Liability Insurance Manual* as manual premium subject to any applicable merit or experience rating).

Section VII-B, Exhibit 1 shows the pricing of the \$2,500 per claim deductible subject to an aggregate limit. In the exhibit, the WCRIB estimates how much less of a credit is appropriate given the limitation on the insured’s retained losses. For the Massachusetts Benefits Deductible Program, a credit of 4.99% is estimated for a \$2,500 per claim deductible (not subject to an aggregate limit). The 4.99% will serve as the basis for the calculation of the credit factors applicable to the Massachusetts Benefits Claim and Aggregate Deductible Program.

The impact of the aggregate limit on retained losses will vary with the premium size for an insured. Consistent with the law of large numbers, the loss experience for smaller policies is more volatile than for larger policies. Hence, proportionately more “smaller insureds” have either very low or very high loss ratios when compared to “larger insureds”. Consequently, smaller insureds are less apt to benefit from an aggregate limit. In this section, factors are derived to modify the credit proposed for a \$2,500 deductible without an applicable aggregate limit. These vary by premium size to reflect the

VII 000005

differential benefits of the aggregate limit for different size insureds. As in the prior Massachusetts Benefits Claim and Aggregate Deductible Program filing, the selection of the adjustment factor is based on the results of a simulation model shown in Section VII-B, Exhibit 2.

The simulation model does the following for each simulated insured:

- Assumes the insured has an expected claim frequency of N.
- Simulates the number of claims for the insured by generating a random number from a Poisson distribution with mean N.
- For each simulated claim, selects at random an actual loss amount from those reported in composite policy year 99/00, 98/99, 97/98, 96/97, 95/96 and 94/95 at 5th report. Loss amounts are adjusted for trend, development and law changes.
- Applies the per claim deductible to each claim to estimate the retained losses prior to application of the aggregate limit.
- Summarizes the simulated retained losses.
- Applies the aggregate limit to the sum of the simulated retained losses.

VII 000006

Section VII - Small Deductible Credits
Subsection A - Massachusetts Benefits Deductible Program Credits
9/1/2007

Section VII-A
Exhibit 1

Premium Credit by Deductible Level

Deductible Level	Premium Credit
500	1.89%
1,000	2.99%
2,000	4.42%
2,500	4.99%
5,000	7.24%

Loss Elimination Ratios by Deductible Level

Deductible Level	LER
500	3.41%
1,000	5.39%
2,000	7.96%
2,500	8.99%
5,000	13.05%

Notes:

Premium Credit = [Loss Elimination Ratio x Safety Factor x Expected Loss Ratio] / [1.0 - Variable Expense Load]
where:

Safety Factor = 0.7, from 05/30/1991 Massachusetts Benefits Deductible Program Filing.

Expected Loss Ratio = 0.656, Section VI-A, Exhibit 1.

Variable Expense Load = Variable Expense Ratio + Profit Provision

Variable Expense Ratio = 0.175, Section VI-A, Exhibit 1

Profit Provision = -0.003, Section VIII-A, Exhibit 1

VII 000007

Section VII - Small Deductible Credits
 Subsection A - Massachusetts Benefits Deductible Program Credits
 9/1/2007

Section VII-A
 Exhibit 2

Trend, Law Amendments and Development Factors

(1) Benefit On-Level Development Factors

Composite Policy Year	Indemnity Losses					Medical Losses
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Type 5	All Injury Types
1994/1995	1.164	1.114	1.187	1.287	1.062	1.124
1995/1996	1.150	1.107	1.174	1.262	1.059	1.110
1996/1997	1.132	1.097	1.157	1.230	1.053	1.100
1997/1998	1.111	1.085	1.137	1.195	1.046	1.100
1998/1999	1.087	1.072	1.117	1.158	1.039	1.100
1999/2000	1.055	1.053	1.090	1.109	1.029	1.088

(2) Trend Factors

Indemnity Severity Trend	0.062
Medical Only Severity Trend	0.076
Lost Time Medical Severity Trend	0.107

(3) Development Factors

Indemnity Fifth to Ultimate Development Factor	1.116
Injury Types 2 and 3 Medical Fifth to Ultimate Development Factor	1.459

Notes:

(1): Section IV-A, Exhibit 5.

Injury Type 1 = Fatal, Injury Type 2 = Permanent Total, Injury Type 3 = Major Permanent Partial,
 Injury Type 4 = Minor Permanent Partial, Injury Type 5 = Temporary Total.

(2): Section V-A, Exhibit 1.

(3): Section IV-I, Exhibit 3.

VII 000008

Section VII - Small Deductible Credits
 Subsection B - Massachusetts Benefits Claim and Aggregate Deductible Program Credits
 9/1/2007

Section VII-B
 Exhibit 1

Pricing \$2,500 Per Claim Deductible with Agregate Limit

Estimated Annual Standard Premium (\$000) (1)	Expected Number of Claims Per Year = (1) / \$19.0 (2)	Aggregate Limit (3)	Selected Adjustment Factor for Aggregate Limit (4)	Deductible Credit = (4) x 4.99% (5)
0 - 75	2	\$10,000	1.00	7.25%
75 - 100	5	\$10,000	0.96	6.99%
100 - 125	6	\$10,000	0.93	6.73%
125 - 150	8	\$10,000	0.86	6.22%
150 - 200	10	\$10,000	0.82	5.94%
Over 200	11 or more	5% of the 'Basis for the Aggregate Limit at Policy Inception'	0.80	5.80%

Notes:

(2): Based on about \$19.0 thousand in premium per expected claim.

(4): Selected based on the simulation results shown in Exhibit 2.

(5): The 4.99% is based on the \$2,500 per claim deductible without any aggregate limit, from Section VII-A, Exhibit 1.

VII 000009

Section VII - Small Deductible Credits
 Subsection B - Massachusetts Benefits Claim and Aggregate Deductible Program Credits
 9/1/2007

Section VII-B
 Exhibit 2

Results of Simulation Model

\$2,500 Per Claim / \$10,000 Aggregate Limit				
Expected Number of Claims Per Year (1)	LER with Aggregate Limit (2)	LER with No Aggregate Limit (3)	Ratio of LERs = (2) / (3) (4)	Number of Simulated Risks (5)
1	8.88%	8.88%	1.00	5,000
2	8.84%	8.86%	1.00	5,000
5	9.25%	9.58%	0.96	5,000
10	6.86%	8.72%	0.79	2,500
15	5.28%	9.01%	0.59	2,000
20	4.38%	9.55%	0.46	1,500

\$2,500 Per Claim / 5% of the 'Basis for the Aggregate Limit at Policy Inception'				
Expected Number of Claims Per Year (1)	LER with Aggregate Limit (2)	LER with No Aggregate Limit (3)	Ratio of LERs (4)	Number of Simulated Risks (5)
5	8.00%	9.71%	0.82	5,000
10	6.69%	9.58%	0.70	2,500
15	6.64%	8.72%	0.76	2,000
20	7.06%	9.01%	0.78	1,500
25	7.76%	9.55%	0.81	1,000
50	7.98%	9.47%	0.84	500
100	8.37%	9.74%	0.86	250
250	7.59%	8.87%	0.86	200
500	7.88%	9.33%	0.84	100

Note:

(1): Each expected claim per year corresponds to about \$19.0 thousand in annual premium.

UNDERWRITING PROFIT PROVISION

Background

For many years prior to 2003, workers' compensation rate filings in Massachusetts utilized the Myers-Cohn (M-C) model to establish underwriting profit provisions. In the 2003 filing, however, the WCRIB relied on a different approach, known as the internal rate of return (IRR) model. The Commissioner approved the use of the IRR in her decision on 2003 rates.¹ The WCRIB continues to rely on the use of an IRR model in this filing.

Fundamental principles of economics imply that the price of insurance should be set to cover the expected value of future costs associated with the risk transfer under consideration.² In addition to losses and expenses, one of these costs is the cost of capital; there must be a provision in the rates that compensates investors for the opportunity cost of the capital committed to the insurance activity. The underwriting profit provision is the component of the rate that, taken along with investment income, should provide insurers a fair total rate of return.

This suggests that to set an underwriting profit provision in insurance rates, one should first establish an estimate of the fair and reasonable rate of return, and then

¹ See, for example, page 40: "For the following reasons, we conclude that use of an IRR model for the underwriting profits provisions will be superior to the M-C model."

² This is simply the insurance specific application of the general proposition that price should equal marginal cost. This is not only a principle of economics; basic precepts of actuarial science require the same thing. See, for example, the CAS Statement of Principles on Property Casualty Insurance Ratemaking, or the Standard of Practice on Rate Of Return in Ratemaking.

VIII 000002

select a profit provision that produces that fair return. Such an analysis is consistent with the traditional practice in regulated industries, where rates include allowances for the expected costs of providing the regulated product or service, along with a provision for a fair rate of return on the capital required to produce the regulated product or service. This type of procedure comports with the legal standard under which fair regulation is applied, as articulated in the Hope Natural Gas decision of the U.S. Supreme Court.³ It is also consistent with the procedures relied upon in Massachusetts for the regulation of public utilities.

To that end, the WCRIB requested that David Appel and his colleagues at Milliman, Inc. assist the WCRIB's staff in developing a procedure for setting the profit factor in workers' compensation rates that will yield insurers a fair and reasonable return on the equity invested in support of the insurance transaction. Dr. Appel has performed the following analyses for the WCRIB:

1. He has estimated the cost of capital, or fair rate of return, insurers should be allowed for bearing the risk of underwriting workers' compensation insurance in Massachusetts.
2. He has assisted the WCRIB in developing a discounted cash flow model (the IRR model) to estimate the underwriting profit factor required to yield the previously determined fair rate of return.

³ The Hope decision states, in part, that "...the return to the equity owner should be commensurate with the returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital." Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591, 603 (1944).

VIII 000003

3. He has utilized the WCRIB's IRR model, using assumptions and cash flow patterns specific to Massachusetts workers' compensation insurance, to derive an underwriting profit factor that is consistent with the current cost of capital. This is the underwriting profit factor used in this rate filing.

Dr. Appel's role in preparing the present rate filing has been slightly different than his role in the 2003 filing. In the 2003 filing, Milliman was engaged by the WCRIB to develop a cost of capital and IRR methodology for the WCRIB's use. At that time, Dr. Appel utilized Milliman's cost of capital methodology and also developed a proprietary IRR model that the WCRIB relied upon in its rate filing. During the course of the hearing, however, questions were raised about the use of proprietary models to develop rates in a public proceeding. To address those concerns, the WCRIB decided in the 2005 filing to develop its own IRR model, which would be available to the public and not subject to the confidentiality requirements of the Milliman models. In developing its model, the WCRIB took advantage of Milliman's substantial experience in developing and testing such models. Dr. Appel assisted the WCRIB's staff in designing its model, reviewed the programming and implementation of the design, and tested the model's output for reasonableness. As in 2005, the WCRIB relied on Dr. Appel to estimate the cost of capital.

Our calculated underwriting profit provision is -0.27%. Section VIII-A, Exhibit 1, summarizes this calculation. The IRR model and the cost of capital calculation are actuarially sound and produce a rate in the statutorily required range of reasonableness. We therefore ask that the Commissioner approve their use.

VIII-B and VIII-C – Internal Rate of Return and Cost of Capital

In Section VIII-B we present the IRR model we have constructed and implemented with Dr. Appel's assistance, along with the exhibits generated by the model. In Section VIII-C we present Dr. Appel's analysis of the cost of capital, with a detailed appendix describing the methods he used.

VIII-D – Leverage Ratio

In the WCRIB's 2003 filing, the IRR model established the level of surplus under the assumption that the written premium to surplus ratio was 2:1. During the course of the 2003 hearing, arguments were raised that surplus should be allocated to workers' compensation based on the level of reserves, not premium. In this filing, the amount of surplus is estimated using a total reserve to surplus ratio, as was approved in the Commissioner's decision on 2005 automobile insurance rates.

In calculating the reserves to surplus ratio, we use data for commercial casualty composite from Best's Aggregates and Averages. We estimate this ratio by using an average of five years of data for loss and LAE reserves, plus unearned premium reserves. The calculation of the ratio is shown in Exhibit 1.

VIII-E - Premium Flow

In the WCRIB's 2005 filing, in an effort to improve the accuracy of the profit model, the Bureau has updated the premium cash flow. In order to construct a new flow, a special premium payment call was made to representative group of carriers.

The call obtained a random sample of fifty complete-year guaranteed cost (non large deductible) policies with policy effective dates in 2001 that include premiums related to Massachusetts' workers' compensation exposures. The premium flow used in the profit model is shown in Exhibit 1.

VIII-F - Expense Flows and Weights

The expense flows used by the WCRIB this year are weighted averages of separately determined flows for commissions, premium and other taxes, general expenses, other acquisition expenses, loss and loss adjustment expenses, premium discount and reinsurance expenses. In the current filing, separate policy year 2003 and policy year 2004 weights are calculated for general expense, miscellaneous and other taxes, and loss and loss adjustment expenses. The average of the two policy year weights is used in the IRR model.

The resulting expense flows appear in Table II-A of the IRR display (Section VIII-B, Exhibit 2, page 1). All flows in the IRR model have been converted to a policy year basis from their original form as single policy flows.

General Expense

The results of a study of general expense flow patterns were reported in the July 13, 1977 filing. General expenses were divided into general administration, audit, inspection and Bureau expenses. A time line was constructed to indicate a particular type of expenditure's distance from the effective date of a typical policy. Expenses by cost

center, including home and field office expenses, were analyzed to establish how the pattern of such expenses relates to the effective date of a policy. The combination of all such expense patterns resulted in the overall general expense pattern listed in Exhibit 2.

Other Acquisition Expense

The distribution of other acquisition costs was estimated from the same time pattern study that was used for general expenses. Marketing field offices and services, billing and collection, policy issuance and advertising expenses were examined to see when they arise with relation to the issuance of a policy. The combination of all such expense patterns resulted in the other acquisition expense pattern listed in Exhibit 2.

Premium and Other Taxes

The premium tax liability for any individual policy is assumed to be incurred and paid as the policy is written. The payment pattern for other taxes, which remains unchanged, was estimated from the same time pattern study that was used for general expenses.

Commissions and Premium Discount

We assume that the commission and premium discount flow patterns coincide with the paid premium flow.

Reinsurance Expenses

As in the last filing we are including a provision to reflect the estimated net cost of reinsurance to insurers. We assume that the reinsurance expense flow pattern coincide with the earned premium flow.

Loss Adjustment Expense

The Direct and Cost Containment Expense (DCC) flow is assumed to have the same pattern as the loss flow as shown in Section VIII-F, Exhibit 3. This corresponds to an assumption that on average DCC payments occur at approximately the same time as claim payments.

The pattern of the Adjusting and Other Expense (AO) flow is assumed to be the same as the average of the loss flow and an earned premium flow. This corresponds to an assumption that on average half of the AO payments are made as accidents occur over the course of the policy effective period and that the other half of the AO payments are made as claims are paid.

The weights given to each of these flows have been calculated from data in Section VI-D, Exhibit 1.

Expense Flow Weights

The weights used to combine the various expense flow patterns into final expense flows are calculated using the expense provisions from Section VI.

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Acquisition expenses, premium taxes and premium discounts are treated as varying in proportion to standard premium plus ARAP. Loss adjustment expenses are treated as varying in proportion to losses. General expenses and other taxes are treated as fixed expenses.

Since the total premium amount will vary with the profit provision, and since losses, loss adjustment expense and fixed expense amounts are all treated as not varying with premium levels, the proportion of premium attributable to losses, LAE and fixed expenses depends on the underwriting profit provision. Thus their weights relative to those items that vary in proportion to total premium will change as the profit provision does but their weight relative to each other will not.

VIII-G - Loss Flows

The WCRIB has updated both the medical and the indemnity loss flows used in determining the profit provision. The WCRIB has used the most recent available financial aggregate data to derive estimates of the patterns of loss payments. The combined loss flow used in the profit model, which reflects a weighted average of the medical and indemnity flows, appears in Table II-A of the IRR display (Section VIII-B, Exhibit 2, page 1). The aggregated flow on a single policy basis is shown in Exhibit 1.

Medical Loss Flow

The flow for medical losses is based on Accident Year Financial Aggregate Data (see Exhibit 2, page 1). The estimate of ultimate medical losses for each accident year is calculated using a medical tail factor from Section II.

We compute the loss development factors from the averages of the latest two year link ratios for each reporting interval until the 20th report. Beyond that report, the selected percentage of paid to ultimate has been extended geometrically. We calculate the percentage of losses paid by taking one over the loss development factors to ultimate. The resulting medical loss flow is shown in Exhibit 1.

Indemnity Loss Flow

The flow for indemnity losses has been derived from the financial aggregate data using a method identical to the method we used for medical losses except that the indemnity losses have been adjusted for escalation of benefits (see Exhibit 1, column (5)). The indemnity financial aggregate data and loss flows are shown in Exhibit 2, page 2.

Exhibit 1 shows the final combined medical and indemnity loss flow.

VIII-H - Portfolio Rate of Return**Portfolio Composition**

For many years prior to 2005, the mix of securities in the insurance industry asset portfolio was based on data compiled by the Federal Reserve Bank (known as the Federal Reserve Flow of Funds data). A more complete (and more reliable) source for

this information, however, is A.M Best's Aggregates & Averages. Best's is the single most widely recognized source of insurer financial data, and is the source that is routinely relied upon for insurer asset information. Not only are these data compiled directly from insurer annual statements, but they also contain substantially more detail on the mix and maturity of bonds than does the Flow of Funds data. Hence this is a preferred source for estimating the mix of securities in the insurer asset portfolio.

We begin our calculation of the portfolio rate of return by assigning weights to each of nine categories of assets: cash and short-term investments; government securities and other taxable bonds including public utilities and industrials; tax exempt bonds including bonds issued by states and territories and special revenue bonds; common stocks; real estate (the sum of real estate investments, offices and sales); and preferred stocks. We assign weights using data from Best's Aggregates and Averages Property Casualty, 2006 edition for total US Property and Casualty Industry (Exhibit 1, page 2). The weights are shown in the "Proportion" column of Exhibit 1, page 1.

Investment Yields

Prior to 2005 filing the WCRIB has relied on 12-month average yields to estimate expected future investment income. It is more appropriate, however, to rely on more recent data for this purpose, as it is more likely to be predictive of future investment earnings. In the IRR used this year, the WCRIB has relied on yields average over the last 3 months, as opposed to the 12-month averages previously used.

We use the return on 3-month T-bills to estimate the pre-tax return for cash and short-term investments (3-month average from Exhibit 2, page 3). The pre-tax returns on bonds shown in the next column are taken from Exhibit 2, page 1. Using industrywide allocations of bonds by class and maturity from Best's Aggregates and Averages, we calculate (in Exhibit 3) the percentages of bonds in each class. Using yields developed from the data shown on Exhibit 2, page 3 (calculated on Exhibit 2, page 2), we calculate an average yield (based on a 3-month average of yields) for each of the bond categories included in the Best's data (Exhibit 2, page 1). We derive the pre-tax return on common stocks using a three horizon CAPM calculation, assuming that these assets have a beta of 1. The pre-tax return on real estate is the sum of the 3-month treasury rate and the real estate differential of 3.94% taken from Ibbotson and Siegel, "Real Estate Returns: A Comparison with Other Investments". The pre-tax return on preferred stocks is taken from the yield data in Exhibit 2, page 2.

Market Risk Premium

We use market returns from 1926-2006 to calculate the short term, intermediate term and long term market risk premium used to calculate the yield on stocks. The calculation, shown on Exhibit 4, uses data drawn from the 2006 Ibbotson & Associates *Year Book*.

Investment Expenses

The WCRIB has relied on the same data source for this value as for the asset portfolio, A.M Best's Aggregates & Averages. This is appropriate. Since investment yields are estimated based on the actual portfolios held by insurers, it is consistent to estimate the reported investment expenses that are associated with those portfolios.

We subtract after-tax investment expenses from after-tax returns in Exhibit 1. In Exhibit 5 we calculate investment expenses using data from Best's Aggregates and Averages. The pre-tax average investment expense carried to Section VIII-H, Exhibit 1, page 1 is 0.45%.

Tax Rate on Common Stocks

We calculate the effective tax rate on common stock in Exhibit 6. The effective tax rate for capital gains on common stocks is shown in Exhibit 6, page 2. That rate is based on a 36% turnover ratio, taken from an AIB study of Massachusetts auto insurers portfolio stock sales. The interest rate used in calculating the present value of the taxes is the weighted average cost of capital from Section VIII-C, Exhibit 1 as opposed to the risk free rate we used in the last filing.

Combining a tax rate of 14.18% for common stock dividends and of 29.94% on capital gains, we derive an overall average tax rate of 27.33% (Exhibit 6, page 1).

Exhibit 6, page 3 displays the calculation of common stock tax rate for different discount rates and turnover rates.

Overall Result

The after-tax portfolio rate of return used in this filing is 4.09%.

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Section VIII - Profit
Subsection A - Summary
9/1/2007

Section VIII - A
Exhibit 1

Summary Exhibit

(1) IRR Profit Provision	-0.27%
Cost of Capital:	
(2) Equity DCF	10.15%
(3) Equity CAPM	12.35%
(4) Debt Cost	5.84%
(5) Debt / Equity Ratios	14% / 86%
(6) Weighted Cost of Capital	10.51%
Portfolio Rate of Return:	
(7) Investment Expense	0.45%
(8) Pretax Return on Assets	5.40%
(9) Tax Rate	24.14%
(10) After-Tax Return on Assets	4.09%
Leverage Ratio:	
(11) Reserves to Surplus	2.46

Notes:

- (1) Section VIII-B, Exhibit 1.
- (2) - (6) Section VIII-C, Exhibit 1.
- (7) - (10) Section VIII-H, Exhibit 1, page 1.
- (11) Section VIII-D, Exhibit 1.

INTERNAL RATE OF RETURN MODEL**Internal Rate of Return (IRR) Model: General Considerations**

The objective of this analysis is to estimate the profit provision to be included in Massachusetts workers' compensation rates. Once the fair rate of return has been estimated, one needs to determine the underwriting profit provision that will yield a total return on equity (including both underwriting and investment income) equal to the fair return. The internal rate of return (IRR) methodology, applied to the Massachusetts workers' compensation insurance transaction, is used for this purpose.

In general, the IRR model estimates the cash flows attributable to an investment decision, and then calculates the rate of return embodied in those cash flows. As applied to insurance, the IRR model estimates the cash flows attributable to the sale of insurance coverage, and calculates the rate of return they will produce. Virtually every textbook on modern corporate and managerial finance cites the IRR, along with the net present value method, as the most widely supported investment decision-making rules currently known. Furthermore, many insurers rely on precisely this model to estimate the expected rate of return associated with alternative insurance transactions.

The IRR methodology has several features that make it particularly appealing for use in rate regulation.

1. An IRR analysis is prospective, and therefore consistent with both actuarial principles and regulatory standards.

Discounted cash flow models, such as the IRR, attempt to estimate the rate of return attributable to the policies sold in the future. From a financial perspective this is the essence of the rate approval process: to set a price that yields a fair rate of return on the insurance contracts sold under the proposed rates. Alternative approaches, such as accounting models, attempt to estimate the rate of return that will be earned by the insurance company next year, assuming a proposed set of rates is approved. While this is no doubt an interesting question, it is not directly related to the primary economic issue in rate regulation – the return to the policies sold under a set of proposed rates.

2. An IRR analysis accounts for all investment income on both policyholder and investor supplied funds.

One crucial aspect of the IRR is its ability to account for investment income in ratemaking. In essence the intention is to credit the investment income insurers expect to earn in the time period between the sale of policies and the payment of all losses and expenses. This investment income is then used as an offset against premium requirements.

The IRR model accounts for all such income based on the investment yields insurers can expect to earn when the investible funds are received. Moreover, it accounts for all the income that will be earned by the investment of funds provided by, or on behalf of, future policyholders.

3. An IRR analysis accounts for the time value of money.

The cash flows for some lines of insurance can extend for literally decades after the sale of the policy. In such a case the relative value of the income stream that occurs in future years should be discounted to obtain its present value. Only in this fashion can insurers make rational decisions regarding the comparison of alternative investment opportunities.

Virtually every textbook on modern financial theory recommends discounted cash flow techniques for evaluating investments that pay returns over a period of years into the future. This is because such techniques place all investments on a common footing: that is, they evaluate the future cash flows in the context of the present. This is the only sound basis for comparing alternatives.

4. An IRR analysis accounts for federal income taxes.

The impact of taxes on insurance rates of return can be substantial, particularly given the special provisions of the internal revenue code applied to insurers. These provisions generally affect the timing of taxable income, and the only way to correctly account for them is to look at the flow of taxes over time, which can be readily accomplished using the IRR model.

The IRR model focuses solely on the policy or block of policies that will be sold when the approved rates are actually in effect. These are exactly the policies for which

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the rate of return should be calculated, as they are the ones to which the rates will apply. To calculate the rate of return, the IRR follows these policies through their lifetime, estimating in each time period the actual cash flows that accrue to the insurer.

These cash flows include the following:

1. Premiums
2. Losses
3. Loss Adjustment Expenses
4. Other Expenses
5. Taxes
6. Investment Income
7. Surplus

In principle, when an insurer sells a policy it sets into motion a series of events, including the collection of premium, the payment of losses, expenses and taxes, the earning of investment income and the commitment and later release of surplus. Each one of these cash flows is estimated quarterly for the first six years and yearly after that, to calculate the final flow of funds to and from the equity of the insurer. In essence it is an estimate of the "cash in, cash out" attributable to the policies sold at a given rate. Once the final cash flows are known, the internal rate of return is then calculated; it is simply the interest rate that discounts the stream of final investor cash flows to yield a net present value of zero. This can be interpreted as the compound annual rate of return, or the yield to maturity, of the investment.

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Although the model may appear complex, the underlying concepts are quite straightforward. Furthermore, the general ideas behind discounted cash flow models are common to a wide range of financial analyses. A very simple example illustrates these concepts.

Consider an investor placing \$120 at risk in support of an insurance policy. This is the initial contribution of equity, from which a series of cash flows will develop. Let us assume that after all the events have taken place this set of policies will pay the investor the following amounts at the end of each indicated time period:

<u>Year</u>	<u>Cash Flow</u>
1	\$55.00
2	\$48.40
3	\$39.90

After year 3 the transaction is over; that is, it produces no further cash flows to the investor. In this case the internal rate of return on the investment is 10%. This is calculated as follows:

<u>Year</u>	<u>Cash Flow</u>	<u>Present Value at 10% interest</u>
0	-\$120.00	-\$120.00
1	\$55.00	\$ 50.00
2	\$48.40	\$ 40.00
3	\$39.90	\$ 30.00
Total	\$23.30	0

Ten percent is the interest rate that discounts the set of cash flows to a net present value of zero. Thus, for the investor who makes a \$120 investment today, with

the expectation of future earnings as indicated in the table above, the compound annual return on the equity investment is 10%. While the cash flows that derive from a real insurance transaction are substantially more complicated, the procedure for discounting them to present value is identical.

The IRR for Massachusetts Workers' Compensation Insurance

The implementation of the IRR in this filing is designed to set an appropriate underwriting profit to be included in the rates. The IRR model is used to find the underwriting profit factor that would produce a rate of return equal to the current cost of capital. To the extent that the profit factor is set too high, the estimated IRR will exceed the cost of capital, while if the profit factor is set too low, the IRR will fall short of the cost of capital.

In the context of insurance ratemaking, it is appropriate to use the cost of capital as the “target” rate of return in the IRR. If the allowed rates produce an expected return at least equal to the cost of capital, insurers will “invest”, by providing adequate capacity and offering coverage in the market. However, when the rate of return falls below the cost of capital, insurers have a tendency to restrict underwriting and withdraw capacity from the market. Thus, from the regulatory perspective, setting an underwriting profit that yields a rate of return equal to the cost of capital balances the interests of insurers and policyholders.

This section of the filing contains a series of spreadsheets that portray the cash flows arising from the sale of Massachusetts workers' compensation insurance policies

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during the coming year, the year the approved rates will be in effect. As can be seen from the first page of the exhibits to this Section VIII-B, the rates are set such that with a model underwriting profit of -0.27%, insurers can expect to earn a return of 10.51%, exactly equal to the cost of capital.

The WCRIB estimated the IRR with information available as of January 1, 2007, the most recent available data. The model reflects the cash flows arising from a policy year of activity, which in this context is defined as the financial transactions associated with the block of policies sold during a given calendar year. The policy year is the relevant period of analysis for the insurers subject to the approved rates, because for Massachusetts workers' compensation insurers, all the policies sold during the coming year will be at these rates.

The IRR analysis displayed in the exhibits to this Section VIII-B is composed of seven tables, as follows.

Table I identifies the WCRIB's assumptions concerning the net loss and expense provisions, investment income yield, and the operating characteristics of insurers.

Table II provides the cash flow patterns and amounts for premium collection, payment of losses and expenses calculated by the WCRIB. The cash flow patterns for a single policy were converted to a policy year basis.

For Tables III through VII, all values are derived from previous calculations in the model, with the exception of the tax credits in Table IV, which rely on IRS discount factors and an accident year payment pattern for discounting, as required by law.

Table III presents the flow of premiums available to pay expenses after accounting for loss, loss adjustment expense, and unearned premium reserves.

Table IV presents the tax credits and liabilities arising from the insurance operations, with special attention to the implications of the Tax Reform Act of 1986. (The details supporting the discounting of each accident year's losses are provided in Tables IV-A through IV-C.)

Table V presents the funds from the underwriting operation after accounting for reserves, payment of expenses, and income tax liabilities and credits.

Table VI derives the amount of funds available for investment. These funds include the funds held in loss, loss adjustment expense, and unearned premium reserves, less non-cash assets, plus the surplus that supports the liabilities in this analysis.

Table VII presents the net cash flow to and from the Massachusetts workers' compensation insurance operations. This net cash flow is the sum of the funds from the underwriting operation, income expected from the investment of reserves and surplus, and the flow of surplus to and from this business.

Additional IRR Issues

In the course of the 2003 rate hearing, a number of issues arose relating to the specific implementation of the IRR model for workers' compensation ratemaking in Massachusetts. In addition, the WCRIB has made several changes in the model to make it more internally consistent.

Deferred Tax Assets: Under the new statutory accounting rules applicable to property casualty insurers, insurers may establish a balance sheet asset relating to the tax credits that will emerge in the future as a result of the loss discounting and revenue acceleration provisions of the 1986 Tax Reform Act. The IRR model used in this filing appropriately reflects those deferred tax assets.

Tax Credits on Debt: Because the WCRIB has considered debt in determining the cost of capital, it is appropriate to reflect the tax deductibility of debt interest. The IRR model reflects the tax deductions attributable to the interest payments on debt.

IRR Results

As shown in Table I of this Section, given the assumptions in the filing regarding losses, expenses, investment yields and cash flow patterns, if the model underwriting profit is set to -0.27%, as proposed by the WCRIB, Massachusetts workers' compensation insurance would be expected to produce a rate of return on equity equal to the cost of capital of 10.51%. Since the underwriting profit provision is set specifically to yield this fair and reasonable return on equity, if the actuarial projections underlying the rates are reasonable, the rates as filed must be reasonable and satisfy the regulatory requirement that they be neither excessive nor inadequate.

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Section VIII - Profit
 Subsection B - Internal Rate of Return Model
 9/1/2007

Section VIII-B
 Exhibit 1

INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA		
TABLE I: ASSUMPTIONS AND INTERNAL RATE OF RETURN		
ASSUMPTIONS		
(1)	LOSS AND LAE RATIO	74.98%
(2)	COMMISSIONS	8.21%
(3)	GENERAL EXPENSES	6.98%
(4)	OTHER ACQUISITION EXPENSES	2.30%
(5)	PREMIUM TAXES	2.19%
(6)	MISCELLANEOUS AND OTHER TAXES	0.77%
(7)	REINSURANCE EXPENSES	1.00%
(8)	PREMIUM DISCOUNT	3.84%
(9)	PROFIT	-0.27%
(10)	INVESTMENT INCOME	
	(A) PRE-TAX RETURN ON ASSETS	5.40%
	(B) POST-TAX RETURN ON ASSETS	4.09%
(11)	LOSS RESERVE TO SURPLUS RATIO	2.46
(12)	PREMIUMS WRITTEN	1,000
(13)	COLLECTED PREMIUM	1,000
(14)	FEDERAL DISCOUNT RATE FOR TAXES	3.98%
	PROFIT PROVISION	-0.27%
	INTERNAL RATE OF RETURN	10.51%

Notes:

(1) - (8): From Section VIII-F, Exhibit 1 (average of the two policy years).

(1), (3), (6) are divided by the rate change

(9)=1.0-[(1)+(2)+(3)+(4)+(5)+(6)+(7)+(8)]

(10): From Section VIII-H, Exhibit 1, Page1

(11): From Section VIII-D, Exhibit 1

(14): Current Rate specified in IRS regulations (Internal Revenue Bulletin: 2007-3)

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA

TABLE II-A: CASH FLOW PATTERNS

TIME INTERVAL		PREMIUM WRITTEN (3)	PREMIUM COLLECTED (4)	LOSS + LAE PAYOUT (5)	COMMISS. & BROKER. (6)	GENERAL EXPENSES (7)	OTHER ACQ. EXPENSES (8)	PREMIUM TAXES (9)	MISC. AND OTHER TAXES (10)	REINS. EXPENSES (11)	PREMIUM DISCOUNT (12)
FROM (1)	TO (2)										
09/01/06	11/30/06		0.00%	0.00%	0.00%	0.10%	0.20%	0.00%	0.10%	0.00%	0.00%
12/01/06	02/28/07		0.00%	0.00%	0.00%	0.35%	1.09%	0.00%	0.45%	0.00%	0.00%
03/01/07	05/31/07		0.00%	0.00%	0.00%	2.03%	3.27%	0.00%	2.18%	0.00%	0.00%
06/01/07	08/31/07		0.00%	0.00%	0.00%	6.62%	9.62%	0.00%	7.25%	0.00%	0.00%
09/01/07	11/30/07	18.50%	3.69%	0.58%	3.69%	12.49%	19.20%	9.89%	14.17%	1.83%	3.69%
12/01/07	02/29/08	33.32%	11.54%	2.12%	11.54%	16.63%	23.88%	25.18%	18.50%	7.95%	11.54%
03/01/08	05/31/08	24.28%	17.74%	3.91%	17.74%	16.83%	21.44%	28.28%	18.07%	16.04%	17.74%
06/01/08	08/31/08	23.90%	20.49%	5.46%	20.49%	13.90%	13.50%	24.93%	13.83%	22.55%	20.49%
09/01/08	11/30/08		17.20%	6.23%	17.20%	10.76%	4.75%	11.72%	9.23%	23.37%	17.20%
12/01/08	02/28/09		11.34%	6.33%	11.34%	8.57%	1.27%	0.00%	6.77%	16.70%	11.34%
03/01/09	05/31/09		7.50%	6.43%	7.50%	6.37%	0.93%	0.00%	5.07%	8.77%	7.50%
06/01/09	08/31/09		4.78%	6.57%	4.78%	3.82%	0.61%	0.00%	3.09%	2.77%	4.78%
09/01/09	11/30/09		2.96%	6.37%	2.96%	1.42%	0.23%	0.00%	1.19%	0.00%	2.96%
12/01/09	02/28/10		1.42%	5.70%	1.42%	0.12%	0.00%	0.00%	0.12%	0.00%	1.42%
03/01/10	05/31/10		0.66%	4.94%	0.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.66%
06/01/10	08/31/10		0.39%	4.29%	0.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.39%
09/01/10	11/30/10		0.21%	3.80%	0.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.21%
12/01/10	02/28/11		0.08%	3.33%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%
03/01/11	05/31/11		0.00%	2.80%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/11	08/31/11		0.00%	2.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/11	11/30/11		0.00%	2.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12/01/11	02/29/12		0.00%	1.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
03/01/12	05/31/12		0.00%	1.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/12	08/31/12		0.00%	1.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/12	11/30/12		0.00%	1.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12/01/12	02/28/13		0.00%	1.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
03/01/13	05/31/13		0.00%	0.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/13	08/31/13		0.00%	0.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/13	08/31/14		0.00%	2.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/14	08/31/15		0.00%	1.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/15	08/31/16		0.00%	1.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/16	08/31/17		0.00%	0.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/17	08/31/18		0.00%	0.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/18	08/31/19		0.00%	0.76%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/19	08/31/20		0.00%	0.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/20	08/31/21		0.00%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/21	08/31/22		0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/22	08/31/23		0.00%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/23	08/31/24		0.00%	0.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/24	08/31/25		0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/25	08/31/26		0.00%	0.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/26	08/31/27		0.00%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/27	08/31/28		0.00%	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/28	08/31/29		0.00%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/29	08/31/30		0.00%	0.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/30	08/31/31		0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/31	08/31/32		0.00%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/32	08/31/33		0.00%	0.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/33	08/31/34		0.00%	0.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/34	08/31/35		0.00%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/35	08/31/36		0.00%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/36	08/31/37		0.00%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/37	08/31/38		0.00%	0.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/38	08/31/39		0.00%	0.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/39	08/31/40		0.00%	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/40	08/31/41		0.00%	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/41	08/31/42		0.00%	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/42	08/31/43		0.00%	0.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

- (3) The distribution is from Section III-F, Exhibit 1 (average of the two policy years) .
- (4) The premium collection pattern for a single policy from Section VIII-E, Exhibit 1, converted to a full policy year basis.
- (5) The loss and LAE payout pattern for a single policy from Section VIII-F, Exhibit 3, converted to a full policy year basis.
- (6) We assume that commissions and brokerage have the same payment pattern as premium collected.
- (7)-(10) Single policy patterns from Section VIII-F, Exhibit 2, converted to a full policy year basis.
- (11) We assume that the reinsurance expense pattern coincides with the earned premium flow.
- (12) We assume that premium discount payment pattern coincides with premium collected.

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Section VIII - Profit
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Section VIII-B
 Exhibit 2
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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA										
TABLE II-B: CASH FLOWS										
TIME INTERVAL		PREMIUM COLLECTED (3)	LOSS + LAE PAYOUT (4)	COMMISS. & BROKER. (5)	GENERAL EXPENSES (6)	OTHER ACQ. EXPENSES (7)	PREMIUM TAXES (8)	MISC. AND OTHER TAXES (9)	REINS. EXPENSES (10)	PREMIUM DISCOUNT (11)
FROM (1)	TO (2)									
9/1/2006	11/30/2006	0.00	0.00	0.00	0.07	0.05	0.00	0.01	0.00	0.00
12/1/2006	2/28/2007	0.00	0.00	0.00	0.24	0.25	0.00	0.03	0.00	0.00
3/1/2007	5/31/2007	0.00	0.00	0.00	1.42	0.75	0.00	0.17	0.00	0.00
6/1/2007	8/31/2007	0.00	0.00	0.00	4.62	2.21	0.00	0.56	0.00	0.00
9/1/2007	11/30/2007	36.86	4.35	3.03	8.72	4.42	2.17	1.09	0.18	1.41
12/1/2007	2/29/2008	115.44	15.91	9.48	11.61	5.49	5.52	1.43	0.80	4.43
3/1/2008	5/31/2008	177.43	29.31	14.57	11.75	4.93	6.20	1.39	1.60	6.81
6/1/2008	8/31/2008	204.93	40.92	16.83	9.71	3.11	5.47	1.07	2.26	7.86
9/1/2008	11/30/2008	172.03	46.75	14.12	7.51	1.09	2.57	0.71	2.34	6.60
12/1/2008	2/28/2009	113.39	47.44	9.31	5.98	0.29	0.00	0.52	1.67	4.35
3/1/2009	5/31/2009	74.98	48.20	6.16	4.44	0.21	0.00	0.39	0.88	2.88
6/1/2009	8/31/2009	47.82	49.29	3.93	2.67	0.14	0.00	0.24	0.28	1.83
9/1/2009	11/30/2009	29.55	47.76	2.43	0.99	0.05	0.00	0.09	0.00	1.13
12/1/2009	2/28/2010	14.16	42.75	1.16	0.08	0.00	0.00	0.01	0.00	0.54
3/1/2010	5/31/2010	6.59	37.07	0.54	0.00	0.00	0.00	0.00	0.00	0.25
6/1/2010	8/31/2010	3.94	32.20	0.32	0.00	0.00	0.00	0.00	0.00	0.15
9/1/2010	11/30/2010	2.12	28.51	0.17	0.00	0.00	0.00	0.00	0.00	0.08
12/1/2010	2/28/2011	0.77	24.99	0.06	0.00	0.00	0.00	0.00	0.00	0.03
3/1/2011	5/31/2011	0.00	21.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2011	8/31/2011	0.00	17.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2011	11/30/2011	0.00	15.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2011	2/29/2012	0.00	13.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2012	5/31/2012	0.00	11.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2012	8/31/2012	0.00	10.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2012	11/30/2012	0.00	8.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2012	2/28/2013	0.00	7.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2013	5/31/2013	0.00	6.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2013	8/31/2013	0.00	5.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2013	8/31/2014	0.00	17.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2014	8/31/2015	0.00	10.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2015	8/31/2016	0.00	8.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2016	8/31/2017	0.00	6.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2017	8/31/2018	0.00	5.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2018	8/31/2019	0.00	5.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2019	8/31/2020	0.00	5.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2020	8/31/2021	0.00	3.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2021	8/31/2022	0.00	3.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2022	8/31/2023	0.00	3.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2023	8/31/2024	0.00	2.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2024	8/31/2025	0.00	3.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2025	8/31/2026	0.00	3.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2026	8/31/2027	0.00	2.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2027	8/31/2028	0.00	3.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2028	8/31/2029	0.00	3.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2029	8/31/2030	0.00	3.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2030	8/31/2031	0.00	3.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2031	8/31/2032	0.00	3.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2032	8/31/2033	0.00	3.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2033	8/31/2034	0.00	3.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2034	8/31/2035	0.00	3.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2035	8/31/2036	0.00	3.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2036	8/31/2037	0.00	3.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2037	8/31/2038	0.00	3.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2038	8/31/2039	0.00	3.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2039	8/31/2040	0.00	3.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2040	8/31/2041	0.00	3.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2041	8/31/2042	0.00	3.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2042	8/31/2043	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL		1,000.00	749.80	82.10	69.81	23.01	21.93	7.71	10.00	38.37

Notes:

- (3) = Table I, (13) x Table II-A, (4)
- (4) = Table I, (1) x Table I, (12) x Table II-A, (5)
- (5) = Table I, (2) x Table I, (13) x Table II-A, (6)
- (6) = Table I, (3) x Table I, (13) x Table II-A, (7)
- (7) = Table I, (4) x Table I, (13) x Table II-A, (8)
- (8) = Table I, (5) x Table I, (13) x Table II-A, (9)
- (9) = Table I, (6) x Table I, (13) x Table II-A, (10)
- (10) = Table I, (7) x Table I, (13) x Table II-A, (11)
- (11) = Table I, (8) x Table I, (13) x Table II-A, (12)

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Section VIII - Profit
 Subsection B - Internal Rate of Return Model
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Section VIII-B
 Exhibit 3

INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA								
TABLE III: CASH FLOW NET OF LOSS, LOSS ADJUSTMENT EXPENSE AND UNEARNED PREMIUM RESERVES								
TIME INTERVAL		CUMULATIVE PREMIUM COLLECTED (3)	PREMIUM BALANCES (4)	NON-CASH ASSETS (incl. deferred tax) (5)	LOSSES RESERVED (6)	UNEARNED PREMIUMS (7)	TOTAL PREM NET OF RESERVES (8)	PREMIUM NET OF RESERVES (9)
FROM (1)	TO (2)							
9/1/2006	11/30/2006	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2006	2/28/2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2007	5/31/2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2007	8/31/2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2007	11/30/2007	36.86	148.19	157.26	13.72	301.88	(121.47)	(121.47)
12/1/2007	2/29/2008	152.29	365.94	384.09	73.35	479.42	(16.40)	105.08
3/1/2008	5/31/2008	329.72	431.27	458.50	193.66	540.61	53.95	70.35
6/1/2008	8/31/2008	534.65	465.35	501.65	362.77	516.18	157.35	103.40
9/1/2008	11/30/2008	706.67	293.33	321.29	538.00	282.48	207.49	50.14
12/1/2008	2/28/2009	820.06	179.94	199.56	663.25	115.43	240.95	33.46
3/1/2009	5/31/2009	895.04	104.96	116.25	729.02	27.72	254.56	13.61
6/1/2009	8/31/2009	942.87	57.13	60.09	749.80	0.00	253.16	(1.40)
9/1/2009	11/30/2009	972.42	27.58	30.76	749.80	0.00	253.37	0.22
12/1/2009	2/28/2010	986.57	13.43	16.82	749.80	0.00	253.59	0.22
3/1/2010	5/31/2010	993.17	6.83	10.44	749.80	0.00	253.81	0.22
6/1/2010	8/31/2010	997.10	2.90	6.72	749.80	0.00	254.02	0.22
9/1/2010	11/30/2010	999.23	0.77	4.43	749.80	0.00	253.85	(0.17)
12/1/2010	2/28/2011	1,000.00	0.00	3.48	749.80	0.00	253.68	(0.17)
3/1/2011	5/31/2011	1,000.00	0.00	3.31	749.80	0.00	253.51	(0.17)
6/1/2011	8/31/2011	1,000.00	0.00	3.14	749.80	0.00	253.34	(0.17)
9/1/2011	11/30/2011	1,000.00	0.00	2.92	749.80	0.00	253.12	(0.21)
12/1/2011	2/29/2012	1,000.00	0.00	2.71	749.80	0.00	252.91	(0.21)
3/1/2012	5/31/2012	1,000.00	0.00	2.49	749.80	0.00	252.69	(0.21)
6/1/2012	8/31/2012	1,000.00	0.00	2.28	749.80	0.00	252.48	(0.21)
9/1/2012	11/30/2012	1,000.00	0.00	2.19	749.80	0.00	252.39	(0.09)
12/1/2012	2/28/2013	1,000.00	0.00	2.10	749.80	0.00	252.30	(0.09)
3/1/2013	5/31/2013	1,000.00	0.00	2.01	749.80	0.00	252.21	(0.09)
6/1/2013	8/31/2013	1,000.00	0.00	1.92	749.80	0.00	252.12	(0.09)
9/1/2013	8/31/2014	1,000.00	0.00	1.73	749.80	0.00	251.92	(0.20)
9/1/2014	8/31/2015	1,000.00	0.00	1.53	749.80	0.00	251.73	(0.20)
9/1/2015	8/31/2016	1,000.00	0.00	1.33	749.80	0.00	251.53	(0.20)
9/1/2016	8/31/2017	1,000.00	0.00	1.14	749.80	0.00	251.33	(0.20)
9/1/2017	8/31/2018	1,000.00	0.00	0.98	749.80	0.00	251.18	(0.16)
9/1/2018	8/31/2019	1,000.00	0.00	1.05	749.80	0.00	251.24	0.06
9/1/2019	8/31/2020	1,000.00	0.00	0.80	749.80	0.00	251.00	(0.24)
9/1/2020	8/31/2021	1,000.00	0.00	0.67	749.80	0.00	250.87	(0.14)
9/1/2021	8/31/2022	1,000.00	0.00	0.61	749.80	0.00	250.81	(0.05)
9/1/2022	8/31/2023	1,000.00	0.00	0.51	749.80	0.00	250.71	(0.10)
9/1/2023	8/31/2024	1,000.00	0.00	0.18	749.80	0.00	250.37	(0.34)
9/1/2024	8/31/2025	1,000.00	0.00	0.04	749.80	0.00	250.24	(0.14)
9/1/2025	8/31/2026	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.02)
9/1/2026	8/31/2027	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2027	8/31/2028	1,000.00	0.00	0.03	749.80	0.00	250.22	0.01
9/1/2028	8/31/2029	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.01)
9/1/2029	8/31/2030	1,000.00	0.00	0.02	749.80	0.00	250.21	(0.00)
9/1/2030	8/31/2031	1,000.00	0.00	0.02	749.80	0.00	250.22	0.01
9/1/2031	8/31/2032	1,000.00	0.00	0.03	749.80	0.00	250.22	0.00
9/1/2032	8/31/2033	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2033	8/31/2034	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2034	8/31/2035	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2035	8/31/2036	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2036	8/31/2037	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2037	8/31/2038	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2038	8/31/2039	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2039	8/31/2040	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2040	8/31/2041	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2041	8/31/2042	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)
9/1/2042	8/31/2043	1,000.00	0.00	0.02	749.80	0.00	250.22	(0.00)

Notes:

(3) = Table II-B, (3), cumulative

(4) = Table II-A, (3), cumulative x Table I, (13) - Table III, (3)

(5) = Table III, (4) + Deferred Tax Asset

Deferred Tax Asset = 0.35 x [Table III, (7) x 0.2 + Table IV-A, (10) + Table IV-B, (10) + Table IV-C, (10)]

(6) = the maximum value of (Table II-B, (4), cumulative) or (Table I, (1) x Table I, (13) x earned premium, cumulative)

(7) = Table II-A, (3), cumulative x Table I, (13) - earned premium, cumulative

(8) = (3) + (5) - (6) - (7)

(9) = (8) current period - (8) previous period

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA

TABLE IV: TAX CREDITS AVAILABLE FROM UNDERWRITING OPERATIONS

TIME INTERVAL		PREMIUM WRITTEN (3)	CHANGE IN UNEARNED PREMIUMS (4)	EXPENSES (5)	LOSSES PAID			LOSSES DISCOUNTED			DEBT INTEREST (12)	TAX CREDITS (13)
FROM (1)	TO (2)				ACCIDENT YEAR 1 (6)	ACCIDENT YEAR 2 (7)	ACCIDENT YEAR 3 (8)	ACCIDENT YEAR 1 (9)	ACCIDENT YEAR 2 (10)	ACCIDENT YEAR 3 (11)		
1/1/2006	12/31/2006	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.11
1/1/2007	12/31/2007	265.42	221.31	44.30	6.39	0.00	0.00	32.59	0.00	0.00	0.23	(1.70)
1/1/2008	12/31/2008	734.58	(10.09)	161.66	11.02	125.53	0.00	(10.55)	374.22	0.00	2.02	(27.56)
1/1/2009	12/31/2009	0.00	(211.22)	43.87	8.60	143.49	52.35	(7.80)	(135.83)	98.91	1.60	12.67
1/1/2010	12/31/2010	0.00	0.00	2.73	4.89	90.16	38.43	(4.22)	(81.99)	(36.34)	1.04	5.15
1/1/2011	12/31/2011	0.00	0.00	0.06	2.73	48.72	22.61	(2.30)	(42.17)	(20.63)	0.72	3.41
1/1/2012	12/31/2012	0.00	0.00	0.00	1.60	28.34	12.28	(1.22)	(23.84)	(10.65)	0.54	2.47
1/1/2013	12/31/2013	0.00	0.00	0.00	0.91	16.54	7.20	(0.73)	(12.38)	(6.06)	0.44	2.08
1/1/2014	12/31/2014	0.00	0.00	0.00	0.61	9.22	4.16	(0.43)	(7.24)	(3.06)	0.39	1.27
1/1/2015	12/31/2015	0.00	0.00	0.00	0.47	7.10	2.49	(0.28)	(5.03)	(1.94)	0.35	1.11
1/1/2016	12/31/2016	0.00	0.00	0.00	0.38	5.38	1.95	(0.25)	(3.10)	(1.37)	0.32	1.16
1/1/2017	12/31/2017	0.00	0.00	0.00	0.32	4.53	1.52	(0.21)	(2.99)	(0.87)	0.30	0.91
1/1/2018	12/31/2018	0.00	0.00	0.00	0.33	3.93	1.30	(0.23)	(2.56)	(0.86)	0.28	0.77
1/1/2019	12/31/2019	0.00	0.00	0.00	0.28	4.38	1.21	(0.19)	(3.11)	(0.82)	0.26	0.71
1/1/2020	12/31/2020	0.00	0.00	0.00	0.21	3.02	1.20	(0.20)	(1.93)	(0.84)	0.25	0.60
1/1/2021	12/31/2021	0.00	0.00	0.00	0.21	2.54	0.84	(0.20)	(2.35)	(0.53)	0.23	0.26
1/1/2022	12/31/2022	0.00	0.00	0.00	0.18	2.69	0.77	(0.18)	(2.63)	(0.72)	0.22	0.12
1/1/2023	12/31/2023	0.00	0.00	0.00	0.17	2.16	0.76	(0.16)	(2.12)	(0.75)	0.21	0.09
1/1/2024	12/31/2024	0.00	0.00	0.00	0.22	2.09	0.63	(0.21)	(2.05)	(0.62)	0.20	0.09
1/1/2025	12/31/2025	0.00	0.00	0.00	0.20	3.12	0.72	(0.20)	(3.06)	(0.71)	0.19	0.09
1/1/2026	12/31/2026	0.00	0.00	0.00	0.15	2.19	0.87	(0.15)	(2.15)	(0.85)	0.18	0.08
1/1/2027	12/31/2027	0.00	0.00	0.00	0.18	1.74	0.60	(0.18)	(1.71)	(0.59)	0.17	0.08
1/1/2028	12/31/2028	0.00	0.00	0.00	0.21	2.68	0.60	(0.21)	(2.63)	(0.59)	0.16	0.08
1/1/2029	12/31/2029	0.00	0.00	0.00	0.21	2.70	0.82	(0.21)	(2.64)	(0.80)	0.15	0.08
1/1/2030	12/31/2030	0.00	0.00	0.00	0.21	2.64	0.80	(0.20)	(2.59)	(0.79)	0.14	0.07
1/1/2031	12/31/2031	0.00	0.00	0.00	0.20	2.60	0.79	(0.20)	(2.55)	(0.77)	0.12	0.07
1/1/2032	12/31/2032	0.00	0.00	0.00	0.20	2.55	0.77	(0.19)	(2.50)	(0.76)	0.11	0.06
1/1/2033	12/31/2033	0.00	0.00	0.00	0.20	2.51	0.76	(0.19)	(2.46)	(0.75)	0.10	0.06
1/1/2034	12/31/2034	0.00	0.00	0.00	0.19	2.47	0.75	(0.19)	(2.42)	(0.73)	0.09	0.05
1/1/2035	12/31/2035	0.00	0.00	0.00	0.19	2.43	0.74	(0.19)	(2.38)	(0.72)	0.08	0.05
1/1/2036	12/31/2036	0.00	0.00	0.00	0.19	2.39	0.73	(0.18)	(2.35)	(0.71)	0.07	0.05
1/1/2037	12/31/2037	0.00	0.00	0.00	0.18	2.36	0.72	(0.18)	(2.31)	(0.70)	0.06	0.04
1/1/2038	12/31/2038	0.00	0.00	0.00	0.18	2.33	0.71	(0.18)	(2.28)	(0.69)	0.05	0.04
1/1/2039	12/31/2039	0.00	0.00	0.00	0.18	2.30	0.70	(0.18)	(2.25)	(0.68)	0.04	0.03
1/1/2040	12/31/2040	0.00	0.00	0.00	0.18	2.27	0.69	(0.17)	(2.23)	(0.67)	0.03	0.03
1/1/2041	12/31/2041	0.00	0.00	0.00	0.18	2.25	0.68	(0.17)	(2.20)	(0.67)	0.02	0.03
1/1/2042	12/31/2042	0.00	0.00	0.00	0.07	2.22	0.67	(0.07)	(2.18)	(0.66)	0.01	0.02

Notes:

- (3) = Table I, (12) x Percentage of Premium written in corresponding year (Section III-F, Exhibit 1)
- (4) = Table I, (12) x (unearned premium at end of year i - unearned premium at end of year i-1)
- (5) = Table II-B [(5) + (6) + (7) + (8) + (9) + (10) + (11)] for each CY
- (6), (7), (8) = Table I, (1) x Table I, (13) x Loss and LAE Payout (from Section VIII-F, Exhibit 3) adjusted by lag in years
- (9) = Table IV-A, (8)
- (10) = Table IV-B, (8)
- (11) = Table IV-C, (8)
- (12) = [(Table VI, (8), current + Table VI, (8), previous) / 2] x [debt share x ((1 + debt cost)^ length of time period - 1)]
 where debt share = 14% and debt cost = 5.84% from Section VIII-C Exhibit 1
- (13) = - 0.35 x [(3) - 0.8 x (4) - (5) - (6) - (7) - (8) - (9) - (10) - (11) - (12)]

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA									
Table IV-A : DERIVATION OF DISCOUNTED LOSS RESERVES									
ACCIDENT YEAR 1									
TIME INTERVAL		DISCOUNT FACTOR	UNDISCOUNTED		DISCOUNTED		CHANGE IN DISCOUNTED LOSSES	PAID LOSSES	PAID + CHANGE IN DISCOUNTED LOSSES AY1
			BEG OF YEAR	END OF YEAR	BEG OF YEAR	END OF YEAR			
FROM	TO	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1/1/2007	12/31/2007	0.895214	0.00	36.41	0.00	32.59	32.59	0.00	0.00
1/1/2008	12/31/2008	0.868351	36.41	25.38	32.59	22.04	(10.55)	11.02	0.47
1/1/2009	12/31/2009	0.848274	25.38	16.79	22.04	14.24	(7.80)	8.60	0.79
1/1/2010	12/31/2010	0.842059	16.79	11.90	14.24	10.02	(4.22)	4.89	0.67
1/1/2011	12/31/2011	0.842298	11.90	9.17	10.02	7.72	(2.30)	2.73	0.43
1/1/2012	12/31/2012	0.859472	9.17	7.57	7.72	6.51	(1.22)	1.60	0.38
1/1/2013	12/31/2013	0.867836	7.57	6.66	6.51	5.78	(0.73)	0.91	0.18
1/1/2014	12/31/2014	0.883080	6.66	6.05	5.78	5.35	(0.43)	0.61	0.17
1/1/2015	12/31/2015	0.906955	6.05	5.59	5.35	5.07	(0.28)	0.47	0.19
1/1/2016	12/31/2016	0.924232	5.59	5.21	5.07	4.81	(0.25)	0.38	0.13
1/1/2017	12/31/2017	0.941919	5.21	4.88	4.81	4.60	(0.21)	0.32	0.11
1/1/2018	12/31/2018	0.959970	4.88	4.55	4.60	4.37	(0.23)	0.33	0.10
1/1/2019	12/31/2019	0.978116	4.55	4.28	4.37	4.18	(0.19)	0.28	0.09
1/1/2020	12/31/2020	0.980675	4.28	4.07	4.18	3.99	(0.20)	0.21	0.02
1/1/2021	12/31/2021	0.980675	4.07	3.86	3.99	3.78	(0.20)	0.21	0.00
1/1/2022	12/31/2022	0.980675	3.86	3.67	3.78	3.60	(0.18)	0.18	0.00
1/1/2023	12/31/2023	0.980675	3.67	3.51	3.60	3.44	(0.16)	0.17	0.00
1/1/2024	12/31/2024	0.980675	3.51	3.29	3.44	3.23	(0.21)	0.22	0.00
1/1/2025	12/31/2025	0.980675	3.29	3.09	3.23	3.03	(0.20)	0.20	0.00
1/1/2026	12/31/2026	0.980675	3.09	2.94	3.03	2.89	(0.15)	0.15	0.00
1/1/2027	12/31/2027	0.980675	2.94	2.76	2.89	2.71	(0.18)	0.18	0.00
1/1/2028	12/31/2028	0.980675	2.76	2.55	2.71	2.50	(0.21)	0.21	0.00
1/1/2029	12/31/2029	0.980675	2.55	2.34	2.50	2.29	(0.21)	0.21	0.00
1/1/2030	12/31/2030	0.980675	2.34	2.13	2.29	2.09	(0.20)	0.21	0.00
1/1/2031	12/31/2031	0.980675	2.13	1.93	2.09	1.89	(0.20)	0.20	0.00
1/1/2032	12/31/2032	0.980675	1.93	1.73	1.89	1.70	(0.19)	0.20	0.00
1/1/2033	12/31/2033	0.980675	1.73	1.54	1.70	1.51	(0.19)	0.20	0.00
1/1/2034	12/31/2034	0.980675	1.54	1.34	1.51	1.32	(0.19)	0.19	0.00
1/1/2035	12/31/2035	0.980675	1.34	1.15	1.32	1.13	(0.19)	0.19	0.00
1/1/2036	12/31/2036	0.980675	1.15	0.97	1.13	0.95	(0.18)	0.19	0.00
1/1/2037	12/31/2037	0.980675	0.97	0.78	0.95	0.77	(0.18)	0.18	0.00
1/1/2038	12/31/2038	0.980675	0.78	0.60	0.77	0.59	(0.18)	0.18	0.00
1/1/2039	12/31/2039	0.980675	0.60	0.42	0.59	0.41	(0.18)	0.18	0.00
1/1/2040	12/31/2040	0.980675	0.42	0.24	0.41	0.24	(0.17)	0.18	0.00
1/1/2041	12/31/2041	0.980675	0.24	0.07	0.24	0.07	(0.17)	0.18	0.00
1/1/2042	12/31/2042	0.980675	0.07	0.00	0.07	0.00	(0.07)	0.07	0.00

Notes:
 (3) = Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2007-3)
 (4) = (5) in previous period
 (5) = Table IV, (6), Total - Table IV, (6), cumulative
 (6) = (7) in previous period
 (7) = (3) x (5)
 (8) = (7) - (6)
 (9) = (4) - (5)
 (10) = (8) + (9)

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA									
Table IV-B : DERIVATION OF DISCOUNTED LOSS RESERVES									
ACCIDENT YEAR 2									
TIME INTERVAL		DISCOUNT FACTOR	UNDISCOUNTED		DISCOUNTED		CHANGE IN DISCOUNTED LOSSES	PAID LOSSES	PAID + CHANGE IN DISCOUNTED LOSSES AY2
			BEG OF YEAR	END OF YEAR	BEG OF YEAR	END OF YEAR			
FROM	TO	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1/1/2007	12/31/2007	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1/1/2008	12/31/2008	0.8952	0.00	418.03	0.00	374.22	374.22	0.00	0.00
1/1/2009	12/31/2009	0.8684	418.03	274.53	374.22	238.39	(135.83)	143.49	7.66
1/1/2010	12/31/2010	0.8483	274.53	184.38	238.39	156.40	(81.99)	90.16	8.17
1/1/2011	12/31/2011	0.8421	184.38	135.65	156.40	114.23	(42.17)	48.72	6.55
1/1/2012	12/31/2012	0.8423	135.65	107.32	114.23	90.39	(23.84)	28.34	4.50
1/1/2013	12/31/2013	0.8595	107.32	90.77	90.39	78.02	(12.38)	16.54	4.17
1/1/2014	12/31/2014	0.8678	90.77	81.56	78.02	70.78	(7.24)	9.22	1.98
1/1/2015	12/31/2015	0.8831	81.56	74.46	70.78	65.75	(5.03)	7.10	2.07
1/1/2016	12/31/2016	0.9070	74.46	69.08	65.75	62.65	(3.10)	5.38	2.28
1/1/2017	12/31/2017	0.9242	69.08	64.55	62.65	59.66	(2.99)	4.53	1.54
1/1/2018	12/31/2018	0.9419	64.55	60.62	59.66	57.10	(2.56)	3.93	1.37
1/1/2019	12/31/2019	0.9600	60.62	56.24	57.10	53.98	(3.11)	4.38	1.27
1/1/2020	12/31/2020	0.9781	56.24	53.22	53.98	52.06	(1.93)	3.02	1.09
1/1/2021	12/31/2021	0.9807	53.22	50.68	52.06	49.70	(2.35)	2.54	0.19
1/1/2022	12/31/2022	0.9807	50.68	48.00	49.70	47.07	(2.63)	2.69	0.05
1/1/2023	12/31/2023	0.9807	48.00	45.84	47.07	44.95	(2.12)	2.16	0.04
1/1/2024	12/31/2024	0.9807	45.84	43.75	44.95	42.90	(2.05)	2.09	0.04
1/1/2025	12/31/2025	0.9807	43.75	40.63	42.90	39.85	(3.06)	3.12	0.06
1/1/2026	12/31/2026	0.9807	40.63	38.44	39.85	37.69	(2.15)	2.19	0.04
1/1/2027	12/31/2027	0.9807	38.44	36.69	37.69	35.98	(1.71)	1.74	0.03
1/1/2028	12/31/2028	0.9807	36.69	34.01	35.98	33.35	(2.63)	2.68	0.05
1/1/2029	12/31/2029	0.9807	34.01	31.31	33.35	30.71	(2.64)	2.70	0.05
1/1/2030	12/31/2030	0.9807	31.31	28.67	30.71	28.12	(2.59)	2.64	0.05
1/1/2031	12/31/2031	0.9807	28.67	26.07	28.12	25.57	(2.55)	2.60	0.05
1/1/2032	12/31/2032	0.9807	26.07	23.52	25.57	23.07	(2.50)	2.55	0.05
1/1/2033	12/31/2033	0.9807	23.52	21.02	23.07	20.61	(2.46)	2.51	0.05
1/1/2034	12/31/2034	0.9807	21.02	18.55	20.61	18.19	(2.42)	2.47	0.05
1/1/2035	12/31/2035	0.9807	18.55	16.12	18.19	15.81	(2.38)	2.43	0.05
1/1/2036	12/31/2036	0.9807	16.12	13.73	15.81	13.46	(2.35)	2.39	0.05
1/1/2037	12/31/2037	0.9807	13.73	11.37	13.46	11.15	(2.31)	2.36	0.05
1/1/2038	12/31/2038	0.9807	11.37	9.04	11.15	8.87	(2.28)	2.33	0.04
1/1/2039	12/31/2039	0.9807	9.04	6.74	8.87	6.61	(2.25)	2.30	0.04
1/1/2040	12/31/2040	0.9807	6.74	4.47	6.61	4.38	(2.23)	2.27	0.04
1/1/2041	12/31/2041	0.9807	4.47	2.22	4.38	2.18	(2.20)	2.25	0.04
1/1/2042	12/31/2042	0.9807	2.22	0.00	2.18	0.00	(2.18)	2.22	0.04

Notes:

- (3) = Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2007-3)
- (4) = (5) in previous period
- (5) = Table IV, (7), Total - Table IV, (7), cumulative
- (6) = (7) in previous period
- (7) = (3) x (5)
- (8) = (7) - (6)
- (9) = (4) - (5)
- (10) = (8) + (9)

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA									
Table IV-C: DERIVATION OF DISCOUNTED LOSS RESERVES									
ACCIDENT YEAR 3									
TIME INTERVAL		DISCOUNT FACTOR (3)	UNDISCOUNTED		DISCOUNTED		CHANGE IN DISCOUNTED LOSSES (8)	PAID LOSSES (9)	PAID + CHANGE IN DISCOUNTED LOSSES AY3 (10)
			UNPAID LOSSES BEG OF YEAR (4)	UNPAID LOSSES END OF YEAR (5)	UNPAID LOSSES BEG OF YEAR (6)	UNPAID LOSSES END OF YEAR (7)			
FROM (1)	TO (2)								
1/1/2007	12/31/2007	N/A	0.00	0.00	0.00	0.00	0.00		
1/1/2008	12/31/2008	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1/1/2009	12/31/2009	0.8952	0.00	110.49	0.00	98.91	98.91	0.00	0.00
1/1/2010	12/31/2010	0.8684	110.49	72.05	98.91	62.57	(36.34)	38.43	2.09
1/1/2011	12/31/2011	0.8483	72.05	49.44	62.57	41.94	(20.63)	22.61	1.98
1/1/2012	12/31/2012	0.8421	49.44	37.16	41.94	31.29	(10.65)	12.28	1.63
1/1/2013	12/31/2013	0.8423	37.16	29.96	31.29	25.23	(6.06)	7.20	1.15
1/1/2014	12/31/2014	0.8595	29.96	25.79	25.23	22.17	(3.06)	4.16	1.10
1/1/2015	12/31/2015	0.8678	25.79	23.31	22.17	20.23	(1.94)	2.49	0.54
1/1/2016	12/31/2016	0.8831	23.31	21.35	20.23	18.86	(1.37)	1.95	0.58
1/1/2017	12/31/2017	0.9070	21.35	19.83	18.86	17.99	(0.87)	1.52	0.65
1/1/2018	12/31/2018	0.9242	19.83	18.54	17.99	17.13	(0.86)	1.30	0.44
1/1/2019	12/31/2019	0.9419	18.54	17.32	17.13	16.32	(0.82)	1.21	0.40
1/1/2020	12/31/2020	0.9600	17.32	16.12	16.32	15.48	(0.84)	1.20	0.36
1/1/2021	12/31/2021	0.9781	16.12	15.28	15.48	14.95	(0.53)	0.84	0.31
1/1/2022	12/31/2022	0.9807	15.28	14.51	14.95	14.23	(0.72)	0.79	0.05
1/1/2023	12/31/2023	0.9807	14.51	13.75	14.23	13.48	(0.75)	0.76	0.01
1/1/2024	12/31/2024	0.9807	13.75	13.11	13.48	12.86	(0.62)	0.63	0.01
1/1/2025	12/31/2025	0.9807	13.11	12.39	12.86	12.15	(0.71)	0.72	0.01
1/1/2026	12/31/2026	0.9807	12.39	11.53	12.15	11.30	(0.85)	0.87	0.02
1/1/2027	12/31/2027	0.9807	11.53	10.92	11.30	10.71	(0.59)	0.60	0.01
1/1/2028	12/31/2028	0.9807	10.92	10.32	10.71	10.12	(0.59)	0.60	0.01
1/1/2029	12/31/2029	0.9807	10.32	9.50	10.12	9.32	(0.80)	0.82	0.02
1/1/2030	12/31/2030	0.9807	9.50	8.69	9.32	8.53	(0.79)	0.80	0.02
1/1/2031	12/31/2031	0.9807	8.69	7.91	8.53	7.75	(0.77)	0.79	0.02
1/1/2032	12/31/2032	0.9807	7.91	7.13	7.75	6.99	(0.76)	0.77	0.01
1/1/2033	12/31/2033	0.9807	7.13	6.37	6.99	6.25	(0.75)	0.76	0.01
1/1/2034	12/31/2034	0.9807	6.37	5.62	6.25	5.51	(0.73)	0.75	0.01
1/1/2035	12/31/2035	0.9807	5.62	4.88	5.51	4.79	(0.72)	0.74	0.01
1/1/2036	12/31/2036	0.9807	4.88	4.16	4.79	4.08	(0.71)	0.73	0.01
1/1/2037	12/31/2037	0.9807	4.16	3.44	4.08	3.38	(0.70)	0.72	0.01
1/1/2038	12/31/2038	0.9807	3.44	2.74	3.38	2.68	(0.69)	0.71	0.01
1/1/2039	12/31/2039	0.9807	2.74	2.04	2.68	2.00	(0.68)	0.70	0.01
1/1/2040	12/31/2040	0.9807	2.04	1.35	2.00	1.33	(0.67)	0.69	0.01
1/1/2041	12/31/2041	0.9807	1.35	0.67	1.33	0.66	(0.67)	0.68	0.01
1/1/2042	12/31/2042	0.9807	0.67	0.00	0.66	0.00	(0.66)	0.67	0.01

Notes:
 (3) = Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2007-3)
 (4) = (5) in previous period
 (5) = Table IV, (8), Total - Table IV, (8), cumulative
 (6) = (7) in previous period
 (7) = (3) x (5)
 (8) = (7) - (6)
 (9) = (4) - (5)
 (10) = (8) + (9)

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INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA						
Table V: NET CASH FLOWS FROM UNDERWRITING						
TIME INTERVAL		PREMIUM FLOWS NET OF RESERVES (3)	TAX CREDITS (4)	EXPENSES (5)	NET CASH FLOW FROM UNDERWRITING (6)	
FROM (1)	TO (2)					
9/1/2006	11/30/2006	0.00	0.08	0.12		(0.04)
12/1/2006	2/28/2007	0.00	(0.26)	0.53		(0.79)
3/1/2007	5/31/2007	0.00	(0.43)	2.34		(2.76)
6/1/2007	8/31/2007	0.00	(0.43)	7.39		(7.82)
9/1/2007	11/30/2007	(121.47)	(0.43)	21.02		(142.92)
12/1/2007	2/29/2008	105.08	(4.74)	38.75		61.59
3/1/2008	5/31/2008	70.35	(6.89)	47.25		16.21
6/1/2008	8/31/2008	103.40	(6.89)	46.29		50.22
9/1/2008	11/30/2008	50.14	(6.89)	34.95		8.30
12/1/2008	2/28/2009	33.46	(0.18)	22.13		11.15
3/1/2009	5/31/2009	13.61	3.17	14.96		1.82
6/1/2009	8/31/2009	(1.40)	3.17	9.08		(7.32)
9/1/2009	11/30/2009	0.22	3.17	4.70		(1.31)
12/1/2009	2/28/2010	0.22	1.91	1.80		0.33
3/1/2010	5/31/2010	0.22	1.29	0.79		0.71
6/1/2010	8/31/2010	0.22	1.29	0.47		1.03
9/1/2010	11/30/2010	(0.17)	1.29	0.26		0.86
12/1/2010	2/28/2011	(0.17)	1.00	0.09		0.73
3/1/2011	5/31/2011	(0.17)	0.85	0.00		0.68
6/1/2011	8/31/2011	(0.17)	0.85	0.00		0.68
9/1/2011	11/30/2011	(0.21)	0.85	0.00		0.64
12/1/2011	2/29/2012	(0.21)	0.70	0.00		0.48
3/1/2012	5/31/2012	(0.21)	0.62	0.00		0.40
6/1/2012	8/31/2012	(0.21)	0.62	0.00		0.40
9/1/2012	11/30/2012	(0.09)	0.62	0.00		0.53
12/1/2012	2/28/2013	(0.09)	0.55	0.00		0.46
3/1/2013	5/31/2013	(0.09)	0.52	0.00		0.43
6/1/2013	8/31/2013	(0.09)	0.52	0.00		0.43
9/1/2013	8/31/2014	(0.20)	1.54	0.00		1.35
9/1/2014	8/31/2015	(0.20)	1.16	0.00		0.97
9/1/2015	8/31/2016	(0.20)	1.14	0.00		0.94
9/1/2016	8/31/2017	(0.20)	0.99	0.00		0.80
9/1/2017	8/31/2018	(0.16)	0.81	0.00		0.66
9/1/2018	8/31/2019	0.06	0.73	0.00		0.79
9/1/2019	8/31/2020	(0.24)	0.63	0.00		0.39
9/1/2020	8/31/2021	(0.14)	0.37	0.00		0.24
9/1/2021	8/31/2022	(0.05)	0.16	0.00		0.11
9/1/2022	8/31/2023	(0.10)	0.10	0.00		(0.00)
9/1/2023	8/31/2024	(0.34)	0.09	0.00		(0.25)
9/1/2024	8/31/2025	(0.14)	0.09	0.00		(0.04)
9/1/2025	8/31/2026	(0.02)	0.09	0.00		0.07
9/1/2026	8/31/2027	(0.00)	0.08	0.00		0.08
9/1/2027	8/31/2028	0.01	0.08	0.00		0.09
9/1/2028	8/31/2029	(0.01)	0.08	0.00		0.07
9/1/2029	8/31/2030	(0.00)	0.07	0.00		0.07
9/1/2030	8/31/2031	0.01	0.07	0.00		0.08
9/1/2031	8/31/2032	0.00	0.06	0.00		0.07
9/1/2032	8/31/2033	(0.00)	0.06	0.00		0.06
9/1/2033	8/31/2034	(0.00)	0.06	0.00		0.06
9/1/2034	8/31/2035	(0.00)	0.05	0.00		0.05
9/1/2035	8/31/2036	(0.00)	0.05	0.00		0.05
9/1/2036	8/31/2037	(0.00)	0.04	0.00		0.04
9/1/2037	8/31/2038	(0.00)	0.04	0.00		0.04
9/1/2038	8/31/2039	(0.00)	0.04	0.00		0.04
9/1/2039	8/31/2040	(0.00)	0.03	0.00		0.03
9/1/2040	8/31/2041	(0.00)	0.03	0.00		0.03
9/1/2041	8/31/2042	(0.00)	0.02	0.00		0.02
9/1/2042	8/31/2043	(0.00)	0.01	0.00		0.01

Notes:

(3) = Table III, (9)

(4) = Table IV, (13)

(5) = Table II-B, [(5) + (6) + (7) + (8) + (9) + (10) + (11)]

(6) = (3) + (4) - (5)

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Section VIII-B
 Exhibit 6

INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA							
Table VI: DERIVATION OF INVESTED CASH LEVELS							
TIME INTERVAL		LOSS AND LOSS ADJ. RESERVES (3)	UNEARNED PREMIUM RESERVES (4)	NON-CASH ASSETS (5)	INVESTABLE FUND (6)	RESERVE/ SURPLUS RATIO (7)	FUNDS IN SURPLUS ACCOUNT (8)
FROM (1)	TO (2)						
9/1/2006	11/30/2006	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2006	2/28/2007	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2007	5/31/2007	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2007	8/31/2007	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2007	11/30/2007	9.37	301.88	157.26	153.98	2.46	126.30
12/1/2007	2/29/2008	53.10	479.42	384.09	148.43	2.46	216.10
3/1/2008	5/31/2008	144.09	540.61	458.50	226.20	2.46	277.85
6/1/2008	8/31/2008	272.29	516.18	501.65	286.81	2.46	319.96
9/1/2008	11/30/2008	400.77	282.48	321.29	361.96	2.46	277.26
12/1/2008	2/28/2009	478.57	115.43	199.56	394.44	2.46	241.05
3/1/2009	5/31/2009	496.15	27.72	116.25	407.61	2.46	212.58
6/1/2009	8/31/2009	467.64	0.00	60.09	407.55	2.46	189.77
9/1/2009	11/30/2009	419.88	0.00	30.76	389.12	2.46	170.39
12/1/2009	2/28/2010	377.13	0.00	16.82	360.31	2.46	153.04
3/1/2010	5/31/2010	340.06	0.00	10.44	329.62	2.46	138.00
6/1/2010	8/31/2010	307.86	0.00	6.72	301.14	2.46	124.93
9/1/2010	11/30/2010	279.36	0.00	4.43	274.93	2.46	113.36
12/1/2010	2/28/2011	254.36	0.00	3.48	250.88	2.46	103.22
3/1/2011	5/31/2011	233.35	0.00	3.31	230.04	2.46	94.70
6/1/2011	8/31/2011	215.78	0.00	3.14	212.64	2.46	87.56
9/1/2011	11/30/2011	200.47	0.00	2.92	197.55	2.46	81.35
12/1/2011	2/29/2012	186.82	0.00	2.71	184.11	2.46	75.81
3/1/2012	5/31/2012	175.06	0.00	2.49	172.56	2.46	71.04
6/1/2012	8/31/2012	164.92	0.00	2.28	162.64	2.46	66.93
9/1/2012	11/30/2012	155.94	0.00	2.19	153.75	2.46	63.28
12/1/2012	2/28/2013	147.95	0.00	2.10	145.85	2.46	60.04
3/1/2013	5/31/2013	141.07	0.00	2.01	139.05	2.46	57.24
6/1/2013	8/31/2013	135.14	0.00	1.92	133.22	2.46	54.84
9/1/2013	8/31/2014	118.02	0.00	1.73	116.29	2.46	47.89
9/1/2014	8/31/2015	107.13	0.00	1.53	105.60	2.46	43.47
9/1/2015	8/31/2016	98.66	0.00	1.33	97.32	2.46	40.04
9/1/2016	8/31/2017	91.94	0.00	1.14	90.80	2.46	37.31
9/1/2017	8/31/2018	86.16	0.00	0.98	85.18	2.46	34.96
9/1/2018	8/31/2019	80.43	0.00	1.05	79.39	2.46	32.64
9/1/2019	8/31/2020	75.36	0.00	0.80	74.56	2.46	30.58
9/1/2020	8/31/2021	71.62	0.00	0.67	70.95	2.46	29.06
9/1/2021	8/31/2022	68.02	0.00	0.61	67.41	2.46	27.60
9/1/2022	8/31/2023	64.70	0.00	0.51	64.19	2.46	26.26
9/1/2023	8/31/2024	61.79	0.00	0.18	61.62	2.46	25.07
9/1/2024	8/31/2025	58.16	0.00	0.04	58.12	2.46	23.60
9/1/2025	8/31/2026	54.49	0.00	0.02	54.47	2.46	22.11
9/1/2026	8/31/2027	51.84	0.00	0.02	51.82	2.46	21.04
9/1/2027	8/31/2028	48.76	0.00	0.03	48.73	2.46	19.79
9/1/2028	8/31/2029	45.01	0.00	0.02	44.99	2.46	18.27
9/1/2029	8/31/2030	41.34	0.00	0.02	41.32	2.46	16.77
9/1/2030	8/31/2031	37.73	0.00	0.02	37.70	2.46	15.31
9/1/2031	8/31/2032	34.18	0.00	0.03	34.15	2.46	13.87
9/1/2032	8/31/2033	30.70	0.00	0.02	30.68	2.46	12.46
9/1/2033	8/31/2034	27.27	0.00	0.02	27.25	2.46	11.07
9/1/2034	8/31/2035	23.90	0.00	0.02	23.88	2.46	9.70
9/1/2035	8/31/2036	20.58	0.00	0.02	20.55	2.46	8.35
9/1/2036	8/31/2037	17.31	0.00	0.02	17.28	2.46	7.02
9/1/2037	8/31/2038	14.08	0.00	0.02	14.05	2.46	5.71
9/1/2038	8/31/2039	10.89	0.00	0.02	10.87	2.46	4.42
9/1/2039	8/31/2040	7.73	0.00	0.02	7.71	2.46	3.14
9/1/2040	8/31/2041	4.62	0.00	0.02	4.60	2.46	1.88
9/1/2041	8/31/2042	1.54	0.00	0.02	1.52	2.46	0.63
9/1/2042	8/31/2043	0.00	0.00	0.02	0.00	2.46	0.00

Notes:

- (3) = Table III, (6) - [Table II-A, (5), cumulative x Table I, (1) x Table I, (13)]
- (4) = Table III, (7)
- (5) = Table III, (5)
- (6) = The maximum value of [(3) + (4) - (5)] or 0
- (7) = Table I, (11)
- (8) = [(3) + (4)] / (7)

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 Exhibit 7

INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA							
Table VII: NOMINAL CASH FLOWS TO INVESTORS							
TIME INTERVAL		NET CASH FLOW FROM UNDERWRITING (3)	CASH POST-TAX INCOME (4)	NET FLOW FOR SURPLUS ACCOUNT (5)	SURPLUS POST-TAX INCOME (6)	NET CASH FLOW (7)	
FROM (1)	TO (2)						
9/1/2006	11/30/2006	(0.04)	0.00	0.00	0.00	(0.04)	
12/1/2006	2/28/2007	(0.79)	0.00	0.00	0.00	(0.79)	
3/1/2007	5/31/2007	(2.76)	0.00	0.00	0.00	(2.76)	
6/1/2007	8/31/2007	(7.82)	0.00	0.00	0.00	(7.82)	
9/1/2007	11/30/2007	(142.92)	1.53	(126.30)	1.26	(266.44)	
12/1/2007	2/29/2008	61.59	1.48	(89.80)	2.15	(24.58)	
3/1/2008	5/31/2008	16.21	2.27	(61.75)	2.79	(40.49)	
6/1/2008	8/31/2008	50.22	2.88	(42.11)	3.21	14.19	
9/1/2008	11/30/2008	8.30	3.59	42.70	2.75	57.33	
12/1/2008	2/28/2009	11.15	3.87	36.21	2.36	53.59	
3/1/2009	5/31/2009	1.82	4.10	28.47	2.14	36.52	
6/1/2009	8/31/2009	(7.32)	4.10	22.81	1.91	21.50	
9/1/2009	11/30/2009	(1.31)	3.87	19.38	1.69	23.63	
12/1/2009	2/28/2010	0.33	3.54	17.35	1.50	22.73	
3/1/2010	5/31/2010	0.71	3.31	15.04	1.39	20.45	
6/1/2010	8/31/2010	1.03	3.03	13.07	1.26	18.38	
9/1/2010	11/30/2010	0.86	2.73	11.57	1.13	16.29	
12/1/2010	2/28/2011	0.73	2.47	10.14	1.01	14.36	
3/1/2011	5/31/2011	0.68	2.31	8.53	0.95	12.47	
6/1/2011	8/31/2011	0.68	2.14	7.13	0.88	10.83	
9/1/2011	11/30/2011	0.64	1.96	6.21	0.81	9.62	
12/1/2011	2/29/2012	0.48	1.83	5.54	0.75	8.60	
3/1/2012	5/31/2012	0.40	1.73	4.77	0.71	7.62	
6/1/2012	8/31/2012	0.40	1.63	4.11	0.67	6.82	
9/1/2012	11/30/2012	0.53	1.52	3.65	0.63	6.33	
12/1/2012	2/28/2013	0.46	1.43	3.24	0.59	5.72	
3/1/2013	5/31/2013	0.43	1.40	2.79	0.58	5.20	
6/1/2013	8/31/2013	0.43	1.34	2.40	0.55	4.72	
9/1/2013	8/31/2014	1.35	4.75	6.95	1.95	15.00	
9/1/2014	8/31/2015	0.97	4.31	4.42	1.77	11.47	
9/1/2015	8/31/2016	0.94	3.98	3.44	1.64	10.01	
9/1/2016	8/31/2017	0.80	3.70	2.73	1.52	8.74	
9/1/2017	8/31/2018	0.66	3.48	2.34	1.43	7.91	
9/1/2018	8/31/2019	0.79	3.24	2.32	1.33	7.69	
9/1/2019	8/31/2020	0.39	3.05	2.06	1.25	6.76	
9/1/2020	8/31/2021	0.24	2.89	1.52	1.18	5.83	
9/1/2021	8/31/2022	0.11	2.75	1.46	1.13	5.44	
9/1/2022	8/31/2023	(0.00)	2.62	1.35	1.07	5.04	
9/1/2023	8/31/2024	(0.25)	2.52	1.18	1.03	4.48	
9/1/2024	8/31/2025	(0.04)	2.37	1.47	0.96	4.75	
9/1/2025	8/31/2026	0.07	2.22	1.49	0.90	4.68	
9/1/2026	8/31/2027	0.08	2.12	1.08	0.86	4.13	
9/1/2027	8/31/2028	0.09	1.99	1.25	0.81	4.14	
9/1/2028	8/31/2029	0.07	1.83	1.52	0.74	4.17	
9/1/2029	8/31/2030	0.07	1.69	1.49	0.68	3.93	
9/1/2030	8/31/2031	0.08	1.54	1.46	0.62	3.70	
9/1/2031	8/31/2032	0.07	1.40	1.44	0.57	3.47	
9/1/2032	8/31/2033	0.06	1.25	1.41	0.51	3.23	
9/1/2033	8/31/2034	0.06	1.11	1.39	0.45	3.01	
9/1/2034	8/31/2035	0.05	0.97	1.37	0.40	2.79	
9/1/2035	8/31/2036	0.05	0.84	1.35	0.34	2.58	
9/1/2036	8/31/2037	0.04	0.70	1.33	0.29	2.36	
9/1/2037	8/31/2038	0.04	0.57	1.31	0.23	2.16	
9/1/2038	8/31/2039	0.04	0.44	1.29	0.18	1.95	
9/1/2039	8/31/2040	0.03	0.32	1.28	0.13	1.76	
9/1/2040	8/31/2041	0.03	0.19	1.26	0.08	1.55	
9/1/2041	8/31/2042	0.02	0.06	1.25	0.03	1.36	
9/1/2042	8/31/2043	0.01	0.00	0.63	0.00	0.63	

Notes:

- (3) = Table V, (6)
- (4) = Table VI, (6) x [1.0 + Table I, (10B)] ^ length of time period -1.0
- (5) = - (Table VI, (8), current - Table VI, (8), previous)
- (6) = Table VI, (8) x [1.0 + Table I, (10B)] ^ length of time period -1.0
- (7) = (3) + (4) + (5) + (6)

COST OF CAPITAL

The first step in setting an underwriting profit factor under a rate of return standard is to determine the fair and reasonable return that should be allowed for bearing the risk of underwriting workers' compensation insurance in Massachusetts. In the context of insurance ratemaking, a "fair and reasonable return" has traditionally been interpreted to mean the cost of the equity capital required to support insurance operations.¹ However, in her Decision on 2003 rates, the Commissioner endorsed the use of a weighted average cost of capital that includes the impact of debt capital at the insurance holding company level.² To narrow the debate this year, the WCRIB has used a weighted average cost of capital in its derivation of the profit provision.

Calculating the weighted average cost of capital is simply a matter of separately calculating the cost of equity capital and the cost of debt capital, and then using appropriate weights to combine the two estimates.

Equity. Several methods have been used to estimate the cost of equity capital for a regulated firm or industry. However, it is widely agreed that methods that rely on market data are preferred, on both a theoretical and pragmatic basis, to those that are based on accounting data. Indeed, it is market requirements that suggest use of the term "cost

¹ Insurance operating companies typically carry no debt on their balance sheets; that is, the capital of the operating companies is all equity capital.

² See, for example, page 52: "We agree that estimates of the cost of capital should reflect debt/equity financing at the holding company level."

of capital," as the phrase refers to the cost to the firm of attracting investment funds in capital markets.

In the past, Dr. Appel has relied on the two most prominent market based methodologies to estimate the cost of equity capital for the WCRIB: the DCF (discounted cash flow) model and the traditional, single factor CAPM (capital asset pricing model). These two methods have been widely recognized as the leading approaches for estimating the cost of equity capital in the US economy, and as a result, Dr. Appel has explicitly given equal weight to each method in the estimation process. However, the WCRIB is aware that in the past year, Dr. Appel has adopted an alternative version of the CAPM – known as the Fama French 3 Factor (FF3F) CAPM - for use in estimating the cost of capital for property casualty insurers.

The FF3F CAPM is the version of CAPM that is currently recognized within the academic community as the proper specification of the model for purposes of estimating capital costs. CAPM was originally developed in the 1950's and early 1960's to explain the behavior of security prices, however years of testing identified several capital market phenomena that the model did not adequately explain. The FF3F model, introduced in 1992, addresses these anomalies, by including factors that control for the impact of firm size and financial distress on firm risk and required return. In recent years the finance literature has strongly supported the use of the FF3F version of CAPM due to its superior ability to explain the cross-sectional variation in security returns. In addition, in the past year the model has been successfully applied to property casualty insurers and

published in the leading scholarly journal in insurance economics and finance.³ As a consequence, this version of the model should provide superior estimates of the cost of capital.

Although it is not adopting the FF3F CAPM procedure in this rate filing, the WCRIB is reviewing the methodology and may consider its use in the future. The WCRIB notes that according to Dr. Appel, the FF3F CAPM is currently producing an estimated cost of equity capital for property casualty insurers of approximately 17% as opposed to the single factor (i.e., traditional) CAPM cost of equity of approximately 12.3% that is used in this filing. However, because the WCRIB has not yet adopted the FF3F CAPM for use in developing rate indications, it has asked Dr. Appel to perform the cost of capital analysis for this filing using the models and methodology relied upon in previous rate filings. Thus, the remainder of the discussion in this section relates to the traditional single factor CAPM along with the aforementioned DCF model.

To apply the CAPM and DCF models in the context of insurance regulation, a sample of firms that investors would view as representative of the risks and required returns for property/casualty insurers was selected: a sample of large, publicly traded property/casualty insurers, drawn from the Value Line Investment Survey. This sample included all those insurers contained in the Value Line “Property/Casualty” industry group – numbering 26 in total.

³ See Cummins and Phillips, “Estimating the Cost of Capital for Property casualty Insurers”, *Journal of Risk and Insurance*, 2005, Vol. 72, No. 3.

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Based on these data, Dr. Appel calculated the cost of equity capital for the full sample of 26 property/casualty insurers covered by Value Line. This calculation provides an estimate of the fair rate of return for the average risk activity in which property/casualty insurers are engaged. Dr. Appel determined that investors currently require a return on equity of at least 11.25% for bearing the risk of underwriting property/casualty insurance, based on the average of the DCF and CAPM results shown below.

DCF	10.15%
CAPM	12.35%
Average	11.25%

Given these results, the WCRIB has used a cost of equity capital of 11.25% as the best estimate of the required equity return for the average risk activity in which property/casualty insurers are engaged.

Debt. To conform to the 2003 Commissioner's decision, Dr. Appel also calculated the cost of debt capital for the Value Line sample of insurers, as well as the share of debt in their capital structure. For this group of 26 insurers, the average interest cost on long term debt is 5.84%, and the share of non-equity capital in the corporate capital structure is 14%. Thus, the weighted average cost of capital is 10.51%, as shown below:

$$(14\% \times 5.84\%) + (86\% \times 11.25\%) = 10.51\%$$

Since the cost of capital is the required return for the average risk activity in which insurers are engaged, the question naturally arises as to whether workers' compensation insurance in Massachusetts is of average risk when compared to all lines of insurance. To the extent that this line of business is viewed as riskier than average, the cost of capital would be higher than average as well. There are several reasons why workers' compensation might be viewed as riskier than the average activity in which property/casualty insurers are engaged. Among them are these:

1. Workers' compensation is subject to unlimited liability; there are neither per claim, per occurrence or aggregate loss limits under the policy terms. This is in contrast to the typical property/casualty insurance contract, in which all these limits may apply.
2. Workers' compensation is a "long-tailed" line of business, meaning that the payment of losses may extend for many years beyond the sale date of the policy. It is a well-known principle of statistics that the longer the time horizon of a forecast, the greater the expected error in the estimate. Thus the forecast of ultimate losses in this line is subject to greater risk than in many other lines of business.

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3. Workers' compensation has a substantial exposure to medical inflation, which has been more rapid and less predictable than general inflation.
4. Workers' compensation is subject to the risk of occupational disease, which can lead to substantial and inherently unpredictable losses in the future.
5. Workers' compensation is subject to the phenomenon of "benefit utilization," which refers to the observation that as benefits become more generous, workers increase their utilization of the system. While the term has traditionally been applied to indemnity benefits (as benefits increase both claim frequency and duration increase) it is equally applicable to medical benefits. Since medical costs are covered with no deductibles or co-payments, workers' compensation has become an increasingly attractive alternative to health insurance for coverage of any illness or injury.

While these characteristics suggest that workers' compensation is of above-average risk, the WCRIB has made no attempt to quantify the difference in risk, nor has such additional risk been reflected in its estimate of the cost of capital used in deriving the underwriting profit provision, making its provision conservative.

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The results of Dr. Appel's analysis for the full sample of Value Line Insurers are contained in exhibits to this section, and a more detailed explanation of the models is contained in the accompanying appendix.

APPENDIX: COST OF CAPITAL**A. INTRODUCTION.**

This appendix is intended to provide a more detailed description of the cost of capital methods selected by the WCRIB to derive the estimated cost of capital that is required to determine the underwriting profit provision in this filing.

The generally recognized standards for determining a fair rate of return for a regulated enterprise were articulated in two cases before the U.S. Supreme Court - Bluefield Waterworks and Hope Natural Gas. In Bluefield, the Court stated:

A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties

Bluefield Waterworks & Improvement Company v. Public Service Commission of West Virginia, 262 U.S. 679, 692-693 (1923). In Hope, the Court further stated:

From the investor or company point of view, it is important that there be enough revenue not only for operating expenses, but also for the capital costs of the business. These include service on the debt and dividends on the stock. By that standard the return to the equity owner should be commensurate with the returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.

Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591, 603

(1944).

These decisions set forth the two basic standards of fairness under which regulated industries must operate: first, the rate of return to the equity holder should equal that which can be expected to be earned by investors in businesses of similar risk; and second, the rate of return must be sufficient to assure the continued attraction of capital. In essence these criteria, when reasonably applied, balance the interests of consumers of the regulated product or service, and investors, who provide the capital needed to operate the enterprise.

There are several methods that have been used to estimate the fair rate of return, or cost of capital, for a regulated firm or industry. However, it is widely agreed that methods that rely on market data are preferred, on both a theoretical and pragmatic basis, to those that are based on accounting data. Indeed, it is market requirements that

suggest use of the term "cost of capital," as the phrase refers to the cost to the firm of attracting investment funds in capital markets. That cost, of course, is the return that the firm must pay and investors expect to earn as a result of placing their capital at risk in the enterprise. For this reason, Dr. Appel used the two most prominent market-based methodologies to derive the cost of capital estimates for this filing. The first of these is known as the Discounted Cash Flow (DCF) model (sometimes called the Gordon growth model or the dividend valuation model), and the second is a specific form of Risk Premium Analysis known as the Capital Asset Pricing Model (CAPM).⁴

Dr. Appel used DCF and CAPM approaches to obtain independent estimates of the cost of capital, so as not to place undue reliance on any single methodology. Moreover, he used these two models because economic and financial theory strongly support the use of market data to determine required rates of return, and these are the most prominent market-based methods currently available. Reliance on market data is critical for three reasons.

1. Such information reflects the consensus of all investors regarding the risk and required returns on different securities. Thus, the potential for the biases and perceptions of the analyst to overstate or understate the fair rate of return is minimized.

⁴ As discussed earlier, the FF3F version of CAPM is the model currently used in the academic literature to estimate capital costs. At the request of the WCRIB, however, Dr. Appel has utilized the traditional, single factor CAPM to estimate the cost of capital for this filing.

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2. The alternative to market data is to use historical accounting data to estimate the cost of capital. This procedure is seriously flawed because it is not prospective and does not necessarily reflect the returns that are of ultimate concern to investors – those that can be earned in the market.

3. The use of market-based models is consistent with the dictates of Hope, in the sense that Hope instructs us to consider investor requirements when determining the fair and reasonable rate of return. (For example, "the return to the equity owner should be commensurate with the returns on investments in other enterprises having corresponding risks.")

In effect, these market based models provide an initial estimate of the "opportunity cost" of placing capital at risk in support of workers' compensation insurance in Massachusetts. Opportunity cost is among the most basic concepts in economics. It refers to the fact that any real resource has a variety of uses, and by using a resource in a particular endeavor an investor forgoes the returns that are available in other, alternative activities. Thus, the opportunity cost of capital (otherwise termed the cost of capital) is the return available from employing that capital in its next best alternative use. This is, of course, the return that investors have forgone by using their capital in support of Massachusetts workers' compensation insurance activities.

It is entirely appropriate to begin an estimate of Massachusetts workers' compensation insurers' cost of capital by evaluating the cost of capital for comparable insurers in the U.S. economy. To the extent that these firms are viewed by investors as being of equivalent risk, they will provide a reasonable starting point for estimating the appropriate cost of capital in this case. However, it is also necessary to consider the specific characteristics of the insurance coverage at issue in this proceeding, before determining whether the cost of capital for any sample of insurers is a reasonable estimate to be used in the present rate-setting exercise. Should Massachusetts workers' compensation insurance be viewed as differing in risk from the average line of coverage, then the cost of capital may have to be adjusted.

B. METHODOLOGY

The Discounted Cash Flow (DCF) model and a specific form of Risk Premium Analysis (RPA) known as the Capital Asset Pricing Model (CAPM) were used to estimate the cost of capital. These are the most widely recognized methods for estimating the cost of capital in regulatory proceedings. The DCF analysis is the leading model used by practitioners to estimate the required rate of return in regulatory rate proceedings, while RPA analysis is the leading approach used by academics, both for estimating the cost of capital and explaining capital market behavior. Each one provides a reasonable basis for estimating the cost of capital, and each should be accorded equal weight in the process.

Turning to the discounted cash flow (DCF) model first, the DCF is based upon the presumption that the cost of an investment, typically the price of a stock, must equal the present value of the cash flows from the investment. The logic of this assumption is as follows: investors are willing to pay the current price for a share of stock only if the present value of the expected cash flows emanating from that investment are equal to that price. If the present value of the cash flows were greater (less) than the current price, investors would bid the price up (down).

The cash flows arising from the purchase of a share of stock are the dividend payments and capital gains the investor expects to receive in the future. If the security is expected to be held in perpetuity, then the stock price can be expressed as the sum of the discounted dividends:

$$P_0 = [D_1/(1+k)] + [D_2/(1+k)^2] + [D_3/(1+k)^3] + \dots$$

where P_0 is the price of the stock, D_i is the dividend in period i , and k is the investor's implicit discount rate, or cost of capital. If dividends are expected to grow at a constant annual rate, g , in the future, then the dividend in time period i is simply the current dividend, D_0 , times the growth factor $(1+g)^i$. It can be shown, by suitable mathematical manipulation, that the DCF can be characterized by

$$k = (D_1 / P_0) + g,$$

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where D_1/P_0 is the dividend yield expected in the first year and g is the expected growth rate in dividends. It can also be shown that even if the investor expects to sell the security at some later date, the price at that time will be equal to present value of future dividend flows. Therefore any expected future capital gain will be impounded in the current estimates of future dividends.

Turning to the second model used to calculate the cost of capital, the specific form of Risk Premium Analysis (RPA) known as the Capital Asset Pricing Model (CAPM), it should be noted that risk premium analysis is a technique which attempts to estimate the cost of capital by calculating the incremental return investors require to hold a particular security, as opposed to another, less risky asset. While the DCF estimates the cost of capital directly, by looking at expected cash flows and market prices, risk premium analysis estimates required returns by evaluating the relative risk of alternative investments. Obviously, those investments with greater risk require greater returns.

The single factor version of the Capital Asset Pricing Model (CAPM) is one specific form of risk premium analysis, which begins with the assumption that there is a risk-free asset, which is typically taken to be a U.S. Treasury security. It then estimates the relative risk of alternative securities to measure the "risk premium" investors require to hold these risky assets. In the classical application of the CAPM, the relative risk of a particular security is measured by a value known as the "beta for market risk" (otherwise known as simply beta) which is an estimate of the relative volatility of that security's returns (or price) compared with the volatility of the entire market (usually proxied by the

New York Stock Exchange index or the S&P 500). The information on the beta is used in the following manner to estimate investors' required rate of return:

$$K = r_f + (\beta \times r_D)$$

where r_f is the risk-free yield, β is the beta for market risk, and r_D is the market risk premium.

As noted above, the beta coefficient is a measure of the relative volatility, or riskiness, of an investment, compared with the market average. If an individual stock has a beta of 1.5, for example, the stock has a tendency to be 50% more volatile than the market as a whole. This implies that if the market as a whole goes up (down) by 10% this stock has a tendency to go up (down) by 15%.

The market risk premium is the average difference between the returns on the market portfolio and the returns on the riskless asset. For example, over the period 1926 - 2006 a diversified portfolio of common stocks earned an annual return which averaged 8.58 percentage points higher than the return on U.S. Treasury bills. Therefore, an individual security of exactly average risk (i.e., with a beta of 1) would be expected to earn 8.58 percentage points more than a T-bill. In addition to the T-bill, however, it is also reasonable to consider alternative-term securities, and to measure the risk premium relative to them. In fact, this type of procedure is frequently recommended when the time horizon of the investment is relatively long, as is often the case with an investment in insurance.

There are at least three reasons to be concerned about the use of a beta for market risk to measure risk for present purposes. First, it is important to note that beta, as typically estimated, does not properly account for "interest rate risk" (that is, the risk that an investment will fluctuate with changes in interest rates). Since investments in property/casualty insurance stocks are subject to considerable interest rate risk, this means that the CAPM underestimates the cost of capital for the property/casualty insurance industry. Second, it is well known that small stocks tend to earn higher returns than their market betas would predict. Thus, to the extent that property casualty insurers are smaller than typical firms, the cost of capital derived using the single factor CAPM would tend to understate the required return. Finally, it is also well known that firms with relatively high book to market value ratios tend to produce higher returns than their betas would predict. Therefore, since property casualty insurers tend to have relatively high book to market ratios, the single factor CAPM would tend to understate required returns.

C. RESULTS

In estimating the cost of capital Dr. Appel relied on financial data for a sample of publicly traded property/casualty insurers, drawn from the Value Line Investment Survey. The Value Line Investment Survey is an independent investment advisory service that provides weekly reports on approximately 1,700 publicly traded stocks. In addition, it provides in depth quarterly reports on each of the firms it covers, which contain a wealth of historical and forecast information on each security. In terms of

numbers of subscribers and annual revenues Value Line is the largest such service in the world. In addition, Value Line is the data source most widely relied upon by experts estimating the cost of capital in regulatory proceedings.

The data Dr. Appel used were drawn from Value Line's "Insurance-Property/Casualty" group of companies. This is one among nearly 100 groups that are established by Value Line so that they can report simultaneously on a set of companies, which are affected by common economic, social, and financial forces. His estimates are based on the most recent available data, from January 2007.

The DCF model requires an estimate of the current dividend yield and the expected growth rate in dividends. The sum of these is the estimated cost of capital.

To estimate the dividend yield, Dr. Appel utilized estimates for the expected first year dividend yield provided by Value Line. The annual DCF model requires an estimate of the dividends payable during the first year of the investment. Since Value Line's expected first year dividend yield is defined as the estimated dividends payable in the coming year divided by the current share price of the stock, it is precisely the correct one to use in the DCF model.

To estimate the dividend growth rate, Dr. Appel averaged the results from two different techniques, one called the "growth forecast" method, and the other termed "fundamental analysis". The first, "growth forecast" method, relies on estimates of growth based on historical earnings and dividend data along with analysts' forecasts of growth in these variables. The second, "fundamental analysis" relies on estimating a firm's sustainable growth based on the rate at which it retains and reinvests earnings.

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For each of these approaches, Dr. Appel relied on long term (i.e., ten-year) and short term (five-year) historical information, along with Value Line analysts' forecasts. Thus, when calculating the expected growth rate, Dr. Appel averaged the results based on these three data sources.

It is appropriate to assume that, when evaluating future growth prospects, investors will consider all available information in forming their estimates. This suggests that historical growth in dividends and earnings per share will be of some significance in forming expectations about future growth. At the same time, analysts are an important source of information for investors, and their estimates of future growth are followed closely by the investment community.

As regards fundamental analysis, the premise is that sustainable growth in the future can arise from two sources: retained earnings and issuance of new stock at prices different than book value. In the first case, retained earnings can be reinvested to produce earnings, which will be used to pay higher dividends in the future. In the second case, the proceeds from the sale of stock at prices above book value can also be used for new investment, and the profits ultimately will be used to pay higher dividends in the future. Thus, the fundamental analysis computes the expected growth rate as the sum of the earnings retained as a percentage of common equity and a stock issuance adjustment factor, as follows:

$$g = (b \times r) + (s \times v)$$

where: b = retention ratio (retained earnings/profit)

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r = return on equity

s = fraction of shares to be issued

v = (market/book) - 1.

The results of the DCF analysis for the sample of property/casualty insurers are contained in summary form in section VIII-C, Exhibit 2, page 1 of the filing, with the details of the calculations contained in Exhibit 2, page 2. These DCF models indicate that the current property/casualty insurance cost of capital averages 10.15%.

To illustrate the calculation, consider the model shown in section VIII-C, Exhibit 2, page 1. In this model, the first-year dividend yield is 1.37%, and the expected growth rate in dividends is 8.77%. Accordingly, the required rate of return (k) in this DCF model is equal to:

$$k = (D_1 / P_0) + g, \text{ or}$$
$$10.15\% = 1.37\% + 8.77\%$$

Turning now to the CAPM, the model begins with the assumption that there is a risk-free asset, which is typically taken to be a U.S. Treasury security. It then estimates the relative risk of alternative securities, measured by their “beta,” to measure the “risk premium” investors require to hold the risky assets. This information is used in the following manner to estimate investors' required rate of return:

$$K = r_f + (\beta \times r_D)$$

where r_f is the risk-free yield, β is the beta coefficient, and r_D is the market risk premium. In this case, Dr. Appel relied on an average of three CAPM estimates, where the different estimates arise from the choices of short-, intermediate- or long-term Treasuries as the risk-free rate.

As regards the estimate of the beta coefficient for the representative sample of 26 property/casualty insurers, the beta coefficient for this sample of companies ranges from 0.60 to 1.65, and averages 0.97. This is shown on Section VIII-C, Exhibit 3, page 2.

Dr. Appel relied on three estimates of the risk-free yield, based on the yields on one-month US Treasury bills, 5-year US Treasury notes and 20-year US Treasury bonds, the standard choices for the riskless security used in practical applications of the CAPM. In implementing this model he chose to average the yields on these securities for the period from October through December 2006. This procedure obtains a representative estimate of current interest rates, and avoids any anomalous results that might arise due to unusual interest rate volatility. During this period the yields on one-month Treasury bills averaged 5.02%, while the yields on 5- and 20-year Treasuries averaged 4.60% and 4.83% respectively.

Combining the information concerning the recent yields on U.S. Treasury securities, beta coefficients for the property/casualty insurance industry, and the

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historical differential between risk-free and equity investments, Dr. Appel's best estimate of investors' required return is 12.35%.

To illustrate this calculation, consider the results for the short term CAPM below:

$$K = r_f + (\beta \times r_d) , \text{ or}$$
$$13.34\% = 5.02\% + (0.97 \times 8.58\%)$$

Each of the other calculations (i.e., the intermediate and long horizon CAPM's) is performed identically. The results from these three models are averaged to produce a 12.35% CAPM cost of capital.

Based on all this information, Dr. Appel's single best estimate of the cost of equity capital for property/casualty insurance is 11.25%, which is the average of the results from the DCF and CAPM analyses. However, because traditional estimates of beta fail to account for interest rate risk, the CAPM estimates of the cost of capital will be understated.

Finally, to estimate the overall cost of capital, consistent with the 2003 Commissioner's decision, the WCRIB requested that Dr. Appel estimate the share of debt and equity in insurer capital structures, and estimate the cost of debt, so as to create a weighted average cost of capital, even though this is not the traditional way to estimate capital costs for purposes of insurance regulation. The details of these calculations are contained in Section VIII-C, Exhibits 4 and 5. As these exhibits show,

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debt accounts for approximately 14% of insurer capital, while common equity accounts for 86% of capital. Given the equity cost, as shown above, of 11.25%, and the debt cost estimated in Exhibit 4 of 5.84%, the weighted average cost of capital is 10.51%, as shown below:

$$(14\% \times 5.84\%) + (86\% \times 11.25\%) = 10.51\%$$

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Exhibit 1

Cost of Capital: Summary Exhibit for Property-Casualty Insurance Companies

(1) Discounted Cash Flow (from Exhibit 2, page 1)	10.15
(2) Capital Asset Pricing Model (from Exhibit 3, page 1)	<u>12.35</u>
(3) Cost of Equity ($=[(1)+(2)] / 2.0$)	11.25
(4) Cost of Debt (from Exhibit 4)	5.84
(5) Capital Structure (from Exhibit 5):	
(a) Equity	86%
(b) Debt	14%
(6) Weighted Average Cost of Capital $[= (3) \times (5a) + (4) \times (5b)]$	10.51

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Exhibit 2
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Cost of Capital Estimate using Discounted Cash Flow Analysis

DCF Cost of Capital: $K = D_1/P_0 + g$

where:

K = cost of capital

D_1/P_0 = estimated dividend yield to be declared the next 12 months

g = dividend growth rate

(1) Estimated Dividend Yield (from Page 2)	1.37
(2) Growth Forecast { = [(a) + (b)] / 2.0 }	9.24
(a) Dividend Component [= Page 2, average of columns (3) through (5)]	8.46
(b) Earnings Component [= Page 2, average of columns (6) through (8)]	10.03
(3) Fundamental Analysis [= (a) + (b)]	8.30
(a) Retention to book [= Page 2, average of columns (9) through (11)]	8.40
(b) Stock issuance factor [= Page 2, column (15)]	-0.10
(4) Dividend Growth Rate { = [(2) + (3)] / 2.0 }	8.77
(5) Cost of Capital [= (1) + (4)]	10.15

Discounted Cash Flow Analysis: Parameter Calculation

Property/Casualty Insurance Companies (1)	Estimated Dividend Yield (2)	Average Dividend Growth Rate			Average Earnings Growth Rate			Average Earnings Retention Rates Retained Earnings as a Percent of Common Equity			Stock Issuance Adjustment Factor			
		Annual Rate of Change			Annual Rate of Change			Forecast			2007 Shares (12)	2009-2011 Shares (13)	2009-2011 Market/ Book (14)	Stock Issuance Adjustment Factor (15)
		Past 10 Years (3)	Past 5 Years (4)	Forecast 2009-2011 (5)	Past 10 Years (6)	Past 5 Years (7)	Forecast 2009-2010 (8)	Past 10 Years (9)	Past 5 Years (10)	Forecast 2009-2011 (11)				
ACE Limited	1.70	20.50	14.00	8.00	12.50	8.50	13.00	9.2	7.3	9.5	325.00	320.00	1.25	-0.13
Alleghany Corp.	Nil	NA	NA	Nil	NA	NA	25.00	6.0	6.7	8.0	8.25	8.40	1.30	0.18
Allstate Corp	2.30	13.50	12.50	9.50	10.00	1.00	9.50	10.8	7.5	8.0	615.00	610.00	1.15	-0.04
American Finan	1.10	-6.00	-13.00	3.00	NA	11.50	16.00	6.5	5.6	13.5	117.00	117.00	1.25	0.00
Berkley (W.R.)	0.50	8.00	5.00	9.50	20.50	NMF	14.00	9.0	12.7	14.5	185.00	180.00	1.75	-0.68
Berkshire Hath. 'A'	Nil	NA	NA	Nil	24.00	25.00	9.00	6.2	7.3	8.5	1.54	1.54	1.45	0.00
CNA Financial	Nil	NA	NA	Nil	NA	NA	NMF	5.4	2.4	9.5	270.00	270.00	0.95	0.00
Chubb	1.90	5.50	4.00	7.50	8.00	10.00	8.50	6.5	5.3	8.5	405.00	390.00	1.40	-0.50
Cincinnati Fin	3.00	11.50	11.00	7.50	9.50	20.00	3.00	3.3	3.8	4.0	172.00	170.00	1.35	-0.14
Everest Re Group	1.00	29.50	12.00	18.50	NMF	1.50	25.50	9.4	8.0	10.5	65.00	65.00	1.15	0.00
HCC Ins Hldngs	1.30	NA	11.50	17.00	14.50	13.50	16.00	11.4	9.6	11.5	115.00	115.00	1.65	0.00
Hanover Ins. Group	0.60	NA	NA	24.00	-3.00	-16.50	18.00	7.0	4.0	8.5	51.00	52.00	1.05	0.03
Markel Corp.	Nil	NA	NA	Nil	11.00	23.00	20.50	8.0	5.6	13.5	10.00	10.00	1.50	0.00
Mercury General	3.60	15.50	12.50	5.50	10.50	10.50	6.50	9.8	7.8	10.0	54.50	54.50	2.00	0.00
Ohio Casualty	1.20	NA	NA	NMF	-5.50	-15.50	9.00	5.2	7.3	8.0	60.00	60.00	0.90	0.00
Old Republic	2.70	14.50	11.00	11.00	10.50	10.50	4.00	9.3	8.6	7.0	230.00	230.00	1.05	0.00
PMI Group, Inc.	0.40	16.50	16.50	15.50	11.50	9.50	9.50	14.7	13.2	10.5	80.00	80.00	1.10	0.00
Partnerre Ltd.	2.20	17.00	7.00	5.00	3.00	2.50	21.50	6.9	5.4	9.5	58.00	60.00	1.10	0.11
Progressive	0.20	4.50	5.00	24.00	20.00	NMF	2.00	17.2	21.5	13.0	745.00	700.00	1.75	-1.54
RLI Corp	1.50	10.00	12.50	13.00	25.00	14.50	10.00	8.7	8.6	9.0	22.00	22.00	1.40	0.00
SAFECO	1.90	-1.50	-10.50	8.50	3.00	18.00	9.50	5.0	6.8	10.0	100.00	100.00	1.50	0.00
St. Paul	2.00	3.00	-0.50	3.00	-0.50	-6.00	18.50	6.2	3.2	10.0	660.00	650.00	1.20	-0.10
Selective	1.60	2.50	4.00	6.00	9.50	17.00	10.00	6.7	7.0	11.5	28.00	28.00	1.45	0.00
Transatlantic	0.90	11.50	8.50	12.00	6.00	-2.50	17.00	8.9	5.6	9.5	66.00	66.00	1.25	0.00
21st Century	1.90	-10.00	-27.50	27.00	NA	2.50	5.50	8.4	5.9	6.0	86.50	86.50	1.55	0.00
XL Capital Lmtd	2.20	12.50	2.50	-2.50	NA	NA	NMF	7.6	3.0	10.5	183.00	189.00	1.20	0.22
Average	1.37	9.39	4.90	11.07	10.00	7.55	12.54	8.20	7.30	9.71				-0.10

Notes:

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 22, 2006.

All companies with Nil values pay no dividends

NMF = Not a Meaningful Figure

(15) = [(14) - 1.0] x {[(13) / (12)]^t - 1.0} x 100, where t is 0.333 for the years between midyear 2007 and midyear 2010 (which is the midpoint of 2009-2011)

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Exhibit 3
Page 1

Cost of Capital Estimate using Capital Asset Pricing Model Analysis

$$\text{Cost of Capital: } K = r_f + (\beta \times r_d)$$

	Risk-Free Yield (r_f)	Market Risk Premium (r_d)	Beta Coefficient (β)	Estimated Cost of Capital (K)
Short-Term	5.02	8.58	0.97	13.34
Intermediate-Term	4.60	7.58	0.97	11.95
Long-Term	4.83	7.13	0.97	11.75
Average	4.82	7.76	0.97	12.35

where for β : = average beta coefficient (Page 2).

where for r_f : (From Section VIII-H, Exhibit 2, page 3)

Short-Term = average yield on 1-month U.S. Treasury Constant Maturities (line (3))

Intermediate-Term = average yield on 5-year U.S. Treasury (line (9))

Long-Term = average yield on 20-year U.S. Treasury (line (12))

where for r_d : (From Section VIII-H, Exhibit 4)

Short-Term = S&P 500 total returns minus U.S. Treasury Bill total returns

Intermediate-Term = S&P 500 total returns minus Intermediate-Term Government Bonds income returns

Long-Term = S&P 500 total returns minus Long-Term Government Bonds income returns

VIII 000061

Section VIII - Profit
Subsection C - Cost of Capital
9/1/2007

Section VIII - C
Exhibit 3
Page 2

Capital Asset Pricing Model - Beta Coefficient

<u>Property/Casualty Insurance Companies</u>	<u>Beta Coefficients</u>
ACE Limited	1.35
Alleghany Corp.	0.60
Allstate Corp	0.90
American Finan	1.00
Berkley (W.R.)	0.90
Berkshire Hath. 'A'	0.65
CNA Financial	1.00
Chubb	1.05
Cincinnati Fin	0.85
Everest Re Group	1.05
HCC Ins Hldngs	0.90
Hanover Ins. Group	1.65
Markel Corp.	0.75
Mercury General	0.90
Ohio Casualty	0.95
Old Republic	1.05
PMI Group, Inc.	1.15
Partnerre Ltd.	1.00
Progressive	0.90
RLI Corp	0.80
SAFECO	0.85
St. Paul	1.20
Selective	0.90
Transatlantic	0.80
21st Century	0.90
XL Capital Lmtd	1.05
Average	<u><u>0.97</u></u>

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 22, 2006.

VIII 000062

Section VIII - Profit
 Subsection C - Cost of Capital
 9/1/2007

Section VIII - C
 Exhibit 4

Average Cost of Long-Term Debt for Property-Casualty Insurance Companies

Property/Casualty Insurance Companies (1)	Long-Term Interest \$ in millions (2)	Long-Term Debt \$ in millions (3)	Yield =(2)/(3) (4)
ACE Limited			
Alleghany Corp.	5.0	80.0	6.25%
Allstate Corp			
American Finan			
Berkley (W.R.)	85.0	1320.5	6.44%
Berkshire Hath. 'A'			
CNA Financial	135.0	2155.0	6.26%
Chubb	135.0	2463.0	5.48%
Cincinnati Fin	52.0	840.0	6.19%
Everest Re Group			
HCC Ins Hldngs			
Hanover Ins. Group	41.0	508.8	8.06%
Markel Corp.			
Mercury General	7.0	142.0	4.93%
Ohio Casualty	12.0	199.7	6.01%
Old Republic	9.0	144.0	6.25%
PMI Group, Inc.	31.0	919.4	3.37%
Partnerre Ltd.	36.0	620.0	5.81%
Progressive	78.0	1185.4	6.58%
RLI Corp			
SAFECO			
St. Paul			
Selective	18.8	361.8	5.20%
Transatlantic			
21st Century	7.0	118.9	5.89%
XL Capital Lmted	165.0	3368.1	4.90%
Average			5.84%

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 22, 2006.

Capital Structure Ratios of Property-Casualty Insurance Companies
 (in millions)

Property/Casualty Insurance Companies (1)	Total Debt (2)	L-T Debt (3)	S-T Debt = (2) - (3) (4)	Preferred Stock (5)	Total Non-equity Cap = (3) + (4) + (5) (6)	Common Equity (7)
ACE Limited	2,441.0	1,632.0	809.0	309.0	2,750.0	19,569.4
Alleghany Corp.	80.0	80.0	0.0	299.5	379.5	2,875.7
Allstate Corp	5,529.0	5,529.0	0.0	0.0	5,529.0	40,800.0
American Finan	923.7	0.0	923.7	0.0	923.7	4,367.5
Berkley (W.R.)	1,320.5	1,320.5	0.0	0.0	1,320.5	6,598.3
Berkshire Hath. 'A'	21,051.0	19,891.0	1,160.0	0.0	21,051.0	123,924.2
CNA Financial	2,405.0	2,155.0	250.0	0.0	2,405.0	10,788.7
Chubb	2,463.0	2,463.0	0.0	0.0	2,463.0	21,655.3
Cincinnati Fin	840.0	840.0	0.0	0.0	840.0	7,897.9
Everest Re Group	995.6	0.0	995.6	0.0	995.6	6,398.1
HCC Ins Hldngs	309.4	0.0	309.4	0.0	309.4	3,485.6
Hanover Ins. Group	508.8	508.8	0.0	0.0	508.8	2,479.5
Markel Corp.	959.0	0.0	959.0	0.0	959.0	4,627.3
Mercury General	142.0	142.0	0.0	0.0	142.0	2,911.7
Ohio Casualty	199.7	199.7	0.0	0.0	199.7	1,814.0
Old Republic	144.0	144.0	0.0	0.0	144.0	5,350.3
PMI Group, Inc.	1,264.4	919.4	345.0	0.0	1,264.4	3,763.2
Partnerre Ltd.	620.0	620.0	0.0	20.8	640.8	4,046.6
Progressive	1,185.4	1,185.4	0.0	0.0	1,185.4	18,321.6
RLI Corp	105.0	0.0	105.0	0.0	105.0	1,357.2
SAFECO	1,274.7	0.0	1,274.7	0.0	1,274.7	7,247.8
St. Paul	6,569.0	0.0	6,569.0	0.0	6,569.0	36,637.3
Selective	361.8	361.8	0.0	0.0	361.8	1,622.9
Transatlantic	0.0	0.0	0.0	0.0	0.0	4,119.9
21st Century	118.9	118.9	0.0	0.0	118.9	1,502.3
XL Capital Lmtd	3,368.1	3,368.1	0.0	517.5	3,885.6	12,819.8
Total	55,179.0	41,478.6	13,700.4	1,146.8	56,325.8	356,982.0
Capital Structure Ratios					0.14	0.86

Notes:

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 22, 2006.

(7) = (outstanding shares) * (one month average share price)

One month (Dec 15, 2006 - Jan 14, 2007) average share price from 'Yahoo Finance' and outstanding shares from Value Line Investment Survey, Part 3. Value Line doesn't have debt information for Berkshire Hathaway. 'Yahoo Finance' used instead.

VIII 000064

Section VIII - Profit
Subsection D - Leverage Ratio
9/1/2007

Section VIII - D
Exhibit 1

Losses & LAE and Unearned Premium Reserves to Surplus Ratio (In Millions)

Year	Losses & LAE	Unearned Premium	Year-End Surplus	Ratio = [(2)+(3)]/(4)
(1)	(2)	(3)	(4)	(5)
2001	171,600	48,659	90,425	2.44
2002	181,237	57,760	92,155	2.59
2003	201,486	65,957	108,353	2.47
2004	228,817	70,629	122,090	2.45
2005	254,366	74,153	138,554	2.37
Average				2.46

Notes:

Source: Best's Aggregates and Averages - Property-Casualty, 2006, pp. 134.

(3) Data for Unearned Premium were provided by AM Best after a request from WCRIB.

Determination of Selected Premium Flow From Premium Collection Call
 by Duration after Policy Inception

Quarter (1)	Net Premium Ranges									Weighted Average Selected Collection Pattern (11)
	0 - 9,999			10,000 - 199,999			200,000 +			
	Actual Premium Collection Pattern		Weight (4)	Actual Premium Collection Pattern		Weight (7)	Actual Premium Collection Pattern		Weight (10)	
	Actual (2)	Selected (3)		Actual (5)	Selected (6)		Actual (8)	Selected (9)		
-4	0.1%	0.0%	25.3%	0.0%	0.0%	53.7%	0.0%	0.0%	21.0%	0.0%
-3	0.0%	0.0%	25.3%	0.0%	0.0%	53.7%	0.0%	0.0%	21.0%	0.0%
-2	0.0%	0.0%	25.3%	0.1%	0.0%	53.7%	0.0%	0.0%	21.0%	0.0%
-1	9.9%	0.0%	25.3%	2.8%	0.0%	53.7%	1.0%	0.0%	21.0%	0.0%
0	38.8%	48.8%	25.3%	32.5%	35.4%	53.7%	27.1%	28.1%	21.0%	37.3%
1	17.5%	17.5%	25.3%	23.5%	23.5%	53.7%	22.7%	22.7%	21.0%	21.8%
2	12.1%	12.1%	25.3%	17.7%	17.7%	53.7%	21.7%	21.7%	21.0%	17.1%
3	4.6%	4.6%	25.3%	6.8%	6.8%	53.7%	10.8%	10.8%	21.0%	7.1%
4	10.5%	10.5%	25.3%	7.1%	7.1%	53.7%	6.4%	6.4%	21.0%	7.8%
5	4.8%	4.8%	25.3%	5.9%	5.9%	53.7%	5.8%	5.8%	21.0%	5.6%
6	0.5%	0.5%	25.3%	1.6%	1.6%	53.7%	1.5%	1.5%	21.0%	1.3%
7	0.5%	0.5%	25.3%	0.8%	0.8%	53.7%	1.7%	1.7%	21.0%	0.9%
8	0.1%	0.7%	25.3%	0.4%	0.4%	53.7%	0.3%	0.3%	21.0%	0.4%
9	0.0%	0.0%	25.3%	0.3%	0.8%	53.7%	0.0%	1.1%	21.0%	0.7%
10	0.0%	0.0%	25.3%	0.4%	0.0%	53.7%	0.0%	0.0%	21.0%	0.0%
11	0.0%	0.0%	25.3%	0.0%	0.0%	53.7%	0.7%	0.0%	21.0%	0.0%
12	0.0%	0.0%	25.3%	0.0%	0.0%	53.7%	0.3%	0.0%	21.0%	0.0%
13	0.5%	0.0%	25.3%	0.1%	0.0%	53.7%	0.1%	0.0%	21.0%	0.0%
14	0.1%	0.0%	25.3%	0.0%	0.0%	53.7%	0.0%	0.0%	21.0%	0.0%

Notes:

(4), (7), (10) are calculated using Schedule Z data for CPY 03/04.

(2), (5), (8) are from the premium collection call.

(11) = (3) x (4) + (6) x (7) + (9) x (10)

VIII 000066

Section VIII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2007

Section VIII - F
 Exhibit 1

Cash Flow Weights

Item of Expense Allowance (% of Standard Premium plus ARAP)	Policy Year		Average
	2003	2004	
(1) Expected Losses	53.58%	56.26%	54.92%
(2) Expected Loss Adjustment Expense:	9.74%	10.23%	9.99%
(a) Defense and Cost Containment Expense	4.32%	4.54%	4.43%
(b) Adjusting and Other Expense	5.42%	5.69%	5.56%
(3) Expected Losses + LAE [= (1) + (2)]	63.32%	66.49%	64.91%
(4) Fixed Expenses	6.68%	6.74%	6.71%
(a) General Expenses	6.01%	6.07%	6.04%
(b) Miscellaneous and Other Taxes	0.66%	0.67%	0.67%
(5) Variable Expenses [= (5a) + (5b) + (5c)]	17.54%	17.54%	17.54%
(a) Total Acquisition	11.51%	11.51%	11.51%
(i) Commissions	8.21%	8.21%	8.21%
(ii) Other Acquisition	2.30%	2.30%	2.30%
(iii) Reinsurance Expenses	1.00%	1.00%	1.00%
(b) Premium Tax	2.19%	2.19%	2.19%
(c) Premium Discount	3.84%	3.84%	3.84%
(6) Total Expenses [= (4) + (5)]	24.22%	24.28%	24.25%

Notes:

- (1) Policy year 2003 basis Expected Losses = 0.537 * 0.998 from Section I-B, Exhibit 1. Policy year 2004 basis Expected Losses = 0.564 * 0.998 from Section I-B, Exhibit 1. Where 0.998 is the factor to reflect the impact of large deductible policies, and 0.537, 0.564 are the loss ratio projected to policy effective period.
- (2) Expected LAE = Expected Losses * 0.182 where 0.182 is the LAE ratio calculated in VI-D, Exhibit 1.
- (2a), (2b) Loss Adjustment Expense split between DCC and AO is 0.443 = 0.081 / 0.182 and 0.557 = 1 - 0.443 where 0.081 is three year average provision for DCC from Section VI-D, Exhibit 1, line (4) and LAE ratio = 0.182 from Section VI-D, Exhibit 1, line (10).
- (4) From Section VI-B, Exhibit 1 times the factor to reflect the impact of large deductible policies, from Section I-D, Exhibit 1, page 1.
- (4a), (4b) Policy Year 2003 Fixed Expenses split between General Expenses and Other Taxes based on \$29,772,818 General Expenses and \$3,289,656 Other Taxes. Policy Year 2004 General Expenses split based on \$31,858,111 General Expenses and \$3,520,064 Other Taxes. See VI-B, Exhibit 1, columns (12) & (13).
- (5a) From Section VI-K, Exhibit 1.
- (5b), (5c) From Section VI-A, Exhibit 1.

VIII 000067

Section VIII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2007

Section VIII - F
 Exhibit 2

Percentage Distributions of General, Other Acquisition, and Taxes by Duration from Policy Inception

Time Interval		Distribution (%)			
From (1)	To (2)	General Expense (3)	Other Acquisition (4)	Premium Tax (5)	Other Tax (6)
09/01/06	11/30/06	1	2	0	1
12/01/06	02/28/07	1	6	0	2
03/01/07	05/31/07	15	12	0	14
06/01/07	08/31/07	23	44	0	29
09/01/07	11/30/07	21	30	100	23
12/01/07	02/29/08	10	2	0	8
03/01/08	05/31/08	9	1	0	7
06/01/08	08/31/08	9	1	0	7
09/01/08	11/30/08	10	2	0	8
12/01/08	02/28/09	1	0	0	1
Total		100	100	100	100

Notes:

(3) from 1977 Filing, Exhibit 20.

(4) & (6) from 1977 Filing, Exhibit 21.

VIII 000068

Section VIII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2007

Section VIII - F
 Exhibit 3

Loss and Loss Adjustment Expense Flow

Time Interval		Earned Premium (3)	Loss Flow (4)	DCC Flow (5) = (4)	AO Flow (6) = [(3) + (4)] / 2.0	Loss and LAE Flow (7)
From (1)	To (2)					
09/01/06	11/30/06	0.0000	0.0000	0.0000	0.0000	0.0000
12/01/06	02/28/07	0.0000	0.0000	0.0000	0.0000	0.0000
03/01/07	05/31/07	0.0000	0.0000	0.0000	0.0000	0.0000
06/01/07	08/31/07	0.0000	0.0000	0.0000	0.0000	0.0000
09/01/07	11/30/07	0.1850	0.0531	0.0531	0.1190	0.0587
12/01/07	02/29/08	0.3332	0.0531	0.0531	0.1931	0.0650
03/01/08	05/31/08	0.2428	0.0531	0.0531	0.1479	0.0612
06/01/08	08/31/08	0.2390	0.0531	0.0531	0.1460	0.0610
09/01/08	11/30/08	0.0000	0.0692	0.0692	0.0346	0.0663
12/01/08	02/28/09	0.0000	0.0692	0.0692	0.0346	0.0663
03/01/09	05/31/09	0.0000	0.0692	0.0692	0.0346	0.0663
06/01/09	08/31/09	0.0000	0.0692	0.0692	0.0346	0.0663
09/01/09	11/30/09	0.0000	0.0416	0.0416	0.0208	0.0398
12/01/09	02/28/10	0.0000	0.0416	0.0416	0.0208	0.0398
03/01/10	05/31/10	0.0000	0.0416	0.0416	0.0208	0.0398
06/01/10	08/31/10	0.0000	0.0416	0.0416	0.0208	0.0398
09/01/10	11/30/10	0.0000	0.0222	0.0222	0.0111	0.0213
12/01/10	02/28/11	0.0000	0.0222	0.0222	0.0111	0.0213
03/01/11	05/31/11	0.0000	0.0222	0.0222	0.0111	0.0213
06/01/11	08/31/11	0.0000	0.0222	0.0222	0.0111	0.0213
09/01/11	11/30/11	0.0000	0.0131	0.0131	0.0065	0.0125
12/01/11	02/29/12	0.0000	0.0131	0.0131	0.0065	0.0125
03/01/12	05/31/12	0.0000	0.0131	0.0131	0.0065	0.0125
06/01/12	08/31/12	0.0000	0.0131	0.0131	0.0065	0.0125
09/01/12	11/30/12	0.0000	0.0076	0.0076	0.0038	0.0073
12/01/12	02/28/13	0.0000	0.0076	0.0076	0.0038	0.0073
03/01/13	05/31/13	0.0000	0.0076	0.0076	0.0038	0.0073
06/01/13	08/31/13	0.0000	0.0076	0.0076	0.0038	0.0073
09/01/13	08/31/14	0.0000	0.0169	0.0169	0.0084	0.0162
09/01/14	08/31/15	0.0000	0.0134	0.0134	0.0067	0.0129
09/01/15	08/31/16	0.0000	0.0101	0.0101	0.0051	0.0097
09/01/16	08/31/17	0.0000	0.0086	0.0086	0.0043	0.0082
09/01/17	08/31/18	0.0000	0.0075	0.0075	0.0037	0.0072
09/01/18	08/31/19	0.0000	0.0085	0.0085	0.0042	0.0081
09/01/19	08/31/20	0.0000	0.0056	0.0056	0.0028	0.0054
09/01/20	08/31/21	0.0000	0.0048	0.0048	0.0024	0.0046
09/01/21	08/31/22	0.0000	0.0052	0.0052	0.0026	0.0050
09/01/22	08/31/23	0.0000	0.0041	0.0041	0.0020	0.0039
09/01/23	08/31/24	0.0000	0.0040	0.0040	0.0020	0.0038
09/01/24	08/31/25	0.0000	0.0061	0.0061	0.0031	0.0059
09/01/25	08/31/26	0.0000	0.0041	0.0041	0.0020	0.0039
09/01/26	08/31/27	0.0000	0.0033	0.0033	0.0017	0.0032
09/01/27	08/31/28	0.0000	0.0053	0.0053	0.0026	0.0051
09/01/28	08/31/29	0.0000	0.0052	0.0052	0.0026	0.0050
09/01/29	08/31/30	0.0000	0.0051	0.0051	0.0025	0.0049
09/01/30	08/31/31	0.0000	0.0050	0.0050	0.0025	0.0048
09/01/31	08/31/32	0.0000	0.0049	0.0049	0.0024	0.0047
09/01/32	08/31/33	0.0000	0.0048	0.0048	0.0024	0.0046
09/01/33	08/31/34	0.0000	0.0047	0.0047	0.0024	0.0045
09/01/34	08/31/35	0.0000	0.0047	0.0047	0.0023	0.0045
09/01/35	08/31/36	0.0000	0.0046	0.0046	0.0023	0.0044
09/01/36	08/31/37	0.0000	0.0045	0.0045	0.0023	0.0043
09/01/37	08/31/38	0.0000	0.0045	0.0045	0.0022	0.0043
09/01/38	08/31/39	0.0000	0.0044	0.0044	0.0022	0.0042
09/01/39	08/31/40	0.0000	0.0044	0.0044	0.0022	0.0042
09/01/40	08/31/41	0.0000	0.0043	0.0043	0.0022	0.0041
09/01/41	08/31/42	0.0000	0.0043	0.0043	0.0021	0.0041
(8) Relative Weights			1.0000	0.0806	0.1012	

Notes:

- (3) The distribution is from Section III-F, Exhibit 1 (average of the two policy years) .
- (4) From Section VIII-G, Exhibit 1.
- (7) Loss and LAE flow = 1.0000 *(4) + 0.0806 * (5) + 0.1012 * (6)) / (1.000 + 0.0806 + 0.1012)
 Loss Flow from Section VIII-G, Exhibit 1, column (13)
- (8) DCC relative weight = 1.000 * 0.182 * 0.443; AO relative weight = 1.000 * 0.182 * 0.557
 where 0.182 is the LAE factor calculated in Section VI-D, Exhibit 1 and 0.443, 0.557 are the DCC and AO split from Section VI-D, Exhibit 1.

Loss Payment Pattern

Age In Months	Indemnity Unadjusted LDF to Ult	Indemnity % Paid =1.0 / (2)	Indemnity Incremental % Paid (3) - 1st Diff	COLA not Reflected in LDFs	Weights for Escalation Benefits = (4) x (5)	Addt Losses as a Result of Escalation	Adjusted Payment Pattern (4) + (7)	Normalized Adjusted Payment Pattern (8) / Tot (8)	Medical LDF to Ult	Medical %Paid 1.0 / (10)	Medical Incremental % Paid (11) - 1st Diff	Indemnity & Medical Incremental % Paid (13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
12	6.259	15.98%	15.98%				15.98%	15.50%	3.324	30.09%	30.09%	21.22%
24	2.355	42.47%	26.49%				26.49%	25.69%	1.642	60.88%	30.80%	27.70%
36	1.563	63.97%	21.51%				21.51%	20.86%	1.408	71.00%	10.12%	16.65%
48	1.321	75.72%	11.75%				11.75%	11.40%	1.316	76.00%	5.00%	8.89%
60	1.210	82.65%	6.93%				6.93%	6.72%	1.267	78.90%	2.89%	5.22%
72	1.156	86.47%	3.82%				3.82%	3.70%	1.236	80.93%	2.03%	3.05%
84	1.130	88.48%	2.01%				2.01%	1.95%	1.216	82.21%	1.28%	1.69%
96	1.111	90.03%	1.55%				1.55%	1.51%	1.201	83.30%	1.09%	1.34%
108	1.099	91.03%	1.00%				1.00%	0.97%	1.185	84.38%	1.08%	1.01%
120	1.089	91.80%	0.77%				0.77%	0.74%	1.171	85.42%	1.04%	0.86%
132	1.083	92.32%	0.52%	0.480	0.0025	0.10%	0.62%	0.60%	1.157	86.41%	0.98%	0.75%
144	1.075	93.00%	0.68%	0.960	0.0066	0.25%	0.94%	0.91%	1.147	87.16%	0.76%	0.85%
156	1.071	93.34%	0.34%	0.960	0.0032	0.12%	0.46%	0.45%	1.138	87.90%	0.74%	0.56%
168	1.069	93.58%	0.25%	0.960	0.0024	0.09%	0.34%	0.33%	1.128	88.62%	0.72%	0.48%
180	1.065	93.93%	0.35%	0.960	0.0033	0.13%	0.47%	0.46%	1.121	89.23%	0.61%	0.52%
192	1.063	94.10%	0.17%	0.960	0.0016	0.06%	0.24%	0.23%	1.112	89.92%	0.69%	0.41%
204	1.060	94.33%	0.23%	1.031	0.0024	0.09%	0.32%	0.31%	1.105	90.46%	0.54%	0.40%
216	1.055	94.76%	0.43%	1.031	0.0044	0.17%	0.60%	0.58%	1.097	91.12%	0.66%	0.61%
228	1.052	95.08%	0.32%	1.031	0.0033	0.13%	0.45%	0.44%	1.093	91.49%	0.37%	0.41%
240	1.049	95.32%	0.24%	1.031	0.0024	0.09%	0.33%	0.32%	1.089	91.83%	0.34%	0.33%
252	1.046	95.61%	0.29%	1.031	0.0030	0.12%	0.41%	0.39%	1.080	92.57%	0.73%	0.53%
264	1.043	95.91%	0.29%	1.031	0.0030	0.12%	0.41%	0.40%	1.072	93.27%	0.70%	0.52%
276	1.039	96.20%	0.30%	1.031	0.0031	0.12%	0.41%	0.40%	1.065	93.94%	0.67%	0.51%
288	1.036	96.50%	0.30%	1.031	0.0031	0.12%	0.42%	0.41%	1.057	94.58%	0.64%	0.50%
300	1.033	96.81%	0.30%	1.031	0.0031	0.12%	0.42%	0.41%	1.051	95.19%	0.61%	0.49%
312	1.030	97.11%	0.31%	1.031	0.0032	0.12%	0.43%	0.41%	1.044	95.78%	0.58%	0.48%
324	1.026	97.42%	0.31%	1.031	0.0032	0.12%	0.43%	0.42%	1.038	96.33%	0.56%	0.47%
336	1.023	97.73%	0.31%	1.031	0.0032	0.12%	0.44%	0.42%	1.032	96.87%	0.53%	0.47%
348	1.020	98.05%	0.31%	1.031	0.0032	0.12%	0.44%	0.43%	1.027	97.38%	0.51%	0.46%
360	1.017	98.36%	0.32%	1.031	0.0033	0.13%	0.44%	0.43%	1.022	97.87%	0.49%	0.45%
372	1.013	98.69%	0.32%	1.031	0.0033	0.13%	0.45%	0.43%	1.017	98.33%	0.47%	0.45%
384	1.010	99.01%	0.32%	1.031	0.0033	0.13%	0.45%	0.44%	1.012	98.78%	0.45%	0.44%
396	1.007	99.34%	0.33%	1.031	0.0034	0.13%	0.46%	0.44%	1.008	99.20%	0.43%	0.44%
408	1.003	99.67%	0.33%	1.031	0.0034	0.13%	0.46%	0.45%	1.004	99.61%	0.41%	0.43%
420	1.000	100.00%	0.33%	1.031	0.0034	0.13%	0.47%	0.45%	1.000	100.00%	0.39%	0.43%
Total			100.00%		8.04%	3.09%	103.09%				100.00%	

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(2), (10) from Section VIII-G, Exhibit 2, Pages 1 and 2.

(5) For months greater than 204 the escalation factor was taken from Section II-D, Exhibit 1, Page 1. For months 144-192 an escalation factor of 0.96 was judgmentally selected. Month-age=132 is the half of month-age=144.

(13) Medical and Indemnity flows weighted by AY 2005 Paid Losses Developed to Ultimate. See Exhibit 2, pages 2 and 3. Medical flow weight = (45,713 x 3.324) / (45,713 x 3.324 + 37,606 x 6.259) = 0.39

Accident Year Financial Aggregate Data
 Summary of Loss Development Factors
 Industrywide

		Loss Development Factors From:																		Tail Factor		
		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	Tail Factor
<u>(1) Medical Paid Losses</u>																						
2 Yr Average		2.024	1.166	1.070	1.038	1.026	1.016	1.013	1.013	1.012	1.012	1.009	1.008	1.008	1.007	1.008	1.006	1.007	1.004	1.004	1.008	1.080
Cumulative		3.324	1.642	1.408	1.316	1.267	1.236	1.216	1.201	1.185	1.171	1.157	1.147	1.138	1.128	1.121	1.112	1.105	1.097	1.093	1.089	1.080
<u>(2) Indemnity Paid Losses</u>																						
2 Yr Average		2.658	1.506	1.184	1.092	1.046	1.023	1.018	1.011	1.008	1.006	1.007	1.004	1.003	1.004	1.002	1.002	1.005	1.003	1.002	1.003	1.046
Cumulative		6.259	2.355	1.563	1.321	1.210	1.156	1.130	1.111	1.099	1.089	1.083	1.075	1.071	1.069	1.065	1.063	1.060	1.055	1.052	1.049	1.046

Note: Tail Factor from Section II-A, Exhibit 1, page 1.
 (We use policy year tail factor for accident year data because the results won't change significantly.)

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 Exhibit 2
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Accident Year Financial Aggregate Data Calculation of Medical Paid Loss Development Factors Industrywide

Accident Year	Losses evaluated at Month:		Link Ratio	Accident Year	Losses evaluated at Month:		Link Ratio
	12	24			132	144	
2005	45,713						
2004	45,047	93,616	2.078	1994	93,125	93,916	1.008
2003	48,259	95,020	1.969	1993	113,366	114,388	1.009
Average			2.024	Average			1.009
	24	36			144	156	
2003	95,020	110,778	1.166	1993	114,388	115,177	1.007
2002	87,329	101,876	1.167	1992	136,003	137,372	1.010
Average			1.166	Average			1.008
	36	48			156	168	
2002	101,876	109,803	1.078	1992	137,372	138,398	1.007
2001	97,350	103,488	1.063	1991	184,744	186,402	1.009
Average			1.070	Average			1.008
	48	60			168	180	
2001	103,488	107,177	1.036	1991	186,402	187,955	1.008
2000	107,455	111,803	1.040	1990	204,208	205,311	1.005
Average			1.038	Average			1.007
	60	72			180	192	
2000	111,803	114,289	1.022	1990	205,311	206,582	1.006
1999	103,970	107,008	1.029	1989	204,763	206,642	1.009
Average			1.026	Average			1.008
	72	84			192	204	
1999	107,008	108,983	1.018	1989	206,642	207,753	1.005
1998	92,719	93,941	1.013	1988	183,062	184,293	1.007
Average			1.016	Average			1.006
	84	96			204	216	
1998	93,941	94,947	1.011	1988	184,293	185,805	1.008
1997	78,731	79,978	1.016	1987	159,837	160,849	1.006
Average			1.013	Average			1.007
	96	108			216	228	
1997	79,978	80,958	1.012	1987	160,849	161,747	1.006
1996	83,674	84,822	1.014	1986	126,641	126,958	1.003
Average			1.013	Average			1.004
	108	120			228	240	
1996	84,822	85,774	1.011	1986	126,958	127,348	1.003
1995	85,174	86,323	1.013	1985	110,892	111,386	1.004
Average			1.012	Average			1.004
	120	132			240	252	
1995	86,323	87,244	1.011	1985	111,386	112,276	1.008
1994	91,987	93,125	1.012	Average			1.008
Average			1.012				

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Section VIII - Profit
 Subsection H - Portfolio Rate of Return
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Section VIII - H
 Exhibit 1
 Page 1

Calculation of Portfolio Rate of Return

Asset Class (1)	Proportion (2)	Pre-tax Return (3)	Tax Rate (4)	After-tax Return (5)
Cash and Short-term Investments	8.34%	4.90%	35.00%	3.19%
Governments	9.33%	4.82%	35.00%	3.13%
Public Utilities	1.65%	5.44%	35.00%	3.54%
Industrials	22.43%	5.25%	35.00%	3.41%
States & Territories	14.62%	3.57%	5.25%	3.39%
Special Revenue	24.04%	3.45%	5.25%	3.27%
Stocks	17.72%	12.58%	27.33%	9.15%
Real Estate	0.86%	8.97%	35.00%	5.83%
Preferred	1.03%	6.02%	14.18%	5.17%
(6) Total	100.00%	5.85%	24.97%	4.39%
(7) Investment Expenses		0.45%	35.00%	0.29%
(8) Portfolio Rate of Return		5.40%	24.14%	4.09%

Notes:

- (2) From page 2, Total US Property/Casualty Industry.
- (3) Pretax bond returns are from Section VIII-H, Exhibit 2, page 1.
 Cash and short term investments: using short horizon CAPM with beta=0.00. From Section VIII-H, Exhibit 2, Page 3, line (2).
 Common stock return: $r_f + b \times \text{MRP}$ with $b=1.00$ and three horizons. MRP from Section VIII-H, Exhibit 4 and r_f from Exhibit 2, page 3, line (4) for short-term, line (9) for intermediate-term and line (12) for long-term horizon
 $12.58\% = \text{average} (8.58\% \times 5.03\%, 7.58\% \times 4.6\%, 7.13\% \times 4.83\%)$
 Real Estate: 3 month treasury rate, 5.03% from Section VIII-H, Exhibit 2, page 3, line (4) plus the real estate differential, 3.94% from Ibbotson and Siegel, "Real Estate Returns: A Comparison with Other Investments"
- Preferred Stock return: yield on A rated preferred stock from Mergent Bond Record (from Section VIII-H, Exhibit 2, page 3, line (17)).
- (4) Governments and Other taxable bonds taxed at Federal Tax Rate of 0.35.
 Tax rate for Tax Exempt Bonds = 0.15×0.35 .
 Tax rate for Preferred stock = $(0.30 \times 0.35) + (0.70 \times 0.15 \times 0.35)$.
 Tax rate for Common Stocks from Section VIII-H, Exhibit 6, page 1.
- (5) Calculated as the product of the pretax return and the complement of the tax rate.
- (7) From Section VIII-H, Exhibit 5.

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Section VIII - Profit
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 Exhibit 1
 Page 2

Asset Distribution for Property-Casualty Industry

Assets (1)	Net Admitted Assets (2)	Share =(2)/(5) (3)	Adjusted Share =(3)/(6) (4)
Bonds:	804,377,021	69.49%	72.06%
Governments			9.33%
States & Territories			14.62%
Special Revenue			24.04%
Public Utilities			1.65%
Industrials			22.43%
Preferred Stocks	11,524,785	1.00%	1.03%
Common Stocks	197,810,818	17.09%	17.72%
Cash and Short Term Investments	93,072,517	8.04%	8.34%
Real Estate	9,550,766	0.83%	0.86%
Other Invested Assets	41,215,519	3.56%	

(5) Total 1,157,551,426 100.00% 100.00%

(6) Total excluding Other Invested Assets 96.44%

Notes:

Source: Best's Aggregates and Averages Property Casualty, 2006 Edition, page 152.

(2) Real estate is sum of: properties occupied by the company, properties held for the production of income and properties held for sales.

None of the values include investments in affiliates.

(4) Governments, States & Territories, Special Revenue, Public Utilities and Industrial adjusted shares are calculated by multiplying each bond percentage from Exhibit 3 to the total Bonds adjusted share of 72.06%.

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Calculation of Pretax Returns on Bonds

% of Bonds (adjusted by Other Bonds Distribution) by Class, by Maturity for P/C Industry Distribution					
Term to Maturity in years	Governments	States and Territories	Special Revenue	Public Utilities	Industrials
0.5	4.41%	0.31%	1.21%	0.13%	3.34%
3	0.68%	3.39%	7.57%	0.85%	13.06%
7	4.56%	10.70%	14.16%	0.96%	9.72%
15	1.89%	5.25%	6.99%	0.14%	1.73%
25	1.40%	0.64%	3.43%	0.21%	3.27%
Total	12.94%	20.28%	33.36%	2.29%	31.12%

As of	Term to Maturity in years	Yield Data				
		Governments	States and Territories	Special Revenue	Public Utilities	Industrials
Oct-06	0.5	5.12%	3.55%	3.57%	5.46%	5.45%
	3	4.72%	3.32%	3.25%	5.29%	5.14%
	7	4.69%	3.56%	3.36%	5.62%	5.26%
	15	4.84%	3.98%	3.77%	5.77%	5.49%
	25	4.90%	4.18%	4.17%	5.84%	5.67%
Nov-06	0.5	5.15%	3.60%	3.62%	5.47%	5.46%
	3	4.64%	3.26%	3.20%	5.17%	5.02%
	7	4.58%	3.46%	3.28%	5.45%	5.09%
	15	4.69%	3.84%	3.67%	5.57%	5.31%
	25	4.74%	4.01%	4.07%	5.64%	5.50%
Dec-06	0.5	5.07%	3.57%	3.59%	5.48%	5.48%
	3	4.58%	3.24%	3.17%	5.22%	5.14%
	7	4.54%	3.45%	3.25%	5.54%	5.36%
	15	4.67%	3.83%	3.62%	5.65%	5.50%
	25	4.73%	4.00%	3.98%	5.68%	5.57%
		Weighted Yields				
Oct-06	All	4.88%	3.65%	3.51%	5.52%	5.28%
Nov-06	All	4.81%	3.55%	3.43%	5.37%	5.16%
Dec-06	All	4.76%	3.53%	3.40%	5.44%	5.31%
	Average	4.82%	3.57%	3.45%	5.44%	5.25%

Notes:

- % of bonds by Class and by Maturity for P/C industry Distribution are from Exhibit 3.
- Yield Data are from Page 2.
- Example of Weighted Yield calculation: $3.65 = (3.55 \times 0.31 + 3.32 \times 3.39 + 3.56 \times 10.7 + 3.98 \times 5.25 + 4.18 \times 0.64) / 20.28$

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 Subsection H - Portfolio Rate of Return
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 Exhibit 2
 Page 2

Calculation of Yield Data

Term to Maturity in Years	Oct-06	Nov-06	Dec-06	Formulas used to derive the yields (reference to data on page 3)
Governments				
0.5	5.12%	5.15%	5.07%	=(5)
3	4.72%	4.64%	4.58%	=(8)
7	4.69%	4.58%	4.54%	=(10)
10	4.73%	4.60%	4.56%	=(11)
20	4.94%	4.78%	4.78%	=(12)
30	4.85%	4.69%	4.68%	=(13)
States and Territories				
0.5	3.55%	3.60%	3.57%	=(5) + 9.5/9.0 x [(25) - (6)] - 0.5/9.0 x [(26) - (11)]
3	3.32%	3.26%	3.24%	=(8) + 7.0/9.0 x [(25) - (6)] + 2.0/9.0 x [(26) - (11)]
7	3.56%	3.46%	3.45%	=(10) + 1.0/3.0 x [(25) - (6)] + 2.0/3.0 x [(26) - (11)]
10	3.80%	3.68%	3.66%	=(26)
20	4.16%	3.99%	3.99%	=(12) + 0.5 x [(26) - (11)] + 0.5 x [(27) - (13)]
30	4.21%	4.03%	4.00%	=(27)
Special Revenue				
0.5	3.57%	3.62%	3.59%	=(5) + 29.5/29.0 x [(25) - (6)] - 0.5/29.0 x [(24) - (13)]
3	3.25%	3.20%	3.17%	=(8) + 27.0/29.0 x [(25) - (6)] + 2.0/29.0 x [(24) - (13)]
7	3.36%	3.28%	3.25%	=(10) + 23.0/29.0 x [(25) - (6)] + 6.0/29.0 x [(24) - (13)]
10	3.50%	3.40%	3.36%	=(11) + 20.0/29.0 x [(25) - (6)] + 9.0/29.0 x [(24) - (13)]
20	4.04%	3.93%	3.88%	=(12) + 10.0/29.0 x [(25) - (6)] + 19.0/29.0 x [(24) - (13)]
30	4.29%	4.20%	4.08%	=(24)
Public Utilities				
0.5	5.46%	5.47%	5.48%	=(5) + 26.0/27.0 x [(1) - (2)] + 1.0/27.0 x [(22) - (10)]
3	5.29%	5.17%	5.22%	=(8) + 16.0/27.0 x [(1) - (2)] + 11.0/27.0 x [(22) - (10)]
7	5.62%	5.45%	5.54%	=(22)
10	5.66%	5.47%	5.55%	=(11) + 20.0/23.0 x [(22) - (10)] + 3.0/23.0 x [(16) - (13)]
20	5.88%	5.68%	5.74%	=(12) + 10.0/23.0 x [(22) - (10)] + 13.0/23.0 x [(16) - (13)]
30	5.80%	5.61%	5.62%	=(16)
Industrial				
0.5	5.45%	5.46%	5.48%	=(5) + 26.0/27.0 x [(1) - (2)] + 1.0/27.0 x [(19) - (10)]
3	5.14%	5.02%	5.14%	=(8) + 16.0/27.0 x [(1) - (2)] + 11.0/27.0 x [(19) - (10)]
7	5.26%	5.09%	5.36%	=(19)
10	5.33%	5.15%	5.38%	=(11) + 20.0/23.0 x [(19) - (10)] + 3.0/23.0 x [(15) - (13)]
20	5.66%	5.47%	5.62%	=(12) + 10.0/23.0 x [(19) - (10)] + 13.0/23.0 x [(15) - (13)]
30	5.68%	5.52%	5.53%	=(15)

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 Exhibit 2
 Page 3

Yield Data

	Oct-06	Nov-06	Dec-06	Average
FEDERAL RESERVE STATISTICAL RELEASE				
Commercial Paper				
(1) 3-month	5.24%	5.24%	5.24%	5.24%
U.S. Govt Securities - Secondary Market				
(2) 3-month	4.92%	4.94%	4.85%	4.90%
Treasury Constant Maturities				
(3) 1-month	4.97%	5.21%	4.87%	5.02%
(4) 3-month	5.05%	5.07%	4.97%	5.03%
(5) 6-month	5.12%	5.15%	5.07%	5.11%
(6) 1-year	5.01%	5.01%	4.94%	4.99%
(7) 2-year	4.80%	4.74%	4.67%	4.74%
(8) 3-year	4.72%	4.64%	4.58%	4.65%
(9) 5-year	4.69%	4.58%	4.53%	4.60%
(10) 7-year	4.69%	4.58%	4.54%	4.60%
(11) 10-year	4.73%	4.60%	4.56%	4.63%
(12) 20-year	4.94%	4.78%	4.78%	4.83%
(13) 30-year	4.85%	4.69%	4.68%	4.74%
Corporate Bonds - Moody's Seasoned				
(14) Conventional Mortgages	6.36%	6.24%	6.14%	6.25%
MERGENT BOND RECORD				
Long-Term Corporate Bond Yields (avg maturity at least 20 yrs)				
(15) Aa Industrial	5.68%	5.52%	5.53%	5.58%
(16) Aa Public Utility	5.80%	5.61%	5.62%	5.68%
Moody's Preferred Stock Ratings				
(17) Pub Util Pref Stock ("a")	6.02%	6.02%	6.02%	6.02%
S&P's CREDIT WEEK				
Aa Industrial				
(18) 5-year to maturity	5.18%	5.00%	5.29%	5.16%
(19) 7-year to maturity (= (18) + 0.4 x [(20) - (18)])	5.26%	5.09%	5.36%	5.23%
(20) 10-year to maturity	5.37%	5.22%	5.46%	5.35%
A Public Utility				
(21) 5-year to maturity	5.52%	5.35%	5.46%	5.44%
(22) 7-year to maturity (= (21) + 0.4 x [(23) - (21)])	5.62%	5.45%	5.54%	5.53%
(23) 10-year to maturity	5.76%	5.59%	5.65%	5.67%
VALUE LINE INVESTMENT SURVEY (Part II)				
Municipal Bond Yields				
Bond Buyer Indexes				
(24) 20-Bond Index (Gos)	4.29%	4.20%	4.08%	4.19%
General Obligation Bonds (GOs)				
(25) 1-year Aaa	3.48%	3.50%	3.47%	3.48%
(26) 10-year Aaa	3.80%	3.68%	3.66%	3.71%
(27) 25/30-year Aaa	4.21%	4.03%	4.00%	4.08%

Sources: Various issues of Federal Reserve Statistical Release, H.15 , Mergent Bond Record, Standard & Poor's Credit Week and Value Line Investment Survey, Part II.

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 Subsection H - Portfolio Rate of Return
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Section VIII - H
 Exhibit 3

Bond Distribution by Class and by Maturity for Property-Casualty Industry

2005 Industry Totals

Term to Maturity in Years	Governments	States and Territories	Special Revenue	Public Utilities	Industrials	Other Bonds	Total Bonds
0.5	32,932,974	2,278,465	9,037,118	942,183	24,940,033	27,040	70,157,813
3	5,105,112	25,308,082	56,537,731	6,325,523	97,595,031	5,128,486	195,999,965
7.5	34,089,061	79,916,464	105,782,418	7,153,038	72,600,194	726,475	300,267,650
15	14,107,315	39,213,250	52,230,589	1,064,652	12,901,922	362,134	119,879,862
25	10,446,119	4,804,135	25,629,998	1,596,434	24,460,427	59,721	66,996,834
Total	96,680,581	151,520,396	249,217,854	17,081,830	232,497,607	6,303,856	753,302,124

% of Bonds by Class, by Maturity for P/C Industry Distribution

Term to Maturity in Years	Governments	States and Territories	Special Revenue	Public Utilities	Industrials	Other Bonds	Total Bonds
0.5	4.37%	0.30%	1.20%	0.13%	3.31%	0.00%	9.31%
3	0.68%	3.36%	7.51%	0.84%	12.96%	0.68%	26.02%
7.5	4.53%	10.61%	14.04%	0.95%	9.64%	0.10%	39.86%
15	1.87%	5.21%	6.93%	0.14%	1.71%	0.05%	15.91%
25	1.39%	0.64%	3.40%	0.21%	3.25%	0.01%	8.89%
Total	12.83%	20.11%	33.08%	2.27%	30.86%	0.84%	100.00%

% of Bonds (adjusted by Other Bonds Distribution) by Class, by Maturity for P/C Industry Distribution

Term to Maturity in Years	Governments	States and Territories	Special Revenue	Public Utilities	Industrials	Total Bonds
0.5	4.41%	0.31%	1.21%	0.13%	3.34%	9.39%
3	0.68%	3.39%	7.57%	0.85%	13.06%	25.55%
7.5	4.56%	10.70%	14.16%	0.96%	9.72%	40.10%
15	1.89%	5.25%	6.99%	0.14%	1.73%	16.00%
25	1.40%	0.64%	3.43%	0.21%	3.27%	8.96%
Total	12.94%	20.28%	33.36%	2.29%	31.12%	100.00%

Notes:

Source: Best's Aggregates and Averages - Property-Casualty, 2006, pp. 167-168.

Bonds less than a year adjusted to remove cash and short term investments using data from One Source.

Market Risk Premium

Year	Large Company Stocks Total Returns	Long-Term Government Bonds Income Returns	Intern.-Term Government Bonds Income Returns	Short - Term Total Returns	Long Term Risk Premium =(2)-(3)	Intern. Term Risk Premium =(2)-(4)	Short Term Risk Premium =(2)-(5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1926	11.62	3.73	3.78	3.27	7.89	7.84	8.35
1927	37.49	3.41	3.49	3.12	34.08	34.00	34.37
1928	43.61	3.22	3.64	3.56	40.39	39.97	40.05
1929	(8.42)	3.47	4.07	4.75	(11.89)	(12.49)	(13.17)
1930	(24.90)	3.32	3.30	2.41	(28.22)	(28.20)	(27.31)
1931	(43.34)	3.33	3.16	1.07	(46.67)	(46.50)	(44.41)
1932	(8.19)	3.69	3.63	0.96	(11.88)	(11.82)	(9.15)
1933	53.99	3.12	2.83	0.30	50.87	51.16	53.69
1934	(1.44)	3.18	2.93	0.16	(4.62)	(4.37)	(1.60)
1935	47.67	2.81	2.02	0.17	44.86	45.65	47.50
1936	33.92	2.77	1.44	0.18	31.15	32.48	33.74
1937	(35.03)	2.66	1.48	0.31	(37.69)	(36.51)	(35.34)
1938	31.12	2.64	1.82	(0.02)	28.48	29.30	31.14
1939	(0.41)	2.40	1.31	0.02	(2.81)	(1.72)	(0.43)
1940	(9.78)	2.23	0.90	0.00	(12.01)	(10.68)	(9.78)
1941	(11.59)	1.94	0.67	0.06	(13.53)	(12.26)	(11.65)
1942	20.34	2.46	0.76	0.27	17.88	19.58	20.07
1943	25.90	2.44	1.56	0.35	23.46	24.34	25.55
1944	19.75	2.46	1.44	0.33	17.29	18.31	19.42
1945	36.44	2.34	1.19	0.33	34.10	35.25	36.11
1946	(8.07)	2.04	1.08	0.35	(10.11)	(9.15)	(8.42)
1947	5.71	2.13	1.21	0.50	3.58	4.50	5.21
1948	5.50	2.40	1.56	0.81	3.10	3.94	4.69
1949	18.79	2.25	1.36	1.10	16.54	17.43	17.69
1950	31.71	2.12	1.39	1.20	29.59	30.32	30.51
1951	24.02	2.38	1.98	1.49	21.64	22.04	22.53
1952	18.37	2.66	2.19	1.66	15.71	16.18	16.71
1953	(0.99)	2.84	2.55	1.82	(3.83)	(3.54)	(2.81)
1954	52.62	2.79	1.60	0.86	49.83	51.02	51.76
1955	31.56	2.75	2.45	1.57	28.81	29.11	29.99
1956	6.56	2.99	3.05	2.46	3.57	3.51	4.10
1957	(10.78)	3.44	3.59	3.14	(14.22)	(14.37)	(13.92)
1958	43.36	3.27	2.93	1.54	40.09	40.43	41.82
1959	11.96	4.01	4.18	2.95	7.95	7.78	9.01
1960	0.47	4.26	4.15	2.66	(3.79)	(3.68)	(2.19)
1961	26.89	3.83	3.54	2.13	23.06	23.35	24.76
1962	(8.73)	4.00	3.73	2.73	(12.73)	(12.46)	(11.46)
1963	22.80	3.89	3.71	3.12	18.91	19.09	19.68
1964	16.48	4.15	4.00	3.54	12.33	12.48	12.94
1965	12.45	4.19	4.15	3.93	8.26	8.30	8.52
1966	(10.06)	4.49	4.93	4.76	(14.55)	(14.99)	(14.82)
1967	23.98	4.59	4.88	4.21	19.39	19.10	19.77
1968	11.06	5.50	5.49	5.21	5.56	5.57	5.85
1969	(8.50)	5.95	6.65	6.58	(14.45)	(15.15)	(15.08)
1970	4.01	6.74	7.49	6.52	(2.73)	(3.48)	(2.51)
1971	14.31	6.32	5.75	4.39	7.99	8.56	9.92
1972	18.98	5.87	5.75	3.84	13.11	13.23	15.14
1973	(14.66)	6.51	6.58	6.93	(21.17)	(21.24)	(21.59)
1974	(26.47)	7.27	7.24	8.00	(33.74)	(33.71)	(34.47)
1975	37.20	7.99	7.35	5.80	29.21	29.85	31.40
1976	23.84	7.89	7.10	5.08	15.95	16.74	18.76
1977	(7.18)	7.14	6.49	5.12	(14.32)	(13.67)	(12.30)
1978	6.56	7.90	7.83	7.18	(1.34)	(1.27)	(0.62)
1979	18.44	8.86	9.04	10.38	9.58	9.40	8.06
1980	32.42	9.97	10.55	11.24	22.45	21.87	21.18
1981	(4.91)	11.55	12.97	14.71	(16.46)	(17.88)	(19.62)
1982	21.41	13.50	12.81	10.54	7.91	8.60	10.87
1983	22.51	10.38	10.35	8.80	12.13	12.16	13.71
1984	6.27	11.74	11.68	9.85	(5.47)	(5.41)	(3.58)
1985	32.16	11.25	10.29	7.72	20.91	21.87	24.44
1986	18.47	8.98	7.72	6.16	9.49	10.75	12.31
1987	5.23	7.92	7.47	5.47	(2.69)	(2.24)	(0.24)
1988	16.81	8.97	8.24	6.35	7.84	8.57	10.46
1989	31.49	8.81	8.46	8.37	22.68	23.03	23.12
1990	(3.17)	8.19	8.15	7.81	(11.36)	(11.32)	(10.98)
1991	30.55	8.22	7.43	5.60	22.33	23.12	24.95
1992	7.67	7.26	6.27	3.51	0.41	1.40	4.16
1993	9.99	7.17	5.53	2.90	2.82	4.46	7.09
1994	1.31	6.59	6.07	3.90	(5.28)	(4.76)	(2.59)
1995	37.43	7.60	6.69	5.60	29.83	30.74	31.83
1996	23.07	6.18	5.82	5.21	16.89	17.25	17.86
1997	33.36	6.64	6.14	5.26	26.72	27.22	28.10
1998	28.58	5.83	5.29	4.86	22.75	23.29	23.72
1999	21.04	5.57	5.30	4.68	15.47	15.74	16.36
2000	(9.11)	6.50	6.19	5.89	(15.61)	(15.30)	(15.00)
2001	(11.88)	5.53	4.27	3.83	(17.41)	(16.15)	(15.71)
2002	(22.10)	5.59	3.98	1.65	(27.69)	(26.08)	(23.75)
2003	28.70	4.80	2.85	1.02	23.90	25.85	27.68
2004	10.87	5.02	3.28	1.20	5.85	7.59	9.67
2005	4.91	4.69	3.92	2.98	0.22	0.99	1.93
2006	15.80	4.68	5.54	4.80	11.12	10.26	11.00
Average	12.34	5.21	4.76	3.77	7.13	7.58	8.58

Long-Term Equity Risk Premium 7.13
 Intermediate-Term Equity Risk Premium 7.58
 Short-Term Equity Risk Premium 8.58

Source: SBBI, 2006 Yearbook from Ibbotson Associates

- (2) Table B-1: Large Company Stocks, Total Returns, page 229
- (3) Table B-7: Long Term Government stocks, Income Returns, page 241
- (4) Table B-11: Intermediate Term Government stocks, Income Returns, page 249
- (5) Table B-14: US Treasury Bills, Total Returnsstocks, Income Returns, page 255

Investment Expense to Assets Ratio

Year	Total Investment Expense Incurred (1)	Interest Expense (2)	Depreciation of Real Estate (3)	Aggregate Write-ins (4)	Total Deductions =(1)+(2)+(3)+(4) (5)	Total Cash and Invested Assets (6)	Ratio =(5)/(6) (7)
1996	2,239,687		319,959	520,338	3,079,984	700,806,046	0.44%
1997	2,372,330	437,438	348,993	400,689	3,559,450	766,061,919	0.46%
1998	2,413,574	518,642	362,308	414,986	3,709,510	796,780,574	0.47%
1999	2,387,349	586,903	331,030	477,017	3,782,299	799,060,669	0.47%
2000	2,326,369	655,946	349,789	483,714	3,815,818	789,330,250	0.48%
2001	2,401,142	975,916	363,182	513,466	4,253,706	800,784,777	0.53%
2002	2,282,667	1,009,027	377,121	667,290	4,336,105	848,344,235	0.51%
2003	2,618,719	650,543	381,157	524,392	4,174,811	967,703,877	0.43%
2004	2,510,188	666,498	380,398	578,543	4,135,627	1,086,486,764	0.38%
2005	2,583,504	790,938	390,271	598,809	4,363,522	1,170,135,319	0.37%
Average	2,413,553	699,095	360,421	517,924	3,921,083	872,549,443	0.45%

Notes:

Source: Best's Aggregates and Averages

(1) - (4) are from Exhibit of Net Investment Income, page 162 (year 2005)

(6) is from Exhibit of Assets, page 152 (year 2005)

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Section VIII - Profit
 Subsection H - Portfolio Rate of Return
 9/1/2007

Section VIII - H
 Exhibit 6
 Page 1

Calculation of Common Stock Total Return Tax Rate

Year (1)	Income Returns (2)	Capital Appreciation Returns (3)
1997	2.11%	31.01%
1998	1.68%	26.67%
1999	1.36%	19.53%
2000	1.10%	-10.14%
2001	1.18%	-13.04%
2002	1.39%	-23.37%
2003	2.00%	26.38%
2004	1.75%	8.99%
2005	1.84%	3.00%
2006	2.01%	13.62%
Average	1.64%	8.27%

	Dividend	Capital Gains
(4) Weights	16.57%	83.43%
(5) Tax Rate	14.18%	29.94%
(6) Common Stock Tax Rate		27.33%

Notes:

Sources: SBBI, 2006 Yearbook from Ibbotson Associates and Stocks, Bonds, Bills and Inflation, December Market Report 2006, Ibbotson Associates.

(2) Table B-2 - Large Company Stocks: Income Returns, page 231

(3) Table B-3 - Large Company Stocks: Capital Appreciation Returns, page 233

(5) Dividend Tax Rate = $0.3 * 0.35 + 0.7 * 0.35 * 0.15$

Capital Gains Tax Rate is from page 2

Calculation of Capital Gains Tax Rate

Year (1)	Realized Capital Gains (2)	Taxes Paid =(2) x (7) (3)	Present Value of the Taxes =(3) x [1.0+ (6)] ^A - [(1) - 1.0] (4)
1	0.360	0.126	0.126
2	0.230	0.081	0.073
3	0.147	0.052	0.042
4	0.094	0.033	0.024
5	0.060	0.021	0.014
6	0.039	0.014	0.008
7	0.025	0.009	0.005
8	0.016	0.006	0.003
9	0.010	0.004	0.002
10	0.006	0.002	0.001
11	0.004	0.001	0.001
12	0.003	0.001	0.000
13	0.002	0.001	0.000
14	0.001	0.000	0.000
15	0.001	0.000	0.000
16	0.000	0.000	0.000
17	0.000	0.000	0.000
18	0.000	0.000	0.000
19	0.000	0.000	0.000
20	0.000	0.000	0.000
Total	1.000	0.350	0.299

(5)	Turnover Rate	0.360
(6)	Interest Rate used in calculating the present value	0.105
(7)	Marginal Tax Rate	0.350

Notes:

(2) Realized Capital Gains: $RCG_t = \text{Turnover Rate} * (1 - \sum(RCG_{t-i}))$

$$RCG_t = 0.36 * (1 - \sum(RCG_{t-i})), i=1,2,\dots,t-1$$

(5) Turnover Rate is based on AIB Stock Turnover Study of 1998 transactions
 (2001 AIB Profit Filing, R2000-10, 100H-3, Exhibits 15 and 16)

(6) Interest Rate is the weighted average cost of capital from Section VIII - C, Exhibit 1.

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Calculation of Common Stock Tax Rate for Different Discount Rates and Turnover Rates

		Discount Rate											
		4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%
Turnover Rate	0.10	22.84%	21.85%	20.96%	20.15%	19.41%	18.74%	18.12%	17.55%	17.03%	16.54%	16.10%	15.68%
	0.15	25.90%	25.01%	24.19%	23.44%	22.74%	22.10%	21.51%	20.96%	20.44%	19.97%	19.52%	19.10%
	0.20	27.52%	26.77%	26.07%	25.42%	24.82%	24.25%	23.73%	23.23%	22.76%	22.33%	21.91%	21.52%
	0.25	28.49%	27.87%	27.29%	26.74%	26.22%	25.74%	25.28%	24.85%	24.44%	24.05%	23.68%	23.33%
	0.30	29.13%	28.62%	28.14%	27.68%	27.24%	26.83%	26.44%	26.06%	25.71%	25.37%	25.04%	24.73%
	0.35	29.60%	29.17%	28.77%	28.38%	28.02%	27.67%	27.33%	27.01%	26.70%	26.41%	26.13%	25.85%
	0.40	29.96%	29.60%	29.26%	28.94%	28.63%	28.33%	28.04%	27.77%	27.51%	27.25%	27.01%	26.77%
	0.45	30.24%	29.94%	29.66%	29.39%	29.12%	28.87%	28.63%	28.39%	28.17%	27.95%	27.74%	27.53%
	0.50	30.47%	30.22%	29.98%	29.76%	29.53%	29.32%	29.12%	28.92%	28.72%	28.54%	28.35%	28.18%
	0.55	30.66%	30.45%	30.26%	30.06%	29.88%	29.70%	29.53%	29.36%	29.20%	29.04%	28.88%	28.73%
	0.60	30.82%	30.65%	30.49%	30.33%	30.17%	30.03%	29.88%	29.74%	29.60%	29.47%	29.34%	29.21%
	0.65	30.96%	30.82%	30.68%	30.55%	30.43%	30.31%	30.19%	30.07%	29.96%	29.85%	29.74%	29.63%
0.70	31.07%	30.96%	30.86%	30.75%	30.65%	30.55%	30.45%	30.36%	30.27%	30.18%	30.09%	30.00%	

MASSACHUSETTS WORKERS' COMPENSATION

VOLUME 2: INDEX 9/1/07

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RETROSPECTIVE RATING PLANS

Retrospective rating plans adjust the premium of a policy to reflect an insured's loss experience during the effective period of the policy. At the simplest level, an insured's retrospective premium is determined by the formula $R = [B + (c \times L)] \times t$, where:

R = Retrospective Premium, subject to minimum and maximum amounts

B = Basic Premium

c = Loss Conversion Factor, generally reflecting loss adjustment expense

L = Actual Incurred Loss during the effective policy period

t = Tax Multiplier

The NCCI's Retrospective Rating Plan has been adopted for use in Massachusetts, and the WCRIB relies in many respects on the NCCI's filing memorandum for its Plan throughout this section of the WCRIB's filing. See NCCI Item B-1403, "Revision to Basic Manual and Retrospective Rating Plan Manual/2006 update to Hazard Groups and Retrospective Rating Plan Parameters". A portion of NCCI's Item B-1403 is included as Section IX-D, Exhibit 1 and Exhibit 2.

The basic premium provides for the expenses of carriers. It also includes a net insurance charge, which contains a charge to compensate for the possibility that the

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otherwise-indicated retrospective premium will exceed the maximum permissible premium amount. Similarly, there is a savings resulting from the possibility that the otherwise-indicated retrospective premium will be less than the permissible minimum premium amount. The net insurance charge is the difference between the charge for the maximum and the savings from the minimum.

The calculations in this section are substantially similar to those used by the Commissioner in her 1999 and 2003 decisions and in the 2005 filing and appear in Sections IX-A, IX-B and IX-C. This year, consistent with the 2005 filing, the WCRIB includes miscellaneous taxes in the Tax Multiplier.

Section IX-A displays the calculation of the parameters needed for retrospective rating. Insureds electing to purchase a retrospectively rated policy may choose one of two options that differ as to their treatment of defense and cost containment expenses (DCC). Option one, the traditional approach, is designed so that expected DCC is primarily recovered through the application of the loss conversion factor to losses (Exhibit 1). Option two uses the sum of losses and DCC, as opposed to only losses, in its calculation of retrospective premium and therefore, the loss conversion factor is smaller (Exhibit 2).

Section IX-B calculates the revised provision for the residual market subsidy.

Section IX-C displays the tables of expense ratios corresponding to the parameters calculated in Section IX-A.

Section IX-D and IX-E display Expected Loss Ranges and State and Hazard Group Relativities. These factors are needed in order to determine the insurance charge for a retrospectively rated policy.

Section IX-F presents an update of the Excess Loss Factors, last reviewed in 1994.

Expected Loss Ranges and State and Hazard Groups

Retrospective premiums are calculated subject to a maximum and minimum premium. If an insured incurs losses high enough to cap its premium at the maximum, the insurer collects insufficient premium for that account. If an insured has unusually low losses, it pays the minimum premium. The net insurance charge is the difference between the charge for the maximum and the savings from the minimum.

The Table of Insurance Charges contains the excess ratios needed to quantify the insurance charge and savings described above. The ratio of actual losses to expected losses, the entry ratio, is used to look up the values in the Table of Insurance Charges. The charges depend not only on the maximum and minimum subject losses, but also on the size of the insured. The variation in the loss ratios, hence the charges, of the larger employers that expect many losses should be much lower than the variation for smaller employers. Insurance Charges are generally inversely proportional to risk size.

As inflation increases claim size, there is an apparent growth in the size of the insured, measured in expected losses, but no real growth in the size of the insured, measured by the expected number of claims. To correct for the impact of loss size inflation, the WCRIB updated the Table of Expected Loss Ranges.

Updated Expected Loss Ranges and the State and Hazard Group Relativities are shown in Sections IX-D and IX-E, respectively.

Expected Loss Ranges IX-D

The NCCI's updated Expected Loss Ranges capture countrywide claim severity changes, and represent the first step in maintaining accurate and up-to-date Insurance Charges. (The second step is the updating of State and Hazard Group Relativities). The update of Expected Loss Ranges is necessary to maintain the aggregate expected balance between the retrospectively rated premium and the guaranteed cost premium.

Expected Loss Ranges were last revised in Massachusetts effective September 1, 2005. The Table of Expected Loss Ranges proposed in this filing is that filed by the NCCI as part of its Item B-1403 and is shown in Exhibit 2 of this subsection.

State and Hazard Group Relativities IX-E

State and Hazard Group Relativities capture differences among states in average claim size by hazard group. Relative claim costs vary by state, in large part because of differing benefit structures. The variation in the loss ratios of employers in the lower hazard groups should be smaller than the variation for employers in the higher hazard groups. The State Hazard Group Relativities adjust for this difference by placing lower hazard group employers in a higher Expected Loss Range and higher hazard group employers in a lower Expected Loss Range than would otherwise be the case. This adjustment affects the column selection in the Table of Insurance Charges, which then impacts the basic premium portion of the retrospective policy premium.

The state hazard group relativities should be updated regularly due to changes in the circumstances (changes in benefit levels, inflation, etc.) underlying severity. Retrospective rating should produce premiums that are equitably distributed to all

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insured employers, but on average approximate the premium for a guaranteed cost policy. The object of this change is to maintain the aggregate expected balance, although the impact will vary slightly for individual insured employers. Thus, insurance charges and premiums will be higher for some insureds and lower for others. For most of the insured employers electing retrospective rating, the impact on final premium from these changes will be quite small. The State and Hazard Group Relativities are applied to the otherwise applicable expected losses before the retrospectively rated insured is assigned to an Expected Loss Group.

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Section IX - Retrospective Rating
Subsection A - Expenses
9/1/2007

Section IX - A
Exhibit 1

Expense Provisions Underlying the Proposed Retrospective Rating Plans

Total Expenses:

(1) Acquisition and Field Supervision	11.5%
(2) Fixed Expenses	7.1%
(3) Premium Discount	4.6%
(4) Profit and Contingencies	-0.3%
(5) Total Expenses Excluding Taxes and Assessments (= (1) + (2) + (3) + (4))	<u>22.9%</u>
(6) Premium Tax Rate	2.3%
(7) Miscellaneous Taxes	0.7%
(8) Residual Market Subsidy	1.0%
(9) Insolvency Fund Assessment	<u>-2.5%</u>
(10) Tax Multiplier (= 1.0 / { 1.0 - [(6) + (7) + (8) + (9)] })	1.015
(11) Expected Loss and LAE Ratio (adjusted for Residual Market Subsidy) (= [1.0 / (10)] - (5))	75.7%
(12) Loss Adjustment Expense (as percentage of losses)	18.2%
(13) Loss Conversion Factor (= 1.0 + (12))	1.182
(14) Expected Loss without LAE (= (11) / (13))	64.0%
(15) Expenses excluding Premium Taxes but including LAE (= (5) + [(14) x (12)])	34.5%

Notes:

- (1): Section VI-A, Exhibit 1, line (1).
- (2): Section VI-A, Exhibit 1, line (7), less the provision for miscellaneous taxes, see line (7) above.
- (3): Average Voluntary Premium Discount as a Percent of Standard Premium / (1.0 + Average ARAP Surcharge)
 $4.6\% = 4.8\% / (1.0 + 6.0\%)$ Section VI-I, Exhibit 1, line (3) / [1.0 + line (6)].
- (4): Section VIII-B, Exhibit 1.
- (6): Section VI-A, Exhibit 1, line (3) / [1.0 - line (2)].
- (7): Section VI-B, Exhibit 1, the average of the results of lines (13) x (15) / (17).
- (8): Section IX-B, Exhibit 1.
- (9): Section I-E, Exhibit 1, page 1.
- (12): Section VI-A, Exhibit 1, line (10).
- (10), (13), (14), (15): rounded to three decimal places.

IX 000007

Section IX - Retrospective Rating
Subsection A - Expenses
9/1/2007

Section IX - A
Exhibit 2

Expense Provisions Underlying the DCC Option of the Proposed Retrospective Rating Plans

(1) Expected Loss without Defense and Cost Containment Expense (as percentage of standard premium)	64.0%
(2) Provision for DCC Expenses (as percentage of losses)	8.1%
(3) Expected Loss plus DCC Ratio (= (1) x [1.0 + (2)])	69.2%
(4) Loss Adjustment Expense (as percentage of losses)	18.2%
(5) Loss Conversion Factor (= [1.0 + (4)] / [1.0 + (2)])	1.094
(6) Tax Multiplier	1.015
(7) Expenses excluding Premium Taxes but including LAE (as percentage of standard premium)	34.5%
(8) Expenses including all AO Expenses but excluding DCC Expenses and Premium Taxes (= (7) - [(2) x (1)])	29.3%

Notes:

(1), (4), (6), (7): Exhibit 1.

(2): Section VI-D, Exhibit 1, line (4).

(3), (5), (8): rounded to three decimal places.

IX 000008

Section IX - Retrospective Rating
Subsection B - Residual Market Subsidy
9/1/2007

Section IX - B
Exhibit 1

Calculation of the Provision for the Residual Market Subsidy

(1) Expected Loss Ratio (as % of Standard Premium plus ARAP) (without loss adjustment expense)	65.6%
(2) Residual Market Loss Ratio / Full Coverage Voluntary Ratio	1.156
(3) Residual Market Premium / Full Coverage Voluntary Market Premium	0.310
(4) Provision for Premium Discounts	3.8%
(5) Residual Market Premium / Voluntary Assessable Premium	0.245
(6) Provision for Loss Adjustment Expense	1.182
(7) Factor to take into account Basic Premium	0.800
(8) Retro Provision for the Residual Market Subsidy	0.010

Notes:

(1): Section VI-A, Exhibit 1, line (11).

(2): Section I-D, Exhibit 1, page 2.

(3): Section I-D, Exhibit 2.

(4): Section VI-A, Exhibit 1, line (2).

(5): Residual Market Written Premium from Section I-D, Exhibit 2 and
Voluntary Net Assessable Premium from Section I-D, Exhibit 3.

(6): Section VI-A, Exhibit 1, line (10).

(7): From the filing for the provision for the Residual Market Subsidy effective 1/1/89.

(8) = (5) x (7) x $\left[\frac{\{(1) \times (6) \times [(2) - 1.0]\}}{\{1.0 + [(2) \times (3)]\}} - (4) \right]$, rounded to three decimal places.

IX 000009

Table of Compensation Expense Ratios - Type A Discount

Excluding Taxes, but Including Profit and Contingencies

<u>Standard Premium</u>			<u>Expense Ratio</u>	<u>Standard Premium</u>			<u>Expense Ratio</u>	<u>Standard Premium</u>			<u>Expense Ratio</u>
0	-	10,056	0.345	18,619	-	19,013	0.303	145,659	-	173,913	0.261
10,057	-	10,170	0.344	19,014	-	19,425	0.302	173,914	-	202,536	0.260
10,171	-	10,287	0.343	19,426	-	19,855	0.301	202,537	-	210,693	0.259
10,288	-	10,406	0.342	19,856	-	20,305	0.300	210,694	-	219,535	0.258
10,407	-	10,528	0.341	20,306	-	20,775	0.299	219,536	-	229,151	0.257
10,529	-	10,654	0.340	20,776	-	21,268	0.298	229,152	-	239,648	0.256
10,655	-	10,782	0.339	21,269	-	21,785	0.297	239,649	-	251,153	0.255
10,783	-	10,913	0.338	21,786	-	22,327	0.296	251,154	-	263,818	0.254
10,914	-	11,047	0.337	22,328	-	22,897	0.295	263,819	-	277,829	0.253
11,048	-	11,185	0.336	22,898	-	23,498	0.294	277,830	-	293,411	0.252
11,186	-	11,327	0.335	23,499	-	24,130	0.293	293,412	-	310,844	0.251
11,328	-	11,471	0.334	24,131	-	24,797	0.292	310,845	-	330,481	0.250
11,472	-	11,620	0.333	24,798	-	25,503	0.291	330,482	-	352,765	0.249
11,621	-	11,773	0.332	25,504	-	26,249	0.290	352,766	-	378,272	0.248
11,774	-	11,929	0.331	26,250	-	27,041	0.289	378,273	-	407,756	0.247
11,930	-	12,090	0.330	27,042	-	27,882	0.288	407,757	-	442,224	0.246
12,091	-	12,255	0.329	27,883	-	28,777	0.287	442,225	-	483,057	0.245
12,256	-	12,425	0.328	28,778	-	29,731	0.286	483,058	-	532,197	0.244
12,426	-	12,600	0.327	29,732	-	30,751	0.285	532,198	-	592,469	0.243
12,601	-	12,780	0.326	30,752	-	31,843	0.284	592,470	-	668,135	0.242
12,781	-	12,964	0.325	31,844	-	33,016	0.283	668,136	-	765,957	0.241
12,965	-	13,155	0.324	33,017	-	34,278	0.282	765,958	-	897,338	0.240
13,156	-	13,350	0.323	34,279	-	35,641	0.281	897,339	-	1,083,121	0.239
13,351	-	13,552	0.322	35,642	-	37,116	0.280	1,083,122	-	1,365,916	0.238
13,553	-	13,760	0.321	37,117	-	38,719	0.279	1,365,917	-	1,771,995	0.237
13,761	-	13,975	0.320	38,720	-	40,467	0.278	1,771,996	-	1,923,677	0.236
13,976	-	14,196	0.319	40,468	-	42,380	0.277	1,923,678	-	2,103,758	0.235
14,197	-	14,424	0.318	42,381	-	44,482	0.276	2,103,759	-	2,321,038	0.234
14,425	-	14,660	0.317	44,483	-	46,805	0.275	2,321,039	-	2,588,369	0.233
14,661	-	14,904	0.316	46,806	-	49,383	0.274	2,588,370	-	2,925,297	0.232
14,905	-	15,156	0.315	49,384	-	52,261	0.273	2,925,298	-	3,363,067	0.231
15,157	-	15,417	0.314	52,262	-	55,496	0.272	3,363,068	-	3,954,920	0.230
15,418	-	15,686	0.313	55,497	-	59,158	0.271	3,954,921	-	4,799,579	0.229
15,687	-	15,966	0.312	59,159	-	63,337	0.270	4,799,580	-	6,103,010	0.228
15,967	-	16,255	0.311	63,338	-	68,152	0.269	6,103,011	-	8,378,329	0.227
16,256	-	16,555	0.310	68,153	-	73,759	0.268	8,378,330	-	13,358,712	0.226
16,556	-	16,867	0.309	73,760	-	80,371	0.267	13,358,713	-	32,938,628	0.225
16,868	-	17,190	0.308	80,372	-	88,285	0.266	32,938,629	-	OVER	0.224
17,191	-	17,526	0.307	88,286	-	97,928	0.265				
17,527	-	17,876	0.306	97,929	-	109,937	0.264				
17,877	-	18,239	0.305	109,938	-	125,301	0.263				
18,240	-	18,618	0.304	125,302	-	145,658	0.262				

Notes:

- Above table based on the following discounts:

First	10,000	0.0%
Next	190,000	9.1%
Next	1,550,000	11.3%
Over	1,750,000	12.3%

- Tax Multiplier = 1.015, Section IX - A, Exhibit 1

IX 000010

Section IX-Retrospective Rating
Subsection C - Expense Ratios
9/1/2007

Section IX-C
Exhibit 1
Page 2

Table of Compensation Expense Ratios - Type B Discount

Excluding Taxes, but Including Profit and Contingencies

<u>Standard Premium</u>			<u>Expense Ratio</u>	<u>Standard Premium</u>			<u>Expense Ratio</u>	<u>Standard Premium</u>			<u>Expense Ratio</u>
0	-	10,101	0.345	19,517	-	20,305	0.320	224,294	-	240,859	0.295
10,102	-	10,308	0.344	20,306	-	21,160	0.319	240,860	-	260,067	0.294
10,309	-	10,524	0.343	21,161	-	22,090	0.318	260,068	-	282,604	0.293
10,525	-	10,749	0.342	22,091	-	23,106	0.317	282,605	-	309,418	0.292
10,750	-	10,984	0.341	23,107	-	24,219	0.316	309,419	-	341,854	0.291
10,985	-	11,229	0.340	24,220	-	25,446	0.315	341,855	-	381,886	0.290
11,230	-	11,486	0.339	25,447	-	26,803	0.314	381,887	-	432,538	0.289
11,487	-	11,755	0.338	26,804	-	28,314	0.313	432,539	-	498,682	0.288
11,756	-	12,036	0.337	28,315	-	30,004	0.312	498,683	-	588,706	0.287
12,037	-	12,331	0.336	30,005	-	31,910	0.311	588,707	-	718,394	0.286
12,332	-	12,642	0.335	31,911	-	34,074	0.310	718,395	-	921,364	0.285
12,643	-	12,968	0.334	34,075	-	36,553	0.309	921,365	-	1,284,190	0.284
12,969	-	13,312	0.333	36,554	-	39,420	0.308	1,284,191	-	1,799,784	0.283
13,313	-	13,674	0.332	39,421	-	42,776	0.307	1,799,785	-	1,972,979	0.282
13,675	-	14,056	0.331	42,777	-	46,757	0.306	1,972,980	-	2,183,058	0.281
14,057	-	14,461	0.330	46,758	-	51,554	0.305	2,183,059	-	2,443,205	0.280
14,462	-	14,889	0.329	51,555	-	57,449	0.304	2,443,206	-	2,773,742	0.279
14,890	-	15,344	0.328	57,450	-	64,865	0.303	2,773,743	-	3,207,707	0.278
15,345	-	15,827	0.327	64,866	-	74,480	0.302	3,207,708	-	3,802,650	0.277
15,828	-	16,342	0.326	74,481	-	87,441	0.301	3,802,651	-	4,668,536	0.276
16,343	-	16,892	0.325	87,442	-	105,864	0.300	4,668,537	-	6,045,025	0.275
16,893	-	17,479	0.324	105,865	-	134,122	0.299	6,045,026	-	8,572,606	0.274
17,480	-	18,109	0.323	134,123	-	182,960	0.298	8,572,607	-	14,732,743	0.273
18,110	-	18,786	0.322	182,961	-	209,859	0.297	14,732,744	-	52,352,201	0.272
18,787	-	19,516	0.321	209,860	-	224,293	0.296	52,352,202	-	OVER	0.271

Notes:

- Above table based on the following discounts:

First	10,000	0.0%
Next	190,000	5.1%
Next	1,550,000	6.5%
Over	1,750,000	7.5%

- Tax Multiplier = 1.015, Section IX - A, Exhibit 1

IX 000011

Section IX-Retrospective Rating
 Subsection C - Expense Ratios
 9/1/2007

Section IX-C
 Exhibit 2
 Page 1

Table of Compensation Expense Ratios - Type A Discount with DCC Option

Excluding DCC Expenses and Taxes, but Including Profit and Contingencies

	<u>Standard Premium</u>	<u>Expense Ratio</u>	<u>Standard Premium</u>	<u>Expense Ratio</u>	<u>Standard Premium</u>	<u>Expense Ratio</u>					
0	-	10,056	0.293	18,619	-	19,013	0.251	145,659	-	173,913	0.209
10,057	-	10,170	0.292	19,014	-	19,425	0.250	173,914	-	202,536	0.208
10,171	-	10,287	0.291	19,426	-	19,855	0.249	202,537	-	210,693	0.207
10,288	-	10,406	0.290	19,856	-	20,305	0.248	210,694	-	219,535	0.206
10,407	-	10,528	0.289	20,306	-	20,775	0.247	219,536	-	229,151	0.205
10,529	-	10,654	0.288	20,776	-	21,268	0.246	229,152	-	239,648	0.204
10,655	-	10,782	0.287	21,269	-	21,785	0.245	239,649	-	251,153	0.203
10,783	-	10,913	0.286	21,786	-	22,327	0.244	251,154	-	263,818	0.202
10,914	-	11,047	0.285	22,328	-	22,897	0.243	263,819	-	277,829	0.201
11,048	-	11,185	0.284	22,898	-	23,498	0.242	277,830	-	293,411	0.200
11,186	-	11,327	0.283	23,499	-	24,130	0.241	293,412	-	310,844	0.199
11,328	-	11,471	0.282	24,131	-	24,797	0.240	310,845	-	330,481	0.198
11,472	-	11,620	0.281	24,798	-	25,503	0.239	330,482	-	352,765	0.197
11,621	-	11,773	0.280	25,504	-	26,249	0.238	352,766	-	378,272	0.196
11,774	-	11,929	0.279	26,250	-	27,041	0.237	378,273	-	407,756	0.195
11,930	-	12,090	0.278	27,042	-	27,882	0.236	407,757	-	442,224	0.194
12,091	-	12,255	0.277	27,883	-	28,777	0.235	442,225	-	483,057	0.193
12,256	-	12,425	0.276	28,778	-	29,731	0.234	483,058	-	532,197	0.192
12,426	-	12,600	0.275	29,732	-	30,751	0.233	532,198	-	592,469	0.191
12,601	-	12,780	0.274	30,752	-	31,843	0.232	592,470	-	668,135	0.190
12,781	-	12,964	0.273	31,844	-	33,016	0.231	668,136	-	765,957	0.189
12,965	-	13,155	0.272	33,017	-	34,278	0.230	765,958	-	897,338	0.188
13,156	-	13,350	0.271	34,279	-	35,641	0.229	897,339	-	1,083,121	0.187
13,351	-	13,552	0.270	35,642	-	37,116	0.228	1,083,122	-	1,365,916	0.186
13,553	-	13,760	0.269	37,117	-	38,719	0.227	1,365,917	-	1,771,995	0.185
13,761	-	13,975	0.268	38,720	-	40,467	0.226	1,771,996	-	1,923,677	0.184
13,976	-	14,196	0.267	40,468	-	42,380	0.225	1,923,678	-	2,103,758	0.183
14,197	-	14,424	0.266	42,381	-	44,482	0.224	2,103,759	-	2,321,038	0.182
14,425	-	14,660	0.265	44,483	-	46,805	0.223	2,321,039	-	2,588,369	0.181
14,661	-	14,904	0.264	46,806	-	49,383	0.222	2,588,370	-	2,925,297	0.180
14,905	-	15,156	0.263	49,384	-	52,261	0.221	2,925,298	-	3,363,067	0.179
15,157	-	15,417	0.262	52,262	-	55,496	0.220	3,363,068	-	3,954,920	0.178
15,418	-	15,686	0.261	55,497	-	59,158	0.219	3,954,921	-	4,799,579	0.177
15,687	-	15,966	0.260	59,159	-	63,337	0.218	4,799,580	-	6,103,010	0.176
15,967	-	16,255	0.259	63,338	-	68,152	0.217	6,103,011	-	8,378,329	0.175
16,256	-	16,555	0.258	68,153	-	73,759	0.216	8,378,330	-	13,358,712	0.174
16,556	-	16,867	0.257	73,760	-	80,371	0.215	13,358,713	-	32,938,628	0.173
16,868	-	17,190	0.256	80,372	-	88,285	0.214	32,938,629	-	OVER	0.172
17,191	-	17,526	0.255	88,286	-	97,928	0.213				
17,527	-	17,876	0.254	97,929	-	109,937	0.212				
17,877	-	18,239	0.253	109,938	-	125,301	0.211				
18,240	-	18,618	0.252	125,302	-	145,658	0.210				

Note:

- Above table based on the following discounts:

First	10,000	0.0%
Next	190,000	9.1%
Next	1,550,000	11.3%
Over	1,750,000	12.3%

- Tax Multiplier = 1.015, Section IX - A, Exhibit 1

IX 000012

Section IX-Retrospective Rating
 Subsection C - Expense Ratios
 9/1/2007

Section IX-C
 Exhibit 2
 Page 2

Table of Compensation Expense Ratios - Type B Discount with DCC Option

Excluding DCC Expenses and Taxes, but Including Profit and Contingencies

	<u>Standard Premium</u>	<u>Expense Ratio</u>		<u>Standard Premium</u>	<u>Expense Ratio</u>		<u>Standard Premium</u>	<u>Expense Ratio</u>			
0	-	10,101	0.293	19,517	-	20,305	0.268	224,294	-	240,859	0.243
10,102	-	10,308	0.292	20,306	-	21,160	0.267	240,860	-	260,067	0.242
10,309	-	10,524	0.291	21,161	-	22,090	0.266	260,068	-	282,604	0.241
10,525	-	10,749	0.290	22,091	-	23,106	0.265	282,605	-	309,418	0.240
10,750	-	10,984	0.289	23,107	-	24,219	0.264	309,419	-	341,854	0.239
10,985	-	11,229	0.288	24,220	-	25,446	0.263	341,855	-	381,886	0.238
11,230	-	11,486	0.287	25,447	-	26,803	0.262	381,887	-	432,538	0.237
11,487	-	11,755	0.286	26,804	-	28,314	0.261	432,539	-	498,682	0.236
11,756	-	12,036	0.285	28,315	-	30,004	0.260	498,683	-	588,706	0.235
12,037	-	12,331	0.284	30,005	-	31,910	0.259	588,707	-	718,394	0.234
12,332	-	12,642	0.283	31,911	-	34,074	0.258	718,395	-	921,364	0.233
12,643	-	12,968	0.282	34,075	-	36,553	0.257	921,365	-	1,284,190	0.232
12,969	-	13,312	0.281	36,554	-	39,420	0.256	1,284,191	-	1,799,784	0.231
13,313	-	13,674	0.280	39,421	-	42,776	0.255	1,799,785	-	1,972,979	0.230
13,675	-	14,056	0.279	42,777	-	46,757	0.254	1,972,980	-	2,183,058	0.229
14,057	-	14,461	0.278	46,758	-	51,554	0.253	2,183,059	-	2,443,205	0.228
14,462	-	14,889	0.277	51,555	-	57,449	0.252	2,443,206	-	2,773,742	0.227
14,890	-	15,344	0.276	57,450	-	64,865	0.251	2,773,743	-	3,207,707	0.226
15,345	-	15,827	0.275	64,866	-	74,480	0.250	3,207,708	-	3,802,650	0.225
15,828	-	16,342	0.274	74,481	-	87,441	0.249	3,802,651	-	4,668,536	0.224
16,343	-	16,892	0.273	87,442	-	105,864	0.248	4,668,537	-	6,045,025	0.223
16,893	-	17,479	0.272	105,865	-	134,122	0.247	6,045,026	-	8,572,606	0.222
17,480	-	18,109	0.271	134,123	-	182,960	0.246	8,572,607	-	14,732,743	0.221
18,110	-	18,786	0.270	182,961	-	209,859	0.245	14,732,744	-	52,352,201	0.220
18,787	-	19,516	0.269	209,860	-	224,293	0.244	52,352,202	-	OVER	0.219

Notes:

- Above table based on the following discounts:

First	10,000	0.0%
Next	190,000	5.1%
Next	1,550,000	6.5%
Over	1,750,000	7.5%

- Tax Multiplier = 1.015, Section IX - A, Exhibit 1

IX 000013

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

**B-1403
 Page 26**

**ITEM B-1403—REVISION TO BASIC MANUAL AND RETROSPECTIVE RATING PLAN MANUAL/2006
 UPDATE TO HAZARD GROUPS AND RETROSPECTIVE RATING PLAN PARAMETERS**

EXHIBIT 5

**DEVELOPMENT OF STATE HAZARD GROUP RELATIVITIES
 FOR HAZARD GROUPS 1 TO 4***

Step 1. Individual state severities are calculated for each hazard group.

Step 2. The state severities are weighted with the countrywide severities by hazard group using a credibility that varies by state. For this purpose, 155,000 claims are regarded as fully credible, and use the square root rule to compute partial credibilities.

Step 3. Credibility weighted severities for each state hazard group are produced. A new countrywide average severity is calculated by taking the weighted average of the formula for state severities using claim counts as weights.

Step 4. The relativities are calculated by dividing the countrywide severity by the individual state hazard group severities.

Example: State X

<u>Step 1</u>	<u>Hazard Group</u>	<u>State X</u>	<u>Countrywide</u>
Severities	1	41,597	37,928
	2	50,849	47,067
	3	68,963	64,356
	4	97,855	94,564
 <u>Step 2</u>	Claim Count	52,631	
	Credibility =	$(52,631 / 155,000)^{0.5} = 0.583$	
 <u>Step 3</u>	<u>Hazard Group</u>	<u>State X</u>	
Cred. Wtd.	1	40,067	= 0.583 x 41,597 + 0.417 x 37,928
Severities	2	49,272	
	3	67,042	
	4	96,483	
	Countrywide Overall: 51,533		
 <u>Step 4</u>	<u>Hazard Group</u>	<u>State X</u>	
Relativities	1	1.29	= 51,533 / 40,067
	2	1.05	
	3	0.77	
	4	0.53	

Note: The underlying data source for the above calculations is NCCI's **URE Workers Compensation Statistical Plan** (WCSP), excluding medical-only claims. The WCSP data for each state is adjusted accordingly, as reflected in the data underlying the Excess Loss Factor (ELF) calculation.

* Carriers that elect to use NCCI's four hazard groups must make a filing in each state to adopt the filed four hazard groups referenced in this item. If a carrier does not file to elect the four hazard groups, they are considered to have accepted the seven hazard groups.

**ITEM B-1403—REVISION TO BASIC MANUAL AND RETROSPECTIVE RATING PLAN MANUAL/2006
 UPDATE TO HAZARD GROUPS AND RETROSPECTIVE RATING PLAN PARAMETERS**

EXHIBIT 3

**RETROSPECTIVE RATING PLAN MANUAL
 2007 EXPECTED LOSS RANGES
 EFFECTIVE DATE TO COINCIDE WITH THE
 FIRST LOSS COST/RATE FILING ON OR AFTER JANUARY 1, 2007**

Expected Loss Group			Expected Loss Group			Expected Loss Group		
Range Rounded Values			Range Rounded Values			Range Rounded Values		
95	950	— 1,482	65	79,631	— 86,005	35	993,169	— 1,115,100
94	1,483	— 2,195	64	86,006	— 92,890	34	1,115,101	— 1,252,005
93	2,196	— 2,899	63	92,891	— 100,326	33	1,252,006	— 1,427,664
92	2,900	— 3,832	62	100,327	— 108,357	32	1,427,665	— 1,641,009
91	3,833	— 4,985	61	108,358	— 117,031	31	1,641,010	— 1,886,237
90	4,986	— 6,020	60	117,032	— 126,424	30	1,886,238	— 2,168,113
89	6,021	— 7,266	59	126,425	— 136,696	29	2,168,114	— 2,577,266
88	7,267	— 8,435	58	136,697	— 147,592	28	2,577,267	— 3,081,849
87	8,436	— 9,791	57	147,593	— 159,021	27	3,081,850	— 3,685,227
86	9,792	— 11,357	56	159,022	— 171,339	26	3,685,228	— 4,543,120
85	11,358	— 12,844	55	171,340	— 184,612	25	4,543,121	— 5,781,252
84	12,845	— 14,520	54	184,613	— 199,613	24	5,781,253	— 7,356,812
83	14,521	— 16,398	53	199,614	— 215,895	23	7,356,813	— 9,400,713
82	16,399	— 18,246	52	215,896	— 233,510	22	9,400,714	— 12,029,102
81	18,247	— 20,301	51	233,511	— 252,554	21	12,029,103	— 15,392,375
80	20,302	— 22,583	50	252,555	— 272,532	20	15,392,376	— 19,696,001
79	22,584	— 25,126	49	272,533	— 294,043	19	19,696,002	— 25,202,895
78	25,127	— 27,726	48	294,044	— 317,406	18	25,202,896	— 34,570,976
77	27,727	— 30,525	47	317,407	— 345,321	17	34,570,977	— 51,130,195
76	30,526	— 33,609	46	345,322	— 375,689	16	51,130,196	— 75,621,156
75	33,610	— 36,933	45	375,690	— 408,729	15	75,621,157	— 111,843,086
74	36,934	— 40,435	44	408,730	— 446,652	14	111,843,087	— 165,415,034
73	40,436	— 44,268	43	446,653	— 488,733	13	165,415,035	— 244,647,514
72	44,269	— 48,471	42	488,734	— 534,783	12	244,647,515	— 382,966,802
71	48,472	— 52,908	41	534,784	— 589,532	11	382,966,803	— 606,006,859
70	52,909	— 57,713	40	589,533	— 651,490	10	606,006,860	— 958,945,559
69	57,714	— 62,948	39	651,491	— 719,961	9	958,945,560	— & over
68	62,949	— 68,250	38	719,962	— 795,628			
67	68,251	— 73,720	37	795,629	— 884,563			
66	73,721	— 79,630	36	884,564	— 993,168			

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Section IX - Retrospective Rating Plans
 Subsection E - State and Hazard Group Differentials
 9/1/2007

Section IX-E
 Exhibit 1

Development of State and Hazard Group Relativities

Step 1, Severities:

Hazard Group (1)	Massachusetts Severities (2)	Countrywide Severities (3)	Massachusetts Overall Severity Split Using CW Severity Relativities = Overall (2) x (3) / Overall (3) (4)
1	21,087	37,928	23,652
2	27,497	47,067	29,351
3	45,418	64,356	40,132
4	79,630	94,564	58,970
Overall	32,136	51,533	32,136

Step 2, Credibility:

(5) Massachusetts Claim Count =	59,024
(6) Requirement for Full Credibility =	155,000
(7) Massachusetts Credibility = = [(5) / (6)] ^{0.5}	0.62

Step 3, Credibility Weighted Severities:

Hazard Group (1)	Massachusetts Credibility Weighted Severities = [(2) x (7)] + (3) x [1.0 - (7)] (8)
1	27,536
2	34,991
3	52,669
4	85,348

Step 4, Relativities:

Hazard Group (1)	Indicated Relativities (9) = Overall (3) / (8)	Indicated Relativities Based on MA Severity Split Using CW Relativities (10) = Overall (3) / (4)	Average of the two Indicated Relativities (11) = [(9)+(10)] / 2.0	Selected Relativities (12)
1	1.87	2.18	2.03	2.03
2	1.47	1.76	1.61	1.61
3	0.98	1.28	1.13	1.13
4	0.60	0.87	0.74	0.74

Notes:

- (2): Data (excluding medical-only claims) for Composite Policy Years 03/04 at 1st report, 02/03 at 2nd report, 01/02 at 3rd report, adjusted for trend, law amendments and development factors. Factors are shown on Section IX-F, Exhibit 4.
- (3), (6): NCCI's Item B-1403. Exhibit IX-D, Exhibit 1
- (5): Data for Composite Policy Years 03/04 at 1st report, 02/03 at 2nd report, 01/02 at 3rd report.

EXCESS LOSS FACTORS

This Section proposes new Excess Loss Factors (ELFs) to be effective 9/1/2007. The proposed ELFs are shown in Exhibit 1, page 1. Exhibit 1, page 2 shows the Excess Loss and DCC Expense Factors. For purposes of comparison, the current ELFs are included as Exhibit 2. These factors were last reviewed in 1994, using data from the 1993 Schedule Z (88/89 @ 3rd, 87/88 @ 4th, 86/87 @ 5th). A filing was made 7/6/1994 and finally approved effective 1/1/1996.

The proposed ELFs in Exhibit 1, page 1 are the selected Excess Ratios in Exhibit 3, page 1 times 0.64, the proposed Expected Loss Ratio (without LAE) underlying the Retrospective Rating Plans from Section IX-A, Exhibit 1. Generally, the excess loss factor for a limit is the product of an excess ratio and a permissible loss ratio.

Exhibit 3, page 3 shows the Excess Ratios based on the data adjusted for trend, law amendments, and development. Exhibit 3, page 2 shows the Excess Ratios for higher limits estimated by curve fitting. Exhibit 4 shows the adjustment factors for trend, law amendments and development. Exhibit 5 displays the parameters of the mixed Pareto - Exponential distribution and a calculation of excess factors for different entry ratios.

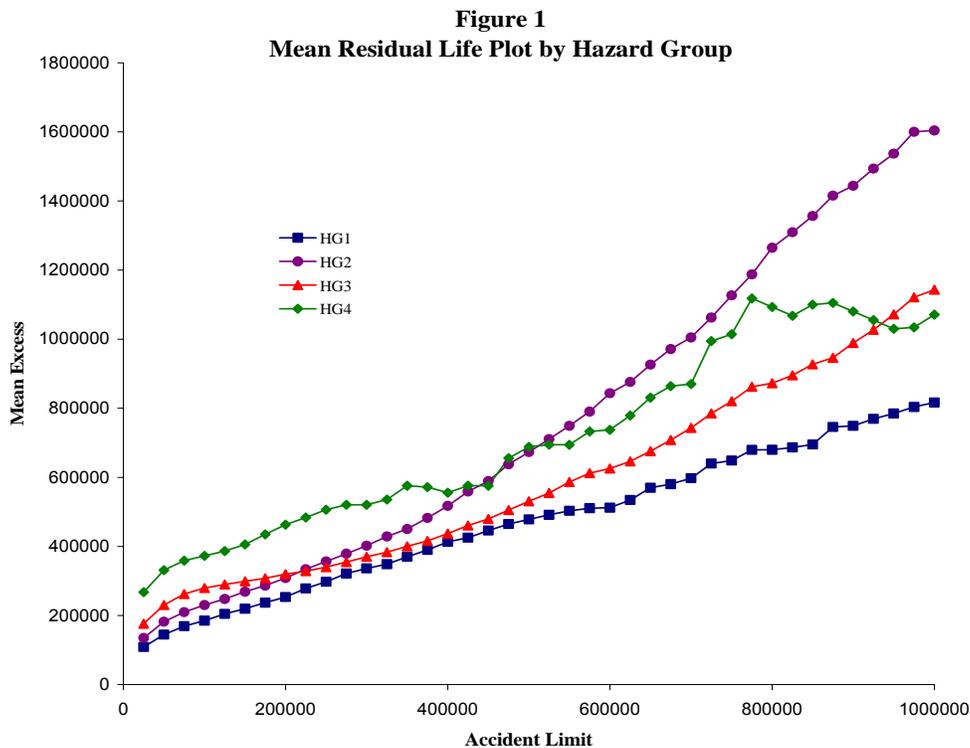
Method of Analysis

The database used is Massachusetts Workers' Compensation Schedule Z data from composite policy years 99/00, 98/97, 97/98, 96/97, 95/96, 94/95 at fifth report¹. Each loss is multiplied by appropriate trend, law amendment and development factors.

¹ Composite policy year 1999/2000 includes all data from policies with effective dates from July 1, 1999 to June 30, 2000. Fifth report is evaluated 66 months from policy inception.

Claim costs are trended to 9/1/2008, the average accident date (assuming the proposed ELF factors will be in effect for one year starting 9/1/2007). These factors are shown in Exhibit 4 and they are taken directly from other sections of the filing.

After the above adjustments, all data are grouped into accidents. A computer program is used which grouped data by hazard group², accident date and policy number, on the assumption that a risk will not experience two or more accidents on one particular date. This is the same grouping procedure as used in the approved filing for ELF factors. For the six composite policy years combined there were a total of 438,728 accidents of which 9,759 had adjusted values greater than \$150,000. In this Section only, the WCRIB adopts NCCI's revised four-hazard group system.



² There are four hazard groups, with hazard group 4 having the highest expected claim severity.

Curve Fitting Procedure

The mean residual life (or mean excess loss) statistic provides a convenient way to examine the tails of loss distributions.³ The mean residual life at a limit x is defined as $e(x) = (\text{dollars excess of } x) / (\text{number of accidents larger than } x)$. Figure 1 displays the mean residual lives for each of the four hazard groups based on the following number of claims: HG1 125,414, HG2 207,849, HG3 101,661 and HG4 3,804. As expected, for lower limits the higher the hazard group the larger the mean residual life. However, as we reach higher limits the data in hazard group 2 show a higher mean residual life compared to hazard groups 3 and 4.

A number of adjustments are made to the accident data in order to fit a distribution to it. First, the accident data for all composite policy years are combined. Next, for each of the four Hazard Groups, the data are truncated and shifted at \$150,000.⁴ Finally, these four sets of data are combined and normalized to a mean of unity.

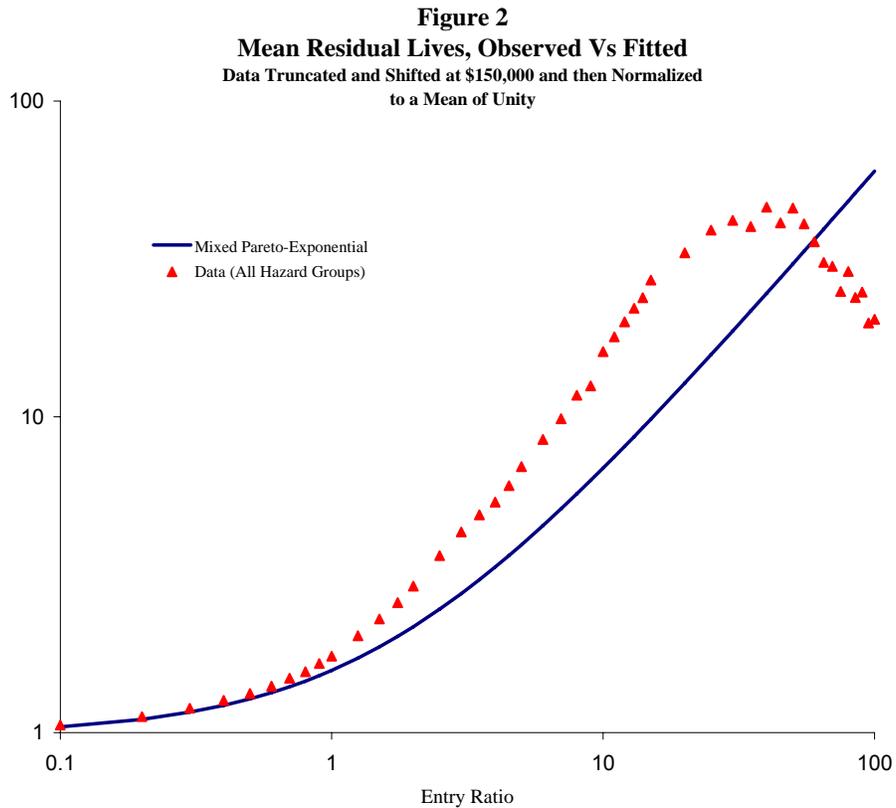
A mixture of Pareto and Exponential distributions is fit to this combined data⁵ using the method of maximum likelihood. The method of maximum likelihood is a commonly used method for fitting size of loss distributions.⁶ The Pareto and Exponential curves are standard size of loss distributions. They are described in the Appendix of this Section.

³ See for example Hogg and Klugman. The mean residual life is the average excess cost of a claim that exceeds a given limit.

⁴ Accidents with less than or equal to \$150,000 are eliminated from consideration. Those of size $x > \$150,000$ have \$150,000 subtracted from them and appear in the truncated and shifted data as $x - \$150,000$.

⁵ The data has been combined across injury types and hazard groups, representing 9,759 accidents over \$150,000 in size.

⁶ See for example, Loss Distributions by Hogg and Klugman, which is on the Syllabus of Examination for the Casualty Actuarial Society.



The mixed distribution is $(p \times \text{Pareto distribution}) + (1-p) \times (\text{Exponential distribution})$ where p is a fitted parameter with a value between zero and one. Together with the two Pareto parameters (shape and scale) and the single exponential parameter, the mixed distribution has a total of four parameters. The fitted parameters obtained by this method are displayed in Exhibit 5. The Kolmogorov-Smirnov test was performed to assess the goodness of fit of the resulting curve; this test indicated a very good fit.⁷ Figure 2 compares the mean residual lives for the fitted curve and the observed data.

⁷ The K-S statistic for 9,759 data points was 0.00611. The critical value for a significance level of 0.20 is $1.07 / \sqrt{n} = 0.01083$. Since $0.00611 < 0.01083$, the fitted distribution cannot be rejected at even the 20% level. See Hogg and Klugman.

Estimation of Excess Ratios

For each hazard group this fitted curve, scaled to the observed mean, is used in Exhibit 4 to estimate the excess ratios for the data truncated and shifted at \$150,000.

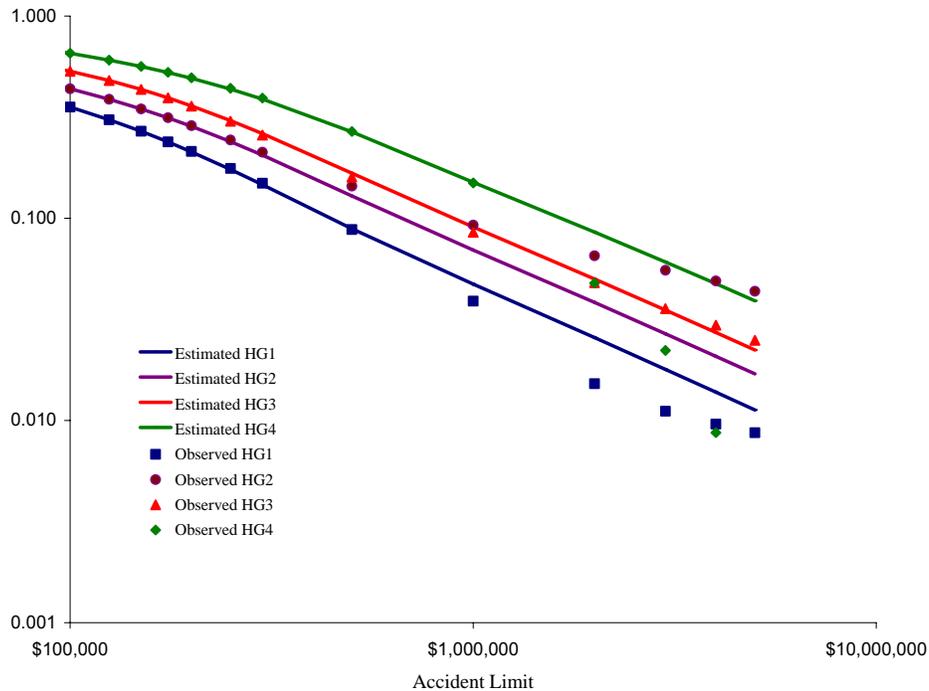
The excess ratios for accident limits less than or equal to \$150,000 are determined directly from the data, as has been done in the past. For accident limits L above \$150,000 the excess ratio is estimated from the product of (Empirical Excess Ratio at \$150,000) \times (Excess Ratio estimated from mixed Pareto-Exponential curve for $L - \$150,000$). (See the Appendix). The former is shown in Exhibit 3, page 3, the latter in Exhibit 3, page 2, while the product is in Exhibit 3, page 1. Figure 3 compares the estimated and observed excess ratios by Hazard Group. For accident limits of \$150,000 or less, the estimated excess ratio is equal to the observed excess ratio.

This method thus provides a smooth transition from relying on data for lower accident limits to relying on a fitted curve to provide some of the information at higher accident limits. It is important to note that even at higher accident limits an important contribution to the excess ratio is $R(150,000)$ which is calculated directly from the data.

Selection of a truncation point

The \$150,000 truncation point was selected to permit the maximum reliance on reported data while still retaining enough data above the truncation point to permit the reasonable fitting of loss distribution. For this technique and data set, a truncation point of \$150,000 achieves the desired balance. Other values such as \$100,000 or \$200,000 could also have been used without substantially altering the estimated excess ratios.

Figure 3
Excess Ratios by Hazard Group
Observed versus Estimated



In this data set there are 9,759 accidents with values greater than \$150,000, with the two smallest hazard groups having about 250 and 1,500 accidents.⁸ For the two larger hazard groups, a higher truncation point could have been selected, but for hazard groups 1 and 4 a higher truncation point would make it difficult to get a reliable average value to use to normalize the data.⁹

⁸ There are 1,526 accidents from hazard group 1 and 248 accidents from hazard group 4.

⁹ These average values are used in Exhibit 3, page 2 in order to calculate excess ratios by hazard group.

Calculation of Excess Loss Factors with DCC expenses

The calculation of the Excess Loss Factors including DCC expenses follows the same general methodology outlined above. The assumption is made that DCC expenses are proportional to the underlying losses. Let $(1 + a)$ be the factor to load losses for DCC expenses. For an accident limit of L , the excess ratio is computed at a limit of $L / (1 + a)$. The Excess Loss factors are derived by multiplying this excess ratio by 69.2%, the expected loss and DCC ratio (from Section IX-A, Exhibit 2).

APPENDIX – EXCESS LOSS FACTORS**Excess Ratios, Truncated and Shifted Data**

Let $f(x)$ be the size of loss probability density function. Then the excess ratio for limit L is given by:

$$R(x) = \frac{\int_L^{\infty} (x - L) f(x) dx}{\int_0^{\infty} x f(x) dx}$$

$$= \frac{\text{average dollars of loss excess of } L}{\text{average size of loss}}$$

$$= \frac{\text{total dollars of loss excess of } L}{\text{total dollars of loss}}$$

Assume we have a truncation point of T . Assume we look at the size of loss distribution for the data truncated and shifted at T . So for a loss $x > T$, we instead look at $x - T$. Then the excess ratio for the truncated and shifted data for ground up limit $L > T$ can be written as

$$\hat{R}(L - T)$$

Assume we were computing the (observed) excess ratio for a \$500,000 accident limit, for hazard group 3 data

$$R(\$500,000) = \frac{\text{HG3 Losses Excess of } \$500,000}{\text{Total HG3 Losses}}$$

We can also express this in terms of the data truncated and shifted at \$150,000 as follows:

$$R(\$500,000) = \frac{\text{HG3 Losses Excess of } \$500,000}{\text{HG3 Losses Excess of } \$150,000} \times \frac{\text{HG3 Losses Excess of } \$150,000}{\text{Total HG3 Losses}}$$

However, the second term is the excess ratio at \$150,000, $R(\$150,000)$, while the first term is $\hat{R}(\$350,000)$ = excess ratio at \$350,000 for the data truncated and shifted at \$150,000. Thus

$$R(\$500,000) = \hat{R}(\$350,000) \times R(\$150,000).$$

In general, for limits $L > \$150,000$

$$R(L) = \hat{R}(L - \$150,000) \times R(\$150,000).$$

In the methodology we used, $\hat{R}(L - \$150,000)$ is estimated via a curve fit to the data truncated and shifted at \$150,000, while $R(\$150,000)$ is estimated from the data.

Excess Ratios, Mixed Distributions

Let a (mixed) distribution be a weighted average of two other distributions:

$$f(x) = pg(x) + (1-p)h(x).$$

Then the mean is a weighted average of the two means:

$$\begin{aligned} m_f &= \int_0^{\infty} x f(x) dx = \int_0^{\infty} x \{pg(x) + (1-p)h(x)\} dx \\ &= p \int_0^{\infty} xg(x) dx + (1-p) \int_0^{\infty} xh(x) dx \\ &= pm_g + (1-p)m_h. \end{aligned}$$

The excess ratio for limit L is given by:

$$\begin{aligned} R_f(L) &= \frac{\int_L^{\infty} (x-L) f(x) dx}{\int_0^{\infty} x f(x) dx} \\ &= \frac{p \int_L^{\infty} (x-L)g(x) dx + (1-p) \int_L^{\infty} (x-L)h(x) dx}{pm_g + (1-p)m_h} \\ &= \frac{pm_g R_g(L) + (1-p)m_h R_h(L)}{pm_g + (1-p)m_h} \end{aligned}$$

So the excess ratio for a mixed distribution is a weighted average of the excess ratios for the individual distributions, with weights equal to the product of the mean of each distribution times the weight in the mixture of each distribution.

For example, for the mixed Pareto-Exponential distribution with parameters:

$p = 0.6348$, $s = 1.9183$, $b = 1.0850$, $\theta = 0.6539$ (weight to Pareto, Pareto Shape, Pareto Scale, Exponential scale), at an entry ratio of 2, the excess ratio is computed as follows:

$$\text{Excess Ratio for Pareto} = \left(1 + \frac{x}{b}\right)^{1-s} = \left(1 + \frac{2}{1.0850}\right)^{1-1.9183} = 0.3830$$

$$\text{Excess Ratio for Exponential} = e^{-x/\theta} = e^{-2/0.6539} = 0.0470$$

$$\text{Mean for Pareto} = \frac{b}{s-1} = \frac{1.0850}{1.9183-1} = 1.1815$$

$$\text{Mean for Exponential} = \theta = 0.6539$$

Excess Ratio for Pareto-Exponential distribution at entry ratio 2

$$= \frac{(0.6348)(1.1815)(0.3830) + (1-0.6348)(0.6539)(0.0470)}{(0.6348)(1.1815) + (1-0.6348)(0.6539)} = \frac{0.2985}{0.9888} = 0.3019$$

This matches the value shown on Exhibit 5.

PARETO DISTRIBUTION

$$F(x;s,b) = 1 - \left(1 + \frac{x}{b}\right)^{-s}$$

$$f(x;s,b) = \frac{s}{b} \left(1 + \frac{x}{b}\right)^{-(s+1)}$$

$$E(X^y) = \frac{b^y \Gamma(y+1) \Gamma(s-y)}{\Gamma(s)}, \quad -1 < y < s$$

If y is an integer N ,

$$E(X^N) = \frac{b^N N!}{\prod_{i=1}^N (s-i)}, \quad N < s$$

$$\text{Mean} = \frac{b}{s-1}$$

$$\text{Variance} = \frac{b^2 s}{(s-1)^2 (s-2)}$$

$$\text{Coefficient of Variation} = \sqrt{\frac{s}{s-2}}, \quad s > 2$$

$$\text{Skewness} = \frac{2(s+1)}{s-3} \sqrt{\frac{s-2}{s}}, \quad s > 3$$

$$\text{Excess Ratio} = R(x) = \left(1 + \frac{x}{b}\right)^{1-s}$$

$$\text{Mean Residual Life} = e(x) = \frac{b+x}{s-1}$$

Note: s is the shape parameter, b is the scale parameter.

EXPONENTIAL DISTRIBUTION

$$F(x; \theta) = 1 - e^{-x/\theta}$$

$$f(x; \theta) = \frac{1}{\theta} e^{-x/\theta}$$

$$E(X^y) = \theta^y \Gamma(1 + y), \quad y > -1$$

If y is an integer N ,

$$E(X^N) = \theta^N N!, \quad N > -1$$

$$\text{Mean} = \theta$$

$$\text{Variance} = \theta^2$$

$$\text{Coefficient of Variation} = 1$$

$$\text{Skewness} = 2$$

$$\text{Excess ratio} = R(x) = e^{-x/\theta}$$

$$\text{Mean Residual Life} = e(x) = \theta$$

Note: θ is the scale parameter.

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Section IX - Retrospective Rating Plans
Subsection F - Excess Loss Factors
9/1/2007

Section IX-F
Exhibit 1
Page 1

Excess Loss Factors Proposed to be Effective 9/1/2007

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.399	0.441	0.493	0.545
\$30,000	0.380	0.424	0.478	0.534
\$35,000	0.362	0.408	0.464	0.523
\$40,000	0.347	0.394	0.451	0.514
\$50,000	0.319	0.369	0.428	0.495
\$75,000	0.266	0.319	0.381	0.455
\$100,000	0.227	0.279	0.341	0.419
\$125,000	0.196	0.248	0.307	0.387
\$150,000	0.172	0.222	0.278	0.360
\$175,000	0.152	0.201	0.252	0.336
\$200,000	0.136	0.182	0.230	0.315
\$250,000	0.111	0.153	0.195	0.278
\$300,000	0.094	0.131	0.168	0.248
\$500,000	0.057	0.082	0.107	0.171
\$1,000,000	0.030	0.044	0.058	0.096
\$2,000,000	0.016	0.025	0.032	0.055
\$3,000,000	0.011	0.017	0.022	0.039
\$4,000,000	0.009	0.013	0.017	0.030
\$5,000,000	0.007	0.011	0.014	0.025

Notes:

Data from Exhibit 3, page 1 times the Expected Loss Ratio of 64.0% from Section IX-A, Exhibit 1.

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Section IX - Retrospective Rating Plans
Subsection F - Excess Loss Factors
9/1/2007

Section IX-F
Exhibit 1
Page 2

Excess Loss and DCC Expense Factors Proposed to be Effective 9/1/2007

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.440	0.484	0.539	0.594
\$30,000	0.420	0.466	0.524	0.582
\$35,000	0.402	0.450	0.509	0.572
\$40,000	0.385	0.435	0.496	0.562
\$50,000	0.356	0.409	0.472	0.543
\$75,000	0.300	0.356	0.422	0.501
\$100,000	0.257	0.314	0.381	0.464
\$125,000	0.224	0.280	0.345	0.431
\$150,000	0.197	0.252	0.314	0.402
\$175,000	0.176	0.229	0.286	0.377
\$200,000	0.157	0.209	0.262	0.354
\$250,000	0.130	0.176	0.224	0.315
\$300,000	0.109	0.152	0.194	0.282
\$500,000	0.066	0.096	0.124	0.197
\$1,000,000	0.035	0.052	0.067	0.111
\$2,000,000	0.019	0.028	0.037	0.063
\$3,000,000	0.013	0.020	0.026	0.045
\$4,000,000	0.010	0.015	0.020	0.035
\$5,000,000	0.008	0.013	0.017	0.029

IX 000030

Section IX - Retrospective Rating Plans
Subsection F - Excess Loss Factors
9/1/2007

Section IX-F
Exhibit 2

Excess Loss Factors Effective 1/1/1996

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.483	0.481	0.553	0.586
\$30,000	0.454	0.452	0.530	0.566
\$35,000	0.427	0.425	0.508	0.546
\$40,000	0.402	0.401	0.488	0.528
\$50,000	0.357	0.357	0.450	0.495
\$75,000	0.267	0.270	0.370	0.422
\$100,000	0.198	0.209	0.306	0.362
\$125,000	0.147	0.163	0.255	0.313
\$150,000	0.112	0.130	0.214	0.272
\$175,000	0.087	0.105	0.182	0.238
\$200,000	0.070	0.087	0.156	0.210
\$250,000	0.050	0.063	0.118	0.165
\$300,000	0.039	0.049	0.094	0.134
\$500,000	0.024	0.029	0.053	0.075
\$1,000,000	0.014	0.017	0.031	0.043
\$2,000,000	0.006	0.008	0.017	0.025
\$3,000,000	0.004	0.005	0.011	0.016
\$4,000,000	0.002	0.003	0.007	0.012
\$5,000,000	0.002	0.002	0.006	0.009

Note:

Source: 7/6/1994 Excess Loss Factor Filing

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Section IX - Retrospective Rating Plans
 Subsection F - Excess Loss Factors
 9/1/2007

Section IX-F
 Exhibit 3
 Page 1

Estimated Excess Ratios based on Adjusted Data and Curves Fit to Data Truncated and Shifted at \$150,000

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.6237	0.6888	0.7700	0.8512
\$30,000	0.5934	0.6618	0.7464	0.8339
\$35,000	0.5663	0.6377	0.7249	0.8178
\$40,000	0.5418	0.6157	0.7052	0.8025
\$50,000	0.4992	0.5766	0.6694	0.7737
\$75,000	0.4164	0.4978	0.5949	0.7104
\$100,000	0.3545	0.4365	0.5330	0.6545
\$125,000	0.3068	0.3873	0.4798	0.6054
\$150,000	0.2690	0.3471	0.4337	0.5632
\$175,000	0.2382	0.3133	0.3935	0.5256
\$200,000	0.2129	0.2847	0.3593	0.4920
\$250,000	0.1741	0.2391	0.3042	0.4346
\$300,000	0.1464	0.2050	0.2623	0.3879
\$500,000	0.0888	0.1288	0.1668	0.2670
\$1,000,000	0.0473	0.0695	0.0905	0.1507
\$2,000,000	0.0257	0.0383	0.0501	0.0854
\$3,000,000	0.0179	0.0268	0.0351	0.0608
\$4,000,000	0.0138	0.0208	0.0272	0.0475
\$5,000,000	0.0113	0.0170	0.0223	0.0391

Notes:

For Accident Limit $L \leq \$150,000$ data are from Exhibit 3, page 3. For Accident Limit $L > \$150,000$ data are from Exhibit 3, page 2 times the estimated excess ratio at $L = \$150,000$

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Section IX - Retrospective Rating Plans
 Subsection F - Excess Loss Factors
 9/1/2007

Section IX-F
 Exhibit 3
 Page 2

Excess Ratios Truncated and Shifted to \$150,000

Accident Limit	Hazard Group 1		Hazard Group 2		Hazard Group 3		Hazard Group 4	
	Entry Ratio ¹	Excess Ratio ²	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio
\$175,000	0.1254	0.8854	0.1049	0.9026	0.0992	0.9074	0.0700	0.9332
\$200,000	0.2507	0.7913	0.2098	0.8201	0.1985	0.8284	0.1400	0.8735
\$250,000	0.5014	0.6473	0.4196	0.6889	0.3969	0.7013	0.2799	0.7717
\$300,000	0.7522	0.5441	0.6294	0.5906	0.5954	0.6047	0.4199	0.6887
\$500,000	1.7550	0.3300	1.4685	0.3712	1.3893	0.3847	0.9798	0.4741
\$1,000,000	4.2623	0.1757	3.5664	0.2003	3.3740	0.2086	2.3796	0.2675
\$2,000,000	9.2767	0.0955	7.7622	0.1104	7.3434	0.1155	5.1791	0.1517
\$3,000,000	14.2910	0.0665	11.9580	0.0773	11.3130	0.0810	7.9786	0.1080
\$4,000,000	19.3060	0.0513	16.1540	0.0598	15.2820	0.0628	10.7780	0.0843
\$5,000,000	24.3200	0.0419	20.3500	0.0490	19.2520	0.0514	13.5780	0.0694

Notes:

$$^1 \text{ Entry Ratio} = \frac{\text{LIMIT} - \$150,000}{\text{Average Size of Data Truncated and Shifted to } \$150,000} \text{ Truncation Point}$$

For the four Hazard Groups, these average sizes are \$199,425 for HG1, \$238,334 for HG2, \$251,928 for HG3 and \$357,208 for HG4.

² Excess Ratio is computed for a Mixed Pareto - Exponential distribution with parameters: 0.635, 1.918, 1.085, 0.654 (weight to Pareto, Pareto Shape, Pareto Scale, Exponential).

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Section IX - Retrospective Rating Plans
Subsection F - Excess Loss Factors
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Section IX-F
Exhibit 3
Page 3

Excess Ratios based on Adjusted Data¹

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.6237	0.6888	0.7700	0.8512
\$30,000	0.5934	0.6618	0.7464	0.8339
\$35,000	0.5663	0.6377	0.7249	0.8178
\$40,000	0.5418	0.6157	0.7052	0.8025
\$50,000	0.4992	0.5766	0.6694	0.7737
\$75,000	0.4164	0.4978	0.5949	0.7104
\$100,000	0.3545	0.4365	0.5330	0.6545
\$125,000	0.3068	0.3873	0.4798	0.6054
\$150,000	0.2690	0.3471	0.4337	0.5632
\$175,000	0.2385	0.3141	0.3938	0.5268
\$200,000	0.2139	0.2868	0.3588	0.4947
\$250,000	0.1765	0.2438	0.3018	0.4392
\$300,000	0.1489	0.2119	0.2578	0.3928
\$500,000	0.0880	0.1440	0.1598	0.2684
\$1,000,000	0.0389	0.0925	0.0852	0.1495
\$2,000,000	0.0152	0.0653	0.0480	0.0478
\$3,000,000	0.0111	0.0553	0.0357	0.0222
\$4,000,000	0.0096	0.0490	0.0296	0.0087
\$5,000,000	0.0087	0.0436	0.0249	0.0000

Notes:

¹ Data for Composite Policy Years 99/00, 98/99, 97/98, 96/97, 95/96, 94/95 at fifth report, adjusted for trend, law amendments and development factors

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Section IX - Retrospective Rating Plans
 Subsection F - Excess Loss Factors
 9/1/2007

Section IX-F
 Exhibit 4

Trend, Law Amendments and Development Factors

(1) Benefit On-Level Development Factors

Composite Policy Year	Indemnity Losses					Medical Losses
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Type 5	All Injury Types
1994/1995	1.164	1.114	1.187	1.287	1.062	1.124
1995/1996	1.150	1.107	1.174	1.262	1.059	1.110
1996/1997	1.132	1.097	1.157	1.230	1.053	1.100
1997/1998	1.111	1.085	1.137	1.195	1.046	1.100
1998/1999	1.087	1.072	1.117	1.158	1.039	1.100
1999/2000	1.055	1.053	1.090	1.109	1.029	1.088

(2) Trend Factors

Indemnity Severity Trend	0.062
Medical Only Severity Trend	0.076
Lost Time Medical Severity Trend	0.107

(3) Development Factors

Indemnity Fifth to Ultimate Development Factor	1.116
Injury Types 2 and 3 Medical Fifth to Ultimate Development Factor	1.459

Notes:

(1): Section IV-A, Exhibit 5.

Injury Type 1 = Fatal, Injury Type 2 = Permanent Total, Injury Type 3 = Major Permanent Partial,
 Injury Type 4 = Minor Permanent Partial, Injury Type 5 = Temporary Total.

(2): Section V-A, Exhibit 1.

(3): Section IV-I, Exhibit 3.

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Section IX - Retrospective Rating Plans
 Subsection F - Excess Loss Factors
 9/1/2007

Section IX-F
 Exhibit 5

Mixed Pareto-Exponential Distribution

Parameters:

Pareto shape = s	1.9183
Pareto scale = b	1.0850
Exponential scale = θ	0.6539
Weight to Pareto = p	0.6348
Mean =	1.0000
Variance =	9.5395
Coefficient of Variation =	3.0886
Skewness =	21.9916
Pareto Mean = $b / (s - 1.0)$	1.1815
Exponential Mean = θ	0.6539

Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio
0.1	0.9068	11	0.0829
0.2	0.8272	12	0.0771
0.3	0.7588	13	0.0720
0.4	0.6996	14	0.0676
0.5	0.6480	15	0.0638
0.6	0.6028	20	0.0497
0.7	0.5630	25	0.0409
0.8	0.5278	30	0.0348
0.9	0.4965	35	0.0304
1.0	0.4687	40	0.0270
1.25	0.4109	45	0.0243
1.5	0.3661	50	0.0221
1.75	0.3306	55	0.0203
2.0	0.3019	60	0.0187
2.50	0.2584	65	0.0174
3.0	0.2270	70	0.0163
3.5	0.2031	75	0.0153
4.0	0.1841	80	0.0144
4.5	0.1687	85	0.0137
5.0	0.1558	90	0.0130
6.0	0.1354	95	0.0124
7.0	0.1199	100	0.0118
8.0	0.1078		
9.0	0.0979		
10.0	0.0898		

Note:
 See the Appendix for a sample calculation of an excess ratio.

CLASSIFICATION PRICING**Background**

One of the primary goals of ratemaking is to determine an appropriate price for each insured based on the losses that the insured is expected to generate in the prospective policy period. Because many risks are too small to generate an accurate rate based on their own individual experience, risks are combined into classifications.

The workers' compensation system assigns similar risks to the same classification codes and calculates a rate separately for each code. In aggregating risks, it is desirable to balance stability and responsiveness and derive groups that are distinctly different from each other. In order to attain stability, we want a group large enough that its losses do not fluctuate too much; and for responsiveness, we want a group small enough so that its rate adjusts to the changing costs of similar risks.

In the Massachusetts workers' compensation system, insureds are separated into five Industry Groups: Manufacturing, Construction, Office and Clerical, Goods and Services, and Miscellaneous. The assignment of class codes to each industry group is based on products produced, processes involved, and services provided.

Summary

In this section we first calculate the rate change for each Industry Group as it varies from the statewide overall indicated rate change. The calculation of the indicated Industry Group rate change is similar to the process used in developing the overall rate level indication. We update the indicated class relativities within each Industry Group to

reflect the ratio of the pure premium for the individual class to the pure premium for the given Industry Group. Class relativities are updated regularly in order to maintain a fair and accurate classification system.

Estimated pure premium relativities for each class are a credibility-weighted average of three pure premium relativities: (1) recent Massachusetts (MA) experience, (2) recent "countrywide" (CW) experience, and (3) the relativities underlying the present rate. Average rates are calculated from the updated relativities to derive the proposed rate change by Industry Group. Proposed average rates are capped according to the methodology used in the 9/1/05 rate decision. Finally, proposed manual rates are determined by applying offsets to the proposed average capped rates. Since ARAP, Merit Rating and the Construction Credit program are each designed to be revenue neutral an offset for each of these programs is applied to the rate.

Massachusetts Data

The data used for the purpose of classification pricing is the Unit Statistical Plan data from Schedule Z, which shows detailed composite policy year payroll, premium and loss data for each classification in Massachusetts. The data used excludes the experience of both large deductible policies and Self-Insured Groups. In this review, we have utilized the latest available five composite policy years of data, 7/1/99-6/30/00 through 7/1/03-6/30/04.

Adjustment of Massachusetts Data

Because we do not want the indication to be unduly influenced by individual large losses in the historical period, we cap each claim at \$200,000. Capping helps stabilize rates by reducing the impact of infrequently occurring large losses. An average excess loss amount is loaded back into the rates through the application of excess loss factors (discussed below) to account for the possibility of large losses in the future.

We begin this process by calculating "limited losses." Limited losses are determined by subtracting the calculated excess losses from reported losses. These limited losses are multiplied by conversion factors (Section X - B) in order to adjust each composite policy year's experience to reflect current conditions. Conversion factors include benefit level adjustments, loss development factors, loss adjustment expense loadings, and escalation. Converted limited losses are the product of the limited losses and these conversion factors.

Similarly, we calculate converted "excess losses." These are then used in the derivation of excess loss factors. Excess loss factors more equitably distribute expected excess losses among classifications. Indicated excess loss factors are calculated by adding unity to the quotient of converted excess losses and converted limited losses by hazard group and injury type.

The product of the converted limited losses and the excess loss factors is referred to as the adjusted converted losses.

The adjusted converted losses are then summed by composite policy year and injury type. They are displayed by classification or class combination in Section X - G. Massachusetts indicated pure premiums are calculated by dividing these losses by payroll.

Inclusion of Countrywide Data

Massachusetts relativities are credibility-weighted with countrywide relativities and with the pure premiums underlying present relativities. The countrywide data used in this filing is supplied by NCCI and other independent bureaus.¹ Countrywide relativities are based upon the latest available three composite policy years, although the specific years vary by state (see Section X - D, Exhibit 2, Page 2). Before the data can be used for ratemaking purposes, it must be adjusted to reflect the Massachusetts distribution of payroll and loss levels.

Pitch factors are used to adjust the countrywide data to a corresponding Massachusetts. These pitch factors are calculated as follows:

1. Multiply each state's classification pure premiums by the corresponding Massachusetts payroll to estimate the loss level that would occur if the employers in that state were located in Massachusetts.

The WCRIB has capped the average claim by injury kind by class by state at \$200,000 (Indemnity + Medical).

2. Sum these losses by state, industry group, and injury type to determine the aggregate adjusted losses for each state.
3. Calculate aggregate adjusted losses for Massachusetts in a similar fashion.
4. Divide the aggregate adjusted losses for Massachusetts by the aggregate adjusted losses for each state to determine the pitch factors.

Pitch factors represent the amount by which another state's data must be adjusted to be on the same payroll distribution and loss level as the Massachusetts Schedule Z data (Section X - D, Exhibit 2, Page 1). Each state's pure premiums are multiplied by its corresponding pitch factor to derive adjusted pure premiums. The sum of the product of the adjusted pure premiums and payroll by state by class is then divided by the total payroll by class to derive countrywide class pure premiums.

Finally, the countrywide adjusted pure premiums are further adjusted to the Massachusetts indicated loss level by applying the conversion and excess loss factors in a manner similar to the adjustment of Massachusetts data. These countrywide pure premiums are then on a comparable basis with the Massachusetts pure premiums.

For each Industry Group and injury type, the countrywide indicated pure premiums are converted to relativities, so that they balance to unity when weighted by Massachusetts exposures.

Underlying Relativities

The relativities underlying present rates are calculated by balancing the pure premium underlying present rate to unity, based on the five most recent years of payroll.

Formula Relativities

Once we have the separate (MA Indicated, Countrywide and Underlying) relativities, we use credibility-weighted averages to calculate Formula Relativities. The indicated Massachusetts relativity is multiplied by its credibility, the indicated countrywide relativity is multiplied by its (limited) credibility and the relativity underlying the present rate is multiplied by the remaining credibility. The total formula relativity is the weighted average of the relativities by injury type, using the Industry Group pure premiums by injury type as weights. The calculated formula relativities are then balanced to unity based on the five most recent years of payroll.

Credibility

Credibility reflects the relative reliability and volume of class data used to determine class relativities. In general, a class with higher expected losses has more weight given to its recent MA indicated relativities, while a class with lower expected

losses has more weight given to the countrywide and underlying relativities. Credibilities are calculated separately for the MA and the CW experience, and the remainder of credibility is assigned to the relativity underlying the present rate.

The general principles are as follows:

1. Larger volumes of data receive more credibility.
2. A given volume of Massachusetts data receives more credibility than the same volume of data from another state.
3. A given volume of data, as measured by expected losses, for serious losses receives less credibility than a similar volume of data for non-serious or medical losses.

This filing follows the 9/1/05 filing's use of the classical credibility method based on the formula

$$Z = (E/F)^{0.4}$$

Where Z= Credibility assigned to MA or Countrywide experience
 E= Expected Losses
 F= Full Credibility Criterion

Massachusetts Credibility

The full credibility criterion is calculated as the product of the claim count standard and the average claim cost. We use the same claim count standards as the 9/1/05 rates:

Serious	Non-Serious	Medical
100	200	200

The average claim costs have been updated in Section X - D, Exhibit 1, Pages 2 & 3 of this filing.

Credibility is determined based on the volume of expected losses by injury type. By class, expected losses are calculated separately for serious indemnity, non-serious indemnity, and medical only losses by multiplying the pure premiums underlying the present rate by payroll. Pure premiums underlying present rates are the product of the adopted relativities from the previous rate revision and pure premium underlying present rate factors. The factors are comprised of the rate level factor implicit in the current rate and an adjustment for benefit level changes since the previous revision (Section X - E).

Practical Credibility Considerations

This method may produce anomalous credibilities for classes with small amounts of data. Therefore, the following constraints apply:

1. Credibilities cannot be negative.
2. Countrywide credibilities are limited so that the sum of the Massachusetts and countrywide credibilities is not more than 100%.

3. Countrywide credibilities cannot be greater than 50% and are limited to $\frac{1}{2}$ of (1-Massachusetts credibility).

Countrywide Credibility

The credibility of adjusted countrywide pure premiums is determined based on claim counts by injury type (Section X - D, Exhibit 1). Payroll cannot be used as a measure of credibility since wage levels vary significantly between states.

Proposed Average Capped Rates

Proposed average rates by class are calculated to achieve the proposed rate change by Industry Group. The uncapped rate for each class is the product of the formula pure premium relativity and the uncapped rate level factor for the Industry Group. This uncapped rate level factor is the product of the present average rate and the average rate level change by industry group.

Proposed average rates are then subject to a maximum and minimum cap (Section X – H, Exhibit 1). Proposed average uncapped rates are capped by an iterative process using rate levels and the 5 most recent years of payrolls to determine if the required change is achieved. The maximum rate change by industry group is equal to the benefit level change plus $\frac{1}{2}$ the experience change plus or minus 20%. The minimum rate change equals the benefit level change plus $\frac{1}{2}$ Experience Change minus 20%. Setting the caps in this manner provides some rate stability over time, but will also allow

those classes whose movement was capped previously to move towards their indicated relativities.

Manual Rates

Section X - A displays the proposed manual rates and rating values for this filing. Proposed manual rates are determined by applying offsets to the proposed average capped rates. We calculate offsets for the impact of merit and experience rating, ARAP, construction credits, and the recoupment of the Insolvency Fund assessments (calculated in Section I - E), as shown in Section X - K.

All Risk Adjustment Program

The All Risk Adjustment Program (ARAP) surcharges those experience-rated risks, both voluntary and assigned, with a record of losses greater than expected under the Experience Rating Plan. The purpose of this program is to provide a pricing mechanism to reflect the unusually adverse experience of certain experience-rated risks. Because the program allows for surcharges only, it generates additional premium revenue. In order to achieve revenue-neutrality, we apply a corresponding offset to reduce the manual rates to make up for the surcharge premium.

The WCRIB calculates the ARAP adjustment and identifies it as a separate factor on the Experience Rating Calculation sheet. The ARAP factor can range from 1.00 to a maximum of 1.49. The offset factor for ARAP, calculated in Section X – K, Exhibit 3, is 1.060.

Merit Rating Program

The objective of the Merit Rating Program is to provide a pricing mechanism for risks too small to qualify for experience rating to share in the loss experience that they generate.

A risk is eligible for the Merit Rating Program if it has an average annual premium over the last three policy years of \$500. Eligible risks receive the following adjustments to their premium, based on the number of lost-time claims over the most recent three policy years.

Number of Lost-Time Claims	Merit Rating Adjustment
0	5% credit
1	None
2 or more	5% debit

To make the program revenue neutral, rates should be offset by the average historical average merit rating credit weighted by the percentage of premium eligible for merit rating. Section X - K, Exhibit 2 shows the calculation of the combined offset of 0.997 for Experience and Merit Rating.

Construction Credit Program

The Massachusetts Construction Classification Premium Adjustment Program may reduce an eligible employer's premium if the employer's average weekly wage is

\$18.00 or more per hour per construction employee. Since this is a credit-only program, we have calculated an offset to the eligible classes to assure revenue neutrality. Section X - K, Exhibit 4 shows the derivation our selection of the 3.4% offset to be applied to the eligible classes.

Loading for Recoupment of Insolvency Fund Assessments

Under Massachusetts law, from time to time the Massachusetts Insurers Insolvency Fund ("Fund") makes assessments upon carriers that write policies in Massachusetts on the lines of insurance protected by the Fund, to cover the Fund's costs of providing relief in the event of insurer insolvencies. Beginning in 1988, workers' compensation insurance was covered by the Fund. The loading included in this filing is a recoupment of these recent assessments.

The loading provides for the recoupment of assessments made by the Fund in 2005 and 2006 that have not yet been recouped

The "true up" loading is the difference between the recoupment amounts approved or filed to be collected and the amount actually collected, since the recoupment amount is affected by the loading from 9/1/05 rates. The proposed factor is a loading of -2.5%.

Pricing Example

Section X - L is a sample rate calculation, for Class 3131 - Button or Fastener Manufacturing - Metal. Exhibit 1 shows the calculation of the MA indicated pure premium and relativity. Exhibit 2 shows the calculation of the CW indicated pure premium and

relativity. On Exhibit 3, we calculate the credibilities and formula relativity. The derivation of the proposed manual rate is shown on Exhibit 4.

Special Classes

The following classes are special situations where the rates and rating values are calculated using a methodology other than that detailed above.

6811, 6854, 6882, 6884: State Act Classes comparable to F-Class Codes

- Established 1/1/90.
- The rates and rating values for 6811, 6854, 6882, and 6884 are assigned 84.1% of the rates and rating values of F-Class Codes 6801 [Boat Building Wood NOC-US Act], 6843 [Ship Building Iron or Steel-NOC-US Act], 6872 [Ship Repair or Conversion-US Act] and 6874 [Painting Ship Hulls-US Act], respectively.
- See Circular Letter No. 1519, released 1/3/1990.

0046: Fertilizer or Pesticide Application – Commercial or Domestic & Drivers

- Established 8/15/97.
- The rate and rating values for 0046 are calculated as the weighted average the rates and rating values of Class Codes 0042 [Landscape Gardening- and Drivers] and 9102 [Parks-NOC-All Employees and Drivers] using weights of 1/3 and 2/3, respectively.
- See Circular Letter No. 1783, released 8/11/1997.

9533: Scaffold Installation, Repair or Removal–NOC–All Operations

- Established 6/1/02.
- The rate and rating values for 9533 are calculated as the mean of the rate and rating values of Class Codes 5057 [Iron or Steel Erection-NOC] and 5403 [Carpentry-NOC].
- See Circular Letter No. 1892, released 5/23/2002.

8747: Display Showroom

- Established 7/1/04.
- The rate and rating values for 8747 are assigned the rate and rating values of Class 8017 [Store: Retail NOC].
- See Circular Letter No. 1961, released 7/9/2004.

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Section X - Classification Pricing
 Subsection A - Summary
 9/1/2007

Section X - A
 Exhibit 1

Manual Rates and Rating Values
 All Industry Groups

Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
0005	2.97	283	20	1.51	0.21
0008	2.00	249	20	1.02	0.19
0016	2.97	283	20	1.51	0.17
0034	2.88	280	20	1.46	0.19
0035	1.76	241	20	0.90	0.22
0036	2.88	280	20	1.46	0.19
0037	2.00	249	20	1.02	0.19
0042	3.98	318	20	2.02	0.20
0046	2.86	279	20	1.45	0.21
0050	4.27	358	50	2.17	0.15
0059	0.29	-	-	-	-
0065	0.12	-	-	-	-
0066	0.10	-	-	-	-
0067	0.10	-	-	-	-
0079	4.16	325	20	1.88	0.19
0083	4.24	327	20	2.15	0.16
0106	15.38	500	20	6.96	0.16
0113	2.88	280	20	1.46	0.19
0170	2.88	280	20	1.46	0.19
0251	3.86	314	20	1.96	0.16
0400	(a)	(a)	(a)	(a)	(a)
0401	(a)	(a)	(a)	(a)	(a)
0770	1.63	-	-	-	-
0773	4.30	-	-	-	-
0774	3.14	-	-	-	-
0775	1.74	-	-	-	-
0776	2.92	-	-	-	-
0779	2.43	-	-	-	-
0799	9.66	-	-	-	-
0908	70.00	134	0	35.34	0.19
0909	124.00	188	0	62.78	0.21
0912	247.00	311	0	125.56	0.21
0913	139.00	203	0	70.67	0.19
0917	2.33	261	20	1.18	0.22
0918	0.83	208	20	0.42	0.19
1005	z	z	z	z	z
1164	z	z	z	z	z
1165	z	z	z	z	z
1430	16.71	500	0	7.56	0.30
1438	3.16	270	0	1.43	0.16
1452	z	z	z	z	z
1463	6.39	500	0	2.89	0.15
1624	4.29	329	20	1.94	0.14
1655	4.91	351	20	2.22	0.15
1701	3.85	294	0	1.74	0.22
1710	4.29	329	20	1.94	0.14
1741	z	z	z	z	z
1747	3.65	287	0	1.65	0.17
1748	3.24	272	0	1.46	0.17

X 000016

Section X - Classification Pricing
 Subsection A - Summary
 9/1/2007

Section X - A
 Exhibit 1

Manual Rates and Rating Values
 All Industry Groups

Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
1852	8.64	500	0	3.91	0.10
1853	2.14	234	0	1.09	0.17
1860	2.22	237	0	1.13	0.14
1924	2.57	249	0	1.30	0.19
1925	4.16	305	0	2.11	0.17
2001	2.88	260	0	1.46	0.21
2002	3.61	285	0	1.83	0.19
2003	2.88	260	0	1.30	0.21
2014	3.38	277	0	1.53	0.17
2016	z	z	z	z	z
2021	2.32	240	0	1.18	0.16
2030	z	z	z	z	z
2039	3.29	274	0	1.67	0.18
2041	2.19	236	0	1.11	0.21
2065	z	z	z	z	z
2070	4.16	305	0	2.11	0.18
2081	4.11	303	0	2.09	0.20
2089	2.94	262	0	1.49	0.18
2095	4.59	320	0	2.33	0.19
2101	2.94	262	0	1.49	0.18
2105	(a)	(a)	(a)	(a)	(a)
2111	2.44	244	0	1.24	0.20
2114	2.94	262	0	1.49	0.18
2115	2.69	253	0	1.22	0.20
2121	2.25	238	0	1.14	0.17
2130	3.14	269	0	1.60	0.18
2131	2.11	233	0	1.07	0.20
2143	2.68	253	0	1.36	0.18
2150	5.02	335	0	2.55	0.21
2156	5.74	500	0	2.91	0.17
2157	4.48	316	0	2.28	0.19
2172	1.13	199	0	0.58	0.17
2174	6.47	500	0	3.33	0.16
2177	z	z	z	z	z
2211	4.99	334	0	2.26	0.17
2220	3.19	271	0	1.62	0.18
2260	5.90	500	0	2.67	0.15
2286	3.19	271	0	1.62	0.18
2288	2.54	248	0	1.29	0.21
2300	z	z	z	z	z
2302	3.19	271	0	1.62	0.18
2305	2.41	243	0	1.23	0.18
2362	2.15	234	0	1.09	0.18
2380	2.51	247	0	1.27	0.23
2402	2.71	254	0	1.23	0.17
2413	3.98	298	0	2.02	0.16
2416	3.90	296	0	1.98	0.25
2417	2.91	261	0	1.48	0.18
2501	2.43	244	0	1.24	0.20

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
2503	0.88	190	0	0.44	0.21
2534	2.43	244	0	1.24	0.20
2570	4.75	325	0	2.41	0.18
2576	2.80	257	0	1.42	0.19
2578	2.80	257	0	1.42	0.19
2585	3.01	264	0	1.53	0.21
2586	1.28	204	0	0.65	0.19
2587	2.00	249	20	1.01	0.21
2600	z	z	z	z	z
2623	2.70	254	0	1.37	0.17
2640	3.08	267	0	1.56	0.17
2651	3.08	267	0	1.56	0.17
2660	1.96	228	0	1.00	0.23
2683	2.28	239	0	1.16	0.19
2688	2.69	253	0	1.37	0.19
2702	18.16	500	20	8.22	0.16
2710	6.85	500	0	3.10	0.19
2714	z	z	z	z	z
2731	4.76	326	0	2.42	0.19
2741	5.93	500	0	3.05	0.22
2747	8.10	500	0	4.17	0.17
2790	2.09	232	0	1.06	0.20
2802	4.45	315	0	2.26	0.19
2835	2.97	263	0	1.53	0.20
2836	4.12	303	0	2.12	0.17
2841	2.66	252	0	1.35	0.19
2883	2.81	257	0	1.43	0.20
2915	z	z	z	z	z
2916	z	z	z	z	z
2923	1.78	221	0	0.90	0.20
2942	1.79	222	0	0.92	0.18
2960	z	z	z	z	z
3004	z	z	z	z	z
3018	3.25	273	0	1.65	0.17
3022	4.20	306	0	2.13	0.18
3027	4.37	312	0	2.22	0.18
3028	4.39	313	0	2.23	0.24
3030	7.26	500	0	3.29	0.17
3040	9.60	500	0	4.35	0.19
3041	4.93	332	0	2.50	0.15
3042	3.26	273	0	1.66	0.21
3064	2.99	264	0	1.52	0.18
3066	2.99	264	0	1.52	0.18
3076	2.57	249	0	1.30	0.20
3081	7.87	500	0	3.56	0.19
3082	7.87	500	0	3.56	0.19
3085	4.76	326	0	2.15	0.19
3110	7.63	500	0	3.88	0.23
3111	2.24	237	0	1.14	0.17

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
3113	1.87	224	0	0.95	0.21
3114	3.91	296	0	1.98	0.19
3118	1.87	224	0	0.95	0.21
3119	0.89	190	0	0.46	0.18
3120	1.70	219	0	0.88	0.26
3122	2.32	240	0	1.18	0.15
3126	z	z	z	z	z
3127	0.66	182	0	0.34	0.23
3131	2.64	251	0	1.34	0.18
3132	2.22	237	0	1.00	0.23
3145	1.54	213	0	0.78	0.20
3146	2.40	243	0	1.22	0.20
3169	4.26	308	0	2.16	0.21
3175	z	z	z	z	z
3179	2.12	233	0	1.08	0.20
3180	3.34	276	0	1.70	0.22
3188	3.12	268	0	1.59	0.21
3200	2.87	259	0	1.46	0.20
3220	2.01	229	0	1.02	0.19
3223	(a)	(a)	(a)	(a)	(a)
3227	4.26	308	0	2.16	0.21
3241	2.57	249	0	1.30	0.19
3255	3.49	281	0	1.80	0.20
3257	2.57	249	0	1.30	0.22
3270	2.08	232	0	1.05	0.19
3300	7.27	500	0	3.74	0.17
3303	z	z	z	z	z
3305	(a)	(a)	(a)	(a)	(a)
3315	1.98	228	0	1.01	0.20
3334	(a)	(a)	(a)	(a)	(a)
3336	2.97	263	0	1.51	0.22
3365	10.37	500	50	4.54	0.16
3372	2.39	243	0	1.08	0.18
3373	4.57	319	0	2.32	0.16
3381	3.18	270	0	1.62	0.22
3383	1.46	210	0	0.74	0.21
3385	0.79	187	0	0.40	0.20
3400	4.26	308	0	2.16	0.21
3507	3.13	269	0	1.59	0.19
3515	2.79	257	0	1.42	0.20
3548	1.97	228	0	1.00	0.20
3558	0.54	178	0	0.28	0.17
3559	1.97	228	0	1.00	0.20
3565	z	z	z	z	z
3571	1.21	201	0	0.62	0.19
3574	1.97	228	0	1.00	0.20
3580	z	z	z	z	z
3581	z	z	z	z	z
3612	1.75	220	0	0.89	0.20

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
3620	4.32	310	0	1.96	0.20
3629	1.97	228	0	1.00	0.20
3632	1.97	228	0	1.00	0.20
3634	2.73	255	0	1.38	0.19
3635	2.76	256	0	1.40	0.21
3638	1.97	228	0	1.00	0.20
3639	z	z	z	z	z
3642	1.28	204	0	0.65	0.20
3643	2.12	233	0	1.08	0.20
3647	2.91	261	0	1.48	0.23
3648	1.78	221	0	0.90	0.20
3681	0.78	186	0	0.40	0.20
3685	0.78	186	0	0.40	0.20
3724	5.89	500	50	2.58	0.16
3726	12.57	500	50	4.39	0.12
3803	z	z	z	z	z
3807	4.26	308	0	2.16	0.21
3808	2.82	258	0	1.43	0.22
3821	4.51	337	20	2.04	0.18
3822	z	z	z	z	z
3826	2.34	241	0	1.19	0.21
3827	z	z	z	z	z
3830	1.97	228	0	0.89	0.20
3841	1.85	224	0	0.94	0.21
3851	z	z	z	z	z
3881	z	z	z	z	z
4000	5.65	500	20	2.56	0.18
4021	3.24	272	0	1.65	0.18
4024	3.73	290	0	1.69	0.17
4034	6.52	500	0	2.95	0.17
4036	2.59	250	0	1.17	0.19
4038	1.80	222	0	0.93	0.18
4053	1.60	215	0	0.81	0.18
4054	z	z	z	z	z
4061	2.21	236	0	1.12	0.20
4062	2.21	236	0	1.12	0.20
4101	z	z	z	z	z
4112	0.67	182	0	0.34	0.22
4113	1.60	215	0	0.81	0.18
4114	2.50	247	0	1.27	0.18
4130	3.72	289	0	1.89	0.20
4133	1.89	225	0	0.96	0.19
4150	0.91	191	0	0.47	0.19
4206	z	z	z	z	z
4207	z	z	z	z	z
4239	4.32	310	0	1.96	0.20
4243	3.72	289	0	1.89	0.22
4244	3.52	282	0	1.79	0.20
4250	2.67	252	0	1.35	0.18

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
4251	2.27	238	0	1.15	0.19
4273	3.49	281	0	1.77	0.22
4279	3.87	294	0	1.96	0.18
4282	0.58	179	0	0.30	0.21
4283	3.12	268	0	1.58	0.22
4299	1.91	226	0	0.97	0.20
4301	3.42	279	0	1.74	0.17
4304	3.26	273	0	1.65	0.21
4307	1.86	224	0	0.96	0.20
4308	0.79	187	0	0.40	0.21
4350	0.61	180	0	0.31	0.23
4351	0.85	189	0	0.43	0.19
4352	0.98	193	0	0.50	0.19
4360	1.09	197	0	0.55	0.17
4361	0.45	195	20	0.23	0.18
4362	0.74	205	20	0.34	0.21
4410	3.98	298	0	2.02	0.20
4417	4.24	307	0	2.16	0.21
4420	z	z	z	z	z
4431	z	z	z	z	z
4432	1.48	211	0	0.76	0.20
4439	2.20	236	0	1.00	0.19
4452	2.81	257	0	1.43	0.20
4459	2.58	249	0	1.31	0.22
4470	2.79	257	0	1.26	0.19
4484	2.50	247	0	1.27	0.21
4493	3.17	270	0	1.61	0.20
4511	0.45	195	20	0.23	0.17
4512	0.19	186	20	0.10	0.20
4557	1.50	212	0	0.76	0.18
4558	2.44	244	0	1.24	0.20
4561	2.20	236	0	1.12	0.19
4568	z	z	z	z	z
4581	z	z	z	z	z
4583	3.16	270	0	1.43	0.15
4611	1.34	206	0	0.68	0.21
4635	2.61	250	0	0.94	0.19
4653	4.55	318	0	2.31	0.27
4665	6.62	500	0	3.00	0.18
4670	z	z	z	z	z
4673	z	z	z	z	z
4683	z	z	z	z	z
4686	z	z	z	z	z
4692	0.51	177	0	0.26	0.21
4693	0.99	194	0	0.50	0.26
4703	z	z	z	z	z
4716	z	z	z	z	z
4717	z	z	z	z	z
4720	2.69	253	0	1.37	0.18

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
4740	1.81	222	0	0.82	0.16
4741	2.83	258	0	1.44	0.25
4770	10.88	500	0	4.52	0.10
4773	20.99	500	0	9.15	0.10
4774	17.77	500	0	7.56	0.11
4775	10.66	500	0	4.48	0.11
4776	15.33	500	0	6.60	0.09
4777	3.16	270	0	1.43	0.15
4779	13.75	500	0	5.85	0.11
4799	36.36	500	0	16.65	0.10
4825	0.51	177	0	0.23	0.18
4828	1.85	224	0	0.84	0.16
4829	1.85	224	0	0.84	0.16
4902	1.79	222	0	0.91	0.18
4923	1.09	197	0	0.55	0.17
5020	4.99	500	50	2.18	0.15
5022	10.98	500	50	4.80	0.16
5037	31.44	500	50	10.99	0.12
5040	47.44	500	50	16.58	0.13
5057	36.98	500	50	12.92	0.13
5059	36.98	500	50	12.92	0.13
5069	36.98	500	50	16.17	0.13
5102	7.73	500	50	3.38	0.17
5146	5.23	500	50	2.29	0.19
5160	3.46	330	50	1.51	0.19
5183	4.14	354	50	1.81	0.17
5188	4.23	357	50	1.85	0.21
5190	3.33	326	50	1.46	0.18
5191	1.23	222	20	0.56	0.17
5192	5.08	357	20	2.58	0.22
5213	20.29	500	50	8.87	0.13
5215	5.06	500	50	2.48	0.18
5221	6.83	500	50	2.99	0.15
5222	8.96	500	50	3.13	0.13
5223	5.06	500	50	2.21	0.18
5348	6.46	500	50	2.82	0.19
5402	16.69	500	50	8.19	0.15
5403	11.92	500	50	5.21	0.17
5437	5.82	500	50	2.54	0.16
5443	6.39	500	50	3.14	0.14
5445	6.96	500	50	3.04	0.17
5462	9.32	500	50	4.07	0.15
5472	7.50	500	50	3.28	0.20
5473	13.32	500	50	5.83	0.12
5474	4.99	500	50	2.18	0.18
5478	5.06	500	50	2.21	0.19
5479	10.22	500	50	4.47	0.18
5480	5.28	500	50	2.31	0.16
5506	6.04	500	50	2.64	0.16

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
5507	6.60	500	50	2.89	0.15
5508	4.42	500	50	1.93	0.15
5509	4.01	349	50	1.75	0.18
5538	5.35	500	50	2.34	0.18
5545	33.33	500	50	14.58	0.14
5547	14.13	500	50	6.18	0.15
5606	1.77	271	50	0.77	0.18
5610	5.49	500	50	2.69	0.17
5645	7.07	500	50	3.09	0.18
5651	7.07	500	50	3.09	0.18
5701	26.08	500	50	9.11	0.11
5703	22.35	500	50	9.78	0.12
5705	10.82	500	50	4.73	0.13
5951	z	z	z	z	z
6003	15.27	500	50	6.68	0.15
6005	4.42	500	50	1.93	0.15
6017	z	z	z	z	z
6018	z	z	z	z	z
6204	11.49	500	50	5.02	0.15
6217	4.26	358	50	1.86	0.18
6229	4.26	358	50	2.09	0.18
6233	5.42	500	50	2.37	0.16
6251	7.34	500	50	2.56	0.12
6252	8.27	500	50	2.89	0.11
6257	z	z	z	z	z
6260	z	z	z	z	z
6306	5.64	500	50	2.47	0.16
6319	5.62	500	50	2.46	0.16
6325	3.53	333	50	1.54	0.19
6400	6.31	500	50	3.10	0.15
6504	2.94	262	0	1.49	0.18
6811	7.91	500	20	3.71	0.15
6834	3.69	308	20	1.67	0.17
6836	2.75	275	20	1.25	0.17
6845	z	z	z	z	z
6854	8.97	500	20	4.07	0.16
6882	18.31	500	20	8.31	0.17
6884	26.06	500	20	12.22	0.15
7133	(a)	(a)	(a)	(a)	(a)
7219	7.39	500	20	3.35	0.17
7230	8.15	500	20	3.69	0.15
7231	5.83	500	20	2.64	0.18
7360	5.27	500	20	2.39	0.18
7370	3.69	308	20	1.88	0.21
7380	6.46	500	20	2.92	0.19
7382	4.03	320	20	1.82	0.19
7403	4.21	326	20	2.14	0.18
7405	0.82	208	20	0.49	0.18
7409	8.25	500	20	2.99	0.11

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
7418	8.25	500	20	2.99	0.11
7420	8.25	500	20	2.99	0.11
7421	2.33	261	20	1.05	0.12
7422	2.33	261	20	0.84	0.12
7423	3.86	314	20	1.75	0.18
7425	(a)	(a)	(a)	(a)	(a)
7430	z	z	z	z	z
7431	1.75	240	20	0.84	0.12
7445	0.27	0	0	0.00	0.00
7453	0.58	0	0	0.00	0.00
7502	4.04	320	20	1.83	0.19
7515	1.83	243	20	0.66	0.16
7520	3.86	314	20	1.75	0.16
7538	4.21	356	50	1.47	0.18
7539	1.62	236	20	0.73	0.16
7580	2.60	270	20	1.18	0.18
7590	8.61	500	20	4.37	0.19
7600	3.25	293	20	1.47	0.17
7601	4.21	356	50	1.84	0.18
7610	0.17	185	20	0.08	0.19
7704	1.88	245	20	0.85	0.19
7720	1.48	231	20	0.67	0.17
7855	8.83	500	50	3.86	0.17
8001	1.25	223	20	0.64	0.21
8002	2.77	276	20	1.40	0.18
8006	1.27	223	20	0.64	0.20
8008	0.85	209	20	0.43	0.20
8010	1.60	235	20	0.81	0.20
8013	0.49	196	20	0.25	0.18
8017	1.23	222	20	0.62	0.20
8018	3.58	304	20	1.82	0.22
8021	4.01	319	20	2.04	0.18
8031	2.24	257	20	1.14	0.19
8032	1.78	241	20	0.90	0.22
8033	1.95	247	20	0.99	0.24
8034	4.35	331	20	2.21	0.19
8039	2.30	260	20	1.17	0.23
8044	3.32	295	20	1.69	0.20
8046	2.13	254	20	1.08	0.21
8048	3.23	292	20	1.64	0.17
8050	1.24	222	20	0.63	0.20
8058	3.00	284	20	1.52	0.21
8103	3.15	289	20	1.60	0.17
8105	4.03	320	20	2.05	0.13
8106	7.71	500	20	3.49	0.22
8107	3.00	284	20	1.36	0.20
8111	3.27	293	20	1.66	0.21
8116	3.00	284	20	1.53	0.20
8203	4.61	340	20	2.34	0.19

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Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
8204	7.95	500	20	3.60	0.14
8215	3.77	311	20	1.70	0.23
8227	3.17	320	50	1.39	0.15
8232	4.96	353	20	2.24	0.21
8233	9.04	500	20	4.09	0.17
8235	4.39	333	20	2.23	0.20
8263	5.48	500	20	2.78	0.16
8264	4.91	351	20	2.50	0.20
8265	9.04	500	20	4.09	0.17
8279	5.55	500	20	2.82	0.18
8291	3.75	310	20	1.91	0.21
8292	3.72	309	20	1.89	0.23
8293	8.07	500	20	4.10	0.18
8304	z	z	z	z	z
8350	5.08	357	20	2.30	0.20
8380	2.62	271	20	1.18	0.19
8381	1.52	232	20	0.77	0.21
8385	2.82	278	20	1.28	0.19
8392	1.44	229	20	0.73	0.18
8393	2.05	251	20	0.93	0.19
8500	9.04	500	20	4.09	0.17
8601	0.32	190	20	0.14	0.17
8606	z	z	z	z	z
8710	1.86	244	20	0.84	0.19
8719	1.86	244	20	0.84	0.19
8720	0.95	212	20	0.43	0.17
8721	0.24	187	20	0.11	0.22
8742	0.21	186	20	0.09	0.19
8745	4.36	332	20	2.22	0.22
8747	1.23	222	20	0.62	0.20
8748	0.64	201	20	0.29	0.19
8800	0.66	202	20	0.34	0.18
8803	0.06	181	20	0.03	0.16
8810	0.13	184	20	0.06	0.21
8820	0.11	183	20	0.05	0.17
8829	2.28	259	20	1.16	0.22
8831	0.98	213	20	0.50	0.20
8832	0.28	189	20	0.13	0.19
8833	1.22	222	20	0.62	0.21
8835	2.10	253	20	1.07	0.23
8837	(a)	(a)	(a)	(a)	(a)
8868	0.53	198	20	0.27	0.22
8901	0.13	184	20	0.06	0.21
9014	2.17	255	20	1.06	0.19
9015	2.79	277	20	1.26	0.18
9016	1.84	243	20	0.94	0.20
9019	5.24	500	20	2.37	0.15
9033	3.64	306	20	1.85	0.21
9040	3.18	290	20	1.62	0.21

X 000025

Section X - Classification Pricing
 Subsection A - Summary
 9/1/2007

Section X - A
 Exhibit 1

Manual Rates and Rating Values
 All Industry Groups

Class (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
9052	1.68	238	20	0.86	0.22
9058	1.68	238	20	0.86	0.22
9060	1.29	224	20	0.66	0.21
9061	0.98	213	20	0.50	0.21
9063	0.66	202	20	0.30	0.23
9079	1.19	221	20	0.60	0.21
9088	(a)	(a)	(a)	(a)	(a)
9089	0.94	212	20	0.48	0.18
9093	1.66	237	20	0.86	0.20
9101	2.98	283	20	1.52	0.21
9102	2.30	260	20	1.17	0.22
9154	1.25	223	20	0.57	0.19
9156	0.96	213	20	0.49	0.21
9178	23.32	500	20	11.85	0.21
9179	23.39	500	20	11.88	0.21
9180	4.23	327	20	2.15	0.20
9182	3.38	297	20	1.72	0.19
9186	4.23	327	20	1.92	0.20
9220	3.88	315	20	1.97	0.23
9402	5.44	500	20	2.46	0.17
9403	6.88	500	20	3.12	0.17
9410	1.79	242	20	0.91	0.19
9501	2.77	256	0	1.41	0.19
9505	2.77	256	0	1.41	0.19
9519	2.56	269	20	1.16	0.18
9521	4.79	327	0	2.17	0.19
9522	1.60	215	0	0.81	0.18
9533	24.45	500	50	9.07	0.15
9534	6.30	500	50	2.76	0.15
9545	4.85	500	50	2.20	0.17
9549	4.00	349	50	1.81	0.15
9552	7.21	500	50	3.26	0.16
9553	7.21	500	50	3.26	0.16
9586	0.51	197	20	0.26	0.20
9620	0.71	204	20	0.32	0.18

Notes:

(a): Rate for each individual risk must be obtained by Home Office from the WCRIB.

z: Classifications potentially available. If needed, Home Office should contact the WCRIB.

Calculation of Pure Premium Underlying Proposed Rate Factor

Industry Group (1)	Injury Type (2)	Uncapped Rate Level Factor (3)	Industry Group Pure Premium (4)	Percent of Pure Premium =(4) / [Total of (4)] (5)	Expected Loss Ratio (6)	Pure Premium Underlying Proposed Rate Factor = (3) x (5) x (6) (7)
Manufacturing	Serious	2.385	0.887	0.390	0.775	0.720
	Non-Serious	2.385	0.495	0.217	0.775	0.402
	Medical	2.385	0.895	0.393	0.775	0.726
	Total		2.277			
Construction	Serious	6.162	2.973	0.506	0.775	2.418
	Non-Serious	6.162	0.913	0.156	0.775	0.743
	Medical	6.162	1.985	0.338	0.775	1.615
	Total		5.872			
Office and Clerical	Serious	0.211	0.073	0.356	0.775	0.058
	Non-Serious	0.211	0.046	0.225	0.775	0.037
	Medical	0.211	0.086	0.419	0.775	0.069
	Total		0.205			
Goods and Services	Serious	2.074	0.694	0.357	0.775	0.574
	Non-Serious	2.074	0.441	0.227	0.775	0.365
	Medical	2.074	0.807	0.415	0.775	0.668
	Total		1.941			
Miscellaneous	Serious	5.349	2.099	0.436	0.775	1.807
	Non-Serious	5.349	0.875	0.182	0.775	0.753
	Medical	5.349	1.842	0.382	0.775	1.586
	Total		4.816			

Notes:

(3): Uncapped rate level factors from Section X - H, Exhibit 1

(4): Industry Group Pure Premiums from Section X - C.

(6): Expected Loss and Loss Adjustment Expense Ratio from Section VI - A, Exhibit 1.

X 000026

Calculation of Indemnity and Medical Conversion Factors

The MA Indicated Pure Premium Relativities are calculated from exposure and loss data for the latest available 5 composite policy years of Unit Statistical Plan data. Below are adjustment factors used to put the losses at the level proposed in this filing.

A. Benefit Level Adjustment Factor

The following factors are used to bring MA Unit Statistical Plan losses to the benefit level of the proposed effective policy year period.

Indemnity	Composite Policy Year				
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004
(1) Fatal	1.061	1.028	1.021	1.022	1.020
(2) Permanent Total	1.062	1.040	1.031	1.031	1.029
(3) Major Permanent Partial	1.108	1.076	1.060	1.061	1.057
(4) Minor Permanent Partial	1.128	1.077	1.060	1.061	1.057
(5) Temporary Total	1.033	1.021	1.016	1.017	1.016
Medical					
(6) All Injury Types	1.088	1.067	1.058	1.019	1.009

B. Loss Development Factors

The following factors are used to bring MA Unit Statistical Plan losses from first through fifth report to an ultimate basis.

Indemnity	Composite Policy Year				
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004
(7) Fatal	1.116	1.116	1.076	1.079	1.079
(8) Permanent Total	1.116	1.478	2.599	3.898	6.417
(9) Major Permanent Partial	1.116	1.157	1.257	1.526	2.493
(10) Minor Permanent Partial	1.000	1.037	1.127	1.367	2.235
(11) Temporary Total	1.000	0.969	0.920	0.864	0.929
Medical					
(12) Fatal	1.000	1.039	0.998	1.096	1.018
(13) Permanent Total	1.459	1.765	2.030	3.045	3.998
(14) Major Permanent Partial	1.459	1.506	1.598	1.807	2.353
(15) Minor Permanent Partial	1.000	1.032	1.095	1.238	1.613
(16) Temporary Total	1.000	0.985	0.928	0.854	0.806
(17) Medical Only	1.000	1.006	1.008	1.024	1.069

Notes:

(A): From Section IV - A Exhibit 6.

(B): Development to 5th report (Exhibit 2, Pages 1 through 5) x Development from 5th to ultimate (Section IV - I, Exhibit 3.)

X 000028

Section X - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
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Section X - B
 Exhibit 1
 Page 2

Calculation of Indemnity and Medical Conversion Factors

C. Loss Adjustment Expense Factor:

The following factor is applied to include the proposed loss adjustment expense.

	Indemnity	Medical
(1) Loss Adjustment Expense	1.182	1.182

D. Investment Income Offset Factor:

The following factor is applied to adjust for investment income.

Indemnity	Investment Income Offset Factor
(2) Fatal	0.689
(3) Permanent Total	0.615
(4) Major Permanent Partial	1.020
(5) Minor Permanent Partial	1.062
(6) Temporary Total	1.038
Medical	
(7) Fatal	1.000
(8) Permanent Total	0.623
(9) Major Permanent Partial	1.034
(10) Minor Permanent Partial	1.077
(11) Temporary Total	1.052
(12) Medical Only	1.000

E. Conversion Factors:

The factors above are combined multiplicatively, resulting in the following conversion factors.

	Composite Policy Year				
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004
(13) Fatal	0.963	0.934	0.895	0.898	0.896
(14) Permanent Total	0.861	1.117	1.947	2.921	4.797
(15) Major Permanent Partial	1.490	1.501	1.605	1.951	3.175
(16) Minor Permanent Partial	1.416	1.402	1.499	1.822	2.966
(17) Temporary Total	1.268	1.213	1.148	1.077	1.158
Medical					
(18) Fatal	1.287	1.311	1.248	1.319	1.215
(19) Permanent Total	1.170	1.388	1.582	2.286	2.973
(20) Major Permanent Partial	1.941	1.965	2.065	2.249	2.902
(21) Minor Permanent Partial	1.386	1.403	1.475	1.607	2.073
(22) Temporary Total	1.354	1.308	1.221	1.082	1.012
(23) Medical Only	1.287	1.269	1.260	1.233	1.275

Notes:

- (C): From Section VI - D, Exhibit 1.
- (D): From Section X - B, Exhibit 3.
- (E): (A) x (B) x (C) x (D)

X 000029

Development Factors for Injury Type 1 - Fatal

Composite Policy Year (1)	Indemnity Losses					On-Level Indemnity Losses Developed to Fifth Report (3)
	First	Second	Report (2) Third	Fourth	Fifth	
1993/1994	4,369,637	5,455,536	7,697,291	8,073,344	7,230,734	
1994/1995	11,729,565	14,199,366	13,010,755	11,948,192	8,913,080	
1995/1996	5,761,984	8,280,702	8,601,065	8,085,068	8,577,272	
1996/1997	6,803,507	7,769,302	8,563,069	8,179,956	9,196,824	
1997/1998	6,562,623	7,127,279	6,376,781	7,853,041	7,664,599	
1998/1999	6,462,798	7,158,760	6,362,791	7,130,151	7,923,459	
1999/2000	5,432,859	7,326,544	8,317,104	6,246,164	6,419,123	
2000/2001	17,598,453	11,312,138	10,582,931	9,506,424		
2001/2002	12,630,626	11,954,632	11,820,812			
2002/2003	11,141,798	13,392,709				
2003/2004	5,298,678					5,199,732

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	0.958	1.003	0.965	0.970
(5) Selected	1.000	1.003	0.965	1.000
(6) Cumulative	0.967	0.967	0.965	1.000

Composite Policy Year (7)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
1993/1994	161,838	357,024	437,716	202,050	331,433	
1994/1995	926,798	1,139,366	1,063,861	1,233,409	1,158,985	
1995/1996	192,172	177,988	374,285	329,599	322,968	
1996/1997	472,989	280,179	103,614	89,809	81,309	
1997/1998	154,147	135,324	122,509	130,501	121,392	
1998/1999	434,352	421,937	687,907	309,926	709,478	
1999/2000	287,687	393,831	357,106	587,804	371,235	
2000/2001	200,006	253,319	380,611	489,991		
2001/2002	441,507	629,887	642,697			
2002/2003	1,070,087	588,948				
2003/2004	221,607					227,745

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	0.929	1.097	0.961	1.039
(11) Selected	0.929	1.097	0.961	1.039
(12) Cumulative	1.018	1.096	0.998	1.039

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
1993/1994	23	30	35	36	37	
1994/1995	31	41	40	45	44	
1995/1996	30	33	35	32	30	
1996/1997	37	37	37	38	37	
1997/1998	37	39	38	38	37	
1998/1999	18	23	26	26	28	
1999/2000	14	18	23	27	27	27
2000/2001	23	29	32	34		34
2001/2002	28	37	37			38
2002/2003	33	33				36
2003/2004	22					28

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	1.156	1.076	1.019	0.994
(17) Selected	1.156	1.076	1.019	0.994
(18) Cumulative	1.261	1.091	1.014	0.994

Notes:

Development factors are a five year weighted average, ignoring diagonal starting with Composite Policy Year 1998/1999. On-Level factors are from Section IV - A, Exhibit 5.

X 000030

Section X - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
 9/1/2007

Section X - B
 Exhibit 2
 Page 2

Development Factors for Injury Type 2 - Permanent Total

Composite Policy Year (1)	Indemnity Losses					On-Level Indemnity Losses Developed to Fifth Report (3)
	First	Second	Report (2) Third	Fourth	Fifth	
1993/1994	1,966,532	2,110,713	2,044,995	5,549,495	8,964,258	
1994/1995	2,483,218	2,091,038	3,433,387	11,679,018	12,006,322	
1995/1996	1,177,222	2,194,287	3,179,659	9,245,041	19,285,444	
1996/1997	355,607	1,550,095	1,541,323	6,292,194	12,060,688	
1997/1998	2,361,000	2,336,155	8,127,675	13,712,953	18,309,629	
1998/1999	2,232,684	1,640,169	9,298,371	10,764,769	17,791,806	
1999/2000	2,786,848	4,910,262	7,763,497	10,469,141	9,908,772	
2000/2001	1,134,136	1,943,499	4,845,940	14,957,316		
2001/2002	3,048,480	4,128,655	5,903,689			
2002/2003	632,072	3,079,008				
2003/2004	3,344,429					19,629,687

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.646	2.071	1.781	1.324
(5) Selected	1.646	1.500	1.759	1.324
(6) Cumulative	5.751	3.494	2.329	1.324

Composite Policy Year (7)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
1993/1994	1,745,988	1,795,375	3,345,611	3,801,054	5,165,066	
1994/1995	7,252,084	8,419,247	7,869,777	9,358,685	9,796,381	
1995/1996	3,935,258	4,677,680	5,182,595	6,240,636	13,530,726	
1996/1997	407,744	693,564	1,634,653	2,804,586	5,476,977	
1997/1998	1,404,967	2,646,501	3,087,914	7,943,488	13,457,771	
1998/1999	5,221,229	1,026,027	7,285,508	8,508,572	10,735,935	
1999/2000	4,274,702	6,997,081	9,857,376	22,049,755	21,834,059	
2000/2001	2,165,999	2,253,912	9,999,496	16,146,140		
2001/2002	2,325,905	1,586,635	2,481,252			
2002/2003	673,976	2,672,475				
2003/2004	9,906,304					27,399,773

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	1.490	2.489	1.719	1.210
(11) Selected	1.313	1.500	1.150	1.210
(12) Cumulative	2.740	2.087	1.391	1.210

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
1993/1994	5	6	5	14	25	
1994/1995	5	6	7	29	30	
1995/1996	3	5	11	24	61	
1996/1997	1	9	8	28	39	
1997/1998	5	6	33	48	50	
1998/1999	5	8	38	35	50	
1999/2000	5	13	19	33	30	30
2000/2001	3	8	14	35		42
2001/2002	4	7	15			26
2002/2003	5	11				35
2003/2004	9					51

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	2.045	2.089	1.522	1.150
(17) Selected	1.810	1.833	1.440	1.190
(18) Cumulative	5.685	3.141	1.714	1.190

Notes:

Development factors are a five year weighted average, ignoring diagonal starting with Composite Policy Year 1998/1999. On-Level factors are from Section IV - A, Exhibit 5.

X 000031

Development Factors for Injury Types 3 and 4 Combined - Partial Disability

Composite Policy Year (1)	Indemnity Losses					Injury Type 3 Indemnity Losses at First Report (3)	Injury Type 3 Indemnity Losses Developed to Fifth Report (4)	Injury Type 4 Indemnity Losses at First Report (5)	Injury Type 4 Indemnity Losses Developed to Fifth Report (6)
	First	Second	Report (2) Third	Fourth	Fifth				
1993/1994	101,909,207	142,248,520	164,203,393	167,738,006	171,510,708				
1994/1995	95,735,817	152,248,674	165,727,201	175,860,101	177,753,162				
1995/1996	87,749,625	139,924,790	162,441,348	162,676,950	171,025,995				
1996/1997	77,196,161	134,457,373	148,317,993	155,109,510	160,138,521				
1997/1998	95,628,688	143,889,177	163,800,672	175,901,973	186,878,142				
1998/1999	87,281,206	138,123,851	166,452,171	181,449,932	191,808,559				
1999/2000	89,043,665	147,977,474	179,599,633	214,308,700	235,729,262				
2000/2001	92,475,741	144,810,518	199,147,168	236,412,935					
2001/2002	92,489,275	159,019,752	216,239,058						
2002/2003	80,369,422	202,935,168							
2003/2004	89,050,535					73,068,619	169,699,833	15,981,916	37,117,555

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(7) Average	1.634	1.214	1.086	1.037
(8) Selected	1.634	1.214	1.086	1.037
(9) Cumulative	2.235	1.367	1.127	1.037

Composite Policy Year (10)	Medical Losses					Injury Type 3 Medical Losses at First Report (12)	Injury Type 3 Medical Losses Developed to Fifth Report (13)	Injury Type 4 Medical Losses at First Report (14)	Injury Type 4 Medical Losses Developed to Fifth Report (15)
	First	Second	Report (11) Third	Fourth	Fifth				
1993/1994	43,383,560	49,586,155	53,674,828	54,350,920	55,305,583				
1994/1995	41,941,244	59,036,860	61,646,699	62,575,117	62,962,522				
1995/1996	42,117,725	52,950,901	55,592,302	54,203,610	57,866,063				
1996/1997	42,021,424	54,579,760	55,575,614	58,714,754	60,089,208				
1997/1998	45,776,581	58,374,542	64,255,666	66,293,371	71,920,710				
1998/1999	41,662,710	60,089,432	66,300,424	69,953,826	71,700,235				
1999/2000	50,520,403	67,593,303	81,533,467	96,373,481	108,725,171				
2000/2001	47,061,575	57,159,969	71,585,977	90,424,309					
2001/2002	49,165,807	67,769,974	88,951,065						
2002/2003	42,733,873	87,676,220							
2003/2004	48,485,618					36,398,758	59,255,644	12,086,860	19,676,899

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	1.302	1.131	1.061	1.032
(17) Selected	1.302	1.131	1.061	1.032
(18) Cumulative	1.613	1.238	1.095	1.032

Composite Policy Year (19)	Claim Counts					Injury Type 3 Claim Counts at Latest Report (21)	Injury Type 3 Claim Counts Developed to Fifth Report (22)	Injury Type 4 Claim Counts at Latest Report (23)	Injury Type 4 Claim Counts Developed to Fifth Report (24)
	First	Second	Report (20) Third	Fourth	Fifth				
1993/1994	3,823	4,668	4,860	4,787	4,823				
1994/1995	3,618	4,533	4,544	4,657	4,820				
1995/1996	3,679	4,385	4,577	4,752	5,086				
1996/1997	3,410	4,279	4,629	4,913	4,974				
1997/1998	4,036	5,042	5,254	5,384	5,472				
1998/1999	4,096	4,898	5,117	5,222	5,476				
1999/2000	3,967	4,746	4,932	5,461	5,829	2,084	2,084	3,745	3,745
2000/2001	3,269	3,827	4,583	5,240		2,159	2,211	3,081	3,155
2001/2002	3,156	4,100	4,822			2,027	2,165	2,795	2,986
2002/2003	2,409	4,816				2,091	2,406	2,725	3,135
2003/2004	2,478					960	1,362	1,518	2,153

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(25) Average	1.233	1.077	1.043	1.024
(26) Selected	1.233	1.077	1.043	1.024
(27) Cumulative	1.418	1.150	1.068	1.024

Notes:
 Development factors are a five year weighted average, ignoring diagonals starting with Composite Policy Years 1998/1999 and 2003/2004.
 On-Level factors are from Section IV - A, Exhibit 5.

X 000032

Section X - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
 9/1/2007

Section X - B
 Exhibit 2
 Page 4

Development Factors for Injury Type 5 - Temporary Total

Composite Policy Year (1)	Indemnity Losses					On-Level Indemnity Losses Developed to Fifth Report (3)
	First	Second	Report (2) Third	Fourth	Fifth	
1993/1994	92,985,770	98,703,893	91,274,600	93,614,482	92,002,876	
1994/1995	92,250,333	84,498,175	88,283,395	85,396,459	88,319,090	
1995/1996	100,474,290	97,126,209	95,617,958	101,559,567	97,812,881	
1996/1997	95,795,454	93,290,561	96,998,711	93,012,630	93,066,961	
1997/1998	100,119,484	109,958,417	108,679,258	111,574,095	107,643,161	
1998/1999	113,938,039	121,448,095	125,485,769	124,879,667	111,692,674	
1999/2000	129,822,584	159,485,626	159,872,761	125,561,607	108,553,026	
2000/2001	159,421,031	178,887,456	132,116,233	98,839,732		
2001/2002	126,590,481	116,606,381	83,601,499			
2002/2003	123,836,603	70,845,187				
2003/2004	102,479,261					98,975,609

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.076	0.938	0.950	0.969
(5) Selected	1.076	0.938	0.950	0.969
(6) Cumulative	0.929	0.864	0.920	0.969

Composite Policy Year (17)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
1993/1994	57,914,670	52,932,497	49,095,439	48,928,791	47,560,688	
1994/1995	59,304,612	48,675,100	50,613,845	47,696,560	48,120,925	
1995/1996	62,948,490	53,929,988	50,950,415	52,060,078	52,522,749	
1996/1997	63,119,301	55,157,375	54,099,343	53,482,639	53,809,936	
1997/1998	66,455,588	61,626,964	60,443,000	59,427,895	57,342,292	
1998/1999	73,484,431	69,301,963	67,523,662	66,146,512	64,683,072	
1999/2000	82,518,851	87,768,251	81,869,892	68,110,891	60,507,679	
2000/2001	91,110,032	88,709,028	71,915,308	56,094,892		
2001/2002	84,091,992	72,565,252	56,624,589			
2002/2003	92,205,967	54,789,498				
2003/2004	84,576,785					68,821,814

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	0.945	0.920	0.942	0.985
(11) Selected	0.945	0.920	0.942	0.985
(12) Cumulative	0.806	0.854	0.928	0.985

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
1993/1994	20,320	19,999	19,925	20,072	19,927	
1994/1995	21,052	20,448	20,526	20,057	19,899	
1995/1996	20,601	20,065	19,905	19,885	20,033	
1996/1997	20,518	20,036	20,105	19,929	19,903	
1997/1998	20,259	20,230	19,676	20,185	19,704	
1998/1999	19,884	19,784	19,686	19,331	19,065	
1999/2000	20,670	20,541	20,256	19,758	19,397	19,397
2000/2001	18,952	18,554	17,963	17,307		17,120
2001/2002	17,245	16,608	15,919			15,616
2002/2003	17,649	15,453				14,996
2003/2004	15,430					14,716

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	0.983	0.989	0.992	0.989
(17) Selected	0.983	0.989	0.992	0.989
(18) Cumulative	0.954	0.970	0.981	0.989

Notes:

Development factors are a five year weighted average, ignoring diagonals starting with Composite Policy Years 1998/1999 and 2003/2004.

On-Level factors are from Section IV - A, Exhibit 5.

X 000033

Development Factors for Injury Type 6 - Medical Only

Composite Policy Year (1)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (3)
	First	Second	Report (2) Third	Fourth	Fifth	
1998/1999	22,384,250	23,796,437	24,080,309	24,354,365	24,616,308	
1999/2000	23,983,467	25,778,286	26,638,400	26,737,684	26,761,590	
2000/2001	24,369,675	25,629,104	26,083,118	26,085,877		
2001/2002	24,556,773	26,285,413	26,682,936			
2002/2003	26,020,225	26,500,710				
2003/2004	25,606,424					27,622,697

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.044	1.016	1.002	1.006
(5) Selected	1.044	1.016	1.002	1.006
(6) Cumulative	1.069	1.024	1.008	1.006

Composite Policy Year (7)	Claim Counts					Claims Counts Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
1998/1999	56,944	59,575	60,376	60,839	60,987	
1999/2000	57,330	60,592	61,576	61,678	61,862	61,862
2000/2001	53,425	55,120	55,718	55,835		55,986
2001/2002	50,324	52,302	52,558			52,799
2002/2003	45,945	47,191				47,784
2003/2004	42,144					44,103

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	1.033	1.008	1.002	1.003
(11) Selected	1.033	1.008	1.002	1.003
(12) Cumulative	1.046	1.013	1.005	1.003

Notes:
 Development factors are a two year weighted average.
 On-Level factors are from Section IV - A, Exhibit 5.

Calculation of Investment Income Offset Factor

Indemnity

Injury Type (1)	Loss Flow Discounted at 2.44% Post-Chapter 398 (2)	Injury Type Weights At Ultimate (3)	Investment Income Offset Factor (4)
Fatal	0.639	1.63%	0.689
Permanent Total	0.570	3.10%	0.615
Major Permanent Partial	0.946	34.54%	1.020
Minor Permanent Partial	0.985	4.62%	1.062
Temporary Total	0.962	19.55%	1.038
Total Indemnity			0.927

Medical

Injury Type (5)	Loss Flow Discounted at 2.44% Post-Chapter 398 (6)	Injury Type Weights At Ultimate (7)	Investment Income Offset Factor (8)
Fatal	0.639	0.06%	1.000
Permanent Total	0.570	3.45%	0.623
Major Permanent Partial	0.946	15.41%	1.034
Minor Permanent Partial	0.985	2.89%	1.077
Temporary Total	0.962	10.50%	1.052
Medical Only		4.25%	1.000
Total Medical			0.914

Notes:

(2), (6): Loss Flows are from the 8/1/99 rate filing, Section VIII - E, Exhibits 12 and 16. The discount rate is calculated by multiplying the pre-tax rate of return on governments (Section VIII - H of the 8/1/99 rate filing) times the complement of the federal tax rate on investment income (Section VIII - A of the 8/1/99 rate filing): $[3.25\% \times (1.000 - 25.05\%)] = 2.44\%$

(3): From Section IV - I, Exhibit 1.

(4): (2) / 0.927, which is the weighted average of (2) and (3).

(7): From Section IV - I, Exhibit 2.

(8): (6) / 0.914, which is the weighted average of (6) and (7). This weighted average excludes Fatal and Medical Only injury types as it is assumed that they generate no investment income.

X 000035

Section X - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
 9/1/2007

Section X - B
 Exhibit 4

Calculation of Excess Loss Factors
 For Five Composite Policy Years, 1999/2000 through 2003/2004

Hazard Group	Injury Type		
	Serious	Non-Serious	Medical
(1) Excess Losses			
1	345,165	134,957	741,091
2	35,925,337	3,774,900	46,295,114
3	94,739,741	4,087,577	87,351,383
4	9,978,343	230,011	4,562,373
Total	140,988,586	8,227,445	138,949,961
(2) Limited Losses			
1	4,350,986	3,729,251	5,821,778
2	299,894,871	282,716,326	390,171,354
3	452,618,736	282,414,752	372,838,719
4	36,300,355	8,243,640	13,631,021
Total	793,164,948	577,103,969	782,462,872
(3) Converted Excess Losses			
1	531,312	156,752	1,275,643
2	52,540,817	4,627,350	76,887,579
3	149,234,529	4,823,769	173,484,747
4	15,602,021	263,827	8,823,095
Total	217,908,679	9,871,698	260,471,064
(4) Converted Limited Losses			
1	7,492,934	4,846,494	8,876,771
2	520,973,485	371,640,360	586,760,563
3	787,369,351	361,242,596	599,171,623
4	63,952,622	10,125,905	24,865,265
Total	1,379,788,392	747,855,355	1,219,674,222
(5) Excess Loss Factors = 1.000 + [(3) / (4)]			
1	1.071	1.032	1.144
2	1.101	1.013	1.131
3	1.190	1.013	1.290
4	1.244	1.026	1.355
(6) Selected Excess Loss Factors			
1	1.080	1.007	1.106
2	1.102	1.009	1.136
3	1.199	1.016	1.272
4	1.288	1.022	1.405

Notes:

- (1): From Unit Statistical Plan data. Excess Losses = Losses in excess of \$200,000 for combined indemnity and medical, per claim.
 (2): Reported losses from Unit Statistical Plan data, less excess losses in (1).
 (3): (1) x Conversion factors consistent with Section X - B, Exhibit 1, at the claim level.
 (4): (2) x Conversion factors consistent with Section X - B, Exhibit 1, at the claim level.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Manufacturing Industry Group, Industry Code 1
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	209,052	0	56,558	265,610	201,317	0	72,790	274,107
		2	944,631	0	235,489	1,180,120	813,327	0	275,522	1,088,849
		3	27,621,161	0	9,446,187	37,067,348	41,155,530	0	18,335,049	59,490,579
		4	0	5,978,252	3,536,750	9,515,002	0	8,465,205	4,901,936	13,367,140
		5	0	19,708,045	11,567,451	31,275,496	0	24,989,801	15,662,329	40,652,130
		6	0	0	6,123,714	6,123,714	0	0	7,881,220	7,881,220
2000/2001	4	1	268,262	0	1,339	269,601	250,557	0	1,755	252,312
		2	444,333	0	204,877	649,210	496,320	0	284,369	780,689
		3	33,354,370	0	10,535,003	43,889,373	50,064,909	0	20,701,281	70,766,190
		4	0	5,292,348	2,772,393	8,064,741	0	7,419,872	3,889,667	11,309,539
		5	0	15,367,693	9,263,949	24,631,642	0	18,641,012	12,117,245	30,758,257
		6	0	0	5,296,685	5,296,685	0	0	6,721,493	6,721,493
2001/2002	3	1	1,093,217	0	7,730	1,100,947	978,429	0	9,647	988,076
		2	152,361	0	57,639	210,000	296,647	0	91,185	387,832
		3	25,990,481	0	8,706,014	34,696,495	41,714,722	0	17,977,919	59,692,641
		4	0	4,549,696	2,915,252	7,464,948	0	6,819,994	4,299,997	11,119,991
		5	0	12,947,317	8,458,533	21,405,850	0	14,863,520	10,327,869	25,191,389
		6	0	0	5,153,830	5,153,830	0	0	6,493,826	6,493,826
2002/2003	2	1	666,010	0	74,268	740,278	598,077	0	97,959	696,036
		2	187,277	0	100,678	287,955	547,036	0	230,150	777,186
		3	22,051,321	0	7,837,008	29,888,329	43,022,127	0	17,625,431	60,647,558
		4	0	5,241,815	3,585,153	8,826,968	0	9,550,587	5,761,341	15,311,928
		5	0	9,951,776	8,455,158	18,406,934	0	10,718,063	9,148,481	19,866,544
		6	0	0	4,870,330	4,870,330	0	0	6,005,117	6,005,117
2003/2004	1	1	311,337	0	1	311,338	278,958	0	1	278,959
		2	84,122	0	115,878	200,000	403,533	0	344,505	748,039
		3	9,024,012	0	3,932,469	12,956,481	28,651,238	0	11,412,025	40,063,263
		4	0	3,322,837	2,308,238	5,631,075	0	9,855,535	4,784,977	14,640,512
		5	0	15,572,389	12,630,001	28,202,390	0	18,032,826	12,781,561	30,814,387
		6	0	0	4,748,800	4,748,800	0	0	6,054,720	6,054,720
(12) All Years, All Injury Types			122,401,947	97,932,168	132,997,375	353,331,490	209,472,728	129,356,414	204,291,368	543,120,510

Notes:

- (4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.
- (8): (4) x Conversion Factors from Section X - B, Exhibit 1.
- (9): (5) x Conversion Factors from Section X - B, Exhibit 1.
- (10): (6) x Conversion Factors from Section X - B, Exhibit 1.
- (11): (8) + (9) + (10)

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Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 1
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical Manufacturing Industry Group, Industry Code 1 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	236,523	0	90,225	326,748	58,665,562
		2	903,794	0	330,524	1,234,318	
		3	45,953,512	0	21,187,075	67,140,587	
		4	0	8,547,585	5,632,384	14,179,969	
		5	0	25,244,481	18,086,581	43,331,061	
		6	0	0	9,065,594	9,065,594	
2000/2001	4	1	282,281	0	1,994	284,275	54,180,977
		2	558,066	0	325,930	883,996	
		3	55,793,641	0	23,860,530	79,654,171	
		4	0	7,491,588	4,462,460	11,954,048	
		5	0	18,827,390	13,958,347	32,785,737	
		6	0	0	7,730,282	7,730,282	
2001/2002	3	1	1,113,876	0	11,278	1,125,155	50,861,285
		2	326,905	0	103,552	430,457	
		3	46,783,720	0	20,873,915	67,657,635	
		4	0	6,888,186	4,951,376	11,839,562	
		5	0	15,015,819	11,971,840	26,987,660	
		6	0	0	7,482,185	7,482,185	
2002/2003	2	1	697,314	0	116,604	813,918	51,104,098
		2	602,835	0	261,364	864,198	
		3	48,049,014	0	20,368,294	68,417,307	
		4	0	9,645,905	6,678,114	16,324,019	
		5	0	10,828,086	10,584,603	21,412,689	
		6	0	0	6,919,597	6,919,597	
2003/2004	1	1	307,412	0	1	307,413	49,054,058
		2	444,694	0	391,228	835,922	
		3	32,073,651	0	13,331,302	45,404,953	
		4	0	9,951,350	5,494,625	15,445,975	
		5	0	18,215,902	14,794,093	33,009,995	
		6	0	0	6,969,202	6,969,202	
(9) All Years, All Injury Types			234,127,238	130,656,292	236,035,098	600,818,628	263,865,980
(10) Pure Premium			0.887	0.495	0.895	2.277	

Notes:

- (4), (5), (6): Converted Losses from Section X - C, Exhibit 1, Page 1 x Excess Loss Factors from Section X - B, Exhibit 4, Page 1.
- (7): (4) + (5) + (6)
- (8): From Unit Statistical Plan data, excluding Large Deductibles.
- (10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Construction Industry Group, Industry Code 2
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	580,373	0	91,206	671,579	558,899	0	117,382	676,281
		2	723,368	0	676,632	1,400,000	622,820	0	791,659	1,414,479
		3	65,284,922	0	17,343,139	82,628,061	97,274,534	0	33,663,033	130,937,567
		4	0	7,061,907	4,343,492	11,405,399	0	9,999,660	6,020,080	16,019,740
		5	0	23,255,328	10,570,971	33,826,299	0	29,487,756	14,313,095	43,800,851
		6	0	0	3,754,482	3,754,482	0	0	4,832,018	4,832,018
2000/2001	4	1	1,870,428	0	162,850	2,033,278	1,746,980	0	213,496	1,960,476
		2	2,677,919	0	1,241,198	3,919,117	2,991,236	0	1,722,783	4,714,018
		3	70,337,229	0	19,500,954	89,838,183	105,576,181	0	38,319,375	143,895,555
		4	0	6,149,610	3,851,729	10,001,339	0	8,621,753	5,403,976	14,025,729
		5	0	27,855,945	13,273,837	41,129,782	0	33,789,261	17,362,179	51,151,440
		6	0	0	4,104,527	4,104,527	0	0	5,208,645	5,208,645
2001/2002	3	1	990,486	0	123,316	1,113,802	886,485	0	153,898	1,040,383
		2	691,160	0	108,840	800,000	1,345,689	0	172,185	1,517,873
		3	66,262,363	0	19,622,873	85,885,236	106,351,093	0	40,521,233	146,872,325
		4	0	4,616,592	2,716,987	7,333,579	0	6,920,271	4,007,556	10,927,827
		5	0	22,611,431	11,670,184	34,281,615	0	25,957,923	14,249,295	40,207,217
		6	0	0	4,101,930	4,101,930	0	0	5,168,432	5,168,432
2002/2003	2	1	1,402,930	0	86,890	1,489,820	1,259,831	0	114,608	1,374,439
		2	190,058	0	209,942	400,000	555,159	0	479,927	1,035,087
		3	56,988,166	0	18,786,403	75,774,569	111,183,912	0	42,250,620	153,434,532
		4	0	5,695,893	3,859,255	9,555,148	0	10,377,917	6,201,823	16,579,740
		5	0	18,916,826	12,069,848	30,986,674	0	20,373,422	13,059,576	33,432,997
		6	0	0	4,269,698	4,269,698	0	0	5,264,538	5,264,538
2003/2004	1	1	1,321,566	0	86,809	1,408,375	1,184,123	0	105,473	1,289,596
		2	141,954	0	258,046	400,000	680,953	0	767,171	1,448,124
		3	28,016,643	0	12,464,967	40,481,610	88,952,842	0	36,173,334	125,126,176
		4	0	2,971,775	2,263,997	5,235,772	0	8,814,285	4,693,266	13,507,550
		5	0	31,047,910	21,534,211	52,582,121	0	35,953,480	21,792,622	57,746,101
		6	0	0	4,377,271	4,377,271	0	0	5,581,021	5,581,021
(12) All Years, All Injury Types			297,479,565	150,183,217	197,526,484	645,189,266	521,170,735	190,295,728	328,724,296	1,040,190,760

Notes:

(4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.

(8): (4) x Conversion Factors from Section X - B, Exhibit 1.

(9): (5) x Conversion Factors from Section X - B, Exhibit 1.

(10): (6) x Conversion Factors from Section X - B, Exhibit 1.

(11): (8) + (9) + (10)

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Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 2
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical Construction Industry Group, Industry Code 2 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	687,147	0	149,479	836,627	37,036,820
		2	748,455	0	1,034,955	1,783,410	
		3	117,374,727	0	43,068,167	160,442,894	
		4	0	10,163,834	7,682,359	17,846,192	
		5	0	29,964,787	18,247,640	48,212,427	
		6	0	0	6,172,455	6,172,455	
2000/2001	4	1	2,094,625	0	271,673	2,366,299	41,928,655
		2	3,601,829	0	2,197,738	5,799,567	
		3	127,282,810	0	49,135,052	176,417,862	
		4	0	8,763,161	6,912,208	15,675,369	
		5	0	34,334,811	22,084,237	56,419,048	
		6	0	0	6,660,744	6,660,744	
2001/2002	3	1	1,062,894	0	195,835	1,258,729	42,565,525
		2	1,613,478	0	219,105	1,832,582	
		3	128,317,306	0	51,830,555	180,147,861	
		4	0	7,032,260	5,111,651	12,143,911	
		5	0	26,376,801	18,147,284	44,524,085	
		6	0	0	6,587,253	6,587,253	
2002/2003	2	1	1,524,948	0	147,964	1,672,912	44,397,707
		2	665,635	0	610,706	1,276,341	
		3	135,096,617	0	54,445,946	189,542,564	
		4	0	10,545,067	7,885,701	18,430,767	
		5	0	20,709,136	16,661,461	37,370,597	
		6	0	0	6,724,567	6,724,567	
2003/2004	1	1	1,435,286	0	134,965	1,570,251	45,767,104
		2	816,462	0	976,223	1,792,684	
		3	106,994,079	0	46,207,291	153,201,370	
		4	0	8,956,652	5,981,467	14,938,119	
		5	0	36,535,509	27,704,391	64,239,899	
		6	0	0	7,094,609	7,094,609	
(9) All Years, All Injury Types			629,316,298	193,382,018	420,283,681	1,242,981,997	211,695,811
(10) Pure Premium			2.973	0.913	1.985	5.872	

Notes:

- (4), (5), (6): Converted Losses from Section X - C, Exhibit 2, Page 1 x Excess Loss Factors from Section X - B, Exhibit 4, Page 1.
- (7): (4) + (5) + (6)
- (8): From Unit Statistical Plan data, excluding Large Deductibles.
- (10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Office and Clerical Industry Group, Industry Code 3
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	726,043	0	31,700	757,743	699,179	0	40,798	739,977
		2	390,493	0	209,507	600,000	336,214	0	245,123	581,338
		3	22,045,165	0	6,588,054	28,633,219	32,847,296	0	12,787,413	45,634,709
		4	0	3,688,649	2,797,009	6,485,658	0	5,223,127	3,876,654	9,099,781
		5	0	15,170,716	9,097,008	24,267,724	0	19,236,468	12,317,349	31,553,817
		6	0	0	4,972,881	4,972,881	0	0	6,400,098	6,400,098
2000/2001	4	1	455,202	0	17,772	472,974	425,159	0	23,299	448,458
		2	414,161	0	116,806	530,967	462,618	0	162,127	624,745
		3	19,768,190	0	6,203,246	25,971,436	29,672,053	0	12,189,378	41,861,432
		4	0	3,549,899	2,277,720	5,827,619	0	4,976,958	3,195,641	8,172,600
		5	0	13,090,694	7,998,128	21,088,822	0	15,879,012	10,461,551	26,340,563
		6	0	0	5,179,287	5,179,287	0	0	6,572,515	6,572,515
2001/2002	3	1	602,396	0	81,254	683,650	539,144	0	101,405	640,549
		2	114,004	0	85,996	200,000	221,966	0	136,046	358,011
		3	18,194,119	0	6,067,213	24,261,332	29,201,561	0	12,528,795	41,730,356
		4	0	3,437,475	2,914,444	6,351,919	0	5,152,775	4,298,805	9,451,580
		5	0	11,622,868	8,146,831	19,769,699	0	13,343,052	9,947,281	23,290,333
		6	0	0	5,249,070	5,249,070	0	0	6,613,828	6,613,828
2002/2003	2	1	398,776	0	8,641	407,417	358,101	0	11,397	369,498
		2	121,309	0	78,691	200,000	354,344	0	179,888	534,231
		3	18,111,338	0	6,597,494	24,708,832	35,335,220	0	14,837,764	50,172,984
		4	0	4,352,139	3,644,438	7,996,577	0	7,929,597	5,856,612	13,786,209
		5	0	10,025,430	8,355,531	18,380,961	0	10,797,388	9,040,685	19,838,073
		6	0	0	5,385,002	5,385,002	0	0	6,639,707	6,639,707
2003/2004	1	1	199,115	0	885	200,000	178,407	0	1,075	179,482
		2	3,154	0	5,209	8,363	15,130	0	15,486	30,616
		3	5,199,348	0	2,352,532	7,551,880	16,507,930	0	6,827,048	23,334,978
		4	0	2,364,824	1,943,545	4,308,369	0	7,014,068	4,028,969	11,043,037
		5	0	12,813,314	11,667,066	24,480,380	0	14,837,818	11,807,071	26,644,888
		6	0	0	4,852,426	4,852,426	0	0	6,186,843	6,186,843
(12) All Years, All Injury Types			86,742,813	80,116,008	112,925,386	279,784,207	147,154,322	104,390,264	167,330,652	418,875,237

Notes:

- (4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.
- (8): (4) x Conversion Factors from Section X - B, Exhibit 1.
- (9): (5) x Conversion Factors from Section X - B, Exhibit 1.
- (10): (6) x Conversion Factors from Section X - B, Exhibit 1.
- (11): (8) + (9) + (10)

X 000040

X 000041

Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 3
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical Office and Clerical Industry Group, Industry Code 3 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	828,484	0	51,915	880,399	442,000,628
		2	385,464	0	281,720	667,183	
		3	37,434,021	0	15,128,453	52,562,474	
		4	0	5,281,753	4,586,218	9,867,971	
		5	0	19,442,069	14,436,786	33,878,855	
		6	0	0	7,515,564	7,515,564	
2000/2001	4	1	486,522	0	26,701	513,223	471,570,320
		2	522,760	0	199,395	722,156	
		3	33,726,737	0	14,460,735	48,187,472	
		4	0	5,033,639	3,769,680	8,803,319	
		5	0	16,053,331	12,269,455	28,322,787	
		6	0	0	7,719,682	7,719,682	
2001/2002	3	1	621,060	0	122,802	743,861	457,533,081
		2	244,607	0	154,497	399,103	
		3	33,110,631	0	14,684,335	47,794,966	
		4	0	5,209,977	5,054,845	10,264,822	
		5	0	13,489,933	11,630,331	25,120,264	
		6	0	0	7,742,912	7,742,912	
2002/2003	2	1	412,048	0	12,943	424,991	464,793,521
		2	424,857	0	228,906	653,764	
		3	40,086,565	0	17,562,327	57,648,892	
		4	0	8,018,977	6,926,729	14,945,706	
		5	0	10,915,918	10,619,855	21,535,773	
		6	0	0	7,787,246	7,787,246	
2003/2004	1	1	213,910	0	1,368	215,278	451,199,950
		2	16,673	0	17,587	34,260	
		3	18,726,287	0	8,100,286	26,826,574	
		4	0	7,092,451	4,752,670	11,845,122	
		5	0	14,997,836	13,847,102	28,844,938	
		6	0	0	7,263,115	7,263,115	
(9) All Years, All Injury Types			167,240,626	105,535,886	196,956,159	469,732,671	2,287,097,500
(10) Pure Premium			0.073	0.046	0.086	0.205	

Notes:

- (4), (5), (6): Converted Losses from Section X - C, Exhibit 3, Page 1 x Excess Loss Factors from Section X - B, Exhibit 4, Page 1.
- (7): (4) + (5) + (6)
- (8): From Unit Statistical Plan data, excluding Large Deductibles.
- (10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Goods and Services Industry Group, Industry Code 9
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	1,182,806	0	16,159	1,198,965	1,139,042	0	20,797	1,159,839
		2	1,582,660	0	779,840	2,362,500	1,362,670	0	912,413	2,275,083
		3	43,225,192	0	16,487,289	59,712,481	64,405,536	0	32,001,828	96,407,364
		4	0	9,568,366	6,230,610	15,798,976	0	13,548,806	8,635,625	22,184,432
		5	0	36,602,724	21,274,384	57,877,108	0	46,412,254	28,805,516	75,217,770
		6	0	0	9,840,804	9,840,804	0	0	12,665,115	12,665,115
2000/2001	4	1	1,005,021	0	88,423	1,093,444	938,690	0	115,923	1,054,612
		2	868,479	0	131,521	1,000,000	970,091	0	182,551	1,152,642
		3	42,279,173	0	15,059,641	57,338,814	63,461,039	0	29,592,195	93,053,233
		4	0	9,190,087	5,566,364	14,756,451	0	12,884,502	7,809,609	20,694,111
		5	0	30,464,821	18,927,538	49,392,359	0	36,953,828	24,757,220	61,711,048
		6	0	0	9,415,526	9,415,526	0	0	11,948,302	11,948,302
2001/2002	3	1	1,664,716	0	99,184	1,763,900	1,489,921	0	123,782	1,613,702
		2	431,867	0	164,290	596,157	840,845	0	259,907	1,100,752
		3	42,570,705	0	16,107,018	58,677,723	68,325,982	0	33,260,992	101,586,974
		4	0	8,992,440	5,247,457	14,239,897	0	13,479,668	7,739,999	21,219,667
		5	0	27,330,188	20,558,281	47,888,469	0	31,375,056	25,101,661	56,476,717
		6	0	0	9,874,790	9,874,790	0	0	12,442,235	12,442,235
2002/2003	2	1	1,252,660	0	54,397	1,307,057	1,124,889	0	71,750	1,196,638
		2	235,991	0	164,009	400,000	689,330	0	374,925	1,064,254
		3	44,706,600	0	18,158,109	62,864,709	87,222,577	0	40,837,587	128,060,164
		4	0	9,498,127	7,120,086	16,618,213	0	17,305,587	11,441,978	28,747,566
		5	0	22,819,203	18,335,732	41,154,935	0	24,576,282	19,839,262	44,415,544
		6	0	0	9,641,965	9,641,965	0	0	11,888,543	11,888,543
2003/2004	1	1	832,131	0	69,845	901,976	745,589	0	84,862	830,451
		2	310,874	0	453,930	764,804	1,491,263	0	1,349,534	2,840,796
		3	17,654,625	0	7,414,715	25,069,340	56,053,434	0	21,517,503	77,570,937
		4	0	5,920,157	4,690,180	10,610,337	0	17,559,186	9,722,743	27,281,929
		5	0	30,533,035	27,491,071	58,024,106	0	35,357,255	27,820,964	63,178,218
		6	0	0	9,276,232	9,276,232	0	0	11,827,196	11,827,196
(12) All Years, All Injury Types			199,803,500	190,919,148	258,739,390	649,462,038	350,260,897	249,452,423	393,152,515	992,865,834

Notes:

- (4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.
- (8): (4) x Conversion Factors from Section X - B, Exhibit 1.
- (9): (5) x Conversion Factors from Section X - B, Exhibit 1.
- (10): (6) x Conversion Factors from Section X - B, Exhibit 1.
- (11): (8) + (9) + (10)

X 000042

X 000043

Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 4
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Goods and Services Industry Group, Industry Code 9
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	1,298,127	0	23,751	1,321,878	108,357,226
		2	1,530,092	0	1,045,703	2,575,795	
		3	72,841,918	0	37,485,342	110,327,260	
		4	0	13,687,878	10,047,840	23,735,718	
		5	0	46,922,536	33,794,369	80,716,905	
		6	0	0	14,745,148	14,745,148	
2000/2001	4	1	1,059,665	0	132,898	1,192,563	111,488,974
		2	1,105,629	0	219,146	1,324,776	
		3	72,062,178	0	34,969,834	107,032,012	
		4	0	13,018,820	9,159,680	22,178,501	
		5	0	37,367,147	29,124,227	66,491,374	
		6	0	0	13,956,605	13,956,605	
2001/2002	3	1	1,724,893	0	146,311	1,871,204	117,579,238
		2	926,613	0	295,156	1,221,769	
		3	77,323,887	0	39,097,149	116,421,036	
		4	0	13,618,141	8,983,886	22,602,027	
		5	0	31,715,114	29,343,213	61,058,327	
		6	0	0	14,517,562	14,517,562	
2002/2003	2	1	1,292,068	0	82,541	1,374,610	118,074,043
		2	799,352	0	444,498	1,243,850	
		3	98,953,970	0	48,243,517	147,197,487	
		4	0	17,486,935	13,337,625	30,824,560	
		5	0	24,849,643	23,261,515	48,111,158	
		6	0	0	13,902,680	13,902,680	
2003/2004	1	1	821,641	0	96,371	918,012	116,461,847
		2	1,673,908	0	1,668,628	3,342,536	
		3	63,455,884	0	25,351,467	88,807,351	
		4	0	17,741,407	11,349,438	29,090,845	
		5	0	35,755,834	32,689,084	68,444,918	
		6	0	0	13,827,263	13,827,263	
(9) All Years, All Injury Types			396,869,825	252,163,456	461,342,447	1,110,375,729	571,961,327
(10) Pure Premium			0.694	0.441	0.807	1.941	

Notes:

(4), (5), (6): Converted Losses from Section X - C, Exhibit 4, Page 1 x Excess Loss Factors from Section X - B, Exhibit 4, Page 1.

(7): (4) + (5) + (6)

(8): From Unit Statistical Plan data, excluding Large Deductibles.

(10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 Miscellaneous Industry Group, Industry Code 0
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	343,056	0	3,130	346,186	330,363	0	4,028	334,391
		2	360,663	0	39,337	400,000	310,531	0	46,024	356,555
		3	20,489,992	0	6,324,001	26,813,993	30,530,088	0	12,274,886	42,804,974
		4	0	3,117,088	1,807,369	4,924,457	0	4,413,797	2,505,013	6,918,810
		5	0	10,760,566	6,105,285	16,865,851	0	13,644,398	8,266,556	21,910,954
		6	0	0	2,248,596	2,248,596	0	0	2,893,943	2,893,943
2000/2001	4	1	616,530	0	4,848	621,378	575,839	0	6,356	582,195
		2	309,449	0	290,551	600,000	345,655	0	403,285	748,939
		3	18,631,268	0	5,669,052	24,300,320	27,965,533	0	11,139,687	39,105,220
		4	0	2,149,991	1,344,452	3,494,443	0	3,014,287	1,886,266	4,900,554
		5	0	9,747,670	5,384,030	15,131,700	0	11,823,924	7,042,311	18,866,235
		6	0	0	2,236,615	2,236,615	0	0	2,838,264	2,838,264
2001/2002	3	1	534,207	0	3,828	538,035	478,115	0	4,777	482,893
		2	302,691	0	297,309	600,000	589,339	0	470,343	1,059,682
		3	16,397,348	0	5,611,340	22,008,688	26,317,744	0	11,587,417	37,905,161
		4	0	2,613,062	1,762,442	4,375,504	0	3,916,980	2,599,602	6,516,582
		5	0	7,411,672	5,612,755	13,024,427	0	8,508,599	6,853,174	15,361,773
		6	0	0	2,414,797	2,414,797	0	0	3,042,644	3,042,644
2002/2003	2	1	439,982	0	12,518	452,500	395,104	0	16,511	411,615
		2	135,011	0	105,450	240,461	394,367	0	241,059	635,426
		3	20,629,507	0	7,547,262	28,176,769	40,248,168	0	16,973,792	57,221,960
		4	0	2,242,293	1,804,470	4,046,763	0	4,085,458	2,899,783	6,985,241
		5	0	7,707,379	5,960,180	13,667,559	0	8,300,847	6,448,915	14,749,762
		6	0	0	2,434,260	2,434,260	0	0	3,001,443	3,001,443
2003/2004	1	1	396,224	0	3,776	400,000	355,017	0	4,588	359,605
		2	116,401	0	83,599	200,000	558,376	0	248,540	806,915
		3	7,034,794	0	2,958,601	9,993,395	22,335,471	0	8,585,860	30,921,331
		4	0	1,393,995	870,256	2,264,251	0	4,134,589	1,804,041	5,938,630
		5	0	10,809,712	8,991,370	19,801,082	0	12,517,646	9,099,266	21,616,913
		6	0	0	2,342,758	2,342,758	0	0	2,987,016	2,987,016
(12) All Years, All Injury Types			86,737,123	57,953,428	80,274,237	224,964,788	151,729,709	74,360,525	126,175,392	352,265,627

Notes:

- (4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.
- (8): (4) x Conversion Factors from Section X - B, Exhibit 1.
- (9): (5) x Conversion Factors from Section X - B, Exhibit 1.
- (10): (6) x Conversion Factors from Section X - B, Exhibit 1.
- (11): (8) + (9) + (10)

X 000044

X 000045

Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 5
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical Miscellaneous Industry Group, Industry Code 0 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	396,104	0	5,126	401,230	17,638,626
		2	372,326	0	58,566	430,892	
		3	36,454,557	0	15,516,044	51,970,601	
		4	0	4,482,255	3,157,036	7,639,291	
		5	0	13,855,376	10,407,443	24,262,820	
		6	0	0	3,583,991	3,583,991	
2000/2001	4	1	690,430	0	8,088	698,517	16,224,721
		2	414,439	0	513,179	927,618	
		3	33,361,724	0	14,132,011	47,493,735	
		4	0	3,061,178	2,384,443	5,445,621	
		5	0	12,006,751	8,869,142	20,875,893	
		6	0	0	3,500,423	3,500,423	
2001/2002	3	1	573,259	0	6,079	579,338	16,588,680
		2	706,617	0	598,510	1,305,127	
		3	31,412,043	0	14,661,161	46,073,204	
		4	0	3,978,512	3,282,403	7,260,915	
		5	0	8,639,633	8,604,335	17,243,968	
		6	0	0	3,749,502	3,749,502	
2002/2003	2	1	485,566	0	20,018	505,583	18,686,977
		2	463,214	0	304,723	767,937	
		3	48,005,721	0	21,487,895	69,493,616	
		4	0	4,149,544	3,670,378	7,819,922	
		5	0	8,426,738	8,097,488	16,524,225	
		6	0	0	3,712,430	3,712,430	
2003/2004	1	1	425,664	0	5,838	431,502	17,132,383
		2	669,491	0	316,266	985,757	
		3	26,630,284	0	10,859,455	37,489,739	
		4	0	4,200,068	2,282,124	6,482,192	
		5	0	12,707,604	11,427,332	24,134,936	
		6	0	0	3,701,059	3,701,059	
(9) All Years, All Injury Types			181,061,438	75,507,659	158,922,486	415,491,583	86,271,387
(10) Pure Premium			2.099	0.875	1.842	4.816	

Notes:

(4), (5), (6): Converted Losses from Section X - C, Exhibit 5, Page 1 x Excess Loss Factors from Section X - B, Exhibit 4, Page 1.

(7): (4) + (5) + (6)

(8): From Unit Statistical Plan data, excluding Large Deductibles.

(10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical
 All Industry Groups
 All Classes

Composite Policy Year	Report	Injury Type	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total (11)
1999/2000	5	1	3,041,330	0	198,753	3,240,083	2,928,801	0	255,795	3,184,596
		2	4,001,815	0	1,940,805	5,942,620	3,445,563	0	2,270,742	5,716,305
		3	178,666,432	0	56,188,670	234,855,102	266,212,984	0	109,062,208	375,275,192
		4	0	29,414,262	18,715,230	48,129,492	0	41,650,595	25,939,309	67,589,904
		5	0	105,497,379	58,615,099	164,112,478	0	133,770,677	79,364,844	213,135,521
		6	0	0	26,940,477	26,940,477	0	0	34,672,394	34,672,394
2000/2001	4	1	4,215,443	0	275,232	4,490,675	3,937,224	0	360,829	4,298,053
		2	4,714,341	0	1,984,953	6,699,294	5,265,919	0	2,755,115	8,021,034
		3	184,370,230	0	56,967,896	241,338,126	276,739,715	0	111,941,916	388,681,631
		4	0	26,331,935	15,812,658	42,144,593	0	36,917,373	22,185,159	59,102,532
		5	0	96,526,823	54,847,482	151,374,305	0	117,087,036	71,740,506	188,827,543
		6	0	0	26,232,640	26,232,640	0	0	33,289,220	33,289,220
2001/2002	3	1	4,885,022	0	315,312	5,200,334	4,372,095	0	393,509	4,765,604
		2	1,692,083	0	714,074	2,406,157	3,294,486	0	1,129,665	4,424,151
		3	169,415,016	0	56,114,458	225,529,474	271,911,101	0	115,876,356	387,787,456
		4	0	24,209,265	15,556,582	39,765,847	0	36,289,688	22,945,958	59,235,647
		5	0	81,923,476	54,446,584	136,370,060	0	94,048,150	66,479,279	160,527,430
		6	0	0	26,794,417	26,794,417	0	0	33,760,965	33,760,965
2002/2003	2	1	4,160,358	0	236,714	4,397,072	3,736,001	0	312,226	4,048,227
		2	869,646	0	658,770	1,528,416	2,540,236	0	1,505,948	4,046,184
		3	162,486,932	0	58,926,276	221,413,208	317,012,004	0	132,525,195	449,537,199
		4	0	27,030,267	20,013,402	47,043,669	0	49,249,146	32,161,537	81,410,683
		5	0	69,420,614	53,176,449	122,597,063	0	74,766,001	57,536,918	132,302,919
		6	0	0	26,601,255	26,601,255	0	0	32,799,347	32,799,347
2003/2004	1	1	3,060,373	0	161,316	3,221,689	2,742,094	0	195,999	2,938,093
		2	656,505	0	916,662	1,573,167	3,149,254	0	2,725,236	5,874,491
		3	66,929,422	0	29,123,284	96,052,706	212,500,915	0	84,515,770	297,016,685
		4	0	15,973,588	12,076,216	28,049,804	0	47,377,662	25,033,996	72,411,658
		5	0	100,776,360	82,313,719	183,090,079	0	116,699,025	83,301,484	200,000,509
		6	0	0	25,597,487	25,597,487	0	0	32,636,796	32,636,796
(12) All Years, All Injury Types			793,164,948	577,103,969	782,462,872	2,152,731,789	1,379,788,391	747,855,354	1,219,674,222	3,347,317,968

Notes:

(4) - (10): Total of Section X - C, Page 1 of Exhibits 1 through 5.

X 000046

X 000047

Section X - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2007

Section X - C
 Exhibit 6
 Page 2

Calculation of Adjusted Converted Losses by Serious/Non-Serious/Medical All Industry Groups All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses				Exposure (8)
			Serious (4)	Non-Serious (5)	Medical (6)	Total (7)	
1999/2000	5	1	3,446,385	0	320,497	3,766,882	663,698,862
		2	3,940,131	0	2,751,468	6,691,598	
		3	310,058,735	0	132,385,080	442,443,815	
		4	0	42,163,306	31,105,837	73,269,143	
		5	0	135,429,249	94,972,819	230,402,067	
		6	0	0	41,082,751	41,082,751	
2000/2001	4	1	4,613,524	0	441,353	5,054,877	695,393,646
		2	6,202,724	0	3,455,389	9,658,113	
		3	322,227,089	0	136,558,161	458,785,251	
		4	0	37,368,386	26,688,471	64,056,857	
		5	0	118,589,431	86,305,408	204,894,839	
		6	0	0	39,567,735	39,567,735	
2001/2002	3	1	5,095,982	0	482,306	5,578,288	685,127,809
		2	3,818,219	0	1,370,819	5,189,038	
		3	316,947,587	0	141,147,115	458,094,702	
		4	0	36,727,076	27,384,159	64,111,236	
		5	0	95,237,301	79,697,002	174,934,303	
		6	0	0	40,079,414	40,079,414	
2002/2003	2	1	4,411,945	0	380,069	4,792,014	697,056,346
		2	2,955,893	0	1,850,198	4,806,090	
		3	370,191,887	0	162,107,980	532,299,867	
		4	0	49,846,429	38,498,546	88,344,974	
		5	0	75,729,521	69,224,922	144,954,443	
		6	0	0	39,046,519	39,046,519	
2003/2004	1	1	3,203,913	0	238,543	3,442,456	679,615,342
		2	3,621,228	0	3,369,932	6,991,160	
		3	247,880,185	0	103,849,802	351,729,987	
		4	0	47,941,929	29,860,324	77,802,254	
		5	0	118,212,684	100,462,001	218,674,685	
		6	0	0	38,855,249	38,855,249	
(9) All Years, All Injury Types			1,608,615,426	757,245,311	1,473,539,871	3,839,400,607	3,420,892,005
(10) Pure Premium			0.470	0.221	0.431	1.122	

Notes:

(4) - (6), (8): Total of Section X - C, Page 2 of Exhibits 1 through 5.

(10): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

X 000048

Section X - Classification Pricing
Subsection D - Credibility/Countrywide Data
9/1/2007

Section X - D
Exhibit 1
Page 1

MA Full Credibility Standard and Partial Credibility

		Injury Type		
		Serious	Non-Serious	Medical
(1)	Average Claim Cost (See Pages 2 and 3)	150,000	8,000	12,000
(2)	Claims (See Section X - D, Exhibit 1, Page 4 of 9/1/01 Filing)	100	200	200
(3)	Full Credibility Standard =(1) x (2)	15,000,000	1,600,000	2,400,000

Partial Credibility Z is given in terms of E, the expected losses and F, the criterion for full credibility by the formula:

$$Z=(E / F)^{0.4}$$

Credibility of Countrywide Data

		Injury Type		
		Serious	Non-Serious	Medical
(4)	Number of Countrywide Claims	450	900	600

Notes:

Partial Credibility is determined from the full credibility standard and the observed number of countrywide claims using the same formula as is done for the Massachusetts data.

X 000049

Selection of Average Massachusetts Indemnity Claim Costs

Composite Policy Year 2003/2004 Indemnity Losses

	Serious			Non-Serious	
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Type 5
(1) On-Level Losses Developed to Fifth Report	5,199,732	19,629,687	169,699,833	37,117,555	98,975,609
(2) Loss Development from Fifth Report to Ultimate	1.116	1.116	1.116	1.000	1.000
(3) On-Level Ultimate Losses = (1) x (2)	5,801,580	21,901,746	189,341,917	37,117,555	98,975,609
(4) Claim Count Developed to Fifth Report	28	51	1,362	2,153	14,716
Summary:		Serious		Non-Serious	
(5) Ultimate Losses		217,045,242		136,093,164	
(6) Ultimate Claim Count		1,441		16,870	
(7) Average Claim Cost = (5) / (6)		150,662		8,067	
(8) Previous Selected Average Claim Cost		140,000		10,000	
(9) Selected Average Claim Cost		150,000		8,000	

Notes:

- (1): From Section X - B, Exhibit 2, Pages 1 - 5.
- (2): From Section IV - I, Exhibit 3.
- (4): From Section X - B, Exhibit 2, Pages 1 - 5.
- (5): Sum of (3); Injury Types 1, 2, 3 for Serious, and Injury Types 4, 5 for Non-Serious
- (6): Sum of (4); Injury Types 1, 2, 3 for Serious, and Injury Types 4, 5 for Non-Serious
- (8): From Section X - E, Exhibit 1, Page 1 of 09/01/05 rate filing.

X 000050

Selection of Average Massachusetts Lost Time Medical Claim Costs

Composite Policy Year 2003/2004 Medical Losses

	Lost Time Medical				
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Type 5
(1) On-Level Losses Developed to Fifth Report	227,745	27,399,773	59,255,644	19,676,899	68,821,814
(2) Loss Development from Fifth Report to Ultimate	1.000	1.459	1.459	1.000	1.000
(3) On-Level Ultimate Losses = (1) x (2)	227,745	39,970,056	86,440,548	19,676,899	68,821,814
(4) Claim Count Developed to Fifth Report	28	51	1,362	2,153	14,716
Summary:			<u>Medical</u>		
(5) Ultimate Losses			215,137,062		
(6) Ultimate Claim Count			18,310		
(7) Average Claim Cost = (5) / (6)			11,750		
(8) Previous Selected Average Claim Cost			10,000		
(9) Selected Average Claim Cost			12,000		

Notes:

- (1): From Section X - B, Exhibit 2, Pages 1 - 5.
- (2): From Section IV - I, Exhibit 3.
- (4): From Section X - B, Exhibit 2, Pages 1 - 5.
- (5): Sum of (3).
- (6): Sum of (4).
- (8): From Section X - E, Exhibit 1, Page 1 of 09/01/05 rate filing.

X 000051

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 2

Countrywide Classification Experience: Pitch Factors

State (1)	State Code (2)	Industry Group (3)	Industry Code (4)	Serious (5)	Non-Serious (6)	Medical (7)
Alabama	1	Manufacturing	1	1.639	0.777	0.215
		Construction	2	1.123	0.812	0.166
		Office and Clerical	3	0.529	0.464	0.119
		Goods and Services	9	0.921	0.759	0.203
		Miscellaneous	0	0.858	0.728	0.213
Arizona	2	Manufacturing	1	1.703	3.098	0.416
		Construction	2	1.162	3.071	0.337
		Office and Clerical	3	1.221	2.610	0.331
		Goods and Services	9	1.081	3.239	0.377
		Miscellaneous	0	0.901	2.485	0.328
Arkansas	3	Manufacturing	1	1.838	1.397	0.458
		Construction	2	1.539	1.273	0.392
		Office and Clerical	3	0.850	0.774	0.260
		Goods and Services	9	1.528	1.154	0.419
		Miscellaneous	0	1.975	1.057	0.471
California	4	Manufacturing	1	0.424	0.563	0.302
		Construction	2	0.752	0.985	0.411
		Office and Clerical	3	0.284	0.344	0.198
		Goods and Services	9	0.367	0.562	0.293
		Miscellaneous	0	0.479	0.629	0.321
Colorado	5	Manufacturing	1	1.108	0.435	0.352
		Construction	2	1.005	0.441	0.385
		Office and Clerical	3	0.865	0.379	0.274
		Goods and Services	9	0.860	0.475	0.354
		Miscellaneous	0	0.851	0.455	0.374
Connecticut	6	Manufacturing	1	0.467	0.713	0.350
		Construction	2	0.391	0.794	0.331
		Office and Clerical	3	0.264	0.719	0.428
		Goods and Services	9	0.494	0.715	0.361
		Miscellaneous	0	0.486	0.691	0.370
Delaware	7	Manufacturing	1	1.538	0.849	0.516
		Construction	2	1.704	0.220	0.200
		Office and Clerical	3	1.143	0.134	0.124
		Goods and Services	9	1.493	0.132	0.109
		Miscellaneous	0	1.562	0.204	0.235
District of Columbia	8	Manufacturing	1	2.156	0.599	0.487
		Construction	2	0.502	1.648	0.644
		Office and Clerical	3	0.398	2.042	0.752
		Goods and Services	9	0.804	1.493	0.708
		Miscellaneous	0	0.785	1.260	0.631
Florida	9	Manufacturing	1	0.921	0.667	0.213
		Construction	2	0.938	0.621	0.185
		Office and Clerical	3	0.659	0.505	0.173
		Goods and Services	9	0.806	0.649	0.226
		Miscellaneous	0	0.818	0.689	0.229

X 000052

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 2

Countrywide Classification Experience: Pitch Factors

State (1)	State Code (2)	Industry Group (3)	Industry Code (4)	Serious (5)	Non-Serious (6)	Medical (7)
Georgia	10	Manufacturing	1	0.673	1.039	0.380
		Construction	2	0.582	0.972	0.294
		Office and Clerical	3	0.426	0.916	0.331
		Goods and Services	9	0.547	1.037	0.384
		Miscellaneous	0	0.987	1.522	0.533
Idaho	11	Manufacturing	1	1.676	0.688	0.360
		Construction	2	1.359	0.606	0.306
		Office and Clerical	3	1.268	0.725	0.298
		Goods and Services	9	1.143	0.556	0.292
		Miscellaneous	0	1.159	0.703	0.361
Illinois	12	Manufacturing	1	0.753	0.397	0.279
		Construction	2	0.406	0.454	0.290
		Office and Clerical	3	0.365	0.298	0.242
		Goods and Services	9	0.742	0.473	0.317
		Miscellaneous	0	0.519	0.464	0.317
Indiana	13	Manufacturing	1	5.605	1.415	0.509
		Construction	2	3.630	1.289	0.503
		Office and Clerical	3	2.521	1.213	0.391
		Goods and Services	9	3.614	1.304	0.465
		Miscellaneous	0	3.782	1.343	0.522
Iowa	14	Manufacturing	1	0.901	0.676	0.346
		Construction	2	0.926	0.872	0.406
		Office and Clerical	3	0.471	0.426	0.196
		Goods and Services	9	0.927	0.797	0.395
		Miscellaneous	0	1.090	0.910	0.498
Kansas	15	Manufacturing	1	1.369	0.703	0.426
		Construction	2	0.936	0.917	0.403
		Office and Clerical	3	1.055	0.434	0.274
		Goods and Services	9	0.940	0.844	0.388
		Miscellaneous	0	1.308	0.998	0.428
Kentucky	16	Manufacturing	1	1.054	1.477	0.309
		Construction	2	0.753	1.361	0.228
		Office and Clerical	3	0.538	0.954	0.229
		Goods and Services	9	0.604	1.191	0.224
		Miscellaneous	0	0.784	1.330	0.284
Louisiana	17	Manufacturing	1	0.504	1.038	0.289
		Construction	2	0.476	1.097	0.258
		Office and Clerical	3	0.297	0.901	0.224
		Goods and Services	9	0.491	0.956	0.263
		Miscellaneous	0	0.429	1.048	0.286
Maine	18	Manufacturing	1	0.499	0.674	0.372
		Construction	2	0.397	0.647	0.278
		Office and Clerical	3	0.453	0.363	0.172
		Goods and Services	9	0.301	0.609	0.275
		Miscellaneous	0	0.381	0.638	0.352

X 000053

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 2

Countrywide Classification Experience: Pitch Factors

State (1)	State Code (2)	Industry Group (3)	Industry Code (4)	Serious (5)	Non-Serious (6)	Medical (7)
Maryland	19	Manufacturing	1	0.904	1.080	0.554
		Construction	2	0.799	1.048	0.382
		Office and Clerical	3	0.471	0.634	0.385
		Goods and Services	9	0.849	0.980	0.576
		Miscellaneous	0	1.122	0.910	0.616
Michigan	21	Manufacturing	1	0.621	0.705	0.482
		Construction	2	0.576	0.909	0.471
		Office and Clerical	3	0.603	0.571	0.396
		Goods and Services	9	0.705	0.806	0.551
		Miscellaneous	0	0.653	0.897	0.560
Minnesota	22	Manufacturing	1	1.184	1.869	0.619
		Construction	2	1.016	2.204	0.543
		Office and Clerical	3	0.666	1.725	0.474
		Goods and Services	9	0.925	1.857	0.562
		Miscellaneous	0	1.084	2.051	0.604
Mississippi	23	Manufacturing	1	0.910	0.932	0.349
		Construction	2	0.730	0.933	0.278
		Office and Clerical	3	0.481	0.690	0.212
		Goods and Services	9	0.617	0.854	0.298
		Miscellaneous	0	0.691	1.156	0.355
Missouri	24	Manufacturing	1	1.471	0.385	0.330
		Construction	2	0.945	0.495	0.313
		Office and Clerical	3	0.481	0.284	0.242
		Goods and Services	9	1.176	0.526	0.370
		Miscellaneous	0	1.190	0.463	0.392
Montana	25	Manufacturing	1	0.167	0.456	0.071
		Construction	2	0.298	0.487	0.111
		Office and Clerical	3	0.283	0.313	0.091
		Goods and Services	9	0.428	0.384	0.125
		Miscellaneous	0	0.437	0.556	0.174
Nebraska	26	Manufacturing	1	1.376	0.835	0.313
		Construction	2	0.857	0.756	0.231
		Office and Clerical	3	0.346	0.367	0.147
		Goods and Services	9	0.876	0.929	0.296
		Miscellaneous	0	1.079	0.907	0.309
Nevada	27	Manufacturing	1	0.483	0.873	0.356
		Construction	2	0.542	1.036	0.394
		Office and Clerical	3	0.291	0.583	0.239
		Goods and Services	9	0.532	0.844	0.372
		Miscellaneous	0	0.357	0.695	0.357
New Hampshire	28	Manufacturing	1	0.862	1.453	0.272
		Construction	2	0.625	1.254	0.177
		Office and Clerical	3	0.698	1.092	0.230
		Goods and Services	9	0.615	1.244	0.223
		Miscellaneous	0	0.789	1.250	0.245

X 000054

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 2

Countrywide Classification Experience: Pitch Factors

State (1)	State Code (2)	Industry Group (3)	Industry Code (4)	Serious (5)	Non-Serious (6)	Medical (7)
New Jersey	29	Manufacturing	1	1.783	0.549	0.561
		Construction	2	2.470	0.653	0.622
		Office and Clerical	3	1.644	0.504	0.516
		Goods and Services	9	1.807	0.551	0.561
		Miscellaneous	0	1.994	0.477	0.559
New Mexico	30	Manufacturing	1	1.064	1.257	0.362
		Construction	2	1.040	1.170	0.364
		Office and Clerical	3	0.391	0.471	0.150
		Goods and Services	9	0.692	1.046	0.330
		Miscellaneous	0	0.597	1.082	0.325
New York	31	Manufacturing	1	0.504	1.120	0.693
		Construction	2	0.682	1.805	0.744
		Office and Clerical	3	0.528	1.113	0.618
		Goods and Services	9	0.561	1.337	0.783
		Miscellaneous	0	0.002	0.004	0.002
North Carolina	32	Manufacturing	1	0.378	0.880	0.436
		Construction	2	0.429	0.946	0.337
		Office and Clerical	3	0.247	0.556	0.297
		Goods and Services	9	0.380	0.962	0.425
		Miscellaneous	0	0.296	0.923	0.340
Oklahoma	35	Manufacturing	1	0.475	0.720	0.262
		Construction	2	0.638	0.694	0.266
		Office and Clerical	3	0.339	0.527	0.225
		Goods and Services	9	0.471	0.694	0.281
		Miscellaneous	0	0.619	1.011	0.394
Oregon	36	Manufacturing	1	2.015	0.952	0.483
		Construction	2	1.178	0.872	0.322
		Office and Clerical	3	1.511	0.754	0.348
		Goods and Services	9	1.107	0.787	0.333
		Miscellaneous	0	1.063	0.901	0.327
Pennsylvania	37	Manufacturing	1	1.188	0.099	0.116
		Construction	2	1.253	0.097	0.116
		Office and Clerical	3	0.688	0.055	0.063
		Goods and Services	9	1.003	0.061	0.076
		Miscellaneous	0	1.021	0.080	0.105
Rhode Island	38	Manufacturing	1	0.371	0.570	0.432
		Construction	2	0.472	0.770	0.474
		Office and Clerical	3	0.302	0.423	0.348
		Goods and Services	9	0.348	0.614	0.437
		Miscellaneous	0	0.498	0.739	0.562
South Carolina	39	Manufacturing	1	0.943	0.429	0.449
		Construction	2	0.641	0.579	0.353
		Office and Clerical	3	0.238	0.371	0.255
		Goods and Services	9	0.576	0.594	0.396
		Miscellaneous	0	0.582	0.632	0.414

X 000055

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 2

Countrywide Classification Experience: Pitch Factors

State (1)	State Code (2)	Industry Group (3)	Industry Code (4)	Serious (5)	Non-Serious (6)	Medical (7)
South Dakota	40	Manufacturing	1	3.962	1.101	0.396
		Construction	2	1.438	0.910	0.245
		Office and Clerical	3	1.962	0.595	0.219
		Goods and Services	9	2.783	1.173	0.343
		Miscellaneous	0	2.089	1.240	0.402
Tennessee	41	Manufacturing	1	0.620	0.444	0.261
		Construction	2	0.787	0.631	0.205
		Office and Clerical	3	0.303	0.352	0.186
		Goods and Services	9	0.985	0.693	0.342
		Miscellaneous	0	0.801	0.718	0.348
Utah	43	Manufacturing	1	2.720	1.792	0.461
		Construction	2	1.657	1.305	0.327
		Office and Clerical	3	1.538	1.400	0.392
		Goods and Services	9	1.870	1.368	0.400
		Miscellaneous	0	1.410	1.398	0.356
Vermont	44	Manufacturing	1	0.717	0.486	0.224
		Construction	2	0.520	0.682	0.263
		Office and Clerical	3	0.105	0.236	0.115
		Goods and Services	9	0.530	0.561	0.244
		Miscellaneous	0	0.523	0.721	0.358
Virginia	45	Manufacturing	1	1.503	2.716	0.633
		Construction	2	1.040	2.007	0.364
		Office and Clerical	3	1.099	2.378	0.495
		Goods and Services	9	1.192	2.276	0.493
		Miscellaneous	0	1.053	2.147	0.499
Wisconsin	48	Manufacturing	1	1.333	0.709	0.300
		Construction	2	0.645	0.626	0.212
		Office and Clerical	3	1.357	0.667	0.325
		Goods and Services	9	1.136	0.752	0.333
		Miscellaneous	0	1.157	0.871	0.365
Hawaii	52	Manufacturing	1	0.423	0.477	0.384
		Construction	2	0.754	0.879	0.596
		Office and Clerical	3	0.325	0.349	0.288
		Goods and Services	9	0.655	0.516	0.467
		Miscellaneous	0	0.480	0.476	0.327
Alaska	54	Manufacturing	1	0.512	0.501	0.149
		Construction	2	0.608	0.812	0.168
		Office and Clerical	3	0.558	0.268	0.094
		Goods and Services	9	0.599	0.585	0.155
		Miscellaneous	0	0.708	0.768	0.223

Notes:

Factor to adjust statewide data to the same payroll distribution and loss level as MA.

Pitch Factor = (MA Limited Losses) / [(Countrywide State Pure Premium) x (MA Exposure)]

For a sample countrywide pure premium calculation, see Section X - L, Exhibit 2.

X 000056

Section X - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2007

Section X - D
 Exhibit 3

Countrywide Classification Experience: Database

State (1)	State Code (2)	Experience Data					
		First Report (3)		Second Report (4)		Third Report (5)	
Alabama	1	5/1/2003	- 4/30/2004	5/1/2002	- 4/30/2003	5/1/2001	- 4/30/2002
Arizona	2	3/1/2003	- 2/28/2004	3/1/2002	- 2/28/2003	3/1/2001	- 2/28/2002
Arkansas	3	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003	2/1/2001	- 1/31/2002
California	4	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Colorado	5	3/1/2002	- 2/28/2003	3/1/2001	- 2/28/2002	3/1/2000	- 2/28/2001
Connecticut	6	8/1/2003	- 7/31/2004	8/1/2002	- 7/31/2003	8/1/2001	- 7/31/2002
Delaware	7	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
District of Columbia	8	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003	2/1/2001	- 1/31/2002
Florida	9	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Georgia	10	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Idaho	11	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Illinois	12	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003	4/1/2001	- 3/31/2002
Indiana	13	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Iowa	14	3/1/2003	- 2/29/2004	3/1/2002	- 2/28/2003	3/1/2001	- 2/28/2002
Kansas	15	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Kentucky	16	5/1/2003	- 4/30/2004	5/1/2002	- 4/30/2003	5/1/2001	- 4/30/2002
Louisiana	17	9/1/2002	- 8/31/2003	9/1/2001	- 8/31/2002	9/1/2000	- 8/31/2001
Maine	18	6/1/2002	- 5/31/2003	6/1/2001	- 5/31/2002	6/1/2000	- 5/31/2001
Maryland	19	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003	4/1/2001	- 3/31/2002
Michigan	21	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003	4/1/2001	- 3/31/2002
Minnesota	22	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Mississippi	23	9/1/2003	- 8/31/2004	9/1/2002	- 8/31/2003	9/1/2001	- 8/31/2002
Missouri	24	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Montana	25	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Nebraska	26	8/1/2003	- 7/31/2004	8/1/2002	- 7/31/2003	8/1/2001	- 7/31/2002
Nevada	27	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
New Hampshire	28	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003	4/1/2001	- 3/31/2002
New Jersey	29	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
New Mexico	30	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
New York	31	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
North Carolina	32	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Oklahoma	35	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003	6/1/2001	- 5/31/2002
Oregon	36	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Pennsylvania	37	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Rhode Island	38	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
South Carolina	39	5/1/2002	- 4/30/2003	5/1/2001	- 4/30/2002	5/1/2000	- 4/30/2001
South Dakota	40	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Tennessee	41	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003	6/1/2001	- 5/31/2002
Utah	43	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Vermont	44	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Virginia	45	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003	2/1/2001	- 1/31/2002
Wisconsin	48	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
Hawaii	52	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003	6/1/2001	- 5/31/2002
Alaska	54	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003	4/1/2001	- 3/31/2002

Calculation of Pure Premium Underlying Present Rate Factor

Industry Group (1)	Injury Type (2)	Uncapped Rate Level Factor (3)	Industry Group Pure Premium From Previous Revision (4)	Percent of Pure Premium =(4) / [Total of (4)] (5)	Expected Loss and LAE Ratio (6)	Benefit Level Change Factor (7)	Pure Premium Underlying Present Rate Factor = (3) x (5) x (6) x (7) (8)
Manufacturing	Serious	2.672	0.672	0.298	0.763	1.024	0.623
	Non-Serious	2.672	0.705	0.313	0.763	1.010	0.645
	Medical	2.672	0.874	0.388	0.763	1.000	0.792
	Total		2.250				
Construction	Serious	7.429	2.402	0.408	0.763	1.024	2.371
	Non-Serious	7.429	1.400	0.238	0.763	1.010	1.363
	Medical	7.429	2.079	0.354	0.763	1.000	2.004
	Total		5.881				
Office and Clerical	Serious	0.252	0.057	0.279	0.763	1.024	0.055
	Non-Serious	0.252	0.062	0.304	0.763	1.010	0.059
	Medical	0.252	0.085	0.417	0.763	1.000	0.080
	Total		0.205				
Goods and Services	Serious	2.389	0.500	0.254	0.763	1.024	0.473
	Non-Serious	2.389	0.647	0.328	0.763	1.010	0.605
	Medical	2.389	0.824	0.418	0.763	1.000	0.762
	Total		1.971				
Miscellaneous	Serious	5.810	1.567	0.331	0.763	1.024	1.504
	Non-Serious	5.810	1.311	0.277	0.763	1.010	1.241
	Medical	5.810	1.852	0.391	0.763	1.000	1.735
	Total		4.730				

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Notes:

- (3): Uncapped rate level factors from Section X - I, Exhibit 1 of 09/01/05 decision.
- (4): Industry Group Pure Premiums from Section X - M of 09/01/05 decision.
- (6): Expected Loss and Loss Adjustment Expense Ratio from Section VI - A of 09/01/05 decision.
- (7): From Section IV - A, Exhibit 7.

X 000058

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 1

Calculation of Pure Premiums Underlying Present Rate
 Manufacturing Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1430	4.945	21.008	2.673	3.081	13.550	2.117	18.748
1438	1.602	0.970	1.565	0.998	0.626	1.239	2.863
1463	2.715	2.301	1.889	1.691	1.484	1.496	4.672
1701	1.305	3.258	1.491	0.813	2.101	1.181	4.095
1747	1.258	1.579	1.097	0.784	1.018	0.869	2.671
1748	1.438	2.572	1.691	0.896	1.659	1.339	3.894
1852	8.310	1.404	1.615	5.177	0.906	1.279	7.362
1853	1.428	0.939	1.050	0.890	0.606	0.832	2.327
1860	1.975	0.685	0.742	1.230	0.442	0.588	2.260
1924	1.225	1.051	1.118	0.763	0.678	0.885	2.327
1925	2.245	1.589	1.415	1.399	1.025	1.121	3.544
2001	1.314	1.374	1.574	0.819	0.886	1.247	2.951
2002	2.587	1.549	1.620	1.612	0.999	1.283	3.894
2003	1.314	1.374	1.574	0.819	0.886	1.247	2.951
2014	1.772	1.205	1.145	1.104	0.777	0.907	2.788
2021	1.142	0.623	0.604	0.711	0.402	0.478	1.592
2039	1.853	1.333	1.354	1.154	0.860	1.072	3.087
2041	0.965	0.826	1.178	0.601	0.533	0.933	2.067
2070	2.463	1.610	1.722	1.534	1.038	1.364	3.937
2081	1.807	2.184	2.138	1.126	1.409	1.693	4.228
2089	1.463	1.430	1.516	0.911	0.922	1.201	3.034
2095	2.014	2.338	1.505	1.255	1.508	1.192	3.955
2101	1.463	1.430	1.516	0.911	0.922	1.201	3.034
2111	1.230	1.345	1.299	0.766	0.868	1.029	2.663
2114	1.463	1.430	1.516	0.911	0.922	1.201	3.034
2115	1.059	1.537	1.085	0.660	0.991	0.859	2.510
2121	0.997	0.634	0.776	0.621	0.409	0.615	1.645
2130	1.834	1.341	1.488	1.143	0.865	1.178	3.186
2131	1.048	1.212	1.100	0.653	0.782	0.871	2.306
2143	0.722	1.178	1.342	0.450	0.760	1.063	2.272
2150	2.583	2.155	1.608	1.609	1.390	1.274	4.273
2156	2.068	2.979	2.523	1.288	1.921	1.998	5.208
2157	2.933	1.686	1.792	1.827	1.087	1.419	4.334
2172	0.481	0.392	0.347	0.300	0.253	0.275	0.827
2174	4.135	2.753	3.675	2.576	1.776	2.911	7.262
2211	2.901	1.937	1.798	1.807	1.249	1.424	4.481
2220	1.238	1.128	1.550	0.771	0.728	1.228	2.726
2260	4.820	1.236	1.729	3.003	0.797	1.369	5.169
2286	1.238	1.128	1.550	0.771	0.728	1.228	2.726
2288	1.245	1.179	0.903	0.776	0.760	0.715	2.251
2302	1.238	1.128	1.550	0.771	0.728	1.228	2.726
2305	1.161	1.349	1.166	0.723	0.870	0.923	2.517
2362	1.449	0.908	0.957	0.903	0.586	0.758	2.246
2380	0.828	1.189	1.060	0.516	0.767	0.840	2.122
2402	1.260	0.906	1.235	0.785	0.584	0.978	2.347
2413	3.001	1.436	1.824	1.870	0.926	1.445	4.240
2416	1.573	2.819	1.488	0.980	1.818	1.178	3.977
2417	1.408	0.859	1.377	0.877	0.554	1.091	2.522

X 000059

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 1

Calculation of Pure Premiums Underlying Present Rate
 Manufacturing Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
2501	1.323	1.175	1.049	0.824	0.758	0.831	2.413
2503	0.424	0.468	0.307	0.264	0.302	0.243	0.809
2534	1.323	1.175	1.049	0.824	0.758	0.831	2.413
2570	2.544	3.089	2.201	1.585	1.992	1.743	5.321
2576	0.943	1.173	1.210	0.587	0.757	0.958	2.302
2578	0.943	1.173	1.210	0.587	0.757	0.958	2.302
2585	1.775	1.388	1.688	1.106	0.895	1.337	3.338
2586	0.857	0.560	0.675	0.534	0.361	0.535	1.430
2623	1.802	1.157	0.707	1.123	0.746	0.560	2.429
2640	1.368	1.337	1.496	0.852	0.862	1.185	2.899
2651	1.368	1.337	1.496	0.852	0.862	1.185	2.899
2660	0.471	0.694	0.926	0.293	0.448	0.733	1.474
2683	0.975	0.745	0.934	0.607	0.481	0.740	1.828
2688	1.394	1.134	1.376	0.868	0.731	1.090	2.690
2710	2.254	3.133	4.768	1.404	2.021	3.776	7.201
2731	1.914	2.281	1.951	1.192	1.471	1.545	4.209
2741	2.739	4.233	2.384	1.706	2.730	1.888	6.325
2747	4.386	2.462	2.487	2.732	1.588	1.970	6.290
2790	0.712	0.945	0.899	0.444	0.610	0.712	1.765
2802	2.268	1.827	2.509	1.413	1.178	1.987	4.579
2835	1.139	1.851	1.451	0.710	1.194	1.149	3.053
2836	2.766	1.239	2.075	1.723	0.799	1.643	4.166
2841	0.770	0.830	0.949	0.480	0.535	0.752	1.767
2883	1.322	1.360	1.426	0.824	0.877	1.129	2.830
2923	0.867	0.905	0.969	0.540	0.584	0.767	1.891
2942	0.802	0.456	1.072	0.500	0.294	0.849	1.643
3018	1.325	2.024	1.184	0.825	1.305	0.938	3.069
3022	1.273	1.921	2.432	0.793	1.239	1.926	3.958
3027	1.779	1.483	2.221	1.108	0.957	1.759	3.824
3028	1.094	2.543	1.634	0.682	1.640	1.294	3.616
3030	3.739	3.350	2.726	2.329	2.161	2.159	6.649
3040	5.344	5.367	5.018	3.329	3.462	3.974	10.765
3041	1.903	1.700	1.662	1.186	1.097	1.316	3.598
3042	1.696	0.955	0.988	1.057	0.616	0.782	2.455
3064	1.386	1.303	1.346	0.863	0.840	1.066	2.770
3066	1.386	1.303	1.346	0.863	0.840	1.066	2.770
3076	1.076	1.365	1.212	0.670	0.880	0.960	2.511
3081	3.545	2.530	3.828	2.209	1.632	3.032	6.872
3082	3.545	2.530	3.828	2.209	1.632	3.032	6.872
3085	2.262	1.545	2.132	1.409	0.997	1.689	4.094
3110	3.737	4.558	2.865	2.328	2.940	2.269	7.537
3111	1.047	0.989	1.117	0.652	0.638	0.885	2.175
3113	0.690	0.779	0.639	0.430	0.502	0.506	1.438
3114	1.655	1.512	1.700	1.031	0.975	1.346	3.353
3118	0.690	0.779	0.639	0.430	0.502	0.506	1.438
3119	0.496	0.359	0.345	0.309	0.232	0.273	0.814
3120	0.523	1.610	0.610	0.326	1.038	0.483	1.847
3122	1.383	0.651	1.240	0.862	0.420	0.982	2.264

X 000060

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 1

Calculation of Pure Premiums Underlying Present Rate
 Manufacturing Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
3127	0.230	0.292	0.264	0.143	0.188	0.209	0.541
3131	1.679	1.456	1.050	1.046	0.939	0.832	2.817
3132	0.678	1.125	0.883	0.422	0.726	0.699	1.847
3145	0.619	0.540	0.660	0.386	0.348	0.523	1.257
3146	1.656	0.820	1.083	1.032	0.529	0.858	2.418
3169	1.762	1.969	2.235	1.098	1.270	1.770	4.138
3179	0.866	0.864	0.969	0.540	0.557	0.767	1.864
3180	1.119	2.136	1.607	0.697	1.378	1.273	3.348
3188	0.870	1.613	1.776	0.542	1.040	1.407	2.989
3200	1.177	0.882	1.301	0.733	0.569	1.030	2.333
3220	1.222	0.755	0.781	0.761	0.487	0.619	1.867
3227	1.762	1.969	2.235	1.098	1.270	1.770	4.138
3241	1.225	1.051	1.118	0.763	0.678	0.885	2.327
3255	1.671	1.457	1.734	1.041	0.940	1.373	3.354
3257	1.314	1.315	1.344	0.819	0.848	1.064	2.731
3270	1.340	1.077	1.009	0.835	0.695	0.799	2.329
3300	3.826	2.661	3.366	2.384	1.716	2.666	6.766
3315	0.668	0.846	0.715	0.416	0.546	0.566	1.528
3336	0.776	1.826	1.401	0.483	1.178	1.110	2.771
3372	1.338	0.944	1.186	0.834	0.609	0.939	2.382
3373	3.444	1.771	2.068	2.146	1.142	1.638	4.926
3381	1.261	1.256	1.359	0.786	0.810	1.076	2.672
3383	0.606	0.688	0.822	0.378	0.444	0.651	1.472
3385	0.448	0.378	0.348	0.279	0.244	0.276	0.799
3400	1.762	1.969	2.235	1.098	1.270	1.770	4.138
3507	1.659	1.759	1.692	1.034	1.135	1.340	3.508
3515	1.610	0.952	1.377	1.003	0.614	1.091	2.708
3548	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3558	0.271	0.198	0.312	0.169	0.128	0.247	0.544
3559	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3571	0.778	0.483	0.499	0.485	0.312	0.395	1.191
3574	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3612	0.949	1.023	0.905	0.591	0.660	0.717	1.968
3620	1.949	2.363	2.610	1.214	1.524	2.067	4.805
3629	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3632	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3634	1.367	0.823	1.324	0.852	0.531	1.049	2.431
3635	1.094	1.649	1.586	0.682	1.064	1.256	3.001
3638	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3642	0.463	0.817	0.421	0.288	0.527	0.333	1.149
3643	0.866	0.864	0.969	0.540	0.557	0.767	1.864
3647	0.875	1.355	1.109	0.545	0.874	0.878	2.297
3648	0.785	0.800	1.188	0.489	0.516	0.941	1.946
3681	0.355	0.354	0.377	0.221	0.228	0.299	0.748
3685	0.355	0.354	0.377	0.221	0.228	0.299	0.748
3807	1.762	1.969	2.235	1.098	1.270	1.770	4.138
3808	0.668	1.338	1.253	0.416	0.863	0.992	2.272
3826	0.934	1.473	0.616	0.582	0.950	0.488	2.020

X 000061

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 1

Calculation of Pure Premiums Underlying Present Rate Manufacturing Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
3830	0.962	0.977	0.855	0.599	0.630	0.677	1.907
3841	0.802	1.034	0.889	0.500	0.667	0.704	1.871
4021	1.724	1.215	1.261	1.074	0.784	0.999	2.856
4024	2.466	1.839	1.764	1.536	1.186	1.397	4.120
4034	3.801	2.379	3.353	2.368	1.534	2.656	6.558
4036	1.321	1.032	0.938	0.823	0.666	0.743	2.232
4038	0.900	1.123	0.836	0.561	0.724	0.662	1.947
4053	0.629	0.573	0.543	0.392	0.370	0.430	1.192
4061	1.109	0.764	0.909	0.691	0.493	0.720	1.904
4062	1.109	0.764	0.909	0.691	0.493	0.720	1.904
4112	0.288	0.468	0.332	0.179	0.302	0.263	0.744
4113	0.629	0.573	0.543	0.392	0.370	0.430	1.192
4114	1.242	0.945	0.966	0.774	0.610	0.765	2.148
4130	2.399	1.474	2.033	1.495	0.951	1.610	4.055
4133	1.156	0.719	1.084	0.720	0.464	0.859	2.042
4150	0.410	0.460	0.331	0.255	0.297	0.262	0.814
4239	1.738	2.068	2.269	1.083	1.334	1.797	4.214
4243	1.270	1.582	1.882	0.791	1.020	1.491	3.302
4244	1.516	2.124	1.377	0.944	1.370	1.091	3.405
4250	1.144	1.175	1.072	0.713	0.758	0.849	2.320
4251	1.366	0.965	1.350	0.851	0.622	1.069	2.543
4273	1.043	1.928	1.728	0.650	1.244	1.369	3.262
4279	1.443	1.642	1.791	0.899	1.059	1.418	3.377
4282	0.184	0.235	0.204	0.115	0.152	0.162	0.428
4283	1.640	1.190	1.085	1.022	0.768	0.859	2.649
4299	0.930	0.850	0.912	0.579	0.548	0.722	1.850
4301	2.132	0.886	1.834	1.328	0.571	1.453	3.352
4304	1.223	1.493	1.743	0.762	0.963	1.380	3.105
4307	0.934	1.280	0.857	0.582	0.826	0.679	2.086
4308	0.323	0.419	0.389	0.201	0.270	0.308	0.780
4350	0.248	0.405	0.248	0.155	0.261	0.196	0.612
4351	0.495	0.412	0.333	0.308	0.266	0.264	0.838
4352	0.638	0.295	0.542	0.397	0.190	0.429	1.017
4360	0.499	0.330	0.347	0.311	0.213	0.275	0.799
4410	1.045	2.181	1.608	0.651	1.407	1.274	3.331
4417	1.276	1.596	1.720	0.795	1.029	1.362	3.187
4432	0.571	1.024	0.807	0.356	0.660	0.639	1.655
4439	1.119	1.040	1.388	0.697	0.671	1.099	2.467
4452	1.271	1.331	1.665	0.792	0.858	1.319	2.969
4459	1.194	1.501	1.209	0.744	0.968	0.958	2.670
4470	1.315	1.142	1.066	0.819	0.737	0.844	2.400
4484	0.822	1.246	1.095	0.512	0.804	0.867	2.183
4493	1.703	1.530	1.893	1.061	0.987	1.499	3.547
4557	0.936	0.673	0.845	0.583	0.434	0.669	1.686
4558	0.765	1.383	1.027	0.477	0.892	0.813	2.182
4561	1.119	1.040	1.388	0.697	0.671	1.099	2.467
4583	2.284	0.629	0.973	1.423	0.406	0.771	2.599
4611	0.516	0.674	0.599	0.321	0.435	0.474	1.231

X 000062

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 1

Calculation of Pure Premiums Underlying Present Rate
 Manufacturing Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
4635	0.928	1.196	0.776	0.578	0.771	0.615	1.964
4653	1.001	4.433	2.023	0.624	2.859	1.602	5.085
4665	2.529	1.926	2.639	1.576	1.242	2.090	4.908
4692	0.269	0.244	0.222	0.168	0.157	0.176	0.501
4693	0.403	0.467	0.459	0.251	0.301	0.364	0.916
4720	1.392	1.060	1.841	0.867	0.684	1.458	3.009
4740	0.861	0.499	0.645	0.536	0.322	0.511	1.369
4741	1.369	1.791	0.844	0.853	1.155	0.668	2.677
4770	12.282	2.173	1.286	7.652	1.402	1.019	10.072
4773	25.279	3.958	2.414	15.749	2.553	1.912	20.214
4774	20.241	4.016	2.243	12.610	2.590	1.776	16.977
4775	11.204	2.059	2.307	6.980	1.328	1.827	10.135
4776	18.988	2.418	1.233	11.830	1.560	0.977	14.366
4777	2.284	0.629	0.973	1.423	0.406	0.771	2.599
4779	14.977	2.576	2.722	9.331	1.662	2.156	13.148
4799	45.182	8.076	4.742	28.148	5.209	3.756	37.113
4825	0.288	0.197	0.334	0.179	0.127	0.265	0.571
4828	0.520	0.276	0.278	0.324	0.178	0.220	0.722
4829	0.520	0.276	0.278	0.324	0.178	0.220	0.722
4902	0.802	0.456	1.072	0.500	0.294	0.849	1.643
4923	0.499	0.330	0.347	0.311	0.213	0.275	0.799
6504	1.463	1.430	1.516	0.911	0.922	1.201	3.034
9501	1.282	0.847	1.151	0.799	0.546	0.912	2.257
9505	1.282	0.847	1.151	0.799	0.546	0.912	2.257
9521	2.727	2.974	1.780	1.699	1.918	1.410	5.027
9522	0.837	0.767	0.748	0.521	0.495	0.592	1.609

Notes:

(2), (3), (4): From Section X - J of 09/01/2005 decision.

(5): (2) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(6): (3) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(7): (4) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(Serious = 0.623, Non-Serious = 0.645, Medical = 0.792).

X 000063

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 2

Calculation of Pure Premiums Underlying Present Rate Construction Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
0050	0.741	0.637	0.699	1.757	0.868	1.401	4.026
3365	1.867	1.854	2.771	4.427	2.527	5.553	12.507
3724	0.838	0.956	1.018	1.987	1.303	2.040	5.330
3726	2.034	0.998	1.398	4.823	1.360	2.802	8.984
5020	0.711	0.834	0.634	1.686	1.137	1.271	4.093
5022	2.129	2.469	1.863	5.048	3.365	3.733	12.147
5037	4.897	2.358	2.949	11.611	3.214	5.910	20.735
5040	7.121	5.544	5.637	16.884	7.556	11.297	35.737
5057	7.076	4.645	5.215	16.777	6.331	10.451	33.559
5059	7.076	4.645	5.215	16.777	6.331	10.451	33.559
5069	7.076	4.645	5.215	16.777	6.331	10.451	33.559
5102	1.341	2.040	1.292	3.180	2.781	2.589	8.549
5146	0.702	1.078	0.984	1.664	1.469	1.972	5.106
5160	0.446	0.657	0.423	1.057	0.895	0.848	2.801
5183	0.520	0.849	0.658	1.233	1.157	1.319	3.709
5188	0.591	0.928	0.773	1.401	1.265	1.549	4.215
5190	0.504	0.663	0.567	1.195	0.904	1.136	3.235
5213	4.666	1.741	2.762	11.063	2.373	5.535	18.971
5215	0.715	1.156	1.114	1.695	1.576	2.232	5.503
5221	1.408	1.085	1.147	3.338	1.479	2.299	7.116
5222	1.578	0.571	1.080	3.741	0.778	2.164	6.684
5223	0.715	1.156	1.114	1.695	1.576	2.232	5.503
5348	1.041	1.874	0.889	2.468	2.554	1.782	6.804
5402	1.847	1.310	5.928	4.379	1.786	11.880	18.044
5403	2.325	2.154	2.157	5.513	2.936	4.323	12.771
5437	0.771	1.185	0.941	1.828	1.615	1.886	5.329
5443	0.831	0.837	0.727	1.970	1.141	1.457	4.568
5445	1.325	1.220	1.046	3.142	1.663	2.096	6.901
5462	1.103	1.300	1.383	2.615	1.772	2.772	7.159
5472	1.221	1.268	1.037	2.895	1.728	2.078	6.701
5473	2.775	1.428	2.954	6.580	1.946	5.920	14.446
5474	0.850	0.913	1.022	2.015	1.244	2.048	5.308
5479	1.719	1.657	2.468	4.076	2.258	4.946	11.280
5480	0.939	0.983	0.785	2.226	1.340	1.573	5.139
5506	1.036	0.962	0.931	2.456	1.311	1.866	5.633
5507	1.381	1.045	0.718	3.274	1.424	1.439	6.138
5508	0.741	0.637	0.699	1.757	0.868	1.401	4.026
5509	0.465	0.928	0.881	1.103	1.265	1.766	4.133
5538	0.696	1.178	0.970	1.650	1.606	1.944	5.200
5545	7.321	3.368	10.757	17.358	4.591	21.557	43.506
5547	2.832	1.977	2.924	6.715	2.695	5.860	15.269
5606	0.304	0.364	0.326	0.721	0.496	0.653	1.870
5610	0.730	0.677	0.533	1.731	0.923	1.068	3.722
5645	0.888	1.334	1.523	2.105	1.818	3.052	6.976
5651	0.888	1.334	1.523	2.105	1.818	3.052	6.976
5701	4.406	1.471	2.947	10.447	2.005	5.906	18.357
5703	2.893	1.464	2.711	6.859	1.995	5.433	14.288
5705	2.678	1.051	1.316	6.350	1.433	2.637	10.419

X 000064

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 2

Calculation of Pure Premiums Underlying Present Rate
 Construction Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
6003	2.652	1.674	1.887	6.288	2.282	3.782	12.351
6005	0.741	0.637	0.699	1.757	0.868	1.401	4.026
6204	2.085	1.296	1.345	4.944	1.766	2.695	9.405
6217	0.871	0.735	0.821	2.065	1.002	1.645	4.712
6229	0.871	0.735	0.821	2.065	1.002	1.645	4.712
6233	1.317	1.207	0.587	3.123	1.645	1.176	5.944
6251	1.204	0.428	0.672	2.855	0.583	1.347	4.785
6252	1.362	0.508	0.752	3.229	0.692	1.507	5.429
6306	1.304	0.866	0.984	3.092	1.180	1.972	6.244
6319	0.989	0.792	0.908	2.345	1.079	1.820	5.244
6325	0.481	0.513	0.413	1.140	0.699	0.828	2.667
6400	1.251	0.785	0.929	2.966	1.070	1.862	5.898
7538	0.579	0.736	0.770	1.373	1.003	1.543	3.919
7601	0.579	0.736	0.770	1.373	1.003	1.543	3.919
7855	0.928	1.413	0.811	2.200	1.926	1.625	5.751
8227	0.465	0.478	0.528	1.103	0.652	1.058	2.812
9534	0.992	0.874	1.050	2.352	1.191	2.104	5.647
9545	0.765	1.222	0.970	1.814	1.666	1.944	5.423
9549	0.822	0.537	0.539	1.949	0.732	1.080	3.761
9552	1.148	0.874	0.862	2.722	1.191	1.727	5.641
9553	1.148	0.874	0.862	2.722	1.191	1.727	5.641

Notes:

- (2), (3), (4): From Section X - J of 09/01/2005 decision.
 (5): (2) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
 (6): (3) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
 (7): (4) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
 (Serious = 2.371, Non-Serious = 1.363, Medical = 2.004).

X 000065

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 3

Calculation of Pure Premiums Underlying Present Rate
 Office and Clerical Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
4361	2.572	2.123	2.516	0.141	0.125	0.201	0.468
7610	0.940	0.994	0.988	0.052	0.059	0.079	0.189
8601	2.029	1.314	2.072	0.112	0.078	0.166	0.355
8742	1.181	1.149	1.219	0.065	0.068	0.098	0.230
8748	2.895	4.436	3.900	0.159	0.262	0.312	0.733
8800	4.026	2.973	2.939	0.221	0.175	0.235	0.632
8803	0.491	0.309	0.243	0.027	0.018	0.019	0.065
8810	0.675	0.657	0.609	0.037	0.039	0.049	0.125
8820	0.706	0.493	0.487	0.039	0.029	0.039	0.107
8832	2.025	1.314	1.463	0.111	0.078	0.117	0.306
8833	4.832	7.721	6.215	0.266	0.456	0.497	1.218
8868	1.856	2.464	3.168	0.102	0.145	0.253	0.501
8901	0.675	0.657	0.609	0.037	0.039	0.049	0.125
9156	3.570	6.887	5.938	0.196	0.406	0.475	1.078

Notes:

(2), (3), (4): From Section X - J of 09/01/2005 decision.

(5): (2) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(6): (3) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(7): (4) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(Serious = 0.055, Non-Serious = 0.059, Medical = 0.08).

X 000066

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 4

Calculation of Pure Premiums Underlying Present Rate
 Goods and Services Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
0005	1.237	1.602	1.964	0.585	0.969	1.497	3.051
0008	0.655	1.120	1.094	0.310	0.678	0.834	1.821
0016	1.898	1.035	1.250	0.898	0.626	0.953	2.476
0034	2.004	1.418	1.672	0.948	0.858	1.274	3.080
0035	0.778	1.024	0.944	0.368	0.620	0.719	1.707
0036	2.004	1.418	1.672	0.948	0.858	1.274	3.080
0037	0.655	1.120	1.094	0.310	0.678	0.834	1.821
0042	2.521	2.016	2.032	1.192	1.220	1.548	3.960
0079	2.425	1.783	3.151	1.147	1.079	2.401	4.627
0083	2.226	1.285	1.278	1.053	0.777	0.974	2.804
0113	2.004	1.418	1.672	0.948	0.858	1.274	3.080
0170	2.004	1.418	1.672	0.948	0.858	1.274	3.080
0908	45.411	32.055	30.922	21.479	19.393	23.563	64.435
0909	32.496	52.443	80.653	15.371	31.728	61.458	108.556
0912	64.992	104.886	161.306	30.741	63.456	122.915	217.112
0913	90.821	64.111	61.845	42.958	38.787	47.126	128.871
0917	1.011	1.756	1.304	0.478	1.062	0.994	2.534
2587	0.999	0.931	0.842	0.473	0.563	0.642	1.677
3821	2.507	1.896	2.533	1.186	1.147	1.930	4.263
4362	0.322	0.210	0.338	0.152	0.127	0.258	0.537
4511	0.310	0.176	0.243	0.147	0.106	0.185	0.438
4512	0.083	0.071	0.090	0.039	0.043	0.069	0.151
5191	0.649	0.434	0.572	0.307	0.263	0.436	1.005
5192	2.539	2.472	1.788	1.201	1.496	1.362	4.059
8001	0.389	0.713	0.565	0.184	0.431	0.431	1.046
8002	1.637	1.154	1.579	0.774	0.698	1.203	2.676
8006	0.789	0.542	0.729	0.373	0.328	0.555	1.257
8008	0.580	0.434	0.450	0.274	0.263	0.343	0.880
8010	0.851	0.713	0.802	0.403	0.431	0.611	1.445
8013	0.352	0.205	0.231	0.166	0.124	0.176	0.467
8017	0.686	0.511	0.717	0.324	0.309	0.546	1.180
8018	1.896	1.783	1.898	0.897	1.079	1.446	3.422
8021	3.056	2.310	2.140	1.445	1.398	1.631	4.474
8031	1.655	1.232	0.995	0.783	0.745	0.758	2.286
8032	0.971	0.914	0.973	0.459	0.553	0.741	1.754
8033	0.834	1.210	1.046	0.394	0.732	0.797	1.924
8034	3.130	2.696	2.286	1.480	1.631	1.742	4.854
8039	0.738	1.199	1.082	0.349	0.725	0.824	1.899
8044	1.719	1.613	1.788	0.813	0.976	1.362	3.151
8046	0.950	1.362	1.084	0.449	0.824	0.826	2.099
8048	2.068	1.241	1.139	0.978	0.751	0.868	2.597
8050	0.575	0.464	0.460	0.272	0.281	0.351	0.903
8058	1.406	1.323	1.522	0.665	0.800	1.160	2.625
8103	1.628	1.583	1.428	0.770	0.958	1.088	2.816
8105	3.068	1.100	2.006	1.451	0.666	1.529	3.645
8106	3.367	3.495	3.094	1.593	2.114	2.358	6.065

X 000067

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 4

Calculation of Pure Premiums Underlying Present Rate
 Goods and Services Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
8107	1.255	1.070	1.228	0.594	0.647	0.936	2.177
8111	1.360	1.874	1.329	0.643	1.134	1.013	2.790
8116	1.255	1.070	1.228	0.594	0.647	0.936	2.177
8203	1.797	2.645	1.475	0.850	1.600	1.124	3.574
8204	7.941	2.216	2.479	3.756	1.341	1.889	6.986
8215	1.669	1.662	2.321	0.789	1.006	1.769	3.564
8232	2.429	2.434	2.615	1.149	1.473	1.993	4.614
8233	4.249	2.463	4.907	2.010	1.490	3.739	7.239
8235	2.196	2.383	2.334	1.039	1.442	1.779	4.259
8263	3.719	1.781	2.658	1.759	1.078	2.025	4.862
8264	2.716	3.114	2.233	1.285	1.884	1.702	4.870
8265	4.249	2.463	4.907	2.010	1.490	3.739	7.239
8279	2.471	1.370	3.207	1.169	0.829	2.444	4.441
8291	1.639	1.586	1.627	0.775	0.960	1.240	2.975
8292	2.014	1.597	1.533	0.953	0.966	1.168	3.087
8293	6.030	2.946	3.588	2.852	1.782	2.734	7.369
8350	3.148	2.372	2.081	1.489	1.435	1.586	4.510
8380	1.210	1.365	1.289	0.572	0.826	0.982	2.380
8381	0.596	0.672	0.774	0.282	0.407	0.590	1.278
8385	2.327	1.464	1.375	1.101	0.886	1.048	3.034
8392	0.921	0.739	0.674	0.436	0.447	0.514	1.396
8393	0.962	1.210	0.888	0.455	0.732	0.677	1.864
8500	4.249	2.463	4.907	2.010	1.490	3.739	7.239
8710	1.240	0.877	0.955	0.587	0.531	0.728	1.845
8719	1.240	0.877	0.955	0.587	0.531	0.728	1.845
8720	0.608	0.337	0.409	0.288	0.204	0.312	0.803
8745	2.166	4.010	4.596	1.025	2.426	3.502	6.953
8829	0.686	1.582	1.168	0.324	0.957	0.890	2.172
8831	0.361	0.413	0.729	0.171	0.250	0.555	0.976
8835	1.082	1.551	1.119	0.512	0.938	0.853	2.303
9014	1.271	1.038	1.034	0.601	0.628	0.788	2.017
9015	1.816	1.069	1.350	0.859	0.647	1.029	2.534
9016	0.739	0.933	0.961	0.350	0.564	0.732	1.646
9033	2.663	1.768	1.119	1.260	1.070	0.853	3.182
9040	1.592	2.171	1.935	0.753	1.313	1.474	3.541
9052	0.699	0.899	0.888	0.331	0.544	0.677	1.551
9058	0.699	0.899	0.888	0.331	0.544	0.677	1.551
9060	0.713	0.558	0.705	0.337	0.338	0.537	1.212
9061	0.772	0.484	0.564	0.365	0.293	0.430	1.088
9063	0.232	0.356	0.463	0.110	0.215	0.353	0.678
9079	0.625	0.682	0.742	0.296	0.413	0.565	1.274
9089	0.462	0.369	0.369	0.219	0.223	0.281	0.723
9093	0.417	0.568	1.219	0.197	0.344	0.929	1.470
9101	1.062	1.100	1.472	0.502	0.666	1.122	2.289
9220	1.851	2.403	1.428	0.876	1.454	1.088	3.417
9410	1.353	0.883	1.040	0.640	0.534	0.792	1.967

X 000068

Section X - Classification Pricing
Subsection F - Underlying Pure Premiums
9/1/2007

Section X - F
Exhibit 4

Calculation of Pure Premiums Underlying Present Rate
Goods and Services Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
9519	1.615	0.934	0.997	0.764	0.565	0.760	2.089
9586	0.336	0.240	0.256	0.159	0.145	0.195	0.499
9620	0.431	0.228	0.407	0.204	0.138	0.310	0.652

Notes:

(2), (3), (4): From Section X - J of 09/01/2005 decision.

(5): (2) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(6): (3) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(7): (4) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.

(Serious = 0.473, Non-Serious = 0.605, Medical = 0.762).

X 000069

Section X - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2007

Section X - F
 Exhibit 5

Calculation of Pure Premiums Underlying Present Rate
 Miscellaneous Industry Group

Class (1)	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious (2)	Non-Serious (3)	Medical (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
0106	2.806	1.984	3.586	4.220	2.462	6.222	12.904
0251	0.626	0.644	0.550	0.942	0.799	0.954	2.695
1624	0.839	0.620	0.770	1.262	0.769	1.336	3.367
1655	1.015	0.387	0.858	1.527	0.480	1.489	3.495
1710	0.839	0.620	0.770	1.262	0.769	1.336	3.367
2702	2.687	2.024	3.512	4.041	2.512	6.093	12.646
4000	0.923	0.825	0.879	1.388	1.024	1.525	3.937
6834	0.676	0.493	0.946	1.017	0.612	1.641	3.270
6836	0.606	0.463	0.512	0.911	0.575	0.888	2.374
7219	1.683	1.429	1.259	2.531	1.773	2.184	6.489
7230	1.638	1.138	1.645	2.464	1.412	2.854	6.730
7231	1.193	1.168	1.058	1.794	1.449	1.836	5.079
7360	1.059	1.267	0.879	1.593	1.572	1.525	4.690
7370	0.578	0.744	0.743	0.869	0.923	1.289	3.082
7380	1.077	1.466	1.253	1.620	1.819	2.174	5.613
7382	0.693	0.821	0.890	1.042	1.019	1.544	3.605
7403	0.620	0.630	0.702	0.932	0.782	1.218	2.932
7405	0.222	0.291	0.256	0.334	0.361	0.444	1.139
7409	2.816	0.484	0.693	4.235	0.601	1.202	6.038
7418	2.816	0.484	0.693	4.235	0.601	1.202	6.038
7420	2.816	0.484	0.693	4.235	0.601	1.202	6.038
7421	0.349	0.159	0.672	0.525	0.197	1.166	1.888
7422	0.349	0.159	0.672	0.525	0.197	1.166	1.888
7423	0.721	0.545	0.948	1.084	0.676	1.645	3.406
7431	0.349	0.159	0.672	0.525	0.197	1.166	1.888
7502	0.935	0.618	0.942	1.406	0.767	1.634	3.808
7515	0.296	0.203	0.207	0.445	0.252	0.359	1.056
7520	0.626	0.644	0.550	0.942	0.799	0.954	2.695
7539	0.334	0.421	0.395	0.502	0.522	0.685	1.710
7580	0.678	0.400	0.704	1.020	0.496	1.221	2.738
7590	1.522	1.612	1.663	2.289	2.000	2.885	7.175
7600	0.531	0.585	0.504	0.799	0.726	0.874	2.399
7704	0.186	0.202	0.351	0.280	0.251	0.609	1.139
7720	0.338	0.327	0.369	0.508	0.406	0.640	1.554
9019	1.655	0.833	1.129	2.489	1.034	1.959	5.482
9102	0.342	0.574	0.440	0.514	0.712	0.763	1.990
9154	0.216	0.302	0.249	0.325	0.375	0.432	1.132
9178	0.746	4.354	12.601	1.122	5.403	21.863	28.388
9179	4.414	4.408	4.021	6.639	5.470	6.976	19.085
9180	0.447	0.735	0.786	0.672	0.912	1.364	2.948
9182	0.686	0.344	0.608	1.032	0.427	1.055	2.514
9186	0.447	0.735	0.786	0.672	0.912	1.364	2.948
9402	1.466	1.065	1.150	2.205	1.322	1.995	5.522
9403	1.580	1.170	1.654	2.376	1.452	2.870	6.698

Notes:

- (2), (3), (4): From Section X - J of 09/01/2005 decision.
- (5): (2) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
- (6): (3) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
- (7): (4) x Pure Premium Underlying Present Rate Factors from Section X - E, Exhibit 1.
 (Serious = 1.504, Non-Serious = 1.241, Medical = 1.735).

X 000070

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 1

A-Sheet Table of Contents

To find the A-Sheet for:		Look at the A-Sheet for:	
Class	Description	Class	Exhibit
0005	FARM: NURSERY EMP & DRIVERS	0005	Section X - G, Exhibit 1
0008	FARM: GARDENING-MARKET OR TRUCK & DRIVERS	0008	Section X - G, Exhibit 2
0016	FARM: ORCHARDS & DRIVERS	0016	Section X - G, Exhibit 2
0034	FARM: POULTRY OR EGG PRODUCERS & DRIVERS	0034	Section X - G, Exhibit 3
0035	FARM: FLORIST & DRIVERS	0035	Section X - G, Exhibit 3
0036	FARM: DAIRY & DRIVERS	0034	Section X - G, Exhibit 3
0037	FARM: FIELD CROPS & DRIVERS	0008	Section X - G, Exhibit 2
0042	LANDSCAPE GARDENING & DRIVERS	0042	Section X - G, Exhibit 4
0050	FARM MACHINERY OPERATION-BY CONTRACTOR & DRIVERS	0050	Section X - G, Exhibit 4
0079	FARM: BERRY OR VINEYARD & DRIVERS	0079	Section X - G, Exhibit 5
0083	FARM: CATTLE OR LIVESTOCK RAISING NOC & DRIVERS	0083	Section X - G, Exhibit 5
0106	TREE PRUNING, SPRAYING, REPAIRING & DRIVERS	0106	Section X - G, Exhibit 6
0113	FARM: FISH HATCHERY & DRIVERS	0034	Section X - G, Exhibit 3
0170	FARM: ANIMAL RAISING & DRIVERS	0034	Section X - G, Exhibit 3
0251	IRRIGATION WORKS OPERATION & DRIVERS	0251	Section X - G, Exhibit 6
0908	DOMESTIC WORKERS-INSIDE-OCCASIONAL-NOC	0908	Section X - G, Exhibit 7
0909	DOMESTIC WORKERS-OUTSIDE-OCCASIONAL-INCL OCCASNL PRIV CHAUFF	0909	Section X - G, Exhibit 7
0912	DOMESTIC WORKERS-OUTSIDE-INCL PRIVATE CHAUFFERS	0909	Section X - G, Exhibit 7
0913	DOMESTIC WORKERS-INSIDE-NOC	0908	Section X - G, Exhibit 7
0917	DOMESTIC SERVICE CONTRACTOR-INSIDE	0917	Section X - G, Exhibit 8
0918	DOMESTIC WORKERS-INSIDE-PHYSICAL ASSISTANCE	0918	Section X - G, Exhibit 8
1430	SMELTING, SINTERING OR REFINING-LEAD & DRIVERS	1430	Section X - G, Exhibit 9
1438	SMELTING, SINTERING OR REFINING-METALS-NOT IRON OR LEAD-NOC & D	1438	Section X - G, Exhibit 9
1463	ASPHALT WORKS & DRIVERS	1463	Section X - G, Exhibit 10
1624	QUARRY NOC & DRIVERS	1624	Section X - G, Exhibit 10
1655	LIME MFG-QUARRY-SURFACE & DRIVERS	1655	Section X - G, Exhibit 11
1701	CEMENT MFG	1701	Section X - G, Exhibit 11
1710	STONE CRUSHING & DRIVERS	1624	Section X - G, Exhibit 10
1747	EMERY WORKS & DRIVERS	1747	Section X - G, Exhibit 12
1748	ABRASIVE WHEEL MFG & DRIVERS	1748	Section X - G, Exhibit 12
1852	ASBESTOS GOODS MFG	1852	Section X - G, Exhibit 13
1853	MICA GOODS MFG & MICA PREPARING	1853	Section X - G, Exhibit 13
1860	ABRASIVE PAPER OR CLOTH PREPARATION	1860	Section X - G, Exhibit 14
1924	WIRE DRAWING OR CABLE MFG-NOT IRON OR STEEL	1924	Section X - G, Exhibit 14
1925	DIE CASTING MFG	1925	Section X - G, Exhibit 15
2001	CRACKER MFG	2001	Section X - G, Exhibit 15
2002	MACARONI MFG	2002	Section X - G, Exhibit 16
2003	BAKERY & DRIVERS, ROUTE SUPERVISORS	2001	Section X - G, Exhibit 15
2014	GRAIN MILLING	2014	Section X - G, Exhibit 16
2021	SUGAR REFINING-ALL OPERATIONS & DRIVERS	2021	Section X - G, Exhibit 17
2039	ICE CREAM MFG & DRIVERS	2039	Section X - G, Exhibit 17
2041	CONFECTION MFG	2041	Section X - G, Exhibit 18
2070	CREAMERY OR DAIRY & ROUTE SUPERVISORS, DRIVERS	2070	Section X - G, Exhibit 18
2081	BUTCHERING	2081	Section X - G, Exhibit 19
2089	PACKING HOUSE- ALL OPERATIONS	2089	Section X - G, Exhibit 19
2095	MEAT PRODUCTS MFG-NOC	2095	Section X - G, Exhibit 20
2101	FISH CURING	2089	Section X - G, Exhibit 19
2111	CANNERY NOC	2111	Section X - G, Exhibit 20
2114	OYSTERMEN	2089	Section X - G, Exhibit 19
2115	SEAFOOD PRODUCTS MFG-NOC	2115	Section X - G, Exhibit 21
2121	BREWERY & DRIVERS	2121	Section X - G, Exhibit 21
2130	SPIRITUOUS LIQUOR DISTILLERY	2130	Section X - G, Exhibit 22
2131	SPIRITUOUS LIQUOR BOTTLING	2131	Section X - G, Exhibit 22
2143	FRUIT JUICE MFG	2143	Section X - G, Exhibit 23
2150	ICE MFG	2150	Section X - G, Exhibit 23
2156	BOTTLING-NOT CARBONATED LIQUIDS OR SPIRIT LIQRS & RTE SUP,DR	2156	Section X - G, Exhibit 24
2157	BOTTLING NOC & ROUTE SUPERVISORS, DRIVERS	2157	Section X - G, Exhibit 24
2172	CIGARETTE MFG	2172	Section X - G, Exhibit 25
2174	TOBACCO REHANDLING OR WAREHOUSING	2174	Section X - G, Exhibit 25
2211	COTTON BATTING,WADDING OR WASTE MFG	2211	Section X - G, Exhibit 26
2220	YARN OR THREAD MFG-COTTON	2220	Section X - G, Exhibit 26
2260	WOOL COMBING OR SCOURING	2260	Section X - G, Exhibit 27
2286	WOOL SPINNING & WEAVING	2220	Section X - G, Exhibit 26
2288	FELTING MFG	2288	Section X - G, Exhibit 27
2302	SILK THREAD OR YARN MFG	2220	Section X - G, Exhibit 26
2305	TEXTILE FIBER MFG-SYNTHETIC	2305	Section X - G, Exhibit 28
2362	KNIT GOODS MFG NOC	2362	Section X - G, Exhibit 28

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 1

A-Sheet Table of Contents

To find the A-Sheet for:		Look at the A-Sheet for:	
Class	Description	Class	Exhibit
2380	WEBBING MFG	2380	Section X - G, Exhibit 29
2402	CARPET OR RUG MFG NOC	2402	Section X - G, Exhibit 29
2413	TEXTILE - BLEACHING, DYEING, MERCERZNG, FINISH	2413	Section X - G, Exhibit 30
2416	YARN OR THREAD DYEING OR FINISHING	2416	Section X - G, Exhibit 30
2417	CLOTH PRINTING	2417	Section X - G, Exhibit 31
2501	CLOTHING MFG	2501	Section X - G, Exhibit 31
2503	DRESSMAKING OR TAILORING-CUSTOM EXCLUSIVELY	2503	Section X - G, Exhibit 32
2534	FEATHER OR FLOWER MFG-ARTIFICIAL	2501	Section X - G, Exhibit 31
2570	MATTRESS OR BOX SPRING MFG	2570	Section X - G, Exhibit 32
2576	CANVAS GOODS MFG NOC-SHOP	2576	Section X - G, Exhibit 33
2578	BAG OR SACK MFG-CLOTH	2576	Section X - G, Exhibit 33
2585	LAUNDRY NOC & ROUTE SUPERVISORS, DRIVERS	2585	Section X - G, Exhibit 33
2586	CLEANING OR DYEING & ROUTE SUPERVISORS, DRIVERS	2586	Section X - G, Exhibit 34
2587	TOWEL OR TOILET SUPPLY CO & RTE SUPERVISORS, DR	2587	Section X - G, Exhibit 34
2623	TANNING	2623	Section X - G, Exhibit 35
2640	LEATHER EMBOSING	2640	Section X - G, Exhibit 35
2651	SHOE STOCK MFG	2640	Section X - G, Exhibit 35
2660	BOOT OR SHOE MFG NOC	2660	Section X - G, Exhibit 36
2683	LUGGAGE MFG	2683	Section X - G, Exhibit 36
2688	LEATHER GOODS MFG NOC	2688	Section X - G, Exhibit 37
2702	LOGGING OR LUMBERING & DRIVERS	2702	Section X - G, Exhibit 37
2710	SAWMILLS	2710	Section X - G, Exhibit 38
2731	PLANING OR MOLDING MILL	2731	Section X - G, Exhibit 38
2741	COOPERAGE STOCK MFG	2741	Section X - G, Exhibit 39
2747	COOPERAGE ASSEMBLY	2747	Section X - G, Exhibit 39
2790	PATTERN MAKING NOC	2790	Section X - G, Exhibit 40
2802	CARPENTRY-SHOP ONLY & DRIVERS	2802	Section X - G, Exhibit 40
2835	BRUSH OR BROOM ASSEMBLY	2835	Section X - G, Exhibit 41
2836	BRUSH OR BROOM MFG NOC	2836	Section X - G, Exhibit 41
2841	WOODENWARE MFG NOC	2841	Section X - G, Exhibit 42
2883	FURNITURE MFG-WOOD-NOC	2883	Section X - G, Exhibit 42
2923	PIANO MFG	2923	Section X - G, Exhibit 43
2942	PENCIL, PENHOLDER OR CRAYON MFG	2942	Section X - G, Exhibit 43
3018	IRON OR STEEL: MFG: ROLLING MILL & DRIVERS	3018	Section X - G, Exhibit 44
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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 1

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 2

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
0005 FARM: NURSERY EMP & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	127,389	1	16	79,239	123,770	145,443	348,452		
2000/2001	149,320	4	32	268,584	163,723	378,774	811,081		
2001/2002	148,849	0	11	0	11,742	49,107	60,849		
2002/2003	142,877	3	22	292,358	79,322	350,613	722,293		
2003/2004	151,857	0	20	0	100,422	177,117	277,539		
MA Total	720,292	8	101	640,180	478,979	1,101,055	2,220,214		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.622	0.972	1.142	2.735			
		2000/2001	1.799	1.096	2.537	5.432			
		2001/2002	0.000	0.079	0.330	0.409			
		2002/2003	2.046	0.555	2.454	5.055			
		2003/2004	0.000	0.661	1.166	1.828			
		MA Total Pure Premium:	0.889	0.665	1.529	3.082			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.281	1.508	1.895				
		(14) Massachusetts Credibility:	0.24	0.72	0.73				
		(15) Countrywide Pure Premium:	0.965	0.524	1.143	2.632			
		(16) Countrywide Indicated Relativity:	1.356	1.140	1.366				
		(17) Countrywide Credibility:	0.38	0.14	0.14				
		(18) Countrywide Lost-time Claims:	549	4,728					
		(19) Pure Premium Underlying Present Rate:	0.585	0.969	1.497	3.051			
		(20) Relativity to Underlying Present Rate:	1.247	1.632	1.992				
		(21) Credibility to Underlying Relativity:	0.380	0.140	0.130				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.296	1.474	1.834				
		(24) Balanced Formula Relativity:	1.285	1.471	1.827	1.553			

Class(es):		Effective: 9/1/2007						Goods & Services	
0008 FARM: GARDENING-MARKET OR TRUCK & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	168,486	0	12	0	21,547	51,311	72,858		
2000/2001	194,887	3	13	233,254	192,737	266,875	692,866		
2001/2002	195,115	0	20	0	108,163	159,397	267,560		
2002/2003	204,355	1	6	148,011	27,565	141,397	316,973		
2003/2004	250,631	0	15	0	9,620	47,307	56,928		
MA Total	1,013,474	4	66	381,264	359,632	666,288	1,407,184		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.128	0.305	0.432			
		2000/2001	1.197	0.989	1.369	3.555			
		2001/2002	0.000	0.554	0.817	1.371			
		2002/2003	0.724	0.135	0.692	1.551			
		2003/2004	0.000	0.038	0.189	0.227			
		MA Total Pure Premium:	0.376	0.355	0.657	1.388			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.542	0.805	0.815				
		(14) Massachusetts Credibility:	0.21	0.71	0.66				
		(15) Countrywide Pure Premium:	1.546	0.555	1.178	3.279			
		(16) Countrywide Indicated Relativity:	2.171	1.209	1.408				
		(17) Countrywide Credibility:	0.40	0.15	0.17				
		(18) Countrywide Lost-time Claims:	256	4,541					
		(19) Pure Premium Underlying Present Rate:	0.310	0.678	0.834	1.821			
		(20) Relativity to Underlying Present Rate:	0.660	1.141	1.110				
		(21) Credibility to Underlying Relativity:	0.390	0.140	0.170				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.240	0.912	0.966				
		(24) Balanced Formula Relativity:	1.229	0.911	0.963	1.046			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 3

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
0016 FARM: ORCHARDS & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	51,743	0	7	0	42,277	31,065	73,342		
2000/2001	49,270	0	4	0	12,747	27,339	40,087		
2001/2002	46,963	1	3	176,871	2,650	34,016	213,538		
2002/2003	50,801	0	3	0	2,067	9,842	11,909		
2003/2004	50,934	0	3	0	57,621	38,593	96,213		
MA Total	249,711	1	20	176,871	117,362	140,855	435,089		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.817	0.600	1.417				
	2000/2001	0.000	0.259	0.555	0.814				
	2001/2002	3.766	0.056	0.724	4.547				
	2002/2003	0.000	0.041	0.194	0.234				
	2003/2004	0.000	1.131	0.758	1.889				
	MA Total Pure Premium:	0.708	0.470	0.564	1.742				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.021	1.066	0.699					
	(14) Massachusetts Credibility:	0.19	0.39	0.40					
	(15) Countrywide Pure Premium:	1.964	0.738	1.728	4.430				
	(16) Countrywide Indicated Relativity:	2.759	1.605	2.066					
	(17) Countrywide Credibility:	0.41	0.31	0.30					
	(18) Countrywide Lost-time Claims:	897	4,835						
	(19) Pure Premium Underlying Present Rate:	0.898	0.626	0.953	2.476				
	(20) Relativity to Underlying Present Rate:	1.913	1.054	1.268					
	(21) Credibility to Underlying Relativity:	0.400	0.300	0.300					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.090	1.230	1.280					
	(24) Balanced Formula Relativity:	2.072	1.227	1.275	1.549				

Class(es):		Effective: 9/1/2007						Goods & Services	
0034 FARM: POULTRY OR EGG PRODUCERS & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	98,653	0	9	0	31,147	63,021	94,168		
2000/2001	102,070	2	13	111,076	29,470	101,621	242,168		
2001/2002	99,087	1	13	60,471	66,424	87,079	213,973		
2002/2003	92,780	1	7	129,078	48,147	179,955	357,179		
2003/2004	95,721	0	8	0	60,745	140,027	200,772		
MA Total	488,311	4	50	300,625	235,933	571,702	1,108,260		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.316	0.639	0.955				
	2000/2001	1.088	0.289	0.996	2.373				
	2001/2002	0.610	0.670	0.879	2.159				
	2002/2003	1.391	0.519	1.940	3.850				
	2003/2004	0.000	0.635	1.463	2.097				
	MA Total Pure Premium:	0.616	0.483	1.171	2.270				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.887	1.096	1.451					
	(14) Massachusetts Credibility:	0.25	0.59	0.58					
	(15) Countrywide Pure Premium:	1.246	0.702	1.391	3.338				
	(16) Countrywide Indicated Relativity:	1.750	1.527	1.662					
	(17) Countrywide Credibility:	0.38	0.21	0.21					
	(18) Countrywide Lost-time Claims:	586	5,890						
	(19) Pure Premium Underlying Present Rate:	0.948	0.858	1.274	3.080				
	(20) Relativity to Underlying Present Rate:	2.020	1.444	1.696					
	(21) Credibility to Underlying Relativity:	0.370	0.200	0.210					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.634	1.256	1.547					
	(24) Balanced Formula Relativity:	1.620	1.254	1.542	1.504				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 4

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
0035 FARM: FLORIST & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	343,450	1	38	84,496	213,677	335,825	633,998		
2000/2001	381,617	0	26	0	192,016	124,687	316,703		
2001/2002	372,637	0	19	0	39,559	122,347	161,905		
2002/2003	365,493	2	34	346,456	212,774	529,805	1,089,035		
2003/2004	361,143	2	15	264,554	184,951	319,680	769,185		
MA Total	1,824,340	5	132	695,506	842,976	1,432,344	2,970,826		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.246	0.622	0.978	1.846				
	2000/2001	0.000	0.503	0.327	0.830				
	2001/2002	0.000	0.106	0.328	0.434				
	2002/2003	0.948	0.582	1.450	2.980				
	2003/2004	0.733	0.512	0.885	2.130				
	MA Total Pure Premium:	0.381	0.462	0.785	1.628				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.549	1.048	0.973					
	(14) Massachusetts Credibility:	0.29	0.87	0.79					
	(15) Countrywide Pure Premium:	0.668	0.521	0.946	2.136				
	(16) Countrywide Indicated Relativity:	0.939	1.135	1.131					
	(17) Countrywide Credibility:	0.36	0.07	0.11					
	(18) Countrywide Lost-time Claims:	302	3,114						
	(19) Pure Premium Underlying Present Rate:	0.368	0.620	0.719	1.707				
	(20) Relativity to Underlying Present Rate:	0.784	1.043	0.957					
	(21) Credibility to Underlying Relativity:	0.350	0.060	0.100					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	0.772	1.054	0.989					
	(24) Balanced Formula Relativity:	0.765	1.052	0.986	0.922				

Class(es):		Effective: 9/1/2007						Goods & Services	
0042 LANDSCAPE GARDENING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,923,912	26	296	3,277,175	2,167,340	3,584,064	9,028,579		
2000/2001	2,230,072	18	308	1,810,141	1,562,827	2,362,020	5,734,988		
2001/2002	2,387,894	25	356	3,101,521	1,919,188	4,260,818	9,281,527		
2002/2003	2,645,493	46	327	6,437,405	1,976,879	5,832,903	14,247,188		
2003/2004	2,899,013	19	300	3,767,398	2,699,463	4,243,043	10,709,903		
MA Total	12,086,384	134	1,587	18,393,640	10,325,697	20,282,848	49,002,185		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.703	1.127	1.863	4.693				
	2000/2001	0.812	0.701	1.059	2.572				
	2001/2002	1.299	0.804	1.784	3.887				
	2002/2003	2.433	0.747	2.205	5.385				
	2003/2004	1.300	0.931	1.464	3.694				
	MA Total Pure Premium:	1.522	0.854	1.678	4.054				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.193	1.938	2.081					
	(14) Massachusetts Credibility:	0.98	1.00	1.00					
	(15) Countrywide Pure Premium:	1.620	0.890	1.714	4.224				
	(16) Countrywide Indicated Relativity:	2.276	1.937	2.049					
	(17) Countrywide Credibility:	0.01	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,772	15,638						
	(19) Pure Premium Underlying Present Rate:	1.192	1.220	1.548	3.960				
	(20) Relativity to Underlying Present Rate:	2.541	2.054	2.061					
	(21) Credibility to Underlying Relativity:	0.010	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.198	1.938	2.081					
	(24) Balanced Formula Relativity:	2.178	1.934	2.073	2.079				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000080

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 5

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
0050 FARM MACHINERY OPERATION-BY CONTRACTOR & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	5,792	0	0	0	0	783	783		
2000/2001	4,166	0	0	0	0	0	0		
2001/2002	3,781	0	0	0	0	206	206		
2002/2003	9,391	0	0	0	0	0	0		
2003/2004	12,517	0	1	0	117	519	636		
MA Total	35,647	0	1	0	117	1,509	1,626		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.135	0.135				
	2000/2001	0.000	0.000	0.000	0.000				
	2001/2002	0.000	0.000	0.054	0.054				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.009	0.041	0.051				
	MA Total Pure Premium:	0.000	0.003	0.042	0.046				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.004	0.021					
	(14) Massachusetts Credibility:	0.11	0.21	0.21					
	(15) Countrywide Pure Premium:	2.698	0.911	2.299	5.908				
	(16) Countrywide Indicated Relativity:	0.970	1.010	1.206					
	(17) Countrywide Credibility:	0.45	0.40	0.40					
	(18) Countrywide Lost-time Claims:	206	1,425						
	(19) Pure Premium Underlying Present Rate:	1.757	0.868	1.401	4.026				
	(20) Relativity to Underlying Present Rate:	0.752	0.629	0.697					
	(21) Credibility to Underlying Relativity:	0.440	0.390	0.390					
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872				
	(23) Formula Relativity:	0.768	0.650	0.759					
	(24) Balanced Formula Relativity:	0.777	0.651	0.762	0.752				

Class(es):		Effective: 9/1/2007						Goods & Services	
0079 FARM: BERRY OR VINEYARD & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	130,773	1	13	84,127	188,815	213,156	486,097		
2000/2001	109,964	1	9	58,742	49,819	90,609	199,170		
2001/2002	115,462	3	13	675,871	179,003	356,936	1,211,810		
2002/2003	109,348	2	5	313,883	29,925	211,864	555,673		
2003/2004	114,849	0	5	0	8,367	46,798	55,165		
MA Total	580,396	7	45	1,132,623	455,929	919,363	2,507,915		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.643	1.444	1.630	3.717				
	2000/2001	0.534	0.453	0.824	1.811				
	2001/2002	5.854	1.550	3.091	10.495				
	2002/2003	2.870	0.274	1.938	5.082				
	2003/2004	0.000	0.073	0.407	0.480				
	MA Total Pure Premium:	1.951	0.786	1.584	4.321				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.812	1.782	1.964					
	(14) Massachusetts Credibility:	0.29	0.69	0.80					
	(15) Countrywide Pure Premium:	0.802	0.453	0.798	2.054				
	(16) Countrywide Indicated Relativity:	1.127	0.986	0.954					
	(17) Countrywide Credibility:	0.36	0.16	0.10					
	(18) Countrywide Lost-time Claims:	250	823						
	(19) Pure Premium Underlying Present Rate:	1.147	1.079	2.401	4.627				
	(20) Relativity to Underlying Present Rate:	2.444	1.816	3.196					
	(21) Credibility to Underlying Relativity:	0.350	0.150	0.100					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.077	1.660	1.986					
	(24) Balanced Formula Relativity:	2.058	1.656	1.979	1.934				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000081

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 6

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
0083 FARM: CATTLE OR LIVESTOCK RAISING NOC & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	23,718	1	4	249,980	54,410	52,269	356,659		
2000/2001	23,048	0	0	0	0	6,597	6,597		
2001/2002	38,904	1	3	125,748	11,650	29,547	166,945		
2002/2003	57,544	1	5	126,844	10,107	52,031	188,981		
2003/2004	52,503	0	6	0	13,543	34,487	48,030		
MA Total	195,717	3	18	502,573	89,709	174,931	767,213		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	10.540	2.294	2.204	15.038			
		2000/2001	0.000	0.000	0.286	0.286			
		2001/2002	3.232	0.299	0.759	4.291			
		2002/2003	2.204	0.176	0.904	3.284			
		2003/2004	0.000	0.258	0.657	0.915			
		MA Total Pure Premium:	2.568	0.458	0.894	3.920			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.701	1.040	1.108				
		(14) Massachusetts Credibility:	0.18	0.39	0.36				
		(15) Countrywide Pure Premium:	2.872	1.049	2.443	6.364			
		(16) Countrywide Indicated Relativity:	4.034	2.282	2.921				
		(17) Countrywide Credibility:	0.41	0.31	0.32				
		(18) Countrywide Lost-time Claims:	204	3,592					
		(19) Pure Premium Underlying Present Rate:	1.053	0.777	0.974	2.804			
		(20) Relativity to Underlying Present Rate:	2.243	1.309	1.296				
		(21) Credibility to Underlying Relativity:	0.410	0.300	0.320				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	3.240	1.506	1.748				
		(24) Balanced Formula Relativity:	3.211	1.503	1.742	2.213			

Class(es):		Effective: 9/1/2007						Miscellaneous	
0106 TREE PRUNING, SPRAYING, REPAIRING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	136,627	4	43	477,185	308,112	748,991	1,534,288		
2000/2001	155,394	7	44	863,951	227,719	1,149,757	2,241,427		
2001/2002	150,282	3	33	520,893	352,893	853,457	1,727,243		
2002/2003	156,395	13	38	2,323,754	268,741	1,458,237	4,050,732		
2003/2004	166,155	3	41	433,772	257,019	1,067,635	1,758,425		
MA Total	764,853	30	199	4,619,555	1,414,484	5,278,076	11,312,115		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	3.493	2.255	5.482	11.230			
		2000/2001	5.560	1.465	7.399	14.424			
		2001/2002	3.466	2.348	5.679	11.493			
		2002/2003	14.858	1.718	9.324	25.901			
		2003/2004	2.611	1.547	6.426	10.583			
		MA Total Pure Premium:	6.040	1.849	6.901	14.790			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.878	2.113	3.746				
		(14) Massachusetts Credibility:	0.54	1.00	1.00				
		(15) Countrywide Pure Premium:	5.947	1.869	5.162	12.978			
		(16) Countrywide Indicated Relativity:	3.128	2.397	3.101				
		(17) Countrywide Credibility:	0.23	0.00	0.00				
		(18) Countrywide Lost-time Claims:	606	4,583					
		(19) Pure Premium Underlying Present Rate:	4.220	2.462	6.222	12.904			
		(20) Relativity to Underlying Present Rate:	2.938	2.063	3.674				
		(21) Credibility to Underlying Relativity:	0.230	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	2.949	2.113	3.746				
		(24) Balanced Formula Relativity:	2.955	2.118	3.756	3.109			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000082

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 7

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
0251 IRRIGATION WORKS OPERATION & DRIVERS*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	116,986	1	14	239,101	81,393	185,067	505,561	
2000/2001	211,336	3	17	583,294	141,171	279,606	1,004,071	
2001/2002	219,046	2	11	274,068	53,475	197,275	524,818	
2002/2003	111,295	3	7	951,695	23,013	495,519	1,470,227	
2003/2004	126,363	1	11	444,633	97,899	427,760	970,292	
MA Total	785,026	10	60	2,492,791	396,952	1,585,227	4,474,970	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	2.044	0.696	1.582	4.322	
			2000/2001	2.760	0.668	1.323	4.751	
			2001/2002	1.251	0.244	0.901	2.396	
			2002/2003	8.551	0.207	4.452	13.210	
			2003/2004	3.519	0.775	3.385	7.679	
			MA Total Pure Premium:	3.175	0.506	2.019	5.700	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.513	0.578	1.096		
			(14) Massachusetts Credibility:	0.30	0.69	0.63		
			(15) Countrywide Pure Premium:	1.375	0.617	1.374	3.366	
			(16) Countrywide Indicated Relativity:	0.723	0.792	0.825		
			(17) Countrywide Credibility:	0.35	0.16	0.19		
			(18) Countrywide Lost-time Claims:	306	3,729			
			(19) Pure Premium Underlying Present Rate:	0.942	0.799	0.954	2.695	
			(20) Relativity to Underlying Present Rate:	0.655	0.670	0.563		
			(21) Credibility to Underlying Relativity:	0.350	0.150	0.180		
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816	
			(23) Formula Relativity:	0.936	0.626	0.949		
			(24) Balanced Formula Relativity:	0.938	0.627	0.951	0.887	

Class(es):		Effective: 9/1/2007						Goods & Services
0908 DOMESTIC WORKERS-INSIDE-OCCASIONAL-NOC*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	3,198	1	12	74,104	210,250	225,641	509,996	
2000/2001	3,002	3	9	415,090	36,651	143,521	595,263	
2001/2002	2,851	1	6	55,246	81,081	52,297	188,624	
2002/2003	2,799	0	10	0	81,841	83,418	165,260	
2003/2004	2,572	2	6	437,262	48,481	124,154	609,898	
MA Total	14,422	7	43	981,702	458,304	629,033	2,069,039	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	23.173	65.746	70.559	159.478	
			2000/2001	138.294	12.211	47.817	198.322	
			2001/2002	19.381	28.444	18.346	66.171	
			2002/2003	0.000	29.244	29.807	59.051	
			2003/2004	169.992	18.848	48.267	237.107	
			MA Total Pure Premium:	68.070	31.778	43.616	143.464	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	98.109	72.085	54.079		
			(14) Massachusetts Credibility:	0.28	0.66	0.60		
			(15) Countrywide Pure Premium:	0.159	0.076	0.138	0.374	
			(16) Countrywide Indicated Relativity:	91.299	65.169	62.585		
			(17) Countrywide Credibility:	0.36	0.17	0.20		
			(18) Countrywide Lost-time Claims:	97	816			
			(19) Pure Premium Underlying Present Rate:	42.958	38.787	47.126	128.871	
			(20) Relativity to Underlying Present Rate:	91.534	65.304	62.724		
			(21) Credibility to Underlying Relativity:	0.360	0.170	0.200		
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
			(23) Formula Relativity:	93.290	69.757	57.509		
			(24) Balanced Formula Relativity:	92.467	69.617	57.309	72.670	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000083

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 8

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
0909 DOMESTIC WORKERS-OUTSIDE-OCCASIONAL-INCL OCCASNL PRIV CHAUFF*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	471	1	2	128,198	5,924	278,704	412,826		
2000/2001	469	0	2	0	25,783	15,318	41,101		
2001/2002	470	0	0	0	0	3,862	3,862		
2002/2003	420	0	2	0	7,456	46,670	54,126		
2003/2004	431	0	3	0	81,548	80,902	162,450		
MA Total	2,261	1	9	128,198	120,712	425,456	674,366		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	272.038	12.571	591.415	876.023				
	2000/2001	0.000	55.016	32.685	87.701				
	2001/2002	0.000	0.000	8.210	8.210				
	2002/2003	0.000	17.759	111.160	128.918				
	2003/2004	0.000	189.229	187.730	376.959				
	MA Total Pure Premium:	56.700	53.389	188.172	298.260				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	81.710	121.090	233.280					
	(14) Massachusetts Credibility:	0.12	0.38	0.42					
	(15) Countrywide Pure Premium:	0.317	0.173	0.305	0.795				
	(16) Countrywide Indicated Relativity:	65.334	106.617	163.236					
	(17) Countrywide Credibility:	0.31	0.31	0.29					
	(18) Countrywide Lost-time Claims:	24	239						
	(19) Pure Premium Underlying Present Rate:	30.741	63.456	122.915	217.112				
	(20) Relativity to Underlying Present Rate:	65.502	106.837	163.600					
	(21) Credibility to Underlying Relativity:	0.570	0.310	0.290					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	67.395	112.185	192.760					
	(24) Balanced Formula Relativity:	66.800	111.961	192.089	129.111				

Class(es):		Effective: 9/1/2007						Goods & Services	
0917 DOMESTIC SERVICE CONTRACTOR-INSIDE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	88,832	0	17	0	102,729	107,198	209,927		
2000/2001	111,335	2	12	115,581	28,020	43,993	187,594		
2001/2002	110,295	0	10	0	16,398	47,740	64,139		
2002/2003	122,576	1	14	67,370	54,584	61,952	183,907		
2003/2004	149,025	1	17	170,520	97,241	111,835	379,596		
MA Total	582,063	4	70	353,471	298,973	372,718	1,025,162		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	1.156	1.207	2.363				
	2000/2001	1.038	0.252	0.395	1.685				
	2001/2002	0.000	0.149	0.433	0.582				
	2002/2003	0.550	0.445	0.505	1.500				
	2003/2004	1.144	0.653	0.750	2.547				
	MA Total Pure Premium:	0.607	0.514	0.640	1.761				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.875	1.165	0.794					
	(14) Massachusetts Credibility:	0.20	0.68	0.57					
	(15) Countrywide Pure Premium:	0.836	0.865	1.406	3.108				
	(16) Countrywide Indicated Relativity:	1.174	1.883	1.681					
	(17) Countrywide Credibility:	0.34	0.16	0.22					
	(18) Countrywide Lost-time Claims:	31	663						
	(19) Pure Premium Underlying Present Rate:	0.478	1.062	0.994	2.534				
	(20) Relativity to Underlying Present Rate:	1.019	1.789	1.323					
	(21) Credibility to Underlying Relativity:	0.460	0.160	0.210					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.043	1.380	1.100					
	(24) Balanced Formula Relativity:	1.034	1.377	1.096	1.138				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000084

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 9

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
		0918 DOMESTIC WORKERS-INSIDE-PHYSICAL ASSISTANCE							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,204,953	1	32	90,787	236,758	79,859	407,404		
2000/2001	1,424,229	1	41	121,133	251,091	117,451	489,676		
2001/2002	1,450,394	5	57	1,033,946	380,448	491,726	1,906,120		
2002/2003	1,693,911	2	40	204,979	280,307	195,094	680,381		
2003/2004	2,313,768	5	39	717,216	697,305	558,615	1,973,137		
MA Total	8,087,255	14	209	2,168,062	1,845,910	1,442,745	5,456,718		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.075	0.196	0.066	0.338			
		2000/2001	0.085	0.176	0.082	0.344			
		2001/2002	0.713	0.262	0.339	1.314			
		2002/2003	0.121	0.165	0.115	0.402			
		2003/2004	0.310	0.301	0.241	0.853			
		MA Total Pure Premium:	0.268	0.228	0.178	0.675			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.386	0.518	0.221				
		(14) Massachusetts Credibility:	0.41	0.96	0.89				
		(15) Countrywide Pure Premium:	0.980	0.673	1.133	2.786			
		(16) Countrywide Indicated Relativity:	1.377	1.464	1.354				
		(17) Countrywide Credibility:	0.30	0.02	0.06				
		(18) Countrywide Lost-time Claims:	51	1,283					
		(19) Pure Premium Underlying Present Rate:	0.201	0.181	0.220	0.602			
		(20) Relativity to Underlying Present Rate:	0.427	0.305	0.293				
		(21) Credibility to Underlying Relativity:	0.290	0.020	0.050				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.695	0.532	0.293				
		(24) Balanced Formula Relativity:	0.689	0.531	0.292	0.488			

Class(es):		Effective: 9/1/2007						Manufacturing	
		1430 SMELTING, SINTERING OR REFINING-LEAD & DRIVERS							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0		
2000/2001	0	0	0	0	0	0	0		
2001/2002	0	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	0	0	0	0	0	0	0		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	2.477	0.791	1.509	4.777			
		(16) Countrywide Indicated Relativity:	2.977	1.720	1.792				
		(17) Countrywide Credibility:	0.26	0.47	0.50				
		(18) Countrywide Lost-time Claims:	16	137					
		(19) Pure Premium Underlying Present Rate:	3.081	13.550	2.117	18.748			
		(20) Relativity to Underlying Present Rate:	4.890	20.597	2.639				
		(21) Credibility to Underlying Relativity:	0.740	0.530	0.500				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	4.392	11.725	2.216				
		(24) Balanced Formula Relativity:	4.422	11.687	2.211	5.133			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000085

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 10

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
1438 SMELTING, SINTERING OR REFINING-METALS-NOT IRON OR LEAD-NOC & D								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	85,584	0	7	0	70,300	29,124	99,424	
2000/2001	81,611	0	3	0	35,495	32,195	67,690	
2001/2002	79,469	0	1	0	2,959	10,657	13,617	
2002/2003	79,357	0	5	0	6,147	50,754	56,901	
2003/2004	69,587	1	1	277,856	2,496	425,929	706,281	
MA Total	395,608	1	17	277,856	117,397	548,660	943,913	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.821	0.340	1.162			
	2000/2001	0.000	0.435	0.394	0.829			
	2001/2002	0.000	0.037	0.134	0.171			
	2002/2003	0.000	0.077	0.640	0.717			
	2003/2004	3.993	0.036	6.121	10.150			
	MA Total Pure Premium:	0.702	0.297	1.387	2.386			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.792	0.599	1.550				
	(14) Massachusetts Credibility:	0.23	0.47	0.53				
	(15) Countrywide Pure Premium:	1.813	0.703	1.242	3.758			
	(16) Countrywide Indicated Relativity:	2.179	1.529	1.475				
	(17) Countrywide Credibility:	0.39	0.27	0.24				
	(18) Countrywide Lost-time Claims:	152	1,487					
	(19) Pure Premium Underlying Present Rate:	0.998	0.626	1.239	2.863			
	(20) Relativity to Underlying Present Rate:	1.584	0.951	1.545				
	(21) Credibility to Underlying Relativity:	0.380	0.260	0.230				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.634	0.942	1.531				
	(24) Balanced Formula Relativity:	1.645	0.939	1.528	1.445			

Class(es):		Effective: 9/1/2007						Manufacturing
1463 ASPHALT WORKS & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	77,509	2	8	374,239	39,901	236,592	650,733	
2000/2001	81,997	1	13	130,098	110,504	173,520	414,122	
2001/2002	79,496	0	5	0	13,177	27,333	40,510	
2002/2003	130,384	1	12	134,691	59,976	92,912	287,579	
2003/2004	53,053	0	8	0	35,980	26,208	62,188	
MA Total	422,439	4	46	639,029	259,537	556,565	1,455,131	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.828	0.515	3.052	8.396			
	2000/2001	1.587	1.348	2.116	5.050			
	2001/2002	0.000	0.166	0.344	0.510			
	2002/2003	1.033	0.460	0.713	2.206			
	2003/2004	0.000	0.678	0.494	1.172			
	MA Total Pure Premium:	1.513	0.614	1.318	3.445			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.705	1.241	1.473				
	(14) Massachusetts Credibility:	0.30	0.69	0.59				
	(15) Countrywide Pure Premium:	6.648	1.792	3.862	12.303			
	(16) Countrywide Indicated Relativity:	7.989	3.896	4.588				
	(17) Countrywide Credibility:	0.35	0.16	0.21				
	(18) Countrywide Lost-time Claims:	257	1,781					
	(19) Pure Premium Underlying Present Rate:	1.691	1.484	1.496	4.672			
	(20) Relativity to Underlying Present Rate:	2.685	2.256	1.865				
	(21) Credibility to Underlying Relativity:	0.350	0.150	0.200				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	4.247	1.818	2.205				
	(24) Balanced Formula Relativity:	4.276	1.812	2.201	2.925			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000086

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 11

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
1624 QUARRY NOC & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	305,496	5	29	895,494	150,134	551,053	1,596,681		
2000/2001	327,116	6	14	1,339,222	68,087	528,668	1,935,977		
2001/2002	374,216	2	31	344,878	162,863	500,270	1,008,011		
2002/2003	451,518	4	27	1,094,708	219,405	497,291	1,811,404		
2003/2004	425,432	3	20	1,091,864	189,383	697,145	1,978,392		
MA Total	1,883,778	20	121	4,766,166	789,872	2,774,427	8,330,465		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	2.931	0.491	1.804	5.227		
			2000/2001	4.094	0.208	1.616	5.918		
			2001/2002	0.922	0.435	1.337	2.694		
			2002/2003	2.425	0.486	1.101	4.012		
			2003/2004	2.566	0.445	1.639	4.650		
			MA Total Pure Premium:	2.530	0.419	1.473	4.422		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.206	0.479	0.800			
			(14) Massachusetts Credibility:	0.48	0.96	1.00			
			(15) Countrywide Pure Premium:	1.985	0.636	1.477	4.098		
			(16) Countrywide Indicated Relativity:	1.044	0.815	0.887			
			(17) Countrywide Credibility:	0.26	0.02	0.00			
			(18) Countrywide Lost-time Claims:	311	2.665				
			(19) Pure Premium Underlying Present Rate:	1.262	0.769	1.336	3.367		
			(20) Relativity to Underlying Present Rate:	0.879	0.645	0.789			
			(21) Credibility to Underlying Relativity:	0.260	0.020	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816		
			(23) Formula Relativity:	1.079	0.489	0.800			
			(24) Balanced Formula Relativity:	1.081	0.490	0.802	0.867		

Class(es):		Effective: 9/1/2007						Miscellaneous	
1655 LIME MFG-QUARRY-SURFACE & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	78,176	1	2	141,207	29,755	185,024	355,987		
2000/2001	0	0	0	0	0	0	0		
2001/2002	335	0	0	0	0	0	0		
2002/2003	404	0	0	0	0	0	0		
2003/2004	484	0	0	0	0	0	0		
MA Total	79,399	1	2	141,207	29,755	185,024	355,987		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.806	0.381	2.367	4.554		
			2000/2001	0.000	0.000	0.000	0.000		
			2001/2002	0.000	0.000	0.000	0.000		
			2002/2003	0.000	0.000	0.000	0.000		
			2003/2004	0.000	0.000	0.000	0.000		
			MA Total Pure Premium:	1.778	0.375	2.330	4.484		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.847	0.428	1.265			
			(14) Massachusetts Credibility:	0.15	0.22	0.30			
			(15) Countrywide Pure Premium:	1.789	0.713	2.195	4.698		
			(16) Countrywide Indicated Relativity:	0.941	0.915	1.319			
			(17) Countrywide Credibility:	0.18	0.39	0.35			
			(18) Countrywide Lost-time Claims:	6	131				
			(19) Pure Premium Underlying Present Rate:	1.527	0.480	1.489	3.495		
			(20) Relativity to Underlying Present Rate:	1.063	0.403	0.879			
			(21) Credibility to Underlying Relativity:	0.670	0.390	0.350			
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816		
			(23) Formula Relativity:	1.009	0.608	1.149			
			(24) Balanced Formula Relativity:	1.011	0.610	1.152	0.992		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000087

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 12

Calculation of Class Relativities

Class(es): 1701 CEMENT MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,949	0	0	0	0	0	0	0	
2000/2001	2,214	0	0	0	0	0	0	0	
2001/2002	6,916	0	0	0	0	0	0	0	
2002/2003	2,698	0	0	0	0	0	0	0	
2003/2004	596	0	1	0	17,650	6,439	24,089	24,089	
MA Total	15,373	0	1	0	17,650	6,439	24,089	24,089	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	29.603	10.799	40.402			
		MA Total Pure Premium:	0.000	1.148	0.419	1.567			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.319	0.468				
		(14) Massachusetts Credibility:	0.06	0.21	0.14				
		(15) Countrywide Pure Premium:	1.952	0.783	1.487	4.222			
		(16) Countrywide Indicated Relativity:	2.346	1.702	1.766				
		(17) Countrywide Credibility:	0.47	0.40	0.43				
		(18) Countrywide Lost-time Claims:	217	1,395					
		(19) Pure Premium Underlying Present Rate:	0.813	2.101	1.181	4.095			
		(20) Relativity to Underlying Present Rate:	1.290	3.194	1.472				
		(21) Credibility to Underlying Relativity:	0.470	0.390	0.430				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.709	2.414	1.458				
		(24) Balanced Formula Relativity:	1.721	2.406	1.455	1.765			

Class(es): 1747 EMERY WORKS & DRIVERS		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	46,242	0	14	0	63,744	80,948	144,692	144,692	
2000/2001	38,979	1	2	225,245	3,287	167,527	396,059	396,059	
2001/2002	40,526	0	1	0	372	11,607	11,980	11,980	
2002/2003	42,709	0	8	0	7,054	18,928	25,982	25,982	
2003/2004	42,214	1	10	412,830	31,091	403,077	846,998	846,998	
MA Total	210,670	2	35	638,075	105,548	682,088	1,425,711	1,425,711	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	1.378	1.751	3.129			
		2000/2001	5.779	0.084	4.298	10.161			
		2001/2002	0.000	0.009	0.286	0.296			
		2002/2003	0.000	0.165	0.443	0.608			
		2003/2004	9.779	0.737	9.548	20.064			
		MA Total Pure Premium:	3.029	0.501	3.238	6.768			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.414	1.012	3.619				
		(14) Massachusetts Credibility:	0.16	0.45	0.36				
		(15) Countrywide Pure Premium:	1.972	0.562	0.840	3.374			
		(16) Countrywide Indicated Relativity:	2.370	1.221	0.998				
		(17) Countrywide Credibility:	0.30	0.28	0.32				
		(18) Countrywide Lost-time Claims:	22	188					
		(19) Pure Premium Underlying Present Rate:	0.784	1.018	0.869	2.671			
		(20) Relativity to Underlying Present Rate:	1.244	1.548	1.083				
		(21) Credibility to Underlying Relativity:	0.540	0.270	0.320				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.929	1.215	1.969				
		(24) Balanced Formula Relativity:	1.942	1.211	1.965	1.792			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000088

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 13

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
1748 ABRASIVE WHEEL MFG & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	171,806	0	15	0	131,084	119,472	250,556	
2000/2001	125,206	3	10	420,947	41,377	158,059	620,384	
2001/2002	94,969	2	10	312,552	17,552	103,375	433,479	
2002/2003	72,014	1	6	98,248	18,640	79,229	196,118	
2003/2004	87,968	0	5	0	20,042	30,174	50,216	
MA Total	551,963	6	46	831,747	228,695	490,310	1,550,752	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.763	0.695	1.458			
	2000/2001	3.362	0.330	1.262	4.955			
	2001/2002	3.291	0.185	1.089	4.564			
	2002/2003	1.364	0.259	1.100	2.723			
	2003/2004	0.000	0.228	0.343	0.571			
	MA Total Pure Premium:	1.507	0.414	0.888	2.810			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.698	0.837	0.993				
	(14) Massachusetts Credibility:	0.26	0.80	0.62				
	(15) Countrywide Pure Premium:	2.371	0.723	1.956	5.050			
	(16) Countrywide Indicated Relativity:	2.849	1.572	2.324				
	(17) Countrywide Credibility:	0.22	0.10	0.19				
	(18) Countrywide Lost-time Claims:	10	93					
	(19) Pure Premium Underlying Present Rate:	0.896	1.659	1.339	3.894			
	(20) Relativity to Underlying Present Rate:	1.422	2.522	1.670				
	(21) Credibility to Underlying Relativity:	0.520	0.100	0.190				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.808	1.079	1.374				
	(24) Balanced Formula Relativity:	1.820	1.075	1.372	1.482			

Class(es):		Effective: 9/1/2007						Manufacturing
1852 ASBESTOS GOODS MFG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.000	0.000			
	2000/2001	0.000	0.000	0.000	0.000			
	2001/2002	0.000	0.000	0.000	0.000			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.000	0.000	0.000			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
	(14) Massachusetts Credibility:	0.00	0.00	0.00				
	(15) Countrywide Pure Premium:	2.558	0.065	1.730	4.353			
	(16) Countrywide Indicated Relativity:	3.074	0.142	2.055				
	(17) Countrywide Credibility:	0.09	0.18	0.22				
	(18) Countrywide Lost-time Claims:	1	13					
	(19) Pure Premium Underlying Present Rate:	5.177	0.906	1.279	7.362			
	(20) Relativity to Underlying Present Rate:	8.217	1.377	1.595				
	(21) Credibility to Underlying Relativity:	0.910	0.820	0.780				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	7.754	1.154	1.696				
	(24) Balanced Formula Relativity:	7.807	1.151	1.693	3.957			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000089

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 14

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
1853 MICA GOODS MFG & MICA PREPARING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	836	0	0	0	0	0	0	0	
2000/2001	1,089	0	0	0	0	0	0	0	
2001/2002	848	0	0	0	0	0	0	0	
2002/2003	969	0	0	0	0	0	0	0	
2003/2004	1,042	0	0	0	0	0	0	0	
MA Total	4,784	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.04	0.08	0.08				
		(15) Countrywide Pure Premium:	0.276	0.256	0.286	0.818			
		(16) Countrywide Indicated Relativity:	0.332	0.556	0.339				
		(17) Countrywide Credibility:	0.09	0.17	0.21				
		(18) Countrywide Lost-time Claims:	1	11					
		(19) Pure Premium Underlying Present Rate:	0.890	0.606	0.832	2.327			
		(20) Relativity to Underlying Present Rate:	1.412	0.921	1.037				
		(21) Credibility to Underlying Relativity:	0.870	0.750	0.710				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.258	0.785	0.807				
		(24) Balanced Formula Relativity:	1.267	0.783	0.806	0.980			

Class(es):		Effective: 9/1/2007						Manufacturing	
1860 ABRASIVE PAPER OR CLOTH PREPARATION									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	25,866	0	1	0	1,842	5,307	7,149		
2000/2001	24,083	0	0	0	0	790	790		
2001/2002	22,331	0	0	0	0	1,514	1,514		
2002/2003	40,063	0	1	0	209	2,545	2,753		
2003/2004	16,269	0	0	0	0	4,884	4,884		
MA Total	128,612	0	2	0	2,051	15,039	17,090		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.071	0.205	0.276			
		2000/2001	0.000	0.000	0.033	0.033			
		2001/2002	0.000	0.000	0.068	0.068			
		2002/2003	0.000	0.005	0.064	0.069			
		2003/2004	0.000	0.000	0.300	0.300			
		MA Total Pure Premium:	0.000	0.016	0.117	0.133			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.032	0.131				
		(14) Massachusetts Credibility:	0.16	0.26	0.25				
		(15) Countrywide Pure Premium:	1.553	0.388	0.822	2.763			
		(16) Countrywide Indicated Relativity:	1.866	0.843	0.977				
		(17) Countrywide Credibility:	0.42	0.37	0.38				
		(18) Countrywide Lost-time Claims:	70	288					
		(19) Pure Premium Underlying Present Rate:	1.230	0.442	0.588	2.260			
		(20) Relativity to Underlying Present Rate:	1.953	0.672	0.733				
		(21) Credibility to Underlying Relativity:	0.420	0.370	0.370				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.604	0.569	0.675				
		(24) Balanced Formula Relativity:	1.615	0.567	0.674	1.017			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000090

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 15

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
1924 WIRE DRAWING OR CABLE MFG-NOT IRON OR STEEL*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	143,388	2	22	217,784	174,883	140,326	532,993	
2000/2001	104,338	1	11	69,707	25,522	93,330	188,559	
2001/2002	83,379	0	6	0	40,601	37,620	78,220	
2002/2003	141,373	0	6	0	25,174	35,620	60,793	
2003/2004	136,118	0	8	0	84,552	90,427	174,979	
MA Total	608,596	3	53	287,492	350,732	397,322	1,035,546	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.519	1.220	0.979	3.717			
	2000/2001	0.668	0.245	0.895	1.807			
	2001/2002	0.000	0.487	0.451	0.938			
	2002/2003	0.000	0.178	0.252	0.430			
	2003/2004	0.000	0.621	0.664	1.286			
	MA Total Pure Premium:	0.472	0.576	0.653	1.702			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.532	1.164	0.730				
	(14) Massachusetts Credibility:	0.25	0.58	0.55				
	(15) Countrywide Pure Premium:	1.664	0.616	1.339	3.619			
	(16) Countrywide Indicated Relativity:	2.000	1.339	1.590				
	(17) Countrywide Credibility:	0.38	0.21	0.23				
	(18) Countrywide Lost-time Claims:	148	1,523					
	(19) Pure Premium Underlying Present Rate:	0.763	0.678	0.885	2.327			
	(20) Relativity to Underlying Present Rate:	1.211	1.030	1.104				
	(21) Credibility to Underlying Relativity:	0.370	0.210	0.220				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.341	1.173	1.010				
	(24) Balanced Formula Relativity:	1.350	1.169	1.008	1.176			

Class(es):		Effective: 9/1/2007						Manufacturing
1925 DIE CASTING MFG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	27,773	1	0	82,728	0	17,860	100,588	
2000/2001	29,826	1	3	193,914	18,140	24,419	236,473	
2001/2002	29,871	0	2	0	949	2,444	3,392	
2002/2003	38,050	0	5	0	17,031	19,477	36,507	
2003/2004	39,455	2	7	422,546	75,843	193,597	691,986	
MA Total	164,975	4	17	699,188	111,962	257,796	1,068,947	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.979	0.000	0.643	3.622			
	2000/2001	6.502	0.608	0.819	7.929			
	2001/2002	0.000	0.032	0.082	0.114			
	2002/2003	0.000	0.448	0.512	0.959			
	2003/2004	10.710	1.922	4.907	17.539			
	MA Total Pure Premium:	4.238	0.679	1.563	6.479			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.777	1.371	1.747				
	(14) Massachusetts Credibility:	0.19	0.41	0.36				
	(15) Countrywide Pure Premium:	1.123	0.833	1.495	3.450			
	(16) Countrywide Indicated Relativity:	1.349	1.811	1.775				
	(17) Countrywide Credibility:	0.41	0.30	0.32				
	(18) Countrywide Lost-time Claims:	131	2,153					
	(19) Pure Premium Underlying Present Rate:	1.399	1.025	1.121	3.544			
	(20) Relativity to Underlying Present Rate:	2.220	1.558	1.397				
	(21) Credibility to Underlying Relativity:	0.400	0.290	0.320				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	2.349	1.557	1.644				
	(24) Balanced Formula Relativity:	2.365	1.552	1.641	1.904			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000091

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 16

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2001 CRACKER MFG*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	880,304	4	156	384,948	912,956	1,018,563	2,316,466		
2000/2001	973,162	7	107	714,749	641,103	863,645	2,219,498		
2001/2002	1,174,292	12	126	1,236,146	729,735	1,692,004	3,657,886		
2002/2003	1,249,951	8	156	1,364,969	1,002,710	1,783,517	4,151,196		
2003/2004	1,250,389	4	120	1,129,373	948,246	1,464,589	3,542,207		
MA Total	5,528,098	35	665	4,830,184	4,234,751	6,822,318	15,887,253		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
	1999/2000	0.437	1.037	1.157			2.631		
	2000/2001	0.734	0.659	0.887			2.281		
	2001/2002	1.053	0.621	1.441			3.115		
	2002/2003	1.092	0.802	1.427			3.321		
	2003/2004	0.903	0.758	1.171			2.833		
	MA Total Pure Premium:	0.874	0.766	1.234			2.874		
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
	(13) Massachusetts Indicated Relativity:	0.985	1.547	1.380					
	(14) Massachusetts Credibility:	0.62	1.00	1.00					
	(15) Countrywide Pure Premium:	1.181	0.675	1.201			3.056		
	(16) Countrywide Indicated Relativity:	1.419	1.466	1.426					
	(17) Countrywide Credibility:	0.19	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,527	13,587						
	(19) Pure Premium Underlying Present Rate:	0.819	0.886	1.247			2.951		
	(20) Relativity to Underlying Present Rate:	1.299	1.347	1.554					
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277		
	(23) Formula Relativity:	1.127	1.547	1.380					
	(24) Balanced Formula Relativity:	1.135	1.542	1.377			1.319		

Class(es):		Effective: 9/1/2007						Manufacturing	
2002 MACARONI MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	6,450	0	1	0	8,085	6,458	14,543		
2000/2001	9,420	0	0	0	0	0	0		
2001/2002	8,284	0	0	0	0	697	697		
2002/2003	10,917	0	0	0	0	263	263		
2003/2004	11,272	0	1	0	6,161	7,711	13,872		
MA Total	46,343	0	2	0	14,245	15,129	29,374		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
	1999/2000	0.000	1.254	1.001			2.255		
	2000/2001	0.000	0.000	0.000			0.000		
	2001/2002	0.000	0.000	0.084			0.084		
	2002/2003	0.000	0.000	0.024			0.024		
	2003/2004	0.000	0.547	0.684			1.231		
	MA Total Pure Premium:	0.000	0.307	0.326			0.634		
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
	(13) Massachusetts Indicated Relativity:	0.000	0.621	0.365					
	(14) Massachusetts Credibility:	0.12	0.24	0.23					
	(15) Countrywide Pure Premium:	0.860	0.863	1.230			2.953		
	(16) Countrywide Indicated Relativity:	1.033	1.876	1.462					
	(17) Countrywide Credibility:	0.41	0.38	0.39					
	(18) Countrywide Lost-time Claims:	49	574						
	(19) Pure Premium Underlying Present Rate:	1.612	0.999	1.283			3.894		
	(20) Relativity to Underlying Present Rate:	2.558	1.519	1.599					
	(21) Credibility to Underlying Relativity:	0.470	0.380	0.380					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277		
	(23) Formula Relativity:	1.626	1.439	1.262					
	(24) Balanced Formula Relativity:	1.637	1.434	1.259			1.445		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000092

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 17

Calculation of Class Relativities

Class(es): 2014 GRAIN MILLING		Effective: 9/1/2007						Manufacturing
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	26,946	1	1	125,113	198	6,835	132,146	
2000/2001	27,984	0	2	0	40,784	29,606	70,390	
2001/2002	28,760	0	3	0	1,581	8,530	10,111	
2002/2003	26,459	0	2	0	170	6,525	6,694	
2003/2004	15,953	0	0	0	0	4,664	4,664	
MA Total	126,102	1	8	125,113	42,733	56,161	224,006	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.643	0.007	0.254	4.904			
	2000/2001	0.000	1.457	1.058	2.515			
	2001/2002	0.000	0.055	0.297	0.352			
	2002/2003	0.000	0.006	0.247	0.253			
	2003/2004	0.000	0.000	0.292	0.292			
	MA Total Pure Premium:	0.992	0.339	0.445	1.776			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.118	0.684	0.498				
	(14) Massachusetts Credibility:	0.15	0.33	0.30				
	(15) Countrywide Pure Premium:	2.072	0.833	1.804	4.710			
	(16) Countrywide Indicated Relativity:	2.490	1.812	2.143				
	(17) Countrywide Credibility:	0.43	0.34	0.35				
	(18) Countrywide Lost-time Claims:	245	2,489					
	(19) Pure Premium Underlying Present Rate:	1.104	0.777	0.907	2.788			
	(20) Relativity to Underlying Present Rate:	1.752	1.181	1.130				
	(21) Credibility to Underlying Relativity:	0.420	0.330	0.350				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.974	1.232	1.295				
	(24) Balanced Formula Relativity:	1.988	1.228	1.293	1.549			

Class(es): 2021 SUGAR REFINING-ALL OPERATIONS & DRIVERS		Effective: 9/1/2007						Manufacturing
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	8,294	0	0	0	0	0	0	
2000/2001	3,459	0	0	0	0	398	398	
2001/2002	2,093	0	1	0	2,857	4,308	7,166	
2002/2003	1,405	0	0	0	0	136	136	
2003/2004	1,279	0	0	0	0	0	0	
MA Total	16,530	0	1	0	2,857	4,842	7,699	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.000	0.000			
	2000/2001	0.000	0.000	0.115	0.115			
	2001/2002	0.000	1.365	2.058	3.424			
	2002/2003	0.000	0.000	0.097	0.097			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.173	0.293	0.466			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.349	0.327				
	(14) Massachusetts Credibility:	0.06	0.11	0.10				
	(15) Countrywide Pure Premium:	2.703	0.646	1.238	4.587			
	(16) Countrywide Indicated Relativity:	3.248	1.404	1.470				
	(17) Countrywide Credibility:	0.38	0.45	0.45				
	(18) Countrywide Lost-time Claims:	40	470					
	(19) Pure Premium Underlying Present Rate:	0.711	0.402	0.478	1.592			
	(20) Relativity to Underlying Present Rate:	1.129	0.611	0.596				
	(21) Credibility to Underlying Relativity:	0.560	0.440	0.450				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.867	0.939	0.963				
	(24) Balanced Formula Relativity:	1.879	0.936	0.961	1.313			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000093

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 18

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2039 ICE CREAM MFG & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	170,691	1	13	60,901	51,162	202,140	314,203		
2000/2001	32,052	1	4	81,842	45,075	65,854	192,771		
2001/2002	48,210	0	3	0	119,638	54,269	173,907		
2002/2003	27,465	0	1	0	13,314	14,727	28,041		
2003/2004	34,551	1	2	256,445	1,838	22,885	281,168		
MA Total	312,969	3	23	399,188	231,028	359,874	990,090		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.357	0.300	1.184	1.841			
		2000/2001	2.553	1.406	2.055	6.014			
		2001/2002	0.000	2.482	1.126	3.607			
		2002/2003	0.000	0.485	0.536	1.021			
		2003/2004	7.422	0.053	0.662	8.138			
		MA Total Pure Premium:	1.275	0.738	1.150	3.164			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.438	1.491	1.285				
		(14) Massachusetts Credibility:	0.23	0.49	0.46				
		(15) Countrywide Pure Premium:	1.582	0.621	1.065	3.268			
		(16) Countrywide Indicated Relativity:	1.901	1.350	1.265				
		(17) Countrywide Credibility:	0.39	0.26	0.27				
		(18) Countrywide Lost-time Claims:	81	891					
		(19) Pure Premium Underlying Present Rate:	1.154	0.860	1.072	3.087			
		(20) Relativity to Underlying Present Rate:	1.832	1.307	1.337				
		(21) Credibility to Underlying Relativity:	0.380	0.250	0.270				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.768	1.408	1.294				
		(24) Balanced Formula Relativity:	1.780	1.404	1.292	1.506			

Class(es):		Effective: 9/1/2007						Manufacturing	
2041 CONFECTION MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	73,305	1	10	156,235	63,884	199,406	419,525		
2000/2001	75,635	0	5	0	20,783	14,519	35,301		
2001/2002	90,051	0	8	0	23,961	37,904	61,865		
2002/2003	66,993	0	4	0	15,744	11,026	26,769		
2003/2004	184,941	0	10	0	145,083	132,444	277,526		
MA Total	490,925	1	37	156,235	269,454	395,298	820,987		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.131	0.871	2.720	5.723			
		2000/2001	0.000	0.275	0.192	0.467			
		2001/2002	0.000	0.266	0.421	0.687			
		2002/2003	0.000	0.235	0.165	0.400			
		2003/2004	0.000	0.784	0.716	1.501			
		MA Total Pure Premium:	0.318	0.549	0.805	1.672			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.359	1.108	0.900				
		(14) Massachusetts Credibility:	0.21	0.48	0.52				
		(15) Countrywide Pure Premium:	0.945	0.630	1.058	2.634			
		(16) Countrywide Indicated Relativity:	1.136	1.369	1.257				
		(17) Countrywide Credibility:	0.40	0.26	0.24				
		(18) Countrywide Lost-time Claims:	104	2,023					
		(19) Pure Premium Underlying Present Rate:	0.601	0.533	0.933	2.067			
		(20) Relativity to Underlying Present Rate:	0.954	0.810	1.163				
		(21) Credibility to Underlying Relativity:	0.390	0.260	0.240				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.902	1.099	1.049				
		(24) Balanced Formula Relativity:	0.908	1.095	1.047	1.003			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000094

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 19

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
2070 CREAMERY OR DAIRY & ROUTE SUPERVISORS, DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	220,143	1	49	113,267	266,139	236,353	615,759	
2000/2001	248,019	4	42	485,453	263,901	286,741	1,036,095	
2001/2002	245,132	3	39	564,041	159,662	429,505	1,153,208	
2002/2003	227,894	3	39	433,730	179,298	471,660	1,084,688	
2003/2004	288,894	2	29	423,022	176,681	622,779	1,222,481	
MA Total	1,230,082	13	198	2,019,513	1,045,680	2,047,037	5,112,231	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	0.515	1.209	1.074	2.797		
		2000/2001	1.957	1.064	1.156	4.177		
		2001/2002	2.301	0.651	1.752	4.704		
		2002/2003	1.903	0.787	2.070	4.760		
		2003/2004	1.464	0.612	2.156	4.232		
		MA Total Pure Premium:	1.642	0.850	1.664	4.156		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	1.850	1.717	1.860			
		(14) Massachusetts Credibility:	0.44	0.91	0.87			
		(15) Countrywide Pure Premium:	1.697	0.798	1.475	3.970		
		(16) Countrywide Indicated Relativity:	2.040	1.734	1.752			
		(17) Countrywide Credibility:	0.28	0.05	0.07			
		(18) Countrywide Lost-time Claims:	372	5,657				
		(19) Pure Premium Underlying Present Rate:	1.534	1.038	1.364	3.937		
		(20) Relativity to Underlying Present Rate:	2.435	1.579	1.700			
		(21) Credibility to Underlying Relativity:	0.280	0.040	0.060			
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
		(23) Formula Relativity:	2.067	1.712	1.843			
		(24) Balanced Formula Relativity:	2.081	1.707	1.840	1.905		

Class(es):		Effective: 9/1/2007						Manufacturing
2081 BUTCHERING								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	6,269	0	3	0	6,630	10,735	17,366	
2000/2001	5,063	0	2	0	7,672	6,785	14,457	
2001/2002	5,603	0	1	0	284	598	882	
2002/2003	6,323	0	3	0	6,210	3,315	9,525	
2003/2004	4,956	0	2	0	4,156	13,118	17,273	
MA Total	28,214	0	11	0	24,952	34,551	59,503	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	0.000	1.058	1.712	2.770		
		2000/2001	0.000	1.515	1.340	2.855		
		2001/2002	0.000	0.051	0.107	0.157		
		2002/2003	0.000	0.982	0.524	1.506		
		2003/2004	0.000	0.838	2.647	3.485		
		MA Total Pure Premium:	0.000	0.884	1.225	2.109		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.000	1.786	1.369			
		(14) Massachusetts Credibility:	0.09	0.23	0.21			
		(15) Countrywide Pure Premium:	1.828	0.845	1.693	4.366		
		(16) Countrywide Indicated Relativity:	2.196	1.838	2.010			
		(17) Countrywide Credibility:	0.46	0.39	0.40			
		(18) Countrywide Lost-time Claims:	158	1,630				
		(19) Pure Premium Underlying Present Rate:	1.126	1.409	1.693	4.228		
		(20) Relativity to Underlying Present Rate:	1.787	2.141	2.111			
		(21) Credibility to Underlying Relativity:	0.450	0.380	0.390			
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
		(23) Formula Relativity:	1.814	1.941	1.915			
		(24) Balanced Formula Relativity:	1.827	1.935	1.911	1.883		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000095

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 20

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2089 PACKING HOUSE- ALL OPERATIONS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	676,776	6	106	719,793	352,889	530,668	1,603,349		
2000/2001	621,138	10	80	997,433	392,723	669,292	2,059,448		
2001/2002	653,806	8	56	1,007,998	289,946	1,317,994	2,615,938		
2002/2003	689,494	9	71	1,327,933	361,110	905,361	2,594,405		
2003/2004	674,361	3	44	545,797	337,112	714,896	1,597,804		
MA Total	3,315,575	36	357	4,598,954	1,733,780	4,138,210	10,470,944		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.064	0.521	0.784	2.369		
			2000/2001	1.606	0.632	1.078	3.316		
			2001/2002	1.542	0.443	2.016	4.001		
			2002/2003	1.926	0.524	1.313	3.763		
			2003/2004	0.809	0.500	1.060	2.369		
			MA Total Pure Premium:	1.387	0.523	1.248	3.158		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.563	1.056	1.395			
			(14) Massachusetts Credibility:	0.53	1.00	1.00			
			(15) Countrywide Pure Premium:	1.016	0.588	1.069	2.673		
			(16) Countrywide Indicated Relativity:	1.220	1.279	1.270			
			(17) Countrywide Credibility:	0.24	0.00	0.00			
			(18) Countrywide Lost-time Claims:	997	13,050				
			(19) Pure Premium Underlying Present Rate:	0.911	0.922	1.201	3.034		
			(20) Relativity to Underlying Present Rate:	1.447	1.402	1.497			
			(21) Credibility to Underlying Relativity:	0.230	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.454	1.056	1.395			
			(24) Balanced Formula Relativity:	1.464	1.053	1.393	1.347		

Class(es):		Effective: 9/1/2007						Manufacturing	
2095 MEAT PRODUCTS MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	242,791	2	44	104,900	231,240	212,423	548,563		
2000/2001	240,445	7	63	1,126,442	278,579	630,454	2,035,475		
2001/2002	285,610	6	71	674,506	189,050	555,013	1,418,568		
2002/2003	361,351	13	38	1,712,043	184,724	1,121,029	3,017,796		
2003/2004	401,891	1	52	200,309	583,040	425,241	1,208,590		
MA Total	1,532,088	29	268	3,818,199	1,466,633	2,944,160	8,228,992		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.432	0.952	0.875	2.259		
			2000/2001	4.685	1.159	2.622	8.465		
			2001/2002	2.362	0.662	1.943	4.967		
			2002/2003	4.738	0.511	3.102	8.351		
			2003/2004	0.498	1.451	1.058	3.007		
			MA Total Pure Premium:	2.492	0.957	1.922	5.371		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.809	1.933	2.148			
			(14) Massachusetts Credibility:	0.44	1.00	0.90			
			(15) Countrywide Pure Premium:	1.209	0.791	1.472	3.472		
			(16) Countrywide Indicated Relativity:	1.453	1.719	1.749			
			(17) Countrywide Credibility:	0.28	0.00	0.05			
			(18) Countrywide Lost-time Claims:	409	4,606				
			(19) Pure Premium Underlying Present Rate:	1.255	1.508	1.192	3.955		
			(20) Relativity to Underlying Present Rate:	1.991	2.292	1.486			
			(21) Credibility to Underlying Relativity:	0.280	0.000	0.050			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	2.200	1.933	2.095			
			(24) Balanced Formula Relativity:	2.215	1.927	2.091	2.104		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000096

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 21

Calculation of Class Relativities

Class(es): 2111 CANNERY NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,442	0	0	0	0	0	0	0	
2000/2001	776	0	0	0	0	0	0	0	
2001/2002	430	0	0	0	0	0	0	0	
2002/2003	33	0	0	0	0	0	0	0	
2003/2004	20,658	0	0	0	0	1,323	1,323	1,323	
MA Total	24,339	0	0	0	0	1,323	1,323	1,323	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.000	0.000				
	2000/2001	0.000	0.000	0.000	0.000				
	2001/2002	0.000	0.000	0.000	0.000				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.064	0.064				
	MA Total Pure Premium:	0.000	0.000	0.054	0.054				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.061					
	(14) Massachusetts Credibility:	0.07	0.18	0.16					
	(15) Countrywide Pure Premium:	0.935	0.652	1.201	2.788				
	(16) Countrywide Indicated Relativity:	1.123	1.417	1.426					
	(17) Countrywide Credibility:	0.47	0.41	0.42					
	(18) Countrywide Lost-time Claims:	411	3,284						
	(19) Pure Premium Underlying Present Rate:	0.766	0.868	1.029	2.663				
	(20) Relativity to Underlying Present Rate:	1.216	1.319	1.283					
	(21) Credibility to Underlying Relativity:	0.460	0.410	0.420					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.087	1.122	1.147					
	(24) Balanced Formula Relativity:	1.095	1.118	1.145	1.120				

Class(es): 2115 SEAFOOD PRODUCTS MFG-NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	237,017	3	17	357,623	145,417	334,235	837,276	837,276	
2000/2001	201,646	1	10	68,340	86,514	79,581	234,435	234,435	
2001/2002	220,886	4	10	651,601	32,312	106,145	790,058	790,058	
2002/2003	227,541	2	16	516,033	212,227	271,076	999,335	999,335	
2003/2004	225,391	1	15	218,702	255,978	334,041	808,720	808,720	
MA Total	1,112,481	11	68	1,812,298	732,448	1,125,079	3,669,825	3,669,825	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.509	0.614	1.410	3.533				
	2000/2001	0.339	0.429	0.395	1.163				
	2001/2002	2.950	0.146	0.481	3.577				
	2002/2003	2.268	0.933	1.191	4.392				
	2003/2004	0.970	1.136	1.482	3.588				
	MA Total Pure Premium:	1.629	0.658	1.011	3.299				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.836	1.330	1.131					
	(14) Massachusetts Credibility:	0.30	0.86	0.69					
	(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000				
	(16) Countrywide Indicated Relativity:	1.040	1.494	1.063					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	0	0						
	(19) Pure Premium Underlying Present Rate:	0.660	0.991	0.859	2.510				
	(20) Relativity to Underlying Present Rate:	1.047	1.507	1.071					
	(21) Credibility to Underlying Relativity:	0.700	0.140	0.310					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.284	1.354	1.112					
	(24) Balanced Formula Relativity:	1.293	1.350	1.110	1.233				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000097

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 22

Calculation of Class Relativities

Class(es): 2121 BREWERY & DRIVERS		Effective: 9/1/2007						Manufacturing
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	22,034	0	1	0	329	761	1,090	
2000/2001	27,506	0	2	0	16,349	17,550	33,899	
2001/2002	28,132	1	0	248,439	0	142,769	391,207	
2002/2003	23,428	0	5	0	13,916	27,041	40,957	
2003/2004	30,081	0	0	0	0	3,246	3,246	
MA Total	131,181	1	8	248,439	30,594	191,368	470,400	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.015	0.035	0.049			
	2000/2001	0.000	0.594	0.638	1.232			
	2001/2002	8.831	0.000	5.075	13.906			
	2002/2003	0.000	0.594	1.154	1.748			
	2003/2004	0.000	0.000	0.108	0.108			
	MA Total Pure Premium:	1.894	0.233	1.459	3.586			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.134	0.471	1.631				
	(14) Massachusetts Credibility:	0.12	0.26	0.26				
	(15) Countrywide Pure Premium:	1.018	0.523	1.069	2.610			
	(16) Countrywide Indicated Relativity:	1.223	1.137	1.269				
	(17) Countrywide Credibility:	0.44	0.37	0.37				
	(18) Countrywide Lost-time Claims:	81	875					
	(19) Pure Premium Underlying Present Rate:	0.621	0.409	0.615	1.645			
	(20) Relativity to Underlying Present Rate:	0.986	0.622	0.766				
	(21) Credibility to Underlying Relativity:	0.440	0.370	0.370				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.228	0.773	1.177				
	(24) Balanced Formula Relativity:	1.236	0.771	1.175	1.111			

Class(es): 2130 SPIRITUOUS LIQUOR DISTILLERY		Effective: 9/1/2007						Manufacturing
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.000	0.000			
	2000/2001	0.000	0.000	0.000	0.000			
	2001/2002	0.000	0.000	0.000	0.000			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.000	0.000	0.000			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
	(14) Massachusetts Credibility:	0.00	0.00	0.00				
	(15) Countrywide Pure Premium:	0.874	0.503	1.058	2.436			
	(16) Countrywide Indicated Relativity:	1.051	1.094	1.257				
	(17) Countrywide Credibility:	0.23	0.49	0.50				
	(18) Countrywide Lost-time Claims:	11	148					
	(19) Pure Premium Underlying Present Rate:	1.143	0.865	1.178	3.186			
	(20) Relativity to Underlying Present Rate:	1.813	1.315	1.469				
	(21) Credibility to Underlying Relativity:	0.770	0.510	0.500				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.638	1.206	1.363				
	(24) Balanced Formula Relativity:	1.649	1.203	1.361	1.439			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000098

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 23

Calculation of Class Relativities

Class(es): 2131 SPIRITUOUS LIQUOR BOTTLING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	27,885	0	0	0	0	6,653	6,653		
2000/2001	29,728	0	0	0	0	4,060	4,060		
2001/2002	31,719	0	4	0	45,902	23,370	69,272		
2002/2003	31,980	1	2	90,653	7,355	34,293	132,301		
2003/2004	33,717	0	1	0	419	5,070	5,490		
MA Total	155,029	1	7	90,653	53,677	73,446	217,776		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.239	0.239				
	2000/2001	0.000	0.000	0.137	0.137				
	2001/2002	0.000	1.447	0.737	2.184				
	2002/2003	2.835	0.230	1.072	4.137				
	2003/2004	0.000	0.012	0.150	0.163				
	MA Total Pure Premium:	0.585	0.346	0.474	1.405				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.659	0.699	0.530					
	(14) Massachusetts Credibility:	0.14	0.36	0.32					
	(15) Countrywide Pure Premium:	0.745	0.516	0.948	2.209				
	(16) Countrywide Indicated Relativity:	0.895	1.122	1.126					
	(17) Countrywide Credibility:	0.20	0.32	0.34					
	(18) Countrywide Lost-time Claims:	8	168						
	(19) Pure Premium Underlying Present Rate:	0.653	0.782	0.871	2.306				
	(20) Relativity to Underlying Present Rate:	1.036	1.188	1.086					
	(21) Credibility to Underlying Relativity:	0.660	0.320	0.340					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.955	0.991	0.922					
	(24) Balanced Formula Relativity:	0.962	0.988	0.920	0.951				

Class(es): 2143 FRUIT JUICE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	136,631	0	12	0	115,191	86,110	201,301		
2000/2001	156,572	1	9	59,826	18,360	119,232	197,417		
2001/2002	166,464	1	20	193,716	88,736	473,068	755,521		
2002/2003	108,034	4	11	622,508	13,103	421,565	1,057,176		
2003/2004	89,752	0	1	0	3,299	24,690	27,990		
MA Total	657,453	6	53	876,050	238,689	1,124,665	2,239,404		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.843	0.630	1.473				
	2000/2001	0.382	0.117	0.762	1.261				
	2001/2002	1.164	0.533	2.842	4.539				
	2002/2003	5.762	0.121	3.902	9.786				
	2003/2004	0.000	0.037	0.275	0.312				
	MA Total Pure Premium:	1.332	0.363	1.711	3.406				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.502	0.733	1.912					
	(14) Massachusetts Credibility:	0.21	0.63	0.61					
	(15) Countrywide Pure Premium:	1.051	0.397	1.034	2.482				
	(16) Countrywide Indicated Relativity:	1.263	0.864	1.228					
	(17) Countrywide Credibility:	0.22	0.19	0.20					
	(18) Countrywide Lost-time Claims:	10	225						
	(19) Pure Premium Underlying Present Rate:	0.450	0.760	1.063	2.272				
	(20) Relativity to Underlying Present Rate:	0.714	1.155	1.325					
	(21) Credibility to Underlying Relativity:	0.570	0.180	0.190					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.000	0.834	1.664					
	(24) Balanced Formula Relativity:	1.007	0.831	1.661	1.226				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000099

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 24

Calculation of Class Relativities

Class(es): 2150 ICE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	4,425	0	0	0	0	0	0	0	
2000/2001	5,623	0	0	0	0	2,523	2,523	2,523	
2001/2002	5,738	0	2	0	41,860	8,611	50,471	50,471	
2002/2003	6,702	0	0	0	0	0	0	0	
2003/2004	6,586	0	0	0	0	0	0	0	
MA Total	29,074	0	2	0	41,860	11,134	52,994	52,994	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.000	0.000				
	2000/2001	0.000	0.000	0.449	0.449				
	2001/2002	0.000	7.295	1.501	8.796				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	1.440	0.383	1.823				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	2.908	0.428					
	(14) Massachusetts Credibility:	0.10	0.23	0.19					
	(15) Countrywide Pure Premium:	1.212	0.873	1.333	3.419				
	(16) Countrywide Indicated Relativity:	1.457	1.898	1.584					
	(17) Countrywide Credibility:	0.28	0.39	0.41					
	(18) Countrywide Lost-time Claims:	19	106						
	(19) Pure Premium Underlying Present Rate:	1.609	1.390	1.274	4.273				
	(20) Relativity to Underlying Present Rate:	2.554	2.113	1.588					
	(21) Credibility to Underlying Relativity:	0.620	0.380	0.400					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.991	2.212	1.366					
	(24) Balanced Formula Relativity:	2.005	2.205	1.363	1.796				

Class(es): 2156 BOTTLING-NOT CARBONATED LIQUIDS OR SPIRIT LIQRS & RTE SUP,DR		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	44,192	1	9	168,960	70,799	201,822	441,581	441,581	
2000/2001	53,470	2	5	304,570	23,677	186,503	514,750	514,750	
2001/2002	50,902	4	9	688,141	50,074	211,395	949,609	949,609	
2002/2003	60,811	1	10	69,931	23,610	176,362	269,903	269,903	
2003/2004	47,129	0	5	0	41,090	19,147	60,238	60,238	
MA Total	256,504	8	38	1,231,602	209,250	795,229	2,236,081	2,236,081	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	3.823	1.602	4.567	9.992				
	2000/2001	5.696	0.443	3.488	9.627				
	2001/2002	13.519	0.984	4.153	18.656				
	2002/2003	1.150	0.388	2.900	4.438				
	2003/2004	0.000	0.872	0.406	1.278				
	MA Total Pure Premium:	4.801	0.816	3.100	8.718				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	5.411	1.647	3.466					
	(14) Massachusetts Credibility:	0.22	0.62	0.54					
	(15) Countrywide Pure Premium:	1.781	0.854	1.343	3.978				
	(16) Countrywide Indicated Relativity:	2.141	1.857	1.595					
	(17) Countrywide Credibility:	0.39	0.19	0.23					
	(18) Countrywide Lost-time Claims:	49	943						
	(19) Pure Premium Underlying Present Rate:	1.288	1.921	1.998	5.208				
	(20) Relativity to Underlying Present Rate:	2.045	2.921	2.491					
	(21) Credibility to Underlying Relativity:	0.390	0.190	0.230					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	2.823	1.929	2.811					
	(24) Balanced Formula Relativity:	2.842	1.923	2.806	2.628				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000100

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 25

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
2157 BOTTLING NOC & ROUTE SUPERVISORS, DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	100,844	3	10	199,568	24,704	156,980	381,252	
2000/2001	86,823	1	9	62,644	35,262	74,184	172,091	
2001/2002	91,931	0	10	0	69,510	44,143	113,653	
2002/2003	197,721	1	34	75,755	266,544	257,791	600,090	
2003/2004	93,273	1	9	395,371	152,567	164,583	712,520	
MA Total	570,592	6	72	733,338	548,587	697,680	1,979,606	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.979	0.245	1.557	3.781			
	2000/2001	0.722	0.406	0.854	1.982			
	2001/2002	0.000	0.756	0.480	1.236			
	2002/2003	0.383	1.348	1.304	3.035			
	2003/2004	4.239	1.636	1.765	7.639			
	MA Total Pure Premium:	1.285	0.961	1.223	3.469			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.448	1.942	1.367				
	(14) Massachusetts Credibility:	0.34	0.68	0.65				
	(15) Countrywide Pure Premium:	2.604	1.233	2.087	5.925			
	(16) Countrywide Indicated Relativity:	3.130	2.680	2.479				
	(17) Countrywide Credibility:	0.33	0.16	0.18				
	(18) Countrywide Lost-time Claims:	598	10,002					
	(19) Pure Premium Underlying Present Rate:	1.827	1.087	1.419	4.334			
	(20) Relativity to Underlying Present Rate:	2.900	1.653	1.769				
	(21) Credibility to Underlying Relativity:	0.330	0.160	0.170				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	2.482	2.014	1.636				
	(24) Balanced Formula Relativity:	2.499	2.007	1.632	2.052			

Class(es):		Effective: 9/1/2007						Manufacturing
2172 CIGARETTE MFG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	265	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	
MA Total	265	0	0	0	0	0	0	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.000	0.000			
	2000/2001	0.000	0.000	0.000	0.000			
	2001/2002	0.000	0.000	0.000	0.000			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.000	0.000	0.000			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
	(14) Massachusetts Credibility:	0.01	0.02	0.02				
	(15) Countrywide Pure Premium:	1.414	0.474	0.717	2.605			
	(16) Countrywide Indicated Relativity:	1.699	1.030	0.852				
	(17) Countrywide Credibility:	0.50	0.49	0.49				
	(18) Countrywide Lost-time Claims:	81	688					
	(19) Pure Premium Underlying Present Rate:	0.300	0.253	0.275	0.827			
	(20) Relativity to Underlying Present Rate:	0.476	0.384	0.343				
	(21) Credibility to Underlying Relativity:	0.490	0.490	0.490				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.082	0.693	0.585				
	(24) Balanced Formula Relativity:	1.090	0.691	0.584	0.804			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000101

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 26

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2174 TOBACCO REHANDLING OR WAREHOUSING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	51	0	0	0	0	0	0	0	
2000/2001	921	0	0	0	0	0	0	0	
2001/2002	940	0	0	0	0	0	0	0	
2002/2003	1,015	0	0	0	0	0	0	0	
2003/2004	1,873	0	0	0	0	0	0	0	
MA Total	4,800	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.06	0.12	0.13				
		(15) Countrywide Pure Premium:	0.925	0.524	1.212			2.661	
		(16) Countrywide Indicated Relativity:	1.111	1.139	1.439				
		(17) Countrywide Credibility:	0.20	0.40	0.44				
		(18) Countrywide Lost-time Claims:	8	92					
		(19) Pure Premium Underlying Present Rate:	2.576	1.776	2.911			7.262	
		(20) Relativity to Underlying Present Rate:	4.089	2.699	3.628				
		(21) Credibility to Underlying Relativity:	0.740	0.480	0.430				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	3.248	1.751	2.194				
		(24) Balanced Formula Relativity:	3.270	1.746	2.189			2.514	

Class(es):		Effective: 9/1/2007						Manufacturing	
2211 COTTON BATTING, WADDING OR WASTE MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,708	0	2	0	4,437	4,766	9,203		
2000/2001	3,089	0	0	0	0	0	0		
2001/2002	1,518	0	1	0	233	558	791		
2002/2003	1,533	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	7,848	0	3	0	4,671	5,324	9,994		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	2.598	2.790			5.388	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.154	0.367			0.521	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.595	0.678			1.273	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	1.202	0.758				
		(14) Massachusetts Credibility:	0.06	0.13	0.12				
		(15) Countrywide Pure Premium:	2.792	0.961	2.016			5.769	
		(16) Countrywide Indicated Relativity:	3.356	2.090	2.394				
		(17) Countrywide Credibility:	0.33	0.44	0.44				
		(18) Countrywide Lost-time Claims:	29	169					
		(19) Pure Premium Underlying Present Rate:	1.807	1.249	1.424			4.481	
		(20) Relativity to Underlying Present Rate:	2.869	1.899	1.775				
		(21) Credibility to Underlying Relativity:	0.610	0.430	0.440				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	2.857	1.892	1.926				
		(24) Balanced Formula Relativity:	2.877	1.886	1.922			2.286	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000102

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 27

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
2220 YARN OR THREAD MFG-COTTON*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	171,047	5	19	439,641	213,359	522,886	1,175,886	
2000/2001	135,608	4	10	285,411	28,470	113,044	426,925	
2001/2002	127,170	2	10	184,592	27,082	231,159	442,833	
2002/2003	126,712	3	6	533,666	11,784	281,089	826,539	
2003/2004	131,272	0	8	0	96,426	112,511	208,937	
MA Total	691,809	14	53	1,443,309	377,121	1,260,689	3,081,119	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.570	1.247	3.057	6.875			
	2000/2001	2.105	0.210	0.834	3.148			
	2001/2002	1.452	0.213	1.818	3.482			
	2002/2003	4.212	0.093	2.218	6.523			
	2003/2004	0.000	0.735	0.857	1.592			
	MA Total Pure Premium:	2.086	0.545	1.822	4.454			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.351	1.101	2.037				
	(14) Massachusetts Credibility:	0.26	0.63	0.66				
	(15) Countrywide Pure Premium:	0.684	0.417	0.800	1.900			
	(16) Countrywide Indicated Relativity:	0.822	0.906	0.950				
	(17) Countrywide Credibility:	0.37	0.19	0.17				
	(18) Countrywide Lost-time Claims:	136	1,957					
	(19) Pure Premium Underlying Present Rate:	0.771	0.728	1.228	2.726			
	(20) Relativity to Underlying Present Rate:	1.224	1.106	1.530				
	(21) Credibility to Underlying Relativity:	0.370	0.180	0.170				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.368	1.065	1.766				
	(24) Balanced Formula Relativity:	1.378	1.061	1.763	1.460			

Class(es):		Effective: 9/1/2007						Manufacturing
2260 WOOL COMBING OR SCOURING								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	2,652	0	1	0	28,776	1,122	29,898	
2000/2001	3,512	0	0	0	0	0	0	
2001/2002	3,108	0	0	0	0	2,249	2,249	
2002/2003	1,882	0	0	0	0	0	0	
2003/2004	1,604	0	0	0	0	0	0	
MA Total	12,758	0	1	0	28,776	3,371	32,147	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	10.851	0.423	11.274			
	2000/2001	0.000	0.000	0.000	0.000			
	2001/2002	0.000	0.000	0.724	0.724			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	2.256	0.264	2.520			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	4.555	0.295				
	(14) Massachusetts Credibility:	0.09	0.13	0.14				
	(15) Countrywide Pure Premium:	0.000	1.246	1.497	2.743			
	(16) Countrywide Indicated Relativity:	0.000	2.709	1.778				
	(17) Countrywide Credibility:	0.00	0.14	0.17				
	(18) Countrywide Lost-time Claims:	0	7					
	(19) Pure Premium Underlying Present Rate:	3.003	0.797	1.369	5.169			
	(20) Relativity to Underlying Present Rate:	4.766	1.212	1.707				
	(21) Credibility to Underlying Relativity:	0.910	0.730	0.690				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	4.337	1.856	1.522				
	(24) Balanced Formula Relativity:	4.367	1.850	1.519	2.701			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000103

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 28

Calculation of Class Relativities

Class(es): 2288 FELTING MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	123,069	1	14	164,899	135,378	152,294	452,571		
2000/2001	109,522	1	8	83,746	65,187	72,148	221,081		
2001/2002	114,637	0	6	0	106,940	107,490	214,429		
2002/2003	112,354	1	12	127,452	37,559	51,888	216,900		
2003/2004	144,824	0	11	0	97,328	73,323	170,651		
MA Total	604,406	3	51	376,097	442,392	457,143	1,275,632		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.340	1.100	1.237	3.677				
	2000/2001	0.765	0.595	0.659	2.019				
	2001/2002	0.000	0.933	0.938	1.871				
	2002/2003	1.134	0.334	0.462	1.931				
	2003/2004	0.000	0.672	0.506	1.178				
	MA Total Pure Premium:	0.622	0.732	0.756	2.111				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.701	1.478	0.846					
	(14) Massachusetts Credibility:	0.25	0.61	0.50					
	(15) Countrywide Pure Premium:	1.300	0.668	1.264	3.232				
	(16) Countrywide Indicated Relativity:	1.563	1.451	1.502					
	(17) Countrywide Credibility:	0.21	0.20	0.25					
	(18) Countrywide Lost-time Claims:	9	239						
	(19) Pure Premium Underlying Present Rate:	0.776	0.760	0.715	2.251				
	(20) Relativity to Underlying Present Rate:	1.231	1.156	0.892					
	(21) Credibility to Underlying Relativity:	0.540	0.190	0.250					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.168	1.412	1.021					
	(24) Balanced Formula Relativity:	1.176	1.407	1.019	1.165				

Class(es): 2305 TEXTILE FIBER MFG-SYNTHETIC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	6,103	0	0	0	0	570	570		
2000/2001	24,603	0	0	0	0	2,107	2,107		
2001/2002	4,808	0	1	0	1,699	1,569	3,268		
2002/2003	25,775	0	0	0	0	1,456	1,456		
2003/2004	20,398	0	0	0	0	533	533		
MA Total	81,687	0	1	0	1,699	6,235	7,934		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.093	0.093				
	2000/2001	0.000	0.000	0.086	0.086				
	2001/2002	0.000	0.353	0.326	0.680				
	2002/2003	0.000	0.000	0.056	0.056				
	2003/2004	0.000	0.000	0.026	0.026				
	MA Total Pure Premium:	0.000	0.021	0.076	0.097				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.042	0.085					
	(14) Massachusetts Credibility:	0.11	0.29	0.25					
	(15) Countrywide Pure Premium:	0.966	0.360	0.696	2.022				
	(16) Countrywide Indicated Relativity:	1.161	0.782	0.827					
	(17) Countrywide Credibility:	0.45	0.36	0.38					
	(18) Countrywide Lost-time Claims:	103	992						
	(19) Pure Premium Underlying Present Rate:	0.723	0.870	0.923	2.517				
	(20) Relativity to Underlying Present Rate:	1.148	1.323	1.151					
	(21) Credibility to Underlying Relativity:	0.440	0.350	0.370					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.028	0.756	0.761					
	(24) Balanced Formula Relativity:	1.035	0.754	0.760	0.866				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000104

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 29

Calculation of Class Relativities

Class(es): 2362 KNIT GOODS MFG NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	76,826	1	6	75,828	5,019	43,577	124,425		
2000/2001	64,574	1	4	155,084	53,888	126,038	335,010		
2001/2002	61,458	0	7	0	46,776	22,742	69,519		
2002/2003	38,225	0	2	0	3,146	3,611	6,757		
2003/2004	34,547	0	2	0	4,887	12,671	17,558		
MA Total	275,630	2	21	230,912	113,716	208,639	553,268		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
1999/2000				0.987	0.065	0.567	1.620		
2000/2001				2.402	0.835	1.952	5.188		
2001/2002				0.000	0.761	0.370	1.131		
2002/2003				0.000	0.082	0.094	0.177		
2003/2004				0.000	0.141	0.367	0.508		
MA Total Pure Premium:				0.838	0.413	0.757	2.007		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.944	0.833	0.846			
(14) Massachusetts Credibility:				0.19	0.40	0.38			
(15) Countrywide Pure Premium:				0.744	0.468	0.754	1.966		
(16) Countrywide Indicated Relativity:				0.895	1.016	0.895			
(17) Countrywide Credibility:				0.41	0.30	0.31			
(18) Countrywide Lost-time Claims:				105	732				
(19) Pure Premium Underlying Present Rate:				0.903	0.586	0.758	2.246		
(20) Relativity to Underlying Present Rate:				1.433	0.890	0.945			
(21) Credibility to Underlying Relativity:				0.400	0.300	0.310			
(22) Industry Group Adjusted Converted Pure Premium:				0.887	0.495	0.895	2.277		
(23) Formula Relativity:				1.119	0.905	0.892			
(24) Balanced Formula Relativity:				1.127	0.902	0.890	0.985		

Class(es): 2380 WEBBING MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	114,307	0	18	0	98,446	120,278	218,724		
2000/2001	103,630	0	13	0	97,453	74,196	171,649		
2001/2002	102,854	1	18	91,495	70,379	135,885	297,760		
2002/2003	94,512	0	13	0	153,279	73,094	226,373		
2003/2004	93,405	1	8	140,010	60,785	98,712	299,507		
MA Total	508,708	2	70	231,506	480,342	502,166	1,214,013		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
1999/2000				0.000	0.861	1.052	1.913		
2000/2001				0.000	0.940	0.716	1.656		
2001/2002				0.890	0.684	1.321	2.895		
2002/2003				0.000	1.622	0.773	2.395		
2003/2004				1.499	0.651	1.057	3.207		
MA Total Pure Premium:				0.455	0.944	0.987	2.386		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.513	1.907	1.104			
(14) Massachusetts Credibility:				0.20	0.57	0.50			
(15) Countrywide Pure Premium:				1.224	0.483	0.854	2.560		
(16) Countrywide Indicated Relativity:				1.471	1.050	1.014			
(17) Countrywide Credibility:				0.37	0.22	0.25			
(18) Countrywide Lost-time Claims:				37	432				
(19) Pure Premium Underlying Present Rate:				0.516	0.767	0.840	2.122		
(20) Relativity to Underlying Present Rate:				0.819	1.166	1.047			
(21) Credibility to Underlying Relativity:				0.430	0.210	0.250			
(22) Industry Group Adjusted Converted Pure Premium:				0.887	0.495	0.895	2.277		
(23) Formula Relativity:				0.999	1.563	1.067			
(24) Balanced Formula Relativity:				1.006	1.558	1.065	1.149		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000105

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 30

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2402 CARPET OR RUG MFG NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	8,024	0	0	0	0	14,194	14,194		
2000/2001	5,928	0	1	0	4,591	4,718	9,309		
2001/2002	5,136	0	1	0	2,763	8,361	11,124		
2002/2003	4,470	1	0	126,471	0	6,250	132,722		
2003/2004	4,297	0	0	0	0	0	0		
MA Total	27,855	1	2	126,471	7,355	33,523	167,349		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	1.769	1.769			
		2000/2001	0.000	0.775	0.796	1.571			
		2001/2002	0.000	0.538	1.628	2.166			
		2002/2003	28.296	0.000	1.398	29.694			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	4.540	0.264	1.203	6.008			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	5.117	0.533	1.345				
		(14) Massachusetts Credibility:	0.07	0.16	0.17				
		(15) Countrywide Pure Premium:	0.870	0.508	1.001	2.378			
		(16) Countrywide Indicated Relativity:	1.045	1.104	1.189				
		(17) Countrywide Credibility:	0.47	0.42	0.42				
		(18) Countrywide Lost-time Claims:	89	549					
		(19) Pure Premium Underlying Present Rate:	0.785	0.584	0.978	2.347			
		(20) Relativity to Underlying Present Rate:	1.246	0.888	1.219				
		(21) Credibility to Underlying Relativity:	0.460	0.420	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.423	0.922	1.228				
		(24) Balanced Formula Relativity:	1.432	0.919	1.226	1.239			

Class(es):		Effective: 9/1/2007						Manufacturing	
2413 TEXTILE - BLEACHING, DYEING, MERCERZNG, FINISH									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	257,035	5	15	801,509	65,932	508,651	1,376,092		
2000/2001	250,726	5	29	730,841	249,889	253,306	1,234,037		
2001/2002	212,751	2	15	264,543	43,243	78,322	386,108		
2002/2003	218,506	6	21	563,119	158,714	395,255	1,117,088		
2003/2004	144,660	2	11	494,038	110,652	198,317	803,008		
MA Total	1,083,678	20	91	2,854,050	628,431	1,433,852	4,916,333		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	3.118	0.257	1.979	5.354			
		2000/2001	2.915	0.997	1.010	4.922			
		2001/2002	1.243	0.203	0.368	1.815			
		2002/2003	2.577	0.726	1.809	5.112			
		2003/2004	3.415	0.765	1.371	5.551			
		MA Total Pure Premium:	2.634	0.580	1.323	4.537			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.968	1.171	1.479				
		(14) Massachusetts Credibility:	0.45	0.83	0.84				
		(15) Countrywide Pure Premium:	1.088	0.578	0.967	2.633			
		(16) Countrywide Indicated Relativity:	1.307	1.257	1.149				
		(17) Countrywide Credibility:	0.28	0.09	0.08				
		(18) Countrywide Lost-time Claims:	155	980					
		(19) Pure Premium Underlying Present Rate:	1.870	0.926	1.445	4.240			
		(20) Relativity to Underlying Present Rate:	2.967	1.408	1.801				
		(21) Credibility to Underlying Relativity:	0.270	0.080	0.080				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	2.503	1.198	1.478				
		(24) Balanced Formula Relativity:	2.520	1.194	1.476	1.821			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000106

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 31

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2416 YARN OR THREAD DYEING OR FINISHING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	53,996	1	14	49,286	337,075	158,396	544,757		
2000/2001	36,267	1	5	105,439	10,373	66,612	182,424		
2001/2002	32,627	1	2	188,462	3,552	21,259	213,272		
2002/2003	27,669	0	3	0	3,861	21,930	25,791		
2003/2004	27,916	0	1	0	472	13,341	13,813		
MA Total	178,475	3	25	343,187	355,334	281,537	980,057		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.913	6.243	2.933	10.089		
			2000/2001	2.907	0.286	1.837	5.030		
			2001/2002	5.776	0.109	0.652	6.537		
			2002/2003	0.000	0.140	0.793	0.932		
			2003/2004	0.000	0.017	0.478	0.495		
			MA Total Pure Premium:	1.923	1.991	1.577	5.491		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.167	4.021	1.763			
			(14) Massachusetts Credibility:	0.17	0.53	0.38			
			(15) Countrywide Pure Premium:	0.446	0.528	0.714	1.688		
			(16) Countrywide Indicated Relativity:	0.536	1.148	0.848			
			(17) Countrywide Credibility:	0.17	0.24	0.31			
			(18) Countrywide Lost-time Claims:	5	99				
			(19) Pure Premium Underlying Present Rate:	0.980	1.818	1.178	3.977		
			(20) Relativity to Underlying Present Rate:	1.555	2.764	1.469			
			(21) Credibility to Underlying Relativity:	0.660	0.230	0.310			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.486	3.042	1.388			
			(24) Balanced Formula Relativity:	1.496	3.032	1.386	1.787		

Class(es):		Effective: 9/1/2007						Manufacturing	
2417 CLOTH PRINTING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	157,862	2	24	328,172	73,033	218,513	619,718		
2000/2001	151,921	1	16	124,197	171,227	136,705	432,129		
2001/2002	123,143	4	17	522,419	40,925	236,974	800,319		
2002/2003	132,414	1	13	280,595	69,436	245,795	595,826		
2003/2004	131,720	0	12	0	125,818	72,797	198,615		
MA Total	697,060	8	82	1,255,383	480,439	910,785	2,646,606		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	2.079	0.463	1.384	3.926		
			2000/2001	0.818	1.127	0.900	2.844		
			2001/2002	4.242	0.332	1.924	6.499		
			2002/2003	2.119	0.524	1.856	4.500		
			2003/2004	0.000	0.955	0.553	1.508		
			MA Total Pure Premium:	1.801	0.689	1.307	3.797		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.030	1.392	1.461			
			(14) Massachusetts Credibility:	0.28	0.57	0.63			
			(15) Countrywide Pure Premium:	0.632	0.363	0.659	1.654		
			(16) Countrywide Indicated Relativity:	0.759	0.789	0.783			
			(17) Countrywide Credibility:	0.18	0.22	0.19			
			(18) Countrywide Lost-time Claims:	6	91				
			(19) Pure Premium Underlying Present Rate:	0.877	0.554	1.091	2.522		
			(20) Relativity to Underlying Present Rate:	1.392	0.842	1.360			
			(21) Credibility to Underlying Relativity:	0.540	0.210	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.457	1.144	1.314			
			(24) Balanced Formula Relativity:	1.467	1.140	1.311	1.335		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000107

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 32

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2501 CLOTHING MFG*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,798,087	23	114	2,162,543	1,323,475	1,745,738	5,231,756		
2000/2001	1,518,427	16	95	1,802,433	605,180	1,161,997	3,569,610		
2001/2002	1,344,228	15	90	2,158,261	736,788	1,791,241	4,686,290		
2002/2003	1,331,190	9	98	1,293,024	782,948	1,385,902	3,461,875		
2003/2004	1,363,125	1	80	191,986	977,628	801,512	1,971,126		
MA Total	7,355,057	64	477	7,608,247	4,426,019	6,886,391	18,920,657		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.203	0.736	0.971	2.910				
	2000/2001	1.187	0.399	0.765	2.351				
	2001/2002	1.606	0.548	1.333	3.486				
	2002/2003	0.971	0.588	1.041	2.601				
	2003/2004	0.141	0.717	0.588	1.446				
	MA Total Pure Premium:	1.034	0.602	0.936	2.572				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.166	1.215	1.047					
	(14) Massachusetts Credibility:	0.70	1.00	1.00					
	(15) Countrywide Pure Premium:	0.618	0.498	0.811	1.926				
	(16) Countrywide Indicated Relativity:	0.742	1.082	0.963					
	(17) Countrywide Credibility:	0.15	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,365	11,139						
	(19) Pure Premium Underlying Present Rate:	0.824	0.758	0.831	2.413				
	(20) Relativity to Underlying Present Rate:	1.308	1.152	1.036					
	(21) Credibility to Underlying Relativity:	0.150	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.124	1.215	1.047					
	(24) Balanced Formula Relativity:	1.131	1.211	1.045	1.115				

Class(es):		Effective: 9/1/2007						Manufacturing	
2503 DRESSMAKING OR TAILORING-CUSTOM EXCLUSIVELY									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	60,007	0	4	0	30,056	13,367	43,423		
2000/2001	58,013	1	1	208,037	1,757	12,484	222,278		
2001/2002	62,727	0	1	0	30,491	10,740	41,230		
2002/2003	67,660	0	3	0	21,532	10,884	32,417		
2003/2004	69,334	0	2	0	3,264	10,383	13,648		
MA Total	317,741	1	11	208,037	87,101	57,858	352,996		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.501	0.223	0.724				
	2000/2001	3.586	0.030	0.215	3.832				
	2001/2002	0.000	0.486	0.171	0.657				
	2002/2003	0.000	0.318	0.161	0.479				
	2003/2004	0.000	0.047	0.150	0.197				
	MA Total Pure Premium:	0.655	0.274	0.182	1.111				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.738	0.554	0.204					
	(14) Massachusetts Credibility:	0.13	0.32	0.25					
	(15) Countrywide Pure Premium:	0.184	0.230	0.346	0.760				
	(16) Countrywide Indicated Relativity:	0.221	0.500	0.411					
	(17) Countrywide Credibility:	0.18	0.34	0.38					
	(18) Countrywide Lost-time Claims:	6	122						
	(19) Pure Premium Underlying Present Rate:	0.264	0.302	0.243	0.809				
	(20) Relativity to Underlying Present Rate:	0.419	0.459	0.303					
	(21) Credibility to Underlying Relativity:	0.690	0.340	0.370					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.425	0.503	0.319					
	(24) Balanced Formula Relativity:	0.428	0.501	0.319	0.401				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000108

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 33

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2570 MATTRESS OR BOX SPRING MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	73,506	1	18	134,869	112,967	168,704	416,541		
2000/2001	58,483	3	4	424,959	3,041	114,423	542,423		
2001/2002	73,252	3	14	264,313	58,842	210,400	533,555		
2002/2003	33,203	0	3	0	6,072	10,543	16,615		
2003/2004	14,970	0	3	0	2,922	2,755	5,677		
MA Total	253,414	7	42	824,141	183,844	506,826	1,514,811		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.835	1.537	2.295	5.667				
	2000/2001	7.266	0.052	1.957	9.275				
	2001/2002	3.608	0.803	2.872	7.284				
	2002/2003	0.000	0.183	0.318	0.500				
	2003/2004	0.000	0.195	0.184	0.379				
	MA Total Pure Premium:	3.252	0.725	2.000	5.978				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	3.665	1.465	2.236					
	(14) Massachusetts Credibility:	0.24	0.63	0.51					
	(15) Countrywide Pure Premium:	1.257	0.828	1.291	3.376				
	(16) Countrywide Indicated Relativity:	1.511	1.800	1.533					
	(17) Countrywide Credibility:	0.38	0.19	0.25					
	(18) Countrywide Lost-time Claims:	129	1,399						
	(19) Pure Premium Underlying Present Rate:	1.585	1.992	1.743	5.321				
	(20) Relativity to Underlying Present Rate:	2.516	3.029	2.173					
	(21) Credibility to Underlying Relativity:	0.380	0.180	0.240					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	2.410	1.810	2.045					
	(24) Balanced Formula Relativity:	2.426	1.804	2.041	2.140				

Class(es):		Effective: 9/1/2007						Manufacturing	
2576 CANVAS GOODS MFG NOC-SHOP*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	71,511	0	15	0	30,909	95,976	126,886		
2000/2001	69,940	1	8	101,817	60,713	113,652	276,181		
2001/2002	68,201	1	5	71,794	11,408	68,648	151,849		
2002/2003	75,834	0	7	0	34,166	32,146	66,312		
2003/2004	68,874	1	5	245,203	17,051	245,425	507,678		
MA Total	354,360	3	40	418,814	154,247	555,846	1,128,906		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.432	1.342	1.774				
	2000/2001	1.456	0.868	1.625	3.949				
	2001/2002	1.053	0.167	1.007	2.226				
	2002/2003	0.000	0.451	0.424	0.874				
	2003/2004	3.560	0.248	3.563	7.371				
	MA Total Pure Premium:	1.182	0.435	1.569	3.186				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.332	0.879	1.754					
	(14) Massachusetts Credibility:	0.18	0.49	0.46					
	(15) Countrywide Pure Premium:	1.117	0.692	1.105	2.914				
	(16) Countrywide Indicated Relativity:	1.343	1.505	1.312					
	(17) Countrywide Credibility:	0.40	0.26	0.27					
	(18) Countrywide Lost-time Claims:	46	400						
	(19) Pure Premium Underlying Present Rate:	0.587	0.757	0.958	2.302				
	(20) Relativity to Underlying Present Rate:	0.932	1.150	1.195					
	(21) Credibility to Underlying Relativity:	0.420	0.250	0.270					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.169	1.109	1.483					
	(24) Balanced Formula Relativity:	1.177	1.106	1.481	1.281				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000109

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 34

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2585 LAUNDRY NOC & ROUTE SUPERVISORS, DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense				Medical (7)	Total (8)		
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)				
1999/2000	552,700	2	78	112,381	592,712	783,883	1,488,976		
2000/2001	600,596	6	59	566,857	223,783	820,811	1,611,451		
2001/2002	607,669	6	66	891,863	413,106	618,171	1,923,140		
2002/2003	525,396	4	51	580,850	478,395	755,709	1,814,954		
2003/2004	604,792	2	41	319,680	481,221	644,177	1,445,078		
MA Total	2,891,153	20	295	2,471,631	2,189,218	3,622,751	8,283,599		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.203	1.072	1.418	2.694		
			2000/2001	0.944	0.373	1.367	2.683		
			2001/2002	1.468	0.680	1.017	3.165		
			2002/2003	1.106	0.911	1.438	3.454		
			2003/2004	0.529	0.796	1.065	2.389		
			MA Total Pure Premium:	0.855	0.757	1.253	2.865		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.963	1.529	1.401			
			(14) Massachusetts Credibility:	0.54	1.00	1.00			
			(15) Countrywide Pure Premium:	1.260	0.761	1.357	3.377		
			(16) Countrywide Indicated Relativity:	1.514	1.653	1.611			
			(17) Countrywide Credibility:	0.23	0.00	0.00			
			(18) Countrywide Lost-time Claims:	525	5,883				
			(19) Pure Premium Underlying Present Rate:	1.106	0.895	1.337	3.338		
			(20) Relativity to Underlying Present Rate:	1.755	1.361	1.667			
			(21) Credibility to Underlying Relativity:	0.230	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.272	1.529	1.401			
			(24) Balanced Formula Relativity:	1.281	1.524	1.398	1.380		

Class(es):		Effective: 9/1/2007						Manufacturing	
2586 CLEANING OR DYEING & ROUTE SUPERVISORS, DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense				Medical (7)	Total (8)		
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)				
1999/2000	482,617	0	14	0	127,267	78,231	205,499		
2000/2001	493,012	1	16	152,780	158,850	134,113	445,743		
2001/2002	486,952	4	14	457,260	51,398	204,715	713,374		
2002/2003	466,102	3	10	310,370	72,174	287,979	670,523		
2003/2004	478,589	0	11	0	157,133	105,044	262,176		
MA Total	2,407,272	8	65	920,410	566,822	810,083	2,297,315		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.264	0.162	0.426		
			2000/2001	0.310	0.322	0.272	0.904		
			2001/2002	0.939	0.106	0.420	1.465		
			2002/2003	0.666	0.155	0.618	1.439		
			2003/2004	0.000	0.328	0.219	0.548		
			MA Total Pure Premium:	0.382	0.235	0.337	0.954		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.431	0.476	0.376			
			(14) Massachusetts Credibility:	0.37	0.78	0.78			
			(15) Countrywide Pure Premium:	0.508	0.426	0.782	1.716		
			(16) Countrywide Indicated Relativity:	0.611	0.926	0.929			
			(17) Countrywide Credibility:	0.32	0.11	0.11			
			(18) Countrywide Lost-time Claims:	86	881				
			(19) Pure Premium Underlying Present Rate:	0.534	0.361	0.535	1.430		
			(20) Relativity to Underlying Present Rate:	0.847	0.549	0.666			
			(21) Credibility to Underlying Relativity:	0.310	0.110	0.110			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	0.618	0.533	0.469			
			(24) Balanced Formula Relativity:	0.622	0.531	0.468	0.542		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000110

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 35

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007					Goods & Services	
2587 TOWEL OR TOILET SUPPLY CO & RTE SUPERVISORS, DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)		
1999/2000	7,660	0	0	0	0	364	364	
2000/2001	9,103	0	1	0	4,579	10,116	14,695	
2001/2002	13,572	0	1	0	1,737	4,623	6,361	
2002/2003	6,910	0	0	0	0	0	0	
2003/2004	12,482	0	0	0	0	0	0	
MA Total	49,727	0	2	0	6,316	15,103	21,419	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.048	0.048			
	2000/2001	0.000	0.503	1.111	1.614			
	2001/2002	0.000	0.128	0.341	0.469			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.127	0.304	0.431			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.288	0.377				
	(14) Massachusetts Credibility:	0.08	0.20	0.18				
	(15) Countrywide Pure Premium:	0.612	0.723	1.536	2.871			
	(16) Countrywide Indicated Relativity:	0.860	1.573	1.836				
	(17) Countrywide Credibility:	0.23	0.40	0.41				
	(18) Countrywide Lost-time Claims:	11	187					
	(19) Pure Premium Underlying Present Rate:	0.473	0.563	0.642	1.677			
	(20) Relativity to Underlying Present Rate:	1.007	0.948	0.854				
	(21) Credibility to Underlying Relativity:	0.690	0.400	0.410				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	0.893	1.066	1.171				
	(24) Balanced Formula Relativity:	0.885	1.064	1.167	1.043			

Class(es):		Effective: 9/1/2007					Manufacturing	
2623 TANNING								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)		
1999/2000	14,115	0	0	0	0	1,887	1,887	
2000/2001	10,567	0	0	0	0	646	646	
2001/2002	8,558	0	0	0	0	2,770	2,770	
2002/2003	5,763	0	0	0	0	0	0	
2003/2004	5,648	0	0	0	0	0	0	
MA Total	44,651	0	0	0	0	5,303	5,303	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.134	0.134			
	2000/2001	0.000	0.000	0.061	0.061			
	2001/2002	0.000	0.000	0.324	0.324			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.000	0.119	0.119			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.133				
	(14) Massachusetts Credibility:	0.10	0.21	0.16				
	(15) Countrywide Pure Premium:	1.215	0.664	1.038	2.918			
	(16) Countrywide Indicated Relativity:	1.460	1.444	1.233				
	(17) Countrywide Credibility:	0.28	0.40	0.42				
	(18) Countrywide Lost-time Claims:	18	311					
	(19) Pure Premium Underlying Present Rate:	1.123	0.746	0.560	2.429			
	(20) Relativity to Underlying Present Rate:	1.782	1.134	0.698				
	(21) Credibility to Underlying Relativity:	0.620	0.390	0.420				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.514	1.020	0.832				
	(24) Balanced Formula Relativity:	1.524	1.017	0.831	1.141			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000111

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 36

Calculation of Class Relativities

Class(es): 2640 LEATHER EMBOSSING*		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	83,012	2	13	324,521	70,551	173,745	568,818		
2000/2001	71,767	2	4	306,294	21,654	150,262	478,210		
2001/2002	65,009	0	5	0	58,815	55,827	114,642		
2002/2003	63,340	0	5	0	11,595	20,798	32,393		
2003/2004	69,324	1	3	168,865	21,322	87,854	278,041		
MA Total	352,452	5	30	799,680	183,938	488,485	1,472,104		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	3.909	0.850	2.093	6.852		
			2000/2001	4.268	0.302	2.094	6.663		
			2001/2002	0.000	0.905	0.859	1.763		
			2002/2003	0.000	0.183	0.328	0.511		
			2003/2004	2.436	0.308	1.267	4.011		
			MA Total Pure Premium:	2.269	0.522	1.386	4.177		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.557	1.054	1.549			
		(14) Massachusetts Credibility:		0.21	0.51	0.50			
		(15) Countrywide Pure Premium:		1.055	0.376	0.932	2.363		
		(16) Countrywide Indicated Relativity:		1.268	0.818	1.107			
		(17) Countrywide Credibility:		0.18	0.25	0.25			
		(18) Countrywide Lost-time Claims:		6	215				
		(19) Pure Premium Underlying Present Rate:		0.852	0.862	1.185	2.899		
		(20) Relativity to Underlying Present Rate:		1.353	1.311	1.477			
		(21) Credibility to Underlying Relativity:		0.610	0.240	0.250			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.590	1.057	1.421			
		(24) Balanced Formula Relativity:		1.601	1.053	1.418	1.410		

Class(es): 2660 BOOT OR SHOE MFG NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	410,795	1	18	72,147	78,189	277,817	428,153		
2000/2001	213,100	1	27	102,938	254,606	561,055	918,599		
2001/2002	160,701	1	13	126,309	61,695	150,974	338,978		
2002/2003	252,181	0	11	0	117,309	235,465	352,774		
2003/2004	182,653	0	9	0	116,191	182,867	299,058		
MA Total	1,219,430	3	78	301,394	627,990	1,408,178	2,337,562		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.176	0.190	0.676	1.042		
			2000/2001	0.483	1.195	2.633	4.311		
			2001/2002	0.786	0.384	0.939	2.109		
			2002/2003	0.000	0.465	0.934	1.399		
			2003/2004	0.000	0.636	1.001	1.637		
			MA Total Pure Premium:	0.247	0.515	1.155	1.917		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.279	1.040	1.291			
		(14) Massachusetts Credibility:		0.22	0.65	0.67			
		(15) Countrywide Pure Premium:		0.555	0.622	1.073	2.250		
		(16) Countrywide Indicated Relativity:		0.667	1.352	1.274			
		(17) Countrywide Credibility:		0.35	0.18	0.17			
		(18) Countrywide Lost-time Claims:		32	742				
		(19) Pure Premium Underlying Present Rate:		0.293	0.448	0.733	1.474		
		(20) Relativity to Underlying Present Rate:		0.466	0.680	0.914			
		(21) Credibility to Underlying Relativity:		0.430	0.170	0.160			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.495	1.035	1.228			
		(24) Balanced Formula Relativity:		0.498	1.032	1.226	0.900		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000112

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 37

Calculation of Class Relativities

Class(es): 2683 LUGGAGE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	6,308	0	0	0	0	0	0	0	
2000/2001	5,875	0	0	0	0	0	0	0	
2001/2002	5,245	0	0	0	0	0	0	0	
2002/2003	4,219	0	0	0	0	0	0	0	
2003/2004	4,081	0	0	0	0	0	0	0	
MA Total	25,728	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.06	0.14	0.14				
		(15) Countrywide Pure Premium:	1.340	0.682	1.271			3.293	
		(16) Countrywide Indicated Relativity:	1.610	1.483	1.510				
		(17) Countrywide Credibility:	0.29	0.43	0.43				
		(18) Countrywide Lost-time Claims:	21	148					
		(19) Pure Premium Underlying Present Rate:	0.607	0.481	0.740			1.828	
		(20) Relativity to Underlying Present Rate:	0.964	0.730	0.922				
		(21) Credibility to Underlying Relativity:	0.650	0.430	0.430				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	1.094	0.952	1.046				
		(24) Balanced Formula Relativity:	1.101	0.949	1.044			1.045	

Class(es): 2688 LEATHER GOODS MFG NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	200,135	3	17	302,345	33,916	144,609	480,870		
2000/2001	181,752	3	22	390,435	77,128	286,778	754,340		
2001/2002	157,770	0	20	287,496	0	266,792	554,288		
2002/2003	116,916	1	2	144,050	1,493	95,334	240,877		
2003/2004	116,153	0	6	0	22,100	24,228	46,329		
MA Total	772,726	7	67	836,830	422,133	817,741	2,076,704		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	1.511	0.169	0.723			2.403	
		2000/2001	2.148	0.424	1.578			4.150	
		2001/2002	0.000	1.822	1.691			3.513	
		2002/2003	1.232	0.013	0.815			2.060	
		2003/2004	0.000	0.190	0.209			0.399	
		MA Total Pure Premium:	1.083	0.546	1.058			2.688	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	1.221	1.103	1.183				
		(14) Massachusetts Credibility:	0.29	0.66	0.66				
		(15) Countrywide Pure Premium:	1.044	0.637	1.030			2.711	
		(16) Countrywide Indicated Relativity:	1.254	1.385	1.223				
		(17) Countrywide Credibility:	0.36	0.17	0.17				
		(18) Countrywide Lost-time Claims:	99	656					
		(19) Pure Premium Underlying Present Rate:	0.868	0.731	1.090			2.690	
		(20) Relativity to Underlying Present Rate:	1.378	1.112	1.359				
		(21) Credibility to Underlying Relativity:	0.350	0.170	0.170				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	1.288	1.153	1.220				
		(24) Balanced Formula Relativity:	1.297	1.149	1.217			1.233	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000113

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 38

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
2702 LOGGING OR LUMBERING & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	15,137	0	1	0	1,855	6,297	8,153	
2000/2001	19,546	2	5	319,945	13,304	579,785	913,033	
2001/2002	19,812	1	2	124,527	1,305	23,522	149,355	
2002/2003	22,267	0	5	0	42,122	21,811	63,932	
2003/2004	30,134	0	4	0	166,462	256,108	422,571	
MA Total	106,896	3	17	444,472	225,048	887,523	1,557,043	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.123	0.416	0.539			
	2000/2001	16.369	0.681	29.663	46.713			
	2001/2002	6.285	0.066	1.187	7.539			
	2002/2003	0.000	1.892	0.980	2.871			
	2003/2004	0.000	5.524	8.499	14.023			
	MA Total Pure Premium:	4.158	2.105	8.303	14.566			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.981	2.405	4.507				
	(14) Massachusetts Credibility:	0.24	0.49	0.59				
	(15) Countrywide Pure Premium:	12.178	2.507	7.553	22.238			
	(16) Countrywide Indicated Relativity:	6.407	3.215	4.536				
	(17) Countrywide Credibility:	0.38	0.26	0.21				
	(18) Countrywide Lost-time Claims:	668	4,503					
	(19) Pure Premium Underlying Present Rate:	4.041	2.512	6.093	12.646			
	(20) Relativity to Underlying Present Rate:	2.814	2.105	3.598				
	(21) Credibility to Underlying Relativity:	0.380	0.250	0.200				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	3.979	2.541	4.331				
	(24) Balanced Formula Relativity:	3.987	2.547	4.342	3.861			

Class(es):		Effective: 9/1/2007						Manufacturing
2710 SAWMILLS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	28,336	0	3	0	86,089	59,226	145,315	
2000/2001	29,435	0	10	0	51,793	43,552	95,345	
2001/2002	30,030	1	5	219,625	26,349	75,209	321,183	
2002/2003	29,358	0	7	0	52,584	41,292	93,877	
2003/2004	27,803	0	1	0	1,484	18,669	20,153	
MA Total	144,962	1	26	219,625	218,299	237,947	675,872	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	3.038	2.090	5.128			
	2000/2001	0.000	1.760	1.480	3.239			
	2001/2002	7.314	0.877	2.504	10.696			
	2002/2003	0.000	1.791	1.407	3.198			
	2003/2004	0.000	0.053	0.671	0.725			
	MA Total Pure Premium:	1.515	1.506	1.641	4.662			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.708	3.041	1.835				
	(14) Massachusetts Credibility:	0.18	0.51	0.55				
	(15) Countrywide Pure Premium:	4.470	1.338	3.154	8.962			
	(16) Countrywide Indicated Relativity:	5.372	2.907	3.746				
	(17) Countrywide Credibility:	0.41	0.25	0.23				
	(18) Countrywide Lost-time Claims:	298	3,678					
	(19) Pure Premium Underlying Present Rate:	1.404	2.021	3.776	7.201			
	(20) Relativity to Underlying Present Rate:	2.229	3.072	4.708				
	(21) Credibility to Underlying Relativity:	0.410	0.240	0.220				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	3.424	3.015	2.907				
	(24) Balanced Formula Relativity:	3.447	3.005	2.901	3.136			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000114

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 39

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2731 PLANING OR MOLDING MILL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	27,515	1	7	73,520	86,840	65,878	226,237		
2000/2001	33,784	0	9	0	18,026	20,980	39,006		
2001/2002	47,781	4	12	553,708	33,827	345,021	932,556		
2002/2003	48,507	0	12	0	43,361	46,315	89,676		
2003/2004	54,751	0	6	0	30,433	33,574	64,006		
MA Total	212,338	5	46	627,228	212,486	511,767	1,351,481		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		2.672	3.156	2.394	8.222		
		2000/2001		0.000	0.534	0.621	1.155		
		2001/2002		11.588	0.708	7.221	19.517		
		2002/2003		0.000	0.894	0.955	1.849		
		2003/2004		0.000	0.556	0.613	1.169		
		MA Total Pure Premium:		2.954	1.001	2.410	6.365		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.329	2.021	2.694			
		(14) Massachusetts Credibility:		0.20	0.52	0.45			
		(15) Countrywide Pure Premium:		1.455	0.803	1.780	4.038		
		(16) Countrywide Indicated Relativity:		1.749	1.745	2.115			
		(17) Countrywide Credibility:		0.40	0.24	0.28			
		(18) Countrywide Lost-time Claims:		223	2,899				
		(19) Pure Premium Underlying Present Rate:		1.192	1.471	1.545	4.209		
		(20) Relativity to Underlying Present Rate:		1.893	2.236	1.926			
		(21) Credibility to Underlying Relativity:		0.400	0.240	0.270			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		2.123	2.006	2.325			
		(24) Balanced Formula Relativity:		2.137	2.000	2.320	2.179		

Class(es):		Effective: 9/1/2007						Manufacturing	
2741 COOPERAGE STOCK MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0		
2000/2001	0	0	0	0	0	0	0		
2001/2002	0	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	0	0	0	0	0	0	0		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.000	0.000		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.000	0.000	0.000		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000			
		(14) Massachusetts Credibility:		0.00	0.00	0.00			
		(15) Countrywide Pure Premium:		0.000	0.046	0.521	0.567		
		(16) Countrywide Indicated Relativity:		0.000	0.101	0.619			
		(17) Countrywide Credibility:		0.00	0.10	0.12			
		(18) Countrywide Lost-time Claims:		0	3				
		(19) Pure Premium Underlying Present Rate:		1.706	2.730	1.888	6.325		
		(20) Relativity to Underlying Present Rate:		2.708	4.150	2.354			
		(21) Credibility to Underlying Relativity:		1.000	0.900	0.880			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		2.708	3.745	2.146			
		(24) Balanced Formula Relativity:		2.727	3.733	2.142	2.716		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000115

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 40

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2747 COOPERAGE ASSEMBLY									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	38	0	0	0	0	0	0	0	
MA Total	38	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.01	0.02	0.02				
		(15) Countrywide Pure Premium:	4.111	1.975	6.952			13.038	
		(16) Countrywide Indicated Relativity:	4.941	4.294	8.257				
		(17) Countrywide Credibility:	0.09	0.17	0.21				
		(18) Countrywide Lost-time Claims:	1	11					
		(19) Pure Premium Underlying Present Rate:	2.732	1.588	1.970			6.290	
		(20) Relativity to Underlying Present Rate:	4.337	2.414	2.455				
		(21) Credibility to Underlying Relativity:	0.900	0.810	0.770				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	4.348	2.685	3.625				
		(24) Balanced Formula Relativity:	4.377	2.676	3.618			3.709	

Class(es):		Effective: 9/1/2007						Manufacturing	
2790 PATTERN MAKING NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	86,615	1	10	58,356	41,128	47,249	146,733		
2000/2001	84,748	0	7	0	40,622	35,168	75,789		
2001/2002	72,698	1	9	162,550	96,133	169,511	428,194		
2002/2003	61,436	0	2	0	7,437	16,562	23,998		
2003/2004	64,494	0	6	0	35,256	63,638	98,894		
MA Total	369,991	2	34	220,906	220,576	332,127	773,608		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.674	0.475	0.546			1.694	
		2000/2001	0.000	0.479	0.415			0.894	
		2001/2002	2.236	1.322	2.332			5.890	
		2002/2003	0.000	0.121	0.270			0.391	
		2003/2004	0.000	0.547	0.987			1.533	
		MA Total Pure Premium:	0.597	0.596	0.898			2.091	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.673	1.204	1.004				
		(14) Massachusetts Credibility:	0.16	0.46	0.41				
		(15) Countrywide Pure Premium:	1.027	0.379	0.818			2.225	
		(16) Countrywide Indicated Relativity:	1.234	0.825	0.972				
		(17) Countrywide Credibility:	0.42	0.27	0.30				
		(18) Countrywide Lost-time Claims:	86	683					
		(19) Pure Premium Underlying Present Rate:	0.444	0.610	0.712			1.765	
		(20) Relativity to Underlying Present Rate:	0.704	0.927	0.888				
		(21) Credibility to Underlying Relativity:	0.420	0.270	0.290				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	0.922	1.027	0.960				
		(24) Balanced Formula Relativity:	0.928	1.023	0.959			0.961	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000116

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 41

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2802 CARPENTRY-SHOP ONLY & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,105,573	13	177	1,539,232	1,203,716	2,603,580	5,346,528		
2000/2001	1,084,419	14	164	2,040,722	1,276,925	2,451,275	5,768,922		
2001/2002	1,118,688	12	133	1,820,732	533,860	1,755,510	4,110,102		
2002/2003	1,145,466	21	134	3,096,708	706,845	2,422,944	6,226,497		
2003/2004	1,102,833	6	134	1,462,193	1,102,039	1,668,956	4,233,188		
MA Total	5,556,979	66	742	9,959,586	4,823,384	10,902,267	25,685,237		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.392	1.089	2.355	4.836		
			2000/2001	1.882	1.178	2.260	5.320		
			2001/2002	1.628	0.477	1.569	3.674		
			2002/2003	2.703	0.617	2.115	5.436		
			2003/2004	1.326	0.999	1.513	3.838		
			MA Total Pure Premium:	1.792	0.868	1.962	4.622		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.020	1.753	2.193			
			(14) Massachusetts Credibility:	0.77	1.00	1.00			
			(15) Countrywide Pure Premium:	1.587	0.944	1.817	4.348		
			(16) Countrywide Indicated Relativity:	1.907	2.053	2.158			
			(17) Countrywide Credibility:	0.12	0.00	0.00			
			(18) Countrywide Lost-time Claims:	742	13,406				
			(19) Pure Premium Underlying Present Rate:	1.413	1.178	1.987	4.579		
			(20) Relativity to Underlying Present Rate:	2.243	1.791	2.477			
			(21) Credibility to Underlying Relativity:	0.110	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	2.031	1.753	2.193			
			(24) Balanced Formula Relativity:	2.045	1.747	2.189	2.037		

Class(es):		Effective: 9/1/2007						Manufacturing	
2835 BRUSH OR BROOM ASSEMBLY									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	44,372	0	1	0	714	8,684	9,398		
2000/2001	38,987	0	0	0	0	7,031	7,031		
2001/2002	48,170	0	0	0	0	934	934		
2002/2003	15,473	0	1	0	1,506	1,984	3,489		
2003/2004	13,855	0	2	0	14,952	17,465	32,417		
MA Total	160,857	0	4	0	17,171	36,098	53,269		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.016	0.196	0.212		
			2000/2001	0.000	0.000	0.180	0.180		
			2001/2002	0.000	0.000	0.019	0.019		
			2002/2003	0.000	0.097	0.128	0.225		
			2003/2004	0.000	1.079	1.261	2.340		
			MA Total Pure Premium:	0.000	0.107	0.224	0.331		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.000	0.216	0.251			
			(14) Massachusetts Credibility:	0.14	0.43	0.36			
			(15) Countrywide Pure Premium:	0.109	0.507	0.846	1.462		
			(16) Countrywide Indicated Relativity:	0.131	1.102	1.005			
			(17) Countrywide Credibility:	0.11	0.29	0.32			
			(18) Countrywide Lost-time Claims:	2	168				
			(19) Pure Premium Underlying Present Rate:	0.710	1.194	1.149	3.053		
			(20) Relativity to Underlying Present Rate:	1.126	1.815	1.433			
			(21) Credibility to Underlying Relativity:	0.750	0.280	0.320			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	0.859	0.920	0.870			
			(24) Balanced Formula Relativity:	0.865	0.917	0.869	0.878		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000117

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 42

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2836 BRUSH OR BROOM MFG NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	21,156	1	4	121,053	16,281	53,000	190,333		
2000/2001	20,453	0	4	0	16,694	29,766	46,460		
2001/2002	12,642	0	8	0	12,133	22,723	34,856		
2002/2003	12,061	0	2	0	35,743	11,102	46,844		
2003/2004	10,465	0	2	0	5,928	3,487	9,415		
MA Total	76,777	1	20	121,053	86,779	120,077	327,909		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	5.722	0.770	2.505	8.997		
			2000/2001	0.000	0.816	1.455	2.272		
			2001/2002	0.000	0.960	1.797	2.757		
			2002/2003	0.000	2.964	0.920	3.884		
			2003/2004	0.000	0.566	0.333	0.900		
			MA Total Pure Premium:	1.577	1.130	1.564	4.271		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.777	2.283	1.748			
		(14) Massachusetts Credibility:		0.15	0.27	0.31			
		(15) Countrywide Pure Premium:		0.458	0.646	0.851	1.956		
		(16) Countrywide Indicated Relativity:		0.551	1.405	1.011			
		(17) Countrywide Credibility:		0.11	0.37	0.35			
		(18) Countrywide Lost-time Claims:		2	122				
		(19) Pure Premium Underlying Present Rate:		1.723	0.799	1.643	4.166		
		(20) Relativity to Underlying Present Rate:		2.735	1.215	2.049			
		(21) Credibility to Underlying Relativity:		0.740	0.360	0.340			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		2.351	1.574	1.592			
		(24) Balanced Formula Relativity:		2.367	1.568	1.589	1.888		

Class(es):		Effective: 9/1/2007						Manufacturing	
2841 WOODENWARE MFG NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	16,271	0	1	0	261	4,818	5,079		
2000/2001	13,596	1	0	253,458	0	105,233	358,692		
2001/2002	14,325	0	1	0	3,271	2,568	5,839		
2002/2003	15,276	0	3	0	15,891	4,911	20,803		
2003/2004	14,509	0	0	0	0	1,850	1,850		
MA Total	73,977	1	5	253,458	19,423	119,381	392,262		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.016	0.296	0.312		
			2000/2001	18.642	0.000	7.740	26.381		
			2001/2002	0.000	0.228	0.179	0.408		
			2002/2003	0.000	1.040	0.322	1.362		
			2003/2004	0.000	0.000	0.128	0.128		
			MA Total Pure Premium:	3.426	0.263	1.614	5.302		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.861	0.530	1.804			
		(14) Massachusetts Credibility:		0.09	0.23	0.22			
		(15) Countrywide Pure Premium:		0.691	0.771	1.587	3.049		
		(16) Countrywide Indicated Relativity:		0.830	1.675	1.885			
		(17) Countrywide Credibility:		0.24	0.39	0.39			
		(18) Countrywide Lost-time Claims:		13	459				
		(19) Pure Premium Underlying Present Rate:		0.480	0.535	0.752	1.767		
		(20) Relativity to Underlying Present Rate:		0.761	0.814	0.937			
		(21) Credibility to Underlying Relativity:		0.670	0.380	0.390			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.057	1.084	1.497			
		(24) Balanced Formula Relativity:		1.064	1.081	1.495	1.237		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000118

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 43

Calculation of Class Relativities

Class(es): 2883 FURNITURE MFG-WOOD-NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	533,593	1	75	55,793	348,927	424,115	828,835		
2000/2001	549,999	9	65	1,024,708	314,489	769,898	2,109,095		
2001/2002	536,397	7	57	624,962	326,101	693,523	1,644,586		
2002/2003	498,642	4	58	518,093	335,173	649,018	1,502,284		
2003/2004	506,202	1	49	348,696	345,649	537,248	1,231,593		
MA Total	2,624,833	22	304	2,572,252	1,670,339	3,073,802	7,316,393		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.105	0.654	0.795	1.553		
		2000/2001		1.863	0.572	1.400	3.835		
		2001/2002		1.165	0.608	1.293	3.066		
		2002/2003		1.039	0.672	1.302	3.013		
		2003/2004		0.689	0.683	1.061	2.433		
		MA Total Pure Premium:		0.980	0.636	1.171	2.787		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.104	1.285	1.309			
		(14) Massachusetts Credibility:		0.46	1.00	1.00			
		(15) Countrywide Pure Premium:		1.253	0.820	1.444	3.517		
		(16) Countrywide Indicated Relativity:		1.506	1.782	1.715			
		(17) Countrywide Credibility:		0.27	0.00	0.00			
		(18) Countrywide Lost-time Claims:		640	6,804				
		(19) Pure Premium Underlying Present Rate:		0.824	0.877	1.129	2.830		
		(20) Relativity to Underlying Present Rate:		1.307	1.333	1.408			
		(21) Credibility to Underlying Relativity:		0.270	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.268	1.285	1.309			
		(24) Balanced Formula Relativity:		1.276	1.281	1.307	1.289		

Class(es): 2923 PIANO MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	54,715	0	5	0	5,245	12,332	17,578		
2000/2001	53,897	1	4	83,162	2,068	97,708	182,938		
2001/2002	62,108	0	3	0	17,619	37,463	55,082		
2002/2003	65,275	0	4	0	6,295	29,443	35,738		
2003/2004	68,028	0	4	0	19,017	18,619	37,636		
MA Total	304,023	1	20	83,162	50,244	195,565	328,971		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.096	0.225	0.321		
		2000/2001		1.543	0.038	1.813	3.394		
		2001/2002		0.000	0.284	0.603	0.887		
		2002/2003		0.000	0.096	0.451	0.547		
		2003/2004		0.000	0.280	0.274	0.553		
		MA Total Pure Premium:		0.274	0.165	0.643	1.082		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.308	0.334	0.719			
		(14) Massachusetts Credibility:		0.16	0.41	0.39			
		(15) Countrywide Pure Premium:		0.610	0.600	0.963	2.173		
		(16) Countrywide Indicated Relativity:		0.733	1.305	1.143			
		(17) Countrywide Credibility:		0.39	0.30	0.31			
		(18) Countrywide Lost-time Claims:		42	349				
		(19) Pure Premium Underlying Present Rate:		0.540	0.584	0.767	1.891		
		(20) Relativity to Underlying Present Rate:		0.857	0.887	0.957			
		(21) Credibility to Underlying Relativity:		0.450	0.290	0.300			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.721	0.786	0.922			
		(24) Balanced Formula Relativity:		0.726	0.783	0.920	0.815		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000119

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 44

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
2942 PENCIL, PENHOLDER OR CRAYON MFG*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	822,553	4	36	353,693	135,600	637,737	1,127,030		
2000/2001	848,835	1	27	168,734	141,283	414,435	724,451		
2001/2002	250,929	1	20	147,095	117,906	469,680	734,680		
2002/2003	964,652	8	37	973,555	263,688	896,149	2,133,392		
2003/2004	234,015	1	29	353,384	283,578	345,420	982,382		
MA Total	3,120,984	15	149	1,996,460	942,055	2,763,421	5,701,936		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.430	0.165	0.775	1.370				
	2000/2001	0.199	0.166	0.488	0.853				
	2001/2002	0.586	0.470	1.872	2.928				
	2002/2003	1.009	0.273	0.929	2.212				
	2003/2004	1.510	1.212	1.476	4.198				
	MA Total Pure Premium:	0.640	0.302	0.885	1.827				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.721	0.610	0.990					
	(14) Massachusetts Credibility:	0.40	0.80	1.00					
	(15) Countrywide Pure Premium:	0.598	0.493	0.889	1.980				
	(16) Countrywide Indicated Relativity:	0.719	1.072	1.056					
	(17) Countrywide Credibility:	0.30	0.10	0.00					
	(18) Countrywide Lost-time Claims:	38	1,060						
	(19) Pure Premium Underlying Present Rate:	0.500	0.294	0.849	1.643				
	(20) Relativity to Underlying Present Rate:	0.793	0.447	1.058					
	(21) Credibility to Underlying Relativity:	0.300	0.100	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.742	0.640	0.990					
	(24) Balanced Formula Relativity:	0.747	0.637	0.988	0.818				

Class(es):		Effective: 9/1/2007						Manufacturing	
3018 IRON OR STEEL: MFG: ROLLING MILL & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,427	0	4	0	4,557	3,934	8,491		
2000/2001	163,417	2	14	277,446	40,132	593,333	910,912		
2001/2002	137,737	1	7	124,990	53,141	72,140	250,271		
2002/2003	162,134	0	5	0	29,675	48,123	77,798		
2003/2004	150,594	2	5	289,663	66,202	458,856	814,722		
MA Total	627,309	5	35	692,099	193,708	1,176,386	2,062,193		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.339	0.293	0.632				
	2000/2001	1.698	0.246	3.631	5.574				
	2001/2002	0.907	0.386	0.524	1.817				
	2002/2003	0.000	0.183	0.297	0.480				
	2003/2004	1.923	0.440	3.047	5.410				
	MA Total Pure Premium:	1.103	0.309	1.875	3.287				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.243	0.624	2.096					
	(14) Massachusetts Credibility:	0.26	0.76	0.57					
	(15) Countrywide Pure Premium:	1.578	0.701	1.330	3.610				
	(16) Countrywide Indicated Relativity:	1.897	1.525	1.579					
	(17) Countrywide Credibility:	0.37	0.12	0.22					
	(18) Countrywide Lost-time Claims:	120	1,276						
	(19) Pure Premium Underlying Present Rate:	0.825	1.305	0.938	3.069				
	(20) Relativity to Underlying Present Rate:	1.310	1.984	1.169					
	(21) Credibility to Underlying Relativity:	0.370	0.120	0.210					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.510	0.895	1.788					
	(24) Balanced Formula Relativity:	1.520	0.892	1.785	1.487				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000120

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 45

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3022 PIPE OR TUBE MFG NOC & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	5,918	0	0	0	0	7,322	7,322		
2000/2001	0	0	0	0	0	0	0		
2001/2002	5,687	1	2	68,044	261	82,975	151,280		
2002/2003	5,106	0	0	0	0	671	671		
2003/2004	5,426	0	0	0	0	934	934		
MA Total	22,137	1	2	68,044	261	91,902	160,207		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000			1.237		
		2000/2001	0.000	0.000			0.000		
		2001/2002	11.966	0.046			14.591		
		2002/2003	0.000	0.000			0.131		
		2003/2004	0.000	0.000			0.172		
		MA Total Pure Premium:	3.074	0.012			4.152		
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	3.464	0.024			4.641		
		(14) Massachusetts Credibility:	0.07	0.20			0.20		
		(15) Countrywide Pure Premium:	1.331	0.795			1.344		
		(16) Countrywide Indicated Relativity:	1.599	1.729			1.596		
		(17) Countrywide Credibility:	0.47	0.40			0.40		
		(18) Countrywide Lost-time Claims:	153	1,285					
		(19) Pure Premium Underlying Present Rate:	0.793	1.239			1.926		
		(20) Relativity to Underlying Present Rate:	1.259	1.883			2.401		
		(21) Credibility to Underlying Relativity:	0.460	0.400			0.400		
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495			0.895		
		(23) Formula Relativity:	1.573	1.450			2.527		
		(24) Balanced Formula Relativity:	1.584	1.445			2.522		

Class(es):		Effective: 9/1/2007						Manufacturing	
3027 ROLLING MILL NOC & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	78,807	0	11	0	74,919	109,741	184,660		
2000/2001	52,098	5	5	643,005	43,481	599,511	1,285,996		
2001/2002	54,032	1	12	69,150	25,832	66,065	161,047		
2002/2003	75,365	0	10	0	93,093	88,072	181,165		
2003/2004	74,700	0	8	0	45,305	56,046	101,352		
MA Total	335,002	6	46	712,155	282,630	919,435	1,914,220		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.951			1.393		
		2000/2001	12.342	0.835			11.507		
		2001/2002	1.280	0.478			1.223		
		2002/2003	0.000	1.235			1.169		
		2003/2004	0.000	0.606			0.750		
		MA Total Pure Premium:	2.126	0.844			2.745		
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	2.396	1.704			3.068		
		(14) Massachusetts Credibility:	0.23	0.53			0.57		
		(15) Countrywide Pure Premium:	1.097	0.592			1.102		
		(16) Countrywide Indicated Relativity:	1.318	1.288			1.309		
		(17) Countrywide Credibility:	0.36	0.24			0.22		
		(18) Countrywide Lost-time Claims:	36	593					
		(19) Pure Premium Underlying Present Rate:	1.108	0.957			1.759		
		(20) Relativity to Underlying Present Rate:	1.759	1.454			2.193		
		(21) Credibility to Underlying Relativity:	0.410	0.230			0.210		
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495			0.895		
		(23) Formula Relativity:	1.747	1.546			2.497		
		(24) Balanced Formula Relativity:	1.759	1.541			2.493		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000121

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 46

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
3028 PIPE OR TUBE MFG - IRON OR STEEL & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	12,889	0	6	0	9,192	18,908	28,100	
2000/2001	9,487	0	6	0	6,616	6,109	12,725	
2001/2002	8,802	0	7	0	19,765	8,943	28,708	
2002/2003	13,642	1	4	80,337	19,824	143,922	244,083	
2003/2004	13,013	0	3	0	59,366	46,378	105,744	
MA Total	57,833	1	26	80,337	114,764	224,259	419,361	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.713	1.467	2.180			
	2000/2001	0.000	0.697	0.644	1.341			
	2001/2002	0.000	2.245	1.016	3.261			
	2002/2003	5.889	1.453	10.550	17.892			
	2003/2004	0.000	4.562	3.564	8.126			
	MA Total Pure Premium:	1.389	1.984	3.878	7.251			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.566	4.008	4.335				
	(14) Massachusetts Credibility:	0.09	0.32	0.25				
	(15) Countrywide Pure Premium:	1.181	0.829	1.444	3.454			
	(16) Countrywide Indicated Relativity:	1.419	1.803	1.715				
	(17) Countrywide Credibility:	0.44	0.34	0.38				
	(18) Countrywide Lost-time Claims:	59	1,321					
	(19) Pure Premium Underlying Present Rate:	0.682	1.640	1.294	3.616			
	(20) Relativity to Underlying Present Rate:	1.082	2.493	1.613				
	(21) Credibility to Underlying Relativity:	0.470	0.340	0.370				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.274	2.743	2.333				
	(24) Balanced Formula Relativity:	1.282	2.734	2.328	2.009			

Class(es):		Effective: 9/1/2007						Manufacturing
3030 IRON OR STEEL: FABRICATION: IRON/STEEL WORK-SHOP-STRUCT & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	83,600	0	13	0	72,919	99,305	172,225	
2000/2001	91,016	4	11	643,346	72,869	558,994	1,275,208	
2001/2002	91,672	2	11	274,663	56,272	113,056	443,990	
2002/2003	79,691	2	13	353,139	297,792	474,809	1,125,740	
2003/2004	106,359	1	13	265,990	63,169	172,025	501,184	
MA Total	452,338	9	61	1,537,138	563,021	1,418,189	3,518,348	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.872	1.188	2.060			
	2000/2001	7.068	0.801	6.142	14.011			
	2001/2002	2.996	0.614	1.233	4.843			
	2002/2003	4.431	3.737	5.958	14.126			
	2003/2004	2.501	0.594	1.617	4.712			
	MA Total Pure Premium:	3.398	1.245	3.135	7.778			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	3.830	2.514	3.505				
	(14) Massachusetts Credibility:	0.35	0.82	0.70				
	(15) Countrywide Pure Premium:	3.249	1.036	2.212	6.497			
	(16) Countrywide Indicated Relativity:	3.904	2.252	2.627				
	(17) Countrywide Credibility:	0.33	0.09	0.15				
	(18) Countrywide Lost-time Claims:	489	4,756					
	(19) Pure Premium Underlying Present Rate:	2.329	2.161	2.159	6.649			
	(20) Relativity to Underlying Present Rate:	3.697	3.285	2.691				
	(21) Credibility to Underlying Relativity:	0.320	0.090	0.150				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	3.812	2.560	3.251				
	(24) Balanced Formula Relativity:	3.838	2.551	3.245	3.325			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000122

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 47

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
3040 IRON OR STEEL: FABRICATION: IRON WORKS-SHOP-ORNAMENTAL & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	134,105	5	35	554,276	459,973	866,413	1,880,662	
2000/2001	143,727	7	34	1,343,827	233,711	683,961	2,261,499	
2001/2002	157,509	4	27	576,036	303,029	514,434	1,393,499	
2002/2003	136,365	3	19	355,734	144,584	437,901	938,218	
2003/2004	161,044	0	29	0	347,381	347,030	694,411	
MA Total	732,750	19	144	2,829,873	1,488,677	2,849,739	7,168,290	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.133	3.430	6.461	14.024			
	2000/2001	9.350	1.626	4.759	15.735			
	2001/2002	3.657	1.924	3.266	8.847			
	2002/2003	2.609	1.060	3.211	6.880			
	2003/2004	0.000	2.157	2.155	4.312			
	MA Total Pure Premium:	3.862	2.032	3.889	9.783			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.353	4.103	4.348				
	(14) Massachusetts Credibility:	0.48	1.00	1.00				
	(15) Countrywide Pure Premium:	2.260	1.030	1.867	5.157			
	(16) Countrywide Indicated Relativity:	2.716	2.239	2.218				
	(17) Countrywide Credibility:	0.26	0.00	0.00				
	(18) Countrywide Lost-time Claims:	362	3,379					
	(19) Pure Premium Underlying Present Rate:	3.329	3.462	3.974	10.765			
	(20) Relativity to Underlying Present Rate:	5.284	5.262	4.954				
	(21) Credibility to Underlying Relativity:	0.260	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	4.169	4.103	4.348				
	(24) Balanced Formula Relativity:	4.198	4.090	4.340	4.230			

Class(es):		Effective: 9/1/2007						Manufacturing
3041 IRON OR STEEL: FABRICATION: IRON WORKS-SHP-DEC/ART &FNDRS,DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	20,896	1	0	105,908	0	250,974	356,881	
2000/2001	26,004	0	3	0	2,849	12,562	15,411	
2001/2002	29,766	2	5	451,206	20,490	239,738	711,434	
2002/2003	36,064	0	0	0	0	22,229	22,229	
2003/2004	33,438	0	3	0	9,465	20,412	29,876	
MA Total	146,168	3	11	557,114	32,804	545,914	1,135,831	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	5.068	0.000	12.011	17.079			
	2000/2001	0.000	0.110	0.483	0.593			
	2001/2002	15.159	0.688	8.054	23.901			
	2002/2003	0.000	0.000	0.616	0.616			
	2003/2004	0.000	0.283	0.610	0.893			
	MA Total Pure Premium:	3.811	0.224	3.735	7.771			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.296	0.453	4.175				
	(14) Massachusetts Credibility:	0.17	0.40	0.36				
	(15) Countrywide Pure Premium:	2.426	0.751	1.378	4.555			
	(16) Countrywide Indicated Relativity:	2.915	1.632	1.637				
	(17) Countrywide Credibility:	0.26	0.30	0.32				
	(18) Countrywide Lost-time Claims:	15	264					
	(19) Pure Premium Underlying Present Rate:	1.186	1.097	1.316	3.598			
	(20) Relativity to Underlying Present Rate:	1.882	1.667	1.641				
	(21) Credibility to Underlying Relativity:	0.570	0.300	0.320				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	2.561	1.171	2.552				
	(24) Balanced Formula Relativity:	2.578	1.167	2.547	2.259			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000123

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 48

Calculation of Class Relativities

Class(es): 3042 ELEVATOR OR ESCALATOR MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	7,167	0	0	0	0	538	538		
2000/2001	8,312	0	1	0	491	5,595	6,085		
2001/2002	7,092	0	0	0	0	3,081	3,081		
2002/2003	6,619	0	0	0	0	2,497	2,497		
2003/2004	7,207	0	2	0	65,020	32,828	97,848		
MA Total	36,397	0	3	0	65,511	44,538	110,048		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.075	0.075			
		2000/2001	0.000	0.059	0.673	0.732			
		2001/2002	0.000	0.000	0.434	0.434			
		2002/2003	0.000	0.000	0.377	0.377			
		2003/2004	0.000	9.022	4.555	13.577			
		MA Total Pure Premium:	0.000	1.800	1.224	3.024			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	3.635	1.368				
		(14) Massachusetts Credibility:	0.09	0.18	0.17				
		(15) Countrywide Pure Premium:	1.362	0.817	1.383	3.562			
		(16) Countrywide Indicated Relativity:	1.637	1.776	1.643				
		(17) Countrywide Credibility:	0.32	0.41	0.42				
		(18) Countrywide Lost-time Claims:	27	406					
		(19) Pure Premium Underlying Present Rate:	1.057	0.616	0.782	2.455			
		(20) Relativity to Underlying Present Rate:	1.677	0.936	0.975				
		(21) Credibility to Underlying Relativity:	0.590	0.410	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.513	1.766	1.323				
		(24) Balanced Formula Relativity:	1.524	1.760	1.320	1.495			

Class(es): 3064 SIGN MFG-METAL*		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,341,138	14	172	1,516,486	1,087,594	2,010,576	4,614,656		
2000/2001	1,258,548	11	123	1,419,602	634,891	1,497,794	3,552,288		
2001/2002	1,143,964	11	89	1,731,504	510,797	1,138,390	3,380,692		
2002/2003	1,144,419	11	86	1,809,993	486,309	1,403,634	3,699,936		
2003/2004	1,119,828	4	104	892,908	843,150	1,225,128	2,961,186		
MA Total	6,007,897	51	574	7,370,492	3,562,742	7,275,523	18,208,757		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.131	0.811	1.499	3.441			
		2000/2001	1.128	0.504	1.190	2.823			
		2001/2002	1.514	0.447	0.995	2.955			
		2002/2003	1.582	0.425	1.227	3.233			
		2003/2004	0.797	0.753	1.094	2.644			
		MA Total Pure Premium:	1.227	0.593	1.211	3.031			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.383	1.198	1.354				
		(14) Massachusetts Credibility:	0.65	1.00	1.00				
		(15) Countrywide Pure Premium:	1.584	0.734	1.424	3.742			
		(16) Countrywide Indicated Relativity:	1.903	1.596	1.692				
		(17) Countrywide Credibility:	0.18	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,008	10,005					
		(19) Pure Premium Underlying Present Rate:	0.863	0.840	1.066	2.770			
		(20) Relativity to Underlying Present Rate:	1.370	1.278	1.329				
		(21) Credibility to Underlying Relativity:	0.170	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.474	1.198	1.354				
		(24) Balanced Formula Relativity:	1.484	1.194	1.351	1.369			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000124

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 49

Calculation of Class Relativities

Class(es): 3076 FIREPROOF EQUIPMENT MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	240,227	1	24	103,379	133,770	243,785	480,934		
2000/2001	274,547	6	30	543,825	170,094	384,427	1,098,346		
2001/2002	338,389	3	25	313,883	93,868	319,936	727,687		
2002/2003	374,361	5	29	655,855	264,394	437,985	1,358,234		
2003/2004	415,753	1	30	148,988	278,482	335,291	762,761		
MA Total	1,643,277	16	138	1,765,930	940,608	1,721,424	4,427,961		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.430	0.557	1.015	2.002		
		2000/2001		1.981	0.620	1.400	4.001		
		2001/2002		0.928	0.277	0.945	2.150		
		2002/2003		1.752	0.706	1.170	3.628		
		2003/2004		0.358	0.670	0.806	1.835		
		MA Total Pure Premium:		1.075	0.572	1.048	2.695		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.211	1.156	1.171			
		(14) Massachusetts Credibility:		0.35	0.96	0.85			
		(15) Countrywide Pure Premium:		1.015	0.618	1.135	2.768		
		(16) Countrywide Indicated Relativity:		1.220	1.343	1.348			
		(17) Countrywide Credibility:		0.33	0.02	0.08			
		(18) Countrywide Lost-time Claims:		879	10,599				
		(19) Pure Premium Underlying Present Rate:		0.670	0.880	0.960	2.511		
		(20) Relativity to Underlying Present Rate:		1.064	1.338	1.197			
		(21) Credibility to Underlying Relativity:		0.320	0.020	0.070			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.167	1.163	1.187			
		(24) Balanced Formula Relativity:		1.175	1.160	1.185	1.175		

Class(es): 3081 FOUNDRY-FERROUS-NOC*		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	138,931	5	41	956,871	187,955	528,079	1,672,906		
2000/2001	144,778	3	39	371,274	311,584	376,461	1,059,319		
2001/2002	144,985	5	50	758,237	280,136	532,082	1,570,455		
2002/2003	107,147	4	19	646,710	113,685	453,705	1,214,100		
2003/2004	121,767	0	27	312,622	0	277,232	589,854		
MA Total	657,608	17	176	2,733,092	1,205,983	2,167,560	6,106,634		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		6.887	1.353	3.801	12.041		
		2000/2001		2.564	2.152	2.600	7.317		
		2001/2002		5.230	1.932	3.670	10.832		
		2002/2003		6.036	1.061	4.234	11.331		
		2003/2004		0.000	2.567	2.277	4.844		
		MA Total Pure Premium:		4.156	1.834	3.296	9.286		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		4.684	3.704	3.685			
		(14) Massachusetts Credibility:		0.39	0.85	0.93			
		(15) Countrywide Pure Premium:		2.056	0.925	1.768	4.748		
		(16) Countrywide Indicated Relativity:		2.471	2.010	2.100			
		(17) Countrywide Credibility:		0.31	0.08	0.04			
		(18) Countrywide Lost-time Claims:		238	4,428				
		(19) Pure Premium Underlying Present Rate:		2.209	1.632	3.032	6.872		
		(20) Relativity to Underlying Present Rate:		3.505	2.481	3.779			
		(21) Credibility to Underlying Relativity:		0.300	0.070	0.030			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		3.644	3.483	3.624			
		(24) Balanced Formula Relativity:		3.669	3.471	3.617	3.606		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000125

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 50

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3085 FOUNDRY-NON FERROUS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	169,701	4	21	488,753	60,413	245,799	794,965		
2000/2001	137,300	4	15	556,554	29,758	206,495	792,807		
2001/2002	125,132	2	17	145,928	377,455	263,253	786,637		
2002/2003	106,324	0	12	0	183,577	145,525	329,101		
2003/2004	114,038	1	10	373,068	139,560	388,896	901,524		
MA Total	652,495	11	75	1,564,303	790,763	1,249,968	3,605,034		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	2.880	0.356	1.448	4.684		
			2000/2001	4.054	0.217	1.504	5.774		
			2001/2002	1.166	3.016	2.104	6.286		
			2002/2003	0.000	1.727	1.369	3.095		
			2003/2004	3.271	1.224	3.410	7.905		
			MA Total Pure Premium:	2.397	1.212	1.916	5.525		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.702	2.447	2.142			
			(14) Massachusetts Credibility:	0.33	0.70	0.73			
			(15) Countrywide Pure Premium:	1.552	0.768	1.473	3.792		
			(16) Countrywide Indicated Relativity:	1.865	1.668	1.749			
			(17) Countrywide Credibility:	0.34	0.15	0.14			
			(18) Countrywide Lost-time Claims:	204	2,271				
			(19) Pure Premium Underlying Present Rate:	1.409	0.997	1.689	4.094		
			(20) Relativity to Underlying Present Rate:	2.237	1.515	2.105			
			(21) Credibility to Underlying Relativity:	0.330	0.150	0.130			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	2.264	2.191	2.082			
			(24) Balanced Formula Relativity:	2.279	2.184	2.078	2.179		

Class(es):		Effective: 9/1/2007						Manufacturing	
3110 FORGING WORK - DROP OR MACHINE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	42,379	0	5	0	26,332	19,211	45,544		
2000/2001	30,545	1	6	319,411	17,555	29,912	366,879		
2001/2002	108,034	0	30	0	564,206	289,571	853,777		
2002/2003	15,038	2	2	399,815	4,440	243,792	648,047		
2003/2004	10,699	0	0	0	0	11,664	11,664		
MA Total	206,695	3	43	719,226	612,533	594,151	1,925,911		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.621	0.453	1.075		
			2000/2001	10.457	0.575	0.979	12.011		
			2001/2002	0.000	5.222	2.680	7.903		
			2002/2003	26.587	0.295	16.212	43.094		
			2003/2004	0.000	0.000	1.090	1.090		
			MA Total Pure Premium:	3.480	2.963	2.875	9.318		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.922	5.985	3.213			
			(14) Massachusetts Credibility:	0.25	0.68	0.52			
			(15) Countrywide Pure Premium:	2.153	0.837	1.495	4.485		
			(16) Countrywide Indicated Relativity:	2.588	1.819	1.776			
			(17) Countrywide Credibility:	0.38	0.16	0.24			
			(18) Countrywide Lost-time Claims:	147	1,099				
			(19) Pure Premium Underlying Present Rate:	2.328	2.940	2.269	7.537		
			(20) Relativity to Underlying Present Rate:	3.695	4.469	2.829			
			(21) Credibility to Underlying Relativity:	0.370	0.160	0.240			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	3.331	5.076	2.776			
			(24) Balanced Formula Relativity:	3.354	5.059	2.771	3.496		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000126

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 51

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3111 BLACKSMITH									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	53,558	0	5	0	14,810	66,275	81,085		
2000/2001	38,928	0	2	0	8,222	20,575	28,797		
2001/2002	32,351	0	0	0	0	7,223	7,223		
2002/2003	45,207	0	2	0	623	11,451	12,073		
2003/2004	67,995	1	5	154,733	4,034	55,792	214,559		
MA Total	238,039	1	14	154,733	27,688	161,315	343,737		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.277	1.237	1.514			
		2000/2001	0.000	0.211	0.529	0.740			
		2001/2002	0.000	0.000	0.223	0.223			
		2002/2003	0.000	0.014	0.253	0.267			
		2003/2004	2.276	0.059	0.821	3.156			
		MA Total Pure Premium:	0.650	0.116	0.678	1.444			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.733	0.235	0.758				
		(14) Massachusetts Credibility:	0.16	0.39	0.38				
		(15) Countrywide Pure Premium:	1.170	0.561	1.156	2.886			
		(16) Countrywide Indicated Relativity:	1.406	1.220	1.372				
		(17) Countrywide Credibility:	0.40	0.31	0.31				
		(18) Countrywide Lost-time Claims:	46	463					
		(19) Pure Premium Underlying Present Rate:	0.652	0.638	0.885	2.175			
		(20) Relativity to Underlying Present Rate:	1.035	0.970	1.103				
		(21) Credibility to Underlying Relativity:	0.440	0.300	0.310				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.135	0.761	1.055				
		(24) Balanced Formula Relativity:	1.143	0.758	1.053	1.024			

Class(es):		Effective: 9/1/2007						Manufacturing	
3113 TOOL MFG-NOT DROP OR MACHINE FORGED-NOC*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,628,151	10	104	1,580,458	665,541	862,444	3,108,443		
2000/2001	1,380,029	10	79	1,512,354	559,625	1,104,688	3,176,667		
2001/2002	1,046,109	1	83	165,254	642,385	774,310	1,581,950		
2002/2003	1,066,569	7	57	1,118,865	364,697	1,063,388	2,546,950		
2003/2004	1,141,513	1	71	596,163	746,123	751,853	2,094,138		
MA Total	6,262,371	29	394	4,973,095	2,978,370	4,556,683	12,508,148		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.971	0.409	0.530	1.909			
		2000/2001	1.096	0.406	0.800	2.302			
		2001/2002	0.158	0.614	0.740	1.512			
		2002/2003	1.049	0.342	0.997	2.388			
		2003/2004	0.522	0.654	0.659	1.835			
		MA Total Pure Premium:	0.794	0.476	0.728	1.997			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.895	0.960	0.813				
		(14) Massachusetts Credibility:	0.50	1.00	1.00				
		(15) Countrywide Pure Premium:	0.724	0.397	0.753	1.875			
		(16) Countrywide Indicated Relativity:	0.870	0.863	0.895				
		(17) Countrywide Credibility:	0.25	0.00	0.00				
		(18) Countrywide Lost-time Claims:	245	4,372					
		(19) Pure Premium Underlying Present Rate:	0.430	0.502	0.506	1.438			
		(20) Relativity to Underlying Present Rate:	0.682	0.764	0.631				
		(21) Credibility to Underlying Relativity:	0.250	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.836	0.960	0.813				
		(24) Balanced Formula Relativity:	0.841	0.957	0.812	0.855			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000127

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 52

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3114 TOOL MFG-DROP OR MACHINE FORGED-NOC: MACHINING OR FINISHING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	54,997	2	6	290,639	17,846	129,271	437,757		
2000/2001	40,247	1	5	86,935	88,457	88,180	263,572		
2001/2002	41,911	0	5	0	41,448	83,936	125,384		
2002/2003	37,068	1	0	103,736	0	21,747	125,483		
2003/2004	30,698	0	3	0	68,117	55,767	123,885		
MA Total	204,921	4	19	481,309	215,869	378,902	1,076,080		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	5.285	0.324	2.350	7.960				
	2000/2001	2.160	2.198	2.191	6.549				
	2001/2002	0.000	0.989	2.003	2.992				
	2002/2003	2.799	0.000	0.587	3.385				
	2003/2004	0.000	2.219	1.817	4.036				
	MA Total Pure Premium:	2.349	1.053	1.849	5.251				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.647	2.127	2.067					
	(14) Massachusetts Credibility:	0.18	0.44	0.42					
	(15) Countrywide Pure Premium:	1.547	0.489	1.115	3.152				
	(16) Countrywide Indicated Relativity:	1.859	1.064	1.325					
	(17) Countrywide Credibility:	0.41	0.28	0.29					
	(18) Countrywide Lost-time Claims:	61	721						
	(19) Pure Premium Underlying Present Rate:	1.031	0.975	1.346	3.353				
	(20) Relativity to Underlying Present Rate:	1.636	1.482	1.678					
	(21) Credibility to Underlying Relativity:	0.410	0.280	0.290					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.910	1.649	1.739					
	(24) Balanced Formula Relativity:	1.923	1.644	1.736	1.789				

Class(es):		Effective: 9/1/2007						Manufacturing	
3119 NEEDLE MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,833	0	0	0	0	1,249	1,249		
2000/2001	14,997	0	1	0	4,942	639	5,581		
2001/2002	15,672	0	2	0	343	7,361	7,704		
2002/2003	16,469	0	1	0	103	2,135	2,238		
2003/2004	52,555	0	3	0	12,614	45,554	58,168		
MA Total	113,526	0	7	0	18,003	56,936	74,939		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.090	0.090				
	2000/2001	0.000	0.330	0.043	0.372				
	2001/2002	0.000	0.022	0.470	0.492				
	2002/2003	0.000	0.006	0.130	0.136				
	2003/2004	0.000	0.240	0.867	1.107				
	MA Total Pure Premium:	0.000	0.159	0.502	0.660				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.320	0.561					
	(14) Massachusetts Credibility:	0.09	0.19	0.18					
	(15) Countrywide Pure Premium:	0.000	0.204	0.309	0.513				
	(16) Countrywide Indicated Relativity:	0.000	0.443	0.368					
	(17) Countrywide Credibility:	0.00	0.21	0.25					
	(18) Countrywide Lost-time Claims:	0	19						
	(19) Pure Premium Underlying Present Rate:	0.309	0.232	0.273	0.814				
	(20) Relativity to Underlying Present Rate:	0.490	0.352	0.341					
	(21) Credibility to Underlying Relativity:	0.910	0.600	0.570					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.446	0.365	0.387					
	(24) Balanced Formula Relativity:	0.449	0.364	0.386	0.406				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000128

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 53

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3120 RAZOR MFG-SAFETY									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	1.290	0.069	0.418			1.777	
		(16) Countrywide Indicated Relativity:	1.550	0.151	0.497				
		(17) Countrywide Credibility:	0.13	0.15	0.20				
		(18) Countrywide Lost-time Claims:	3	8					
		(19) Pure Premium Underlying Present Rate:	0.326	1.038	0.483			1.847	
		(20) Relativity to Underlying Present Rate:	0.517	1.579	0.602				
		(21) Credibility to Underlying Relativity:	0.870	0.850	0.800				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	0.651	1.364	0.581				
		(24) Balanced Formula Relativity:	0.656	1.360	0.580			0.779	

Class(es):		Effective: 9/1/2007						Manufacturing	
3122 CUTLERY MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	79,812	1	6	93,563	30,026	251,056	374,645		
2000/2001	74,858	1	6	278,809	26,037	73,459	378,305		
2001/2002	74,993	0	3	0	13,181	55,544	68,724		
2002/2003	65,868	0	3	0	7,875	15,452	23,326		
2003/2004	71,357	0	1	0	187	20,775	20,962		
MA Total	366,888	2	19	372,373	77,305	416,285	865,963		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	1.172	0.376	3.146			4.694	
		2000/2001	3.725	0.348	0.981			5.054	
		2001/2002	0.000	0.176	0.741			0.916	
		2002/2003	0.000	0.120	0.235			0.354	
		2003/2004	0.000	0.003	0.291			0.294	
		MA Total Pure Premium:	1.015	0.211	1.135			2.360	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	1.144	0.426	1.268				
		(14) Massachusetts Credibility:	0.21	0.39	0.47				
		(15) Countrywide Pure Premium:	0.930	0.221	0.707			1.859	
		(16) Countrywide Indicated Relativity:	1.118	0.481	0.840				
		(17) Countrywide Credibility:	0.13	0.31	0.27				
		(18) Countrywide Lost-time Claims:	3	116					
		(19) Pure Premium Underlying Present Rate:	0.862	0.420	0.982			2.264	
		(20) Relativity to Underlying Present Rate:	1.368	0.638	1.224				
		(21) Credibility to Underlying Relativity:	0.660	0.300	0.260				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	1.288	0.507	1.141				
		(24) Balanced Formula Relativity:	1.297	0.505	1.139			1.063	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000129

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 54

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3127 PRECISION MEASURING TOOL MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	240,488	0	14	0	65,970	50,422	116,392		
2000/2001	221,187	1	9	273,971	50,936	97,717	422,624		
2001/2002	180,341	0	5	0	4,529	8,588	13,117		
2002/2003	153,894	0	4	0	15,581	28,653	44,234		
2003/2004	149,197	0	11	0	134,773	132,442	267,215		
MA Total	945,107	1	43	273,971	271,789	317,822	863,582		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.274	0.210	0.484		
			2000/2001	1.239	0.230	0.442	1.911		
			2001/2002	0.000	0.025	0.048	0.073		
			2002/2003	0.000	0.101	0.186	0.287		
			2003/2004	0.000	0.903	0.888	1.791		
			MA Total Pure Premium:	0.290	0.288	0.336	0.914		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.327	0.581	0.376			
			(14) Massachusetts Credibility:	0.15	0.42	0.37			
			(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000		
			(16) Countrywide Indicated Relativity:	0.226	0.284	0.259			
			(17) Countrywide Credibility:	0.00	0.00	0.00			
			(18) Countrywide Lost-time Claims:	0	0				
			(19) Pure Premium Underlying Present Rate:	0.143	0.188	0.209	0.541		
			(20) Relativity to Underlying Present Rate:	0.227	0.286	0.261			
			(21) Credibility to Underlying Relativity:	0.850	0.580	0.630			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	0.242	0.410	0.303			
			(24) Balanced Formula Relativity:	0.244	0.409	0.303	0.303		

Class(es):		Effective: 9/1/2007						Manufacturing	
3131 BUTTON OR FASTENER MFG-METAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	59,983	1	4	34,607	28,988	13,492	77,087		
2000/2001	43,182	1	3	252,178	3,195	41,876	297,250		
2001/2002	54,049	1	8	250,018	86,533	78,513	415,064		
2002/2003	12,371	0	1	0	116	419	535		
2003/2004	12,982	0	1	0	300	2,313	2,613		
MA Total	182,567	3	17	536,803	119,133	136,614	792,549		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.577	0.483	0.225	1.285		
			2000/2001	5.840	0.074	0.970	6.884		
			2001/2002	4.626	1.601	1.453	7.679		
			2002/2003	0.000	0.009	0.034	0.043		
			2003/2004	0.000	0.023	0.178	0.201		
			MA Total Pure Premium:	2.940	0.653	0.748	4.341		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.314	1.318	0.837			
			(14) Massachusetts Credibility:	0.17	0.41	0.33			
			(15) Countrywide Pure Premium:	0.575	0.367	0.664	1.607		
			(16) Countrywide Indicated Relativity:	0.692	0.798	0.789			
			(17) Countrywide Credibility:	0.42	0.30	0.34			
			(18) Countrywide Lost-time Claims:	54	513				
			(19) Pure Premium Underlying Present Rate:	1.046	0.939	0.832	2.817		
			(20) Relativity to Underlying Present Rate:	1.660	1.428	1.037			
			(21) Credibility to Underlying Relativity:	0.410	0.290	0.330			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.535	1.194	0.886			
			(24) Balanced Formula Relativity:	1.545	1.190	0.885	1.208		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000130

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 55

Calculation of Class Relativities

Class(es): 3132 NUT OR BOLT MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	46,866	0	7	0	42,296	43,092	85,388		
2000/2001	10,253	0	1	0	3,747	2,076	5,823		
2001/2002	27,787	0	1	0	280	2,783	3,063		
2002/2003	8,458	0	1	0	23,568	18,159	41,727		
2003/2004	6,034	0	0	0	0	0	0		
MA Total	99,398	0	10	0	69,891	66,109	136,000		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.903	0.919	1.822			
		2000/2001	0.000	0.365	0.202	0.568			
		2001/2002	0.000	0.010	0.100	0.110			
		2002/2003	0.000	2.786	2.147	4.933			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.703	0.665	1.368			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	1.420	0.744				
		(14) Massachusetts Credibility:	0.10	0.29	0.24				
		(15) Countrywide Pure Premium:	1.074	0.670	1.240	2.984			
		(16) Countrywide Indicated Relativity:	1.291	1.457	1.473				
		(17) Countrywide Credibility:	0.30	0.36	0.38				
		(18) Countrywide Lost-time Claims:	22	407					
		(19) Pure Premium Underlying Present Rate:	0.422	0.726	0.699	1.847			
		(20) Relativity to Underlying Present Rate:	0.670	1.103	0.872				
		(21) Credibility to Underlying Relativity:	0.600	0.350	0.380				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.789	1.322	1.069				
		(24) Balanced Formula Relativity:	0.795	1.318	1.067	1.016			

Class(es): 3145 SCREW MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	305,206	2	15	201,824	108,087	345,123	655,035		
2000/2001	268,761	0	9	0	45,527	72,477	118,004		
2001/2002	223,460	0	11	0	39,824	70,030	109,854		
2002/2003	237,876	1	10	180,912	29,405	119,664	329,981		
2003/2004	234,659	1	15	146,550	239,028	195,748	581,325		
MA Total	1,269,962	4	60	529,286	461,871	803,042	1,794,199		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.661	0.354	1.131	2.146			
		2000/2001	0.000	0.169	0.270	0.439			
		2001/2002	0.000	0.178	0.313	0.492			
		2002/2003	0.761	0.124	0.503	1.387			
		2003/2004	0.625	1.019	0.834	2.477			
		MA Total Pure Premium:	0.417	0.364	0.632	1.413			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.470	0.734	0.707				
		(14) Massachusetts Credibility:	0.25	0.60	0.60				
		(15) Countrywide Pure Premium:	0.711	0.422	0.728	1.860			
		(16) Countrywide Indicated Relativity:	0.854	0.916	0.864				
		(17) Countrywide Credibility:	0.38	0.20	0.20				
		(18) Countrywide Lost-time Claims:	71	1,342					
		(19) Pure Premium Underlying Present Rate:	0.386	0.348	0.523	1.257			
		(20) Relativity to Underlying Present Rate:	0.612	0.529	0.652				
		(21) Credibility to Underlying Relativity:	0.370	0.200	0.200				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.668	0.730	0.727				
		(24) Balanced Formula Relativity:	0.673	0.727	0.726	0.706			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000131

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 56

Calculation of Class Relativities

Class(es): 3146 HARDWARE MFG-NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	292,866	0	29	0	179,017	168,013	347,030		
2000/2001	203,699	3	24	861,203	173,655	298,203	1,333,060		
2001/2002	174,853	1	11	70,565	22,721	96,122	189,408		
2002/2003	160,925	0	9	0	60,256	67,306	127,562		
2003/2004	113,936	0	9	0	141,503	87,546	229,050		
MA Total	946,279	4	82	931,767	577,152	717,190	2,226,110		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.611	0.574	1.185		
			2000/2001	4.228	0.853	1.464	6.544		
			2001/2002	0.404	0.130	0.550	1.083		
			2002/2003	0.000	0.374	0.418	0.793		
			2003/2004	0.000	1.242	0.768	2.010		
			MA Total Pure Premium:	0.985	0.610	0.758	2.352		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.110	1.232	0.847			
			(14) Massachusetts Credibility:	0.34	0.63	0.65			
			(15) Countrywide Pure Premium:	0.738	0.595	1.004	2.337		
			(16) Countrywide Indicated Relativity:	0.887	1.294	1.193			
			(17) Countrywide Credibility:	0.33	0.19	0.18			
			(18) Countrywide Lost-time Claims:	377	4,789				
			(19) Pure Premium Underlying Present Rate:	1.032	0.529	0.858	2.418		
			(20) Relativity to Underlying Present Rate:	1.637	0.804	1.069			
			(21) Credibility to Underlying Relativity:	0.330	0.180	0.170			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.210	1.167	0.947			
			(24) Balanced Formula Relativity:	1.219	1.163	0.945	1.099		

Class(es): 3169 STOVE MFG*		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	448,347	3	86	258,098	575,811	661,039	1,494,948		
2000/2001	480,078	5	73	546,232	577,557	1,174,768	2,298,557		
2001/2002	398,274	6	38	931,819	431,616	771,168	2,134,603		
2002/2003	447,680	4	37	721,009	337,049	580,944	1,639,002		
2003/2004	381,887	3	31	929,373	476,205	853,440	2,259,018		
MA Total	2,156,266	21	265	3,386,531	2,398,238	4,041,358	9,826,127		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.576	1.284	1.474	3.334		
			2000/2001	1.138	1.203	2.447	4.788		
			2001/2002	2.340	1.084	1.936	5.360		
			2002/2003	1.611	0.753	1.298	3.661		
			2003/2004	2.434	1.247	2.235	5.915		
			MA Total Pure Premium:	1.571	1.112	1.874	4.557		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.770	2.246	2.095			
			(14) Massachusetts Credibility:	0.48	1.00	1.00			
			(15) Countrywide Pure Premium:	1.068	0.644	1.187	2.900		
			(16) Countrywide Indicated Relativity:	1.284	1.401	1.410			
			(17) Countrywide Credibility:	0.26	0.00	0.00			
			(18) Countrywide Lost-time Claims:	908	12,785				
			(19) Pure Premium Underlying Present Rate:	1.098	1.270	1.770	4.138		
			(20) Relativity to Underlying Present Rate:	1.742	1.931	2.207			
			(21) Credibility to Underlying Relativity:	0.260	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.636	2.246	2.095			
			(24) Balanced Formula Relativity:	1.648	2.239	2.091	1.951		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000132

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 57

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3179 ELECTRICAL APPARATUS MFG-NOC*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,593,380	13	141	1,724,187	987,342	1,379,513	4,091,042		
2000/2001	1,318,257	6	93	715,217	744,639	1,135,677	2,595,533		
2001/2002	1,287,849	6	77	741,588	641,158	1,087,397	2,470,142		
2002/2003	1,452,106	13	67	1,664,317	447,227	1,120,321	3,231,865		
2003/2004	1,620,174	6	75	1,809,726	959,865	1,229,009	3,998,600		
MA Total	7,271,766	44	453	6,655,034	3,780,231	5,951,917	16,387,182		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		1.082	0.620	0.866	2.568		
		2000/2001		0.543	0.565	0.861	1.969		
		2001/2002		0.576	0.498	0.844	1.918		
		2002/2003		1.146	0.308	0.772	2.226		
		2003/2004		1.117	0.592	0.759	2.468		
		MA Total Pure Premium:		0.915	0.520	0.818	2.254		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.031	1.050	0.915			
		(14) Massachusetts Credibility:		0.58	1.00	1.00			
		(15) Countrywide Pure Premium:		0.811	0.514	0.851	2.176		
		(16) Countrywide Indicated Relativity:		0.975	1.116	1.011			
		(17) Countrywide Credibility:		0.21	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,004	15,618				
		(19) Pure Premium Underlying Present Rate:		0.540	0.557	0.767	1.864		
		(20) Relativity to Underlying Present Rate:		0.856	0.847	0.957			
		(21) Credibility to Underlying Relativity:		0.210	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.983	1.050	0.915			
		(24) Balanced Formula Relativity:		0.989	1.046	0.913	0.972		

Class(es):		Effective: 9/1/2007						Manufacturing	
3180 ELECTRIC OR GAS LIGHTING FIXTURES MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	132,785	1	29	60,190	252,906	311,717	624,812		
2000/2001	119,896	4	13	497,768	16,524	307,045	821,337		
2001/2002	113,680	3	6	316,341	28,593	114,352	459,287		
2002/2003	306,134	3	29	509,669	167,926	287,939	965,535		
2003/2004	323,362	1	37	236,148	511,352	371,659	1,119,159		
MA Total	995,857	12	114	1,620,117	977,301	1,392,712	3,990,130		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.453	1.905	2.348	4.705		
		2000/2001		4.152	0.138	2.561	6.850		
		2001/2002		2.783	0.252	1.006	4.040		
		2002/2003		1.665	0.549	0.941	3.154		
		2003/2004		0.730	1.581	1.149	3.461		
		MA Total Pure Premium:		1.627	0.981	1.399	4.007		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.834	1.982	1.563			
		(14) Massachusetts Credibility:		0.29	0.94	0.77			
		(15) Countrywide Pure Premium:		0.858	0.569	1.069	2.496		
		(16) Countrywide Indicated Relativity:		1.031	1.236	1.270			
		(17) Countrywide Credibility:		0.36	0.03	0.12			
		(18) Countrywide Lost-time Claims:		119	793				
		(19) Pure Premium Underlying Present Rate:		0.697	1.378	1.273	3.348		
		(20) Relativity to Underlying Present Rate:		1.106	2.094	1.587			
		(21) Credibility to Underlying Relativity:		0.350	0.030	0.110			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.290	1.963	1.531			
		(24) Balanced Formula Relativity:		1.299	1.956	1.528	1.532		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000133

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 58

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3188 PLUMBERS SUPPLIES MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	36,836	1	2	147,292	2,229	250,032	399,553		
2000/2001	30,966	0	1	0	1,063	7,781	8,845		
2001/2002	13,710	0	0	0	0	1,979	1,979		
2002/2003	18,899	0	0	0	0	7,990	7,990		
2003/2004	16,881	0	4	0	85,717	36,561	122,278		
MA Total	117,292	1	7	147,292	89,009	304,343	540,644		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	3.999	0.060	6.788	10.847				
	2000/2001	0.000	0.034	0.251	0.286				
	2001/2002	0.000	0.000	0.144	0.144				
	2002/2003	0.000	0.000	0.423	0.423				
	2003/2004	0.000	5.078	2.166	7.243				
	MA Total Pure Premium:	1.256	0.759	2.595	4.609				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.415	1.533	2.901					
	(14) Massachusetts Credibility:	0.11	0.36	0.34					
	(15) Countrywide Pure Premium:	0.799	0.513	0.848	2.160				
	(16) Countrywide Indicated Relativity:	0.960	1.116	1.007					
	(17) Countrywide Credibility:	0.45	0.32	0.33					
	(18) Countrywide Lost-time Claims:	67	905						
	(19) Pure Premium Underlying Present Rate:	0.542	1.040	1.407	2.989				
	(20) Relativity to Underlying Present Rate:	0.860	1.581	1.753					
	(21) Credibility to Underlying Relativity:	0.440	0.320	0.330					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.966	1.415	1.897					
	(24) Balanced Formula Relativity:	0.973	1.410	1.894	1.430				

Class(es):		Effective: 9/1/2007						Manufacturing	
3200 ARMS MFG-SMALL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	105,118	0	5	0	11,895	68,950	80,845		
2000/2001	97,037	0	6	0	17,645	75,547	93,192		
2001/2002	80,863	2	6	160,776	110,296	295,681	566,753		
2002/2003	39,863	1	7	104,441	17,665	101,236	223,342		
2003/2004	82,638	0	10	0	172,643	151,834	324,477		
MA Total	405,519	3	34	265,217	330,144	693,248	1,288,609		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.113	0.656	0.769				
	2000/2001	0.000	0.182	0.779	0.960				
	2001/2002	1.988	1.364	3.657	7.009				
	2002/2003	2.620	0.443	2.540	5.603				
	2003/2004	0.000	2.089	1.837	3.926				
	MA Total Pure Premium:	0.654	0.814	1.710	3.178				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.737	1.644	1.911					
	(14) Massachusetts Credibility:	0.21	0.46	0.50					
	(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000				
	(16) Countrywide Indicated Relativity:	1.156	0.857	1.275					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	0	0						
	(19) Pure Premium Underlying Present Rate:	0.733	0.569	1.030	2.333				
	(20) Relativity to Underlying Present Rate:	1.164	0.865	1.284					
	(21) Credibility to Underlying Relativity:	0.790	0.540	0.500					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.074	1.223	1.598					
	(24) Balanced Formula Relativity:	1.082	1.219	1.595	1.313				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000134

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 59

Calculation of Class Relativities

Class(es): 3220 CAN MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	62,512	0	0	0	0	6,641	6,641		
2000/2001	59,944	0	4	0	24,427	48,350	72,777		
2001/2002	0	0	0	0	0	0	0		
2002/2003	63,807	0	3	0	19,182	18,793	37,975		
2003/2004	0	0	0	0	0	0	0		
MA Total	186,263	0	7	0	43,609	73,784	117,393		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.106	0.106				
	2000/2001	0.000	0.408	0.807	1.214				
	2001/2002	0.000	0.000	0.000	0.000				
	2002/2003	0.000	0.301	0.295	0.595				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	0.234	0.396	0.630				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.473	0.443					
	(14) Massachusetts Credibility:	0.15	0.32	0.30					
	(15) Countrywide Pure Premium:	0.711	0.446	0.778	1.934				
	(16) Countrywide Indicated Relativity:	0.855	0.968	0.924					
	(17) Countrywide Credibility:	0.43	0.34	0.35					
	(18) Countrywide Lost-time Claims:	124	942						
	(19) Pure Premium Underlying Present Rate:	0.761	0.487	0.619	1.867				
	(20) Relativity to Underlying Present Rate:	1.208	0.740	0.771					
	(21) Credibility to Underlying Relativity:	0.420	0.340	0.350					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.875	0.732	0.726					
	(24) Balanced Formula Relativity:	0.881	0.730	0.725	0.787				

Class(es): 3255 WIRE CLOTH MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	38,438	1	2	99,081	3,414	20,930	123,425		
2000/2001	31,840	0	0	0	0	1,292	1,292		
2001/2002	24,753	0	3	0	2,625	3,482	6,107		
2002/2003	26,045	0	1	0	47,711	18,422	66,134		
2003/2004	25,637	0	6	0	46,208	30,188	76,396		
MA Total	146,713	1	12	99,081	99,958	74,314	273,352		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	2.578	0.089	0.545	3.211				
	2000/2001	0.000	0.000	0.041	0.041				
	2001/2002	0.000	0.106	0.141	0.247				
	2002/2003	0.000	1.832	0.707	2.539				
	2003/2004	0.000	1.802	1.178	2.980				
	MA Total Pure Premium:	0.675	0.681	0.507	1.863				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.761	1.376	0.566					
	(14) Massachusetts Credibility:	0.16	0.38	0.37					
	(15) Countrywide Pure Premium:	0.985	0.701	1.077	2.763				
	(16) Countrywide Indicated Relativity:	1.184	1.523	1.280					
	(17) Countrywide Credibility:	0.23	0.31	0.32					
	(18) Countrywide Lost-time Claims:	12	163						
	(19) Pure Premium Underlying Present Rate:	1.041	0.940	1.373	3.354				
	(20) Relativity to Underlying Present Rate:	1.652	1.429	1.712					
	(21) Credibility to Underlying Relativity:	0.610	0.310	0.310					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.402	1.438	1.150					
	(24) Balanced Formula Relativity:	1.411	1.433	1.148	1.313				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000135

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 60

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
3257 WIRE GOODS MFG - NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	159,360	0	14	0	129,554	106,392	235,946	
2000/2001	177,990	2	23	391,012	142,650	123,773	657,435	
2001/2002	113,392	0	10	0	139,747	79,799	219,546	
2002/2003	115,393	1	16	101,678	80,843	115,595	298,116	
2003/2004	96,233	0	5	0	61,969	44,331	106,300	
MA Total	662,368	3	68	492,690	554,762	469,891	1,517,343	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	0.000	0.813	0.668	1.481		
		2000/2001	2.197	0.801	0.695	3.694		
		2001/2002	0.000	1.232	0.704	1.936		
		2002/2003	0.881	0.701	1.002	2.583		
		2003/2004	0.000	0.644	0.461	1.105		
		MA Total Pure Premium:	0.744	0.838	0.709	2.291		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.838	1.691	0.793			
		(14) Massachusetts Credibility:	0.26	0.66	0.61			
		(15) Countrywide Pure Premium:	0.899	0.646	1.237	2.782		
		(16) Countrywide Indicated Relativity:	1.080	1.405	1.469			
		(17) Countrywide Credibility:	0.37	0.17	0.20			
		(18) Countrywide Lost-time Claims:	222	3,235				
		(19) Pure Premium Underlying Present Rate:	0.819	0.848	1.064	2.731		
		(20) Relativity to Underlying Present Rate:	1.299	1.289	1.327			
		(21) Credibility to Underlying Relativity:	0.370	0.170	0.190			
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
		(23) Formula Relativity:	1.098	1.574	1.030			
		(24) Balanced Formula Relativity:	1.106	1.569	1.028	1.176		

Class(es):		Effective: 9/1/2007						Manufacturing
3270 EYELET MFG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	24,196	0	1	0	507	1,953	2,460	
2000/2001	20,038	0	1	0	707	4,179	4,886	
2001/2002	24,191	0	1	0	40,538	40,325	80,863	
2002/2003	26,798	0	1	0	109	7,950	8,059	
2003/2004	26,236	0	0	0	0	2,761	2,761	
MA Total	121,459	0	4	0	41,861	57,168	99,029	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	0.000	0.021	0.081	0.102		
		2000/2001	0.000	0.035	0.209	0.244		
		2001/2002	0.000	1.676	1.667	3.343		
		2002/2003	0.000	0.004	0.297	0.301		
		2003/2004	0.000	0.000	0.105	0.105		
		MA Total Pure Premium:	0.000	0.345	0.471	0.815		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.000	0.696	0.526			
		(14) Massachusetts Credibility:	0.14	0.31	0.28			
		(15) Countrywide Pure Premium:	0.397	0.320	0.505	1.222		
		(16) Countrywide Indicated Relativity:	0.478	0.695	0.600			
		(17) Countrywide Credibility:	0.24	0.35	0.36			
		(18) Countrywide Lost-time Claims:	13	356				
		(19) Pure Premium Underlying Present Rate:	0.835	0.695	0.799	2.329		
		(20) Relativity to Underlying Present Rate:	1.325	1.056	0.996			
		(21) Credibility to Underlying Relativity:	0.620	0.340	0.360			
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
		(23) Formula Relativity:	0.936	0.818	0.722			
		(24) Balanced Formula Relativity:	0.942	0.815	0.721	0.828		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000136

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 61

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3300 BED SPRING OR WIRE MATTRESS MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.000	0.000		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.000	0.000	0.000		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000			
		(14) Massachusetts Credibility:		0.00	0.00	0.00			
		(15) Countrywide Pure Premium:		3.690	1.258	2.086	7.034		
		(16) Countrywide Indicated Relativity:		4.434	2.734	2.478			
		(17) Countrywide Credibility:		0.50	0.50	0.50			
		(18) Countrywide Lost-time Claims:		83	989				
		(19) Pure Premium Underlying Present Rate:		2.384	1.716	2.666	6.766		
		(20) Relativity to Underlying Present Rate:		3.783	2.609	3.323			
		(21) Credibility to Underlying Relativity:		0.500	0.500	0.500			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		4.109	2.671	2.901			
		(24) Balanced Formula Relativity:		4.137	2.663	2.895	3.328		

Class(es):		Effective: 9/1/2007						Manufacturing	
3315 BRASS OR COPPER GOODS MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	209,338	1	15	73,026	69,525	192,427	334,977		
2000/2001	204,001	0	20	0	159,483	153,740	313,223		
2001/2002	193,601	0	10	0	55,662	81,759	137,420		
2002/2003	184,037	0	9	0	32,299	39,895	72,194		
2003/2004	174,659	1	7	109,997	67,351	116,100	293,448		
MA Total	965,636	2	61	183,023	384,320	583,920	1,151,263		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.349	0.332	0.919	1.600		
		2000/2001		0.000	0.782	0.754	1.535		
		2001/2002		0.000	0.288	0.422	0.710		
		2002/2003		0.000	0.176	0.217	0.392		
		2003/2004		0.630	0.386	0.665	1.680		
		MA Total Pure Premium:		0.190	0.398	0.605	1.192		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.214	0.804	0.676			
		(14) Massachusetts Credibility:		0.24	0.64	0.55			
		(15) Countrywide Pure Premium:		1.347	0.783	1.425	3.556		
		(16) Countrywide Indicated Relativity:		1.619	1.703	1.693			
		(17) Countrywide Credibility:		0.32	0.18	0.23			
		(18) Countrywide Lost-time Claims:		26	427				
		(19) Pure Premium Underlying Present Rate:		0.416	0.546	0.566	1.528		
		(20) Relativity to Underlying Present Rate:		0.661	0.829	0.706			
		(21) Credibility to Underlying Relativity:		0.440	0.180	0.220			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.860	0.970	0.917			
		(24) Balanced Formula Relativity:		0.866	0.967	0.915	0.907		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 62

Calculation of Class Relativities

Class(es): 3336 TYPE FOUNDRY		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	4,306	0	2	0	6,013	4,889	10,902		
2000/2001	4,508	0	0	0	0	5,247	5,247		
2001/2002	5,266	1	2	66,783	26,680	69,282	162,745		
2002/2003	5,044	0	0	0	0	1,416	1,416		
2003/2004	6,425	0	0	0	0	1,572	1,572		
MA Total	25,549	1	4	66,783	32,693	82,406	181,882		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	1.396	1.135	2.532			
		2000/2001	0.000	0.000	1.164	1.164			
		2001/2002	12.681	5.066	13.155	30.903			
		2002/2003	0.000	0.000	0.281	0.281			
		2003/2004	0.000	0.000	0.245	0.245			
		MA Total Pure Premium:	2.614	1.280	3.225	7.119			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	2.946	2.584	3.606				
		(14) Massachusetts Credibility:	0.06	0.20	0.17				
		(15) Countrywide Pure Premium:	1.436	0.729	1.175	3.340			
		(16) Countrywide Indicated Relativity:	1.725	1.584	1.396				
		(17) Countrywide Credibility:	0.31	0.40	0.42				
		(18) Countrywide Lost-time Claims:	24	546					
		(19) Pure Premium Underlying Present Rate:	0.483	1.178	1.110	2.771			
		(20) Relativity to Underlying Present Rate:	0.767	1.790	1.383				
		(21) Credibility to Underlying Relativity:	0.630	0.400	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.195	1.867	1.766				
		(24) Balanced Formula Relativity:	1.203	1.861	1.763	1.566			

Class(es): 3365 WELDING OR CUTTING - NOC & DRIVERS		Effective: 9/1/2007						Construction	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	105,284	3	28	598,626	174,437	464,788	1,237,851		
2000/2001	127,758	6	13	846,480	135,004	728,275	1,709,759		
2001/2002	139,681	2	15	424,255	155,101	334,508	913,864		
2002/2003	123,049	4	18	826,551	160,285	684,232	1,671,068		
2003/2004	109,889	0	12	0	238,829	287,176	526,005		
MA Total	605,661	15	86	2,695,912	863,656	2,498,979	6,058,547		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	5.686	1.657	4.415	11.757			
		2000/2001	6.626	1.057	5.700	13.383			
		2001/2002	3.037	1.110	2.395	6.543			
		2002/2003	6.717	1.303	5.561	13.581			
		2003/2004	0.000	2.173	2.613	4.787			
		MA Total Pure Premium:	4.451	1.426	4.126	10.003			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	1.497	1.561	2.078				
		(14) Massachusetts Credibility:	0.50	0.98	1.00				
		(15) Countrywide Pure Premium:	4.134	1.207	2.822	8.162			
		(16) Countrywide Indicated Relativity:	1.486	1.339	1.481				
		(17) Countrywide Credibility:	0.25	0.01	0.00				
		(18) Countrywide Lost-time Claims:	256	1,749					
		(19) Pure Premium Underlying Present Rate:	4.427	2.527	5.553	12.507			
		(20) Relativity to Underlying Present Rate:	1.896	1.831	2.763				
		(21) Credibility to Underlying Relativity:	0.250	0.010	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	1.594	1.562	2.078				
		(24) Balanced Formula Relativity:	1.614	1.562	2.087	1.766			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 63

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3372 ELECTROPLATING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	485,140	4	40	641,100	408,683	701,326	1,751,109		
2000/2001	450,942	3	32	332,038	210,310	328,222	870,571		
2001/2002	383,826	2	20	318,117	166,669	423,482	908,268		
2002/2003	418,948	0	19	0	94,259	133,157	227,416		
2003/2004	461,307	2	20	573,185	48,961	467,514	1,089,660		
MA Total	2,200,163	11	131	1,864,441	928,882	2,053,701	4,847,024		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		1.321	0.842	1.446	3.609		
		2000/2001		0.736	0.466	0.728	1.931		
		2001/2002		0.829	0.434	1.103	2.366		
		2002/2003		0.000	0.225	0.318	0.543		
		2003/2004		1.243	0.106	1.013	2.362		
		MA Total Pure Premium:		0.847	0.422	0.933	2.203		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.955	0.853	1.043			
		(14) Massachusetts Credibility:		0.43	0.93	0.94			
		(15) Countrywide Pure Premium:		1.318	0.646	1.373	3.337		
		(16) Countrywide Indicated Relativity:		1.584	1.405	1.631			
		(17) Countrywide Credibility:		0.29	0.04	0.03			
		(18) Countrywide Lost-time Claims:		320	2,820				
		(19) Pure Premium Underlying Present Rate:		0.834	0.609	0.939	2.382		
		(20) Relativity to Underlying Present Rate:		1.323	0.926	1.171			
		(21) Credibility to Underlying Relativity:		0.280	0.030	0.030			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.240	0.877	1.065			
		(24) Balanced Formula Relativity:		1.249	0.874	1.063	1.094		

Class(es):		Effective: 9/1/2007						Manufacturing	
3373 GALVANIZING OR TINNING - NOT ELECTROLYTIC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,499	0	1	0	221	784	1,006		
2000/2001	2,751	0	0	0	0	0	0		
2001/2002	2,623	0	0	0	0	0	0		
2002/2003	2,877	0	0	0	0	332	332		
2003/2004	4,355	0	1	0	1,976	4,835	6,811		
MA Total	15,105	0	2	0	2,197	5,951	8,148		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.089	0.314	0.402		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.115	0.115		
		2003/2004		0.000	0.454	1.110	1.564		
		MA Total Pure Premium:		0.000	0.145	0.394	0.539		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.294	0.440			
		(14) Massachusetts Credibility:		0.09	0.16	0.16			
		(15) Countrywide Pure Premium:		1.646	0.893	1.441	3.981		
		(16) Countrywide Indicated Relativity:		1.978	1.942	1.712			
		(17) Countrywide Credibility:		0.22	0.42	0.42			
		(18) Countrywide Lost-time Claims:		10	221				
		(19) Pure Premium Underlying Present Rate:		2.146	1.142	1.638	4.926		
		(20) Relativity to Underlying Present Rate:		3.405	1.736	2.042			
		(21) Credibility to Underlying Relativity:		0.690	0.420	0.420			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		2.785	1.592	1.647			
		(24) Balanced Formula Relativity:		2.804	1.587	1.644	2.084		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 64

Calculation of Class Relativities

Class(es): 3381 SILVERWARE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	110,776	1	18	82,099	61,737	199,128	342,964		
2000/2001	108,514	0	6	0	26,067	74,019	100,087		
2001/2002	78,762	1	11	98,475	95,080	261,513	455,068		
2002/2003	78,193	0	12	0	72,454	130,664	203,118		
2003/2004	68,464	0	6	0	93,505	65,805	159,310		
MA Total	444,709	2	53	180,574	348,844	731,129	1,260,547		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.741	0.557	1.798	3.096		
			2000/2001	0.000	0.240	0.682	0.922		
			2001/2002	1.250	1.207	3.320	5.778		
			2002/2003	0.000	0.927	1.671	2.598		
			2003/2004	0.000	1.366	0.961	2.327		
			MA Total Pure Premium:	0.406	0.784	1.644	2.835		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.458	1.584	1.838			
		(14) Massachusetts Credibility:		0.22	0.55	0.52			
		(15) Countrywide Pure Premium:		0.000	1.245	1.415	2.660		
		(16) Countrywide Indicated Relativity:		0.000	2.706	1.681			
		(17) Countrywide Credibility:		0.00	0.21	0.24			
		(18) Countrywide Lost-time Claims:		0	19				
		(19) Pure Premium Underlying Present Rate:		0.786	0.810	1.076	2.672		
		(20) Relativity to Underlying Present Rate:		1.247	1.231	1.342			
		(21) Credibility to Underlying Relativity:		0.780	0.240	0.240			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.073	1.735	1.681			
		(24) Balanced Formula Relativity:		1.081	1.729	1.678	1.456		

Class(es): 3383 JEWELRY MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	777,126	9	31	789,652	183,176	578,094	1,550,922		
2000/2001	738,704	4	30	443,030	165,281	465,093	1,073,404		
2001/2002	696,864	1	29	61,923	260,536	245,741	568,200		
2002/2003	624,343	7	32	971,577	278,408	536,587	1,786,571		
2003/2004	613,233	0	28	0	380,907	306,214	687,121		
MA Total	3,450,270	21	150	2,266,182	1,268,309	2,131,728	5,666,219		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.016	0.236	0.744	1.996		
			2000/2001	0.600	0.224	0.630	1.453		
			2001/2002	0.089	0.374	0.353	0.815		
			2002/2003	1.556	0.446	0.859	2.862		
			2003/2004	0.000	0.621	0.499	1.120		
			MA Total Pure Premium:	0.657	0.368	0.618	1.642		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.740	0.742	0.691			
		(14) Massachusetts Credibility:		0.38	0.98	0.97			
		(15) Countrywide Pure Premium:		0.372	0.272	0.435	1.080		
		(16) Countrywide Indicated Relativity:		0.448	0.592	0.517			
		(17) Countrywide Credibility:		0.31	0.01	0.02			
		(18) Countrywide Lost-time Claims:		118	1,093				
		(19) Pure Premium Underlying Present Rate:		0.378	0.444	0.651	1.472		
		(20) Relativity to Underlying Present Rate:		0.599	0.675	0.812			
		(21) Credibility to Underlying Relativity:		0.310	0.010	0.010			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.606	0.740	0.688			
		(24) Balanced Formula Relativity:		0.610	0.738	0.687	0.668		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 65

Calculation of Class Relativities

Class(es): 3385 WATCH MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	37,291	0	1	0	75	2,551	2,626		
2000/2001	38,017	0	2	0	21,079	4,529	25,608		
2001/2002	37,120	0	0	0	0	366	366		
2002/2003	39,910	0	1	0	10,359	21,264	31,622		
2003/2004	27,725	0	1	0	3,077	406	3,483		
MA Total	180,063	0	5	0	34,591	29,116	63,707		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.002	0.068	0.070				
	2000/2001	0.000	0.554	0.119	0.674				
	2001/2002	0.000	0.000	0.010	0.010				
	2002/2003	0.000	0.260	0.533	0.792				
	2003/2004	0.000	0.111	0.015	0.126				
	MA Total Pure Premium:	0.000	0.192	0.162	0.354				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.388	0.181					
	(14) Massachusetts Credibility:	0.10	0.24	0.21					
	(15) Countrywide Pure Premium:	0.260	0.166	0.358	0.785				
	(16) Countrywide Indicated Relativity:	0.313	0.362	0.425					
	(17) Countrywide Credibility:	0.15	0.33	0.40					
	(18) Countrywide Lost-time Claims:	4	55						
	(19) Pure Premium Underlying Present Rate:	0.279	0.244	0.276	0.799				
	(20) Relativity to Underlying Present Rate:	0.443	0.371	0.344					
	(21) Credibility to Underlying Relativity:	0.750	0.430	0.390					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.379	0.372	0.342					
	(24) Balanced Formula Relativity:	0.382	0.371	0.341	0.363				

Class(es): 3507 CONSTRUCTION OR AGRICULTURAL MACHINERY MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	44,224	0	10	0	26,324	36,850	63,174		
2000/2001	37,419	1	4	102,655	26,045	58,946	187,647		
2001/2002	57,499	0	4	0	12,529	16,074	28,602		
2002/2003	68,766	1	5	87,903	89,059	51,411	228,374		
2003/2004	55,212	0	1	0	110	10,741	10,851		
MA Total	263,120	2	24	190,558	154,067	174,022	518,648		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.595	0.833	1.428				
	2000/2001	2.743	0.696	1.575	5.015				
	2001/2002	0.000	0.218	0.280	0.497				
	2002/2003	1.278	1.295	0.748	3.321				
	2003/2004	0.000	0.002	0.195	0.197				
	MA Total Pure Premium:	0.724	0.586	0.661	1.971				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.816	1.183	0.739					
	(14) Massachusetts Credibility:	0.20	0.51	0.46					
	(15) Countrywide Pure Premium:	1.516	0.626	1.226	3.368				
	(16) Countrywide Indicated Relativity:	1.821	1.361	1.457					
	(17) Countrywide Credibility:	0.40	0.25	0.27					
	(18) Countrywide Lost-time Claims:	517	6,829						
	(19) Pure Premium Underlying Present Rate:	1.034	1.135	1.340	3.508				
	(20) Relativity to Underlying Present Rate:	1.640	1.725	1.671					
	(21) Credibility to Underlying Relativity:	0.400	0.240	0.270					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.548	1.357	1.184					
	(24) Balanced Formula Relativity:	1.559	1.353	1.182	1.366				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000141

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 66

Calculation of Class Relativities

Class(es): 3515 TEXTILE MACHINERY MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	29,221	0	7	0	27,899	18,570	46,469		
2000/2001	22,964	0	5	0	57,528	48,114	105,642		
2001/2002	21,287	0	4	0	20,531	28,034	48,565		
2002/2003	19,171	0	1	0	7,932	35,227	43,159		
2003/2004	22,512	0	3	0	28,346	22,531	50,877		
MA Total	115,155	0	20	0	142,236	152,476	294,712		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.955	0.636	1.590			
		2000/2001	0.000	2.505	2.095	4.600			
		2001/2002	0.000	0.965	1.317	2.282			
		2002/2003	0.000	0.414	1.838	2.251			
		2003/2004	0.000	1.259	1.001	2.260			
		MA Total Pure Premium:	0.000	1.235	1.324	2.559			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.494	1.480				
		(14) Massachusetts Credibility:	0.14	0.29	0.31				
		(15) Countrywide Pure Premium:	0.872	0.345	0.863	2.080			
		(16) Countrywide Indicated Relativity:	1.048	0.750	1.025				
		(17) Countrywide Credibility:	0.23	0.36	0.35				
		(18) Countrywide Lost-time Claims:	11	103					
		(19) Pure Premium Underlying Present Rate:	1.003	0.614	1.091	2.708			
		(20) Relativity to Underlying Present Rate:	1.592	0.933	1.360				
		(21) Credibility to Underlying Relativity:	0.630	0.350	0.340				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.244	1.320	1.280				
		(24) Balanced Formula Relativity:	1.252	1.316	1.277	1.276			

Class(es): 3548 PRINTING OR BOOKBINDING MACHINE MFG*		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	5,462,817	29	371	4,389,523	2,902,128	3,936,347	11,227,998		
2000/2001	5,101,019	35	297	4,414,856	1,933,199	4,273,914	10,621,969		
2001/2002	4,753,551	24	274	3,585,835	2,098,961	4,339,507	10,024,303		
2002/2003	4,495,015	22	217	3,028,485	1,504,586	3,151,642	7,684,713		
2003/2004	4,768,832	17	266	4,165,303	2,565,573	4,202,998	10,933,874		
MA Total	24,581,234	127	1,425	19,584,002	11,004,447	19,904,408	50,492,857		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.804	0.531	0.721	2.055			
		2000/2001	0.865	0.379	0.838	2.082			
		2001/2002	0.754	0.442	0.913	2.109			
		2002/2003	0.674	0.335	0.701	1.710			
		2003/2004	0.873	0.538	0.881	2.293			
		MA Total Pure Premium:	0.797	0.448	0.810	2.054			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.898	0.904	0.905				
		(14) Massachusetts Credibility:	0.99	1.00	1.00				
		(15) Countrywide Pure Premium:	0.935	0.475	0.852	2.261			
		(16) Countrywide Indicated Relativity:	1.123	1.032	1.012				
		(17) Countrywide Credibility:	0.01	0.00	0.00				
		(18) Countrywide Lost-time Claims:	4,002	40,868					
		(19) Pure Premium Underlying Present Rate:	0.599	0.630	0.677	1.907			
		(20) Relativity to Underlying Present Rate:	0.951	0.958	0.844				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.900	0.904	0.905				
		(24) Balanced Formula Relativity:	0.906	0.901	0.904	0.904			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000142

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 67

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3558 BOOT OR SHOE MACHINERY MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,372	0	0	0	0	1,267	1,267		
2000/2001	3,779	0	0	0	0	0	0		
2001/2002	3,831	0	0	0	0	270	270		
2002/2003	12,668	0	0	0	0	0	0		
2003/2004	12,577	0	1	0	1,613	973	2,587		
MA Total	46,227	0	1	0	1,613	2,511	4,124		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.095	0.095		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.071	0.071		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.128	0.077	0.206		
		MA Total Pure Premium:		0.000	0.035	0.054	0.089		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.070	0.061			
		(14) Massachusetts Credibility:		0.05	0.11	0.12			
		(15) Countrywide Pure Premium:		0.000	0.000	0.000	0.000		
		(16) Countrywide Indicated Relativity:		0.266	0.192	0.306			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		0	0				
		(19) Pure Premium Underlying Present Rate:		0.169	0.128	0.247	0.544		
		(20) Relativity to Underlying Present Rate:		0.268	0.194	0.308			
		(21) Credibility to Underlying Relativity:		0.950	0.890	0.880			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.255	0.181	0.278			
		(24) Balanced Formula Relativity:		0.256	0.180	0.278	0.248		

Class(es):		Effective: 9/1/2007						Manufacturing	
3571 STEAM OR AIR PRESSURE GAUGE MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,407	0	0	0	0	1,481	1,481		
2000/2001	9,934	0	0	0	0	0	0		
2001/2002	7,262	0	0	0	0	0	0		
2002/2003	10,290	0	0	0	0	0	0		
2003/2004	7,672	0	0	0	0	0	0		
MA Total	48,565	0	0	0	0	1,481	1,481		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.110	0.110		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.000	0.030	0.030		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.034			
		(14) Massachusetts Credibility:		0.08	0.15	0.14			
		(15) Countrywide Pure Premium:		0.062	0.370	0.513	0.945		
		(16) Countrywide Indicated Relativity:		0.074	0.805	0.609			
		(17) Countrywide Credibility:		0.11	0.43	0.43			
		(18) Countrywide Lost-time Claims:		2	266				
		(19) Pure Premium Underlying Present Rate:		0.485	0.312	0.395	1.191		
		(20) Relativity to Underlying Present Rate:		0.769	0.474	0.493			
		(21) Credibility to Underlying Relativity:		0.810	0.420	0.430			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.631	0.545	0.478			
		(24) Balanced Formula Relativity:		0.636	0.543	0.478	0.553		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000143

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 68

Calculation of Class Relativities

Class(es): 3612 PUMP MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	165,520	0	16	0	109,981	87,424	197,405		
2000/2001	148,447	0	16	0	71,301	90,533	161,834		
2001/2002	158,008	1	9	91,444	56,862	83,833	232,139		
2002/2003	156,517	0	7	0	13,392	32,814	46,206		
2003/2004	150,037	1	7	218,864	12,363	197,635	428,862		
MA Total	778,529	2	55	310,308	263,899	492,240	1,066,446		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.664	0.528	1.193			
		2000/2001	0.000	0.480	0.610	1.090			
		2001/2002	0.579	0.360	0.531	1.469			
		2002/2003	0.000	0.086	0.210	0.295			
		2003/2004	1.459	0.082	1.317	2.858			
		MA Total Pure Premium:	0.399	0.339	0.632	1.370			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.449	0.685	0.707				
		(14) Massachusetts Credibility:	0.25	0.63	0.56				
		(15) Countrywide Pure Premium:	0.625	0.443	0.769	1.836			
		(16) Countrywide Indicated Relativity:	0.751	0.962	0.913				
		(17) Countrywide Credibility:	0.38	0.19	0.22				
		(18) Countrywide Lost-time Claims:	162	2,465					
		(19) Pure Premium Underlying Present Rate:	0.591	0.660	0.717	1.968			
		(20) Relativity to Underlying Present Rate:	0.938	1.003	0.894				
		(21) Credibility to Underlying Relativity:	0.370	0.180	0.220				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.745	0.795	0.793				
		(24) Balanced Formula Relativity:	0.750	0.792	0.792	0.775			

Class(es): 3620 BOILERMAKING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	155,136	2	28	181,648	191,324	187,646	560,619		
2000/2001	164,179	3	20	307,431	128,839	285,227	721,497		
2001/2002	150,791	2	9	241,958	79,712	309,326	630,995		
2002/2003	117,467	1	19	253,654	223,764	328,628	806,045		
2003/2004	125,247	0	15	0	94,816	112,883	207,699		
MA Total	712,820	8	91	984,691	718,454	1,223,710	2,926,856		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.171	1.233	1.210	3.614			
		2000/2001	1.873	0.785	1.737	4.395			
		2001/2002	1.605	0.529	2.051	4.185			
		2002/2003	2.159	1.905	2.798	6.862			
		2003/2004	0.000	0.757	0.901	1.658			
		MA Total Pure Premium:	1.381	1.008	1.717	4.106			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.557	2.036	1.919				
		(14) Massachusetts Credibility:	0.32	0.86	0.82				
		(15) Countrywide Pure Premium:	2.011	0.701	1.367	4.080			
		(16) Countrywide Indicated Relativity:	2.417	1.523	1.624				
		(17) Countrywide Credibility:	0.34	0.07	0.09				
		(18) Countrywide Lost-time Claims:	302	2,682					
		(19) Pure Premium Underlying Present Rate:	1.214	1.524	2.067	4.805			
		(20) Relativity to Underlying Present Rate:	1.927	2.317	2.577				
		(21) Credibility to Underlying Relativity:	0.340	0.070	0.090				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.975	2.019	1.952				
		(24) Balanced Formula Relativity:	1.989	2.013	1.948	1.978			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000144

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 69

Calculation of Class Relativities

Class(es): 3634 VALVE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	314,077	4	36	650,880	183,713	421,869	1,256,463		
2000/2001	196,093	3	14	515,521	212,991	464,464	1,192,977		
2001/2002	198,968	1	10	67,032	83,847	284,922	435,801		
2002/2003	204,052	1	11	101,057	107,427	136,463	344,946		
2003/2004	192,284	1	7	155,104	106,026	122,121	383,251		
MA Total	1,105,474	10	78	1,489,595	694,004	1,429,839	3,613,438		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		2.072	0.585	1.343	4.000		
		2000/2001		2.629	1.086	2.369	6.084		
		2001/2002		0.337	0.421	1.432	2.190		
		2002/2003		0.495	0.526	0.669	1.690		
		2003/2004		0.807	0.551	0.635	1.993		
		MA Total Pure Premium:		1.347	0.628	1.293	3.269		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.519	1.268	1.446			
		(14) Massachusetts Credibility:		0.33	0.67	0.75			
		(15) Countrywide Pure Premium:		0.628	0.424	0.711	1.763		
		(16) Countrywide Indicated Relativity:		0.755	0.921	0.845			
		(17) Countrywide Credibility:		0.34	0.17	0.13			
		(18) Countrywide Lost-time Claims:		404	3,045				
		(19) Pure Premium Underlying Present Rate:		0.852	0.531	1.049	2.431		
		(20) Relativity to Underlying Present Rate:		1.352	0.807	1.307			
		(21) Credibility to Underlying Relativity:		0.330	0.160	0.120			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.204	1.135	1.351			
		(24) Balanced Formula Relativity:		1.212	1.131	1.349	1.248		

Class(es): 3635 GEAR MFG OR GRINDING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	146,435	3	16	344,168	132,506	310,565	787,238		
2000/2001	143,617	1	13	74,350	234,080	200,449	508,879		
2001/2002	89,802	3	12	427,146	75,158	291,082	793,386		
2002/2003	145,129	1	11	85,142	77,828	233,502	396,472		
2003/2004	174,177	0	10	0	77,018	167,488	244,506		
MA Total	699,160	8	62	930,806	596,590	1,203,086	2,730,482		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		2.350	0.905	2.121	5.376		
		2000/2001		0.518	1.630	1.396	3.543		
		2001/2002		4.757	0.837	3.241	8.835		
		2002/2003		0.587	0.536	1.609	2.732		
		2003/2004		0.000	0.442	0.962	1.404		
		MA Total Pure Premium:		1.331	0.853	1.721	3.905		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.500	1.723	1.924			
		(14) Massachusetts Credibility:		0.25	0.74	0.67			
		(15) Countrywide Pure Premium:		0.937	0.443	0.835	2.215		
		(16) Countrywide Indicated Relativity:		1.127	0.963	0.992			
		(17) Countrywide Credibility:		0.38	0.13	0.17			
		(18) Countrywide Lost-time Claims:		46	738				
		(19) Pure Premium Underlying Present Rate:		0.682	1.064	1.256	3.001		
		(20) Relativity to Underlying Present Rate:		1.082	1.617	1.566			
		(21) Credibility to Underlying Relativity:		0.370	0.130	0.160			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.203	1.611	1.708			
		(24) Balanced Formula Relativity:		1.212	1.605	1.705	1.491		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000145

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 70

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3642 BATTERY MFG-DRY									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	18,842	0	0	0	0	5,454	5,454		
2000/2001	28,826	0	0	0	0	0	0		
2001/2002	27,793	0	1	0	1,598	67	1,666		
2002/2003	44,528	1	0	78,067	0	18,496	96,563		
2003/2004	48,961	0	0	0	0	0	0		
MA Total	168,950	1	1	78,067	1,598	24,018	103,683		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.289	0.289			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.058	0.002	0.060			
		2002/2003	1.753	0.000	0.415	2.169			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.462	0.009	0.142	0.614			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.521	0.019	0.159				
		(14) Massachusetts Credibility:	0.10	0.31	0.22				
		(15) Countrywide Pure Premium:	0.407	0.260	0.347	1.015			
		(16) Countrywide Indicated Relativity:	0.490	0.566	0.412				
		(17) Countrywide Credibility:	0.23	0.35	0.39				
		(18) Countrywide Lost-time Claims:	12	241					
		(19) Pure Premium Underlying Present Rate:	0.288	0.527	0.333	1.149			
		(20) Relativity to Underlying Present Rate:	0.458	0.801	0.416				
		(21) Credibility to Underlying Relativity:	0.670	0.340	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.471	0.476	0.358				
		(24) Balanced Formula Relativity:	0.475	0.475	0.357	0.429			

Class(es):		Effective: 9/1/2007						Manufacturing	
3647 BATTERY MFG-STORAGE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	230	0	2	0	1,767	5,513	7,280		
2000/2001	25	0	0	0	0	0	0		
2001/2002	0	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	255	0	2	0	1,767	5,513	7,280		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	7.689	23.996	31.685			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	6.928	21.621	28.550			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	14.026	24.230				
		(14) Massachusetts Credibility:	0.01	0.03	0.02				
		(15) Countrywide Pure Premium:	0.735	0.646	0.949	2.330			
		(16) Countrywide Indicated Relativity:	0.883	1.405	1.127				
		(17) Countrywide Credibility:	0.49	0.49	0.49				
		(18) Countrywide Lost-time Claims:	74	1,069					
		(19) Pure Premium Underlying Present Rate:	0.545	0.874	0.878	2.297			
		(20) Relativity to Underlying Present Rate:	0.865	1.329	1.095				
		(21) Credibility to Underlying Relativity:	0.500	0.480	0.490				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.865	1.747	1.573				
		(24) Balanced Formula Relativity:	0.871	1.741	1.570	1.335			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000146

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 71

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
3648 AUTOMOTIVE LIGHTING, IGNITION APPARATUS MFG NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,946	0	3	0	279	3,892	4,171		
2000/2001	1,725	0	0	0	0	0	0		
2001/2002	1,609	0	0	0	0	816	816		
2002/2003	3,997	0	0	0	0	1,775	1,775		
2003/2004	1,185	0	0	0	0	0	0		
MA Total	11,462	0	3	0	279	6,483	6,762		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.095	1.321	1.416			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.507	0.507			
		2002/2003	0.000	0.000	0.444	0.444			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.024	0.566	0.590			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.049	0.632				
		(14) Massachusetts Credibility:	0.04	0.11	0.12				
		(15) Countrywide Pure Premium:	0.430	0.458	0.777	1.665			
		(16) Countrywide Indicated Relativity:	0.517	0.995	0.923				
		(17) Countrywide Credibility:	0.42	0.45	0.44				
		(18) Countrywide Lost-time Claims:	51	1,399					
		(19) Pure Premium Underlying Present Rate:	0.489	0.516	0.941	1.946			
		(20) Relativity to Underlying Present Rate:	0.776	0.784	1.173				
		(21) Credibility to Underlying Relativity:	0.540	0.440	0.440				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.636	0.798	0.998				
		(24) Balanced Formula Relativity:	0.641	0.795	0.996	0.814			

Class(es):		Effective: 9/1/2007						Manufacturing	
3681 TELEVISION, RADIO, TELEPHONE OR TELECOMMUNCTN DEVICE MFG NOC*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,167,530	29	419	3,902,575	2,575,047	5,223,382	11,701,004		
2000/2001	11,188,812	33	262	3,968,448	2,770,330	3,804,702	10,543,480		
2001/2002	9,109,239	21	179	2,962,868	1,318,764	2,624,518	6,906,150		
2002/2003	9,821,844	19	177	2,652,645	1,224,076	2,765,580	6,642,301		
2003/2004	8,308,806	9	169	1,565,566	1,386,970	3,047,677	6,000,213		
MA Total	51,596,231	111	1,206	15,052,102	9,275,187	17,465,859	41,793,148		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.296	0.196	0.397	0.889			
		2000/2001	0.355	0.248	0.340	0.942			
		2001/2002	0.325	0.145	0.288	0.758			
		2002/2003	0.270	0.125	0.282	0.676			
		2003/2004	0.188	0.167	0.367	0.722			
		MA Total Pure Premium:	0.292	0.180	0.339	0.810			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.329	0.363	0.378				
		(14) Massachusetts Credibility:	0.90	1.00	1.00				
		(15) Countrywide Pure Premium:	0.384	0.256	0.461	1.101			
		(16) Countrywide Indicated Relativity:	0.462	0.556	0.547				
		(17) Countrywide Credibility:	0.05	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,578	14,862					
		(19) Pure Premium Underlying Present Rate:	0.221	0.228	0.299	0.748			
		(20) Relativity to Underlying Present Rate:	0.351	0.347	0.372				
		(21) Credibility to Underlying Relativity:	0.050	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.337	0.363	0.378				
		(24) Balanced Formula Relativity:	0.339	0.362	0.378	0.359			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000147

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 72

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
3724 MACHINERY OR EQUIPMENT ERECT OR REPAIR NOC &DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,571,171	22	161	4,158,243	1,441,177	3,218,058	8,817,479	
2000/2001	1,693,363	34	154	5,214,707	1,456,398	4,202,230	10,873,335	
2001/2002	1,908,374	26	145	4,928,752	1,367,460	3,841,454	10,137,665	
2002/2003	1,818,283	29	141	6,309,808	1,253,830	3,490,630	11,054,267	
2003/2004	1,742,408	16	169	4,352,370	2,486,406	3,351,510	10,190,286	
MA Total	8,733,599	127	770	24,963,879	8,005,270	18,103,882	51,073,032	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.647	0.917	2.048	5.612			
	2000/2001	3.079	0.860	2.482	6.421			
	2001/2002	2.583	0.717	2.013	5.312			
	2002/2003	3.470	0.690	1.920	6.080			
	2003/2004	2.498	1.427	1.923	5.848			
	MA Total Pure Premium:	2.858	0.917	2.073	5.848			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.962	1.003	1.044				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	2.387	0.789	1.611	4.786			
	(16) Countrywide Indicated Relativity:	0.858	0.875	0.845				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,964	15,610					
	(19) Pure Premium Underlying Present Rate:	1.987	1.303	2.040	5.330			
	(20) Relativity to Underlying Present Rate:	0.851	0.944	1.015				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.962	1.003	1.044				
	(24) Balanced Formula Relativity:	0.973	1.004	1.048	1.004			

Class(es):		Effective: 9/1/2007						Construction
3726 BOILER INSTALLATION OR REPAIR-STEAM								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	36,636	3	5	707,998	22,706	283,759	1,014,462	
2000/2001	46,033	4	4	1,105,853	257,794	345,108	1,708,756	
2001/2002	108,282	1	5	164,406	98,172	219,182	481,761	
2002/2003	222,544	13	10	4,678,208	112,591	1,261,606	6,052,404	
2003/2004	50,167	0	8	67,749	0	61,010	128,759	
MA Total	463,662	21	32	6,656,466	559,013	2,170,664	9,386,143	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	19.325	0.620	7.745	27.690			
	2000/2001	24.023	5.600	7.497	37.121			
	2001/2002	1.518	0.907	2.024	4.449			
	2002/2003	21.022	0.506	5.669	27.196			
	2003/2004	0.000	1.350	1.216	2.567			
	MA Total Pure Premium:	14.356	1.206	4.682	20.244			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.829	1.320	2.358				
	(14) Massachusetts Credibility:	0.47	0.69	0.78				
	(15) Countrywide Pure Premium:	2.563	0.857	1.353	4.773			
	(16) Countrywide Indicated Relativity:	0.922	0.950	0.710				
	(17) Countrywide Credibility:	0.27	0.16	0.11				
	(18) Countrywide Lost-time Claims:	350	1,931					
	(19) Pure Premium Underlying Present Rate:	4.823	1.360	2.802	8.984			
	(20) Relativity to Underlying Present Rate:	2.066	0.986	1.394				
	(21) Credibility to Underlying Relativity:	0.260	0.150	0.110				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	3.056	1.211	2.071				
	(24) Balanced Formula Relativity:	3.094	1.211	2.079	2.458			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000148

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 73

Calculation of Class Relativities

Class(es): 3808 AUTOMOBILE MFG OR ASSEMBLY		Effective: 9/1/2007						Manufacturing
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	50,404	1	9	145,631	63,401	123,532	332,564	
2000/2001	50,696	0	10	0	44,094	45,394	89,488	
2001/2002	58,681	1	5	194,558	37,210	173,273	405,042	
2002/2003	68,358	1	14	174,131	16,502	64,038	254,672	
2003/2004	82,266	1	5	108,031	81,352	46,497	235,879	
MA Total	310,405	4	43	622,351	242,560	452,734	1,317,645	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.889	1.258	2.451	6.598			
	2000/2001	0.000	0.870	0.895	1.765			
	2001/2002	3.316	0.634	2.953	6.902			
	2002/2003	2.547	0.241	0.937	3.726			
	2003/2004	1.313	0.989	0.565	2.867			
	MA Total Pure Premium:	2.005	0.781	1.459	4.245			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.260	1.578	1.631				
	(14) Massachusetts Credibility:	0.15	0.49	0.44	2.604			
	(15) Countrywide Pure Premium:	0.811	0.703	1.091				
	(16) Countrywide Indicated Relativity:	0.974	1.528	1.296				
	(17) Countrywide Credibility:	0.43	0.26	0.28				
	(18) Countrywide Lost-time Claims:	264	5,032					
	(19) Pure Premium Underlying Present Rate:	0.416	0.863	0.992	2.272			
	(20) Relativity to Underlying Present Rate:	0.661	1.312	1.237				
	(21) Credibility to Underlying Relativity:	0.420	0.250	0.280				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.035	1.498	1.427				
	(24) Balanced Formula Relativity:	1.042	1.494	1.424	1.290			

Class(es): 3821 AUTOMOBILE DISMANTLING & DRIVERS		Effective: 9/1/2007						Goods & Services
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	148,252	2	21	111,340	118,486	183,075	412,901	
2000/2001	139,029	4	18	301,339	85,475	584,250	971,064	
2001/2002	159,774	2	14	246,969	164,431	370,857	782,257	
2002/2003	171,323	1	15	109,149	157,842	260,609	527,600	
2003/2004	176,909	2	10	379,117	70,259	218,587	667,964	
MA Total	795,287	11	78	1,147,915	596,492	1,617,379	3,361,786	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.751	0.799	1.235	2.785			
	2000/2001	2.167	0.615	4.202	6.985			
	2001/2002	1.546	1.029	2.321	4.896			
	2002/2003	0.637	0.921	1.521	3.080			
	2003/2004	2.143	0.397	1.236	3.776			
	MA Total Pure Premium:	1.443	0.750	2.034	4.227			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.080	1.701	2.521				
	(14) Massachusetts Credibility:	0.33	0.80	0.84	5.275			
	(15) Countrywide Pure Premium:	2.203	0.928	2.144				
	(16) Countrywide Indicated Relativity:	3.094	2.020	2.563				
	(17) Countrywide Credibility:	0.34	0.10	0.08				
	(18) Countrywide Lost-time Claims:	209	1,706					
	(19) Pure Premium Underlying Present Rate:	1.186	1.147	1.930	4.263			
	(20) Relativity to Underlying Present Rate:	2.527	1.931	2.569				
	(21) Credibility to Underlying Relativity:	0.330	0.100	0.080				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	2.572	1.756	2.529				
	(24) Balanced Formula Relativity:	2.549	1.753	2.520	2.356			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000149

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 74

Calculation of Class Relativities

Class(es): 3826 AIRCRAFT ENGINE MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,578,482	7	136	1,291,383	1,313,023	1,747,088	4,351,494		
2000/2001	1,771,807	19	97	2,648,620	988,039	1,735,651	5,372,309		
2001/2002	1,775,489	12	84	2,030,094	928,214	1,419,129	4,377,437		
2002/2003	1,766,073	13	93	2,053,693	1,367,877	1,644,659	5,066,229		
2003/2004	1,260,136	2	24	576,149	524,312	547,114	1,647,575		
MA Total	8,151,987	53	434	8,599,939	5,121,465	7,093,640	20,815,044		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.818	0.832	1.107	2.757			
		2000/2001	1.495	0.558	0.980	3.032			
		2001/2002	1.143	0.523	0.799	2.465			
		2002/2003	1.163	0.775	0.931	2.869			
		2003/2004	0.457	0.416	0.434	1.307			
		MA Total Pure Premium:	1.055	0.628	0.870	2.553			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.189	1.269	0.973				
		(14) Massachusetts Credibility:	0.63	1.00	1.00				
		(15) Countrywide Pure Premium:	0.619	0.202	0.444	1.264			
		(16) Countrywide Indicated Relativity:	0.743	0.439	0.527				
		(17) Countrywide Credibility:	0.19	0.00	0.00				
		(18) Countrywide Lost-time Claims:	44	456					
		(19) Pure Premium Underlying Present Rate:	0.582	0.950	0.488	2.020			
		(20) Relativity to Underlying Present Rate:	0.924	1.444	0.608				
		(21) Credibility to Underlying Relativity:	0.180	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.057	1.269	0.973				
		(24) Balanced Formula Relativity:	1.064	1.265	0.971	1.071			

Class(es): 3841 TUBULAR METAL PRODUCTS MFG OR ASSEMBLY		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	62,455	1	9	147,778	43,428	172,661	363,867		
2000/2001	63,744	0	1	0	1,750	15,118	16,868		
2001/2002	71,686	0	4	0	4,335	16,334	20,669		
2002/2003	75,158	0	3	0	8,711	16,285	24,997		
2003/2004	78,314	0	4	0	47,649	31,882	79,532		
MA Total	351,357	1	21	147,778	105,874	252,281	505,933		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.366	0.695	2.765	5.826			
		2000/2001	0.000	0.027	0.237	0.265			
		2001/2002	0.000	0.060	0.228	0.288			
		2002/2003	0.000	0.116	0.217	0.333			
		2003/2004	0.000	0.608	0.407	1.016			
		MA Total Pure Premium:	0.421	0.301	0.718	1.440			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.474	0.609	0.803				
		(14) Massachusetts Credibility:	0.17	0.46	0.40				
		(15) Countrywide Pure Premium:	0.380	0.500	0.774	1.654			
		(16) Countrywide Indicated Relativity:	0.456	1.087	0.919				
		(17) Countrywide Credibility:	0.15	0.27	0.30				
		(18) Countrywide Lost-time Claims:	4	98					
		(19) Pure Premium Underlying Present Rate:	0.500	0.667	0.704	1.871			
		(20) Relativity to Underlying Present Rate:	0.793	1.014	0.878				
		(21) Credibility to Underlying Relativity:	0.680	0.270	0.300				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.688	0.847	0.860				
		(24) Balanced Formula Relativity:	0.693	0.844	0.859	0.791			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000150

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 75

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
4000 SAND OR GRAVEL DIGGING & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	412,783	3	31	563,922	268,390	607,836	1,440,148	
2000/2001	383,856	9	52	1,186,070	703,959	1,256,672	3,146,700	
2001/2002	374,259	6	31	926,777	339,462	1,109,258	2,375,498	
2002/2003	379,785	7	40	1,323,528	343,545	816,026	2,483,100	
2003/2004	408,781	2	35	459,178	399,512	532,315	1,391,005	
MA Total	1,959,464	27	189	4,459,475	2,054,868	4,322,107	10,836,450	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.366	0.650	1.473	3.489			
	2000/2001	3.090	1.834	3.274	8.198			
	2001/2002	2.476	0.907	2.964	6.347			
	2002/2003	3.485	0.905	2.149	6.538			
	2003/2004	1.123	0.977	1.302	3.403			
	MA Total Pure Premium:	2.276	1.049	2.206	5.530			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.084	1.198	1.197				
	(14) Massachusetts Credibility:	0.51	1.00	1.00				
	(15) Countrywide Pure Premium:	2.771	0.871	2.124	5.767			
	(16) Countrywide Indicated Relativity:	1.458	1.117	1.276				
	(17) Countrywide Credibility:	0.25	0.00	0.00				
	(18) Countrywide Lost-time Claims:	375	2,733					
	(19) Pure Premium Underlying Present Rate:	1.388	1.024	1.525	3.937			
	(20) Relativity to Underlying Present Rate:	0.966	0.858	0.900				
	(21) Credibility to Underlying Relativity:	0.240	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	1.149	1.198	1.197				
	(24) Balanced Formula Relativity:	1.152	1.201	1.200	1.179			

Class(es):		Effective: 9/1/2007						Manufacturing
4021 BRICK OR CLAY PRODUCTS MFG NOC & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	12,671	0	1	0	594	2,338	2,932	
2000/2001	12,717	0	2	0	2,613	5,470	8,082	
2001/2002	15,251	0	1	0	446	34,059	34,505	
2002/2003	11,369	0	3	0	15,176	10,237	25,413	
2003/2004	14,781	0	2	0	7,553	8,351	15,904	
MA Total	66,789	0	9	0	26,381	60,456	86,837	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.047	0.185	0.231			
	2000/2001	0.000	0.205	0.430	0.636			
	2001/2002	0.000	0.029	2.233	2.262			
	2002/2003	0.000	1.335	0.900	2.235			
	2003/2004	0.000	0.511	0.565	1.076			
	MA Total Pure Premium:	0.000	0.395	0.905	1.300			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.798	1.012				
	(14) Massachusetts Credibility:	0.12	0.25	0.24				
	(15) Countrywide Pure Premium:	1.784	0.659	1.599	4.042			
	(16) Countrywide Indicated Relativity:	2.143	1.434	1.900				
	(17) Countrywide Credibility:	0.44	0.38	0.38				
	(18) Countrywide Lost-time Claims:	59	679					
	(19) Pure Premium Underlying Present Rate:	1.074	0.784	0.999	2.856			
	(20) Relativity to Underlying Present Rate:	1.705	1.191	1.245				
	(21) Credibility to Underlying Relativity:	0.440	0.370	0.380				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.693	1.185	1.438				
	(24) Balanced Formula Relativity:	1.705	1.181	1.435	1.485			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000151

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 76

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4024 REFRACTORY PRODUCTS MFG & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	215	0	0	0	0	0	0	0	
2000/2001	322	0	0	0	0	0	0	0	
2001/2002	356	0	0	0	0	0	0	0	
2002/2003	153	0	0	0	0	0	0	0	
2003/2004	262	0	0	0	0	0	0	0	
MA Total	1,308	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.000	0.000		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.000	0.000	0.000		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000			
		(14) Massachusetts Credibility:		0.03	0.06	0.06			
		(15) Countrywide Pure Premium:		1.790	0.582	0.813	3.185		
		(16) Countrywide Indicated Relativity:		2.151	1.266	0.965			
		(17) Countrywide Credibility:		0.29	0.47	0.47			
		(18) Countrywide Lost-time Claims:		20	323				
		(19) Pure Premium Underlying Present Rate:		1.536	1.186	1.397	4.120		
		(20) Relativity to Underlying Present Rate:		2.438	1.803	1.742			
		(21) Credibility to Underlying Relativity:		0.680	0.470	0.470			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		2.282	1.442	1.272			
		(24) Balanced Formula Relativity:		2.297	1.438	1.270	1.707		

Class(es):		Effective: 9/1/2007						Manufacturing	
4034 CONCRETE PRODUCTS MFG & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	305,122	5	61	691,109	448,281	1,024,363	2,163,753		
2000/2001	270,057	4	36	323,845	303,553	329,713	957,111		
2001/2002	283,370	11	53	1,747,541	377,439	1,232,118	3,357,098		
2002/2003	252,623	4	27	683,948	111,337	395,772	1,191,058		
2003/2004	246,210	3	31	530,153	238,981	697,802	1,466,936		
MA Total	1,357,382	27	208	3,976,597	1,479,591	3,679,768	9,135,955		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		2.265	1.469	3.357	7.091		
		2000/2001		1.199	1.124	1.221	3.544		
		2001/2002		6.167	1.332	4.348	11.847		
		2002/2003		2.707	0.441	1.567	4.715		
		2003/2004		2.153	0.971	2.834	5.958		
		MA Total Pure Premium:		2.930	1.090	2.711	6.731		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.302	2.201	3.031			
		(14) Massachusetts Credibility:		0.54	1.00	1.00			
		(15) Countrywide Pure Premium:		2.581	1.013	2.046	5.641		
		(16) Countrywide Indicated Relativity:		3.102	2.202	2.431			
		(17) Countrywide Credibility:		0.23	0.00	0.00			
		(18) Countrywide Lost-time Claims:		589	6,062				
		(19) Pure Premium Underlying Present Rate:		2.368	1.534	2.656	6.558		
		(20) Relativity to Underlying Present Rate:		3.758	2.332	3.310			
		(21) Credibility to Underlying Relativity:		0.230	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		3.361	2.201	3.031			
		(24) Balanced Formula Relativity:		3.384	2.194	3.025	2.984		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000152

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 77

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4036 PLASTERBOARD OR PLASTER BLOCK MFG & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	11,064	0	0	0	0	0	0	0	
2000/2001	8,933	0	2	0	4,124	4,313	8,437		
2001/2002	16,017	0	3	0	29,123	14,731	43,853		
2002/2003	16,773	0	0	0	0	1,571	1,571		
2003/2004	9,776	0	1	0	15,202	28,408	43,610		
MA Total	62,563	0	6	0	48,449	49,022	97,471		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.462	0.483	0.944			
		2001/2002	0.000	1.818	0.920	2.738			
		2002/2003	0.000	0.000	0.094	0.094			
		2003/2004	0.000	1.555	2.906	4.461			
		MA Total Pure Premium:	0.000	0.774	0.784	1.558			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	1.564	0.876				
		(14) Massachusetts Credibility:	0.10	0.23	0.21				
		(15) Countrywide Pure Premium:	1.353	0.566	1.017	2.936			
		(16) Countrywide Indicated Relativity:	1.626	1.231	1.208				
		(17) Countrywide Credibility:	0.45	0.39	0.40				
		(18) Countrywide Lost-time Claims:	93	909					
		(19) Pure Premium Underlying Present Rate:	0.823	0.666	0.743	2.232			
		(20) Relativity to Underlying Present Rate:	1.306	1.012	0.926				
		(21) Credibility to Underlying Relativity:	0.450	0.380	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.319	1.224	1.028				
		(24) Balanced Formula Relativity:	1.328	1.220	1.026	1.186			

Class(es):		Effective: 9/1/2007						Manufacturing	
4038 PLASTER STATUARY OR ORNAMENT MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	34,423	0	0	0	0	588	588		
2000/2001	34,450	0	0	0	0	0	0		
2001/2002	30,598	1	0	174,083	0	20,659	194,741		
2002/2003	29,942	0	0	0	0	0	0		
2003/2004	28,094	0	1	0	2,600	4,419	7,019		
MA Total	157,507	1	1	174,083	2,600	25,666	202,348		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.017	0.017			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	5.689	0.000	0.675	6.365			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.093	0.157	0.250			
		MA Total Pure Premium:	1.105	0.017	0.163	1.285			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.246	0.033	0.182				
		(14) Massachusetts Credibility:	0.13	0.35	0.29				
		(15) Countrywide Pure Premium:	0.722	0.553	0.975	2.251			
		(16) Countrywide Indicated Relativity:	0.868	1.203	1.158				
		(17) Countrywide Credibility:	0.39	0.33	0.36				
		(18) Countrywide Lost-time Claims:	43	261					
		(19) Pure Premium Underlying Present Rate:	0.561	0.724	0.662	1.947			
		(20) Relativity to Underlying Present Rate:	0.890	1.101	0.825				
		(21) Credibility to Underlying Relativity:	0.480	0.320	0.350				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.928	0.761	0.759				
		(24) Balanced Formula Relativity:	0.934	0.758	0.757	0.826			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000153

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 78

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
4053 POTTERY MFG: CHINA OR TABLEWARE*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	43,316	0	0	0	0	2,891	2,891	
2000/2001	41,726	0	4	0	12,940	8,666	21,607	
2001/2002	32,495	0	2	0	2,985	7,127	10,111	
2002/2003	108,522	0	0	0	0	2,238	2,238	
2003/2004	48,956	0	1	0	2,800	1,580	4,381	
MA Total	275,015	0	7	0	18,725	22,502	41,227	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.067	0.067			
	2000/2001	0.000	0.310	0.208	0.518			
	2001/2002	0.000	0.092	0.219	0.311			
	2002/2003	0.000	0.000	0.021	0.021			
	2003/2004	0.000	0.057	0.032	0.089			
	MA Total Pure Premium:	0.000	0.068	0.082	0.150			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.138	0.091				
	(14) Massachusetts Credibility:	0.14	0.33	0.30				
	(15) Countrywide Pure Premium:	1.266	0.567	1.157	2.990			
	(16) Countrywide Indicated Relativity:	1.522	1.233	1.374				
	(17) Countrywide Credibility:	0.31	0.34	0.35				
	(18) Countrywide Lost-time Claims:	25	325					
	(19) Pure Premium Underlying Present Rate:	0.392	0.370	0.430	1.192			
	(20) Relativity to Underlying Present Rate:	0.622	0.562	0.536				
	(21) Credibility to Underlying Relativity:	0.550	0.330	0.350				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	0.814	0.650	0.696				
	(24) Balanced Formula Relativity:	0.819	0.648	0.695	0.733			

Class(es):		Effective: 9/1/2007						Manufacturing
4061 POTTERY MFG: EARTHENWARE-GLAZD OR PORCELN-HAND MOLDED OR CAST*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	25,090	0	1	0	2,007	10,853	12,860	
2000/2001	26,447	0	3	0	3,343	6,380	9,724	
2001/2002	14,891	0	2	0	2,193	1,768	3,960	
2002/2003	12,248	0	1	0	504	66	571	
2003/2004	8,480	0	1	0	44,058	43,786	87,844	
MA Total	87,156	0	8	0	52,105	62,853	114,958	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.080	0.433	0.513			
	2000/2001	0.000	0.126	0.241	0.368			
	2001/2002	0.000	0.147	0.119	0.266			
	2002/2003	0.000	0.041	0.005	0.047			
	2003/2004	0.000	5.195	5.163	10.358			
	MA Total Pure Premium:	0.000	0.598	0.721	1.319			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	1.207	0.806				
	(14) Massachusetts Credibility:	0.11	0.24	0.23				
	(15) Countrywide Pure Premium:	0.993	0.600	0.954	2.547			
	(16) Countrywide Indicated Relativity:	1.193	1.305	1.133				
	(17) Countrywide Credibility:	0.42	0.38	0.39				
	(18) Countrywide Lost-time Claims:	52	811					
	(19) Pure Premium Underlying Present Rate:	0.691	0.493	0.720	1.904			
	(20) Relativity to Underlying Present Rate:	1.097	0.749	0.897				
	(21) Credibility to Underlying Relativity:	0.470	0.380	0.380				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.016	1.070	0.968				
	(24) Balanced Formula Relativity:	1.023	1.067	0.966	1.010			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000154

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 79

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4112 INCANDESCENT LAMP MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	264,126	0	4	0	48,152	46,750	94,902		
2000/2001	173,869	0	8	0	74,135	45,635	119,771		
2001/2002	137,779	0	2	0	4,287	11,203	15,490		
2002/2003	92,232	0	2	0	2,775	7,344	10,119		
2003/2004	95,806	0	0	0	0	8,347	8,347		
MA Total	763,812	0	16	0	129,349	119,280	248,629		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.182	0.177	0.359		
		2000/2001		0.000	0.426	0.262	0.689		
		2001/2002		0.000	0.031	0.081	0.112		
		2002/2003		0.000	0.030	0.080	0.110		
		2003/2004		0.000	0.000	0.087	0.087		
		MA Total Pure Premium:		0.000	0.169	0.156	0.326		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.342	0.175			
		(14) Massachusetts Credibility:		0.15	0.46	0.37			
		(15) Countrywide Pure Premium:		0.324	0.185	0.287	0.795		
		(16) Countrywide Indicated Relativity:		0.389	0.401	0.340			
		(17) Countrywide Credibility:		0.43	0.27	0.32			
		(18) Countrywide Lost-time Claims:		208	1,171				
		(19) Pure Premium Underlying Present Rate:		0.179	0.302	0.263	0.744		
		(20) Relativity to Underlying Present Rate:		0.285	0.459	0.328			
		(21) Credibility to Underlying Relativity:		0.420	0.270	0.310			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.287	0.390	0.275			
		(24) Balanced Formula Relativity:		0.289	0.388	0.275	0.305		

Class(es):		Effective: 9/1/2007						Manufacturing	
4114 GLASSWARE MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	10,289	0	0	0	0	3,110	3,110		
2000/2001	18,387	0	0	0	0	1,794	1,794		
2001/2002	9,717	0	0	0	0	851	851		
2002/2003	9,642	0	2	0	4,397	3,615	8,012		
2003/2004	8,695	0	0	0	0	893	893		
MA Total	56,730	0	2	0	4,397	10,264	14,662		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.302	0.302		
		2000/2001		0.000	0.000	0.098	0.098		
		2001/2002		0.000	0.000	0.088	0.088		
		2002/2003		0.000	0.456	0.375	0.831		
		2003/2004		0.000	0.000	0.103	0.103		
		MA Total Pure Premium:		0.000	0.078	0.181	0.258		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.157	0.202			
		(14) Massachusetts Credibility:		0.10	0.22	0.20			
		(15) Countrywide Pure Premium:		0.863	0.463	0.826	2.152		
		(16) Countrywide Indicated Relativity:		1.037	1.007	0.981			
		(17) Countrywide Credibility:		0.45	0.39	0.40			
		(18) Countrywide Lost-time Claims:		181	1,446				
		(19) Pure Premium Underlying Present Rate:		0.774	0.610	0.765	2.148		
		(20) Relativity to Underlying Present Rate:		1.228	0.927	0.954			
		(21) Credibility to Underlying Relativity:		0.450	0.390	0.400			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.019	0.789	0.814			
		(24) Balanced Formula Relativity:		1.026	0.786	0.813	0.890		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000155

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 80

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4130 GLASS MERCHANT									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	155,827	3	22	586,179	207,619	295,116	1,088,915		
2000/2001	172,008	0	18	0	120,494	107,194	227,688		
2001/2002	172,470	1	22	108,686	136,669	183,290	428,644		
2002/2003	203,180	2	15	150,253	304,229	308,278	762,760		
2003/2004	184,468	1	21	126,799	130,312	208,973	466,084		
MA Total	887,953	7	98	971,917	899,324	1,102,851	2,974,092		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	3.762	1.332	1.894	6.988			
		2000/2001	0.000	0.701	0.623	1.324			
		2001/2002	0.630	0.792	1.063	2.485			
		2002/2003	0.740	1.497	1.517	3.754			
		2003/2004	0.687	0.706	1.133	2.527			
		MA Total Pure Premium:	1.095	1.013	1.242	3.349			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.234	2.045	1.388				
		(14) Massachusetts Credibility:	0.38	0.77	0.81				
		(15) Countrywide Pure Premium:	1.651	0.697	1.333	3.681			
		(16) Countrywide Indicated Relativity:	1.984	1.515	1.584				
		(17) Countrywide Credibility:	0.31	0.12	0.10				
		(18) Countrywide Lost-time Claims:	198	1,890					
		(19) Pure Premium Underlying Present Rate:	1.495	0.951	1.610	4.055			
		(20) Relativity to Underlying Present Rate:	2.372	1.445	2.007				
		(21) Credibility to Underlying Relativity:	0.310	0.110	0.090				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.819	1.916	1.464				
		(24) Balanced Formula Relativity:	1.831	1.909	1.461	1.703			

Class(es):		Effective: 9/1/2007						Manufacturing	
4133 CATHEDRAL OR ART GLASS WINDOW MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	13,261	0	3	0	16,728	46,410	63,138		
2000/2001	17,597	0	0	0	0	1,480	1,480		
2001/2002	18,538	0	0	0	0	2,377	2,377		
2002/2003	17,429	0	1	0	904	1,941	2,845		
2003/2004	14,670	0	0	0	0	1,076	1,076		
MA Total	81,495	0	4	0	17,632	53,283	70,915		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	1.261	3.500	4.761			
		2000/2001	0.000	0.000	0.084	0.084			
		2001/2002	0.000	0.000	0.128	0.128			
		2002/2003	0.000	0.052	0.111	0.163			
		2003/2004	0.000	0.000	0.073	0.073			
		MA Total Pure Premium:	0.000	0.216	0.654	0.870			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.437	0.731				
		(14) Massachusetts Credibility:	0.11	0.22	0.24				
		(15) Countrywide Pure Premium:	0.271	0.516	0.666	1.453			
		(16) Countrywide Indicated Relativity:	0.326	1.121	0.792				
		(17) Countrywide Credibility:	0.15	0.33	0.38				
		(18) Countrywide Lost-time Claims:	4	55					
		(19) Pure Premium Underlying Present Rate:	0.720	0.464	0.859	2.042			
		(20) Relativity to Underlying Present Rate:	1.143	0.705	1.070				
		(21) Credibility to Underlying Relativity:	0.740	0.450	0.380				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.895	0.783	0.883				
		(24) Balanced Formula Relativity:	0.901	0.781	0.881	0.867			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000156

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 81

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4150 OPTICAL GOODS MFG-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,314,276	1	52	87,152	208,931	235,166	531,249		
2000/2001	1,261,487	6	50	796,612	216,472	576,047	1,589,131		
2001/2002	1,180,366	6	36	720,485	223,253	515,110	1,458,848		
2002/2003	925,500	4	24	375,589	194,818	668,060	1,238,468		
2003/2004	1,299,329	0	32	0	274,664	277,783	552,447		
MA Total	5,980,958	17	194	1,979,838	1,118,139	2,272,166	5,370,143		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.066	0.159	0.179	0.404				
	2000/2001	0.631	0.172	0.457	1.260				
	2001/2002	0.610	0.189	0.436	1.236				
	2002/2003	0.406	0.211	0.722	1.338				
	2003/2004	0.000	0.211	0.214	0.425				
	MA Total Pure Premium:	0.331	0.187	0.380	0.898				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.373	0.378	0.425					
	(14) Massachusetts Credibility:	0.40	1.00	0.84					
	(15) Countrywide Pure Premium:	0.429	0.256	0.468	1.153				
	(16) Countrywide Indicated Relativity:	0.516	0.556	0.555					
	(17) Countrywide Credibility:	0.30	0.00	0.08					
	(18) Countrywide Lost-time Claims:	215	1,709						
	(19) Pure Premium Underlying Present Rate:	0.255	0.297	0.262	0.814				
	(20) Relativity to Underlying Present Rate:	0.405	0.451	0.327					
	(21) Credibility to Underlying Relativity:	0.300	0.000	0.080					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.426	0.378	0.427					
	(24) Balanced Formula Relativity:	0.429	0.376	0.427	0.416				

Class(es):		Effective: 9/1/2007						Manufacturing	
4239 PAPER MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	462,268	7	58	1,559,151	881,528	1,204,196	3,644,875		
2000/2001	714,615	6	63	977,357	318,661	1,244,434	2,540,453		
2001/2002	724,690	5	83	1,338,855	758,629	1,102,517	3,200,001		
2002/2003	596,219	10	53	1,800,865	474,902	1,177,764	3,453,532		
2003/2004	556,493	2	41	709,454	654,039	474,492	1,837,985		
MA Total	3,054,285	30	298	6,385,682	3,087,760	5,203,403	14,676,845		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	3.373	1.907	2.605	7.885				
	2000/2001	1.368	0.446	1.741	3.555				
	2001/2002	1.847	1.047	1.521	4.416				
	2002/2003	3.020	0.797	1.975	5.792				
	2003/2004	1.275	1.175	0.853	3.303				
	MA Total Pure Premium:	2.091	1.011	1.704	4.805				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.356	2.042	1.905					
	(14) Massachusetts Credibility:	0.55	1.00	1.00					
	(15) Countrywide Pure Premium:	1.239	0.489	0.795	2.523				
	(16) Countrywide Indicated Relativity:	1.489	1.062	0.944					
	(17) Countrywide Credibility:	0.23	0.00	0.00					
	(18) Countrywide Lost-time Claims:	363	3,126						
	(19) Pure Premium Underlying Present Rate:	1.083	1.334	1.797	4.214				
	(20) Relativity to Underlying Present Rate:	1.719	2.028	2.240					
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	2.017	2.042	1.905					
	(24) Balanced Formula Relativity:	2.030	2.035	1.901	1.981				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000157

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 82

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4243 BOX MFG-FOLDING PAPER-NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	304,497	3	44	384,674	420,515	644,815	1,450,004		
2000/2001	282,582	6	35	905,976	194,919	647,787	1,748,683		
2001/2002	255,261	2	30	437,783	194,715	322,037	954,535		
2002/2003	312,065	1	24	223,682	219,844	407,822	851,348		
2003/2004	356,847	2	23	375,774	528,371	519,824	1,423,968		
MA Total	1,511,252	14	156	2,327,889	1,558,365	2,542,286	6,428,539		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.263	1.381	2.118	4.762			
		2000/2001	3.206	0.690	2.292	6.188			
		2001/2002	1.715	0.763	1.262	3.739			
		2002/2003	0.717	0.704	1.307	2.728			
		2003/2004	1.053	1.481	1.457	3.990			
		MA Total Pure Premium:	1.540	1.031	1.682	4.254			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.736	2.083	1.881				
		(14) Massachusetts Credibility:	0.36	0.99	0.97				
		(15) Countrywide Pure Premium:	0.786	0.515	0.906	2.207			
		(16) Countrywide Indicated Relativity:	0.945	1.119	1.076				
		(17) Countrywide Credibility:	0.32	0.01	0.02				
		(18) Countrywide Lost-time Claims:	144	1,980					
		(19) Pure Premium Underlying Present Rate:	0.791	1.020	1.491	3.302			
		(20) Relativity to Underlying Present Rate:	1.256	1.551	1.858				
		(21) Credibility to Underlying Relativity:	0.320	0.000	0.010				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.329	2.073	1.864				
		(24) Balanced Formula Relativity:	1.338	2.066	1.861	1.702			

Class(es):		Effective: 9/1/2007						Manufacturing	
4244 CORRUGATED OR FIBERBOARD CONTAINER MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	327,343	5	52	513,029	473,299	510,604	1,496,932		
2000/2001	367,194	4	40	554,408	333,094	591,424	1,478,925		
2001/2002	304,836	1	28	247,473	172,455	305,018	724,945		
2002/2003	211,926	3	7	375,885	40,671	304,448	721,004		
2003/2004	173,653	1	21	588,819	207,590	261,062	1,057,471		
MA Total	1,384,952	14	148	2,279,614	1,227,108	1,972,556	5,479,278		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.567	1.446	1.560	4.573			
		2000/2001	1.510	0.907	1.611	4.028			
		2001/2002	0.812	0.566	1.001	2.378			
		2002/2003	1.774	0.192	1.437	3.402			
		2003/2004	3.391	1.195	1.503	6.090			
		MA Total Pure Premium:	1.646	0.886	1.424	3.956			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.855	1.789	1.592				
		(14) Massachusetts Credibility:	0.38	1.00	0.83				
		(15) Countrywide Pure Premium:	1.119	0.529	0.992	2.640			
		(16) Countrywide Indicated Relativity:	1.344	1.151	1.178				
		(17) Countrywide Credibility:	0.31	0.00	0.09				
		(18) Countrywide Lost-time Claims:	300	2,594					
		(19) Pure Premium Underlying Present Rate:	0.944	1.370	1.091	3.405			
		(20) Relativity to Underlying Present Rate:	1.499	2.082	1.360				
		(21) Credibility to Underlying Relativity:	0.310	0.000	0.080				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.586	1.789	1.536				
		(24) Balanced Formula Relativity:	1.597	1.784	1.533	1.613			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000158

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 83

Calculation of Class Relativities

Class(es): 4250 PAPER COATING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	684,153	8	70	1,167,627	522,354	1,035,269	2,725,249		
2000/2001	851,795	13	63	2,024,778	395,617	774,852	3,195,247		
2001/2002	849,326	7	57	1,521,252	335,082	1,028,709	2,885,042		
2002/2003	777,034	4	39	761,046	311,620	743,692	1,816,357		
2003/2004	576,839	2	24	367,926	255,369	364,724	988,019		
MA Total	3,739,147	34	253	5,842,628	1,820,042	3,947,245	11,609,915		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.707	0.764	1.513	3.983		
			2000/2001	2.377	0.464	0.910	3.751		
			2001/2002	1.791	0.395	1.211	3.397		
			2002/2003	0.979	0.401	0.957	2.338		
			2003/2004	0.638	0.443	0.632	1.713		
			MA Total Pure Premium:	1.563	0.487	1.056	3.105		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.761	0.983	1.180			
			(14) Massachusetts Credibility:	0.50	1.00	1.00			
			(15) Countrywide Pure Premium:	0.759	0.336	0.605	1.699		
			(16) Countrywide Indicated Relativity:	0.912	0.731	0.718			
			(17) Countrywide Credibility:	0.25	0.00	0.00			
			(18) Countrywide Lost-time Claims:	184	1,648				
			(19) Pure Premium Underlying Present Rate:	0.713	0.758	0.849	2.320		
			(20) Relativity to Underlying Present Rate:	1.131	1.152	1.058			
			(21) Credibility to Underlying Relativity:	0.250	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.391	0.983	1.180			
			(24) Balanced Formula Relativity:	1.401	0.980	1.178	1.222		

Class(es): 4251 STATIONERY MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	252,405	2	25	196,872	103,893	174,194	474,959		
2000/2001	161,140	1	10	168,424	55,624	271,233	495,282		
2001/2002	207,690	0	15	0	193,678	141,293	334,971		
2002/2003	246,952	2	10	410,840	27,090	211,940	649,870		
2003/2004	419,033	1	11	193,343	187,007	209,713	590,063		
MA Total	1,287,220	6	71	969,480	567,292	1,008,373	2,545,145		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.780	0.412	0.690	1.882		
			2000/2001	1.045	0.345	1.683	3.074		
			2001/2002	0.000	0.933	0.680	1.613		
			2002/2003	1.664	0.110	0.858	2.632		
			2003/2004	0.461	0.446	0.500	1.408		
			MA Total Pure Premium:	0.753	0.441	0.783	1.977		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.849	0.890	0.876			
			(14) Massachusetts Credibility:	0.35	0.76	0.80			
			(15) Countrywide Pure Premium:	0.867	0.464	0.835	2.165		
			(16) Countrywide Indicated Relativity:	1.041	1.008	0.992			
			(17) Countrywide Credibility:	0.33	0.12	0.10			
			(18) Countrywide Lost-time Claims:	88	1,145				
			(19) Pure Premium Underlying Present Rate:	0.851	0.622	1.069	2.543		
			(20) Relativity to Underlying Present Rate:	1.351	0.946	1.333			
			(21) Credibility to Underlying Relativity:	0.320	0.120	0.100			
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277		
			(23) Formula Relativity:	1.073	0.911	0.933			
			(24) Balanced Formula Relativity:	1.080	0.908	0.931	0.984		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000159

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 84

Calculation of Class Relativities

Class(es): 4273 BAG MFG-PAPER OR PLASTIC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	91,704	0	10	0	35,791	69,823	105,614		
2000/2001	78,763	3	13	462,585	135,976	508,640	1,107,202		
2001/2002	92,848	0	8	0	86,808	82,792	169,600		
2002/2003	109,197	1	13	140,438	42,060	157,818	340,316		
2003/2004	89,787	0	12	0	166,121	125,183	291,304		
MA Total	462,299	4	56	603,024	466,757	944,255	2,014,035		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.390	0.761	1.152			
		2000/2001	5.873	1.726	6.458	14.057			
		2001/2002	0.000	0.935	0.892	1.827			
		2002/2003	1.286	0.385	1.445	3.117			
		2003/2004	0.000	1.850	1.394	3.244			
		MA Total Pure Premium:	1.304	1.010	2.043	4.357			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.470	2.039	2.283				
		(14) Massachusetts Credibility:	0.21	0.66	0.59				
		(15) Countrywide Pure Premium:	0.856	0.565	0.921	2.342			
		(16) Countrywide Indicated Relativity:	1.029	1.228	1.094				
		(17) Countrywide Credibility:	0.40	0.17	0.21				
		(18) Countrywide Lost-time Claims:	77	1,432					
		(19) Pure Premium Underlying Present Rate:	0.650	1.244	1.369	3.262			
		(20) Relativity to Underlying Present Rate:	1.031	1.890	1.706				
		(21) Credibility to Underlying Relativity:	0.390	0.170	0.200				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.122	1.876	1.918				
		(24) Balanced Formula Relativity:	1.130	1.870	1.915	1.599			

Class(es): 4279 PAPER GOODS MFG NOC		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	429,257	10	65	1,116,252	331,863	1,163,287	2,611,402		
2000/2001	439,842	4	60	516,398	228,241	744,131	1,488,770		
2001/2002	378,493	5	34	643,528	202,140	594,638	1,440,306		
2002/2003	376,746	2	43	249,463	213,168	323,473	786,103		
2003/2004	341,626	2	43	524,251	291,527	1,199,662	2,015,441		
MA Total	1,965,964	23	245	3,049,893	1,266,938	4,025,191	8,342,022		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.600	0.773	2.710	6.084			
		2000/2001	1.174	0.519	1.692	3.385			
		2001/2002	1.700	0.534	1.571	3.805			
		2002/2003	0.662	0.566	0.859	2.087			
		2003/2004	1.535	0.853	3.512	5.900			
		MA Total Pure Premium:	1.551	0.644	2.047	4.243			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.748	1.301	2.289				
		(14) Massachusetts Credibility:	0.43	1.00	1.00				
		(15) Countrywide Pure Premium:	1.019	0.538	1.055	2.612			
		(16) Countrywide Indicated Relativity:	1.225	1.169	1.253				
		(17) Countrywide Credibility:	0.29	0.00	0.00				
		(18) Countrywide Lost-time Claims:	255	2,827					
		(19) Pure Premium Underlying Present Rate:	0.899	1.059	1.418	3.377			
		(20) Relativity to Underlying Present Rate:	1.427	1.610	1.768				
		(21) Credibility to Underlying Relativity:	0.280	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.507	1.301	2.289				
		(24) Balanced Formula Relativity:	1.517	1.297	2.285	1.771			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000160

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 85

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4282 DRESS PATTERN MFG-PAPER									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	421	0	0	0	0	0	0	0	
2000/2001	541	0	0	0	0	0	0	0	
2001/2002	1,287	0	0	0	0	0	0	0	
2002/2003	378	0	0	0	0	0	0	0	
2003/2004	197	0	0	0	0	0	0	0	
MA Total	2,824	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.01	0.04	0.03				
		(15) Countrywide Pure Premium:	1.002	0.409	0.651			2.062	
		(16) Countrywide Indicated Relativity:	1.204	0.890	0.773				
		(17) Countrywide Credibility:	0.09	0.22	0.27				
		(18) Countrywide Lost-time Claims:	1	21					
		(19) Pure Premium Underlying Present Rate:	0.115	0.152	0.162			0.428	
		(20) Relativity to Underlying Present Rate:	0.182	0.230	0.201				
		(21) Credibility to Underlying Relativity:	0.900	0.740	0.700				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	0.272	0.366	0.350				
		(24) Balanced Formula Relativity:	0.274	0.365	0.349			0.323	

Class(es):		Effective: 9/1/2007						Manufacturing	
4283 BUILDING OR ROOFING PAPER OR FELT PREPARATION-NO INSTALLATION									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,797	0	1	0	19,930	0	19,930		
2000/2001	1,501	0	0	0	0	735	735		
2001/2002	1,074	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	4,372	0	1	0	19,930	735	20,665		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	11.093	0.000			11.093	
		2000/2001	0.000	0.000	0.490			0.490	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	4.559	0.168			4.727	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	9.208	0.188				
		(14) Massachusetts Credibility:	0.04	0.08	0.08				
		(15) Countrywide Pure Premium:	1.263	0.622	1.038			2.923	
		(16) Countrywide Indicated Relativity:	1.518	1.353	1.232				
		(17) Countrywide Credibility:	0.40	0.46	0.46				
		(18) Countrywide Lost-time Claims:	46	397					
		(19) Pure Premium Underlying Present Rate:	1.022	0.768	0.859			2.649	
		(20) Relativity to Underlying Present Rate:	1.622	1.167	1.071				
		(21) Credibility to Underlying Relativity:	0.560	0.460	0.460				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	1.515	1.896	1.075				
		(24) Balanced Formula Relativity:	1.526	1.889	1.073			1.427	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000161

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 86

Calculation of Class Relativities

Class(es): 4299 PRINTING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,393,275	10	190	1,613,919	1,348,944	1,988,473	4,951,336		
2000/2001	2,437,917	14	183	1,862,440	1,328,410	1,889,047	5,079,898		
2001/2002	2,579,683	14	147	1,926,382	649,861	1,477,465	4,053,708		
2002/2003	2,462,763	22	181	3,419,757	1,004,792	2,552,749	6,977,298		
2003/2004	2,356,101	4	121	794,800	1,062,260	1,420,027	3,277,087		
MA Total	12,229,739	64	822	9,617,299	5,394,267	9,327,760	24,339,327		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.674	0.564	0.831	2.069		
		2000/2001		0.764	0.545	0.775	2.084		
		2001/2002		0.747	0.252	0.573	1.571		
		2002/2003		1.389	0.408	1.037	2.833		
		2003/2004		0.337	0.451	0.603	1.391		
		MA Total Pure Premium:		0.786	0.441	0.763	1.990		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.886	0.891	0.853			
		(14) Massachusetts Credibility:		0.74	1.00	1.00			
		(15) Countrywide Pure Premium:		0.737	0.411	0.743	1.892		
		(16) Countrywide Indicated Relativity:		0.886	0.894	0.883			
		(17) Countrywide Credibility:		0.13	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,412	15,896				
		(19) Pure Premium Underlying Present Rate:		0.579	0.548	0.722	1.850		
		(20) Relativity to Underlying Present Rate:		0.920	0.833	0.900			
		(21) Credibility to Underlying Relativity:		0.130	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		0.891	0.891	0.853			
		(24) Balanced Formula Relativity:		0.897	0.888	0.851	0.877		

Class(es): 4301 WALLPAPER MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	27,585	0	1	0	4,283	6,976	11,259		
2000/2001	0	0	0	0	0	0	0		
2001/2002	0	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	27,585	0	1	0	4,283	6,976	11,259		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.155	0.253	0.408		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.155	0.253	0.408		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.314	0.283			
		(14) Massachusetts Credibility:		0.09	0.16	0.19			
		(15) Countrywide Pure Premium:		1.072	0.900	1.557	3.528		
		(16) Countrywide Indicated Relativity:		1.288	1.956	1.849			
		(17) Countrywide Credibility:		0.13	0.35	0.41			
		(18) Countrywide Lost-time Claims:		3	64				
		(19) Pure Premium Underlying Present Rate:		1.328	0.571	1.453	3.352		
		(20) Relativity to Underlying Present Rate:		2.108	0.869	1.811			
		(21) Credibility to Underlying Relativity:		0.780	0.490	0.400			
		(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277		
		(23) Formula Relativity:		1.812	1.160	1.536			
		(24) Balanced Formula Relativity:		1.824	1.157	1.533	1.565		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000162

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 87

Calculation of Class Relativities

Class(es): 4304 NEWSPAPER PUBLISHING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	199,244	0	34	0	214,078	321,013	535,090		
2000/2001	135,286	2	11	118,668	45,248	357,387	521,303		
2001/2002	156,771	3	17	412,501	101,472	431,806	945,779		
2002/2003	124,913	0	8	0	29,404	46,925	76,329		
2003/2004	171,535	0	21	0	174,284	279,118	453,402		
MA Total	787,749	5	91	531,169	564,486	1,436,249	2,531,904		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	1.074	1.611	2.686			
		2000/2001	0.877	0.334	2.642	3.853			
		2001/2002	2.631	0.647	2.754	6.033			
		2002/2003	0.000	0.235	0.376	0.611			
		2003/2004	0.000	1.016	1.627	2.643			
		MA Total Pure Premium:	0.674	0.717	1.823	3.214			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.760	1.447	2.038				
		(14) Massachusetts Credibility:	0.28	0.74	0.73				
		(15) Countrywide Pure Premium:	0.919	0.772	1.371	3.062			
		(16) Countrywide Indicated Relativity:	1.104	1.679	1.628				
		(17) Countrywide Credibility:	0.36	0.13	0.14				
		(18) Countrywide Lost-time Claims:	536	6,619					
		(19) Pure Premium Underlying Present Rate:	0.762	0.963	1.380	3.105			
		(20) Relativity to Underlying Present Rate:	1.209	1.464	1.721				
		(21) Credibility to Underlying Relativity:	0.360	0.130	0.130				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.046	1.479	1.940				
		(24) Balanced Formula Relativity:	1.053	1.475	1.936	1.491			

Class(es): 4307 BOOKBINDING		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	162,713	3	20	411,678	105,220	207,183	724,081		
2000/2001	179,055	2	12	224,033	79,430	221,673	525,135		
2001/2002	256,223	1	14	164,198	70,961	135,973	371,132		
2002/2003	234,588	0	21	0	100,932	93,281	194,213		
2003/2004	232,835	0	8	0	13,845	58,875	72,720		
MA Total	1,065,414	6	75	799,908	370,388	716,985	1,887,281		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.530	0.647	1.273	4.450			
		2000/2001	1.251	0.444	1.238	2.933			
		2001/2002	0.641	0.277	0.531	1.448			
		2002/2003	0.000	0.430	0.398	0.828			
		2003/2004	0.000	0.059	0.253	0.312			
		MA Total Pure Premium:	0.751	0.348	0.673	1.771			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.846	0.702	0.752				
		(14) Massachusetts Credibility:	0.28	0.79	0.62				
		(15) Countrywide Pure Premium:	0.334	0.331	0.667	1.333			
		(16) Countrywide Indicated Relativity:	0.401	0.720	0.793				
		(17) Countrywide Credibility:	0.36	0.11	0.19				
		(18) Countrywide Lost-time Claims:	55	1,024					
		(19) Pure Premium Underlying Present Rate:	0.582	0.826	0.679	2.086			
		(20) Relativity to Underlying Present Rate:	0.924	1.255	0.846				
		(21) Credibility to Underlying Relativity:	0.360	0.100	0.190				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.714	0.759	0.778				
		(24) Balanced Formula Relativity:	0.719	0.757	0.776	0.750			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000163

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 88

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4308 LINOTYPE OR HAND COMPOSITION									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	400	0	0	0	0	0	0	0	
2000/2001	275	0	0	0	0	0	0	0	
2001/2002	177	0	0	0	0	239	0	239	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	852	0	0	0	0	239	0	239	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	1.352			1.352	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.280			0.280	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.314				
		(14) Massachusetts Credibility:	0.01	0.03	0.03				
		(15) Countrywide Pure Premium:	0.000	0.000	0.101			0.101	
		(16) Countrywide Indicated Relativity:	0.000	0.000	0.120				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	0.201	0.270	0.308			0.780	
		(20) Relativity to Underlying Present Rate:	0.319	0.411	0.384				
		(21) Credibility to Underlying Relativity:	0.990	0.970	0.970				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	0.316	0.398	0.382				
		(24) Balanced Formula Relativity:	0.318	0.397	0.381			0.360	

Class(es):		Effective: 9/1/2007						Manufacturing	
4350 ELECTROTYPING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	14	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	14	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.01	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.000			0.000	
		(16) Countrywide Indicated Relativity:	0.244	0.394	0.243				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	0.155	0.261	0.196			0.612	
		(20) Relativity to Underlying Present Rate:	0.245	0.397	0.245				
		(21) Credibility to Underlying Relativity:	1.000	0.990	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	0.245	0.393	0.245				
		(24) Balanced Formula Relativity:	0.247	0.392	0.244			0.277	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000164

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 89

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4351 PHOTOENGRAVING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	755,587	1	24	269,929	244,594	110,994	625,517		
2000/2001	457,250	1	11	104,048	47,921	71,202	223,171		
2001/2002	373,295	1	10	120,508	89,039	130,644	340,190		
2002/2003	340,180	0	9	0	30,915	62,866	93,781		
2003/2004	343,650	0	6	0	54,978	58,833	113,811		
MA Total	2,269,962	3	60	494,485	467,447	434,539	1,396,471		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.357	0.324	0.147	0.828			
		2000/2001	0.228	0.105	0.156	0.488			
		2001/2002	0.323	0.239	0.350	0.911			
		2002/2003	0.000	0.091	0.185	0.276			
		2003/2004	0.000	0.160	0.171	0.331			
		MA Total Pure Premium:	0.218	0.206	0.191	0.615			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.246	0.416	0.214				
		(14) Massachusetts Credibility:	0.29	0.68	0.57				
		(15) Countrywide Pure Premium:	0.514	0.177	0.440	1.131			
		(16) Countrywide Indicated Relativity:	0.618	0.386	0.523				
		(17) Countrywide Credibility:	0.36	0.16	0.22				
		(18) Countrywide Lost-time Claims:	41	225					
		(19) Pure Premium Underlying Present Rate:	0.308	0.266	0.264	0.838			
		(20) Relativity to Underlying Present Rate:	0.489	0.404	0.329				
		(21) Credibility to Underlying Relativity:	0.350	0.160	0.210				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.465	0.409	0.306				
		(24) Balanced Formula Relativity:	0.468	0.408	0.305	0.391			

Class(es):		Effective: 9/1/2007						Manufacturing	
4352 ENGRAVING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	77,436	0	3	0	5,978	18,306	24,284		
2000/2001	74,986	0	5	0	15,726	17,567	33,293		
2001/2002	70,481	0	2	0	6,837	8,319	15,156		
2002/2003	72,684	0	4	0	4,293	16,514	20,807		
2003/2004	66,152	0	1	0	11,051	43,226	54,277		
MA Total	361,739	0	15	0	43,886	103,932	147,817		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.077	0.236	0.314			
		2000/2001	0.000	0.210	0.234	0.444			
		2001/2002	0.000	0.097	0.118	0.215			
		2002/2003	0.000	0.059	0.227	0.286			
		2003/2004	0.000	0.167	0.653	0.820			
		MA Total Pure Premium:	0.000	0.121	0.287	0.409			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.245	0.321				
		(14) Massachusetts Credibility:	0.16	0.28	0.33				
		(15) Countrywide Pure Premium:	0.217	0.333	0.444	0.994			
		(16) Countrywide Indicated Relativity:	0.261	0.724	0.528				
		(17) Countrywide Credibility:	0.23	0.36	0.34				
		(18) Countrywide Lost-time Claims:	11	298					
		(19) Pure Premium Underlying Present Rate:	0.397	0.190	0.429	1.017			
		(20) Relativity to Underlying Present Rate:	0.631	0.289	0.535				
		(21) Credibility to Underlying Relativity:	0.610	0.360	0.330				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.445	0.433	0.462				
		(24) Balanced Formula Relativity:	0.448	0.432	0.461	0.450			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000165

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 90

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4360 MOTION PICTURE: DEVLPMNT OF NEGATIVES, PRINTING & ALL SUB OP*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	251,151	0	8	0	41,848	52,983	94,831		
2000/2001	183,674	2	3	268,774	9,903	241,267	519,943		
2001/2002	156,835	0	3	0	6,564	13,251	19,814		
2002/2003	186,366	1	6	134,831	33,898	59,259	227,987		
2003/2004	223,529	1	8	148,820	124,623	66,002	339,445		
MA Total	1,001,555	4	28	552,425	216,835	432,761	1,202,022		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.167	0.211	0.378			
		2000/2001	1.463	0.054	1.314	2.831			
		2001/2002	0.000	0.042	0.084	0.126			
		2002/2003	0.723	0.182	0.318	1.223			
		2003/2004	0.666	0.558	0.295	1.519			
		MA Total Pure Premium:	0.552	0.216	0.432	1.200			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.622	0.437	0.483				
		(14) Massachusetts Credibility:	0.21	0.45	0.42				
		(15) Countrywide Pure Premium:	0.738	0.256	0.530	1.524			
		(16) Countrywide Indicated Relativity:	0.887	0.556	0.630				
		(17) Countrywide Credibility:	0.40	0.28	0.29				
		(18) Countrywide Lost-time Claims:	189	1,047					
		(19) Pure Premium Underlying Present Rate:	0.311	0.213	0.275	0.799			
		(20) Relativity to Underlying Present Rate:	0.493	0.324	0.343				
		(21) Credibility to Underlying Relativity:	0.390	0.270	0.290				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.678	0.440	0.485				
		(24) Balanced Formula Relativity:	0.682	0.438	0.484	0.551			

Class(es):		Effective: 9/1/2007						Office & Clerical	
4361 PHOTOGRAPHER - ALL EMP & CLERICAL, SALES, DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	774,551	1	10	50,685	18,130	77,756	146,571		
2000/2001	766,724	2	6	139,701	9,553	137,551	286,805		
2001/2002	766,917	2	7	378,184	49,527	197,313	625,024		
2002/2003	1,139,257	1	9	74,448	58,895	109,253	242,597		
2003/2004	1,129,061	0	18	0	103,938	133,691	237,629		
MA Total	4,576,510	6	50	643,018	240,043	655,565	1,538,626		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.065	0.023	0.100	0.189			
		2000/2001	0.182	0.012	0.179	0.374			
		2001/2002	0.493	0.065	0.257	0.815			
		2002/2003	0.065	0.052	0.096	0.213			
		2003/2004	0.000	0.092	0.118	0.210			
		MA Total Pure Premium:	0.141	0.052	0.143	0.336			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.921	1.137	1.663				
		(14) Massachusetts Credibility:	0.28	0.66	0.68				
		(15) Countrywide Pure Premium:	0.251	0.172	0.318	0.741			
		(16) Countrywide Indicated Relativity:	3.619	4.070	4.004				
		(17) Countrywide Credibility:	0.36	0.17	0.16				
		(18) Countrywide Lost-time Claims:	246	2,401					
		(19) Pure Premium Underlying Present Rate:	0.141	0.125	0.201	0.468			
		(20) Relativity to Underlying Present Rate:	2.519	2.072	2.452				
		(21) Credibility to Underlying Relativity:	0.360	0.170	0.160				
		(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205			
		(23) Formula Relativity:	2.748	1.794	2.164				
		(24) Balanced Formula Relativity:	2.757	1.790	2.158	2.288			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000166

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 91

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
4362 MOTION PICTURE: FILM EXCH & PROJECTION RMS, CL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	6,407	0	0	0	0	0	0	0	
2000/2001	8,545	0	0	0	0	0	0	0	
2001/2002	5,221	0	0	0	0	0	0	0	
2002/2003	6,053	0	0	0	0	0	0	0	
2003/2004	5,842	0	0	0	0	0	0	0	
MA Total	32,068	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.04	0.09	0.10				
		(15) Countrywide Pure Premium:	0.445	0.377	0.591	1.414			
		(16) Countrywide Indicated Relativity:	0.625	0.821	0.707				
		(17) Countrywide Credibility:	0.38	0.46	0.45				
		(18) Countrywide Lost-time Claims:	40	252					
		(19) Pure Premium Underlying Present Rate:	0.152	0.127	0.258	0.537			
		(20) Relativity to Underlying Present Rate:	0.325	0.214	0.343				
		(21) Credibility to Underlying Relativity:	0.580	0.450	0.450				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.426	0.474	0.472				
		(24) Balanced Formula Relativity:	0.422	0.473	0.471	0.454			

Class(es):		Effective: 9/1/2007						Manufacturing	
4410 RUBBER GOODS MFG NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	470,178	5	88	685,677	657,844	922,551	2,266,073		
2000/2001	592,208	11	97	1,350,212	390,495	1,130,119	2,870,826		
2001/2002	530,524	10	64	1,543,216	313,048	830,391	2,686,655		
2002/2003	323,178	4	55	583,028	255,025	786,941	1,624,994		
2003/2004	368,339	0	53	0	522,144	466,677	988,821		
MA Total	2,284,427	30	357	4,162,133	2,138,556	4,136,679	10,437,368		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.458	1.399	1.962	4.820			
		2000/2001	2.280	0.659	1.908	4.848			
		2001/2002	2.909	0.590	1.565	5.064			
		2002/2003	1.804	0.789	2.435	5.028			
		2003/2004	0.000	1.418	1.267	2.685			
		MA Total Pure Premium:	1.822	0.936	1.811	4.569			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.053	1.891	2.024				
		(14) Massachusetts Credibility:	0.40	1.00	1.00				
		(15) Countrywide Pure Premium:	1.239	0.644	1.324	3.207			
		(16) Countrywide Indicated Relativity:	1.489	1.400	1.573				
		(17) Countrywide Credibility:	0.30	0.00	0.00				
		(18) Countrywide Lost-time Claims:	414	4,967					
		(19) Pure Premium Underlying Present Rate:	0.651	1.407	1.274	3.331			
		(20) Relativity to Underlying Present Rate:	1.033	2.138	1.588				
		(21) Credibility to Underlying Relativity:	0.300	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.578	1.891	2.024				
		(24) Balanced Formula Relativity:	1.589	1.884	2.021	1.823			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000167

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 92

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4417 BOOT OR SHOE MFG-RUBBER									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,000	0	0	0	0	1,485	1,485		
2000/2001	750	0	0	0	0	352	352		
2001/2002	54	0	0	0	0	0	0		
2002/2003	0	0	0	0	0	0	0		
2003/2004	0	0	0	0	0	0	0		
MA Total	2,804	0	0	0	0	1,837	1,837		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.742	0.742			
		2000/2001	0.000	0.000	0.469	0.469			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.655	0.655			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.732				
		(14) Massachusetts Credibility:	0.03	0.08	0.08				
		(15) Countrywide Pure Premium:	3.285	1.687	2.543	7.516			
		(16) Countrywide Indicated Relativity:	3.947	3.668	3.021				
		(17) Countrywide Credibility:	0.15	0.33	0.40				
		(18) Countrywide Lost-time Claims:	4	55					
		(19) Pure Premium Underlying Present Rate:	0.795	1.029	1.362	3.187			
		(20) Relativity to Underlying Present Rate:	1.262	1.565	1.698				
		(21) Credibility to Underlying Relativity:	0.820	0.590	0.520				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.627	2.134	2.150				
		(24) Balanced Formula Relativity:	1.638	2.127	2.146	1.944			

Class(es):		Effective: 9/1/2007						Manufacturing	
4432 FOUNTAIN PEN MFG									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	27,448	0	1	0	110	1,885	1,994		
2000/2001	24,800	0	2	0	11,714	9,694	21,407		
2001/2002	26,800	1	2	53,622	1,700	4,883	60,204		
2002/2003	28,346	0	1	0	29	0	29		
2003/2004	31,959	0	0	0	0	2,663	2,663		
MA Total	139,353	1	6	53,622	13,552	19,124	86,298		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.004	0.069	0.073			
		2000/2001	0.000	0.472	0.391	0.863			
		2001/2002	2.001	0.063	0.182	2.246			
		2002/2003	0.000	0.001	0.000	0.001			
		2003/2004	0.000	0.000	0.083	0.083			
		MA Total Pure Premium:	0.385	0.097	0.137	0.619			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.434	0.196	0.153				
		(14) Massachusetts Credibility:	0.10	0.32	0.27				
		(15) Countrywide Pure Premium:	0.642	0.379	0.747	1.768			
		(16) Countrywide Indicated Relativity:	0.772	0.825	0.887				
		(17) Countrywide Credibility:	0.25	0.34	0.37				
		(18) Countrywide Lost-time Claims:	14	145					
		(19) Pure Premium Underlying Present Rate:	0.356	0.660	0.639	1.655			
		(20) Relativity to Underlying Present Rate:	0.565	1.004	0.797				
		(21) Credibility to Underlying Relativity:	0.650	0.340	0.360				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.603	0.685	0.656				
		(24) Balanced Formula Relativity:	0.607	0.682	0.655	0.642			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000168

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 93

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4439 LACQUER OR SPIRIT VARNISH MFG*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	43,983	0	2	0	3,010	7,834	10,844		
2000/2001	41,314	0	1	0	1,847	18,742	20,589		
2001/2002	33,597	0	5	0	12,590	12,234	24,825		
2002/2003	45,402	1	0	77,195	0	56,285	133,480		
2003/2004	47,402	0	3	0	58,633	69,475	128,107		
MA Total	211,698	1	11	77,195	76,080	164,569	317,844		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.068	0.178	0.247				
	2000/2001	0.000	0.045	0.454	0.498				
	2001/2002	0.000	0.375	0.364	0.739				
	2002/2003	1.700	0.000	1.240	2.940				
	2003/2004	0.000	1.237	1.466	2.703				
	MA Total Pure Premium:	0.365	0.359	0.777	1.501				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.411	0.726	0.869					
	(14) Massachusetts Credibility:	0.16	0.38	0.39					
	(15) Countrywide Pure Premium:	0.901	0.377	0.567	1.845				
	(16) Countrywide Indicated Relativity:	1.083	0.820	0.674					
	(17) Countrywide Credibility:	0.11	0.31	0.31					
	(18) Countrywide Lost-time Claims:	2	66						
	(19) Pure Premium Underlying Present Rate:	0.697	0.671	1.099	2.467				
	(20) Relativity to Underlying Present Rate:	1.106	1.020	1.370					
	(21) Credibility to Underlying Relativity:	0.730	0.310	0.300					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.993	0.846	0.959					
	(24) Balanced Formula Relativity:	0.999	0.843	0.957	0.949				

Class(es):		Effective: 9/1/2007						Manufacturing	
4452 PLASTICS MFG: FABRICATED PRODUCTS NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	661,125	8	96	1,063,484	587,862	1,385,557	3,036,904		
2000/2001	636,283	6	54	592,088	383,393	711,689	1,687,170		
2001/2002	527,265	3	33	311,200	259,792	526,035	1,097,026		
2002/2003	545,699	2	35	266,992	320,349	576,222	1,163,563		
2003/2004	526,551	3	30	411,374	308,950	475,836	1,196,161		
MA Total	2,896,923	22	248	2,645,138	1,860,346	3,675,340	8,180,824		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.609	0.889	2.096	4.594				
	2000/2001	0.931	0.603	1.119	2.652				
	2001/2002	0.590	0.493	0.998	2.081				
	2002/2003	0.489	0.587	1.056	2.132				
	2003/2004	0.781	0.587	0.904	2.272				
	MA Total Pure Premium:	0.913	0.642	1.269	2.824				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.029	1.297	1.418					
	(14) Massachusetts Credibility:	0.47	1.00	1.00					
	(15) Countrywide Pure Premium:	1.036	0.664	1.188	2.888				
	(16) Countrywide Indicated Relativity:	1.245	1.443	1.411					
	(17) Countrywide Credibility:	0.27	0.00	0.00					
	(18) Countrywide Lost-time Claims:	252	4,864						
	(19) Pure Premium Underlying Present Rate:	0.792	0.858	1.319	2.969				
	(20) Relativity to Underlying Present Rate:	1.257	1.305	1.644					
	(21) Credibility to Underlying Relativity:	0.260	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.147	1.297	1.418					
	(24) Balanced Formula Relativity:	1.154	1.293	1.416	1.287				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000169

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 94

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4459 PLASTICS MFG: SHEETS, RODS OR TUBES									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	823,629	2	93	265,600	632,720	694,679	1,593,000		
2000/2001	764,041	5	79	565,968	693,395	651,537	1,910,900		
2001/2002	650,893	2	55	389,295	354,897	569,529	1,313,721		
2002/2003	666,139	7	58	1,016,514	436,298	873,294	2,326,106		
2003/2004	775,826	2	55	860,690	697,535	719,994	2,278,219		
MA Total	3,680,528	18	340	3,098,068	2,814,845	3,509,032	9,421,945		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.322	0.768	0.843	1.934			
		2000/2001	0.741	0.908	0.853	2.501			
		2001/2002	0.598	0.545	0.875	2.018			
		2002/2003	1.526	0.655	1.311	3.492			
		2003/2004	1.109	0.899	0.928	2.937			
		MA Total Pure Premium:	0.842	0.765	0.953	2.560			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.949	1.545	1.066				
		(14) Massachusetts Credibility:	0.51	1.00	1.00				
		(15) Countrywide Pure Premium:	1.084	0.503	1.016	2.603			
		(16) Countrywide Indicated Relativity:	1.303	1.093	1.207				
		(17) Countrywide Credibility:	0.25	0.00	0.00				
		(18) Countrywide Lost-time Claims:	289	4,296					
		(19) Pure Premium Underlying Present Rate:	0.744	0.968	0.958	2.670			
		(20) Relativity to Underlying Present Rate:	1.181	1.472	1.194				
		(21) Credibility to Underlying Relativity:	0.240	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.093	1.545	1.066				
		(24) Balanced Formula Relativity:	1.100	1.539	1.064	1.182			

Class(es):		Effective: 9/1/2007						Manufacturing	
4470 CABLE MFG - INSULATED ELECTRICAL									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	393,197	6	26	744,514	272,286	531,793	1,548,593		
2000/2001	401,688	4	15	667,613	175,795	299,866	1,143,274		
2001/2002	300,775	2	30	157,650	214,184	299,223	671,058		
2002/2003	409,375	4	42	779,839	198,332	594,408	1,572,579		
2003/2004	428,813	1	31	287,419	385,249	397,067	1,069,734		
MA Total	1,933,848	17	144	2,637,035	1,245,845	2,122,357	6,005,237		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.893	0.692	1.352	3.938			
		2000/2001	1.662	0.438	0.747	2.846			
		2001/2002	0.524	0.712	0.995	2.231			
		2002/2003	1.905	0.484	1.452	3.841			
		2003/2004	0.670	0.898	0.926	2.495			
		MA Total Pure Premium:	1.364	0.644	1.097	3.105			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.537	1.301	1.227				
		(14) Massachusetts Credibility:	0.41	0.95	0.86				
		(15) Countrywide Pure Premium:	0.905	0.558	1.003	2.467			
		(16) Countrywide Indicated Relativity:	1.088	1.214	1.191				
		(17) Countrywide Credibility:	0.30	0.03	0.07				
		(18) Countrywide Lost-time Claims:	98	1,174					
		(19) Pure Premium Underlying Present Rate:	0.819	0.737	0.844	2.400			
		(20) Relativity to Underlying Present Rate:	1.300	1.120	1.052				
		(21) Credibility to Underlying Relativity:	0.290	0.020	0.070				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.334	1.295	1.212				
		(24) Balanced Formula Relativity:	1.343	1.291	1.210	1.279			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000170

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 95

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4484 PLASTICS MFG: MOLDED PRODUCTS NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,452,737	17	225	2,001,320	2,004,731	2,687,096	6,693,147		
2000/2001	2,039,968	17	160	2,394,783	1,539,186	2,266,905	6,200,873		
2001/2002	1,877,658	9	132	1,186,838	867,078	1,816,672	3,870,588		
2002/2003	2,053,799	12	123	1,574,236	978,916	1,438,364	3,991,516		
2003/2004	1,907,497	13	116	3,083,758	1,561,933	2,288,753	6,934,444		
MA Total	10,331,659	68	756	10,240,934	6,951,844	10,497,789	27,690,567		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.816	0.817	1.096	2.729				
	2000/2001	1.174	0.755	1.111	3.040				
	2001/2002	0.632	0.462	0.968	2.061				
	2002/2003	0.766	0.477	0.700	1.943				
	2003/2004	1.617	0.819	1.200	3.635				
	MA Total Pure Premium:	0.991	0.673	1.016	2.680				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.117	1.359	1.136					
	(14) Massachusetts Credibility:	0.66	1.00	1.00					
	(15) Countrywide Pure Premium:	0.785	0.550	0.985	2.319				
	(16) Countrywide Indicated Relativity:	0.943	1.195	1.170					
	(17) Countrywide Credibility:	0.17	0.00	0.00					
	(18) Countrywide Lost-time Claims:	763	15,596						
	(19) Pure Premium Underlying Present Rate:	0.512	0.804	0.867	2.183				
	(20) Relativity to Underlying Present Rate:	0.813	1.222	1.081					
	(21) Credibility to Underlying Relativity:	0.170	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.036	1.359	1.136					
	(24) Balanced Formula Relativity:	1.043	1.354	1.134	1.146				

Class(es):		Effective: 9/1/2007						Manufacturing	
4493 FABRIC COATING OR IMPREGNATING NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	341,558	3	31	470,986	245,611	487,004	1,203,602		
2000/2001	363,352	7	39	747,814	464,187	741,112	1,953,113		
2001/2002	345,999	1	28	65,152	185,071	178,386	428,609		
2002/2003	337,158	5	32	620,526	150,034	630,601	1,401,162		
2003/2004	371,209	0	27	209,902	0	357,446	567,349		
MA Total	1,759,276	16	157	1,904,478	1,254,806	2,394,549	5,553,834		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.379	0.719	1.426	3.524				
	2000/2001	2.058	1.278	2.040	5.375				
	2001/2002	0.188	0.535	0.516	1.239				
	2002/2003	1.840	0.445	1.870	4.156				
	2003/2004	0.000	0.565	0.963	1.528				
	MA Total Pure Premium:	1.083	0.713	1.361	3.157				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.220	1.440	1.522					
	(14) Massachusetts Credibility:	0.43	1.00	1.00					
	(15) Countrywide Pure Premium:	1.020	0.432	0.794	2.246				
	(16) Countrywide Indicated Relativity:	1.226	0.938	0.943					
	(17) Countrywide Credibility:	0.29	0.00	0.00					
	(18) Countrywide Lost-time Claims:	40	401						
	(19) Pure Premium Underlying Present Rate:	1.061	0.987	1.499	3.547				
	(20) Relativity to Underlying Present Rate:	1.684	1.500	1.869					
	(21) Credibility to Underlying Relativity:	0.280	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.352	1.440	1.522					
	(24) Balanced Formula Relativity:	1.361	1.436	1.519	1.439				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000171

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 96

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
4511 ANALYTICAL CHEMIST									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,660,863	4	18	438,521	299,905	406,391	1,144,817		
2000/2001	2,462,600	5	24	754,647	159,000	651,058	1,564,704		
2001/2002	2,319,082	4	26	621,655	86,493	511,180	1,219,328		
2002/2003	2,389,038	1	14	363,499	161,317	280,611	805,428		
2003/2004	2,774,367	0	17	0	142,725	292,311	435,036		
MA Total	12,605,950	14	99	2,178,322	849,440	2,141,551	5,169,313		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.165	0.113	0.153	0.430			
		2000/2001	0.306	0.065	0.264	0.635			
		2001/2002	0.268	0.037	0.220	0.526			
		2002/2003	0.152	0.068	0.117	0.337			
		2003/2004	0.000	0.051	0.105	0.157			
		MA Total Pure Premium:	0.173	0.067	0.170	0.410			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.249	0.153	0.211				
		(14) Massachusetts Credibility:	0.43	0.93	0.99				
		(15) Countrywide Pure Premium:	0.282	0.123	0.251	0.656			
		(16) Countrywide Indicated Relativity:	0.396	0.267	0.301				
		(17) Countrywide Credibility:	0.29	0.04	0.01				
		(18) Countrywide Lost-time Claims:	396	3,000					
		(19) Pure Premium Underlying Present Rate:	0.147	0.106	0.185	0.438			
		(20) Relativity to Underlying Present Rate:	0.312	0.179	0.246				
		(21) Credibility to Underlying Relativity:	0.280	0.030	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.309	0.158	0.212				
		(24) Balanced Formula Relativity:	0.307	0.158	0.211	0.233			

Class(es):		Effective: 9/1/2007						Goods & Services	
4512 BIOMEDICAL RESEARCH LABS-INCL OUTSIDE OPERATNS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,489,220	0	11	0	223,032	125,610	348,642		
2000/2001	3,512,295	0	25	0	144,229	206,884	351,113		
2001/2002	4,199,092	1	12	82,776	42,204	239,933	364,912		
2002/2003	4,755,768	2	17	235,097	116,423	239,845	591,364		
2003/2004	4,053,534	0	8	0	56,074	192,638	248,712		
MA Total	19,009,909	3	73	317,872	581,961	1,004,910	1,904,744		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.090	0.050	0.140			
		2000/2001	0.000	0.041	0.059	0.100			
		2001/2002	0.020	0.010	0.057	0.087			
		2002/2003	0.049	0.024	0.050	0.124			
		2003/2004	0.000	0.014	0.048	0.061			
		MA Total Pure Premium:	0.017	0.031	0.053	0.100			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.024	0.069	0.066				
		(14) Massachusetts Credibility:	0.30	0.76	0.78				
		(15) Countrywide Pure Premium:	0.101	0.097	0.170	0.368			
		(16) Countrywide Indicated Relativity:	0.141	0.212	0.203				
		(17) Countrywide Credibility:	0.35	0.12	0.11				
		(18) Countrywide Lost-time Claims:	81	527					
		(19) Pure Premium Underlying Present Rate:	0.039	0.043	0.069	0.151			
		(20) Relativity to Underlying Present Rate:	0.084	0.072	0.091				
		(21) Credibility to Underlying Relativity:	0.350	0.120	0.110				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.086	0.087	0.084				
		(24) Balanced Formula Relativity:	0.085	0.087	0.083	0.085			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000172

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 97

Calculation of Class Relativities

Class(es): 4557 INK MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	516,335	6	29	650,863	103,096	279,218	1,033,177		
2000/2001	549,686	2	31	297,272	323,508	413,901	1,034,681		
2001/2002	539,287	3	34	449,725	136,726	328,844	915,295		
2002/2003	513,819	1	19	197,559	47,427	98,909	343,895		
2003/2004	536,997	1	20	136,452	115,700	152,527	404,678		
MA Total	2,656,124	13	133	1,731,872	726,457	1,273,398	3,731,727		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.261	0.200	0.541	2.001			
		2000/2001	0.541	0.589	0.753	1.882			
		2001/2002	0.834	0.254	0.610	1.697			
		2002/2003	0.384	0.092	0.192	0.669			
		2003/2004	0.254	0.215	0.284	0.754			
		MA Total Pure Premium:	0.652	0.274	0.479	1.405			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.735	0.552	0.536				
		(14) Massachusetts Credibility:	0.40	0.88	0.89				
		(15) Countrywide Pure Premium:	0.439	0.274	0.490	1.204			
		(16) Countrywide Indicated Relativity:	0.528	0.596	0.582				
		(17) Countrywide Credibility:	0.30	0.06	0.06				
		(18) Countrywide Lost-time Claims:	114	1,190					
		(19) Pure Premium Underlying Present Rate:	0.583	0.434	0.669	1.686			
		(20) Relativity to Underlying Present Rate:	0.926	0.660	0.834				
		(21) Credibility to Underlying Relativity:	0.300	0.060	0.050				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.730	0.561	0.554				
		(24) Balanced Formula Relativity:	0.735	0.560	0.553	0.625			

Class(es): 4558 PAINT MFG		Effective: 9/1/2007						Manufacturing	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	160,581	1	8	258,346	293,487	158,578	710,411		
2000/2001	156,037	2	4	349,921	3,332	271,364	624,617		
2001/2002	115,824	2	5	174,970	46,141	155,198	376,309		
2002/2003	118,315	1	5	119,487	56,895	62,556	238,937		
2003/2004	120,458	1	4	315,842	32,022	58,812	406,676		
MA Total	671,215	7	26	1,218,565	431,878	706,507	2,356,950		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.609	1.828	0.988	4.424			
		2000/2001	2.243	0.021	1.739	4.003			
		2001/2002	1.511	0.398	1.340	3.249			
		2002/2003	1.010	0.481	0.529	2.019			
		2003/2004	2.622	0.266	0.488	3.376			
		MA Total Pure Premium:	1.815	0.643	1.053	3.511			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.046	1.299	1.177				
		(14) Massachusetts Credibility:	0.21	0.67	0.55				
		(15) Countrywide Pure Premium:	0.748	0.374	0.777	1.899			
		(16) Countrywide Indicated Relativity:	0.899	0.814	0.922				
		(17) Countrywide Credibility:	0.40	0.17	0.23				
		(18) Countrywide Lost-time Claims:	134	1,404					
		(19) Pure Premium Underlying Present Rate:	0.477	0.892	0.813	2.182			
		(20) Relativity to Underlying Present Rate:	0.756	1.356	1.014				
		(21) Credibility to Underlying Relativity:	0.390	0.160	0.220				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	1.084	1.226	1.082				
		(24) Balanced Formula Relativity:	1.092	1.222	1.080	1.116			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000173

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 98

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4583 FERTILIZER MFG & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	41,952	0	3	0	4,030	5,244	9,274		
2000/2001	27,657	0	0	0	0	1,573	1,573		
2001/2002	36,336	1	2	152,893	13,432	42,407	208,731		
2002/2003	40,799	0	1	0	383	16,065	16,448		
2003/2004	39,024	0	3	0	50,623	66,147	116,770		
MA Total	185,768	1	9	152,893	68,468	131,435	352,796		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.096	0.125	0.221				
	2000/2001	0.000	0.000	0.057	0.057				
	2001/2002	4.208	0.370	1.167	5.745				
	2002/2003	0.000	0.009	0.394	0.403				
	2003/2004	0.000	1.297	1.695	2.992				
	MA Total Pure Premium:	0.823	0.369	0.708	1.899				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.928	0.744	0.791					
	(14) Massachusetts Credibility:	0.20	0.29	0.32					
	(15) Countrywide Pure Premium:	1.907	0.590	1.524	4.020				
	(16) Countrywide Indicated Relativity:	2.292	1.282	1.810					
	(17) Countrywide Credibility:	0.40	0.36	0.34					
	(18) Countrywide Lost-time Claims:	124	1,133						
	(19) Pure Premium Underlying Present Rate:	1.423	0.406	0.771	2.599				
	(20) Relativity to Underlying Present Rate:	2.258	0.617	0.961					
	(21) Credibility to Underlying Relativity:	0.400	0.350	0.340					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	2.006	0.893	1.195					
	(24) Balanced Formula Relativity:	2.019	0.890	1.193	1.449				

Class(es):		Effective: 9/1/2007						Manufacturing	
4611 DRUG MEDICINE OR PHARMACEUTICAL PREP-NO MFG OF INGREDIENTS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	378,139	0	21	0	105,618	181,153	286,771		
2000/2001	353,707	3	17	519,946	140,207	205,399	865,552		
2001/2002	661,539	0	26	0	222,133	216,599	438,732		
2002/2003	365,134	3	22	380,884	197,061	230,847	808,792		
2003/2004	458,948	3	22	686,878	171,418	402,532	1,260,828		
MA Total	2,217,467	9	108	1,587,708	836,437	1,236,530	3,660,675		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.279	0.479	0.758				
	2000/2001	1.470	0.396	0.581	2.447				
	2001/2002	0.000	0.336	0.327	0.663				
	2002/2003	1.043	0.540	0.632	2.215				
	2003/2004	1.497	0.374	0.877	2.747				
	MA Total Pure Premium:	0.716	0.377	0.558	1.651				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.807	0.762	0.623					
	(14) Massachusetts Credibility:	0.30	0.82	0.72					
	(15) Countrywide Pure Premium:	0.331	0.224	0.400	0.955				
	(16) Countrywide Indicated Relativity:	0.398	0.486	0.476					
	(17) Countrywide Credibility:	0.35	0.09	0.14					
	(18) Countrywide Lost-time Claims:	350	3,874						
	(19) Pure Premium Underlying Present Rate:	0.321	0.435	0.474	1.231				
	(20) Relativity to Underlying Present Rate:	0.510	0.661	0.591					
	(21) Credibility to Underlying Relativity:	0.350	0.090	0.140					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.560	0.728	0.598					
	(24) Balanced Formula Relativity:	0.564	0.725	0.597	0.612				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000174

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 99

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
4635 OXYGEN OR HYDROGEN MFG & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	116,829	0	10	0	36,361	41,985	78,346	
2000/2001	128,358	0	7	0	215,921	113,903	329,824	
2001/2002	103,190	2	6	253,159	29,386	154,292	436,837	
2002/2003	120,222	2	8	382,318	60,265	159,499	602,082	
2003/2004	118,474	1	6	342,338	38,786	214,991	596,115	
MA Total	587,073	5	37	977,815	380,719	684,670	2,043,204	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.311	0.359	0.671			
	2000/2001	0.000	1.682	0.887	2.570			
	2001/2002	2.453	0.285	1.495	4.233			
	2002/2003	3.180	0.501	1.327	5.008			
	2003/2004	2.890	0.327	1.815	5.032			
	MA Total Pure Premium:	1.666	0.649	1.166	3.480			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.877	1.310	1.304				
	(14) Massachusetts Credibility:	0.22	0.60	0.47				
	(15) Countrywide Pure Premium:	1.174	0.373	0.808	2.354			
	(16) Countrywide Indicated Relativity:	1.410	0.811	0.959				
	(17) Countrywide Credibility:	0.39	0.20	0.27				
	(18) Countrywide Lost-time Claims:	144	1,120					
	(19) Pure Premium Underlying Present Rate:	0.578	0.771	0.615	1.964			
	(20) Relativity to Underlying Present Rate:	0.918	1.173	0.766				
	(21) Credibility to Underlying Relativity:	0.390	0.200	0.260				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	1.321	1.183	1.071				
	(24) Balanced Formula Relativity:	1.330	1.179	1.069	1.194			

Class(es):		Effective: 9/1/2007						Manufacturing
4653 GLUE MFG & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	16,569	0	3	0	52,014	17,714	69,728	
2000/2001	26,080	0	2	0	12,058	7,857	19,915	
2001/2002	12,558	0	0	0	0	0	0	
2002/2003	13,198	0	0	0	0	1,549	1,549	
2003/2004	15,106	0	0	0	0	5,134	5,134	
MA Total	83,511	0	5	0	64,073	32,254	96,326	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	3.139	1.069	4.208			
	2000/2001	0.000	0.462	0.301	0.764			
	2001/2002	0.000	0.000	0.000	0.000			
	2002/2003	0.000	0.000	0.117	0.117			
	2003/2004	0.000	0.000	0.340	0.340			
	MA Total Pure Premium:	0.000	0.767	0.386	1.153			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	1.549	0.432				
	(14) Massachusetts Credibility:	0.10	0.47	0.32				
	(15) Countrywide Pure Premium:	0.259	0.295	0.435	0.989			
	(16) Countrywide Indicated Relativity:	0.312	0.641	0.517				
	(17) Countrywide Credibility:	0.15	0.27	0.34				
	(18) Countrywide Lost-time Claims:	4	96					
	(19) Pure Premium Underlying Present Rate:	0.624	2.859	1.602	5.085			
	(20) Relativity to Underlying Present Rate:	0.990	4.346	1.997				
	(21) Credibility to Underlying Relativity:	0.750	0.260	0.340				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	0.789	2.031	0.993				
	(24) Balanced Formula Relativity:	0.794	2.025	0.991	1.139			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000175

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 100

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
4665 RENDERING WORKS NOC & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	30,140	1	9	134,540	55,493	109,576	299,609	
2000/2001	7,561	0	1	0	15,790	6,042	21,832	
2001/2002	30,588	0	11	0	52,454	42,386	94,840	
2002/2003	32,400	1	5	175,443	40,016	331,457	546,916	
2003/2004	34,793	0	6	0	54,624	54,990	109,613	
MA Total	135,482	2	32	309,983	218,377	544,451	1,072,811	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.464	1.841	3.636	9.941			
	2000/2001	0.000	2.088	0.799	2.887			
	2001/2002	0.000	1.715	1.386	3.101			
	2002/2003	5.415	1.235	10.230	16.880			
	2003/2004	0.000	1.570	1.580	3.150			
	MA Total Pure Premium:	2.288	1.612	4.019	7.918			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.579	3.255	4.492				
	(14) Massachusetts Credibility:	0.18	0.41	0.43				
	(15) Countrywide Pure Premium:	3.124	0.904	1.966	5.994			
	(16) Countrywide Indicated Relativity:	3.755	1.965	2.335				
	(17) Countrywide Credibility:	0.41	0.30	0.29				
	(18) Countrywide Lost-time Claims:	96	624					
	(19) Pure Premium Underlying Present Rate:	1.576	1.242	2.090	4.908			
	(20) Relativity to Underlying Present Rate:	2.501	1.888	2.606				
	(21) Credibility to Underlying Relativity:	0.410	0.290	0.280				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	3.029	2.472	3.338				
	(24) Balanced Formula Relativity:	3.049	2.464	3.332	3.033			

Class(es):		Effective: 9/1/2007						Manufacturing
4692 DENTAL LABORATORY								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	186,177	0	3	0	9,892	47,038	56,929	
2000/2001	188,385	0	5	0	30,177	48,044	78,222	
2001/2002	189,609	0	5	0	5,656	14,663	20,319	
2002/2003	193,141	0	2	0	10,507	18,366	28,874	
2003/2004	203,954	0	3	0	57,851	50,013	107,865	
MA Total	961,266	0	18	0	114,084	178,125	292,208	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.053	0.253	0.306			
	2000/2001	0.000	0.160	0.255	0.415			
	2001/2002	0.000	0.030	0.077	0.107			
	2002/2003	0.000	0.054	0.095	0.149			
	2003/2004	0.000	0.284	0.245	0.529			
	MA Total Pure Premium:	0.000	0.119	0.185	0.304			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.240	0.207				
	(14) Massachusetts Credibility:	0.16	0.39	0.35				
	(15) Countrywide Pure Premium:	0.197	0.155	0.249	0.601			
	(16) Countrywide Indicated Relativity:	0.236	0.337	0.296				
	(17) Countrywide Credibility:	0.42	0.31	0.33				
	(18) Countrywide Lost-time Claims:	68	549					
	(19) Pure Premium Underlying Present Rate:	0.168	0.157	0.176	0.501			
	(20) Relativity to Underlying Present Rate:	0.266	0.239	0.219				
	(21) Credibility to Underlying Relativity:	0.420	0.300	0.320				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	0.211	0.270	0.240				
	(24) Balanced Formula Relativity:	0.212	0.269	0.240	0.235			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000176

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 101

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
4693 PHARMACEUTICAL OR SURGICAL GOODS MFG NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	201,524	1	18	55,596	261,551	240,118	557,264	
2000/2001	174,223	0	4	0	59,463	34,054	93,517	
2001/2002	171,620	0	5	0	30,824	31,714	62,538	
2002/2003	192,915	0	6	0	60,691	16,119	76,810	
2003/2004	158,078	0	6	0	67,138	60,587	127,725	
MA Total	898,360	1	39	55,596	479,666	382,591	917,854	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.276	1.298	1.192	2.765			
	2000/2001	0.000	0.341	0.195	0.537			
	2001/2002	0.000	0.180	0.185	0.364			
	2002/2003	0.000	0.315	0.084	0.398			
	2003/2004	0.000	0.425	0.383	0.808			
	MA Total Pure Premium:	0.062	0.534	0.426	1.022			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.070	1.078	0.476				
	(14) Massachusetts Credibility:	0.19	0.49	0.45				
	(15) Countrywide Pure Premium:	0.259	0.173	0.331	0.763			
	(16) Countrywide Indicated Relativity:	0.311	0.377	0.393				
	(17) Countrywide Credibility:	0.41	0.26	0.28				
	(18) Countrywide Lost-time Claims:	90	1,408					
	(19) Pure Premium Underlying Present Rate:	0.251	0.301	0.364	0.916			
	(20) Relativity to Underlying Present Rate:	0.398	0.458	0.453				
	(21) Credibility to Underlying Relativity:	0.400	0.250	0.270				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	0.300	0.741	0.447				
	(24) Balanced Formula Relativity:	0.302	0.738	0.446	0.454			

Class(es):		Effective: 9/1/2007						Manufacturing
4720 SOAP OR SYNTHETIC DETERGENT MFG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	104,758	1	12	88,301	53,551	105,621	247,473	
2000/2001	96,910	0	5	0	22,841	24,683	47,524	
2001/2002	107,852	0	3	0	3,960	28,798	32,758	
2002/2003	110,067	1	5	78,757	21,552	118,605	218,913	
2003/2004	122,791	0	7	0	74,272	33,098	107,370	
MA Total	542,378	2	32	167,058	176,176	310,804	654,038	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.843	0.511	1.008	2.362			
	2000/2001	0.000	0.236	0.255	0.490			
	2001/2002	0.000	0.037	0.267	0.304			
	2002/2003	0.716	0.196	1.078	1.989			
	2003/2004	0.000	0.605	0.270	0.874			
	MA Total Pure Premium:	0.308	0.325	0.573	1.206			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.347	0.656	0.641				
	(14) Massachusetts Credibility:	0.25	0.56	0.64				
	(15) Countrywide Pure Premium:	0.874	0.456	0.830	2.160			
	(16) Countrywide Indicated Relativity:	1.050	0.992	0.986				
	(17) Countrywide Credibility:	0.38	0.22	0.18				
	(18) Countrywide Lost-time Claims:	70	1,079					
	(19) Pure Premium Underlying Present Rate:	0.867	0.684	1.458	3.009			
	(20) Relativity to Underlying Present Rate:	1.376	1.039	1.818				
	(21) Credibility to Underlying Relativity:	0.370	0.220	0.180				
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
	(23) Formula Relativity:	0.995	0.814	0.915				
	(24) Balanced Formula Relativity:	1.002	0.812	0.913	0.926			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000177

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 102

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4740 OIL REFINING - PETROLEUM & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	8,075	0	0	0	0	1,806	1,806		
2000/2001	13,048	0	1	0	6,492	6,272	12,764		
2001/2002	9,271	0	0	0	0	1,134	1,134		
2002/2003	12,040	0	0	0	0	0	0		
2003/2004	15,769	0	0	0	0	0	0		
MA Total	58,203	0	1	0	6,492	9,212	15,704		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.224	0.224				
	2000/2001	0.000	0.498	0.481	0.978				
	2001/2002	0.000	0.000	0.122	0.122				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	0.112	0.158	0.270				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.225	0.177					
	(14) Massachusetts Credibility:	0.08	0.17	0.17					
	(15) Countrywide Pure Premium:	0.673	0.197	0.433	1.304				
	(16) Countrywide Indicated Relativity:	0.809	0.429	0.515					
	(17) Countrywide Credibility:	0.46	0.42	0.42					
	(18) Countrywide Lost-time Claims:	197	1,230						
	(19) Pure Premium Underlying Present Rate:	0.536	0.322	0.511	1.369				
	(20) Relativity to Underlying Present Rate:	0.851	0.489	0.637					
	(21) Credibility to Underlying Relativity:	0.460	0.410	0.410					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.764	0.419	0.507					
	(24) Balanced Formula Relativity:	0.769	0.418	0.506	0.589				

Class(es):		Effective: 9/1/2007						Manufacturing	
4741 ASPHALT OR TAR DISTILLING OR REFINING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	49	0	0	0	0	0	0		
2000/2001	50	0	0	0	0	0	0		
2001/2002	39,025	0	6	0	112,449	21,623	134,072		
2002/2003	19	0	0	0	0	0	0		
2003/2004	3,137	0	0	0	0	0	0		
MA Total	42,280	0	6	0	112,449	21,623	134,072		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.000	0.000				
	2000/2001	0.000	0.000	0.000	0.000				
	2001/2002	0.000	2.881	0.554	3.436				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	2.660	0.511	3.171				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	5.371	0.572					
	(14) Massachusetts Credibility:	0.09	0.25	0.17					
	(15) Countrywide Pure Premium:	1.405	0.296	0.643	2.344				
	(16) Countrywide Indicated Relativity:	1.688	0.644	0.764					
	(17) Countrywide Credibility:	0.24	0.38	0.42					
	(18) Countrywide Lost-time Claims:	13	156						
	(19) Pure Premium Underlying Present Rate:	0.853	1.155	0.668	2.677				
	(20) Relativity to Underlying Present Rate:	1.354	1.756	0.833					
	(21) Credibility to Underlying Relativity:	0.670	0.370	0.410					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	1.312	2.237	0.760					
	(24) Balanced Formula Relativity:	1.321	2.230	0.758	1.298				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000178

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 103

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing
4770 EXPLOSIVES OR AMMUNITION MFG: BAG LOADING-PROPLNT CHRGS &DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
1999/2000		0.000	0.000	0.000	0.000			
2000/2001		0.000	0.000	0.000	0.000			
2001/2002		0.000	0.000	0.000	0.000			
2002/2003		0.000	0.000	0.000	0.000			
2003/2004		0.000	0.000	0.000	0.000			
MA Total Pure Premium:		0.000	0.000	0.000	0.000			
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000				
(14) Massachusetts Credibility:		0.00	0.00	0.00				
(15) Countrywide Pure Premium:		0.000	0.000	0.000	0.000			
(16) Countrywide Indicated Relativity:		12.059	2.112	1.260				
(17) Countrywide Credibility:		0.00	0.00	0.00				
(18) Countrywide Lost-time Claims:		0	0					
(19) Pure Premium Underlying Present Rate:		7.652	1.402	1.019	10.072			
(20) Relativity to Underlying Present Rate:		12.145	2.131	1.270				
(21) Credibility to Underlying Relativity:		1.000	1.000	1.000				
(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277			
(23) Formula Relativity:		12.145	2.131	1.270				
(24) Balanced Formula Relativity:		12.227	2.124	1.267	5.724			

Class(es):		Effective: 9/1/2007						Manufacturing
4773 EXPLOSIVES OR AMMUNITION MFG: HIGH EXPLOSIVES MFG & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
1999/2000		0.000	0.000	0.000	0.000			
2000/2001		0.000	0.000	0.000	0.000			
2001/2002		0.000	0.000	0.000	0.000			
2002/2003		0.000	0.000	0.000	0.000			
2003/2004		0.000	0.000	0.000	0.000			
MA Total Pure Premium:		0.000	0.000	0.000	0.000			
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000				
(14) Massachusetts Credibility:		0.00	0.00	0.00				
(15) Countrywide Pure Premium:		0.000	0.000	0.000	0.000			
(16) Countrywide Indicated Relativity:		24.821	3.847	2.366				
(17) Countrywide Credibility:		0.00	0.00	0.00				
(18) Countrywide Lost-time Claims:		0	0					
(19) Pure Premium Underlying Present Rate:		15.749	2.553	1.912	20.214			
(20) Relativity to Underlying Present Rate:		24.996	3.881	2.383				
(21) Credibility to Underlying Relativity:		1.000	1.000	1.000				
(22) Industry Group Adjusted Converted Pure Premium:		0.887	0.495	0.895	2.277			
(23) Formula Relativity:		24.996	3.881	2.383				
(24) Balanced Formula Relativity:		25.166	3.868	2.379	11.583			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000179

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 104

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
		4774 EXPLOSIVES OR AMMUNITION MFG: SMOKELESS PWDR MFG-SNGL BS &DR							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000			
		(16) Countrywide Indicated Relativity:	19.874	3.903	2.198				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	12.610	2.590	1.776	16.977			
		(20) Relativity to Underlying Present Rate:	20.015	3.937	2.215				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	20.015	3.937	2.215				
		(24) Balanced Formula Relativity:	20.151	3.925	2.210	9.574			

Class(es):		Effective: 9/1/2007						Manufacturing	
		4775 EXPLOSIVES OR AMMUNITION MFG: SHELL CASE LOADING & DRIVERS							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000			
		(16) Countrywide Indicated Relativity:	11.001	2.001	2.261				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	6.980	1.328	1.827	10.135			
		(20) Relativity to Underlying Present Rate:	11.079	2.019	2.278				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	11.079	2.019	2.278				
		(24) Balanced Formula Relativity:	11.154	2.012	2.274	5.677			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000180

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 105

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
		4776 EXPLOSIVES OR AMMUNITION MFG: PROJCTL,BOMB, MINE,GRENADE &DR							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000			
		(16) Countrywide Indicated Relativity:	18.644	2.350	1.208				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	11.830	1.560	0.977	14.366			
		(20) Relativity to Underlying Present Rate:	18.776	2.371	1.217				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	18.776	2.371	1.217				
		(24) Balanced Formula Relativity:	18.903	2.363	1.215	8.357			

Class(es):		Effective: 9/1/2007						Manufacturing	
		4779 EXPLOSIVES OR AMMUNITION MFG: CAP,PRIMER,FUSE, ASSEMBLY & DR							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.023	0.023			
		(16) Countrywide Indicated Relativity:	0.000	0.000	0.028				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	9.331	1.662	2.156	13.148			
		(20) Relativity to Underlying Present Rate:	14.809	2.526	2.687				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	14.809	2.526	2.687				
		(24) Balanced Formula Relativity:	14.910	2.517	2.682	7.411			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000181

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 106

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4799 EXPLOSIVES OR AMMUNITION MFG: BLACK POWDER MFG & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	0	0	0	0	0	0	0	0	
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.000	0.000			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.00	0.00	0.00				
		(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000			
		(16) Countrywide Indicated Relativity:	44.363	7.849	4.647				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	28.148	5.209	3.756	37.113			
		(20) Relativity to Underlying Present Rate:	44.676	7.918	4.682				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	44.676	7.918	4.682				
		(24) Balanced Formula Relativity:	44.980	7.892	4.673	21.080			

Class(es):		Effective: 9/1/2007						Manufacturing	
4825 DRUG, MEDICINE OR PHARM PREP MFG & INCIDENTL MFG INGREDIENTS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	312,900	0	6	0	35,906	122,267	158,174		
2000/2001	269,542	1	2	74,997	581	31,036	106,613		
2001/2002	1,099,355	0	3	0	45,282	97,304	142,586		
2002/2003	473,556	1	3	78,891	51,540	97,328	227,758		
2003/2004	451,552	0	4	0	34,727	62,850	97,576		
MA Total	2,606,905	2	18	153,888	168,035	410,785	732,708		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.115	0.391	0.506			
		2000/2001	0.278	0.002	0.115	0.396			
		2001/2002	0.000	0.041	0.089	0.130			
		2002/2003	0.167	0.109	0.206	0.481			
		2003/2004	0.000	0.077	0.139	0.216			
		MA Total Pure Premium:	0.059	0.064	0.158	0.281			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.067	0.130	0.176				
		(14) Massachusetts Credibility:	0.25	0.53	0.61				
		(15) Countrywide Pure Premium:	0.225	0.126	0.284	0.636			
		(16) Countrywide Indicated Relativity:	0.271	0.274	0.337				
		(17) Countrywide Credibility:	0.38	0.24	0.20				
		(18) Countrywide Lost-time Claims:	65	991					
		(19) Pure Premium Underlying Present Rate:	0.179	0.127	0.265	0.571			
		(20) Relativity to Underlying Present Rate:	0.285	0.193	0.330				
		(21) Credibility to Underlying Relativity:	0.370	0.230	0.190				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.225	0.179	0.238				
		(24) Balanced Formula Relativity:	0.226	0.179	0.237	0.220			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000182

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 107

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
4828 CHEMICAL BLENDING OR MIXING NOC- ALL OPERS & DR*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	572,404	0	4	0	4,860	31,288	36,148		
2000/2001	473,934	2	16	128,084	78,151	135,935	342,170		
2001/2002	664,240	2	12	339,706	84,965	121,654	546,325		
2002/2003	675,472	0	11	0	51,129	94,726	145,855		
2003/2004	650,944	2	13	418,255	149,513	561,233	1,129,001		
MA Total	3,036,994	6	56	886,046	368,618	944,836	2,199,500		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.008	0.055	0.063				
	2000/2001	0.270	0.165	0.287	0.722				
	2001/2002	0.511	0.128	0.183	0.822				
	2002/2003	0.000	0.076	0.140	0.216				
	2003/2004	0.643	0.230	0.862	1.734				
	MA Total Pure Premium:	0.292	0.121	0.311	0.724				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.329	0.245	0.348					
	(14) Massachusetts Credibility:	0.34	0.65	0.60					
	(15) Countrywide Pure Premium:	0.688	0.228	0.440	1.356				
	(16) Countrywide Indicated Relativity:	0.827	0.496	0.523					
	(17) Countrywide Credibility:	0.33	0.18	0.20					
	(18) Countrywide Lost-time Claims:	350	2,999						
	(19) Pure Premium Underlying Present Rate:	0.324	0.178	0.220	0.722				
	(20) Relativity to Underlying Present Rate:	0.514	0.271	0.274					
	(21) Credibility to Underlying Relativity:	0.330	0.170	0.200					
	(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277				
	(23) Formula Relativity:	0.554	0.295	0.368					
	(24) Balanced Formula Relativity:	0.558	0.294	0.367	0.426				

Class(es):		Effective: 9/1/2007						Construction	
5020 CEILING INSTALLATION-SUSPENDED ACOUSTICAL GRID									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	178,088	4	33	460,195	237,259	221,502	918,956		
2000/2001	209,009	4	16	789,726	120,077	371,795	1,281,598		
2001/2002	201,127	2	19	285,555	242,021	232,548	760,124		
2002/2003	209,387	6	14	1,394,047	106,803	607,510	2,108,361		
2003/2004	196,154	1	13	291,260	98,986	253,843	644,088		
MA Total	993,765	17	95	3,220,783	805,147	1,687,197	5,713,127		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	2.584	1.332	1.244	5.160				
	2000/2001	3.778	0.575	1.779	6.132				
	2001/2002	1.420	1.203	1.156	3.779				
	2002/2003	6.658	0.510	2.901	10.069				
	2003/2004	1.485	0.505	1.294	3.284				
	MA Total Pure Premium:	3.241	0.810	1.698	5.749				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.090	0.887	0.855					
	(14) Massachusetts Credibility:	0.42	0.87	0.77					
	(15) Countrywide Pure Premium:	3.513	0.911	1.782	6.205				
	(16) Countrywide Indicated Relativity:	1.263	1.010	0.935					
	(17) Countrywide Credibility:	0.29	0.07	0.12					
	(18) Countrywide Lost-time Claims:	197	1,134						
	(19) Pure Premium Underlying Present Rate:	1.686	1.137	1.271	4.093				
	(20) Relativity to Underlying Present Rate:	0.722	0.824	0.632					
	(21) Credibility to Underlying Relativity:	0.290	0.060	0.110					
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872				
	(23) Formula Relativity:	1.034	0.892	0.840					
	(24) Balanced Formula Relativity:	1.046	0.892	0.844	0.954				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000183

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 108

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5022 MASONRY NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	805,141	28	144	5,936,727	1,984,070	2,180,390	10,101,187	
2000/2001	952,940	33	169	5,547,538	1,745,570	3,689,391	10,982,498	
2001/2002	955,649	37	134	6,889,170	1,137,721	4,416,781	12,443,672	
2002/2003	945,997	24	126	4,707,800	976,680	2,849,644	8,534,125	
2003/2004	895,242	10	101	3,409,859	1,529,012	2,256,146	7,195,017	
MA Total	4,554,969	132	674	26,491,094	7,373,054	15,392,352	49,256,499	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	7.374	2.464	2.708	12.546			
	2000/2001	5.821	1.832	3.872	11.525			
	2001/2002	7.209	1.191	4.622	13.021			
	2002/2003	4.977	1.032	3.012	9.021			
	2003/2004	3.809	1.708	2.520	8.037			
	MA Total Pure Premium:	5.816	1.619	3.379	10.814			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.956	1.772	1.702				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	4.046	1.180	2.380	7.607			
	(16) Countrywide Indicated Relativity:	1.455	1.309	1.249				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1.877	14.415					
	(19) Pure Premium Underlying Present Rate:	5.048	3.365	3.733	12.147			
	(20) Relativity to Underlying Present Rate:	2.162	2.439	1.857				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.956	1.772	1.702				
	(24) Balanced Formula Relativity:	1.981	1.773	1.709	1.857			

Class(es):		Effective: 9/1/2007						Construction
5037 PAINTING: METAL STRUCTURES-OVER 2 STORIES IN HEIGHT & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	6,124	0	1	0	777	3,824	4,601	
2000/2001	13,019	1	2	308,320	34,326	85,578	428,224	
2001/2002	17,318	2	1	343,014	4,141	220,399	567,554	
2002/2003	23,033	1	2	411,357	46,028	155,115	612,500	
2003/2004	15,148	0	0	0	0	0	0	
MA Total	74,642	4	6	1,062,691	85,272	464,916	1,612,879	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.127	0.624	0.751			
	2000/2001	23.683	2.637	6.574	32.893			
	2001/2002	19.807	0.239	12.727	32.773			
	2002/2003	17.860	1.998	6.735	26.593			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	14.237	1.142	6.229	21.608			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.789	1.251	3.137	13.477			
	(14) Massachusetts Credibility:	0.32	0.47	0.51				
	(15) Countrywide Pure Premium:	7.902	1.857	3.718	13.477			
	(16) Countrywide Indicated Relativity:	2.841	2.059	1.951				
	(17) Countrywide Credibility:	0.34	0.27	0.25				
	(18) Countrywide Lost-time Claims:	48	170					
	(19) Pure Premium Underlying Present Rate:	11.611	3.214	5.910	20.735			
	(20) Relativity to Underlying Present Rate:	4.973	2.329	2.940				
	(21) Credibility to Underlying Relativity:	0.340	0.260	0.240				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	4.189	1.749	2.794				
	(24) Balanced Formula Relativity:	4.241	1.750	2.805	3.368			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 109

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5040 IRON OR STEEL: ERECTION: ERECTION-FRAME STRUCTURES								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	166,178	16	48	3,333,342	751,671	1,925,664	6,010,677	
2000/2001	249,886	29	69	6,193,517	708,078	3,201,062	10,102,656	
2001/2002	134,146	16	60	4,309,833	548,613	1,785,596	6,644,043	
2002/2003	119,840	24	35	6,944,965	896,342	2,893,011	10,734,319	
2003/2004	87,823	5	22	1,659,022	337,117	778,035	2,774,173	
MA Total	757,873	90	234	22,440,678	3,241,822	10,583,368	36,265,868	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	20.059	4.523	11.588	36.170			
	2000/2001	24.785	2.834	12.810	40.429			
	2001/2002	32.128	4.090	13.311	49.529			
	2002/2003	57.952	7.479	24.141	89.572			
	2003/2004	18.890	3.839	8.859	31.588			
	MA Total Pure Premium:	29.610	4.278	13.965	47.852			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	9.961	4.683	7.034				
	(14) Massachusetts Credibility:	0.94	1.00	1.00				
	(15) Countrywide Pure Premium:	11.545	2.167	5.557	19.269			
	(16) Countrywide Indicated Relativity:	4.152	2.403	2.916				
	(17) Countrywide Credibility:	0.03	0.00	0.00				
	(18) Countrywide Lost-time Claims:	672	2,436					
	(19) Pure Premium Underlying Present Rate:	16.884	7.556	11.297	35.737			
	(20) Relativity to Underlying Present Rate:	7.231	5.477	5.620				
	(21) Credibility to Underlying Relativity:	0.030	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	9.704	4.683	7.034				
	(24) Balanced Formula Relativity:	9.825	4.685	7.063	8.091			

Class(es):		Effective: 9/1/2007						Construction
5057 IRON OR STEEL: ERECTION-NOC*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	140,945	13	38	3,070,386	390,778	1,207,242	4,668,406	
2000/2001	92,054	13	37	2,150,100	726,901	1,544,398	4,421,398	
2001/2002	83,329	13	22	3,483,171	191,700	1,221,280	4,896,152	
2002/2003	198,412	17	22	5,019,862	305,199	1,780,243	7,105,303	
2003/2004	83,568	8	25	2,182,549	350,820	1,603,988	4,137,356	
MA Total	598,308	64	144	15,906,068	1,965,398	7,357,150	25,228,616	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	21.784	2.773	8.565	33.122			
	2000/2001	23.357	7.896	16.777	48.031			
	2001/2002	41.800	2.301	14.656	58.757			
	2002/2003	25.300	1.538	8.972	35.811			
	2003/2004	26.117	4.198	19.194	49.509			
	MA Total Pure Premium:	26.585	3.285	12.297	42.167			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	8.943	3.596	6.194				
	(14) Massachusetts Credibility:	0.85	1.00	1.00				
	(15) Countrywide Pure Premium:	9.132	1.573	4.886	15.591			
	(16) Countrywide Indicated Relativity:	3.284	1.744	2.564				
	(17) Countrywide Credibility:	0.08	0.00	0.00				
	(18) Countrywide Lost-time Claims:	672	2,596					
	(19) Pure Premium Underlying Present Rate:	16.777	6.331	10.451	33.559			
	(20) Relativity to Underlying Present Rate:	7.186	4.589	5.199				
	(21) Credibility to Underlying Relativity:	0.070	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	8.367	3.596	6.194				
	(24) Balanced Formula Relativity:	8.471	3.598	6.219	6.952			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000185

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 110

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5102 DOOR, DOOR FRAME OR SASH ERECTION - METAL OR METAL COVERED								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	310,350	8	49	1,354,742	540,493	612,744	2,507,979	
2000/2001	327,422	6	36	1,055,010	578,387	811,536	2,444,934	
2001/2002	351,404	7	32	2,056,453	301,073	601,741	2,959,268	
2002/2003	453,523	5	25	1,908,347	346,312	660,263	2,914,921	
2003/2004	359,163	1	29	471,322	496,775	637,026	1,605,123	
MA Total	1,801,862	27	171	6,845,874	2,263,040	3,323,309	12,432,224	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.365	1.742	1.974	8.081			
	2000/2001	3.222	1.766	2.479	7.467			
	2001/2002	5.852	0.857	1.712	8.421			
	2002/2003	4.208	0.764	1.456	6.427			
	2003/2004	1.312	1.383	1.774	4.469			
	MA Total Pure Premium:	3.799	1.256	1.844	6.900			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.278	1.375	0.929				
	(14) Massachusetts Credibility:	0.68	1.00	1.00				
	(15) Countrywide Pure Premium:	3.145	0.949	2.112	6.207			
	(16) Countrywide Indicated Relativity:	1.131	1.053	1.108				
	(17) Countrywide Credibility:	0.16	0.00	0.00				
	(18) Countrywide Lost-time Claims:	422	2,382					
	(19) Pure Premium Underlying Present Rate:	3.180	2.781	2.589	8.549			
	(20) Relativity to Underlying Present Rate:	1.362	2.015	1.288				
	(21) Credibility to Underlying Relativity:	0.160	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.268	1.375	0.929				
	(24) Balanced Formula Relativity:	1.284	1.376	0.933	1.179			

Class(es):		Effective: 9/1/2007						Construction
5146 FURNITURE OR FIXTURES INSTALLATION - PORTABLE - NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	365,346	7	43	1,005,503	482,792	736,250	2,224,546	
2000/2001	332,300	6	37	786,059	138,926	497,350	1,422,334	
2001/2002	402,365	6	43	1,058,335	530,239	842,863	2,431,437	
2002/2003	412,823	4	36	741,597	400,529	589,131	1,731,257	
2003/2004	406,524	4	36	1,151,669	607,747	626,749	2,386,165	
MA Total	1,919,358	27	195	4,743,162	2,160,233	3,292,343	10,195,738	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.752	1.321	2.015	6.089			
	2000/2001	2.366	0.418	1.497	4.280			
	2001/2002	2.630	1.318	2.095	6.043			
	2002/2003	1.796	0.970	1.427	4.194			
	2003/2004	2.833	1.495	1.542	5.870			
	MA Total Pure Premium:	2.471	1.125	1.715	5.312			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.831	1.232	0.864				
	(14) Massachusetts Credibility:	0.54	1.00	1.00				
	(15) Countrywide Pure Premium:	2.152	0.918	1.482	4.552			
	(16) Countrywide Indicated Relativity:	0.774	1.019	0.778				
	(17) Countrywide Credibility:	0.23	0.00	0.00				
	(18) Countrywide Lost-time Claims:	741	4,901					
	(19) Pure Premium Underlying Present Rate:	1.664	1.469	1.972	5.106			
	(20) Relativity to Underlying Present Rate:	0.713	1.065	0.981				
	(21) Credibility to Underlying Relativity:	0.230	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.791	1.232	0.864				
	(24) Balanced Formula Relativity:	0.801	1.233	0.868	0.891			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 111

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5160 ELEVATOR ERECTION OR REPAIR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	255,078	2	18	331,999	239,741	283,271	855,012	
2000/2001	345,594	1	13	89,765	297,234	196,611	583,610	
2001/2002	396,923	3	16	819,133	337,705	499,241	1,656,079	
2002/2003	323,821	2	6	370,359	216,187	309,344	895,890	
2003/2004	331,588	2	16	482,963	148,097	794,118	1,425,178	
MA Total	1,653,004	10	69	2,094,219	1,238,964	2,082,585	5,415,768	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	1.302	0.940	1.111	3.352	
			2000/2001	0.260	0.860	0.569	1.689	
			2001/2002	2.064	0.851	1.258	4.172	
			2002/2003	1.144	0.668	0.955	2.767	
			2003/2004	1.457	0.447	2.395	4.298	
			MA Total Pure Premium:	1.267	0.750	1.260	3.276	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.426	0.821	0.635		
			(14) Massachusetts Credibility:	0.42	0.97	0.81		
			(15) Countrywide Pure Premium:	1.756	0.698	1.164	3.618	
			(16) Countrywide Indicated Relativity:	0.631	0.775	0.611		
			(17) Countrywide Credibility:	0.29	0.02	0.10		
			(18) Countrywide Lost-time Claims:	365	2,531			
			(19) Pure Premium Underlying Present Rate:	1.057	0.895	0.848	2.801	
			(20) Relativity to Underlying Present Rate:	0.453	0.649	0.422		
			(21) Credibility to Underlying Relativity:	0.290	0.010	0.090		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	0.493	0.818	0.613		
			(24) Balanced Formula Relativity:	0.500	0.818	0.616	0.588	

Class(es):		Effective: 9/1/2007						Construction
5183 PLUMBING NOC & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	3,645,516	50	355	10,201,244	3,070,315	6,010,056	19,281,615	
2000/2001	4,059,984	42	344	7,834,410	3,144,643	5,944,661	16,923,714	
2001/2002	4,330,584	30	324	5,095,783	2,823,651	5,441,133	13,360,568	
2002/2003	4,812,059	47	333	11,539,324	2,818,588	6,539,833	20,897,745	
2003/2004	4,910,738	25	377	8,422,106	4,191,459	6,251,807	18,865,372	
MA Total	21,758,881	194	1,733	43,092,867	16,048,656	30,187,491	89,329,014	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	2.798	0.842	1.649	5.289	
			2000/2001	1.930	0.775	1.464	4.168	
			2001/2002	1.177	0.652	1.256	3.085	
			2002/2003	2.398	0.586	1.359	4.343	
			2003/2004	1.715	0.854	1.273	3.842	
			MA Total Pure Premium:	1.980	0.738	1.387	4.105	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.666	0.807	0.699		
			(14) Massachusetts Credibility:	1.00	1.00	1.00		
			(15) Countrywide Pure Premium:	2.124	0.765	1.474	4.363	
			(16) Countrywide Indicated Relativity:	0.764	0.848	0.773		
			(17) Countrywide Credibility:	0.00	0.00	0.00		
			(18) Countrywide Lost-time Claims:	3,198	27,606			
			(19) Pure Premium Underlying Present Rate:	1.233	1.157	1.319	3.709	
			(20) Relativity to Underlying Present Rate:	0.528	0.839	0.656		
			(21) Credibility to Underlying Relativity:	0.000	0.000	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	0.666	0.807	0.699		
			(24) Balanced Formula Relativity:	0.674	0.808	0.702	0.704	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000187

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 112

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5188 AUTOMATIC SPRINKLER INSTALLATION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	465,212	4	44	438,212	453,075	367,835	1,259,123	
2000/2001	505,546	7	56	1,347,592	595,781	990,358	2,933,731	
2001/2002	536,899	6	50	1,574,326	274,287	792,361	2,640,974	
2002/2003	529,516	2	57	506,643	683,146	570,717	1,760,506	
2003/2004	704,438	3	67	694,527	1,021,768	740,464	2,456,759	
MA Total	2,741,611	22	274	4,561,301	3,028,058	3,461,734	11,051,092	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.942	0.974	0.791	2.707			
	2000/2001	2.666	1.178	1.959	5.803			
	2001/2002	2.932	0.511	1.476	4.919			
	2002/2003	0.957	1.290	1.078	3.325			
	2003/2004	0.986	1.450	1.051	3.488			
	MA Total Pure Premium:	1.664	1.104	1.263	4.031			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.560	1.209	0.636				
	(14) Massachusetts Credibility:	0.58	1.00	1.00				
	(15) Countrywide Pure Premium:	2.187	0.685	1.365	4.238			
	(16) Countrywide Indicated Relativity:	0.787	0.760	0.716				
	(17) Countrywide Credibility:	0.21	0.00	0.00				
	(18) Countrywide Lost-time Claims:	243	2,188					
	(19) Pure Premium Underlying Present Rate:	1.401	1.265	1.549	4.215			
	(20) Relativity to Underlying Present Rate:	0.600	0.917	0.771				
	(21) Credibility to Underlying Relativity:	0.210	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.616	1.209	0.636				
	(24) Balanced Formula Relativity:	0.623	1.210	0.639	0.720			

Class(es):		Effective: 9/1/2007						Construction
5190 ELECTRICAL WIRING - WITHIN BUILDINGS & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	4,882,205	45	386	9,512,402	3,501,105	5,894,795	18,908,303	
2000/2001	5,361,539	45	380	8,642,243	3,330,052	6,643,628	18,615,923	
2001/2002	5,371,134	42	358	8,422,546	3,018,122	6,165,740	17,606,407	
2002/2003	5,645,790	33	386	7,543,774	2,999,843	6,331,463	16,875,080	
2003/2004	5,798,366	23	307	6,750,661	3,567,745	7,027,185	17,345,592	
MA Total	27,059,034	188	1,817	40,871,626	16,416,867	32,062,812	89,351,305	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.948	0.717	1.207	3.873			
	2000/2001	1.612	0.621	1.239	3.472			
	2001/2002	1.568	0.562	1.148	3.278			
	2002/2003	1.336	0.531	1.121	2.989			
	2003/2004	1.164	0.615	1.212	2.991			
	MA Total Pure Premium:	1.510	0.607	1.185	3.302			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.508	0.664	0.597				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	1.756	0.646	1.293	3.695			
	(16) Countrywide Indicated Relativity:	0.632	0.716	0.679				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	3,375	29,287					
	(19) Pure Premium Underlying Present Rate:	1.195	0.904	1.136	3.235			
	(20) Relativity to Underlying Present Rate:	0.512	0.655	0.565				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.508	0.664	0.597				
	(24) Balanced Formula Relativity:	0.514	0.665	0.599	0.566			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000188

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 113

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
5191 OFFICE MACHICE OR APPLIANCE INSTALL, INSP, ADJUSTMT OR REPAIR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	3,954,503	14	117	2,304,521	1,111,950	2,512,248	5,928,719		
2000/2001	3,630,434	9	79	1,677,882	487,187	1,702,051	3,867,119		
2001/2002	3,550,660	8	63	1,137,240	512,717	1,549,858	3,199,815		
2002/2003	3,508,366	13	83	2,026,074	697,751	2,477,836	5,201,661		
2003/2004	3,086,774	8	50	2,017,104	546,770	2,024,368	4,588,242		
MA Total	17,730,737	52	392	9,162,820	3,356,376	10,266,360	22,785,556		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.583	0.281	0.635	1.499			
		2000/2001	0.462	0.134	0.469	1.065			
		2001/2002	0.320	0.144	0.436	0.901			
		2002/2003	0.577	0.199	0.706	1.483			
		2003/2004	0.653	0.177	0.656	1.486			
		MA Total Pure Premium:	0.517	0.189	0.579	1.285			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.745	0.429	0.718				
		(14) Massachusetts Credibility:	0.67	1.00	1.00				
		(15) Countrywide Pure Premium:	0.406	0.195	0.360	0.961			
		(16) Countrywide Indicated Relativity:	0.570	0.425	0.431				
		(17) Countrywide Credibility:	0.17	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,233	9,416					
		(19) Pure Premium Underlying Present Rate:	0.307	0.263	0.436	1.005			
		(20) Relativity to Underlying Present Rate:	0.654	0.442	0.580				
		(21) Credibility to Underlying Relativity:	0.160	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.700	0.429	0.718				
		(24) Balanced Formula Relativity:	0.694	0.429	0.715	0.643			

Class(es):		Effective: 9/1/2007						Goods & Services	
5192 VENDING OR COIN OPERTD MACHINES-INSTALL, SRVC OR RPR & SALES, DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	265,712	5	51	419,333	375,012	558,532	1,352,877		
2000/2001	286,442	8	51	903,515	360,700	843,200	2,107,414		
2001/2002	320,436	3	49	619,907	454,711	464,198	1,538,816		
2002/2003	275,430	6	44	862,694	319,813	921,415	2,103,922		
2003/2004	324,936	0	44	0	560,631	389,278	949,908		
MA Total	1,472,956	22	239	2,805,449	2,070,867	3,176,622	8,052,938		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.578	1.411	2.102	5.092			
		2000/2001	3.154	1.259	2.944	7.357			
		2001/2002	1.935	1.419	1.449	4.802			
		2002/2003	3.132	1.161	3.345	7.639			
		2003/2004	0.000	1.725	1.198	2.923			
		MA Total Pure Premium:	1.905	1.406	2.157	5.467			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.745	3.189	2.674				
		(14) Massachusetts Credibility:	0.43	1.00	0.93				
		(15) Countrywide Pure Premium:	1.268	0.655	1.178	3.101			
		(16) Countrywide Indicated Relativity:	1.780	1.427	1.409				
		(17) Countrywide Credibility:	0.29	0.00	0.04				
		(18) Countrywide Lost-time Claims:	597	5,344					
		(19) Pure Premium Underlying Present Rate:	1.201	1.496	1.362	4.059			
		(20) Relativity to Underlying Present Rate:	2.559	2.518	1.813				
		(21) Credibility to Underlying Relativity:	0.280	0.000	0.030				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	2.413	3.189	2.597				
		(24) Balanced Formula Relativity:	2.392	3.183	2.588	2.653			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000189

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 114

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5213 CONCRETE CONSTRUCTION-NOG								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,087,429	69	224	13,178,315	2,247,780	5,900,960	21,327,055	
2000/2001	1,366,624	94	272	21,234,269	2,743,757	7,671,784	31,649,810	
2001/2002	1,006,426	59	122	12,966,817	1,370,390	5,553,637	19,890,843	
2002/2003	571,767	19	71	4,022,554	735,268	2,190,916	6,948,738	
2003/2004	483,918	15	90	6,828,800	1,358,761	2,746,571	10,934,131	
MA Total	4,516,164	256	779	58,230,755	8,455,955	24,063,866	90,750,576	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	12.119	2.067	5.427	19.612			
	2000/2001	15.538	2.008	5.614	23.159			
	2001/2002	12.884	1.362	5.518	19.764			
	2002/2003	7.035	1.286	3.832	12.153			
	2003/2004	14.111	2.808	5.676	22.595			
	MA Total Pure Premium:	12.894	1.872	5.328	20.095			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	4.337	2.050	2.684				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	4.260	1.257	2.523	8.040			
	(16) Countrywide Indicated Relativity:	1.532	1.395	1.324				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1.621	10.725					
	(19) Pure Premium Underlying Present Rate:	11.063	2.373	5.535	18.971			
	(20) Relativity to Underlying Present Rate:	4.738	1.720	2.754				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	4.337	2.050	2.684				
	(24) Balanced Formula Relativity:	4.391	2.051	2.695	3.454			

Class(es):		Effective: 9/1/2007						Construction
5215 CONCRETE WORK - INCIDENTAL TO CONSTRUCTION OF PRIVATE RES*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	404,814	9	63	1,173,418	404,212	986,246	2,563,877	
2000/2001	472,226	7	78	1,428,857	780,038	1,091,147	3,300,041	
2001/2002	514,276	7	48	807,070	269,075	864,645	1,940,790	
2002/2003	550,411	5	57	838,828	476,793	870,915	2,186,536	
2003/2004	617,760	4	73	737,624	552,829	1,052,084	2,342,537	
MA Total	2,559,487	32	319	4,985,796	2,482,948	4,865,037	12,333,781	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.899	0.999	2.436	6.333			
	2000/2001	3.026	1.652	2.311	6.988			
	2001/2002	1.569	0.523	1.681	3.774			
	2002/2003	1.524	0.866	1.582	3.973			
	2003/2004	1.194	0.895	1.703	3.792			
	MA Total Pure Premium:	1.948	0.970	1.901	4.819			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.655	1.062	0.957				
	(14) Massachusetts Credibility:	0.61	1.00	1.00				
	(15) Countrywide Pure Premium:	2.458	0.868	1.731	5.057			
	(16) Countrywide Indicated Relativity:	0.884	0.963	0.909				
	(17) Countrywide Credibility:	0.20	0.00	0.00				
	(18) Countrywide Lost-time Claims:	345	4,819					
	(19) Pure Premium Underlying Present Rate:	1.695	1.576	2.232	5.503			
	(20) Relativity to Underlying Present Rate:	0.726	1.142	1.111				
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.714	1.062	0.957				
	(24) Balanced Formula Relativity:	0.723	1.063	0.961	0.857			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000190

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 115

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5221 CONCRETE OR CEMENT WORK-FLOORS DRIVEWAYS YRDS OR SIDEWALKS & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	836,580	18	105	3,178,619	845,335	2,097,895	6,121,849	
2000/2001	971,010	26	112	4,513,994	918,005	2,950,738	8,382,737	
2001/2002	927,951	22	75	4,012,259	673,878	1,670,865	6,357,002	
2002/2003	902,645	11	68	2,595,238	559,406	1,798,417	4,953,061	
2003/2004	949,243	6	81	2,353,923	1,133,763	1,775,678	5,263,365	
MA Total	4,587,429	83	441	16,654,033	4,130,388	10,293,593	31,078,014	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	3.800	1.010	2.508	7.318			
	2000/2001	4.649	0.945	3.039	8.633			
	2001/2002	4.324	0.726	1.801	6.851			
	2002/2003	2.875	0.620	1.992	5.487			
	2003/2004	2.480	1.194	1.871	5.545			
	MA Total Pure Premium:	3.630	0.900	2.244	6.775			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.221	0.986	1.130				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	2.551	0.810	1.610	4.971			
	(16) Countrywide Indicated Relativity:	0.917	0.898	0.845				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,599	13,809					
	(19) Pure Premium Underlying Present Rate:	3.338	1.479	2.299	7.116			
	(20) Relativity to Underlying Present Rate:	1.430	1.072	1.144				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.221	0.986	1.130				
	(24) Balanced Formula Relativity:	1.236	0.986	1.135	1.163			

Class(es):		Effective: 9/1/2007						Construction
5222 CONCRETE CONSTRUCTION IN CONNECTION WITH BRIDGES OR CULVERTS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	238,281	9	20	2,273,525	185,040	820,544	3,279,110	
2000/2001	334,237	10	25	1,846,856	218,353	750,887	2,816,097	
2001/2002	268,299	4	13	1,067,356	66,878	291,386	1,425,621	
2002/2003	201,688	5	13	1,114,158	380,390	762,205	2,256,753	
2003/2004	160,901	2	2	444,116	68,817	547,752	1,060,684	
MA Total	1,203,406	30	73	6,746,012	919,479	3,172,774	10,838,265	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	9.541	0.777	3.444	13.762			
	2000/2001	5.526	0.653	2.247	8.425			
	2001/2002	3.978	0.249	1.086	5.314			
	2002/2003	5.524	1.886	3.779	11.189			
	2003/2004	2.760	0.428	3.404	6.592			
	MA Total Pure Premium:	5.606	0.764	2.636	9.006			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.886	0.836	1.328				
	(14) Massachusetts Credibility:	0.62	0.81	1.00				
	(15) Countrywide Pure Premium:	5.253	1.237	2.747	9.237			
	(16) Countrywide Indicated Relativity:	1.889	1.372	1.441				
	(17) Countrywide Credibility:	0.19	0.10	0.00				
	(18) Countrywide Lost-time Claims:	381	2,075					
	(19) Pure Premium Underlying Present Rate:	3.741	0.778	2.164	6.684			
	(20) Relativity to Underlying Present Rate:	1.602	0.564	1.077				
	(21) Credibility to Underlying Relativity:	0.190	0.090	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.832	0.866	1.328				
	(24) Balanced Formula Relativity:	1.855	0.866	1.334	1.525			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000191

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 116

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5348 STONE, MOSAIC, TERRAZZO OR CERAMIC TILE WORK - INSIDE								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	192,859	1	13	182,669	248,593	244,429	675,690	
2000/2001	296,740	6	21	976,702	375,168	448,550	1,800,421	
2001/2002	304,771	4	36	1,199,727	608,861	490,871	2,299,459	
2002/2003	337,263	6	23	1,415,402	307,656	662,351	2,385,409	
2003/2004	384,013	4	36	1,301,784	580,346	961,047	2,843,177	
MA Total	1,515,646	21	129	5,076,284	2,120,624	2,807,248	10,004,156	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.947	1.289	1.267	3.504			
	2000/2001	3.291	1.264	1.512	6.067			
	2001/2002	3.936	1.998	1.611	7.545			
	2002/2003	4.197	0.912	1.964	7.073			
	2003/2004	3.390	1.511	2.503	7.404			
	MA Total Pure Premium:	3.349	1.399	1.852	6.601			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.127	1.532	0.933				
	(14) Massachusetts Credibility:	0.57	1.00	1.00				
	(15) Countrywide Pure Premium:	2.501	0.931	1.611	5.042			
	(16) Countrywide Indicated Relativity:	0.899	1.032	0.845				
	(17) Countrywide Credibility:	0.22	0.00	0.00				
	(18) Countrywide Lost-time Claims:	614	4,591					
	(19) Pure Premium Underlying Present Rate:	2.468	2.554	1.782	6.804			
	(20) Relativity to Underlying Present Rate:	1.057	1.851	0.886				
	(21) Credibility to Underlying Relativity:	0.210	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.062	1.532	0.933				
	(24) Balanced Formula Relativity:	1.075	1.533	0.937	1.100			

Class(es):		Effective: 9/1/2007						Construction
5402 HOTHOUSE ERECTION - ALL OPERATIONS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	5,152	1	1	79,421	527	335,919	415,868	
2000/2001	4,788	0	1	0	6,027	5,710	11,738	
2001/2002	5,745	0	2	0	8,456	10,422	18,878	
2002/2003	3,790	0	1	0	1,552	5,909	7,461	
2003/2004	3,048	0	0	0	0	8,663	8,663	
MA Total	22,523	1	5	79,421	16,562	366,624	462,607	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	15.417	0.102	65.207	80.727			
	2000/2001	0.000	1.259	1.193	2.451			
	2001/2002	0.000	1.472	1.814	3.286			
	2002/2003	0.000	0.409	1.559	1.969			
	2003/2004	0.000	0.000	2.843	2.843			
	MA Total Pure Premium:	3.526	0.735	16.278	20.539			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.186	0.805	8.199				
	(14) Massachusetts Credibility:	0.13	0.23	0.42				
	(15) Countrywide Pure Premium:	1.554	0.455	2.070	4.080			
	(16) Countrywide Indicated Relativity:	0.559	0.505	1.086				
	(17) Countrywide Credibility:	0.13	0.23	0.29				
	(18) Countrywide Lost-time Claims:	3	24					
	(19) Pure Premium Underlying Present Rate:	4.379	1.786	11.880	18.044			
	(20) Relativity to Underlying Present Rate:	1.876	1.294	5.910				
	(21) Credibility to Underlying Relativity:	0.740	0.540	0.290				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.615	1.000	5.473				
	(24) Balanced Formula Relativity:	1.635	1.001	5.495	2.842			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000192

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 117

Calculation of Class Relativities

Class(es): 5403 CARPENTRY NOC		Effective: 9/1/2007						Construction	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	542,170	26	115	3,942,324	1,235,375	2,253,818	7,431,517		
2000/2001	674,330	27	125	5,155,723	1,675,626	2,566,661	9,398,011		
2001/2002	689,649	24	107	4,088,558	1,141,514	2,416,987	7,647,058		
2002/2003	667,105	10	127	2,042,692	1,248,893	2,060,755	5,352,340		
2003/2004	645,433	12	90	3,635,116	1,620,143	2,977,766	8,233,025		
MA Total	3,218,687	99	564	18,864,413	6,921,551	12,275,986	38,061,950		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		7.271	2.279	4.157	13.707		
		2000/2001		7.646	2.485	3.806	13.937		
		2001/2002		5.928	1.655	3.505	11.088		
		2002/2003		3.062	1.872	3.089	8.023		
		2003/2004		5.632	2.510	4.614	12.756		
		MA Total Pure Premium:		5.861	2.150	3.814	11.825		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.972	2.354	1.921			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		4.615	1.383	2.935	8.933		
		(16) Countrywide Indicated Relativity:		1.660	1.534	1.540			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		2.476	18.836				
		(19) Pure Premium Underlying Present Rate:		5.513	2.936	4.323	12.771		
		(20) Relativity to Underlying Present Rate:		2.361	2.128	2.150			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		2.973	0.913	1.985	5.872		
		(23) Formula Relativity:		1.972	2.354	1.921			
		(24) Balanced Formula Relativity:		1.996	2.355	1.929	2.029		

Class(es): 5437 CARPENTRY-INSTALL OF CABINET WORK OR INT TRIM		Effective: 9/1/2007						Construction	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,072,153	34	219	5,195,458	3,034,334	4,147,786	12,377,578		
2000/2001	2,297,271	42	217	7,533,943	2,116,027	4,715,628	14,365,598		
2001/2002	2,363,232	31	207	6,075,100	1,721,777	4,048,541	11,845,418		
2002/2003	2,378,102	35	208	7,829,744	1,512,467	4,379,548	13,721,759		
2003/2004	2,432,347	25	212	6,832,276	2,383,318	5,095,307	14,310,901		
MA Total	11,543,105	167	1,063	33,466,522	10,767,922	22,386,809	66,621,253		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		2.507	1.464	2.002	5.973		
		2000/2001		3.280	0.921	2.053	6.253		
		2001/2002		2.571	0.729	1.713	5.012		
		2002/2003		3.292	0.636	1.842	5.770		
		2003/2004		2.809	0.980	2.095	5.884		
		MA Total Pure Premium:		2.899	0.933	1.939	5.772		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.975	1.021	0.977			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		2.668	1.036	2.111	5.816		
		(16) Countrywide Indicated Relativity:		0.959	1.149	1.108			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		811	8,692				
		(19) Pure Premium Underlying Present Rate:		1.828	1.615	1.886	5.329		
		(20) Relativity to Underlying Present Rate:		0.783	1.171	0.938			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		2.973	0.913	1.985	5.872		
		(23) Formula Relativity:		0.975	1.021	0.977			
		(24) Balanced Formula Relativity:		0.987	1.022	0.981	0.991		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000193

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 118

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
5443 LATHING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	621	0	0	0	0	0	0	0	
2000/2001	2,450	0	0	0	0	0	0	0	
2001/2002	874	0	0	0	0	0	0	0	
2002/2003	675	1	0	170,268	0	151,205		321,473	
2003/2004	1,388	0	0	0	0	0		0	
MA Total	6,008	1	0	170,268	0	151,205		321,473	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	252.233	0.000	223.995	476.228			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	28.340	0.000	25.167	53.507			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	9.533	0.000	12.676				
		(14) Massachusetts Credibility:	0.06	0.11	0.11				
		(15) Countrywide Pure Premium:	2.793	1.089	1.815	5.697			
		(16) Countrywide Indicated Relativity:	1.004	1.208	0.952				
		(17) Countrywide Credibility:	0.47	0.45	0.45				
		(18) Countrywide Lost-time Claims:	186	994					
		(19) Pure Premium Underlying Present Rate:	1.970	1.141	1.457	4.568			
		(20) Relativity to Underlying Present Rate:	0.844	0.827	0.725				
		(21) Credibility to Underlying Relativity:	0.470	0.440	0.440				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	1.441	0.907	2.142				
		(24) Balanced Formula Relativity:	1.459	0.908	2.151	1.607			

Class(es):		Effective: 9/1/2007						Construction	
5445 WALLBOARD INSTALLATION WITHIN BUILDINGS & DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,269,237	35	173	5,814,422	1,939,823	3,725,112		11,479,357	
2000/2001	1,483,392	28	171	5,155,614	2,014,249	3,005,568		10,175,431	
2001/2002	1,359,222	31	152	6,486,999	1,284,481	2,730,159		10,501,639	
2002/2003	1,391,239	20	140	4,196,926	970,757	1,703,076		6,870,759	
2003/2004	1,540,899	12	145	4,006,368	2,892,609	2,704,172		9,603,148	
MA Total	7,043,989	126	781	25,660,329	9,101,919	13,868,087		48,630,335	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	4.581	1.528	2.935	9.044			
		2000/2001	3.476	1.358	2.026	6.860			
		2001/2002	4.773	0.945	2.009	7.726			
		2002/2003	3.017	0.698	1.224	4.939			
		2003/2004	2.600	1.877	1.755	6.232			
		MA Total Pure Premium:	3.643	1.292	1.969	6.904			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.225	1.415	0.992				
		(14) Massachusetts Credibility:	1.00	1.00	1.00				
		(15) Countrywide Pure Premium:	2.844	0.956	1.780	5.580			
		(16) Countrywide Indicated Relativity:	1.023	1.061	0.934				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,342	10,099					
		(19) Pure Premium Underlying Present Rate:	3.142	1.663	2.096	6.901			
		(20) Relativity to Underlying Present Rate:	1.346	1.205	1.043				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	1.225	1.415	0.992				
		(24) Balanced Formula Relativity:	1.241	1.415	0.996	1.185			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000194

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 119

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5462 GLAZIER-AWAY FROM SHOP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	211,601	1	43	120,982	447,584	494,426	1,062,992	
2000/2001	253,220	5	35	1,175,495	520,283	1,048,235	2,744,013	
2001/2002	308,748	8	38	1,585,150	333,752	918,942	2,837,844	
2002/2003	305,795	8	27	2,377,627	95,520	776,156	3,249,304	
2003/2004	354,164	8	35	2,894,084	320,688	1,370,698	4,585,471	
MA Total	1,433,528	30	178	8,153,338	1,717,828	4,608,457	14,479,623	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.572	2.115	2.337	5.024			
	2000/2001	4.642	2.055	4.140	10.836			
	2001/2002	5.134	1.081	2.976	9.191			
	2002/2003	7.775	0.312	2.538	10.626			
	2003/2004	8.172	0.905	3.870	12.947			
	MA Total Pure Premium:	5.688	1.198	3.215	10.101			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.913	1.312	1.619				
	(14) Massachusetts Credibility:	0.57	1.00	1.00				
	(15) Countrywide Pure Premium:	3.761	1.214	2.437	7.412			
	(16) Countrywide Indicated Relativity:	1.352	1.346	1.279				
	(17) Countrywide Credibility:	0.22	0.00	0.00				
	(18) Countrywide Lost-time Claims:	308	2,658					
	(19) Pure Premium Underlying Present Rate:	2.615	1.772	2.772	7.159			
	(20) Relativity to Underlying Present Rate:	1.120	1.284	1.379				
	(21) Credibility to Underlying Relativity:	0.210	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.623	1.312	1.619				
	(24) Balanced Formula Relativity:	1.643	1.313	1.626	1.586			

Class(es):		Effective: 9/1/2007						Construction
5472 ASBESTOS REMOVAL OP: ASBESTOS CONTR-PIPE&BOILR WORK EXCL &DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	180,203	2	24	256,064	473,159	244,766	973,989	
2000/2001	159,815	6	28	655,060	412,235	445,663	1,512,958	
2001/2002	189,336	7	14	875,671	159,729	375,007	1,410,408	
2002/2003	156,147	6	22	889,931	142,451	752,737	1,785,118	
2003/2004	162,038	2	18	239,641	338,634	285,685	863,960	
MA Total	847,539	23	106	2,916,367	1,526,208	2,103,858	6,546,433	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.421	2.626	1.358	5.405			
	2000/2001	4.099	2.579	2.789	9.467			
	2001/2002	4.625	0.844	1.981	7.449			
	2002/2003	5.699	0.912	4.821	11.432			
	2003/2004	1.479	2.090	1.763	5.332			
	MA Total Pure Premium:	3.441	1.801	2.482	7.724			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.158	1.971	1.250				
	(14) Massachusetts Credibility:	0.48	0.97	0.88				
	(15) Countrywide Pure Premium:	2.235	1.061	2.043	5.339			
	(16) Countrywide Indicated Relativity:	0.804	1.177	1.072				
	(17) Countrywide Credibility:	0.26	0.02	0.06				
	(18) Countrywide Lost-time Claims:	31	309					
	(19) Pure Premium Underlying Present Rate:	2.895	1.728	2.078	6.701			
	(20) Relativity to Underlying Present Rate:	1.240	1.253	1.034				
	(21) Credibility to Underlying Relativity:	0.260	0.010	0.060				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.087	1.948	1.227				
	(24) Balanced Formula Relativity:	1.100	1.949	1.232	1.277			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000195

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 120

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5473 ASBESTOS REMOVAL OP: ASBESTOS CONTRCTR-NOC &DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	49,220	2	5	249,336	28,174	169,119	446,629	
2000/2001	67,331	2	2	332,740	40,679	235,874	609,293	
2001/2002	84,276	11	10	1,954,370	132,485	602,095	2,688,950	
2002/2003	67,314	2	5	557,467	30,325	176,273	764,065	
2003/2004	77,420	1	10	420,277	45,180	229,371	694,828	
MA Total	345,561	18	32	3,514,189	276,843	1,412,733	5,203,765	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	5.066	0.572	3.436	9.074	
			2000/2001	4.942	0.604	3.503	9.049	
			2001/2002	23.190	1.572	7.144	31.906	
			2002/2003	8.282	0.451	2.619	11.351	
			2003/2004	5.429	0.584	2.963	8.975	
			MA Total Pure Premium:	10.170	0.801	4.088	15.059	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	3.421	0.877	2.059		
			(14) Massachusetts Credibility:	0.47	0.71	0.94		
			(15) Countrywide Pure Premium:	4.012	1.401	3.219	8.632	
			(16) Countrywide Indicated Relativity:	1.443	1.554	1.689		
			(17) Countrywide Credibility:	0.27	0.15	0.03		
			(18) Countrywide Lost-time Claims:	239	887			
			(19) Pure Premium Underlying Present Rate:	6.580	1.946	5.920	14.446	
			(20) Relativity to Underlying Present Rate:	2.818	1.411	2.945		
			(21) Credibility to Underlying Relativity:	0.260	0.140	0.030		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	2.730	1.053	2.075		
			(24) Balanced Formula Relativity:	2.764	1.054	2.083	2.268	

Class(es):		Effective: 9/1/2007						Construction
5474 PAINTING OR PAPERHANGING NOC & SHOP OPERS, DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,202,910	16	101	2,679,673	1,279,234	1,876,806	5,835,713	
2000/2001	1,469,454	19	126	2,820,684	1,624,430	2,791,678	7,236,792	
2001/2002	1,524,420	17	120	3,005,555	1,612,490	3,428,243	8,046,288	
2002/2003	1,665,786	21	108	3,606,252	1,332,304	2,838,569	7,777,125	
2003/2004	1,854,244	15	89	4,069,142	1,358,508	3,865,039	9,292,689	
MA Total	7,716,814	88	544	16,181,307	7,206,965	14,800,335	38,188,607	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	2.228	1.063	1.560	4.851	
			2000/2001	1.920	1.105	1.900	4.925	
			2001/2002	1.972	1.058	2.249	5.278	
			2002/2003	2.165	0.800	1.704	4.669	
			2003/2004	2.195	0.733	2.084	5.012	
			MA Total Pure Premium:	2.097	0.934	1.918	4.949	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.705	1.022	0.966		
			(14) Massachusetts Credibility:	1.00	1.00	1.00		
			(15) Countrywide Pure Premium:	3.230	1.033	2.250	6.513	
			(16) Countrywide Indicated Relativity:	1.161	1.146	1.181		
			(17) Countrywide Credibility:	0.00	0.00	0.00		
			(18) Countrywide Lost-time Claims:	1,804	10,795			
			(19) Pure Premium Underlying Present Rate:	2.015	1.244	2.048	5.308	
			(20) Relativity to Underlying Present Rate:	0.863	0.902	1.019		
			(21) Credibility to Underlying Relativity:	0.000	0.000	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	0.705	1.022	0.966		
			(24) Balanced Formula Relativity:	0.714	1.023	0.970	0.849	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000196

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 121

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5478 CARPET, LINOLEUM, VINYL, ASPHALT OR RUBBER FLOOR TILE INSTAL								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	145,231	0	20	0	149,016	78,976	227,992	
2000/2001	173,186	2	17	684,853	433,274	220,110	1,338,236	
2001/2002	226,403	4	16	538,999	58,307	561,296	1,158,603	
2002/2003	326,707	3	14	1,024,077	347,539	316,224	1,687,840	
2003/2004	390,275	0	23	0	521,660	396,506	918,166	
MA Total	1,261,802	9	90	2,247,929	1,509,796	1,573,112	5,330,836	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	1.026	0.544	1.570			
	2000/2001	3.954	2.502	1.271	7.727			
	2001/2002	2.381	0.258	2.479	5.117			
	2002/2003	3.135	1.064	0.968	5.166			
	2003/2004	0.000	1.337	1.016	2.353			
	MA Total Pure Premium:	1.782	1.197	1.247	4.225			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.599	1.310	0.628				
	(14) Massachusetts Credibility:	0.78	1.00	1.00				
	(15) Countrywide Pure Premium:	2.357	0.910	1.455	4.723			
	(16) Countrywide Indicated Relativity:	0.848	1.009	0.764				
	(17) Countrywide Credibility:	0.11	0.00	0.00				
	(18) Countrywide Lost-time Claims:	201	2,034					
	(19) Pure Premium Underlying Present Rate:	6.466	4.054	3.567	14.086			
	(20) Relativity to Underlying Present Rate:	2.769	2.938	1.775				
	(21) Credibility to Underlying Relativity:	0.110	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.865	1.310	0.628				
	(24) Balanced Formula Relativity:	0.876	1.311	0.631	0.861			

Class(es):		Effective: 9/1/2007						Construction
5479 INSULATION WORK NOC & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	103,694	5	33	449,642	268,654	367,988	1,086,285	
2000/2001	135,294	4	22	475,226	103,742	310,850	889,817	
2001/2002	140,465	3	32	243,557	289,053	643,451	1,176,061	
2002/2003	244,903	7	32	1,724,587	213,913	1,104,614	3,043,114	
2003/2004	200,293	2	23	910,888	541,014	592,077	2,043,979	
MA Total	824,649	21	142	3,803,900	1,416,376	3,018,979	8,239,255	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.336	2.591	3.549	10.476			
	2000/2001	3.513	0.767	2.298	6.577			
	2001/2002	1.734	2.058	4.581	8.373			
	2002/2003	7.042	0.873	4.510	12.426			
	2003/2004	4.548	2.701	2.956	10.205			
	MA Total Pure Premium:	4.613	1.718	3.661	9.991			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.552	1.880	1.844				
	(14) Massachusetts Credibility:	0.55	1.00	1.00				
	(15) Countrywide Pure Premium:	2.864	1.353	2.424	6.642			
	(16) Countrywide Indicated Relativity:	1.030	1.500	1.272				
	(17) Countrywide Credibility:	0.23	0.00	0.00				
	(18) Countrywide Lost-time Claims:	389	3,528					
	(19) Pure Premium Underlying Present Rate:	4.076	2.258	4.946	11.280			
	(20) Relativity to Underlying Present Rate:	1.746	1.637	2.461				
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.474	1.880	1.844				
	(24) Balanced Formula Relativity:	1.493	1.881	1.852	1.675			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000197

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 122

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5480 PLASTERING NOC & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	237,425	3	24	451,659	366,941	261,604	1,080,204	
2000/2001	332,855	8	26	1,444,438	295,762	974,347	2,714,547	
2001/2002	321,921	3	25	616,488	217,074	510,927	1,344,489	
2002/2003	361,669	5	19	1,042,655	59,673	435,327	1,537,655	
2003/2004	433,597	2	19	415,267	371,799	560,975	1,348,040	
MA Total	1,687,467	21	113	3,970,507	1,311,248	2,743,180	8,024,936	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.902	1.546	1.102	4.550			
	2000/2001	4.340	0.889	2.927	8.155			
	2001/2002	1.915	0.674	1.587	4.176			
	2002/2003	2.883	0.165	1.204	4.252			
	2003/2004	0.958	0.857	1.294	3.109			
	MA Total Pure Premium:	2.353	0.777	1.626	4.756			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.792	0.851	0.819				
	(14) Massachusetts Credibility:	0.57	1.00	1.00				
	(15) Countrywide Pure Premium:	3.815	1.001	2.121	6.937			
	(16) Countrywide Indicated Relativity:	1.372	1.111	1.113				
	(17) Countrywide Credibility:	0.22	0.00	0.00				
	(18) Countrywide Lost-time Claims:	82	601					
	(19) Pure Premium Underlying Present Rate:	2.226	1.340	1.573	5.139			
	(20) Relativity to Underlying Present Rate:	0.954	0.971	0.783				
	(21) Credibility to Underlying Relativity:	0.210	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.953	0.851	0.819				
	(24) Balanced Formula Relativity:	0.965	0.851	0.822	0.899			

Class(es):		Effective: 9/1/2007						Construction
5506 STREET OR ROAD CONSTRUCTION: PAVING OR REPAVING & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	207,587	1	25	172,887	127,526	126,412	426,825	
2000/2001	255,447	5	42	783,305	558,517	1,153,188	2,495,011	
2001/2002	260,335	3	20	893,707	145,327	440,658	1,479,692	
2002/2003	361,902	4	35	822,275	264,792	536,838	1,623,905	
2003/2004	326,178	4	19	1,061,406	233,989	545,171	1,840,567	
MA Total	1,411,449	17	141	3,733,580	1,330,151	2,802,268	7,865,999	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.833	0.614	0.609	2.056			
	2000/2001	3.066	2.186	4.514	9.767			
	2001/2002	3.433	0.558	1.693	5.684			
	2002/2003	2.272	0.732	1.483	4.487			
	2003/2004	3.254	0.717	1.671	5.643			
	MA Total Pure Premium:	2.645	0.942	1.985	5.573			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.890	1.032	1.000				
	(14) Massachusetts Credibility:	0.56	1.00	1.00				
	(15) Countrywide Pure Premium:	3.792	0.920	2.211	6.923			
	(16) Countrywide Indicated Relativity:	1.364	1.020	1.160				
	(17) Countrywide Credibility:	0.22	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,144	7,722					
	(19) Pure Premium Underlying Present Rate:	2.456	1.311	1.866	5.633			
	(20) Relativity to Underlying Present Rate:	1.052	0.950	0.928				
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.030	1.032	1.000				
	(24) Balanced Formula Relativity:	1.043	1.032	1.004	1.028			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000198

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 123

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5507 STREET OR ROAD CONSTRUCTION: SUB-SURFACE WORK & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	152,882	6	19	1,533,575	320,230	380,804	2,234,608	
2000/2001	180,034	2	14	279,945	216,118	212,499	708,562	
2001/2002	232,108	1	11	232,730	22,555	169,792	425,078	
2002/2003	233,674	3	13	407,623	209,123	818,180	1,434,926	
2003/2004	238,125	5	17	1,483,658	188,977	519,820	2,192,454	
MA Total	1,036,823	17	74	3,937,531	957,003	2,101,095	6,995,628	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	10.031	2.095	2.491	14.617			
	2000/2001	1.555	1.200	1.180	3.936			
	2001/2002	1.003	0.097	0.732	1.831			
	2002/2003	1.744	0.895	3.501	6.141			
	2003/2004	6.231	0.794	2.183	9.207			
	MA Total Pure Premium:	3.798	0.923	2.026	6.747			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.278	1.010	1.021				
	(14) Massachusetts Credibility:	0.55	0.97	0.83				
	(15) Countrywide Pure Premium:	2.678	0.775	1.734	5.187			
	(16) Countrywide Indicated Relativity:	0.963	0.860	0.910				
	(17) Countrywide Credibility:	0.23	0.02	0.09				
	(18) Countrywide Lost-time Claims:	492	3,342					
	(19) Pure Premium Underlying Present Rate:	3.274	1.424	1.439	6.138			
	(20) Relativity to Underlying Present Rate:	1.402	1.032	0.716				
	(21) Credibility to Underlying Relativity:	0.220	0.010	0.080				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.233	1.008	0.986				
	(24) Balanced Formula Relativity:	1.248	1.008	0.990	1.124			

Class(es):		Effective: 9/1/2007						Construction
5509 STREET OR ROAD MAINTENANCE BY COUNTY OR MUNICIPAL EMP & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	4,097	0	0	0	0	1,266	1,266	
2000/2001	3,436	0	3	0	4,537	10,471	15,008	
2001/2002	3,281	0	1	0	296	1,050	1,347	
2002/2003	160	0	0	0	0	0	0	
2003/2004	476	0	0	0	0	0	0	
MA Total	11,450	0	4	0	4,833	12,787	17,620	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.309	0.309			
	2000/2001	0.000	1.320	3.048	4.368			
	2001/2002	0.000	0.090	0.320	0.410			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.422	1.117	1.539			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.462	0.562				
	(14) Massachusetts Credibility:	0.06	0.15	0.15				
	(15) Countrywide Pure Premium:	2.442	0.644	1.491	4.576			
	(16) Countrywide Indicated Relativity:	0.878	0.714	0.782				
	(17) Countrywide Credibility:	0.33	0.43	0.43				
	(18) Countrywide Lost-time Claims:	28	705					
	(19) Pure Premium Underlying Present Rate:	1.103	1.265	1.766	4.133			
	(20) Relativity to Underlying Present Rate:	0.472	0.917	0.878				
	(21) Credibility to Underlying Relativity:	0.610	0.420	0.420				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.578	0.761	0.790				
	(24) Balanced Formula Relativity:	0.585	0.762	0.793	0.683			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000199

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 124

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5538 SHEET METAL WORK-SHOP & OUTSIDE-NOC & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,177,342	15	145	2,299,668	1,271,042	1,965,700	5,536,410	
2000/2001	1,248,859	21	168	3,619,796	1,582,523	2,579,076	7,781,394	
2001/2002	1,358,904	16	137	2,865,969	1,482,256	2,314,216	6,662,442	
2002/2003	1,334,540	19	107	3,050,441	843,552	2,123,514	6,017,507	
2003/2004	1,451,131	13	122	4,050,596	1,426,286	3,251,727	8,728,608	
MA Total	6,570,776	84	679	15,886,470	6,605,657	12,234,233	34,726,360	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	1.953	1.080	1.670	4.702	
			2000/2001	2.898	1.267	2.065	6.231	
			2001/2002	2.109	1.091	1.703	4.903	
			2002/2003	2.286	0.632	1.591	4.509	
			2003/2004	2.791	0.983	2.241	6.015	
			MA Total Pure Premium:	2.418	1.005	1.862	5.285	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.813	1.101	0.938		
			(14) Massachusetts Credibility:	0.88	1.00	1.00		
			(15) Countrywide Pure Premium:	2.951	0.943	2.198	6.092	
			(16) Countrywide Indicated Relativity:	1.061	1.046	1.153		
			(17) Countrywide Credibility:	0.06	0.00	0.00		
			(18) Countrywide Lost-time Claims:	1,349	11,289			
			(19) Pure Premium Underlying Present Rate:	1.650	1.606	1.944	5.200	
			(20) Relativity to Underlying Present Rate:	0.707	1.164	0.967		
			(21) Credibility to Underlying Relativity:	0.060	0.000	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	0.822	1.101	0.938		
			(24) Balanced Formula Relativity:	0.832	1.101	0.942	0.911	

Class(es):		Effective: 9/1/2007						Construction
5545 ROOFING NOC & YARD EMP, DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	17,916	5	9	681,388	46,276	370,822	1,098,486	
2000/2001	35,940	2	13	252,328	84,304	194,534	531,166	
2001/2002	57,143	5	13	703,765	84,685	897,769	1,686,220	
2002/2003	71,118	3	22	504,556	179,684	414,728	1,098,968	
2003/2004	95,768	4	17	759,491	107,188	1,177,614	2,044,293	
MA Total	277,885	19	74	2,901,528	502,138	3,055,468	6,459,133	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	38.033	2.583	20.698	61.314	
			2000/2001	7.021	2.346	5.413	14.779	
			2001/2002	12.316	1.482	15.711	29.509	
			2002/2003	7.095	2.527	5.832	15.453	
			2003/2004	7.931	1.119	12.297	21.346	
			MA Total Pure Premium:	10.441	1.807	10.995	23.244	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	3.512	1.978	5.538		
			(14) Massachusetts Credibility:	0.64	0.91	1.00		
			(15) Countrywide Pure Premium:	3.847	2.393	3.276	9.516	
			(16) Countrywide Indicated Relativity:	1.383	2.654	1.719		
			(17) Countrywide Credibility:	0.11	0.05	0.00		
			(18) Countrywide Lost-time Claims:	2	64			
			(19) Pure Premium Underlying Present Rate:	17.358	4.591	21.557	43.506	
			(20) Relativity to Underlying Present Rate:	7.434	3.327	10.725		
			(21) Credibility to Underlying Relativity:	0.250	0.040	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872	
			(23) Formula Relativity:	4.259	2.066	5.538		
			(24) Balanced Formula Relativity:	4.312	2.067	5.561	4.385	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000200

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 125

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5547 ROOFING-BUILT UP - YARD EMP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	342,854	14	89	2,317,251	716,884	1,273,816	4,307,951	
2000/2001	321,365	12	83	2,096,626	652,006	1,505,386	4,254,018	
2001/2002	334,812	17	57	2,685,925	872,303	2,199,080	5,757,307	
2002/2003	313,768	14	56	2,349,846	310,633	1,688,683	4,349,162	
2003/2004	323,654	7	38	1,655,680	408,457	1,812,430	3,876,568	
MA Total	1,636,453	64	323	11,105,329	2,960,282	8,479,395	22,545,005	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	6.759	2.091	3.715	12.565			
	2000/2001	6.524	2.029	4.684	13.237			
	2001/2002	8.022	2.605	6.568	17.196			
	2002/2003	7.489	0.990	5.382	13.861			
	2003/2004	5.116	1.262	5.600	11.977			
	MA Total Pure Premium:	6.786	1.809	5.182	13.777			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.283	1.980	2.610				
	(14) Massachusetts Credibility:	0.88	1.00	1.00				
	(15) Countrywide Pure Premium:	8.464	2.375	5.738	16.577			
	(16) Countrywide Indicated Relativity:	3.044	2.635	3.011				
	(17) Countrywide Credibility:	0.06	0.00	0.00				
	(18) Countrywide Lost-time Claims:	84	686					
	(19) Pure Premium Underlying Present Rate:	6.715	2.695	5.860	15.269			
	(20) Relativity to Underlying Present Rate:	2.876	1.953	2.915				
	(21) Credibility to Underlying Relativity:	0.060	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	2.364	1.980	2.610				
	(24) Balanced Formula Relativity:	2.393	1.981	2.621	2.406			

Class(es):		Effective: 9/1/2007						Construction
5606 CONTRACTOR-EXECUTIVE SUPERVISOR OR CONSTRUCT SUPERINTENDENT								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	4,063,837	22	120	4,179,014	1,641,673	3,072,022	8,892,709	
2000/2001	4,675,163	23	137	4,536,494	2,227,721	3,231,331	9,995,545	
2001/2002	4,749,944	23	98	3,862,237	929,229	2,512,668	7,304,133	
2002/2003	4,570,438	19	82	3,255,824	961,156	3,655,375	7,872,356	
2003/2004	4,667,857	8	102	2,251,904	1,483,263	2,045,319	5,780,486	
MA Total	22,727,239	95	539	18,085,473	7,243,041	14,516,715	39,845,229	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.028	0.404	0.756	2.188			
	2000/2001	0.970	0.477	0.691	2.138			
	2001/2002	0.813	0.196	0.529	1.538			
	2002/2003	0.712	0.210	0.800	1.722			
	2003/2004	0.482	0.318	0.438	1.238			
	MA Total Pure Premium:	0.796	0.319	0.639	1.753			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.268	0.349	0.322				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	0.992	0.267	0.619	1.878			
	(16) Countrywide Indicated Relativity:	0.357	0.296	0.325				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,292	7,938					
	(19) Pure Premium Underlying Present Rate:	0.721	0.496	0.653	1.870			
	(20) Relativity to Underlying Present Rate:	0.309	0.360	0.325				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.268	0.349	0.322				
	(24) Balanced Formula Relativity:	0.271	0.349	0.323	0.301			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000201

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 126

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5610 CLEANER - DEBRIS REMOVAL								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	266,079	2	24	254,361	198,281	300,598	753,240	
2000/2001	231,055	2	14	359,622	314,648	380,124	1,054,394	
2001/2002	214,492	6	15	845,418	111,546	225,297	1,182,261	
2002/2003	244,552	9	21	1,581,776	263,827	714,862	2,560,465	
2003/2004	270,610	4	24	1,477,490	299,190	598,015	2,374,694	
MA Total	1,226,788	23	98	4,518,667	1,187,491	2,218,895	7,925,054	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.956	0.745	1.130	2.831			
	2000/2001	1.556	1.362	1.645	4.563			
	2001/2002	3.941	0.520	1.050	5.512			
	2002/2003	6.468	1.079	2.923	10.470			
	2003/2004	5.460	1.106	2.210	8.775			
	MA Total Pure Premium:	3.683	0.968	1.809	6.460			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
(13)	Massachusetts Indicated Relativity:	1.239	1.060	0.911				
(14)	Massachusetts Credibility:	0.46	0.87	0.79				
(15)	Countrywide Pure Premium:	1.706	0.812	1.648	4.166			
(16)	Countrywide Indicated Relativity:	0.613	0.900	0.865				
(17)	Countrywide Credibility:	0.27	0.07	0.11				
(18)	Countrywide Lost-time Claims:	76	1,241					
(19)	Pure Premium Underlying Present Rate:	1.731	0.923	1.068	3.722			
(20)	Relativity to Underlying Present Rate:	0.741	0.669	0.531				
(21)	Credibility to Underlying Relativity:	0.270	0.060	0.100				
(22)	Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
(23)	Formula Relativity:	0.936	1.025	0.868				
(24)	Balanced Formula Relativity:	0.947	1.026	0.872	0.934			

Class(es):		Effective: 9/1/2007						Construction
5645 CARPENTRY-DETACHED ONE OR TWO FAMILY DWELLINGS*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	2,814,116	65	414	8,369,125	3,580,788	9,632,785	21,582,698	
2000/2001	3,355,173	68	456	10,106,087	3,993,048	9,621,792	23,720,926	
2001/2002	3,824,459	63	447	9,483,430	4,376,909	9,864,530	23,724,869	
2002/2003	4,317,969	60	518	11,902,326	4,561,142	12,168,419	28,631,887	
2003/2004	4,847,031	58	528	14,999,990	6,420,991	15,305,746	36,726,726	
MA Total	19,158,748	314	2,363	54,860,957	22,932,878	56,593,272	134,387,107	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.974	1.272	3.423	7.669			
	2000/2001	3.012	1.190	2.868	7.070			
	2001/2002	2.480	1.144	2.579	6.203			
	2002/2003	2.756	1.056	2.818	6.631			
	2003/2004	3.095	1.325	3.158	7.577			
	MA Total Pure Premium:	2.863	1.197	2.954	7.014			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
(13)	Massachusetts Indicated Relativity:	0.963	1.310	1.488				
(14)	Massachusetts Credibility:	1.00	1.00	1.00				
(15)	Countrywide Pure Premium:	4.427	1.694	3.799	9.919			
(16)	Countrywide Indicated Relativity:	1.592	1.879	1.994				
(17)	Countrywide Credibility:	0.00	0.00	0.00				
(18)	Countrywide Lost-time Claims:	4,629	42,528					
(19)	Pure Premium Underlying Present Rate:	2.105	1.818	3.052	6.976			
(20)	Relativity to Underlying Present Rate:	0.902	1.318	1.518				
(21)	Credibility to Underlying Relativity:	0.000	0.000	0.000				
(22)	Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
(23)	Formula Relativity:	0.963	1.310	1.488				
(24)	Balanced Formula Relativity:	0.975	1.311	1.494	1.203			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000202

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 127

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
5701 WRECKING: BUILDING OR STRUCTURES-NOT MARINE- ALL OPERATIONS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	18,259	2	8	285,997	43,438	332,842	662,278	
2000/2001	31,705	2	2	197,225	1,258	79,238	277,721	
2001/2002	24,591	0	1	0	3,939	2,057	5,996	
2002/2003	262,864	22	33	7,769,955	359,217	2,812,521	10,941,693	
2003/2004	39,446	3	7	1,248,902	129,565	477,683	1,856,149	
MA Total	376,865	29	51	9,502,079	537,417	3,704,341	13,743,837	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	15.663	2.379	18.229	36.271			
	2000/2001	6.221	0.040	2.499	8.760			
	2001/2002	0.000	0.160	0.084	0.244			
	2002/2003	29.559	1.367	10.700	41.625			
	2003/2004	31.661	3.285	12.110	47.055			
	MA Total Pure Premium:	25.213	1.426	9.829	36.469			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	8.482	1.561	4.951				
	(14) Massachusetts Credibility:	0.59	0.74	0.97				
	(15) Countrywide Pure Premium:	6.894	1.894	4.426	13.215			
	(16) Countrywide Indicated Relativity:	2.479	2.101	2.323				
	(17) Countrywide Credibility:	0.15	0.13	0.02				
	(18) Countrywide Lost-time Claims:	4	38					
	(19) Pure Premium Underlying Present Rate:	10.447	2.005	5.906	18.357			
	(20) Relativity to Underlying Present Rate:	4.474	1.453	2.938				
	(21) Credibility to Underlying Relativity:	0.260	0.130	0.010				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	6.539	1.617	4.878				
	(24) Balanced Formula Relativity:	6.620	1.618	4.899	5.260			

Class(es):		Effective: 9/1/2007						Construction
5703 BUILDING RAISING OR MOVING & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	8,676	0	3	0	10,327	34,123	44,450	
2000/2001	13,397	0	1	0	17,407	4,678	22,085	
2001/2002	37,191	23	31	6,609,169	361,411	1,694,168	8,664,748	
2002/2003	12,456	0	0	0	0	4,345	4,345	
2003/2004	10,262	0	1	0	3,719	6,223	9,942	
MA Total	81,982	23	36	6,609,169	392,865	1,743,536	8,745,570	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	1.190	3.933	5.123			
	2000/2001	0.000	1.299	0.349	1.649			
	2001/2002	177.708	9.718	45.553	232.978			
	2002/2003	0.000	0.000	0.349	0.349			
	2003/2004	0.000	0.362	0.606	0.969			
	MA Total Pure Premium:	80.617	4.792	21.267	106.677			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	27.119	5.246	10.712				
	(14) Massachusetts Credibility:	0.27	0.40	0.51				
	(15) Countrywide Pure Premium:	4.466	2.136	3.799	10.400			
	(16) Countrywide Indicated Relativity:	1.606	2.369	1.993				
	(17) Countrywide Credibility:	0.23	0.30	0.25				
	(18) Countrywide Lost-time Claims:	12	123					
	(19) Pure Premium Underlying Present Rate:	6.859	1.995	5.433	14.288			
	(20) Relativity to Underlying Present Rate:	2.938	1.446	2.703				
	(21) Credibility to Underlying Relativity:	0.500	0.300	0.240				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	9.160	3.243	6.610				
	(24) Balanced Formula Relativity:	9.274	3.245	6.638	7.445			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000203

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 128

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
5705 SALVAGE OPERATION - NO WRECKING OR ANY STRUCTURAL OPERATIONS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	911	0	0	0	0	0	0	0	
2000/2001	666	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
MA Total	1,577	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.000	0.000	0.000		
		2000/2001		0.000	0.000	0.000	0.000		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	0.000	0.000	0.000		
		2003/2004		0.000	0.000	0.000	0.000		
		MA Total Pure Premium:		0.000	0.000	0.000	0.000		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.000			
		(14) Massachusetts Credibility:		0.05	0.07	0.08			
		(15) Countrywide Pure Premium:		2.679	2.148	2.280	7.106		
		(16) Countrywide Indicated Relativity:		0.963	2.382	1.196			
		(17) Countrywide Credibility:		0.09	0.24	0.29			
		(18) Countrywide Lost-time Claims:		1	26				
		(19) Pure Premium Underlying Present Rate:		6.350	1.433	2.637	10.419		
		(20) Relativity to Underlying Present Rate:		2.719	1.038	1.312			
		(21) Credibility to Underlying Relativity:		0.860	0.690	0.630			
		(22) Industry Group Adjusted Converted Pure Premium:		2.973	0.913	1.985	5.872		
		(23) Formula Relativity:		2.425	1.288	1.174			
		(24) Balanced Formula Relativity:		2.456	1.289	1.178	1.842		

Class(es):		Effective: 9/1/2007						Construction	
6003 PILE DRIVING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	140,152	5	20	1,080,440	217,313	467,756	1,765,509		
2000/2001	141,650	4	28	984,052	635,277	667,264	2,286,593		
2001/2002	95,462	5	18	1,316,685	158,295	508,359	1,983,339		
2002/2003	91,419	7	13	1,838,032	52,342	716,773	2,607,148		
2003/2004	89,731	2	8	657,628	131,134	501,715	1,290,476		
MA Total	558,414	23	87	5,876,837	1,194,360	2,861,868	9,933,065		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		7.709	1.551	3.337	12.597		
		2000/2001		6.947	4.485	4.711	16.143		
		2001/2002		13.793	1.658	5.325	20.776		
		2002/2003		20.105	0.573	7.840	28.519		
		2003/2004		7.329	1.461	5.591	14.382		
		MA Total Pure Premium:		10.524	2.139	5.125	17.788		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.540	2.341	2.581			
		(14) Massachusetts Credibility:		0.56	0.91	0.95			
		(15) Countrywide Pure Premium:		1.939	0.678	1.332	3.948		
		(16) Countrywide Indicated Relativity:		0.697	0.751	0.699			
		(17) Countrywide Credibility:		0.22	0.05	0.03			
		(18) Countrywide Lost-time Claims:		68	405				
		(19) Pure Premium Underlying Present Rate:		6.288	2.282	3.782	12.351		
		(20) Relativity to Underlying Present Rate:		2.693	1.654	1.881			
		(21) Credibility to Underlying Relativity:		0.220	0.040	0.020			
		(22) Industry Group Adjusted Converted Pure Premium:		2.973	0.913	1.985	5.872		
		(23) Formula Relativity:		2.728	2.234	2.511			
		(24) Balanced Formula Relativity:		2.762	2.236	2.521	2.599		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000204

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 129

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
6204 DRILLING NOC & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	258,646	12	42	2,254,450	437,653	1,576,908	4,269,012		
2000/2001	201,882	4	23	896,295	306,204	583,641	1,786,140		
2001/2002	198,021	6	29	1,331,113	257,843	434,645	2,023,601		
2002/2003	187,878	5	25	1,310,075	260,564	786,561	2,357,201		
2003/2004	233,905	3	20	1,069,765	340,580	705,199	2,115,544		
MA Total	1,080,332	30	139	6,861,700	1,602,844	4,086,954	12,551,497		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	8.716	1.692	6.097	16.505			
		2000/2001	4.440	1.517	2.891	8.847			
		2001/2002	6.722	1.302	2.195	10.219			
		2002/2003	6.973	1.387	4.187	12.546			
		2003/2004	4.573	1.456	3.015	9.044			
		MA Total Pure Premium:	6.351	1.484	3.783	11.618			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.137	1.624	1.906				
		(14) Massachusetts Credibility:	0.66	1.00	1.00				
		(15) Countrywide Pure Premium:	4.752	1.594	3.601	9.946			
		(16) Countrywide Indicated Relativity:	1.709	1.768	1.889				
		(17) Countrywide Credibility:	0.17	0.00	0.00				
		(18) Countrywide Lost-time Claims:	239	2,146					
		(19) Pure Premium Underlying Present Rate:	4.944	1.766	2.695	9.405			
		(20) Relativity to Underlying Present Rate:	2.117	1.280	1.341				
		(21) Credibility to Underlying Relativity:	0.170	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	2.061	1.624	1.906				
		(24) Balanced Formula Relativity:	2.086	1.625	1.913	1.956			

Class(es):		Effective: 9/1/2007						Construction	
6217 EXCAVATION & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,868,026	40	236	7,184,939	2,858,527	4,673,012	14,716,478		
2000/2001	3,148,838	32	201	5,189,959	2,419,234	4,308,239	11,917,431		
2001/2002	3,006,267	31	170	6,029,601	1,640,933	4,189,200	11,859,734		
2002/2003	3,402,198	27	192	5,561,528	2,126,875	5,527,883	13,216,285		
2003/2004	3,641,508	19	200	4,910,651	2,691,579	5,851,238	13,453,467		
MA Total	16,066,837	149	999	28,876,677	11,737,147	24,549,572	65,163,396		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.505	0.997	1.629	5.131			
		2000/2001	1.648	0.768	1.368	3.785			
		2001/2002	2.006	0.546	1.393	3.945			
		2002/2003	1.635	0.625	1.625	3.885			
		2003/2004	1.349	0.739	1.607	3.694			
		MA Total Pure Premium:	1.797	0.731	1.528	4.056			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.605	0.800	0.770				
		(14) Massachusetts Credibility:	1.00	1.00	1.00				
		(15) Countrywide Pure Premium:	2.686	0.774	1.729	5.189			
		(16) Countrywide Indicated Relativity:	0.966	0.859	0.907				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,693	13,587					
		(19) Pure Premium Underlying Present Rate:	2.065	1.002	1.645	4.712			
		(20) Relativity to Underlying Present Rate:	0.884	0.726	0.819				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	0.605	0.800	0.770				
		(24) Balanced Formula Relativity:	0.612	0.800	0.773	0.696			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000205

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 130

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
6233 OIL OR GAS PIPELINE CONSTRUCTION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	8,459	0	3	0	34,369	27,031	61,399	
2000/2001	58,856	0	1	0	15,044	48,403	63,447	
2001/2002	2,319	0	0	0	0	0	0	
2002/2003	2,349	0	0	0	0	0	0	
2003/2004	401	0	0	0	0	0	0	
MA Total	72,384	0	4	0	49,412	75,434	124,846	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	4.063	3.195	7.258			
	2000/2001	0.000	0.256	0.822	1.078			
	2001/2002	0.000	0.000	0.000	0.000			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.683	1.042	1.725			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.747	0.525				
	(14) Massachusetts Credibility:	0.19	0.35	0.26				
	(15) Countrywide Pure Premium:	2.552	0.660	1.217	4.428			
	(16) Countrywide Indicated Relativity:	0.918	0.732	0.638				
	(17) Countrywide Credibility:	0.41	0.33	0.37				
	(18) Countrywide Lost-time Claims:	180	780					
	(19) Pure Premium Underlying Present Rate:	3.123	1.645	1.176	5.944			
	(20) Relativity to Underlying Present Rate:	1.337	1.192	0.585				
	(21) Credibility to Underlying Relativity:	0.400	0.320	0.370				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.911	0.885	0.589				
	(24) Balanced Formula Relativity:	0.922	0.885	0.592	0.805			

Class(es):		Effective: 9/1/2007						Construction
6251 TUNNELING - NOT PNEUMATIC - ALL OPERATIONS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	771,180	13	43	3,194,423	397,381	1,243,943	4,835,746	
2000/2001	696,999	6	27	1,214,554	319,507	619,523	2,153,584	
2001/2002	691,084	14	5	3,887,284	32,831	975,403	4,895,518	
2002/2003	565,605	13	9	3,939,712	105,969	1,438,780	5,484,461	
2003/2004	543,990	5	17	3,118,434	980,416	720,059	4,818,908	
MA Total	3,268,858	51	101	15,354,407	1,836,103	4,997,708	22,188,218	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.142	0.515	1.613	6.271			
	2000/2001	1.743	0.458	0.889	3.090			
	2001/2002	5.625	0.048	1.411	7.084			
	2002/2003	6.965	0.187	2.544	9.697			
	2003/2004	5.733	1.802	1.324	8.858			
	MA Total Pure Premium:	4.697	0.562	1.529	6.788			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.580	0.615	0.770				
	(14) Massachusetts Credibility:	0.83	1.00	1.00				
	(15) Countrywide Pure Premium:	4.922	0.856	1.867	7.645			
	(16) Countrywide Indicated Relativity:	1.770	0.949	0.980				
	(17) Countrywide Credibility:	0.09	0.00	0.00				
	(18) Countrywide Lost-time Claims:	60	242					
	(19) Pure Premium Underlying Present Rate:	2.855	0.583	1.347	4.785			
	(20) Relativity to Underlying Present Rate:	1.223	0.423	0.670				
	(21) Credibility to Underlying Relativity:	0.080	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.569	0.615	0.770				
	(24) Balanced Formula Relativity:	1.588	0.615	0.773	1.161			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000206

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 131

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
6252 SHAFT SINKING - ALL OPERATIONS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	55,567	2	1	510,108	7,901	84,818	602,827	
2000/2001	71,919	0	1	0	37,672	0	37,672	
2001/2002	24,940	0	0	0	0	9,184	9,184	
2002/2003	18,233	0	0	0	0	0	0	
2003/2004	14,880	2	4	880,778	25,578	275,613	1,181,970	
MA Total	185,539	4	6	1,390,886	71,151	369,616	1,831,653	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	9.180	0.142	1.526	10.849			
	2000/2001	0.000	0.524	0.000	0.524			
	2001/2002	0.000	0.000	0.368	0.368			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	59.193	1.719	18.523	79.435			
	MA Total Pure Premium:	7.496	0.383	1.992	9.872			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.522	0.420	1.003				
	(14) Massachusetts Credibility:	0.28	0.36	0.42				
	(15) Countrywide Pure Premium:	6.472	0.946	2.637	10.055			
	(16) Countrywide Indicated Relativity:	2.327	1.049	1.384				
	(17) Countrywide Credibility:	0.31	0.32	0.29				
	(18) Countrywide Lost-time Claims:	24	95					
	(19) Pure Premium Underlying Present Rate:	3.229	0.692	1.507	5.429			
	(20) Relativity to Underlying Present Rate:	1.383	0.502	0.750				
	(21) Credibility to Underlying Relativity:	0.410	0.320	0.290				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.995	0.647	1.040				
	(24) Balanced Formula Relativity:	2.019	0.648	1.045	1.476			

Class(es):		Effective: 9/1/2007						Construction
6306 SEWER CONSTRUCTION - ALL OPERATIONS & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	238,331	2	20	343,268	162,776	179,290	685,334	
2000/2001	258,756	3	24	725,639	410,045	613,586	1,749,271	
2001/2002	252,002	3	17	713,170	296,774	516,436	1,526,380	
2002/2003	242,417	2	12	334,112	155,964	318,600	808,676	
2003/2004	393,181	2	5	433,342	28,655	612,010	1,074,007	
MA Total	1,384,687	12	78	2,549,531	1,054,215	2,239,922	5,843,667	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.440	0.683	0.752	2.876			
	2000/2001	2.804	1.585	2.371	6.760			
	2001/2002	2.830	1.178	2.049	6.057			
	2002/2003	1.378	0.643	1.314	3.336			
	2003/2004	1.102	0.073	1.557	2.732			
	MA Total Pure Premium:	1.841	0.761	1.618	4.220			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.619	0.833	0.815				
	(14) Massachusetts Credibility:	0.61	1.00	1.00				
	(15) Countrywide Pure Premium:	3.208	0.906	1.986	6.099			
	(16) Countrywide Indicated Relativity:	1.154	1.004	1.042				
	(17) Countrywide Credibility:	0.20	0.00	0.00				
	(18) Countrywide Lost-time Claims:	284	2,621					
	(19) Pure Premium Underlying Present Rate:	3.092	1.180	1.972	6.244			
	(20) Relativity to Underlying Present Rate:	1.324	0.855	0.981				
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.860	0.833	0.815				
	(24) Balanced Formula Relativity:	0.871	0.834	0.818	0.847			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000207

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 132

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
6319 GAS MAIN OR CONNECTION CONSTRUCTION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	407,627	9	44	1,031,793	538,158	821,590	2,391,542	
2000/2001	434,850	7	43	1,170,204	420,105	846,024	2,436,333	
2001/2002	434,391	10	32	1,787,269	560,800	1,303,032	3,651,101	
2002/2003	432,082	5	28	943,860	175,810	565,764	1,685,434	
2003/2004	434,962	4	12	805,679	96,118	563,726	1,465,524	
MA Total	2,143,912	35	159	5,738,805	1,790,991	4,100,138	11,629,934	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.531	1.320	2.016	5.867			
	2000/2001	2.691	0.966	1.946	5.603			
	2001/2002	4.114	1.291	3.000	8.405			
	2002/2003	2.184	0.407	1.309	3.901			
	2003/2004	1.852	0.221	1.296	3.369			
	MA Total Pure Premium:	2.677	0.835	1.912	5.425			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.900	0.914	0.963				
	(14) Massachusetts Credibility:	0.65	1.00	1.00				
	(15) Countrywide Pure Premium:	3.030	0.642	1.613	5.284			
	(16) Countrywide Indicated Relativity:	1.090	0.712	0.846				
	(17) Countrywide Credibility:	0.18	0.00	0.00				
	(18) Countrywide Lost-time Claims:	354	2,625					
	(19) Pure Premium Underlying Present Rate:	2.345	1.079	1.820	5.244			
	(20) Relativity to Underlying Present Rate:	1.004	0.782	0.905				
	(21) Credibility to Underlying Relativity:	0.170	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.952	0.914	0.963				
	(24) Balanced Formula Relativity:	0.964	0.915	0.967	0.957			

Class(es):		Effective: 9/1/2007						Construction
6325 CONDUIT CONSTRUCTION - FOR CABLES OR WIRES & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	178,794	0	12	0	320,330	234,032	554,362	
2000/2001	315,544	3	11	449,245	77,811	241,806	768,862	
2001/2002	141,652	1	10	3,578	34,980	30,798	69,355	
2002/2003	167,860	1	16	127,049	200,892	184,311	512,252	
2003/2004	141,459	0	9	0	170,938	109,451	280,389	
MA Total	945,309	5	58	579,872	804,950	800,398	2,185,220	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	1.792	1.309	3.101			
	2000/2001	1.424	0.247	0.766	2.437			
	2001/2002	0.025	0.247	0.217	0.490			
	2002/2003	0.757	1.197	1.098	3.052			
	2003/2004	0.000	1.208	0.774	1.982			
	MA Total Pure Premium:	0.613	0.852	0.847	2.312			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.206	0.932	0.426				
	(14) Massachusetts Credibility:	0.35	0.70	0.64				
	(15) Countrywide Pure Premium:	2.845	0.789	1.839	5.473			
	(16) Countrywide Indicated Relativity:	1.023	0.875	0.965				
	(17) Countrywide Credibility:	0.33	0.15	0.18				
	(18) Countrywide Lost-time Claims:	459	2,739					
	(19) Pure Premium Underlying Present Rate:	1.140	0.699	0.828	2.667			
	(20) Relativity to Underlying Present Rate:	0.488	0.507	0.412				
	(21) Credibility to Underlying Relativity:	0.320	0.150	0.180				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.566	0.860	0.521				
	(24) Balanced Formula Relativity:	0.573	0.860	0.523	0.601			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000208

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 133

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
6400 FENCE ERECTION - ALL TYPES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	143,058	1	19	169,364	119,527	129,970	418,861		
2000/2001	178,915	4	26	843,794	139,018	393,999	1,376,810		
2001/2002	207,016	1	21	82,732	210,120	237,414	530,266		
2002/2003	197,923	5	21	719,751	85,850	905,223	1,710,824		
2003/2004	214,378	3	25	491,953	168,034	480,709	1,140,696		
MA Total	941,290	14	112	2,307,593	722,549	2,147,314	5,177,456		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	1.184	0.836	0.909	2.928		
			2000/2001	4.716	0.777	2.202	7.695		
			2001/2002	0.400	1.015	1.147	2.561		
			2002/2003	3.637	0.434	4.574	8.644		
			2003/2004	2.295	0.784	2.242	5.321		
			MA Total Pure Premium:	2.452	0.768	2.281	5.500		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.825	0.840	1.149			
			(14) Massachusetts Credibility:	0.51	0.83	0.88			
			(15) Countrywide Pure Premium:	3.796	1.303	2.492	7.592		
			(16) Countrywide Indicated Relativity:	1.365	1.446	1.308			
			(17) Countrywide Credibility:	0.25	0.09	0.06			
			(18) Countrywide Lost-time Claims:	183	1,708				
			(19) Pure Premium Underlying Present Rate:	2.966	1.070	1.862	5.898		
			(20) Relativity to Underlying Present Rate:	1.270	0.775	0.926			
			(21) Credibility to Underlying Relativity:	0.240	0.080	0.060			
			(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872		
			(23) Formula Relativity:	1.067	0.890	1.145			
			(24) Balanced Formula Relativity:	1.080	0.890	1.150	1.074		

Class(es):		Effective: 9/1/2007						Miscellaneous	
6834 BOAT BUILDING OR REPAIRING & DRIVERS: MA ACT									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	115,530	3	4	331,479	13,559	178,211	523,249		
2000/2001	136,653	1	10	148,768	48,938	255,035	452,741		
2001/2002	143,482	2	13	183,092	56,177	156,138	395,407		
2002/2003	144,630	1	12	70,503	49,566	211,990	332,059		
2003/2004	151,557	2	9	565,994	68,828	232,398	867,221		
MA Total	691,852	9	48	1,299,836	237,068	1,033,772	2,570,676		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	2.869	0.117	1.543	4.529		
			2000/2001	1.089	0.358	1.866	3.313		
			2001/2002	1.276	0.392	1.088	2.756		
			2002/2003	0.487	0.343	1.466	2.296		
			2003/2004	3.735	0.454	1.533	5.722		
			MA Total Pure Premium:	1.879	0.343	1.494	3.716		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.895	0.392	0.811			
			(14) Massachusetts Credibility:	0.29	0.59	0.74			
			(15) Countrywide Pure Premium:	1.173	0.863	1.521	3.557		
			(16) Countrywide Indicated Relativity:	0.617	1.106	0.913			
			(17) Countrywide Credibility:	0.36	0.21	0.13			
			(18) Countrywide Lost-time Claims:	604	4,678				
			(19) Pure Premium Underlying Present Rate:	1.017	0.612	1.641	3.270		
			(20) Relativity to Underlying Present Rate:	0.708	0.513	0.969			
			(21) Credibility to Underlying Relativity:	0.350	0.200	0.130			
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816		
			(23) Formula Relativity:	0.730	0.566	0.845			
			(24) Balanced Formula Relativity:	0.731	0.567	0.847	0.746		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000209

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 134

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
6836 MARINA & DRIVERS: MA ACT									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	278,355	0	18	0	45,711	97,869	143,581		
2000/2001	284,957	1	29	223,884	129,187	212,573	565,644		
2001/2002	317,944	2	20	463,216	61,492	455,462	980,170		
2002/2003	335,785	1	25	154,311	113,674	393,655	661,640		
2003/2004	366,380	2	24	617,809	249,852	519,638	1,387,298		
MA Total	1,583,421	6	116	1,459,220	599,916	1,679,196	3,738,332		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.000	0.164	0.352	0.516		
		2000/2001		0.786	0.453	0.746	1.985		
		2001/2002		1.457	0.193	1.433	3.083		
		2002/2003		0.460	0.339	1.172	1.970		
		2003/2004		1.686	0.682	1.418	3.786		
		MA Total Pure Premium:		0.922	0.379	1.060	2.361		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.439	0.433	0.576			
		(14) Massachusetts Credibility:		0.39	0.80	0.81			
		(15) Countrywide Pure Premium:		1.182	0.613	1.347	3.142		
		(16) Countrywide Indicated Relativity:		0.622	0.786	0.809			
		(17) Countrywide Credibility:		0.31	0.10	0.10			
		(18) Countrywide Lost-time Claims:		62	1,035				
		(19) Pure Premium Underlying Present Rate:		0.911	0.575	0.888	2.374		
		(20) Relativity to Underlying Present Rate:		0.635	0.482	0.525			
		(21) Credibility to Underlying Relativity:		0.300	0.100	0.090			
		(22) Industry Group Adjusted Converted Pure Premium:		2.099	0.875	1.842	4.816		
		(23) Formula Relativity:		0.554	0.473	0.594			
		(24) Balanced Formula Relativity:		0.555	0.474	0.596	0.556		

Class(es):		Effective: 9/1/2007						Miscellaneous	
7219 TRUCKING: NOC - ALL EMP & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	5,065,007	94	813	15,629,460	5,603,386	10,247,707	31,480,553		
2000/2001	2,306,120	55	329	9,129,469	3,336,483	5,552,484	18,018,436		
2001/2002	2,265,219	55	298	8,840,905	2,574,091	6,359,205	17,774,200		
2002/2003	2,220,926	50	304	10,992,081	2,348,995	7,089,216	20,430,292		
2003/2004	2,381,834	21	283	5,683,974	3,595,931	5,269,853	14,549,759		
MA Total	14,239,106	275	2,027	50,275,889	17,458,885	34,518,465	102,253,239		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		3.086	1.106	2.023	6.215		
		2000/2001		3.959	1.447	2.408	7.813		
		2001/2002		3.903	1.136	2.807	7.847		
		2002/2003		4.949	1.058	3.192	9.199		
		2003/2004		2.386	1.510	2.213	6.109		
		MA Total Pure Premium:		3.531	1.226	2.424	7.181		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.682	1.401	1.316			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		3.588	1.158	2.373	7.118		
		(16) Countrywide Indicated Relativity:		1.887	1.485	1.425			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		3,604	26,847				
		(19) Pure Premium Underlying Present Rate:		2.531	1.773	2.184	6.489		
		(20) Relativity to Underlying Present Rate:		1.762	1.486	1.290			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		2.099	0.875	1.842	4.816		
		(23) Formula Relativity:		1.682	1.401	1.316			
		(24) Balanced Formula Relativity:		1.686	1.404	1.319	1.494		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000210

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 135

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7230 TRUCKING: PARCEL OR PACKAGE DELIVERY- ALL EMP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	44,397	2	16	257,888	31,510	173,334	462,731	
2000/2001	38,270	0	3	0	31,723	12,625	44,349	
2001/2002	35,131	0	4	0	6,497	13,269	19,766	
2002/2003	39,999	2	6	362,171	18,895	416,315	797,381	
2003/2004	38,088	1	8	412,172	62,048	71,379	545,599	
MA Total	195,885	5	37	1,032,231	150,673	686,922	1,869,826	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	5.809	0.710	3.904	10.423	
			2000/2001	0.000	0.829	0.330	1.159	
			2001/2002	0.000	0.185	0.378	0.563	
			2002/2003	9.054	0.472	10.408	19.935	
			2003/2004	10.822	1.629	1.874	14.325	
			MA Total Pure Premium:	5.270	0.769	3.507	9.546	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	2.511	0.879	1.904		
			(14) Massachusetts Credibility:	0.25	0.50	0.56		
			(15) Countrywide Pure Premium:	2.796	1.170	1.970	5.935	
			(16) Countrywide Indicated Relativity:	1.471	1.500	1.183		
			(17) Countrywide Credibility:	0.38	0.25	0.22		
			(18) Countrywide Lost-time Claims:	882	11,425			
			(19) Pure Premium Underlying Present Rate:	2.464	1.412	2.854	6.730	
			(20) Relativity to Underlying Present Rate:	1.715	1.184	1.685		
			(21) Credibility to Underlying Relativity:	0.370	0.250	0.220		
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816	
			(23) Formula Relativity:	1.821	1.110	1.697		
			(24) Balanced Formula Relativity:	1.825	1.113	1.701	1.648	

Class(es):		Effective: 9/1/2007						Miscellaneous
7231 TRUCKING: MAIL, PARCEL OR PACKAGE DELIVERY-ALL EMP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	164,931	4	30	584,325	331,998	520,639	1,436,961	
2000/2001	193,769	1	12	142,118	146,139	395,454	683,712	
2001/2002	188,290	1	20	133,676	97,991	233,927	465,594	
2002/2003	196,338	5	27	1,080,413	182,654	747,950	2,011,017	
2003/2004	177,950	0	20	0	184,953	126,731	311,683	
MA Total	921,278	11	109	1,940,533	943,734	2,024,701	4,908,968	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	3.543	2.013	3.157	8.713	
			2000/2001	0.733	0.754	2.041	3.528	
			2001/2002	0.710	0.520	1.242	2.473	
			2002/2003	5.503	0.930	3.810	10.243	
			2003/2004	0.000	1.039	0.712	1.752	
			MA Total Pure Premium:	2.106	1.024	2.198	5.328	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.004	1.170	1.193		
			(14) Massachusetts Credibility:	0.41	0.93	0.87		
			(15) Countrywide Pure Premium:	2.297	1.408	2.577	6.282	
			(16) Countrywide Indicated Relativity:	1.208	1.806	1.548		
			(17) Countrywide Credibility:	0.30	0.04	0.07		
			(18) Countrywide Lost-time Claims:	457	8,666			
			(19) Pure Premium Underlying Present Rate:	1.794	1.449	1.836	5.079	
			(20) Relativity to Underlying Present Rate:	1.249	1.215	1.084		
			(21) Credibility to Underlying Relativity:	0.290	0.030	0.060		
			(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816	
			(23) Formula Relativity:	1.136	1.197	1.211		
			(24) Balanced Formula Relativity:	1.138	1.200	1.214	1.179	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000211

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 136

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7360 FREIGHT HANDLING NOC: MA ACT								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	72,537	2	13	350,673	92,889	163,471	607,034	
2000/2001	73,813	1	12	116,176	66,382	94,378	276,936	
2001/2002	54,218	1	5	206,216	10,880	74,285	291,381	
2002/2003	72,483	0	8	0	49,240	109,862	159,102	
2003/2004	66,503	1	8	247,923	100,461	176,095	524,479	
MA Total	339,554	5	46	920,988	319,852	618,091	1,858,931	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	4.834	1.281	2.254	8.369			
	2000/2001	1.574	0.899	1.279	3.752			
	2001/2002	3.803	0.201	1.370	5.374			
	2002/2003	0.000	0.679	1.516	2.195			
	2003/2004	3.728	1.511	2.648	7.887			
	MA Total Pure Premium:	2.712	0.942	1.820	5.475			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.292	1.076	0.988				
	(14) Massachusetts Credibility:	0.26	0.64	0.54				
	(15) Countrywide Pure Premium:	1.825	0.861	1.690	4.376			
	(16) Countrywide Indicated Relativity:	0.960	1.104	1.015				
	(17) Countrywide Credibility:	0.37	0.18	0.23				
	(18) Countrywide Lost-time Claims:	172	2,033					
	(19) Pure Premium Underlying Present Rate:	1.593	1.572	1.525	4.690			
	(20) Relativity to Underlying Present Rate:	1.109	1.318	0.900				
	(21) Credibility to Underlying Relativity:	0.370	0.180	0.230				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	1.101	1.125	0.974				
	(24) Balanced Formula Relativity:	1.104	1.128	0.977	1.059			

Class(es):		Effective: 9/1/2007						Miscellaneous
7370 TAXICAB CO: ALL OTHER EMP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	515,599	4	102	590,721	515,044	1,123,089	2,228,855	
2000/2001	643,006	5	126	736,086	548,344	755,835	2,040,265	
2001/2002	696,514	2	133	155,205	398,023	726,045	1,279,272	
2002/2003	747,310	5	149	564,389	747,906	1,104,153	2,416,449	
2003/2004	1,154,162	7	211	1,703,043	1,048,038	1,913,014	4,664,096	
MA Total	3,756,591	23	721	3,749,445	3,257,355	5,622,137	12,628,936	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.146	0.999	2.178	4.323			
	2000/2001	1.145	0.853	1.175	3.173			
	2001/2002	0.223	0.571	1.042	1.837			
	2002/2003	0.755	1.001	1.478	3.234			
	2003/2004	1.476	0.908	1.657	4.041			
	MA Total Pure Premium:	0.998	0.867	1.497	3.362			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.476	0.991	0.812				
	(14) Massachusetts Credibility:	0.54	1.00	1.00				
	(15) Countrywide Pure Premium:	1.542	0.859	2.092	4.494			
	(16) Countrywide Indicated Relativity:	0.811	1.102	1.257				
	(17) Countrywide Credibility:	0.23	0.00	0.00				
	(18) Countrywide Lost-time Claims:	204	4,701					
	(19) Pure Premium Underlying Present Rate:	0.869	0.923	1.289	3.082			
	(20) Relativity to Underlying Present Rate:	0.605	0.774	0.761				
	(21) Credibility to Underlying Relativity:	0.230	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.583	0.991	0.812				
	(24) Balanced Formula Relativity:	0.584	0.993	0.814	0.746			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000212

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 137

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7380 DRIVERS, CHAUFFEURS AND HELPERS-NOC-COMMERCIAL								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	3,149,562	47	714	7,251,806	6,057,321	8,474,834	21,783,961	
2000/2001	3,369,771	56	572	8,270,540	4,122,092	7,225,981	19,618,614	
2001/2002	3,278,837	48	528	7,154,066	3,494,255	6,781,491	17,429,812	
2002/2003	3,191,403	63	515	10,902,942	3,038,323	8,833,473	22,774,738	
2003/2004	3,153,471	30	432	8,650,519	4,317,176	6,690,630	19,658,325	
MA Total	16,143,044	244	2,761	42,229,873	21,029,168	38,006,409	101,265,450	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.302	1.923	2.691	6.917			
	2000/2001	2.454	1.223	2.144	5.822			
	2001/2002	2.182	1.066	2.068	5.316			
	2002/2003	3.416	0.952	2.768	7.136			
	2003/2004	2.743	1.369	2.122	6.234			
	MA Total Pure Premium:	2.616	1.303	2.354	6.273			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.246	1.488	1.278				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	1.826	0.785	1.573	4.185			
	(16) Countrywide Indicated Relativity:	0.961	1.007	0.945				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	2,751	33,932					
	(19) Pure Premium Underlying Present Rate:	1.620	1.819	2.174	5.613			
	(20) Relativity to Underlying Present Rate:	1.128	1.525	1.284				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	1.246	1.488	1.278				
	(24) Balanced Formula Relativity:	1.249	1.492	1.281	1.305			

Class(es):		Effective: 9/1/2007						Miscellaneous
7382 BUS CO: ALL OTHER EMPLOYEES & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,733,925	23	269	3,276,264	1,191,744	2,918,304	7,386,313	
2000/2001	1,814,775	20	221	2,327,849	1,573,441	2,547,768	6,449,059	
2001/2002	1,835,626	22	234	2,467,963	1,587,995	3,691,403	7,747,361	
2002/2003	2,413,401	30	262	4,194,680	1,476,522	4,270,066	9,941,268	
2003/2004	2,090,095	9	215	2,140,802	1,499,209	3,412,941	7,052,953	
MA Total	9,887,822	104	1,201	14,407,558	7,328,912	16,840,483	38,576,953	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.890	0.687	1.683	4.260			
	2000/2001	1.283	0.867	1.404	3.554			
	2001/2002	1.344	0.865	2.011	4.221			
	2002/2003	1.738	0.612	1.769	4.119			
	2003/2004	1.024	0.717	1.633	3.374			
	MA Total Pure Premium:	1.457	0.741	1.703	3.901			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.694	0.847	0.925				
	(14) Massachusetts Credibility:	0.86	1.00	1.00				
	(15) Countrywide Pure Premium:	1.375	0.890	1.770	4.035			
	(16) Countrywide Indicated Relativity:	0.723	1.141	1.063				
	(17) Countrywide Credibility:	0.07	0.00	0.00				
	(18) Countrywide Lost-time Claims:	766	8,781					
	(19) Pure Premium Underlying Present Rate:	1.042	1.019	1.544	3.605			
	(20) Relativity to Underlying Present Rate:	0.726	0.854	0.912				
	(21) Credibility to Underlying Relativity:	0.070	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.698	0.847	0.925				
	(24) Balanced Formula Relativity:	0.700	0.849	0.927	0.814			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000213

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 138

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7403 AIRCRAFT OR HELICOP OP: AIR CARRIER-SCHD/ SUPPL: A/O EMP &DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	128,245	0	18	0	112,209	132,887	245,097	
2000/2001	131,296	0	6	0	59,055	57,207	116,262	
2001/2002	131,028	1	19	113,475	152,485	365,928	631,888	
2002/2003	583,431	15	69	3,011,443	307,661	1,222,158	4,541,262	
2003/2004	169,642	0	29	0	226,101	229,468	455,569	
MA Total	1,143,642	16	141	3,124,919	857,512	2,007,648	5,990,078	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.875	1.036	1.911			
	2000/2001	0.000	0.450	0.436	0.885			
	2001/2002	0.866	1.164	2.793	4.823			
	2002/2003	5.162	0.527	2.095	7.784			
	2003/2004	0.000	1.333	1.353	2.685			
	MA Total Pure Premium:	2.732	0.750	1.755	5.238			
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.302	0.857	0.953				
	(14) Massachusetts Credibility:	0.35	0.79	0.80				
	(15) Countrywide Pure Premium:	0.972	0.672	1.207	2.851			
	(16) Countrywide Indicated Relativity:	0.511	0.862	0.725				
	(17) Countrywide Credibility:	0.33	0.11	0.10				
	(18) Countrywide Lost-time Claims:	1,310	18,713					
	(19) Pure Premium Underlying Present Rate:	0.932	0.782	1.218	2.932			
	(20) Relativity to Underlying Present Rate:	0.649	0.655	0.719				
	(21) Credibility to Underlying Relativity:	0.320	0.100	0.100				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.832	0.837	0.907				
	(24) Balanced Formula Relativity:	0.834	0.839	0.909	0.864			

Class(es):		Effective: 9/1/2007						Miscellaneous
7405 AIRCRAFT OR HELICOP OP: AIR CARRIER-SCHD/ SUPPL: FLYING CREW								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	21,681	0	0	0	0	0	0	
2000/2001	74,663	0	1	0	669	1,651	2,320	
2001/2002	115,347	0	0	0	0	1,145	1,145	
2002/2003	1,336,672	5	40	1,106,075	281,484	554,816	1,942,374	
2003/2004	16,183	0	0	0	0	0	0	
MA Total	1,564,546	5	41	1,106,075	282,154	557,611	1,945,839	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.000	0.000			
	2000/2001	0.000	0.009	0.022	0.031			
	2001/2002	0.000	0.000	0.010	0.010			
	2002/2003	0.827	0.211	0.415	1.453			
	2003/2004	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.707	0.180	0.356	1.244			
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.337	0.206	0.193				
	(14) Massachusetts Credibility:	0.26	0.66	0.61				
	(15) Countrywide Pure Premium:	0.262	0.204	0.312	0.778			
	(16) Countrywide Indicated Relativity:	0.138	0.262	0.187				
	(17) Countrywide Credibility:	0.37	0.17	0.20				
	(18) Countrywide Lost-time Claims:	462	7,276					
	(19) Pure Premium Underlying Present Rate:	0.334	0.361	0.444	1.139			
	(20) Relativity to Underlying Present Rate:	0.232	0.303	0.262				
	(21) Credibility to Underlying Relativity:	0.370	0.170	0.190				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.225	0.232	0.205				
	(24) Balanced Formula Relativity:	0.225	0.233	0.206	0.219			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000214

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 139

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
7409 AIRCRAFT OR HELICOP OP: AERIAL APPL, SEEDING: FLYING CREW*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,402	0	0	0	0	0	0	0	
2000/2001	2,952	0	0	0	0	0	0	0	
2001/2002	1,969	0	0	0	0	2,597	2,597	0	
2002/2003	1,444	0	0	0	0	873	873	0	
2003/2004	2,191	0	0	0	0	0	0	0	
MA Total	9,958	0	0	0	0	3,470	3,470	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	1.319	1.319			
		2002/2003	0.000	0.000	0.605	0.605			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.000	0.348	0.348			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.189				
		(14) Massachusetts Credibility:	0.10	0.11	0.12				
		(15) Countrywide Pure Premium:	1.204	0.337	0.694	2.234			
		(16) Countrywide Indicated Relativity:	0.633	0.432	0.417				
		(17) Countrywide Credibility:	0.45	0.45	0.44				
		(18) Countrywide Lost-time Claims:	116	1,123					
		(19) Pure Premium Underlying Present Rate:	4.235	0.601	1.202	6.038			
		(20) Relativity to Underlying Present Rate:	2.949	0.503	0.710				
		(21) Credibility to Underlying Relativity:	0.450	0.440	0.440				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	1.612	0.416	0.518				
		(24) Balanced Formula Relativity:	1.615	0.417	0.520	0.978			

Class(es):		Effective: 9/1/2007						Miscellaneous	
7421 AIRCRAFT OR HELICOP OP: TRANSPORT PERS IN EMPLR BUS: FLY CRW*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	152,863	1	7	145,329	31,853	146,288	323,470	0	
2000/2001	151,744	1	1	322,830	64	100,035	422,930	0	
2001/2002	186,239	1	5	241,565	53,668	61,877	357,110	0	
2002/2003	208,794	1	2	231,271	3,611	4,085	238,966	0	
2003/2004	210,553	0	3	0	25,304	174,217	199,520	0	
MA Total	910,193	4	18	940,995	114,500	486,502	1,541,996	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.951	0.208	0.957	2.116			
		2000/2001	2.127	0.000	0.659	2.787			
		2001/2002	1.297	0.288	0.332	1.917			
		2002/2003	1.108	0.017	0.020	1.145			
		2003/2004	0.000	0.120	0.827	0.948			
		MA Total Pure Premium:	1.034	0.126	0.535	1.694			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.493	0.144	0.290				
		(14) Massachusetts Credibility:	0.25	0.42	0.72				
		(15) Countrywide Pure Premium:	2.157	0.208	0.570	2.935			
		(16) Countrywide Indicated Relativity:	1.135	0.267	0.342				
		(17) Countrywide Credibility:	0.38	0.29	0.14				
		(18) Countrywide Lost-time Claims:	160	867					
		(19) Pure Premium Underlying Present Rate:	0.525	0.197	1.166	1.888			
		(20) Relativity to Underlying Present Rate:	0.365	0.165	0.688				
		(21) Credibility to Underlying Relativity:	0.370	0.290	0.140				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	0.689	0.186	0.353				
		(24) Balanced Formula Relativity:	0.691	0.186	0.354	0.470			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000215

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 140

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7423 AIRCRAFT OR HELICOP OP: AIR CARRIER-COMMUTER: A/O EMP & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	237,666	5	21	713,911	193,187	462,445	1,369,542	
2000/2001	236,554	5	22	443,823	195,034	857,674	1,496,531	
2001/2002	273,126	2	12	338,851	35,446	534,894	909,191	
2002/2003	233,797	2	13	288,300	148,870	552,348	989,519	
2003/2004	261,418	1	14	154,595	190,888	273,300	618,783	
MA Total	1,242,561	15	82	1,939,479	763,425	2,680,661	5,383,565	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	3.004	0.813	1.946	5.762			
	2000/2001	1.876	0.824	3.626	6.326			
	2001/2002	1.241	0.130	1.958	3.329			
	2002/2003	1.233	0.637	2.363	4.232			
	2003/2004	0.591	0.730	1.045	2.367			
	MA Total Pure Premium:	1.561	0.614	2.157	4.333			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.744	0.702	1.171				
	(14) Massachusetts Credibility:	0.38	0.77	0.94				
	(15) Countrywide Pure Premium:	0.943	0.416	0.808	2.167			
	(16) Countrywide Indicated Relativity:	0.496	0.534	0.485				
	(17) Countrywide Credibility:	0.31	0.12	0.03				
	(18) Countrywide Lost-time Claims:	176	2,536					
	(19) Pure Premium Underlying Present Rate:	1.084	0.676	1.645	3.406			
	(20) Relativity to Underlying Present Rate:	0.755	0.567	0.971				
	(21) Credibility to Underlying Relativity:	0.310	0.110	0.030				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.671	0.667	1.145				
	(24) Balanced Formula Relativity:	0.672	0.669	1.147	0.853			

Class(es):		Effective: 9/1/2007						Miscellaneous
7502 GAS COMPANY: GAS CO-NATURAL GAS-LOCAL DISTRIBUTION & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	335,262	2	31	467,943	163,580	511,540	1,143,063	
2000/2001	348,828	6	24	1,077,867	148,164	778,352	2,004,383	
2001/2002	313,109	5	34	547,865	316,649	1,003,346	1,867,860	
2002/2003	302,337	0	15	0	81,850	147,756	229,606	
2003/2004	290,275	0	35	0	456,070	350,641	806,711	
MA Total	1,589,811	13	139	2,093,675	1,166,313	2,791,635	6,051,623	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.396	0.488	1.526	3.409			
	2000/2001	3.090	0.425	2.231	5.746			
	2001/2002	1.750	1.011	3.204	5.966			
	2002/2003	0.000	0.271	0.489	0.759			
	2003/2004	0.000	1.571	1.208	2.779			
	MA Total Pure Premium:	1.317	0.734	1.756	3.807			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.627	0.838	0.953				
	(14) Massachusetts Credibility:	0.47	0.90	1.00				
	(15) Countrywide Pure Premium:	1.004	0.452	1.141	2.596			
	(16) Countrywide Indicated Relativity:	0.528	0.579	0.685				
	(17) Countrywide Credibility:	0.27	0.05	0.00				
	(18) Countrywide Lost-time Claims:	90	1,190					
	(19) Pure Premium Underlying Present Rate:	1.406	0.767	1.634	3.808			
	(20) Relativity to Underlying Present Rate:	0.979	0.643	0.965				
	(21) Credibility to Underlying Relativity:	0.260	0.050	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.692	0.815	0.953				
	(24) Balanced Formula Relativity:	0.693	0.818	0.956	0.816			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000216

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 141

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7515 OIL OR GAS PIPELINE OPERATION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	15,773	0	0	0	0	2,962	2,962	
2000/2001	19,040	0	1	0	28,556	16,539	45,095	
2001/2002	22,693	0	1	0	740	5,566	6,306	
2002/2003	43,926	4	13	959,966	131,851	450,122	1,541,939	
2003/2004	24,263	0	0	0	0	856	856	
MA Total	125,695	4	15	959,966	161,147	476,045	1,597,158	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.000	0.188	0.188			
	2000/2001	0.000	1.500	0.869	2.368			
	2001/2002	0.000	0.033	0.245	0.278			
	2002/2003	21.854	3.002	10.247	35.103			
	2003/2004	0.000	0.000	0.035	0.035			
	MA Total Pure Premium:	7.637	1.282	3.787	12.707			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	3.639	1.465	2.056				
	(14) Massachusetts Credibility:	0.11	0.21	0.20				
	(15) Countrywide Pure Premium:	0.439	0.201	0.429	1.069			
	(16) Countrywide Indicated Relativity:	0.231	0.258	0.258				
	(17) Countrywide Credibility:	0.41	0.40	0.40				
	(18) Countrywide Lost-time Claims:	49	493					
	(19) Pure Premium Underlying Present Rate:	0.445	0.252	0.359	1.056			
	(20) Relativity to Underlying Present Rate:	0.310	0.211	0.212				
	(21) Credibility to Underlying Relativity:	0.480	0.390	0.400				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.644	0.493	0.599				
	(24) Balanced Formula Relativity:	0.645	0.494	0.601	0.601			

Class(es):		Effective: 9/1/2007						Construction
7538 ELECTRIC LIGHT OR POWER LINE CONSTRUCTION & DRIVERS*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	205,515	1	16	127,019	126,224	320,987	574,230	
2000/2001	184,451	1	12	55,155	170,516	152,695	378,366	
2001/2002	179,848	4	22	575,483	304,753	378,912	1,259,148	
2002/2003	187,135	1	9	163,074	146,786	153,914	463,773	
2003/2004	219,760	2	18	375,977	101,194	233,916	711,087	
MA Total	976,709	9	77	1,296,707	849,473	1,240,424	3,386,604	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.618	0.614	1.562	2.794			
	2000/2001	0.299	0.924	0.828	2.051			
	2001/2002	3.200	1.694	2.107	7.001			
	2002/2003	0.871	0.784	0.822	2.478			
	2003/2004	1.711	0.460	1.064	3.236			
	MA Total Pure Premium:	1.328	0.870	1.270	3.467			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.447	0.952	0.640				
	(14) Massachusetts Credibility:	0.38	0.82	0.83				
	(15) Countrywide Pure Premium:	2.797	0.843	1.855	5.495			
	(16) Countrywide Indicated Relativity:	1.006	0.935	0.973				
	(17) Countrywide Credibility:	0.31	0.09	0.09				
	(18) Countrywide Lost-time Claims:	649	4,094					
	(19) Pure Premium Underlying Present Rate:	1.373	1.003	1.543	3.919			
	(20) Relativity to Underlying Present Rate:	0.588	0.727	0.768				
	(21) Credibility to Underlying Relativity:	0.310	0.090	0.080				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	0.664	0.930	0.680				
	(24) Balanced Formula Relativity:	0.672	0.931	0.683	0.716			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000217

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 142

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7539 ELECTRIC LIGHT OR POWER CO NOC-ALL EMP & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	493,630	1	20	181,834	83,902	100,430	366,167	
2000/2001	445,578	0	15	0	73,500	116,531	190,031	
2001/2002	279,048	0	10	0	103,173	283,096	386,269	
2002/2003	470,434	1	6	428,472	22,346	92,537	543,355	
2003/2004	418,644	1	11	230,971	54,203	162,465	447,639	
MA Total	2,107,334	3	62	841,278	337,123	755,059	1,933,460	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.368	0.170	0.203	0.742			
	2000/2001	0.000	0.165	0.262	0.426			
	2001/2002	0.000	0.370	1.015	1.384			
	2002/2003	0.911	0.047	0.197	1.155			
	2003/2004	0.552	0.129	0.388	1.069			
	MA Total Pure Premium:	0.399	0.160	0.358	0.917			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.190	0.183	0.195				
	(14) Massachusetts Credibility:	0.35	0.86	0.82				
	(15) Countrywide Pure Premium:	0.666	0.259	0.561	1.486			
	(16) Countrywide Indicated Relativity:	0.350	0.333	0.337				
	(17) Countrywide Credibility:	0.33	0.07	0.09				
	(18) Countrywide Lost-time Claims:	376	3,075					
	(19) Pure Premium Underlying Present Rate:	0.502	0.522	0.685	1.710			
	(20) Relativity to Underlying Present Rate:	0.350	0.438	0.405				
	(21) Credibility to Underlying Relativity:	0.320	0.070	0.090				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.294	0.211	0.226				
	(24) Balanced Formula Relativity:	0.295	0.212	0.227	0.254			

Class(es):		Effective: 9/1/2007						Miscellaneous
7580 SEWAGE DISPOSAL PLANT OPERATION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	103,468	0	8	0	41,023	56,858	97,881	
2000/2001	114,163	1	8	100,526	40,054	101,070	241,649	
2001/2002	104,642	0	6	0	68,471	154,022	222,494	
2002/2003	128,912	1	5	74,030	45,600	147,239	266,869	
2003/2004	121,303	0	7	0	48,178	85,910	134,088	
MA Total	572,488	2	34	174,556	243,327	545,099	962,982	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.396	0.550	0.946			
	2000/2001	0.881	0.351	0.885	2.117			
	2001/2002	0.000	0.654	1.472	2.126			
	2002/2003	0.574	0.354	1.142	2.070			
	2003/2004	0.000	0.397	0.708	1.105			
	MA Total Pure Premium:	0.305	0.425	0.952	1.682			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.145	0.486	0.517				
	(14) Massachusetts Credibility:	0.27	0.50	0.61				
	(15) Countrywide Pure Premium:	0.890	0.377	0.861	2.127			
	(16) Countrywide Indicated Relativity:	0.468	0.483	0.517				
	(17) Countrywide Credibility:	0.37	0.25	0.20				
	(18) Countrywide Lost-time Claims:	101	1,183					
	(19) Pure Premium Underlying Present Rate:	1.020	0.496	1.221	2.738			
	(20) Relativity to Underlying Present Rate:	0.710	0.416	0.721				
	(21) Credibility to Underlying Relativity:	0.360	0.250	0.190				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.468	0.468	0.556				
	(24) Balanced Formula Relativity:	0.469	0.469	0.557	0.503			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000218

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 143

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
7590 GARBAGE WORKS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	41,331	2	8	199,982	336,899	426,616	963,498		
2000/2001	44,982	3	1	580,571	2,176	160,883	743,630		
2001/2002	33,677	1	2	134,682	6,010	101,611	242,303		
2002/2003	42,255	0	6	0	52,885	61,758	114,643		
2003/2004	48,938	0	3	0	39,063	24,978	64,042		
MA Total	211,183	6	20	915,235	437,034	775,847	2,128,115		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	4.839	8.151	10.322	23.312			
		2000/2001	12.907	0.048	3.577	16.532			
		2001/2002	3.999	0.178	3.017	7.195			
		2002/2003	0.000	1.252	1.462	2.713			
		2003/2004	0.000	0.798	0.510	1.309			
		MA Total Pure Premium:	4.334	2.069	3.674	10.077			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.065	2.364	1.994				
		(14) Massachusetts Credibility:	0.25	0.59	0.58				
		(15) Countrywide Pure Premium:	2.593	0.741	2.055	5.389			
		(16) Countrywide Indicated Relativity:	1.364	0.951	1.234				
		(17) Countrywide Credibility:	0.38	0.21	0.21				
		(18) Countrywide Lost-time Claims:	144	1,389					
		(19) Pure Premium Underlying Present Rate:	2.289	2.000	2.885	7.175			
		(20) Relativity to Underlying Present Rate:	1.594	1.677	1.704				
		(21) Credibility to Underlying Relativity:	0.370	0.200	0.210				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	1.624	1.930	1.774				
		(24) Balanced Formula Relativity:	1.627	1.935	1.778	1.741			

Class(es):		Effective: 9/1/2007						Miscellaneous	
7600 TELEPHONE OR TELEGRAPH CO: ALL OTHER EMP & DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,237,060	4	105	778,220	696,960	949,367	2,424,547		
2000/2001	1,262,621	10	64	1,298,220	597,734	1,331,212	3,227,166		
2001/2002	1,265,625	12	69	2,527,627	446,470	1,322,323	4,296,420		
2002/2003	1,082,683	14	81	2,487,726	708,087	1,838,519	5,034,332		
2003/2004	1,053,174	9	69	2,742,615	672,723	1,368,477	4,783,814		
MA Total	5,901,163	49	388	9,834,407	3,121,973	6,809,898	19,766,278		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.629	0.563	0.767	1.960			
		2000/2001	1.028	0.473	1.054	2.556			
		2001/2002	1.997	0.353	1.045	3.395			
		2002/2003	2.298	0.654	1.698	4.650			
		2003/2004	2.604	0.639	1.299	4.542			
		MA Total Pure Premium:	1.667	0.529	1.154	3.350			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.794	0.604	0.626				
		(14) Massachusetts Credibility:	0.63	1.00	1.00				
		(15) Countrywide Pure Premium:	1.011	0.461	0.949	2.421			
		(16) Countrywide Indicated Relativity:	0.532	0.591	0.570				
		(17) Countrywide Credibility:	0.19	0.00	0.00				
		(18) Countrywide Lost-time Claims:	910	9,384					
		(19) Pure Premium Underlying Present Rate:	0.799	0.726	0.874	2.399			
		(20) Relativity to Underlying Present Rate:	0.556	0.608	0.516				
		(21) Credibility to Underlying Relativity:	0.180	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	0.701	0.604	0.626				
		(24) Balanced Formula Relativity:	0.703	0.606	0.628	0.657			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000219

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 144

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical	
7610 RADIO OR TV BROADCAST STATION-ALL EMP & CL, DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	4,454,571	1	15	138,009	65,378	216,819	420,207		
2000/2001	3,351,468	1	20	76,264	169,103	257,347	502,715		
2001/2002	2,877,666	0	10	0	91,924	153,024	244,948		
2002/2003	2,735,901	0	21	0	66,149	139,668	205,817		
2003/2004	2,812,319	0	6	0	98,342	295,775	394,118		
MA Total	16,231,925	2	72	214,273	490,897	1,062,634	1,767,804		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.031	0.015	0.049	0.094				
	2000/2001	0.023	0.050	0.077	0.150				
	2001/2002	0.000	0.032	0.053	0.085				
	2002/2003	0.000	0.024	0.051	0.075				
	2003/2004	0.000	0.035	0.105	0.140				
	MA Total Pure Premium:	0.013	0.030	0.065	0.109				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.181	0.655	0.760					
	(14) Massachusetts Credibility:	0.32	0.81	0.78					
	(15) Countrywide Pure Premium:	0.115	0.051	0.118	0.284				
	(16) Countrywide Indicated Relativity:	1.658	1.214	1.486					
	(17) Countrywide Credibility:	0.34	0.10	0.11					
	(18) Countrywide Lost-time Claims:	311	2,574						
	(19) Pure Premium Underlying Present Rate:	0.052	0.059	0.079	0.189				
	(20) Relativity to Underlying Present Rate:	0.921	0.970	0.963					
	(21) Credibility to Underlying Relativity:	0.340	0.090	0.110					
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205				
	(23) Formula Relativity:	0.934	0.740	0.862					
	(24) Balanced Formula Relativity:	0.937	0.738	0.860	0.860				

Class(es):		Effective: 9/1/2007						Miscellaneous	
7704 FIREFIGHTERS & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	7,704	0	4	0	14,597	15,905	30,502		
2000/2001	19,571	0	1	0	70	5,630	5,700		
2001/2002	48,396	0	3	0	3,924	6,357	10,281		
2002/2003	20,085	0	1	0	62	5,628	5,690		
2003/2004	22,415	0	1	0	662	122	785		
MA Total	118,171	0	10	0	19,317	33,642	52,959		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	1.895	2.064	3.959				
	2000/2001	0.000	0.004	0.288	0.291				
	2001/2002	0.000	0.081	0.131	0.212				
	2002/2003	0.000	0.003	0.280	0.283				
	2003/2004	0.000	0.030	0.005	0.035				
	MA Total Pure Premium:	0.000	0.163	0.285	0.448				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.187	0.155					
	(14) Massachusetts Credibility:	0.09	0.20	0.25					
	(15) Countrywide Pure Premium:	0.341	0.167	0.380	0.888				
	(16) Countrywide Indicated Relativity:	0.179	0.215	0.228					
	(17) Countrywide Credibility:	0.46	0.40	0.38					
	(18) Countrywide Lost-time Claims:	214	4,544						
	(19) Pure Premium Underlying Present Rate:	0.280	0.251	0.609	1.139				
	(20) Relativity to Underlying Present Rate:	0.195	0.210	0.360					
	(21) Credibility to Underlying Relativity:	0.450	0.400	0.370					
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816				
	(23) Formula Relativity:	0.170	0.207	0.258					
	(24) Balanced Formula Relativity:	0.170	0.208	0.259	0.211				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000220

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 145

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
7720 POLICE OFFICERS & DRIVERS								
		Adjusted Converted Loss and Loss Adjustment Expense						
Policy Period (1)	Exposure (2)	Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,045,706	5	60	991,560	240,178	723,335	1,955,072	
2000/2001	1,226,193	7	63	671,733	380,871	597,551	1,650,154	
2001/2002	1,511,205	5	72	500,207	258,831	663,139	1,422,178	
2002/2003	1,498,902	4	70	601,895	373,209	1,021,670	1,996,774	
2003/2004	1,394,228	2	68	368,991	393,335	566,478	1,328,803	
MA Total	6,676,234	23	333	3,134,385	1,646,424	3,572,172	8,352,981	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	0.948	0.230	0.692	1.870		
		2000/2001	0.548	0.311	0.487	1.346		
		2001/2002	0.331	0.171	0.439	0.941		
		2002/2003	0.402	0.249	0.682	1.332		
		2003/2004	0.265	0.282	0.406	0.953		
		MA Total Pure Premium:	0.469	0.247	0.535	1.251		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.224	0.282	0.290			
		(14) Massachusetts Credibility:	0.55	1.00	1.00			
		(15) Countrywide Pure Premium:	0.891	0.492	1.064	2.447		
		(16) Countrywide Indicated Relativity:	0.469	0.630	0.639			
		(17) Countrywide Credibility:	0.23	0.00	0.00			
		(18) Countrywide Lost-time Claims:	944	15,199				
		(19) Pure Premium Underlying Present Rate:	0.508	0.406	0.640	1.554		
		(20) Relativity to Underlying Present Rate:	0.354	0.340	0.378			
		(21) Credibility to Underlying Relativity:	0.220	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816		
		(23) Formula Relativity:	0.309	0.282	0.290			
		(24) Balanced Formula Relativity:	0.309	0.282	0.291	0.298		

Class(es):		Effective: 9/1/2007						Construction
7855 RAILROAD CONSTR: LAYING/RELAYING TRACK OR MAINT BY CONTR & DR								
		Adjusted Converted Loss and Loss Adjustment Expense						
Policy Period (1)	Exposure (2)	Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	12,278	1	1	88,032	2,549	56,100	146,680	
2000/2001	8,169	0	3	0	77,289	27,325	104,613	
2001/2002	8,490	0	0	0	0	2,176	2,176	
2002/2003	9,615	0	1	0	5,105	1,037	6,142	
2003/2004	11,501	1	0	390,747	0	360,303	751,050	
MA Total	50,053	2	5	478,779	84,943	446,940	1,010,662	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		1999/2000	7.170	0.208	4.569	11.947		
		2000/2001	0.000	9.462	3.345	12.807		
		2001/2002	0.000	0.000	0.256	0.256		
		2002/2003	0.000	0.531	0.108	0.639		
		2003/2004	33.975	0.000	31.328	65.303		
		MA Total Pure Premium:	9.565	1.697	8.929	20.192		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	3.218	1.858	4.498			
		(14) Massachusetts Credibility:	0.14	0.33	0.26			
		(15) Countrywide Pure Premium:	2.944	1.000	1.917	5.861		
		(16) Countrywide Indicated Relativity:	1.059	1.109	1.006			
		(17) Countrywide Credibility:	0.43	0.34	0.37			
		(18) Countrywide Lost-time Claims:	54	405				
		(19) Pure Premium Underlying Present Rate:	2.200	1.926	1.625	5.751		
		(20) Relativity to Underlying Present Rate:	0.942	1.396	0.809			
		(21) Credibility to Underlying Relativity:	0.430	0.330	0.370			
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872		
		(23) Formula Relativity:	1.311	1.451	1.841			
		(24) Balanced Formula Relativity:	1.327	1.452	1.848	1.523		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000221

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 146

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8001 STORE: FLORISTS & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	677,522	2	29	137,793	376,237	511,819	1,025,849		
2000/2001	736,604	3	36	340,717	103,879	318,471	763,067		
2001/2002	747,432	3	36	358,079	225,676	542,330	1,126,085		
2002/2003	772,248	4	30	430,007	103,369	438,329	971,705		
2003/2004	706,572	1	34	187,702	229,390	392,697	809,789		
MA Total	3,640,378	13	165	1,454,297	1,038,550	2,203,647	4,696,494		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.203	0.555	0.755	1.514				
	2000/2001	0.463	0.141	0.432	1.036				
	2001/2002	0.479	0.302	0.726	1.507				
	2002/2003	0.557	0.134	0.568	1.258				
	2003/2004	0.266	0.325	0.556	1.146				
	MA Total Pure Premium:	0.399	0.285	0.605	1.290				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.576	0.647	0.750					
	(14) Massachusetts Credibility:	0.29	0.99	0.84					
	(15) Countrywide Pure Premium:	0.477	0.450	0.802	1.728				
	(16) Countrywide Indicated Relativity:	0.669	0.979	0.958					
	(17) Countrywide Credibility:	0.36	0.01	0.08					
	(18) Countrywide Lost-time Claims:	155	2,721						
	(19) Pure Premium Underlying Present Rate:	0.184	0.431	0.431	1.046				
	(20) Relativity to Underlying Present Rate:	0.392	0.726	0.573					
	(21) Credibility to Underlying Relativity:	0.350	0.000	0.080					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	0.545	0.650	0.753					
	(24) Balanced Formula Relativity:	0.540	0.649	0.750	0.652				

Class(es):		Effective: 9/1/2007						Goods & Services	
8002 AUTOMOBILE RENTAL CO: ALL OTHER EMP & COUNTER PERSONNEL, DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	169,282	6	14	675,055	72,095	687,274	1,434,424		
2000/2001	158,240	2	12	292,904	79,392	145,678	517,974		
2001/2002	147,122	0	8	69,630	0	54,321	123,952		
2002/2003	158,929	1	19	124,842	53,526	166,967	345,335		
2003/2004	132,458	0	7	73,695	0	104,857	178,552		
MA Total	766,031	9	60	1,092,801	348,338	1,159,097	2,600,236		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	3.988	0.426	4.060	8.474				
	2000/2001	1.851	0.502	0.921	3.273				
	2001/2002	0.000	0.473	0.369	0.843				
	2002/2003	0.786	0.337	1.051	2.173				
	2003/2004	0.000	0.556	0.792	1.348				
	MA Total Pure Premium:	1.427	0.455	1.513	3.394				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.056	1.031	1.876					
	(14) Massachusetts Credibility:	0.27	0.65	0.68					
	(15) Countrywide Pure Premium:	0.518	0.481	0.860	1.859				
	(16) Countrywide Indicated Relativity:	0.728	1.046	1.028					
	(17) Countrywide Credibility:	0.37	0.18	0.16					
	(18) Countrywide Lost-time Claims:	82	2,081						
	(19) Pure Premium Underlying Present Rate:	0.774	0.698	1.203	2.676				
	(20) Relativity to Underlying Present Rate:	1.650	1.175	1.601					
	(21) Credibility to Underlying Relativity:	0.360	0.170	0.160					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.418	1.059	1.696					
	(24) Balanced Formula Relativity:	1.406	1.056	1.690	1.445				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000222

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 147

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8006 STORE: GROCERY STORES-RETAIL-NO HANDLING OF FRESH MEATS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,175,660	11	71	1,186,940	370,550	780,828	2,338,317		
2000/2001	1,485,351	3	78	290,907	477,697	546,322	1,314,926		
2001/2002	1,649,726	4	99	460,207	402,675	814,903	1,677,785		
2002/2003	1,481,414	2	59	189,056	359,437	517,724	1,066,217		
2003/2004	1,753,179	5	83	1,207,602	547,911	1,289,964	3,045,476		
MA Total	7,545,330	25	390	3,334,712	2,158,269	3,949,741	9,442,722		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		1.010	0.315	0.664	1.989		
		2000/2001		0.196	0.322	0.368	0.885		
		2001/2002		0.279	0.244	0.494	1.017		
		2002/2003		0.128	0.243	0.349	0.720		
		2003/2004		0.689	0.313	0.736	1.737		
		MA Total Pure Premium:		0.442	0.286	0.523	1.251		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.637	0.649	0.649			
		(14) Massachusetts Credibility:		0.51	1.00	1.00			
		(15) Countrywide Pure Premium:		0.506	0.441	0.798	1.745		
		(16) Countrywide Indicated Relativity:		0.710	0.960	0.954			
		(17) Countrywide Credibility:		0.25	0.00	0.00			
		(18) Countrywide Lost-time Claims:		934	15,116				
		(19) Pure Premium Underlying Present Rate:		0.373	0.328	0.555	1.257		
		(20) Relativity to Underlying Present Rate:		0.795	0.552	0.739			
		(21) Credibility to Underlying Relativity:		0.240	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.693	0.649	0.649			
		(24) Balanced Formula Relativity:		0.687	0.648	0.647	0.661		

Class(es):		Effective: 9/1/2007						Goods & Services	
8008 STORE: CLOTHING, WEARING APPAREL OR DRY GOODS - RETAIL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,767,146	11	115	1,131,909	730,052	1,058,534	2,920,495		
2000/2001	2,756,224	7	86	757,568	741,255	1,019,409	2,518,232		
2001/2002	2,506,280	5	82	458,739	429,184	764,333	1,652,255		
2002/2003	2,417,940	4	61	618,305	338,762	741,544	1,698,610		
2003/2004	2,553,581	2	52	358,710	330,050	1,033,707	1,722,467		
MA Total	13,001,171	29	396	3,325,230	2,569,303	4,617,526	10,512,059		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.409	0.264	0.383	1.055		
		2000/2001		0.275	0.269	0.370	0.914		
		2001/2002		0.183	0.171	0.305	0.659		
		2002/2003		0.256	0.140	0.307	0.703		
		2003/2004		0.140	0.129	0.405	0.675		
		MA Total Pure Premium:		0.256	0.198	0.355	0.809		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.369	0.448	0.440			
		(14) Massachusetts Credibility:		0.56	1.00	1.00			
		(15) Countrywide Pure Premium:		0.356	0.292	0.524	1.171		
		(16) Countrywide Indicated Relativity:		0.500	0.634	0.626			
		(17) Countrywide Credibility:		0.22	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,523	18,950				
		(19) Pure Premium Underlying Present Rate:		0.274	0.263	0.343	0.880		
		(20) Relativity to Underlying Present Rate:		0.585	0.442	0.456			
		(21) Credibility to Underlying Relativity:		0.220	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.445	0.448	0.440			
		(24) Balanced Formula Relativity:		0.441	0.447	0.439	0.442		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000223

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 148

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8010 STORE: HARDWARE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,886,776	15	100	1,458,297	860,411	1,370,957	3,689,666		
2000/2001	1,853,955	7	120	784,168	818,208	1,244,032	2,846,408		
2001/2002	1,848,179	5	97	798,552	437,451	1,100,400	2,336,404		
2002/2003	1,913,914	4	99	627,548	654,099	1,206,555	2,488,202		
2003/2004	1,875,524	7	77	1,347,245	507,886	1,877,006	3,732,136		
MA Total	9,378,348	38	493	5,015,810	3,278,055	6,798,950	15,092,815		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.773	0.456	0.727	1.956		
		2000/2001		0.423	0.441	0.671	1.535		
		2001/2002		0.432	0.237	0.595	1.264		
		2002/2003		0.328	0.342	0.630	1.300		
		2003/2004		0.718	0.271	1.001	1.990		
		MA Total Pure Premium:		0.535	0.350	0.725	1.609		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.771	0.793	0.899			
		(14) Massachusetts Credibility:		0.58	1.00	1.00			
		(15) Countrywide Pure Premium:		0.586	0.394	0.783	1.764		
		(16) Countrywide Indicated Relativity:		0.824	0.858	0.937			
		(17) Countrywide Credibility:		0.21	0.00	0.00			
		(18) Countrywide Lost-time Claims:		427	9,219				
		(19) Pure Premium Underlying Present Rate:		0.403	0.431	0.611	1.445		
		(20) Relativity to Underlying Present Rate:		0.858	0.726	0.813			
		(21) Credibility to Underlying Relativity:		0.210	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.800	0.793	0.899			
		(24) Balanced Formula Relativity:		0.793	0.791	0.896	0.835		

Class(es):		Effective: 9/1/2007						Goods & Services	
8013 STORE: JEWELRY STORES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	944,519	2	18	283,099	146,272	331,763	761,135		
2000/2001	1,002,846	2	10	237,405	35,790	63,189	336,385		
2001/2002	945,561	2	10	376,318	114,692	191,551	682,561		
2002/2003	1,073,405	0	12	0	46,473	154,909	201,382		
2003/2004	1,051,244	0	8	0	100,946	71,625	172,572		
MA Total	5,017,575	6	58	896,823	444,174	813,037	2,154,034		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.300	0.155	0.351	0.806		
		2000/2001		0.237	0.036	0.063	0.335		
		2001/2002		0.398	0.121	0.203	0.722		
		2002/2003		0.000	0.043	0.144	0.188		
		2003/2004		0.000	0.096	0.068	0.164		
		MA Total Pure Premium:		0.179	0.089	0.162	0.429		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.258	0.201	0.201			
		(14) Massachusetts Credibility:		0.32	0.69	0.67			
		(15) Countrywide Pure Premium:		0.240	0.153	0.263	0.656		
		(16) Countrywide Indicated Relativity:		0.337	0.333	0.315			
		(17) Countrywide Credibility:		0.34	0.16	0.17			
		(18) Countrywide Lost-time Claims:		650	3,958				
		(19) Pure Premium Underlying Present Rate:		0.166	0.124	0.176	0.467		
		(20) Relativity to Underlying Present Rate:		0.355	0.209	0.234			
		(21) Credibility to Underlying Relativity:		0.340	0.150	0.160			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.318	0.223	0.226			
		(24) Balanced Formula Relativity:		0.315	0.223	0.225	0.257		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000224

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 149

Calculation of Class Relativities

Class(es): 8017 STORE: RETAIL NOC		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	10,839,540	46	552	4,909,804	3,151,281	7,317,154	15,378,239
2000/2001	10,092,979	39	449	4,464,423	2,798,134	5,478,410	12,740,967
2001/2002	10,822,450	43	472	5,135,975	2,716,293	6,490,902	14,343,170
2002/2003	10,568,649	34	501	4,310,444	2,245,966	5,473,311	12,029,721
2003/2004	10,348,327	13	481	2,940,816	3,279,811	5,126,075	11,346,702
MA Total	52,671,945	175	2,455	21,761,462	14,191,484	29,885,852	65,838,799
		MA Indicated Pure Premiums					
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000	0.453	0.291	0.675	1.419	
		2000/2001	0.442	0.277	0.543	1.262	
		2001/2002	0.475	0.251	0.600	1.325	
		2002/2003	0.408	0.213	0.518	1.138	
		2003/2004	0.284	0.317	0.495	1.096	
		MA Total Pure Premium:	0.413	0.269	0.567	1.250	
		Pure Premium Relativities					
		Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:	0.595	0.611	0.703		
		(14) Massachusetts Credibility:	1.00	1.00	1.00		
		(15) Countrywide Pure Premium:	0.349	0.311	0.581	1.242	
		(16) Countrywide Indicated Relativity:	0.491	0.678	0.695		
		(17) Countrywide Credibility:	0.00	0.00	0.00		
		(18) Countrywide Lost-time Claims:	3,906	61,137			
		(19) Pure Premium Underlying Present Rate:	0.324	0.309	0.546	1.180	
		(20) Relativity to Underlying Present Rate:	0.691	0.521	0.727		
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000		
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
		(23) Formula Relativity:	0.595	0.611	0.703		
		(24) Balanced Formula Relativity:	0.590	0.610	0.701	0.641	

Class(es): 8018 STORE: WHOLESALE NOC		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	3,156,709	26	610	2,945,823	3,541,237	4,996,121	11,483,181
2000/2001	2,933,437	32	376	3,491,211	2,285,578	4,081,074	9,857,863
2001/2002	2,737,937	33	443	4,062,524	2,597,270	6,053,713	12,713,507
2002/2003	2,675,699	29	272	3,528,072	1,636,514	3,897,475	9,062,061
2003/2004	2,666,035	12	342	2,126,317	2,931,480	3,614,560	8,672,357
MA Total	14,169,817	132	2,043	16,153,947	12,992,079	22,642,943	51,788,969
		MA Indicated Pure Premiums					
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000	0.933	1.122	1.583	3.638	
		2000/2001	1.190	0.779	1.391	3.361	
		2001/2002	1.484	0.949	2.211	4.643	
		2002/2003	1.319	0.612	1.457	3.387	
		2003/2004	0.798	1.100	1.356	3.253	
		MA Total Pure Premium:	1.140	0.917	1.598	3.655	
		Pure Premium Relativities					
		Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:	1.643	2.080	1.981		
		(14) Massachusetts Credibility:	0.94	1.00	1.00		
		(15) Countrywide Pure Premium:	0.815	0.568	0.991	2.373	
		(16) Countrywide Indicated Relativity:	1.145	1.235	1.184		
		(17) Countrywide Credibility:	0.03	0.00	0.00		
		(18) Countrywide Lost-time Claims:	4,639	44,800			
		(19) Pure Premium Underlying Present Rate:	0.897	1.079	1.446	3.422	
		(20) Relativity to Underlying Present Rate:	1.911	1.816	1.925		
		(21) Credibility to Underlying Relativity:	0.030	0.000	0.000		
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
		(23) Formula Relativity:	1.636	2.080	1.981		
		(24) Balanced Formula Relativity:	1.622	2.076	1.974	1.871	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000225

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 150

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8021 STORE: MEAT, FISH OR POULTRY DEALER- WHOLESALE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	485,159	6	54	1,125,457	383,679	1,005,865	2,515,001		
2000/2001	583,035	11	63	1,467,077	542,452	856,781	2,866,309		
2001/2002	630,711	5	51	715,384	450,531	540,472	1,706,387		
2002/2003	617,104	11	47	1,537,383	259,779	1,497,368	3,294,530		
2003/2004	610,444	2	55	377,593	300,915	496,515	1,175,023		
MA Total	2,926,453	35	270	5,222,894	1,937,355	4,397,002	11,557,251		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	2.320	0.791	2.073	5.184				
	2000/2001	2.516	0.930	1.470	4.916				
	2001/2002	1.134	0.714	0.857	2.705				
	2002/2003	2.491	0.421	2.426	5.339				
	2003/2004	0.619	0.493	0.813	1.925				
	MA Total Pure Premium:	1.785	0.662	1.503	3.949				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.572	1.502	1.863					
	(14) Massachusetts Credibility:	0.60	1.00	1.00					
	(15) Countrywide Pure Premium:	0.742	0.562	1.022	2.326				
	(16) Countrywide Indicated Relativity:	1.042	1.223	1.222					
	(17) Countrywide Credibility:	0.20	0.00	0.00					
	(18) Countrywide Lost-time Claims:	353	5,022						
	(19) Pure Premium Underlying Present Rate:	1.445	1.398	1.631	4.474				
	(20) Relativity to Underlying Present Rate:	3.080	2.353	2.170					
	(21) Credibility to Underlying Relativity:	0.200	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.368	1.502	1.863					
	(24) Balanced Formula Relativity:	2.347	1.499	1.856	1.950				

Class(es):		Effective: 9/1/2007						Goods & Services	
8031 STORE: MEAT, FISH OR POULTRY - RETAIL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	201,714	1	17	103,617	103,035	158,910	365,562		
2000/2001	221,408	0	22	0	183,904	91,278	275,182		
2001/2002	232,979	4	10	575,751	29,498	140,741	745,990		
2002/2003	217,979	2	17	311,781	103,753	235,534	651,067		
2003/2004	206,389	0	14	0	91,655	145,552	237,207		
MA Total	1,080,469	7	80	991,149	511,844	772,015	2,275,009		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.514	0.511	0.788	1.812				
	2000/2001	0.000	0.831	0.412	1.243				
	2001/2002	2.471	0.127	0.604	3.202				
	2002/2003	1.430	0.476	1.081	2.987				
	2003/2004	0.000	0.444	0.705	1.149				
	MA Total Pure Premium:	0.917	0.474	0.715	2.106				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.322	1.075	0.886					
	(14) Massachusetts Credibility:	0.32	0.76	0.65					
	(15) Countrywide Pure Premium:	0.933	0.613	1.098	2.644				
	(16) Countrywide Indicated Relativity:	1.311	1.334	1.313					
	(17) Countrywide Credibility:	0.34	0.12	0.18					
	(18) Countrywide Lost-time Claims:	294	2,219						
	(19) Pure Premium Underlying Present Rate:	0.783	0.745	0.758	2.286				
	(20) Relativity to Underlying Present Rate:	1.668	1.255	1.009					
	(21) Credibility to Underlying Relativity:	0.340	0.120	0.170					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.436	1.127	0.984					
	(24) Balanced Formula Relativity:	1.423	1.125	0.980	1.171				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000226

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 151

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services
8032 STORE: CLOTHING, WEARING APPAREL OR DRY GOODS - WHOLESALE								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	674,498	4	65	879,883	551,384	817,176	2,248,442	
2000/2001	405,855	1	24	63,501	138,668	148,028	350,198	
2001/2002	300,456	1	11	84,279	64,485	114,742	263,506	
2002/2003	319,949	0	18	0	147,082	165,198	312,280	
2003/2004	311,809	1	10	129,958	47,800	103,275	281,033	
MA Total	2,012,567	7	128	1,157,621	949,419	1,348,419	3,455,459	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.304	0.817	1.212	3.334			
	2000/2001	0.156	0.342	0.365	0.863			
	2001/2002	0.281	0.215	0.382	0.877			
	2002/2003	0.000	0.460	0.516	0.976			
	2003/2004	0.417	0.153	0.331	0.901			
	MA Total Pure Premium:	0.575	0.472	0.670	1.717			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.829	1.070	0.831				
	(14) Massachusetts Credibility:	0.33	0.86	0.83				
	(15) Countrywide Pure Premium:	0.669	0.603	0.941	2.212			
	(16) Countrywide Indicated Relativity:	0.939	1.311	1.125				
	(17) Countrywide Credibility:	0.34	0.07	0.09				
	(18) Countrywide Lost-time Claims:	374	4,141					
	(19) Pure Premium Underlying Present Rate:	0.459	0.553	0.741	1.754			
	(20) Relativity to Underlying Present Rate:	0.979	0.931	0.987				
	(21) Credibility to Underlying Relativity:	0.330	0.070	0.080				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	0.916	1.077	0.870				
	(24) Balanced Formula Relativity:	0.908	1.075	0.867	0.929			

Class(es):		Effective: 9/1/2007						Goods & Services
8033 STORE: MEAT, GROCERY & PROVISION COMBINED RETAIL-NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,784,158	7	162	747,082	1,277,894	1,586,028	3,611,003	
2000/2001	1,742,065	10	164	1,378,184	814,181	1,266,084	3,458,449	
2001/2002	1,047,574	6	100	839,643	951,785	961,560	2,752,989	
2002/2003	1,005,626	4	78	391,516	397,022	555,128	1,343,665	
2003/2004	1,014,282	2	57	423,354	507,026	933,615	1,863,995	
MA Total	6,593,705	29	561	3,779,779	3,947,908	5,302,415	13,030,102	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.419	0.716	0.889	2.024			
	2000/2001	0.791	0.467	0.727	1.985			
	2001/2002	0.802	0.909	0.918	2.628			
	2002/2003	0.389	0.395	0.552	1.336			
	2003/2004	0.417	0.500	0.920	1.838			
	MA Total Pure Premium:	0.573	0.599	0.804	1.976			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.826	1.358	0.997				
	(14) Massachusetts Credibility:	0.50	1.00	1.00				
	(15) Countrywide Pure Premium:	0.607	0.514	0.844	1.965			
	(16) Countrywide Indicated Relativity:	0.853	1.118	1.009				
	(17) Countrywide Credibility:	0.25	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,197	30,605					
	(19) Pure Premium Underlying Present Rate:	0.394	0.732	0.797	1.924			
	(20) Relativity to Underlying Present Rate:	0.841	1.233	1.061				
	(21) Credibility to Underlying Relativity:	0.250	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	0.836	1.358	0.997				
	(24) Balanced Formula Relativity:	0.829	1.355	0.994	1.017			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000227

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 152

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007				Goods & Services	
8034 STORE: GROCERY STORES - WHOLESALE							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	171,088	3	59	601,307	263,495	415,179	1,279,981
2000/2001	168,874	2	34	107,684	92,496	163,609	363,788
2001/2002	165,113	1	16	128,511	157,943	148,315	434,769
2002/2003	190,576	1	19	226,320	71,321	184,494	482,135
2003/2004	172,143	1	19	225,564	95,162	539,236	859,961
MA Total	867,794	8	147	1,289,387	680,416	1,450,833	3,420,635
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	3.515	1.540	2.427	7.481		
	2000/2001	0.638	0.548	0.969	2.154		
	2001/2002	0.778	0.957	0.898	2.633		
	2002/2003	1.188	0.374	0.968	2.530		
	2003/2004	1.310	0.553	3.132	4.996		
	MA Total Pure Premium:	1.486	0.784	1.672	3.942		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	2.141	1.778	2.073			
	(14) Massachusetts Credibility:	0.37	0.95	0.83			
	(15) Countrywide Pure Premium:	1.515	1.231	1.832	4.578		
	(16) Countrywide Indicated Relativity:	2.127	2.679	2.191			
	(17) Countrywide Credibility:	0.32	0.03	0.09			
	(18) Countrywide Lost-time Claims:	141	2,654				
	(19) Pure Premium Underlying Present Rate:	1.480	1.631	1.742	4.854		
	(20) Relativity to Underlying Present Rate:	3.155	2.746	2.319			
	(21) Credibility to Underlying Relativity:	0.310	0.020	0.080			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	2.451	1.825	2.103			
	(24) Balanced Formula Relativity:	2.429	1.821	2.096	2.153		

Class(es):		Effective: 9/1/2007				Goods & Services	
8039 STORE: DEPARTMENT - RETAIL							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	544,644	7	144	734,812	435,904	1,326,194	2,496,910
2000/2001	579,374	2	100	275,524	390,581	496,092	1,162,198
2001/2002	613,238	5	76	466,295	270,359	516,290	1,252,943
2002/2003	146,556	0	8	0	112,474	93,634	206,108
2003/2004	201,528	0	15	0	77,648	111,297	188,945
MA Total	2,085,340	14	343	1,476,630	1,286,966	2,543,506	5,307,103
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	1.349	0.800	2.435	4.584		
	2000/2001	0.476	0.674	0.856	2.006		
	2001/2002	0.760	0.441	0.842	2.043		
	2002/2003	0.000	0.767	0.639	1.406		
	2003/2004	0.000	0.385	0.552	0.938		
	MA Total Pure Premium:	0.708	0.617	1.220	2.545		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.020	1.400	1.512			
	(14) Massachusetts Credibility:	0.30	0.98	0.88			
	(15) Countrywide Pure Premium:	0.476	0.387	0.776	1.638		
	(16) Countrywide Indicated Relativity:	0.668	0.842	0.928			
	(17) Countrywide Credibility:	0.35	0.01	0.06			
	(18) Countrywide Lost-time Claims:	820	12,086				
	(19) Pure Premium Underlying Present Rate:	0.349	0.725	0.824	1.899		
	(20) Relativity to Underlying Present Rate:	0.744	1.221	1.097			
	(21) Credibility to Underlying Relativity:	0.350	0.010	0.060			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	0.800	1.392	1.452			
	(24) Balanced Formula Relativity:	0.793	1.390	1.447	1.200		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000228

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 153

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8044 STORE: FURNITURE & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,229,634	8	186	1,292,096	1,102,482	1,513,905	3,908,483		
2000/2001	1,290,604	11	154	1,600,121	829,343	1,494,370	3,923,835		
2001/2002	1,294,444	14	186	1,718,676	1,154,651	1,705,200	4,578,527		
2002/2003	1,281,510	17	138	3,117,142	970,037	2,063,645	6,150,823		
2003/2004	1,279,131	8	121	1,616,286	829,101	1,352,198	3,797,584		
MA Total	6,375,323	58	785	9,344,320	4,885,614	8,129,318	22,359,252		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.051	0.897	1.231	3.179				
	2000/2001	1.240	0.643	1.158	3.040				
	2001/2002	1.328	0.892	1.317	3.537				
	2002/2003	2.432	0.757	1.610	4.800				
	2003/2004	1.264	0.648	1.057	2.969				
	MA Total Pure Premium:	1.466	0.766	1.275	3.507				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.112	1.738	1.581					
	(14) Massachusetts Credibility:	0.65	1.00	1.00					
	(15) Countrywide Pure Premium:	1.078	0.593	1.058	2.729				
	(16) Countrywide Indicated Relativity:	1.514	1.291	1.264					
	(17) Countrywide Credibility:	0.18	0.00	0.00					
	(18) Countrywide Lost-time Claims:	779	11,643						
	(19) Pure Premium Underlying Present Rate:	0.813	0.976	1.362	3.151				
	(20) Relativity to Underlying Present Rate:	1.732	1.643	1.813					
	(21) Credibility to Underlying Relativity:	0.170	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.940	1.738	1.581					
	(24) Balanced Formula Relativity:	1.923	1.735	1.575	1.736				

Class(es):		Effective: 9/1/2007						Goods & Services	
8046 STORE: AUTOMOBILE ACCESSORIES-RETAIL-NOC & DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	337,120	2	35	357,085	284,129	245,391	886,605		
2000/2001	350,418	2	24	192,572	196,307	182,758	571,637		
2001/2002	352,742	2	37	376,455	169,712	618,658	1,164,824		
2002/2003	323,074	2	16	450,351	102,639	179,426	732,416		
2003/2004	278,055	1	13	249,035	143,422	152,564	545,020		
MA Total	1,641,409	9	125	1,625,497	896,209	1,378,796	3,900,502		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.059	0.843	0.728	2.630				
	2000/2001	0.550	0.560	0.522	1.631				
	2001/2002	1.067	0.481	1.754	3.302				
	2002/2003	1.394	0.318	0.555	2.267				
	2003/2004	0.896	0.516	0.549	1.960				
	MA Total Pure Premium:	0.990	0.546	0.840	2.376				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.427	1.238	1.041					
	(14) Massachusetts Credibility:	0.30	0.94	0.80					
	(15) Countrywide Pure Premium:	0.696	0.458	0.979	2.133				
	(16) Countrywide Indicated Relativity:	0.977	0.996	1.171					
	(17) Countrywide Credibility:	0.35	0.03	0.10					
	(18) Countrywide Lost-time Claims:	508	6,622						
	(19) Pure Premium Underlying Present Rate:	0.449	0.824	0.826	2.099				
	(20) Relativity to Underlying Present Rate:	0.957	1.387	1.099					
	(21) Credibility to Underlying Relativity:	0.350	0.030	0.100					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.105	1.236	1.060					
	(24) Balanced Formula Relativity:	1.096	1.233	1.056	1.111				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000229

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 154

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8048 STORE: FRUIT OR VEGETABLE -WHOLESALE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	194,021	3	35	531,093	261,142	212,801	1,005,035		
2000/2001	230,630	2	25	128,277	108,882	166,846	404,006		
2001/2002	251,190	3	13	383,757	43,042	226,157	652,956		
2002/2003	250,002	1	18	94,157	105,455	141,492	341,104		
2003/2004	271,542	4	17	601,727	124,248	350,197	1,076,172		
MA Total	1,197,385	13	108	1,739,012	642,769	1,097,493	3,479,273		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	2.737	1.346	1.097	5.180		
			2000/2001	0.556	0.472	0.723	1.752		
			2001/2002	1.528	0.171	0.900	2.599		
			2002/2003	0.377	0.422	0.566	1.364		
			2003/2004	2.216	0.458	1.290	3.963		
			MA Total Pure Premium:	1.452	0.537	0.917	2.906		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.093	1.218	1.136			
			(14) Massachusetts Credibility:	0.36	0.79	0.72			
			(15) Countrywide Pure Premium:	2.234	0.979	1.750	4.963		
			(16) Countrywide Indicated Relativity:	3.138	2.130	2.092			
			(17) Countrywide Credibility:	0.32	0.11	0.14			
			(18) Countrywide Lost-time Claims:	55	457				
			(19) Pure Premium Underlying Present Rate:	0.978	0.751	0.868	2.597		
			(20) Relativity to Underlying Present Rate:	2.084	1.264	1.155			
			(21) Credibility to Underlying Relativity:	0.320	0.100	0.140			
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
			(23) Formula Relativity:	2.425	1.323	1.273			
			(24) Balanced Formula Relativity:	2.403	1.320	1.268	1.686		

Class(es):		Effective: 9/1/2007						Goods & Services	
8050 STORE: FIVE & TEN CENT STORES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	5,532	0	0	0	0	310	310		
2000/2001	3,127	0	1	0	1,306	997	2,303		
2001/2002	3,537	0	0	0	0	0	0		
2002/2003	6,334	0	4	0	21,613	16,674	38,286		
2003/2004	6,457	0	0	0	0	271	271		
MA Total	24,987	0	5	0	22,918	18,251	41,170		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.000	0.056	0.056		
			2000/2001	0.000	0.418	0.319	0.736		
			2001/2002	0.000	0.000	0.000	0.000		
			2002/2003	0.000	3.412	2.633	6.045		
			2003/2004	0.000	0.000	0.042	0.042		
			MA Total Pure Premium:	0.000	0.917	0.730	1.648		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.000	2.080	0.906			
			(14) Massachusetts Credibility:	0.05	0.11	0.11			
			(15) Countrywide Pure Premium:	1.252	0.359	2.234	3.844		
			(16) Countrywide Indicated Relativity:	1.758	0.780	2.670			
			(17) Countrywide Credibility:	0.13	0.26	0.31			
			(18) Countrywide Lost-time Claims:	3	30				
			(19) Pure Premium Underlying Present Rate:	0.272	0.281	0.351	0.903		
			(20) Relativity to Underlying Present Rate:	0.580	0.473	0.467			
			(21) Credibility to Underlying Relativity:	0.820	0.630	0.580			
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
			(23) Formula Relativity:	0.704	0.730	1.198			
			(24) Balanced Formula Relativity:	0.698	0.728	1.194	0.911		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000230

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 155

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services
8058 BUILDING MATERIAL DEALER-NEW MATERIALS ONLY-STORE EMP								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	186,395	0	20	0	143,544	208,150	351,694	
2000/2001	223,407	3	34	369,591	154,626	540,945	1,065,163	
2001/2002	268,582	3	21	381,676	86,681	614,657	1,083,014	
2002/2003	262,223	0	19	0	138,011	137,722	275,734	
2003/2004	234,135	1	21	193,572	321,962	455,168	970,702	
MA Total	1,174,742	7	115	944,839	844,825	1,956,642	3,746,305	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.770	1.117	1.887			
	2000/2001	1.654	0.692	2.421	4.768			
	2001/2002	1.421	0.323	2.289	4.032			
	2002/2003	0.000	0.526	0.525	1.052			
	2003/2004	0.827	1.375	1.944	4.146			
	MA Total Pure Premium:	0.804	0.719	1.666	3.189			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
(13)	Massachusetts Indicated Relativity:	1.159	1.631	2.065				
(14)	Massachusetts Credibility:	0.31	0.81	0.80				
(15)	Countrywide Pure Premium:	0.649	0.544	1.083	2.276			
(16)	Countrywide Indicated Relativity:	0.911	1.185	1.294				
(17)	Countrywide Credibility:	0.35	0.10	0.10				
(18)	Countrywide Lost-time Claims:	386	7,567					
(19)	Pure Premium Underlying Present Rate:	0.665	0.800	1.160	2.625			
(20)	Relativity to Underlying Present Rate:	1.417	1.348	1.544				
(21)	Credibility to Underlying Relativity:	0.340	0.090	0.100				
(22)	Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
(23)	Formula Relativity:	1.160	1.561	1.936				
(24)	Balanced Formula Relativity:	1.150	1.558	1.929	1.566			

Class(es):		Effective: 9/1/2007						Goods & Services
8103 WOOL MERCHANT								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	35,860	0	1	0	2,640	15,544	18,184	
2000/2001	32,262	0	0	0	0	4,106	4,106	
2001/2002	26,886	0	3	0	11,859	14,003	25,862	
2002/2003	27,132	1	1	221,451	402	94,068	315,921	
2003/2004	31,352	0	0	0	0	4,816	4,816	
MA Total	153,492	1	5	221,451	14,901	132,537	368,889	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.074	0.433	0.507			
	2000/2001	0.000	0.000	0.127	0.127			
	2001/2002	0.000	0.441	0.521	0.962			
	2002/2003	8.162	0.015	3.467	11.644			
	2003/2004	0.000	0.000	0.154	0.154			
	MA Total Pure Premium:	1.443	0.097	0.863	2.403			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
(13)	Massachusetts Indicated Relativity:	2.079	0.220	1.071				
(14)	Massachusetts Credibility:	0.14	0.38	0.34				
(15)	Countrywide Pure Premium:	1.391	0.730	2.489	4.610			
(16)	Countrywide Indicated Relativity:	1.954	1.588	2.976				
(17)	Countrywide Credibility:	0.37	0.31	0.33				
(18)	Countrywide Lost-time Claims:	37	199					
(19)	Pure Premium Underlying Present Rate:	0.770	0.958	1.088	2.816			
(20)	Relativity to Underlying Present Rate:	1.641	1.612	1.448				
(21)	Credibility to Underlying Relativity:	0.490	0.310	0.330				
(22)	Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
(23)	Formula Relativity:	1.818	1.076	1.824				
(24)	Balanced Formula Relativity:	1.802	1.074	1.818	1.643			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000231

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 156

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8105 STORE: HIDE OR LEATHER DEALERS OR STORES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	8,876	0	0	0	0	1,109	1,109		
2000/2001	8,879	1	0	146,868	0	14,285	161,153		
2001/2002	8,565	0	1	0	608	5,214	5,822		
2002/2003	9,887	0	0	0	0	0	0		
2003/2004	10,664	0	0	0	0	0	0		
MA Total	46,871	1	1	146,868	608	20,608	168,084		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	0.000	0.125	0.125				
	2000/2001	16.540	0.000	1.609	18.149				
	2001/2002	0.000	0.071	0.609	0.680				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	3.133	0.013	0.440	3.586				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
(13)	Massachusetts Indicated Relativity:	4.516	0.029	0.545					
(14)	Massachusetts Credibility:	0.12	0.21	0.25					
(15)	Countrywide Pure Premium:	2.098	0.188	2.678	4.963				
(16)	Countrywide Indicated Relativity:	2.946	0.409	3.201					
(17)	Countrywide Credibility:	0.09	0.14	0.18					
(18)	Countrywide Lost-time Claims:	1	7						
(19)	Pure Premium Underlying Present Rate:	1.451	0.666	1.529	3.645				
(20)	Relativity to Underlying Present Rate:	3.092	1.120	2.035					
(21)	Credibility to Underlying Relativity:	0.790	0.650	0.570					
(22)	Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
(23)	Formula Relativity:	3.250	0.792	1.872					
(24)	Balanced Formula Relativity:	3.221	0.790	1.866	2.106				

Class(es):		Effective: 9/1/2007						Goods & Services	
8106 IRON OR STEEL MERCHANT & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	179,037	5	53	743,605	404,535	539,231	1,687,370		
2000/2001	171,222	4	43	803,778	354,784	667,209	1,825,771		
2001/2002	152,779	3	34	457,191	295,451	450,965	1,203,607		
2002/2003	148,348	0	33	0	254,421	361,040	615,461		
2003/2004	159,513	2	39	671,881	413,006	855,025	1,939,911		
MA Total	810,899	14	202	2,676,454	1,722,197	2,873,471	7,272,122		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	4.153	2.260	3.012	9.425				
	2000/2001	4.694	2.072	3.897	10.663				
	2001/2002	2.992	1.934	2.952	7.878				
	2002/2003	0.000	1.715	2.434	4.149				
	2003/2004	4.212	2.589	5.360	12.161				
	MA Total Pure Premium:	3.301	2.124	3.544	8.968				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
(13)	Massachusetts Indicated Relativity:	4.757	4.817	4.393					
(14)	Massachusetts Credibility:	0.37	1.00	0.91					
(15)	Countrywide Pure Premium:	1.785	0.884	1.713	4.382				
(16)	Countrywide Indicated Relativity:	2.506	1.925	2.048					
(17)	Countrywide Credibility:	0.32	0.00	0.05					
(18)	Countrywide Lost-time Claims:	419	4,615						
(19)	Pure Premium Underlying Present Rate:	1.593	2.114	2.358	6.065				
(20)	Relativity to Underlying Present Rate:	3.393	3.560	3.138					
(21)	Credibility to Underlying Relativity:	0.310	0.000	0.040					
(22)	Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
(23)	Formula Relativity:	3.614	4.817	4.226					
(24)	Balanced Formula Relativity:	3.582	4.808	4.211	4.122				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000232

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 157

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8107 MACHINERY DEALER- NOC- STORE OR YARD & DRIVERS*									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	581,975	6	42	644,548	386,636	744,773	1,775,957		
2000/2001	634,134	2	47	151,452	486,651	608,840	1,246,943		
2001/2002	573,163	3	34	428,701	272,788	672,666	1,374,155		
2002/2003	602,428	7	45	1,339,328	420,730	1,051,012	2,811,070		
2003/2004	554,700	4	43	1,336,006	777,345	1,555,628	3,668,979		
MA Total	2,946,400	22	211	3,900,034	2,344,150	4,632,920	10,877,104		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.108	0.664	1.280	3.052			
		2000/2001	0.239	0.767	0.960	1.966			
		2001/2002	0.748	0.476	1.174	2.397			
		2002/2003	2.223	0.698	1.745	4.666			
		2003/2004	2.409	1.401	2.804	6.614			
		MA Total Pure Premium:	1.324	0.796	1.572	3.692			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.908	1.805	1.949				
		(14) Massachusetts Credibility:	0.42	1.00	1.00				
		(15) Countrywide Pure Premium:	1.485	0.595	1.167	3.246			
		(16) Countrywide Indicated Relativity:	2.085	1.295	1.395				
		(17) Countrywide Credibility:	0.29	0.00	0.00				
		(18) Countrywide Lost-time Claims:	854	9,045					
		(19) Pure Premium Underlying Present Rate:	0.594	0.647	0.936	2.177			
		(20) Relativity to Underlying Present Rate:	1.265	1.090	1.245				
		(21) Credibility to Underlying Relativity:	0.290	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.773	1.805	1.949				
		(24) Balanced Formula Relativity:	1.757	1.801	1.943	1.844			

Class(es):		Effective: 9/1/2007						Goods & Services	
8111 PLUMBERS SUPPLIES DEALERS & DRIVERS									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	390,171	4	36	531,378	147,877	496,757	1,176,012		
2000/2001	386,624	6	34	832,547	414,568	572,359	1,819,474		
2001/2002	375,770	5	42	683,705	348,094	835,590	1,867,389		
2002/2003	371,174	3	46	202,995	241,392	507,791	952,178		
2003/2004	396,972	1	40	213,339	398,744	393,317	1,005,401		
MA Total	1,920,711	19	198	2,463,964	1,550,675	2,805,815	6,820,454		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.362	0.379	1.273	3.014			
		2000/2001	2.153	1.072	1.480	4.706			
		2001/2002	1.819	0.926	2.224	4.970			
		2002/2003	0.547	0.650	1.368	2.565			
		2003/2004	0.537	1.004	0.991	2.533			
		MA Total Pure Premium:	1.283	0.807	1.461	3.551			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.849	1.831	1.811				
		(14) Massachusetts Credibility:	0.37	1.00	0.92				
		(15) Countrywide Pure Premium:	1.026	0.626	1.177	2.829			
		(16) Countrywide Indicated Relativity:	1.440	1.363	1.407				
		(17) Countrywide Credibility:	0.32	0.00	0.04				
		(18) Countrywide Lost-time Claims:	293	2,878					
		(19) Pure Premium Underlying Present Rate:	0.643	1.134	1.013	2.790			
		(20) Relativity to Underlying Present Rate:	1.371	1.909	1.348				
		(21) Credibility to Underlying Relativity:	0.310	0.000	0.040				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.570	1.831	1.776				
		(24) Balanced Formula Relativity:	1.556	1.828	1.770	1.707			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000233

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 158

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8203 ICE DEALER & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	25,756	0	6	0	48,861	12,055	60,916		
2000/2001	27,678	0	5	0	46,905	35,976	82,881		
2001/2002	23,824	1	4	186,592	9,762	90,195	286,549		
2002/2003	27,177	0	3	0	4,319	30,040	34,360		
2003/2004	25,525	1	2	123,359	1,526	52,592	177,477		
MA Total	129,960	2	20	309,951	111,372	220,859	642,182		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	1.897	0.468	2.365				
	2000/2001	0.000	1.695	1.300	2.994				
	2001/2002	7.832	0.410	3.786	12.028				
	2002/2003	0.000	0.159	1.105	1.264				
	2003/2004	4.833	0.060	2.060	6.953				
	MA Total Pure Premium:	2.385	0.857	1.699	4.941				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	3.437	1.944	2.107					
	(14) Massachusetts Credibility:	0.14	0.44	0.33					
	(15) Countrywide Pure Premium:	2.603	1.000	2.776	6.380				
	(16) Countrywide Indicated Relativity:	3.657	2.177	3.319					
	(17) Countrywide Credibility:	0.34	0.28	0.34					
	(18) Countrywide Lost-time Claims:	31	384						
	(19) Pure Premium Underlying Present Rate:	0.850	1.600	1.124	3.574				
	(20) Relativity to Underlying Present Rate:	1.811	2.694	1.496					
	(21) Credibility to Underlying Relativity:	0.520	0.280	0.330					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.666	2.219	2.317					
	(24) Balanced Formula Relativity:	2.643	2.215	2.309	2.407				

Class(es):		Effective: 9/1/2007						Goods & Services	
8204 BUILDING MATERIAL YARD & LOCAL MANAGERS, DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	10,938	0	3	0	23,433	16,752	40,185		
2000/2001	12,295	1	2	133,061	281	36,437	169,778		
2001/2002	8,689	0	3	0	1,613	4,328	5,942		
2002/2003	5,291	0	0	0	0	0	0		
2003/2004	5,087	0	0	0	0	0	0		
MA Total	42,300	1	8	133,061	25,327	57,517	215,905		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.000	2.142	1.532	3.674				
	2000/2001	10.822	0.023	2.963	13.808				
	2001/2002	0.000	0.186	0.498	0.684				
	2002/2003	0.000	0.000	0.000	0.000				
	2003/2004	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	3.146	0.599	1.360	5.104				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	4.533	1.358	1.686					
	(14) Massachusetts Credibility:	0.16	0.26	0.26					
	(15) Countrywide Pure Premium:	1.794	0.664	1.441	3.898				
	(16) Countrywide Indicated Relativity:	2.520	1.445	1.722					
	(17) Countrywide Credibility:	0.31	0.37	0.37					
	(18) Countrywide Lost-time Claims:	25	178						
	(19) Pure Premium Underlying Present Rate:	3.756	1.341	1.889	6.986				
	(20) Relativity to Underlying Present Rate:	8.003	2.257	2.514					
	(21) Credibility to Underlying Relativity:	0.530	0.370	0.370					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	5.748	1.723	2.006					
	(24) Balanced Formula Relativity:	5.697	1.719	1.999	3.257				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000234

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 159

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8215 HAY, GRAIN OR FEED DEALER & LOCAL MANAGERS, DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	48,695	0	8	0	82,593	74,409	157,002		
2000/2001	78,601	1	8	118,490	190,038	279,791	588,319		
2001/2002	52,668	0	3	0	13,845	15,123	28,968		
2002/2003	58,179	0	5	0	22,949	15,802	38,752		
2003/2004	66,235	0	7	0	124,733	106,560	231,294		
MA Total	304,378	1	31	118,490	434,159	491,685	1,044,335		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	1.696	1.528	3.224			
		2000/2001	1.507	2.418	3.560	7.485			
		2001/2002	0.000	0.263	0.287	0.550			
		2002/2003	0.000	0.394	0.272	0.666			
		2003/2004	0.000	1.883	1.609	3.492			
		MA Total Pure Premium:	0.389	1.426	1.615	3.431			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.561	3.235	2.003				
		(14) Massachusetts Credibility:	0.19	0.52	0.55				
		(15) Countrywide Pure Premium:	1.510	0.573	1.498	3.581			
		(16) Countrywide Indicated Relativity:	2.121	1.246	1.791				
		(17) Countrywide Credibility:	0.41	0.24	0.23				
		(18) Countrywide Lost-time Claims:	179	1,734					
		(19) Pure Premium Underlying Present Rate:	0.789	1.006	1.769	3.564			
		(20) Relativity to Underlying Present Rate:	1.682	1.693	2.354				
		(21) Credibility to Underlying Relativity:	0.400	0.240	0.220				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.649	2.388	2.031				
		(24) Balanced Formula Relativity:	1.635	2.383	2.024	1.966			

Class(es):		Effective: 9/1/2007						Construction	
8227 CONTRACTORS PERMANENT YARD									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	730,114	11	38	2,022,524	222,828	1,214,453	3,459,805		
2000/2001	782,091	4	60	732,534	485,530	830,170	2,048,234		
2001/2002	765,112	2	40	186,645	344,254	414,155	945,053		
2002/2003	870,828	5	20	1,263,082	123,022	542,552	1,928,656		
2003/2004	829,489	5	43	1,343,437	492,823	1,331,534	3,167,794		
MA Total	3,977,634	27	201	5,548,222	1,668,457	4,332,863	11,549,542		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	2.770	0.305	1.663	4.739			
		2000/2001	0.937	0.621	1.061	2.619			
		2001/2002	0.244	0.450	0.541	1.235			
		2002/2003	1.450	0.141	0.623	2.215			
		2003/2004	1.620	0.594	1.605	3.819			
		MA Total Pure Premium:	1.395	0.419	1.089	2.904			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.469	0.459	0.549				
		(14) Massachusetts Credibility:	0.61	1.00	1.00				
		(15) Countrywide Pure Premium:	2.420	0.713	1.563	4.696			
		(16) Countrywide Indicated Relativity:	0.870	0.791	0.820				
		(17) Countrywide Credibility:	0.20	0.00	0.00				
		(18) Countrywide Lost-time Claims:	878	6,270					
		(19) Pure Premium Underlying Present Rate:	1.103	0.652	1.058	2.812			
		(20) Relativity to Underlying Present Rate:	0.472	0.472	0.526				
		(21) Credibility to Underlying Relativity:	0.190	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	0.550	0.459	0.549				
		(24) Balanced Formula Relativity:	0.557	0.459	0.551	0.540			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000235

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 160

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services
8232 LUMBER YARD-NEW MATERIALS ONLY: A/O EMP INCL YRD & WHSE & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	1,016,146	7	188	997,837	2,025,302	2,256,207	5,279,346	
2000/2001	1,159,659	14	188	2,460,249	1,845,036	3,010,779	7,316,064	
2001/2002	1,051,682	14	129	1,895,568	833,144	2,094,438	4,823,150	
2002/2003	1,225,189	16	132	3,071,438	876,162	2,278,040	6,225,639	
2003/2004	1,048,984	7	98	1,292,721	856,369	2,146,505	4,295,596	
MA Total	5,501,660	58	735	9,717,812	6,436,013	11,785,969	27,939,795	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.982	1.993	2.220	5.195			
	2000/2001	2.122	1.591	2.596	6.309			
	2001/2002	1.802	0.792	1.992	4.586			
	2002/2003	2.507	0.715	1.859	5.081			
	2003/2004	1.232	0.816	2.046	4.095			
	MA Total Pure Premium:	1.766	1.170	2.142	5.078			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.546	2.653	2.656				
	(14) Massachusetts Credibility:	0.71	1.00	1.00				
	(15) Countrywide Pure Premium:	1.679	0.774	1.463	3.917			
	(16) Countrywide Indicated Relativity:	2.358	1.685	1.750				
	(17) Countrywide Credibility:	0.15	0.00	0.00				
	(18) Countrywide Lost-time Claims:	2,302	22,075					
	(19) Pure Premium Underlying Present Rate:	1.149	1.473	1.993	4.614			
	(20) Relativity to Underlying Present Rate:	2.448	2.479	2.652				
	(21) Credibility to Underlying Relativity:	0.140	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	2.504	2.653	2.656				
	(24) Balanced Formula Relativity:	2.482	2.648	2.647	2.588			

Class(es):		Effective: 9/1/2007						Goods & Services
8233 COAL MERCHANT & LOCAL MANAGERS & DRIVERS*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	124,680	2	35	222,747	259,470	433,534	915,751	
2000/2001	122,321	6	20	940,642	82,561	1,255,922	2,279,124	
2001/2002	157,340	6	14	1,079,717	88,125	682,932	1,850,774	
2002/2003	145,312	3	26	567,908	144,239	525,236	1,237,383	
2003/2004	204,937	3	37	716,557	446,463	1,268,336	2,431,357	
MA Total	754,590	20	132	3,527,571	1,020,858	4,165,960	8,714,388	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.787	2.081	3.477	7.345			
	2000/2001	7.690	0.675	10.267	18.632			
	2001/2002	6.862	0.560	4.340	11.763			
	2002/2003	3.908	0.993	3.615	8.515			
	2003/2004	3.496	2.179	6.189	11.864			
	MA Total Pure Premium:	4.675	1.353	5.521	11.549			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	6.737	3.069	6.845				
	(14) Massachusetts Credibility:	0.40	0.87	1.00				
	(15) Countrywide Pure Premium:	2.218	0.920	2.110	5.248			
	(16) Countrywide Indicated Relativity:	3.115	2.002	2.523				
	(17) Countrywide Credibility:	0.30	0.07	0.00				
	(18) Countrywide Lost-time Claims:	293	2,607					
	(19) Pure Premium Underlying Present Rate:	2.010	1.490	3.739	7.239			
	(20) Relativity to Underlying Present Rate:	4.282	2.509	4.977				
	(21) Credibility to Underlying Relativity:	0.300	0.060	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	4.914	2.960	6.845				
	(24) Balanced Formula Relativity:	4.871	2.954	6.821	5.246			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000236

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 161

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8235 SASH, DOOR OR ASSEMBLED MILLWORK DEALER & DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	188,065	1	30	77,807	115,130	234,714	427,651		
2000/2001	202,682	4	27	326,161	163,665	430,660	920,486		
2001/2002	161,413	4	20	478,497	158,240	378,614	1,015,351		
2002/2003	169,788	3	29	264,502	222,883	266,722	754,107		
2003/2004	155,171	1	26	185,922	227,894	274,745	688,562		
MA Total	877,119	13	132	1,332,890	887,813	1,585,455	3,806,157		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.414	0.612	1.248	2.274		
			2000/2001	1.609	0.807	2.125	4.542		
			2001/2002	2.964	0.980	2.346	6.290		
			2002/2003	1.558	1.313	1.571	4.441		
			2003/2004	1.198	1.469	1.771	4.437		
			MA Total Pure Premium:	1.520	1.012	1.808	4.339		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.190	2.296	2.241			
			(14) Massachusetts Credibility:	0.33	0.91	0.84			
			(15) Countrywide Pure Premium:	1.957	0.948	1.826	4.731		
			(16) Countrywide Indicated Relativity:	2.749	2.063	2.183			
			(17) Countrywide Credibility:	0.34	0.05	0.08			
			(18) Countrywide Lost-time Claims:	90	1,207				
			(19) Pure Premium Underlying Present Rate:	1.039	1.442	1.779	4.259		
			(20) Relativity to Underlying Present Rate:	2.213	2.427	2.367			
			(21) Credibility to Underlying Relativity:	0.330	0.040	0.080			
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
			(23) Formula Relativity:	2.388	2.289	2.246			
			(24) Balanced Formula Relativity:	2.367	2.285	2.239	2.295		

Class(es):		Effective: 9/1/2007						Goods & Services	
8263 JUNK DEALERS & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	16,164	0	1	0	15,559	21,959	37,519		
2000/2001	16,608	1	2	59,349	6,643	47,011	113,003		
2001/2002	22,217	0	3	0	4,477	23,612	28,088		
2002/2003	23,152	0	1	0	134	2,460	2,594		
2003/2004	22,706	0	5	0	4,329	19,528	23,857		
MA Total	100,847	1	12	59,349	31,141	114,570	205,061		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.000	0.963	1.359	2.321		
			2000/2001	3.574	0.400	2.831	6.804		
			2001/2002	0.000	0.201	1.063	1.264		
			2002/2003	0.000	0.006	0.106	0.112		
			2003/2004	0.000	0.191	0.860	1.051		
			MA Total Pure Premium:	0.589	0.309	1.136	2.033		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.848	0.700	1.408			
			(14) Massachusetts Credibility:	0.17	0.34	0.37			
			(15) Countrywide Pure Premium:	3.739	1.168	3.691	8.599		
			(16) Countrywide Indicated Relativity:	5.252	2.542	4.413			
			(17) Countrywide Credibility:	0.34	0.33	0.32			
			(18) Countrywide Lost-time Claims:	31	259				
			(19) Pure Premium Underlying Present Rate:	1.759	1.078	2.025	4.862		
			(20) Relativity to Underlying Present Rate:	3.748	1.814	2.696			
			(21) Credibility to Underlying Relativity:	0.490	0.330	0.310			
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
			(23) Formula Relativity:	3.767	1.676	2.769			
			(24) Balanced Formula Relativity:	3.733	1.672	2.759	2.861		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 162

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8264 BOTTLE DEALER-USED & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	133,108	1	19	187,615	323,649	441,980	953,243		
2000/2001	142,224	8	21	1,183,077	181,584	449,712	1,814,373		
2001/2002	142,677	1	11	55,610	73,744	73,629	202,983		
2002/2003	170,437	1	12	121,600	90,628	132,825	345,053		
2003/2004	131,329	1	20	122,442	208,269	223,458	554,169		
MA Total	719,775	12	83	1,670,344	877,874	1,321,605	3,869,822		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.409	2.431	3.320	7.161				
	2000/2001	8.318	1.277	3.162	12.757				
	2001/2002	0.390	0.517	0.516	1.423				
	2002/2003	0.713	0.532	0.779	2.025				
	2003/2004	0.932	1.586	1.702	4.220				
	MA Total Pure Premium:	2.321	1.220	1.836	5.376				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	3.344	2.766	2.276					
	(14) Massachusetts Credibility:	0.33	0.94	0.76					
	(15) Countrywide Pure Premium:	1.721	0.888	1.866	4.474				
	(16) Countrywide Indicated Relativity:	2.417	1.932	2.230					
	(17) Countrywide Credibility:	0.34	0.03	0.12					
	(18) Countrywide Lost-time Claims:	178	1,466						
	(19) Pure Premium Underlying Present Rate:	1.285	1.884	1.702	4.870				
	(20) Relativity to Underlying Present Rate:	2.737	3.172	2.265					
	(21) Credibility to Underlying Relativity:	0.330	0.030	0.120					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	2.829	2.754	2.269					
	(24) Balanced Formula Relativity:	2.804	2.748	2.262	2.566				

Class(es):		Effective: 9/1/2007						Goods & Services	
8279 STABLE OR BREEDING FARM & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	76,649	1	20	55,248	107,147	180,547	342,941		
2000/2001	88,628	1	11	237,108	84,111	253,308	574,527		
2001/2002	108,331	2	17	198,294	77,199	309,840	585,333		
2002/2003	122,762	1	11	213,594	19,225	65,412	298,231		
2003/2004	133,463	1	21	313,109	237,129	421,503	971,741		
MA Total	529,833	6	80	1,017,353	524,810	1,230,610	2,772,773		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.721	1.398	2.356	4.474				
	2000/2001	2.675	0.949	2.858	6.482				
	2001/2002	1.830	0.713	2.860	5.403				
	2002/2003	1.740	0.157	0.533	2.429				
	2003/2004	2.346	1.777	3.158	7.281				
	MA Total Pure Premium:	1.920	0.991	2.323	5.233				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.767	2.247	2.880					
	(14) Massachusetts Credibility:	0.28	0.60	0.78					
	(15) Countrywide Pure Premium:	3.346	1.026	2.887	7.258				
	(16) Countrywide Indicated Relativity:	4.699	2.233	3.451					
	(17) Countrywide Credibility:	0.36	0.20	0.11					
	(18) Countrywide Lost-time Claims:	90	1,064						
	(19) Pure Premium Underlying Present Rate:	1.169	0.829	2.444	4.441				
	(20) Relativity to Underlying Present Rate:	2.490	1.395	3.253					
	(21) Credibility to Underlying Relativity:	0.360	0.200	0.110					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	3.363	2.074	2.983					
	(24) Balanced Formula Relativity:	3.333	2.070	2.973	2.897				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 163

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8291 STORAGE WAREHOUSE-COLD									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	100,387	0	19	0	197,120	84,065	281,185		
2000/2001	113,801	1	12	174,776	38,471	260,108	473,354		
2001/2002	129,099	2	10	406,210	55,067	442,548	903,825		
2002/2003	120,960	2	14	133,129	67,720	111,019	311,867		
2003/2004	93,836	0	12	0	205,273	189,256	394,529		
MA Total	558,083	5	67	714,114	563,651	1,086,995	2,364,760		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	1.964	0.837	2.801			
		2000/2001	1.536	0.338	2.286	4.159			
		2001/2002	3.147	0.427	3.428	7.001			
		2002/2003	1.101	0.560	0.918	2.578			
		2003/2004	0.000	2.188	2.017	4.204			
		MA Total Pure Premium:	1.280	1.010	1.948	4.237			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.844	2.291	2.415				
		(14) Massachusetts Credibility:	0.24	0.65	0.61				
		(15) Countrywide Pure Premium:	1.080	0.891	1.591	3.561			
		(16) Countrywide Indicated Relativity:	1.517	1.938	1.902				
		(17) Countrywide Credibility:	0.38	0.18	0.20				
		(18) Countrywide Lost-time Claims:	220	2.162					
		(19) Pure Premium Underlying Present Rate:	0.775	0.960	1.240	2.975			
		(20) Relativity to Underlying Present Rate:	1.652	1.616	1.650				
		(21) Credibility to Underlying Relativity:	0.380	0.170	0.190				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.647	2.113	2.167				
		(24) Balanced Formula Relativity:	1.632	2.108	2.159	1.959			

Class(es):		Effective: 9/1/2007						Goods & Services	
8292 STORAGE WAREHOUSE NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	451,349	6	64	823,563	429,365	813,527	2,066,454		
2000/2001	445,822	4	57	441,979	342,978	652,499	1,437,456		
2001/2002	459,678	2	61	359,201	409,106	439,034	1,207,341		
2002/2003	460,897	3	91	358,042	625,394	704,404	1,687,841		
2003/2004	430,232	2	66	349,487	650,931	719,087	1,719,505		
MA Total	2,247,978	17	339	2,332,272	2,457,774	3,328,551	8,118,597		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.825	0.951	1.802	4.578			
		2000/2001	0.991	0.769	1.464	3.224			
		2001/2002	0.781	0.890	0.955	2.626			
		2002/2003	0.777	1.357	1.528	3.662			
		2003/2004	0.812	1.513	1.671	3.997			
		MA Total Pure Premium:	1.037	1.093	1.481	3.612			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.495	2.480	1.836				
		(14) Massachusetts Credibility:	0.46	1.00	1.00				
		(15) Countrywide Pure Premium:	1.345	0.855	1.447	3.646			
		(16) Countrywide Indicated Relativity:	1.889	1.861	1.729				
		(17) Countrywide Credibility:	0.27	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,212	13,766					
		(19) Pure Premium Underlying Present Rate:	0.953	0.966	1.168	3.087			
		(20) Relativity to Underlying Present Rate:	2.030	1.627	1.555				
		(21) Credibility to Underlying Relativity:	0.270	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.746	2.480	1.836				
		(24) Balanced Formula Relativity:	1.730	2.475	1.829	1.941			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000239

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 164

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8293 STORAGE WAREHOUSE-FURNITURE & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	374,114	10	89	1,361,118	427,836	1,194,251	2,983,205		
2000/2001	404,448	10	75	1,050,730	374,126	995,615	2,420,471		
2001/2002	410,953	14	84	2,149,258	677,375	1,505,507	4,332,141		
2002/2003	470,595	11	78	1,633,772	763,157	1,677,408	4,074,337		
2003/2004	473,777	8	82	1,493,801	935,574	1,426,039	3,855,414		
MA Total	2,133,887	53	408	7,688,679	3,178,068	6,798,820	17,665,567		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		3.638	1.144	3.192	7.974		
		2000/2001		2.598	0.925	2.462	5.985		
		2001/2002		5.230	1.648	3.663	10.542		
		2002/2003		3.472	1.622	3.564	8.658		
		2003/2004		3.153	1.975	3.010	8.138		
		MA Total Pure Premium:		3.603	1.489	3.186	8.279		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		5.193	3.378	3.950			
		(14) Massachusetts Credibility:		0.70	1.00	1.00			
		(15) Countrywide Pure Premium:		2.736	1.593	3.096	7.425		
		(16) Countrywide Indicated Relativity:		3.843	3.467	3.701			
		(17) Countrywide Credibility:		0.15	0.00	0.00			
		(18) Countrywide Lost-time Claims:		756	8,767				
		(19) Pure Premium Underlying Present Rate:		2.852	1.782	2.734	7.369		
		(20) Relativity to Underlying Present Rate:		6.077	3.001	3.639			
		(21) Credibility to Underlying Relativity:		0.150	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		5.123	3.378	3.950			
		(24) Balanced Formula Relativity:		5.078	3.371	3.936	4.216		

Class(es):		Effective: 9/1/2007						Goods & Services	
8350 GASOLINE OR OIL DEALER & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,208,195	19	167	3,790,739	1,899,133	2,262,241	7,952,113		
2000/2001	1,339,595	12	162	2,134,081	1,519,302	2,369,283	6,022,666		
2001/2002	1,478,555	18	152	3,316,762	1,447,264	2,675,428	7,439,454		
2002/2003	1,509,385	19	177	4,036,002	1,198,374	3,444,800	8,679,175		
2003/2004	1,554,209	5	163	1,620,806	2,188,386	2,631,593	6,440,785		
MA Total	7,089,939	73	821	14,898,390	8,252,458	13,383,345	36,534,194		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		3.138	1.572	1.872	6.582		
		2000/2001		1.593	1.134	1.769	4.496		
		2001/2002		2.243	0.979	1.809	5.032		
		2002/2003		2.674	0.794	2.282	5.750		
		2003/2004		1.043	1.408	1.693	4.144		
		MA Total Pure Premium:		2.101	1.164	1.888	5.153		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.028	2.640	2.340			
		(14) Massachusetts Credibility:		0.87	1.00	1.00			
		(15) Countrywide Pure Premium:		2.420	0.752	1.520	4.693		
		(16) Countrywide Indicated Relativity:		3.399	1.638	1.818			
		(17) Countrywide Credibility:		0.07	0.00	0.00			
		(18) Countrywide Lost-time Claims:		717	6,020				
		(19) Pure Premium Underlying Present Rate:		1.489	1.435	1.586	4.510		
		(20) Relativity to Underlying Present Rate:		3.173	2.416	2.111			
		(21) Credibility to Underlying Relativity:		0.060	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		3.063	2.640	2.340			
		(24) Balanced Formula Relativity:		3.036	2.635	2.332	2.652		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 165

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8380 AUTOMOBILE SERVICE OR REPAIR CENTER & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	8,626,183	58	711	8,568,301	6,230,994	10,612,056	25,411,352		
2000/2001	9,421,540	70	710	11,117,970	5,175,110	10,285,750	26,578,830		
2001/2002	9,738,650	62	653	9,475,074	4,511,355	9,770,155	23,756,584		
2002/2003	10,092,647	75	586	13,579,752	4,351,109	11,522,694	29,453,554		
2003/2004	9,458,118	25	535	7,196,318	5,800,815	8,011,667	21,008,800		
MA Total	47,337,138	290	3,195	49,937,415	26,069,384	50,202,322	126,209,120		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.993	0.722	1.230	2.946			
		2000/2001	1.180	0.549	1.092	2.821			
		2001/2002	0.973	0.463	1.003	2.439			
		2002/2003	1.346	0.431	1.142	2.918			
		2003/2004	0.761	0.613	0.847	2.221			
		MA Total Pure Premium:	1.055	0.551	1.061	2.666			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.520	1.249	1.315				
		(14) Massachusetts Credibility:	1.00	1.00	1.00				
		(15) Countrywide Pure Premium:	1.190	0.506	0.948	2.644			
		(16) Countrywide Indicated Relativity:	1.672	1.100	1.133				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	2,747	37,011					
		(19) Pure Premium Underlying Present Rate:	0.572	0.826	0.982	2.380			
		(20) Relativity to Underlying Present Rate:	1.219	1.390	1.307				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.520	1.249	1.315				
		(24) Balanced Formula Relativity:	1.507	1.247	1.310	1.366			

Class(es):		Effective: 9/1/2007						Goods & Services	
8381 GASOLINE STATION-RETAIL-SELF SERVICE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	354,050	2	17	175,469	141,609	380,950	698,028		
2000/2001	246,999	0	14	0	179,110	95,598	274,707		
2001/2002	286,090	1	18	69,231	181,496	130,395	381,122		
2002/2003	244,600	3	4	487,314	7,462	347,253	842,029		
2003/2004	207,143	0	7	0	32,773	51,145	83,918		
MA Total	1,338,882	6	60	732,014	542,449	1,005,341	2,279,804		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.496	0.400	1.076	1.972			
		2000/2001	0.000	0.725	0.387	1.112			
		2001/2002	0.242	0.634	0.456	1.332			
		2002/2003	1.992	0.031	1.420	3.442			
		2003/2004	0.000	0.158	0.247	0.405			
		MA Total Pure Premium:	0.547	0.405	0.751	1.703			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.788	0.919	0.931				
		(14) Massachusetts Credibility:	0.23	0.65	0.64				
		(15) Countrywide Pure Premium:	0.510	0.310	0.606	1.426			
		(16) Countrywide Indicated Relativity:	0.717	0.675	0.724				
		(17) Countrywide Credibility:	0.39	0.18	0.18				
		(18) Countrywide Lost-time Claims:	95	1,445					
		(19) Pure Premium Underlying Present Rate:	0.282	0.407	0.590	1.278			
		(20) Relativity to Underlying Present Rate:	0.601	0.685	0.785				
		(21) Credibility to Underlying Relativity:	0.380	0.170	0.180				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.689	0.835	0.867				
		(24) Balanced Formula Relativity:	0.683	0.833	0.864	0.793			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000241

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 166

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8385 BUS CO: GARAGE EMPLOYEES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	289,239	2	34	247,999	153,570	281,600	683,170		
2000/2001	310,908	6	35	903,260	268,597	480,837	1,652,695		
2001/2002	286,432	1	20	185,431	173,242	159,029	517,702		
2002/2003	410,580	1	20	72,938	146,830	233,747	453,515		
2003/2004	325,326	2	33	619,499	256,492	400,376	1,276,367		
MA Total	1,622,485	12	142	2,029,126	998,731	1,555,590	4,583,448		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.857	0.531	0.974	2.362		
			2000/2001	2.905	0.864	1.547	5.316		
			2001/2002	0.647	0.605	0.555	1.807		
			2002/2003	0.178	0.358	0.569	1.105		
			2003/2004	1.904	0.788	1.231	3.923		
			MA Total Pure Premium:	1.251	0.616	0.959	2.825		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.802	1.396	1.189			
		(14) Massachusetts Credibility:		0.43	0.96	0.87			
		(15) Countrywide Pure Premium:		0.984	0.617	1.345	2.945		
		(16) Countrywide Indicated Relativity:		1.382	1.342	1.607			
		(17) Countrywide Credibility:		0.29	0.02	0.07			
		(18) Countrywide Lost-time Claims:		178	2,286				
		(19) Pure Premium Underlying Present Rate:		1.101	0.886	1.048	3.034		
		(20) Relativity to Underlying Present Rate:		2.345	1.491	1.395			
		(21) Credibility to Underlying Relativity:		0.280	0.020	0.060			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		1.832	1.397	1.230			
		(24) Balanced Formula Relativity:		1.816	1.394	1.226	1.475		

Class(es):		Effective: 9/1/2007						Goods & Services	
8392 AUTOMOBILE STORAGE GARAGE OR PARKING STATION & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	482,728	3	36	404,706	140,774	555,942	1,101,422		
2000/2001	576,014	4	30	678,694	211,554	365,099	1,255,347		
2001/2002	603,123	0	16	0	37,868	95,692	133,560		
2002/2003	417,022	1	21	94,355	53,245	104,725	252,325		
2003/2004	456,481	0	25	0	176,175	181,818	357,994		
MA Total	2,535,368	8	128	1,177,755	619,616	1,303,276	3,100,648		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.838	0.292	1.152	2.282		
			2000/2001	1.178	0.367	0.634	2.179		
			2001/2002	0.000	0.063	0.159	0.221		
			2002/2003	0.226	0.128	0.251	0.605		
			2003/2004	0.000	0.386	0.398	0.784		
			MA Total Pure Premium:	0.465	0.244	0.514	1.223		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.669	0.554	0.637			
		(14) Massachusetts Credibility:		0.35	0.87	0.78			
		(15) Countrywide Pure Premium:		0.784	0.607	1.017	2.407		
		(16) Countrywide Indicated Relativity:		1.101	1.320	1.215			
		(17) Countrywide Credibility:		0.33	0.07	0.11			
		(18) Countrywide Lost-time Claims:		415	3,689				
		(19) Pure Premium Underlying Present Rate:		0.436	0.447	0.514	1.396		
		(20) Relativity to Underlying Present Rate:		0.928	0.753	0.684			
		(21) Credibility to Underlying Relativity:		0.320	0.060	0.110			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.895	0.620	0.706			
		(24) Balanced Formula Relativity:		0.887	0.619	0.704	0.750		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000242

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 167

Calculation of Class Relativities

Class(es): 8393 AUTOMOBILE BODY REPAIR		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	1,324,790	7	65	1,133,842	868,928	889,238	2,892,008
2000/2001	1,416,277	9	63	1,267,659	959,387	938,869	3,165,914
2001/2002	1,506,172	12	71	1,566,984	464,250	1,175,677	3,206,910
2002/2003	1,650,510	12	59	2,497,874	457,496	1,434,615	4,389,985
2003/2004	1,664,834	5	62	1,076,031	712,490	1,110,013	2,898,535
MA Total	7,562,583	45	320	7,542,390	3,462,550	5,548,412	16,553,352
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.856	0.656	0.671	2.183		
	2000/2001	0.895	0.677	0.663	2.235		
	2001/2002	1.040	0.308	0.781	2.129		
	2002/2003	1.513	0.277	0.869	2.660		
	2003/2004	0.646	0.428	0.667	1.741		
	MA Total Pure Premium:	0.997	0.458	0.734	2.189		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.437	1.039	0.910			
	(14) Massachusetts Credibility:	0.55	1.00	1.00			
	(15) Countrywide Pure Premium:	0.889	0.408	0.695	1.991		
	(16) Countrywide Indicated Relativity:	1.248	0.888	0.831			
	(17) Countrywide Credibility:	0.23	0.00	0.00			
	(18) Countrywide Lost-time Claims:	722	5,842				
	(19) Pure Premium Underlying Present Rate:	0.455	0.732	0.677	1.864		
	(20) Relativity to Underlying Present Rate:	0.970	1.233	0.901			
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	1.291	1.039	0.910			
	(24) Balanced Formula Relativity:	1.280	1.036	0.906	1.069		

Class(es): 8601 ARCHITECT OR ENGINEER-CONSULTING		Effective: 9/1/2007				Office & Clerical	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	7,000,834	6	73	798,785	356,484	1,096,033	2,251,301
2000/2001	7,168,949	4	61	892,601	473,054	1,179,014	2,544,669
2001/2002	7,786,907	9	51	2,099,148	455,157	1,130,287	3,684,591
2002/2003	9,160,263	2	44	680,208	515,704	771,880	1,967,792
2003/2004	9,124,653	2	41	939,298	351,730	1,051,451	2,342,479
MA Total	40,241,606	23	270	5,410,039	2,152,129	5,228,665	12,790,833
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.114	0.051	0.157	0.322		
	2000/2001	0.125	0.066	0.164	0.355		
	2001/2002	0.270	0.058	0.145	0.473		
	2002/2003	0.074	0.056	0.084	0.215		
	2003/2004	0.103	0.039	0.115	0.257		
	MA Total Pure Premium:	0.134	0.053	0.130	0.318		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.839	1.159	1.509			
	(14) Massachusetts Credibility:	0.62	1.00	1.00			
	(15) Countrywide Pure Premium:	0.199	0.073	0.155	0.427		
	(16) Countrywide Indicated Relativity:	2.874	1.730	1.949			
	(17) Countrywide Credibility:	0.19	0.00	0.00			
	(18) Countrywide Lost-time Claims:	745	6,599				
	(19) Pure Premium Underlying Present Rate:	0.112	0.078	0.166	0.355		
	(20) Relativity to Underlying Present Rate:	1.987	1.282	2.019			
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205		
	(23) Formula Relativity:	2.064	1.159	1.509			
	(24) Balanced Formula Relativity:	2.070	1.156	1.504	1.628		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000243

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 168

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8710 FIELD BONDED WAREHOUSING - ALL EMP & CLERICAL*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	233	0	0	0	0	0	0	0	
2000/2001	41	0	0	0	0	0	0	0	
2001/2002	4,319	0	1	0	1,218	1,439		2,657	
2002/2003	2,544	0	0	0	0	1,062		1,062	
2003/2004	4,675	0	0	0	0	0		0	
MA Total	11,812	0	1	0	1,218	2,501		3,719	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	0.000	0.000	0.000			
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.282	0.333	0.615			
		2002/2003	0.000	0.000	0.417	0.417			
		2003/2004	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.103	0.212	0.315			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.234	0.262				
		(14) Massachusetts Credibility:	0.05	0.11	0.11				
		(15) Countrywide Pure Premium:	0.652	0.460	0.832	1.944			
		(16) Countrywide Indicated Relativity:	0.916	1.001	0.994				
		(17) Countrywide Credibility:	0.15	0.33	0.40				
		(18) Countrywide Lost-time Claims:	4	57					
		(19) Pure Premium Underlying Present Rate:	0.587	0.531	0.728	1.845			
		(20) Relativity to Underlying Present Rate:	1.250	0.893	0.969				
		(21) Credibility to Underlying Relativity:	0.800	0.560	0.490				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.137	0.856	0.901				
		(24) Balanced Formula Relativity:	1.127	0.855	0.898	0.970			

Class(es):		Effective: 9/1/2007						Goods & Services	
8720 INSPECTION OF RISKS FOR INSURANCE OR VALUATION PURPOSES NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	903,531	1	26	174,845	93,642	444,560		713,048	
2000/2001	1,061,788	2	20	130,471	131,720	164,848		427,039	
2001/2002	1,066,160	5	18	566,472	59,865	399,541		1,025,878	
2002/2003	1,178,037	3	19	733,319	233,670	143,774		1,110,763	
2003/2004	1,224,367	3	14	702,529	226,552	746,095		1,675,176	
MA Total	5,433,883	14	97	2,307,636	745,449	1,898,818		4,951,903	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.194	0.104	0.492	0.789			
		2000/2001	0.123	0.124	0.155	0.402			
		2001/2002	0.531	0.056	0.375	0.962			
		2002/2003	0.622	0.198	0.122	0.943			
		2003/2004	0.574	0.185	0.609	1.368			
		MA Total Pure Premium:	0.425	0.137	0.349	0.911			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.612	0.311	0.433				
		(14) Massachusetts Credibility:	0.40	0.86	0.87				
		(15) Countrywide Pure Premium:	0.547	0.302	0.617	1.467			
		(16) Countrywide Indicated Relativity:	0.768	0.658	0.738				
		(17) Countrywide Credibility:	0.30	0.07	0.07				
		(18) Countrywide Lost-time Claims:	187	1,610					
		(19) Pure Premium Underlying Present Rate:	0.288	0.204	0.312	0.803			
		(20) Relativity to Underlying Present Rate:	0.613	0.343	0.415				
		(21) Credibility to Underlying Relativity:	0.300	0.070	0.060				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.659	0.338	0.453				
		(24) Balanced Formula Relativity:	0.653	0.337	0.452	0.498			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000244

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 169

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical
8721 REAL ESTATE APPRAISAL CO - OUTSIDE EMPLOYEES								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	122,898	0	1	0	110,707	38,930	149,637	
2000/2001	142,824	0	0	0	0	0	0	
2001/2002	187,422	0	0	0	0	4,260	4,260	
2002/2003	222,440	0	1	0	1,053	3,908	4,961	
2003/2004	265,514	0	2	0	12,529	19,011	31,540	
MA Total	941,098	0	4	0	124,289	66,110	190,399	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.901	0.317	1.218			
	2000/2001	0.000	0.000	0.000	0.000			
	2001/2002	0.000	0.000	0.023	0.023			
	2002/2003	0.000	0.005	0.018	0.022			
	2003/2004	0.000	0.047	0.072	0.119			
	MA Total Pure Premium:	0.000	0.132	0.070	0.202			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	2.862	0.816				
	(14) Massachusetts Credibility:	0.11	0.28	0.27				
	(15) Countrywide Pure Premium:	0.216	0.038	0.085	0.339			
	(16) Countrywide Indicated Relativity:	3.119	0.892	1.068				
	(17) Countrywide Credibility:	0.15	0.32	0.37				
	(18) Countrywide Lost-time Claims:	4	51					
	(19) Pure Premium Underlying Present Rate:	0.065	0.068	0.098	0.230			
	(20) Relativity to Underlying Present Rate:	1.157	1.121	1.188				
	(21) Credibility to Underlying Relativity:	0.740	0.400	0.360				
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205			
	(23) Formula Relativity:	1.324	1.536	1.043				
	(24) Balanced Formula Relativity:	1.328	1.531	1.040	1.253			

Class(es):		Effective: 9/1/2007						Office & Clerical
8742 SALESPERSONS, COLLECTORS OR MESSENGERS-OUTSIDE								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	59,194,672	46	381	7,132,613	3,238,385	6,783,716	17,154,715	
2000/2001	62,370,686	34	320	5,764,952	3,197,192	6,199,545	15,161,689	
2001/2002	60,110,845	31	300	4,934,411	2,671,007	5,640,352	13,245,770	
2002/2003	59,903,651	34	266	5,331,153	2,012,911	6,247,239	13,591,303	
2003/2004	60,834,977	8	204	1,902,610	2,171,491	3,647,627	7,721,729	
MA Total	302,414,831	153	1,471	25,065,740	13,290,986	28,518,479	66,875,205	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.120	0.055	0.115	0.290			
	2000/2001	0.092	0.051	0.099	0.243			
	2001/2002	0.082	0.044	0.094	0.220			
	2002/2003	0.089	0.034	0.104	0.227			
	2003/2004	0.031	0.036	0.060	0.127			
	MA Total Pure Premium:	0.083	0.044	0.094	0.221			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.133	0.952	1.095				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	0.110	0.051	0.102	0.262			
	(16) Countrywide Indicated Relativity:	1.589	1.195	1.281				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	5,052	41,016					
	(19) Pure Premium Underlying Present Rate:	0.065	0.068	0.098	0.230			
	(20) Relativity to Underlying Present Rate:	1.157	1.121	1.188				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205			
	(23) Formula Relativity:	1.133	0.952	1.095				
	(24) Balanced Formula Relativity:	1.137	0.950	1.092	1.076			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000245

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 170

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8745 NEWS AGENT OR DISTRIB OF MAGAZINE-NOT RETAIL & SALES,DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	125,653	1	14	77,731	217,652	195,444	490,827		
2000/2001	99,173	0	16	0	68,947	131,964	200,911		
2001/2002	149,670	1	17	65,994	93,411	125,035	284,441		
2002/2003	146,477	0	13	0	44,729	99,186	143,915		
2003/2004	154,226	0	17	0	108,871	146,995	255,865		
MA Total	675,199	2	77	143,726	533,610	698,623	1,375,959		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.619	1.732	1.555	3.906			
		2000/2001	0.000	0.695	1.331	2.026			
		2001/2002	0.441	0.624	0.835	1.900			
		2002/2003	0.000	0.305	0.677	0.983			
		2003/2004	0.000	0.706	0.953	1.659			
		MA Total Pure Premium:	0.213	0.790	1.035	2.038			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.307	1.793	1.283				
		(14) Massachusetts Credibility:	0.29	1.00	0.99				
		(15) Countrywide Pure Premium:	1.335	0.963	1.598	3.896			
		(16) Countrywide Indicated Relativity:	1.875	2.097	1.910				
		(17) Countrywide Credibility:	0.36	0.00	0.01				
		(18) Countrywide Lost-time Claims:	115	1,118					
		(19) Pure Premium Underlying Present Rate:	1.025	2.426	3.502	6.953			
		(20) Relativity to Underlying Present Rate:	2.183	4.085	4.661				
		(21) Credibility to Underlying Relativity:	0.350	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.528	1.793	1.289				
		(24) Balanced Formula Relativity:	1.515	1.789	1.285	1.481			

Class(es):		Effective: 9/1/2007						Office & Clerical	
8748 AUTOMOBILE SALESPERSONS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	3,411,528	4	40	677,936	309,349	948,935	1,936,220		
2000/2001	3,671,708	8	58	1,133,450	427,734	847,061	2,408,245		
2001/2002	3,698,723	8	44	1,186,257	372,366	810,248	2,368,871		
2002/2003	3,920,668	10	47	1,600,214	465,335	1,541,778	3,607,328		
2003/2004	3,337,198	1	48	143,700	490,121	658,354	1,292,175		
MA Total	18,039,825	31	237	4,741,557	2,064,905	4,806,376	11,612,839		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.199	0.091	0.278	0.568			
		2000/2001	0.309	0.116	0.231	0.656			
		2001/2002	0.321	0.101	0.219	0.640			
		2002/2003	0.408	0.119	0.393	0.920			
		2003/2004	0.043	0.147	0.197	0.387			
		MA Total Pure Premium:	0.263	0.114	0.266	0.644			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.594	2.481	3.094				
		(14) Massachusetts Credibility:	0.52	1.00	1.00				
		(15) Countrywide Pure Premium:	0.152	0.072	0.136	0.360			
		(16) Countrywide Indicated Relativity:	2.189	1.703	1.714				
		(17) Countrywide Credibility:	0.24	0.00	0.00				
		(18) Countrywide Lost-time Claims:	542	3,889					
		(19) Pure Premium Underlying Present Rate:	0.159	0.262	0.312	0.733			
		(20) Relativity to Underlying Present Rate:	2.835	4.329	3.800				
		(21) Credibility to Underlying Relativity:	0.240	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205			
		(23) Formula Relativity:	3.075	2.481	3.094				
		(24) Balanced Formula Relativity:	3.085	2.474	3.085	2.948			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000246

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 171

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical	
8800 MAILING OR ADDRESSING CO & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	903,794	1	24	55,575	111,839	158,804	326,218		
2000/2001	1,229,317	2	18	160,752	98,593	166,300	425,645		
2001/2002	730,016	3	22	454,675	120,847	238,600	814,121		
2002/2003	751,919	3	23	381,635	114,385	243,655	739,674		
2003/2004	845,311	1	6	156,382	88,982	221,842	467,206		
MA Total	4,460,357	10	93	1,209,019	534,646	1,029,199	2,772,864		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.061	0.124	0.176	0.361		
			2000/2001	0.131	0.080	0.135	0.346		
			2001/2002	0.623	0.166	0.327	1.115		
			2002/2003	0.508	0.152	0.324	0.984		
			2003/2004	0.185	0.105	0.262	0.553		
			MA Total Pure Premium:	0.271	0.120	0.231	0.622		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.707	2.598	2.679			
			(14) Massachusetts Credibility:	0.34	0.75	0.72			
			(15) Countrywide Pure Premium:	0.315	0.208	0.391	0.913		
			(16) Countrywide Indicated Relativity:	4.546	4.906	4.926			
			(17) Countrywide Credibility:	0.33	0.13	0.14			
			(18) Countrywide Lost-time Claims:	268	2,165				
			(19) Pure Premium Underlying Present Rate:	0.221	0.175	0.235	0.632		
			(20) Relativity to Underlying Present Rate:	3.943	2.902	2.864			
			(21) Credibility to Underlying Relativity:	0.330	0.120	0.140			
			(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205		
			(23) Formula Relativity:	4.062	2.934	3.020			
			(24) Balanced Formula Relativity:	4.075	2.926	3.011	3.371		

Class(es):		Effective: 9/1/2007						Office & Clerical	
8803 AUDITORS, ACCOUNTANT OR FACTORY COST OR OFF SYSTEMTZR-TRAV									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	22,700,790	4	20	716,582	120,663	531,242	1,368,487		
2000/2001	23,221,056	4	24	530,410	364,445	573,105	1,467,960		
2001/2002	21,042,233	3	17	535,262	213,038	469,018	1,217,318		
2002/2003	19,189,599	3	18	753,294	172,290	328,192	1,253,776		
2003/2004	17,876,316	3	14	686,746	99,726	520,775	1,307,247		
MA Total	104,029,994	17	93	3,222,294	970,161	2,422,332	6,614,787		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			1999/2000	0.032	0.005	0.023	0.060		
			2000/2001	0.023	0.016	0.025	0.063		
			2001/2002	0.025	0.010	0.022	0.058		
			2002/2003	0.039	0.009	0.017	0.065		
			2003/2004	0.038	0.006	0.029	0.073		
			MA Total Pure Premium:	0.031	0.009	0.023	0.064		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.424	0.202	0.270			
			(14) Massachusetts Credibility:	0.51	1.00	0.93			
			(15) Countrywide Pure Premium:	0.026	0.014	0.026	0.066		
			(16) Countrywide Indicated Relativity:	0.371	0.327	0.328			
			(17) Countrywide Credibility:	0.25	0.00	0.04			
			(18) Countrywide Lost-time Claims:	298	2,263				
			(19) Pure Premium Underlying Present Rate:	0.027	0.018	0.019	0.065		
			(20) Relativity to Underlying Present Rate:	0.481	0.302	0.237			
			(21) Credibility to Underlying Relativity:	0.240	0.000	0.030			
			(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205		
			(23) Formula Relativity:	0.424	0.202	0.272			
			(24) Balanced Formula Relativity:	0.426	0.202	0.271	0.310		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000247

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 172

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical	
8810 CLERICAL OFFICE EMPLOYEES NOC*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	274,290,296	120	1,446	16,246,680	12,197,618	17,520,895	45,965,193		
2000/2001	292,720,554	104	1,107	14,296,009	9,544,170	15,227,504	39,067,683		
2001/2002	277,715,385	91	995	12,162,719	8,403,878	16,400,923	36,967,519		
2002/2003	279,291,115	92	960	14,408,360	7,265,650	14,653,660	36,327,670		
2003/2004	267,047,949	35	842	7,907,370	8,443,408	12,325,622	28,676,401		
MA Total	1,391,065,299	442	5,350	65,021,138	45,854,725	76,128,604	187,004,467		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.059	0.044	0.064	0.168				
	2000/2001	0.049	0.033	0.052	0.133				
	2001/2002	0.044	0.030	0.059	0.133				
	2002/2003	0.052	0.026	0.052	0.130				
	2003/2004	0.030	0.032	0.046	0.107				
	MA Total Pure Premium:	0.047	0.033	0.055	0.134				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.639	0.714	0.635					
	(14) Massachusetts Credibility:	1.00	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	0.051	0.034	0.063	0.149				
	(16) Countrywide Indicated Relativity:	0.737	0.815	0.794					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	14,749	139,457						
	(19) Pure Premium Underlying Present Rate:	0.037	0.039	0.049	0.125				
	(20) Relativity to Underlying Present Rate:	0.661	0.641	0.593					
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205				
	(23) Formula Relativity:	0.639	0.714	0.635					
	(24) Balanced Formula Relativity:	0.641	0.712	0.634	0.654				

Class(es):		Effective: 9/1/2007						Office & Clerical	
8820 ATTORNEY-ALL EMP & CLERICAL, MESSENGERS, DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	15,840,375	5	40	1,036,819	356,752	502,994	1,896,565		
2000/2001	17,861,463	6	46	1,002,929	469,005	595,012	2,066,947		
2001/2002	18,310,819	5	37	715,037	278,264	649,433	1,642,733		
2002/2003	18,947,168	8	31	2,143,502	251,560	1,133,447	3,528,509		
2003/2004	19,398,104	1	33	374,500	352,146	860,567	1,587,212		
MA Total	90,357,929	25	187	5,272,786	1,707,728	3,741,453	10,721,966		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.065	0.023	0.032	0.120				
	2000/2001	0.056	0.026	0.033	0.116				
	2001/2002	0.039	0.015	0.035	0.090				
	2002/2003	0.113	0.013	0.060	0.186				
	2003/2004	0.019	0.018	0.044	0.082				
	MA Total Pure Premium:	0.058	0.019	0.041	0.119				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.798	0.410	0.481					
	(14) Massachusetts Credibility:	0.56	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	0.050	0.029	0.051	0.129				
	(16) Countrywide Indicated Relativity:	0.715	0.683	0.637					
	(17) Countrywide Credibility:	0.22	0.00	0.00					
	(18) Countrywide Lost-time Claims:	940	5,665						
	(19) Pure Premium Underlying Present Rate:	0.039	0.029	0.039	0.107				
	(20) Relativity to Underlying Present Rate:	0.691	0.481	0.475					
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205				
	(23) Formula Relativity:	0.756	0.410	0.481					
	(24) Balanced Formula Relativity:	0.759	0.408	0.479	0.563				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000248

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 173

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8829 CONVALESCENT OR NURSING HOME-ALL EMPLOYEES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	8,588,089	50	1,074	5,467,417	7,918,118	10,886,868	24,272,403		
2000/2001	8,404,867	31	886	3,543,247	6,195,945	7,404,255	17,143,447		
2001/2002	9,885,073	53	886	7,035,532	5,322,907	8,688,659	21,047,098		
2002/2003	9,256,485	71	811	9,603,421	3,962,549	9,052,335	22,618,305		
2003/2004	8,008,459	32	701	7,062,302	4,901,408	5,656,883	17,620,594		
MA Total	44,142,973	237	4,358	32,711,920	28,300,927	41,688,999	102,701,846		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.637	0.922	1.268	2.826			
		2000/2001	0.422	0.737	0.881	2.040			
		2001/2002	0.712	0.538	0.879	2.129			
		2002/2003	1.037	0.428	0.978	2.444			
		2003/2004	0.882	0.612	0.706	2.200			
		MA Total Pure Premium:	0.741	0.641	0.944	2.327			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.068	1.454	1.171				
		(14) Massachusetts Credibility:	0.98	1.00	1.00	2.323			
		(15) Countrywide Pure Premium:	0.725	0.615	0.983				
		(16) Countrywide Indicated Relativity:	1.018	1.339	1.175				
		(17) Countrywide Credibility:	0.01	0.00	0.00				
		(18) Countrywide Lost-time Claims:	3,704	49,901					
		(19) Pure Premium Underlying Present Rate:	0.324	0.957	0.890	2.172			
		(20) Relativity to Underlying Present Rate:	0.691	1.611	1.185				
		(21) Credibility to Underlying Relativity:	0.010	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	1.064	1.454	1.171				
		(24) Balanced Formula Relativity:	1.054	1.451	1.167	1.191			

Class(es):		Effective: 9/1/2007						Goods & Services	
8831 PET GROOMING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,161,155	2	62	137,890	217,146	637,937	992,973		
2000/2001	1,254,684	1	57	96,186	159,185	789,691	1,045,062		
2001/2002	1,421,614	4	65	621,513	391,167	876,994	1,889,675		
2002/2003	1,435,808	4	64	319,527	225,420	960,826	1,505,774		
2003/2004	1,614,317	0	54	0	206,472	665,905	872,377		
MA Total	6,887,578	11	302	1,175,117	1,199,390	3,931,353	6,305,860		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.119	0.187	0.549	0.855			
		2000/2001	0.077	0.127	0.629	0.833			
		2001/2002	0.437	0.275	0.617	1.329			
		2002/2003	0.223	0.157	0.669	1.049			
		2003/2004	0.000	0.128	0.412	0.540			
		MA Total Pure Premium:	0.171	0.174	0.571	0.916			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.246	0.395	0.708				
		(14) Massachusetts Credibility:	0.36	1.00	1.00	1.263			
		(15) Countrywide Pure Premium:	0.346	0.275	0.642				
		(16) Countrywide Indicated Relativity:	0.486	0.598	0.768				
		(17) Countrywide Credibility:	0.32	0.00	0.00				
		(18) Countrywide Lost-time Claims:	388	5,392					
		(19) Pure Premium Underlying Present Rate:	0.171	0.250	0.555	0.976			
		(20) Relativity to Underlying Present Rate:	0.364	0.421	0.739				
		(21) Credibility to Underlying Relativity:	0.320	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.360	0.395	0.708				
		(24) Balanced Formula Relativity:	0.357	0.394	0.705	0.510			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000249

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 174

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical	
8832 PHYSICIAN & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	27,466,650	30	253	5,696,214	1,959,507	3,812,685	11,468,405		
2000/2001	28,910,814	26	225	3,730,069	1,253,774	3,539,891	8,523,735		
2001/2002	30,739,311	15	209	2,476,423	1,332,840	2,300,342	6,109,605		
2002/2003	34,878,883	25	264	4,405,422	2,305,234	4,866,004	11,576,659		
2003/2004	35,942,353	10	272	2,240,689	2,587,934	3,968,040	8,796,664		
MA Total	157,938,011	106	1,223	18,548,817	9,439,290	18,486,961	46,475,067		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.207	0.071	0.139	0.418		
		2000/2001		0.129	0.043	0.122	0.295		
		2001/2002		0.081	0.043	0.075	0.199		
		2002/2003		0.126	0.066	0.140	0.332		
		2003/2004		0.062	0.072	0.110	0.245		
		MA Total Pure Premium:		0.117	0.060	0.117	0.294		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.606	1.295	1.359			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.075	0.050	0.089	0.214		
		(16) Countrywide Indicated Relativity:		1.090	1.180	1.117			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,340	16,741				
		(19) Pure Premium Underlying Present Rate:		0.111	0.078	0.117	0.306		
		(20) Relativity to Underlying Present Rate:		1.983	1.282	1.426			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.073	0.046	0.086	0.205		
		(23) Formula Relativity:		1.606	1.295	1.359			
		(24) Balanced Formula Relativity:		1.611	1.292	1.355	1.432		

Class(es):		Effective: 9/1/2007						Office & Clerical	
8833 HOSPITAL: PROFESSIONAL EMPLOYEES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	6,084,817	22	378	2,842,411	2,906,411	4,680,776	10,429,598		
2000/2001	7,995,104	27	487	3,089,235	2,724,818	3,961,069	9,775,122		
2001/2002	10,181,855	43	539	5,398,102	2,652,524	5,683,037	13,733,663		
2002/2003	10,886,005	43	418	7,070,887	2,449,988	5,937,049	15,457,925		
2003/2004	8,478,516	8	357	1,681,742	2,780,406	2,938,160	7,400,308		
MA Total	43,626,297	143	2,179	20,082,377	13,514,147	23,200,091	56,796,615		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.467	0.478	0.769	1.714		
		2000/2001		0.386	0.341	0.495	1.223		
		2001/2002		0.530	0.261	0.558	1.349		
		2002/2003		0.650	0.225	0.545	1.420		
		2003/2004		0.198	0.328	0.347	0.873		
		MA Total Pure Premium:		0.460	0.310	0.532	1.302		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		6.295	6.713	6.175			
		(14) Massachusetts Credibility:		0.90	1.00	1.00			
		(15) Countrywide Pure Premium:		0.252	0.160	0.285	0.697		
		(16) Countrywide Indicated Relativity:		3.632	3.791	3.593			
		(17) Countrywide Credibility:		0.05	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,935	25,300				
		(19) Pure Premium Underlying Present Rate:		0.266	0.456	0.497	1.218		
		(20) Relativity to Underlying Present Rate:		4.733	7.535	6.056			
		(21) Credibility to Underlying Relativity:		0.050	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.073	0.046	0.086	0.205		
		(23) Formula Relativity:		6.084	6.713	6.175			
		(24) Balanced Formula Relativity:		6.104	6.695	6.158	6.259		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000250

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 175

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
8835 NURSING-HOME HEALTH, PUBLIC & TRAVELING-ALL EMPLOYEES									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,742,654	14	359	1,772,095	1,796,902	2,654,655	6,223,652		
2000/2001	2,590,483	12	286	1,321,598	1,762,885	1,923,548	5,008,030		
2001/2002	2,630,790	20	265	2,638,084	1,348,475	2,427,367	6,413,926		
2002/2003	2,790,464	24	287	2,839,714	1,437,334	2,690,150	6,967,197		
2003/2004	2,966,031	4	286	504,902	1,941,251	1,939,169	4,385,322		
MA Total	13,720,422	74	1,483	9,076,393	8,286,847	11,634,888	28,998,128		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.646	0.655	0.968	2.269				
	2000/2001	0.510	0.681	0.743	1.933				
	2001/2002	1.003	0.513	0.923	2.438				
	2002/2003	1.018	0.515	0.964	2.497				
	2003/2004	0.170	0.654	0.654	1.479				
	MA Total Pure Premium:	0.662	0.604	0.848	2.114				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.953	1.370	1.051					
	(14) Massachusetts Credibility:	0.74	1.00	1.00					
	(15) Countrywide Pure Premium:	0.809	0.567	0.936	2.313				
	(16) Countrywide Indicated Relativity:	1.136	1.235	1.119					
	(17) Countrywide Credibility:	0.13	0.00	0.00					
	(18) Countrywide Lost-time Claims:	743	13,690						
	(19) Pure Premium Underlying Present Rate:	0.512	0.938	0.853	2.303				
	(20) Relativity to Underlying Present Rate:	1.090	1.580	1.135					
	(21) Credibility to Underlying Relativity:	0.130	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	0.995	1.370	1.051					
	(24) Balanced Formula Relativity:	0.986	1.367	1.048	1.098				

Class(es):		Effective: 9/1/2007						Office & Clerical	
8868 COLLEGE: PROFESSIONAL EMPLOYEES & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	19,362,259	29	598	3,102,299	2,775,788	5,308,090	11,186,177		
2000/2001	21,742,113	35	570	3,702,306	2,284,688	5,626,919	11,613,913		
2001/2002	22,966,613	33	578	3,636,082	2,038,727	5,670,842	11,345,652		
2002/2003	23,376,553	28	718	3,622,333	3,234,846	6,960,326	13,817,504		
2003/2004	23,689,021	16	689	2,786,946	4,409,959	7,112,894	14,309,799		
MA Total	111,136,559	141	3,153	16,849,967	14,744,008	30,679,071	62,273,046		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.160	0.143	0.274	0.578				
	2000/2001	0.170	0.105	0.259	0.534				
	2001/2002	0.158	0.089	0.247	0.494				
	2002/2003	0.155	0.138	0.298	0.591				
	2003/2004	0.118	0.186	0.300	0.604				
	MA Total Pure Premium:	0.152	0.133	0.276	0.560				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.073	2.875	3.206					
	(14) Massachusetts Credibility:	0.89	1.00	1.00					
	(15) Countrywide Pure Premium:	0.074	0.063	0.129	0.266				
	(16) Countrywide Indicated Relativity:	1.072	1.499	1.621					
	(17) Countrywide Credibility:	0.06	0.00	0.00					
	(18) Countrywide Lost-time Claims:	2,264	31,216						
	(19) Pure Premium Underlying Present Rate:	0.102	0.145	0.253	0.501				
	(20) Relativity to Underlying Present Rate:	1.818	2.405	3.087					
	(21) Credibility to Underlying Relativity:	0.050	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205				
	(23) Formula Relativity:	2.001	2.875	3.206					
	(24) Balanced Formula Relativity:	2.007	2.867	3.196	2.699				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000251

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 176

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
9014 BUILDINGS - OPERATION BY CONTRACTORS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	2,523,857	19	161	2,063,909	1,236,792	1,898,315	5,199,016		
2000/2001	2,689,917	20	150	1,991,403	1,148,790	2,184,577	5,324,770		
2001/2002	4,019,506	19	228	2,679,406	1,501,443	2,741,338	6,922,188		
2002/2003	4,156,208	39	256	5,217,138	1,526,545	4,495,385	11,239,068		
2003/2004	4,390,718	15	246	3,504,497	2,245,695	3,385,523	9,135,715		
MA Total	17,780,206	112	1,041	15,456,353	7,659,265	14,705,138	37,820,756		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.818	0.490	0.752	2.060				
	2000/2001	0.740	0.427	0.812	1.980				
	2001/2002	0.667	0.374	0.682	1.722				
	2002/2003	1.255	0.367	1.082	2.704				
	2003/2004	0.798	0.511	0.771	2.081				
	MA Total Pure Premium:	0.869	0.431	0.827	2.127				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.253	0.977	1.025					
	(14) Massachusetts Credibility:	0.87	1.00	1.00					
	(15) Countrywide Pure Premium:	1.025	0.624	1.142	2.791				
	(16) Countrywide Indicated Relativity:	1.440	1.358	1.365					
	(17) Countrywide Credibility:	0.07	0.00	0.00					
	(18) Countrywide Lost-time Claims:	988	17,747						
	(19) Pure Premium Underlying Present Rate:	0.601	0.628	0.788	2.017				
	(20) Relativity to Underlying Present Rate:	1.281	1.057	1.049					
	(21) Credibility to Underlying Relativity:	0.060	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.268	0.977	1.025					
	(24) Balanced Formula Relativity:	1.256	0.975	1.022	1.095				

Class(es):		Effective: 9/1/2007						Goods & Services	
9015 BUILDINGS-OPERATION BY OWNER OR LESSEE									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	3,386,441	29	249	3,652,146	1,879,684	3,974,700	9,506,530		
2000/2001	3,680,084	28	270	4,118,620	2,247,812	4,865,493	11,231,926		
2001/2002	3,841,442	30	250	4,236,471	1,287,875	3,707,228	9,231,574		
2002/2003	3,997,675	37	280	6,473,053	1,811,635	5,691,734	13,976,422		
2003/2004	4,122,912	16	260	3,605,400	2,146,034	4,343,595	10,095,028		
MA Total	19,028,554	140	1,309	22,085,690	9,373,039	22,582,750	54,041,479		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	1.078	0.555	1.174	2.807				
	2000/2001	1.119	0.611	1.322	3.052				
	2001/2002	1.103	0.335	0.965	2.403				
	2002/2003	1.619	0.453	1.424	3.496				
	2003/2004	0.874	0.521	1.054	2.449				
	MA Total Pure Premium:	1.161	0.493	1.187	2.840				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.673	1.117	1.471					
	(14) Massachusetts Credibility:	1.00	1.00	1.00					
	(15) Countrywide Pure Premium:	1.081	0.630	1.126	2.837				
	(16) Countrywide Indicated Relativity:	1.518	1.371	1.346					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	2,053	25,110						
	(19) Pure Premium Underlying Present Rate:	0.859	0.647	1.029	2.534				
	(20) Relativity to Underlying Present Rate:	1.830	1.089	1.369					
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	1.673	1.117	1.471					
	(24) Balanced Formula Relativity:	1.658	1.115	1.466	1.455				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000252

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 177

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007				Goods & Services	
9016 AMUSEMENT PARK OR EXHIBITION OPERATION & DR							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	365,364	1	32	54,215	60,763	247,231	362,209
2000/2001	380,653	0	43	0	193,450	359,617	553,066
2001/2002	368,411	2	26	65,491	150,215	253,822	469,528
2002/2003	378,228	2	31	278,374	145,464	583,368	1,007,206
2003/2004	413,315	0	31	0	179,871	293,903	473,775
MA Total	1,905,971	5	163	398,080	729,763	1,737,941	2,865,784
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.148	0.166	0.677	0.991		
	2000/2001	0.000	0.508	0.945	1.453		
	2001/2002	0.178	0.408	0.689	1.274		
	2002/2003	0.736	0.385	1.542	2.663		
	2003/2004	0.000	0.435	0.711	1.146		
	MA Total Pure Premium:	0.209	0.383	0.912	1.504		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.301	0.868	1.130			
	(14) Massachusetts Credibility:	0.29	0.85	0.81			
	(15) Countrywide Pure Premium:	0.893	0.542	1.210	2.646		
	(16) Countrywide Indicated Relativity:	1.255	1.180	1.447			
	(17) Countrywide Credibility:	0.36	0.08	0.10			
	(18) Countrywide Lost-time Claims:	355	4,799				
	(19) Pure Premium Underlying Present Rate:	0.350	0.564	0.732	1.646		
	(20) Relativity to Underlying Present Rate:	0.745	0.950	0.975			
	(21) Credibility to Underlying Relativity:	0.350	0.070	0.090			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	0.800	0.899	1.148			
	(24) Balanced Formula Relativity:	0.793	0.897	1.144	0.962		

Class(es):		Effective: 9/1/2007				Miscellaneous	
9019 BRIDGE OR VEHICULAR TUNNEL OPERATION & DRIVERS							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	5,030	0	0	0	0	0	0
2000/2001	7,278	0	0	0	0	0	0
2001/2002	7,875	0	1	0	38,176	41,349	79,525
2002/2003	11,474	0	0	0	0	0	0
2003/2004	10,303	0	0	0	0	0	0
MA Total	41,960	0	1	0	38,176	41,349	79,525
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.000	0.000	0.000	0.000		
	2000/2001	0.000	0.000	0.000	0.000		
	2001/2002	0.000	4.848	5.251	10.098		
	2002/2003	0.000	0.000	0.000	0.000		
	2003/2004	0.000	0.000	0.000	0.000		
	MA Total Pure Premium:	0.000	0.910	0.985	1.895		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.000	1.040	0.535			
	(14) Massachusetts Credibility:	0.14	0.24	0.26			
	(15) Countrywide Pure Premium:	0.360	0.383	0.760	1.503		
	(16) Countrywide Indicated Relativity:	0.189	0.492	0.456			
	(17) Countrywide Credibility:	0.09	0.20	0.24			
	(18) Countrywide Lost-time Claims:	1	16				
	(19) Pure Premium Underlying Present Rate:	2.489	1.034	1.959	5.482		
	(20) Relativity to Underlying Present Rate:	1.733	0.866	1.157			
	(21) Credibility to Underlying Relativity:	0.770	0.560	0.500			
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816		
	(23) Formula Relativity:	1.351	0.833	0.827			
	(24) Balanced Formula Relativity:	1.354	0.835	0.829	1.059		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000253

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 178

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007				Goods & Services	
9033 HOUSING AUTHORITY & CLERICAL, SALES, DRIVERS							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	1,534,691	15	148	2,484,972	1,342,739	1,319,334	5,147,045
2000/2001	1,006,933	10	80	1,680,974	649,040	870,694	3,200,708
2001/2002	1,414,384	9	138	1,527,596	1,362,172	1,374,739	4,264,508
2002/2003	1,391,422	11	140	2,523,940	1,457,458	1,356,246	5,337,644
2003/2004	697,954	8	74	2,166,064	1,104,204	1,582,367	4,852,635
MA Total	6,045,384	53	580	10,383,546	5,915,613	6,503,381	22,802,540
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	1.619	0.875	0.860	3.354		
	2000/2001	1.669	0.645	0.865	3.179		
	2001/2002	1.080	0.963	0.972	3.015		
	2002/2003	1.814	1.047	0.975	3.836		
	2003/2004	3.103	1.582	2.267	6.953		
	MA Total Pure Premium:	1.718	0.979	1.076	3.772		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	2.475	2.220	1.334			
	(14) Massachusetts Credibility:	0.76	1.00	1.00			
	(15) Countrywide Pure Premium:	1.131	0.629	0.963	2.723		
	(16) Countrywide Indicated Relativity:	1.589	1.368	1.151			
	(17) Countrywide Credibility:	0.12	0.00	0.00			
	(18) Countrywide Lost-time Claims:	128	1,832				
	(19) Pure Premium Underlying Present Rate:	1.260	1.070	0.853	3.182		
	(20) Relativity to Underlying Present Rate:	2.684	1.801	1.135			
	(21) Credibility to Underlying Relativity:	0.120	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	2.394	2.220	1.334			
	(24) Balanced Formula Relativity:	2.373	2.215	1.329	1.903		

Class(es):		Effective: 9/1/2007				Goods & Services	
9040 HOSPITAL: ALL OTHER EMPLOYEEES							
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	648,199	2	160	161,461	753,966	1,211,126	2,126,553
2000/2001	839,177	8	116	1,162,847	628,200	1,395,885	3,186,932
2001/2002	1,006,187	6	111	722,470	566,919	920,152	2,209,541
2002/2003	988,761	11	122	1,334,356	490,871	1,435,478	3,260,705
2003/2004	837,448	4	112	1,596,584	801,451	1,160,410	3,558,444
MA Total	4,319,772	31	621	4,977,717	3,241,407	6,123,051	14,342,175
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.249	1.163	1.868	3.281		
	2000/2001	1.386	0.749	1.663	3.798		
	2001/2002	0.718	0.563	0.914	2.196		
	2002/2003	1.350	0.496	1.452	3.298		
	2003/2004	1.906	0.957	1.386	4.249		
	MA Total Pure Premium:	1.152	0.750	1.417	3.320		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.661	1.702	1.757			
	(14) Massachusetts Credibility:	0.54	1.00	1.00			
	(15) Countrywide Pure Premium:	0.577	0.462	0.865	1.905		
	(16) Countrywide Indicated Relativity:	0.811	1.006	1.034			
	(17) Countrywide Credibility:	0.23	0.00	0.00			
	(18) Countrywide Lost-time Claims:	946	16,338				
	(19) Pure Premium Underlying Present Rate:	0.753	1.313	1.474	3.541		
	(20) Relativity to Underlying Present Rate:	1.604	2.211	1.963			
	(21) Credibility to Underlying Relativity:	0.230	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	1.452	1.702	1.757			
	(24) Balanced Formula Relativity:	1.440	1.699	1.751	1.628		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000254

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 179

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
9052 HOTEL: ALL OTHER EMPLOYEES & SALES, DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	3,910,190	22	305	2,419,678	1,946,427	3,170,072	7,536,177		
2000/2001	3,937,826	22	327	2,629,803	2,037,710	3,363,330	8,030,843		
2001/2002	4,148,947	16	225	2,109,800	1,658,871	3,421,008	7,189,679		
2002/2003	4,349,504	24	279	2,777,237	1,494,948	2,723,283	6,995,468		
2003/2004	4,640,812	7	257	1,330,964	2,064,980	3,118,225	6,514,169		
MA Total	20,987,279	91	1,393	11,267,482	9,202,935	15,795,919	36,266,337		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.619	0.498	0.811	1.927				
	2000/2001	0.668	0.517	0.854	2.039				
	2001/2002	0.509	0.400	0.825	1.733				
	2002/2003	0.639	0.344	0.626	1.608				
	2003/2004	0.287	0.445	0.672	1.404				
	MA Total Pure Premium:	0.537	0.439	0.753	1.728				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.774	0.995	0.933					
	(14) Massachusetts Credibility:	0.73	1.00	1.00					
	(15) Countrywide Pure Premium:	0.513	0.485	0.821	1.819				
	(16) Countrywide Indicated Relativity:	0.720	1.056	0.981					
	(17) Countrywide Credibility:	0.14	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,405	35,232						
	(19) Pure Premium Underlying Present Rate:	0.331	0.544	0.677	1.551				
	(20) Relativity to Underlying Present Rate:	0.704	0.916	0.901					
	(21) Credibility to Underlying Relativity:	0.130	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	0.757	0.995	0.933					
	(24) Balanced Formula Relativity:	0.751	0.993	0.930	0.880				

Class(es):		Effective: 9/1/2007						Goods & Services	
9060 CLUB-COUNTRY, GOLF, FISHING OR YACHT & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,892,199	8	102	1,019,976	757,452	983,917	2,761,345		
2000/2001	2,055,505	4	120	701,931	617,508	1,038,971	2,358,411		
2001/2002	2,219,283	6	98	837,938	568,793	1,545,368	2,952,099		
2002/2003	2,287,805	4	80	529,888	617,178	1,054,836	2,201,902		
2003/2004	2,368,399	4	72	1,239,320	664,063	1,634,513	3,537,896		
MA Total	10,823,191	26	472	4,329,054	3,224,995	6,257,605	13,811,653		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	1999/2000	0.539	0.400	0.520	1.459				
	2000/2001	0.341	0.300	0.505	1.147				
	2001/2002	0.378	0.256	0.696	1.330				
	2002/2003	0.232	0.270	0.461	0.962				
	2003/2004	0.523	0.280	0.690	1.494				
	MA Total Pure Premium:	0.400	0.298	0.578	1.276				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.576	0.676	0.717					
	(14) Massachusetts Credibility:	0.57	1.00	1.00					
	(15) Countrywide Pure Premium:	0.494	0.324	0.669	1.486				
	(16) Countrywide Indicated Relativity:	0.694	0.704	0.799					
	(17) Countrywide Credibility:	0.22	0.00	0.00					
	(18) Countrywide Lost-time Claims:	753	9,659						
	(19) Pure Premium Underlying Present Rate:	0.337	0.338	0.537	1.212				
	(20) Relativity to Underlying Present Rate:	0.719	0.568	0.715					
	(21) Credibility to Underlying Relativity:	0.210	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941				
	(23) Formula Relativity:	0.632	0.676	0.717					
	(24) Balanced Formula Relativity:	0.627	0.675	0.714	0.674				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000255

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 180

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
9061 CLUB NOC & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	528,245	1	22	100,163	188,936	155,265	444,363		
2000/2001	549,748	1	14	218,631	64,972	253,617	537,220		
2001/2002	559,546	1	13	75,878	69,845	119,754	265,477		
2002/2003	551,760	1	13	235,389	190,816	163,179	589,384		
2003/2004	593,151	0	16	0	122,479	156,478	278,958		
MA Total	2,782,450	4	78	630,061	637,048	848,293	2,115,402		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.190	0.358	0.294	0.841		
		2000/2001		0.398	0.118	0.461	0.977		
		2001/2002		0.136	0.125	0.214	0.474		
		2002/2003		0.427	0.346	0.296	1.068		
		2003/2004		0.000	0.206	0.264	0.470		
		MA Total Pure Premium:		0.226	0.229	0.305	0.760		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.326	0.519	0.378			
		(14) Massachusetts Credibility:		0.34	0.76	0.76			
		(15) Countrywide Pure Premium:		0.405	0.371	0.651	1.427		
		(16) Countrywide Indicated Relativity:		0.569	0.807	0.778			
		(17) Countrywide Credibility:		0.33	0.12	0.12			
		(18) Countrywide Lost-time Claims:		241	2,661				
		(19) Pure Premium Underlying Present Rate:		0.365	0.293	0.430	1.088		
		(20) Relativity to Underlying Present Rate:		0.778	0.493	0.572			
		(21) Credibility to Underlying Relativity:		0.330	0.120	0.120			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.555	0.551	0.449			
		(24) Balanced Formula Relativity:		0.551	0.550	0.448	0.508		

Class(es):		Effective: 9/1/2007						Goods & Services	
9063 YMCA, YWCA, YMHA OR YWHA, INSTITUTION-ALL EMPLOYEES & CLERICAL									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	2,581,396	4	95	492,213	405,038	739,748	1,636,999		
2000/2001	2,790,366	4	93	299,469	468,843	874,797	1,643,109		
2001/2002	3,061,824	4	87	464,325	693,685	1,375,745	2,533,755		
2002/2003	3,242,662	3	80	610,470	526,398	1,195,742	2,332,611		
2003/2004	3,282,517	0	69	0	526,923	963,728	1,490,652		
MA Total	14,958,765	15	424	1,866,477	2,620,887	5,149,760	9,637,125		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000		0.191	0.157	0.287	0.634		
		2000/2001		0.107	0.168	0.314	0.589		
		2001/2002		0.152	0.227	0.449	0.828		
		2002/2003		0.188	0.162	0.369	0.719		
		2003/2004		0.000	0.161	0.294	0.454		
		MA Total Pure Premium:		0.125	0.175	0.344	0.644		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.180	0.397	0.427			
		(14) Massachusetts Credibility:		0.41	1.00	1.00			
		(15) Countrywide Pure Premium:		0.169	0.177	0.377	0.723		
		(16) Countrywide Indicated Relativity:		0.237	0.385	0.451			
		(17) Countrywide Credibility:		0.30	0.00	0.00			
		(18) Countrywide Lost-time Claims:		113	3,520				
		(19) Pure Premium Underlying Present Rate:		0.110	0.215	0.353	0.678		
		(20) Relativity to Underlying Present Rate:		0.234	0.363	0.470			
		(21) Credibility to Underlying Relativity:		0.290	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.694	0.441	0.807	1.941		
		(23) Formula Relativity:		0.213	0.397	0.427			
		(24) Balanced Formula Relativity:		0.211	0.397	0.425	0.342		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000256

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 181

Calculation of Class Relativities

Class(es): 9079 RESTAURANT NOC		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	15,937,353	66	1,231	7,366,079	5,598,605	9,418,455	22,383,139
2000/2001	16,368,674	59	1,053	6,520,436	5,091,409	9,595,320	21,207,166
2001/2002	17,055,427	54	881	6,006,400	4,435,577	8,847,823	19,289,800
2002/2003	16,010,430	55	824	7,544,561	4,463,923	9,366,692	21,375,177
2003/2004	15,599,085	16	692	3,252,863	3,770,727	6,596,778	13,620,368
MA Total	80,970,969	250	4,681	30,690,340	23,360,241	43,825,069	97,875,650
		MA Indicated Pure Premiums					
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000	0.462	0.351	0.591	1.404	
		2000/2001	0.398	0.311	0.586	1.296	
		2001/2002	0.352	0.260	0.519	1.131	
		2002/2003	0.471	0.279	0.585	1.335	
		2003/2004	0.209	0.242	0.423	0.873	
		MA Total Pure Premium:	0.379	0.289	0.541	1.209	
		Pure Premium Relativities					
		Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:	0.546	0.654	0.671		
		(14) Massachusetts Credibility:	1.00	1.00	1.00		
		(15) Countrywide Pure Premium:	0.437	0.414	0.773	1.624	
		(16) Countrywide Indicated Relativity:	0.614	0.900	0.924		
		(17) Countrywide Credibility:	0.00	0.00	0.00		
		(18) Countrywide Lost-time Claims:	4,742	44,927			
		(19) Pure Premium Underlying Present Rate:	0.296	0.413	0.565	1.274	
		(20) Relativity to Underlying Present Rate:	0.630	0.695	0.753		
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000		
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
		(23) Formula Relativity:	0.546	0.654	0.671		
		(24) Balanced Formula Relativity:	0.541	0.653	0.669	0.620	

Class(es): 9089 BILLIARD HALL		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	36,330	0	2	0	555	5,961	6,516
2000/2001	41,413	0	4	0	34,231	47,535	81,765
2001/2002	37,721	0	1	0	993	8,322	9,315
2002/2003	41,777	1	1	159,455	8,223	99,549	267,228
2003/2004	42,561	0	3	0	16,475	31,126	47,601
MA Total	199,802	1	11	159,455	60,476	192,493	412,425
		MA Indicated Pure Premiums					
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		1999/2000	0.000	0.015	0.164	0.179	
		2000/2001	0.000	0.827	1.148	1.974	
		2001/2002	0.000	0.026	0.221	0.247	
		2002/2003	3.817	0.197	2.383	6.396	
		2003/2004	0.000	0.387	0.731	1.118	
		MA Total Pure Premium:	0.798	0.303	0.963	2.064	
		Pure Premium Relativities					
		Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:	1.150	0.687	1.194		
		(14) Massachusetts Credibility:	0.10	0.24	0.22		
		(15) Countrywide Pure Premium:	0.365	0.107	0.219	0.691	
		(16) Countrywide Indicated Relativity:	0.513	0.232	0.262		
		(17) Countrywide Credibility:	0.17	0.38	0.39		
		(18) Countrywide Lost-time Claims:	5	115			
		(19) Pure Premium Underlying Present Rate:	0.219	0.223	0.281	0.723	
		(20) Relativity to Underlying Present Rate:	0.466	0.376	0.374		
		(21) Credibility to Underlying Relativity:	0.730	0.380	0.390		
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
		(23) Formula Relativity:	0.542	0.396	0.511		
		(24) Balanced Formula Relativity:	0.537	0.395	0.509	0.493	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000257

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 182

Calculation of Class Relativities

Class(es): 9093 BOWLING LANE		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	99,874	1	13	55,863	60,057	404,901	520,821
2000/2001	88,721	0	2	0	1,417	16,530	17,947
2001/2002	103,776	0	2	0	102,075	181,969	284,044
2002/2003	109,678	0	2	0	1,366	12,512	13,878
2003/2004	94,165	0	1	0	14,552	37,950	52,502
MA Total	496,214	1	20	55,863	179,467	653,863	889,193
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.559	0.601	4.054	5.215		
	2000/2001	0.000	0.016	0.186	0.202		
	2001/2002	0.000	0.984	1.753	2.737		
	2002/2003	0.000	0.012	0.114	0.127		
	2003/2004	0.000	0.155	0.403	0.558		
	MA Total Pure Premium:	0.113	0.362	1.318	1.792		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.162	0.820	1.634			
	(14) Massachusetts Credibility:	0.13	0.41	0.52			
	(15) Countrywide Pure Premium:	0.543	0.273	0.515	1.331		
	(16) Countrywide Indicated Relativity:	0.763	0.593	0.616			
	(17) Countrywide Credibility:	0.34	0.30	0.24			
	(18) Countrywide Lost-time Claims:	30	693				
	(19) Pure Premium Underlying Present Rate:	0.197	0.344	0.929	1.470		
	(20) Relativity to Underlying Present Rate:	0.420	0.579	1.236			
	(21) Credibility to Underlying Relativity:	0.530	0.290	0.240			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	0.503	0.682	1.294			
	(24) Balanced Formula Relativity:	0.499	0.681	1.290	0.869		

Class(es): 9101 COLLEGE: ALL OTHER EMPLOYEES		Effective: 9/1/2007				Goods & Services	
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense					
		Claim Count		Amount			
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)
1999/2000	1,009,862	2	159	313,527	878,673	1,399,890	2,592,090
2000/2001	1,183,346	6	142	693,311	786,902	1,407,301	2,887,514
2001/2002	1,136,587	8	131	1,133,727	508,961	1,515,301	3,157,989
2002/2003	1,163,662	11	134	1,622,267	880,347	1,911,630	4,414,243
2003/2004	1,171,619	7	132	2,141,747	1,014,185	1,745,295	4,901,227
MA Total	5,665,076	34	698	5,904,579	4,069,068	7,979,417	17,953,064
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	1999/2000	0.310	0.870	1.386	2.567		
	2000/2001	0.586	0.665	1.189	2.440		
	2001/2002	0.997	0.448	1.333	2.778		
	2002/2003	1.394	0.757	1.643	3.793		
	2003/2004	1.828	0.866	1.490	4.183		
	MA Total Pure Premium:	1.042	0.718	1.409	3.169		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.502	1.629	1.746			
	(14) Massachusetts Credibility:	0.51	1.00	1.00			
	(15) Countrywide Pure Premium:	0.837	0.634	1.130	2.601		
	(16) Countrywide Indicated Relativity:	1.175	1.380	1.351			
	(17) Countrywide Credibility:	0.25	0.00	0.00			
	(18) Countrywide Lost-time Claims:	1,162	20,151				
	(19) Pure Premium Underlying Present Rate:	0.502	0.666	1.122	2.289		
	(20) Relativity to Underlying Present Rate:	1.070	1.120	1.493			
	(21) Credibility to Underlying Relativity:	0.240	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941		
	(23) Formula Relativity:	1.317	1.629	1.746			
	(24) Balanced Formula Relativity:	1.305	1.626	1.740	1.559		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000258

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 183

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
9102 PARK NOC- ALL EMPLOYEES & DRIVERS									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	93,282	2	7	143,627	253,271	160,708	557,606		
2000/2001	104,266	0	6	0	20,154	31,809	51,963		
2001/2002	129,228	0	8	0	5,130	26,351	31,481		
2002/2003	124,904	1	3	109,425	67,208	82,969	259,602		
2003/2004	116,732	0	2	0	22,392	34,241	56,633		
MA Total	568,412	3	26	253,052	368,155	336,078	957,285		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.540	2.715	1.723	5.978			
		2000/2001	0.000	0.193	0.305	0.498			
		2001/2002	0.000	0.040	0.204	0.244			
		2002/2003	0.876	0.538	0.664	2.078			
		2003/2004	0.000	0.192	0.293	0.485			
		MA Total Pure Premium:	0.445	0.648	0.591	1.684			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.212	0.740	0.321				
		(14) Massachusetts Credibility:	0.21	0.58	0.50				
		(15) Countrywide Pure Premium:	0.846	0.528	1.308	2.681			
		(16) Countrywide Indicated Relativity:	0.445	0.677	0.785				
		(17) Countrywide Credibility:	0.40	0.21	0.25				
		(18) Countrywide Lost-time Claims:	297	6,725					
		(19) Pure Premium Underlying Present Rate:	0.514	0.712	0.763	1.990			
		(20) Relativity to Underlying Present Rate:	0.358	0.597	0.451				
		(21) Credibility to Underlying Relativity:	0.390	0.210	0.250				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	0.362	0.697	0.470				
		(24) Balanced Formula Relativity:	0.363	0.698	0.471	0.465			

Class(es):		Effective: 9/1/2007						Miscellaneous	
9154 THEATER NOC: ALL OTHER EMPLOYEES									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)		
1999/2000	561,924	2	22	487,329	211,266	238,413	937,007		
2000/2001	601,026	0	30	0	223,914	271,154	495,069		
2001/2002	648,104	1	20	109,184	75,692	256,768	441,644		
2002/2003	484,867	1	13	139,440	31,824	200,130	371,394		
2003/2004	488,298	1	9	179,895	44,128	347,155	571,177		
MA Total	2,784,219	5	94	915,848	586,823	1,313,620	2,816,291		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.867	0.376	0.424	1.667			
		2000/2001	0.000	0.373	0.451	0.824			
		2001/2002	0.168	0.117	0.396	0.681			
		2002/2003	0.288	0.066	0.413	0.766			
		2003/2004	0.368	0.090	0.711	1.170			
		MA Total Pure Premium:	0.329	0.211	0.472	1.012			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.157	0.241	0.256				
		(14) Massachusetts Credibility:	0.33	0.84	0.76				
		(15) Countrywide Pure Premium:	0.564	0.298	0.715	1.577			
		(16) Countrywide Indicated Relativity:	0.297	0.382	0.430				
		(17) Countrywide Credibility:	0.34	0.08	0.12				
		(18) Countrywide Lost-time Claims:	189	2,421					
		(19) Pure Premium Underlying Present Rate:	0.325	0.375	0.432	1.132			
		(20) Relativity to Underlying Present Rate:	0.226	0.314	0.255				
		(21) Credibility to Underlying Relativity:	0.330	0.080	0.120				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	0.227	0.258	0.277				
		(24) Balanced Formula Relativity:	0.228	0.259	0.278	0.252			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000259

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 184

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Office & Clerical	
9156 THEATER NOC: PLAYERS, ENTERTAINERS OR MUSICIANS									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	392,593	1	12	153,360	196,810	322,981	673,151		
2000/2001	417,540	2	10	217,341	70,840	135,329	423,511		
2001/2002	418,370	0	5	0	19,812	42,042	61,854		
2002/2003	390,100	2	4	452,015	20,894	201,948	674,857		
2003/2004	418,659	1	12	136,886	99,576	228,317	464,779		
MA Total	2,037,262	6	43	959,601	407,932	930,619	2,298,152		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.391	0.501	0.823	1.715			
		2000/2001	0.521	0.170	0.324	1.014			
		2001/2002	0.000	0.047	0.100	0.148			
		2002/2003	1.159	0.054	0.518	1.730			
		2003/2004	0.327	0.238	0.545	1.110			
		MA Total Pure Premium:	0.471	0.200	0.457	1.128			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	6.441	4.339	5.304				
		(14) Massachusetts Credibility:	0.23	0.77	0.70				
		(15) Countrywide Pure Premium:	0.215	0.343	0.585	1.142			
		(16) Countrywide Indicated Relativity:	3.097	8.093	7.369				
		(17) Countrywide Credibility:	0.39	0.12	0.15				
		(18) Countrywide Lost-time Claims:	70	1,297					
		(19) Pure Premium Underlying Present Rate:	0.196	0.406	0.475	1.078			
		(20) Relativity to Underlying Present Rate:	3.497	6.721	5.786				
		(21) Credibility to Underlying Relativity:	0.380	0.110	0.150				
		(22) Industry Group Adjusted Converted Pure Premium:	0.073	0.046	0.086	0.205			
		(23) Formula Relativity:	4.018	5.052	5.686				
		(24) Balanced Formula Relativity:	4.031	5.038	5.670	4.945			

Class(es):		Effective: 9/1/2007						Miscellaneous	
9178 ATHLETIC TEAM OR PARK: NON-CONTACT SPORTS									
		Adjusted Converted Loss and Loss Adjustment Expense							
Policy Period (1)	Exposure (2)	Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	30,126	0	15	0	227,296	633,558	860,854		
2000/2001	30,181	0	20	0	211,313	704,678	915,991		
2001/2002	27,441	3	13	345,320	116,686	871,715	1,333,721		
2002/2003	19,315	0	1	0	274	51,701	51,975		
2003/2004	18,602	0	4	0	6,866	64,653	71,519		
MA Total	125,665	3	53	345,320	562,435	2,326,305	3,234,060		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.000	7.545	21.030	28.575			
		2000/2001	0.000	7.002	23.348	30.350			
		2001/2002	12.584	4.252	31.767	48.603			
		2002/2003	0.000	0.014	2.677	2.691			
		2003/2004	0.000	0.369	3.476	3.845			
		MA Total Pure Premium:	2.748	4.476	18.512	25.736			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.309	5.114	10.049				
		(14) Massachusetts Credibility:	0.15	0.71	1.00				
		(15) Countrywide Pure Premium:	0.850	1.081	3.382	5.313			
		(16) Countrywide Indicated Relativity:	0.447	1.386	2.031				
		(17) Countrywide Credibility:	0.42	0.15	0.00				
		(18) Countrywide Lost-time Claims:	50	892					
		(19) Pure Premium Underlying Present Rate:	1.122	5.403	21.863	28.388			
		(20) Relativity to Underlying Present Rate:	0.781	4.528	12.909				
		(21) Credibility to Underlying Relativity:	0.430	0.140	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	0.720	4.473	10.049				
		(24) Balanced Formula Relativity:	0.722	4.484	10.075	4.983			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000260

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 185

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
9179 ATHLETIC TEAM OR PARK: CONTACT SPORTS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	31,104	6	19	780,700	102,495	306,433	1,189,628	
2000/2001	31,672	5	18	569,564	301,642	180,865	1,052,072	
2001/2002	49,379	4	24	698,100	304,105	530,249	1,532,454	
2002/2003	33,509	0	27	0	159,893	403,539	563,432	
2003/2004	27,666	0	20	0	193,018	363,818	556,835	
MA Total	173,330	15	108	2,048,365	1,061,152	1,784,904	4,894,421	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	25.100	3.295	9.852	38.247			
	2000/2001	17.983	9.524	5.711	33.218			
	2001/2002	14.137	6.159	10.738	31.034			
	2002/2003	0.000	4.772	12.043	16.814			
	2003/2004	0.000	6.977	13.150	20.127			
	MA Total Pure Premium:	11.818	6.122	10.298	28.238			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	5.631	6.995	5.590				
	(14) Massachusetts Credibility:	0.36	0.81	0.76				
	(15) Countrywide Pure Premium:	2.032	1.465	3.185	6.682			
	(16) Countrywide Indicated Relativity:	1.069	1.878	1.913				
	(17) Countrywide Credibility:	0.32	0.10	0.12				
	(18) Countrywide Lost-time Claims:	93	1,433					
	(19) Pure Premium Underlying Present Rate:	6.639	5.470	6.976	19.085			
	(20) Relativity to Underlying Present Rate:	4.622	4.585	4.119				
	(21) Credibility to Underlying Relativity:	0.320	0.090	0.120				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	3.848	6.266	4.972				
	(24) Balanced Formula Relativity:	3.856	6.282	4.985	4.729			

Class(es):		Effective: 9/1/2007						Miscellaneous
9180 AMUSEMENT DEVICE OPERATION NOC-NOT TRAV & DR*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	87,809	0	8	0	74,679	81,628	156,306	
2000/2001	112,726	1	14	322,662	98,489	211,279	632,430	
2001/2002	76,126	0	7	0	55,866	115,778	171,643	
2002/2003	101,435	1	13	82,130	68,423	258,386	408,939	
2003/2004	98,318	0	13	0	81,490	191,543	273,033	
MA Total	476,414	2	55	404,792	378,947	858,614	1,642,352	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.850	0.930	1.780			
	2000/2001	2.862	0.874	1.874	5.610			
	2001/2002	0.000	0.734	1.521	2.255			
	2002/2003	0.810	0.675	2.547	4.032			
	2003/2004	0.000	0.829	1.948	2.777			
	MA Total Pure Premium:	0.850	0.795	1.802	3.447			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.405	0.909	0.978				
	(14) Massachusetts Credibility:	0.21	0.59	0.59				
	(15) Countrywide Pure Premium:	1.676	0.896	2.776	5.347			
	(16) Countrywide Indicated Relativity:	0.882	1.149	1.667				
	(17) Countrywide Credibility:	0.40	0.21	0.21				
	(18) Countrywide Lost-time Claims:	145	2,458					
	(19) Pure Premium Underlying Present Rate:	0.672	0.912	1.364	2.948			
	(20) Relativity to Underlying Present Rate:	0.468	0.764	0.805				
	(21) Credibility to Underlying Relativity:	0.390	0.200	0.200				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.620	0.930	1.088				
	(24) Balanced Formula Relativity:	0.621	0.933	1.091	0.858			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000261

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 186

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous
9182 ATHLETIC TEAM OR PARK: OPERATIONS & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)		
1999/2000	36,767	0	2	0	6,652	10,218	16,870	
2000/2001	76,953	2	10	285,252	93,797	221,913	600,962	
2001/2002	94,989	2	7	365,520	75,255	242,587	683,362	
2002/2003	70,227	0	8	0	48,770	95,125	143,895	
2003/2004	82,950	0	7	0	200,069	63,563	263,632	
MA Total	361,886	4	34	650,772	424,543	633,405	1,708,721	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.000	0.181	0.278	0.459			
	2000/2001	3.707	1.219	2.884	7.809			
	2001/2002	3.848	0.792	2.554	7.194			
	2002/2003	0.000	0.694	1.355	2.049			
	2003/2004	0.000	2.412	0.766	3.178			
	MA Total Pure Premium:	1.798	1.173	1.750	4.722			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.857	1.340	0.950				
	(14) Massachusetts Credibility:	0.23	0.39	0.48				
	(15) Countrywide Pure Premium:	0.478	0.321	1.013	1.812			
	(16) Countrywide Indicated Relativity:	0.251	0.412	0.609				
	(17) Countrywide Credibility:	0.39	0.31	0.26				
	(18) Countrywide Lost-time Claims:	50	677					
	(19) Pure Premium Underlying Present Rate:	1.032	0.427	1.055	2.514			
	(20) Relativity to Underlying Present Rate:	0.718	0.358	0.623				
	(21) Credibility to Underlying Relativity:	0.380	0.300	0.260				
	(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
	(23) Formula Relativity:	0.568	0.758	0.776				
	(24) Balanced Formula Relativity:	0.569	0.760	0.778	0.684			

Class(es):		Effective: 9/1/2007						Goods & Services
9220 CEMETERY OPERATION & DRIVERS								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)		
1999/2000	155,087	1	16	228,986	511,388	282,791	1,023,165	
2000/2001	165,037	1	23	75,775	149,940	145,153	370,868	
2001/2002	162,225	1	19	69,380	96,723	153,526	319,629	
2002/2003	165,402	0	24	0	167,444	139,871	307,314	
2003/2004	165,392	2	13	729,201	97,587	450,602	1,277,390	
MA Total	813,143	5	95	1,103,341	1,023,082	1,171,943	3,298,366	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	1.476	3.297	1.823	6.597			
	2000/2001	0.459	0.909	0.880	2.247			
	2001/2002	0.428	0.596	0.946	1.970			
	2002/2003	0.000	1.012	0.846	1.858			
	2003/2004	4.409	0.590	2.724	7.723			
	MA Total Pure Premium:	1.357	1.258	1.441	4.056			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.956	2.854	1.787				
	(14) Massachusetts Credibility:	0.30	0.89	0.67				
	(15) Countrywide Pure Premium:	1.365	0.792	1.537	3.694			
	(16) Countrywide Indicated Relativity:	1.917	1.724	1.838				
	(17) Countrywide Credibility:	0.35	0.06	0.17				
	(18) Countrywide Lost-time Claims:	153	1,470					
	(19) Pure Premium Underlying Present Rate:	0.876	1.454	1.088	3.417			
	(20) Relativity to Underlying Present Rate:	1.866	2.448	1.448				
	(21) Credibility to Underlying Relativity:	0.350	0.050	0.160				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	1.911	2.766	1.741				
	(24) Balanced Formula Relativity:	1.894	2.760	1.735	2.025			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000262

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 187

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Miscellaneous	
9402 STREET CLEANING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	414,347	2	24	402,482	128,475	302,180	833,138		
2000/2001	441,283	14	40	2,005,845	557,946	1,214,767	3,778,558		
2001/2002	446,734	9	52	1,652,098	546,420	877,538	3,076,055		
2002/2003	449,878	4	40	1,141,208	256,959	708,011	2,106,177		
2003/2004	514,544	3	41	673,342	660,704	807,825	2,141,871		
MA Total	2,266,786	32	197	5,874,975	2,150,504	3,910,321	11,935,799		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.971	0.310	0.729	2.011			
		2000/2001	4.545	1.264	2.753	8.563			
		2001/2002	3.698	1.223	1.964	6.886			
		2002/2003	2.537	0.571	1.574	4.682			
		2003/2004	1.309	1.284	1.570	4.163			
		MA Total Pure Premium:	2.592	0.949	1.725	5.266			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.235	1.084	0.936				
		(14) Massachusetts Credibility:	0.64	1.00	1.00				
		(15) Countrywide Pure Premium:	1.848	0.651	1.538	4.038			
		(16) Countrywide Indicated Relativity:	0.972	0.835	0.924				
		(17) Countrywide Credibility:	0.18	0.00	0.00				
		(18) Countrywide Lost-time Claims:	226	2,271					
		(19) Pure Premium Underlying Present Rate:	2.205	1.322	1.995	5.522			
		(20) Relativity to Underlying Present Rate:	1.535	1.108	1.178				
		(21) Credibility to Underlying Relativity:	0.180	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	1.242	1.084	0.936				
		(24) Balanced Formula Relativity:	1.244	1.087	0.939	1.099			

Class(es):		Effective: 9/1/2007						Miscellaneous	
9403 GARBAGE, ASHES OR REFUSE COLLECTION & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	351,398	10	50	1,340,544	696,305	1,284,710	3,321,559		
2000/2001	782,770	11	120	1,400,329	877,757	1,599,862	3,877,948		
2001/2002	869,487	23	106	3,321,943	757,548	2,258,749	6,338,239		
2002/2003	953,756	21	113	4,277,944	862,815	2,928,000	8,068,758		
2003/2004	1,004,357	5	119	923,348	1,355,706	2,088,725	4,367,779		
MA Total	3,961,768	70	508	11,264,107	4,550,131	10,160,045	25,974,283		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	3.815	1.982	3.656	9.452			
		2000/2001	1.789	1.121	2.044	4.954			
		2001/2002	3.821	0.871	2.598	7.290			
		2002/2003	4.485	0.905	3.070	8.460			
		2003/2004	0.919	1.350	2.080	4.349			
		MA Total Pure Premium:	2.843	1.149	2.565	6.556			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.355	1.312	1.392				
		(14) Massachusetts Credibility:	0.83	1.00	1.00				
		(15) Countrywide Pure Premium:	3.386	1.139	2.670	7.195			
		(16) Countrywide Indicated Relativity:	1.781	1.461	1.604				
		(17) Countrywide Credibility:	0.09	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,609	13,585					
		(19) Pure Premium Underlying Present Rate:	2.376	1.452	2.870	6.698			
		(20) Relativity to Underlying Present Rate:	1.654	1.217	1.694				
		(21) Credibility to Underlying Relativity:	0.080	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	2.099	0.875	1.842	4.816			
		(23) Formula Relativity:	1.417	1.312	1.392				
		(24) Balanced Formula Relativity:	1.420	1.316	1.396	1.392			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000263

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 188

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
9410 MUNICIPAL, TOWN, COUNTY OR STATE EMP NOC									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	9,547	0	1	0	1,320	1,658	2,978		
2000/2001	11,053	0	0	0	0	2,061	2,061		
2001/2002	9,993	0	0	0	0	1,654	1,654		
2002/2003	7,095	0	0	0	0	0	0		
2003/2004	6,396	0	1	0	2	5,141	5,143		
MA Total	44,084	0	2	0	1,323	10,513	11,836		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.138	0.174			0.312	
		2000/2001	0.000	0.000	0.186			0.186	
		2001/2002	0.000	0.000	0.166			0.166	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.804			0.804	
		MA Total Pure Premium:	0.000	0.030	0.238			0.268	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.068	0.296				
		(14) Massachusetts Credibility:	0.08	0.18	0.18				
		(15) Countrywide Pure Premium:	0.656	0.449	0.904			2.009	
		(16) Countrywide Indicated Relativity:	0.922	0.977	1.081				
		(17) Countrywide Credibility:	0.46	0.41	0.41				
		(18) Countrywide Lost-time Claims:	240	3,281					
		(19) Pure Premium Underlying Present Rate:	0.640	0.534	0.792			1.967	
		(20) Relativity to Underlying Present Rate:	1.364	0.899	1.055				
		(21) Credibility to Underlying Relativity:	0.460	0.410	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807			1.941	
		(23) Formula Relativity:	1.051	0.781	0.929				
		(24) Balanced Formula Relativity:	1.042	0.780	0.926			0.934	

Class(es):		Effective: 9/1/2007						Manufacturing	
9501 SIGN PAINTING OR LETTERING-INSIDE & DRIVERS*									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	227,153	1	18	150,289	121,973	282,302	554,564		
2000/2001	246,408	2	22	196,344	227,666	452,992	877,002		
2001/2002	204,486	1	14	106,098	58,989	157,352	322,439		
2002/2003	224,755	4	10	592,696	25,876	266,513	885,085		
2003/2004	244,111	1	13	227,426	279,416	269,885	776,726		
MA Total	1,146,913	9	77	1,272,852	713,919	1,429,044	3,415,815		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.662	0.537	1.243			2.441	
		2000/2001	0.797	0.924	1.838			3.559	
		2001/2002	0.519	0.288	0.770			1.577	
		2002/2003	2.637	0.115	1.186			3.938	
		2003/2004	0.932	1.145	1.106			3.182	
		MA Total Pure Premium:	1.110	0.622	1.246			2.978	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	1.251	1.257	1.393				
		(14) Massachusetts Credibility:	0.33	0.69	0.72				
		(15) Countrywide Pure Premium:	1.033	0.503	1.029			2.565	
		(16) Countrywide Indicated Relativity:	1.241	1.093	1.222				
		(17) Countrywide Credibility:	0.34	0.16	0.14				
		(18) Countrywide Lost-time Claims:	210	1,964					
		(19) Pure Premium Underlying Present Rate:	0.799	0.546	0.912			2.257	
		(20) Relativity to Underlying Present Rate:	1.268	0.830	1.136				
		(21) Credibility to Underlying Relativity:	0.330	0.150	0.140				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895			2.277	
		(23) Formula Relativity:	1.253	1.167	1.333				
		(24) Balanced Formula Relativity:	1.262	1.163	1.331			1.267	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000264

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 189

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services
9519 HOUSEHOLD APPLIANCES-ELECTRICAL-INSTALL, SERV OR REPAIR & DR								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	495,666	5	38	841,162	244,191	493,053	1,578,407	
2000/2001	495,057	3	36	483,929	270,691	347,889	1,102,509	
2001/2002	490,302	4	26	538,083	193,764	375,400	1,107,247	
2002/2003	522,345	4	24	1,025,471	264,183	734,809	2,024,464	
2003/2004	588,400	1	21	498,727	286,296	353,927	1,138,950	
MA Total	2,591,770	17	145	3,387,373	1,259,124	2,305,079	6,951,577	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	1.697	0.493	0.995	3.184	
			2000/2001	0.978	0.547	0.703	2.227	
			2001/2002	1.097	0.395	0.766	2.258	
			2002/2003	1.963	0.506	1.407	3.876	
			2003/2004	0.848	0.487	0.602	1.936	
			MA Total Pure Premium:	1.307	0.486	0.889	2.682	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.884	1.102	1.103		
			(14) Massachusetts Credibility:	0.44	0.97	0.92		
			(15) Countrywide Pure Premium:	1.277	0.544	0.937	2.758	
			(16) Countrywide Indicated Relativity:	1.793	1.184	1.121		
			(17) Countrywide Credibility:	0.28	0.02	0.04		
			(18) Countrywide Lost-time Claims:	509	4,170			
			(19) Pure Premium Underlying Present Rate:	0.764	0.565	0.760	2.089	
			(20) Relativity to Underlying Present Rate:	1.628	0.951	1.011		
			(21) Credibility to Underlying Relativity:	0.280	0.010	0.040		
			(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941	
			(23) Formula Relativity:	1.787	1.102	1.100		
			(24) Balanced Formula Relativity:	1.771	1.100	1.096	1.338	

Class(es):		Effective: 9/1/2007						Manufacturing
9521 HOUSE FURNISHINGS INSTALLATION-NOC								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	333,726	5	35	674,808	903,357	563,160	2,141,325	
2000/2001	345,182	4	40	868,521	408,581	397,826	1,674,928	
2001/2002	320,303	9	23	1,854,346	172,740	885,634	2,912,719	
2002/2003	313,072	1	21	331,209	89,021	158,959	579,189	
2003/2004	299,805	2	20	373,373	348,894	347,999	1,070,265	
MA Total	1,612,088	21	139	4,102,257	1,922,593	2,353,577	8,378,426	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			1999/2000	2.022	2.707	1.687	6.416	
			2000/2001	2.516	1.184	1.153	4.852	
			2001/2002	5.789	0.539	2.765	9.094	
			2002/2003	1.058	0.284	0.508	1.850	
			2003/2004	1.245	1.164	1.161	3.570	
			MA Total Pure Premium:	2.545	1.193	1.460	5.197	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	2.868	2.409	1.632		
			(14) Massachusetts Credibility:	0.51	1.00	0.98		
			(15) Countrywide Pure Premium:	1.732	0.742	1.213	3.687	
			(16) Countrywide Indicated Relativity:	2.082	1.614	1.441		
			(17) Countrywide Credibility:	0.25	0.00	0.01		
			(18) Countrywide Lost-time Claims:	517	3,327			
			(19) Pure Premium Underlying Present Rate:	1.699	1.918	1.410	5.027	
			(20) Relativity to Underlying Present Rate:	2.696	2.916	1.757		
			(21) Credibility to Underlying Relativity:	0.240	0.000	0.010		
			(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277	
			(23) Formula Relativity:	2.630	2.409	1.631		
			(24) Balanced Formula Relativity:	2.648	2.401	1.628	2.194	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000265

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 190

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Manufacturing	
9522 UPHOLSTERING									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	178,417	1	25	161,010	108,480	219,205	488,694		
2000/2001	185,056	1	12	177,899	28,948	122,848	329,695		
2001/2002	177,149	0	10	0	20,909	63,757	84,666		
2002/2003	182,963	1	5	79,980	2,424	49,033	131,437		
2003/2004	150,061	0	5	0	31,543	49,766	81,308		
MA Total	873,646	3	57	418,889	192,304	504,608	1,115,801		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.902	0.608	1.229	2.739			
		2000/2001	0.961	0.156	0.664	1.782			
		2001/2002	0.000	0.118	0.360	0.478			
		2002/2003	0.437	0.013	0.268	0.718			
		2003/2004	0.000	0.210	0.332	0.542			
		MA Total Pure Premium:	0.479	0.220	0.578	1.277			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.540	0.445	0.646				
		(14) Massachusetts Credibility:	0.25	0.59	0.54				
		(15) Countrywide Pure Premium:	0.750	0.483	0.806	2.039			
		(16) Countrywide Indicated Relativity:	0.902	1.049	0.957				
		(17) Countrywide Credibility:	0.38	0.21	0.23				
		(18) Countrywide Lost-time Claims:	324	2,791					
		(19) Pure Premium Underlying Present Rate:	0.521	0.495	0.592	1.609			
		(20) Relativity to Underlying Present Rate:	0.828	0.752	0.739				
		(21) Credibility to Underlying Relativity:	0.370	0.200	0.230				
		(22) Industry Group Adjusted Converted Pure Premium:	0.887	0.495	0.895	2.277			
		(23) Formula Relativity:	0.784	0.633	0.739				
		(24) Balanced Formula Relativity:	0.789	0.631	0.737	0.734			

Class(es):		Effective: 9/1/2007						Construction	
9534 MOBILE CRANE & HOIST SERV CONTR-NOC-ALL OP -INCL YRD EMP &DR									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	131,069	1	12	164,201	183,821	308,651	656,674		
2000/2001	189,187	3	18	927,729	376,273	371,395	1,675,397		
2001/2002	183,028	4	10	1,023,515	70,271	514,400	1,608,186		
2002/2003	211,640	2	9	745,761	78,796	340,990	1,165,547		
2003/2004	211,127	1	15	249,834	133,927	308,918	692,679		
MA Total	926,051	11	64	3,111,039	843,088	1,844,355	5,798,482		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	1.253	1.402	2.355	5.010			
		2000/2001	4.904	1.989	1.963	8.856			
		2001/2002	5.592	0.384	2.811	8.787			
		2002/2003	3.524	0.372	1.611	5.507			
		2003/2004	1.183	0.634	1.463	3.281			
		MA Total Pure Premium:	3.359	0.910	1.992	6.262			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.130	0.997	1.003				
		(14) Massachusetts Credibility:	0.46	0.86	0.92				
		(15) Countrywide Pure Premium:	3.522	0.670	1.813	6.004			
		(16) Countrywide Indicated Relativity:	1.266	0.743	0.951				
		(17) Countrywide Credibility:	0.27	0.07	0.04				
		(18) Countrywide Lost-time Claims:	108	538					
		(19) Pure Premium Underlying Present Rate:	2.352	1.191	2.104	5.647			
		(20) Relativity to Underlying Present Rate:	1.007	0.863	1.047				
		(21) Credibility to Underlying Relativity:	0.270	0.070	0.040				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
		(23) Formula Relativity:	1.134	0.970	1.003				
		(24) Balanced Formula Relativity:	1.148	0.970	1.007	1.073			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000266

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 191

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction	
9545 BILL POSTING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	3,115	0	1	0	698	1,954	2,652		
2000/2001	2,087	0	1	0	1,373	1,415	2,788		
2001/2002	1,316	0	0	0	0	0	0		
2002/2003	1,440	0	0	0	0	0	0		
2003/2004	2,472	0	0	0	0	0	0		
MA Total	10,430	0	2	0	2,071	3,369	5,440		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.224	0.627			0.852	
		2000/2001	0.000	0.658	0.678			1.336	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.199	0.323			0.522	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.217	0.163				
		(14) Massachusetts Credibility:	0.07	0.16	0.15				
		(15) Countrywide Pure Premium:	1.777	0.198	1.404			3.378	
		(16) Countrywide Indicated Relativity:	0.639	0.219	0.737				
		(17) Countrywide Credibility:	0.20	0.29	0.36				
		(18) Countrywide Lost-time Claims:	8	40					
		(19) Pure Premium Underlying Present Rate:	1.814	1.666	1.944			5.423	
		(20) Relativity to Underlying Present Rate:	0.777	1.207	0.967				
		(21) Credibility to Underlying Relativity:	0.730	0.550	0.490				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985			5.872	
		(23) Formula Relativity:	0.695	0.762	0.763				
		(24) Balanced Formula Relativity:	0.704	0.763	0.767			0.734	

Class(es):		Effective: 9/1/2007						Construction	
9549 ADVERTISING CO & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	1,483	0	0	0	0	0	0		
2000/2001	336	0	0	0	0	0	0		
2001/2002	419	0	0	0	0	0	0		
2002/2003	109	0	0	0	0	0	0		
2003/2004	992	0	0	0	0	0	0		
MA Total	3,339	0	0	0	0	0	0		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		1999/2000	0.000	0.000	0.000			0.000	
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	0.000			0.000	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.000			0.000	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.000				
		(14) Massachusetts Credibility:	0.05	0.07	0.07				
		(15) Countrywide Pure Premium:	1.818	0.876	1.434			4.128	
		(16) Countrywide Indicated Relativity:	0.654	0.971	0.753				
		(17) Countrywide Credibility:	0.26	0.35	0.45				
		(18) Countrywide Lost-time Claims:	16	64					
		(19) Pure Premium Underlying Present Rate:	1.949	0.732	1.080			3.761	
		(20) Relativity to Underlying Present Rate:	0.835	0.530	0.537				
		(21) Credibility to Underlying Relativity:	0.690	0.580	0.480				
		(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985			5.872	
		(23) Formula Relativity:	0.746	0.648	0.597				
		(24) Balanced Formula Relativity:	0.755	0.648	0.599			0.686	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

X 000267

Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 192

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Construction
9552 SIGN MFG-ERECTION, REPAIR OR MAINT & SHOP, DR*								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	90,204	1	10	211,353	97,924	106,015	415,291	
2000/2001	87,053	2	5	212,900	8,164	98,441	319,506	
2001/2002	99,887	3	12	495,846	128,544	523,777	1,148,167	
2002/2003	105,066	2	9	345,499	45,830	348,552	739,881	
2003/2004	118,116	3	14	570,874	198,865	465,841	1,235,581	
MA Total	500,326	11	50	1,836,473	479,327	1,542,626	3,858,427	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	2.343	1.086	1.175	4.604			
	2000/2001	2.446	0.094	1.131	3.670			
	2001/2002	4.964	1.287	5.244	11.495			
	2002/2003	3.288	0.436	3.317	7.042			
	2003/2004	4.833	1.684	3.944	10.461			
	MA Total Pure Premium:	3.671	0.958	3.083	7.712			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.235	1.049	1.553				
	(14) Massachusetts Credibility:	0.38	0.67	0.66				
	(15) Countrywide Pure Premium:	3.449	1.423	2.571	7.443			
	(16) Countrywide Indicated Relativity:	1.240	1.579	1.349				
	(17) Countrywide Credibility:	0.31	0.17	0.17				
	(18) Countrywide Lost-time Claims:	46	223					
	(19) Pure Premium Underlying Present Rate:	2.722	1.191	1.727	5.641			
	(20) Relativity to Underlying Present Rate:	1.166	0.863	0.859				
	(21) Credibility to Underlying Relativity:	0.310	0.160	0.170				
	(22) Industry Group Adjusted Converted Pure Premium:	2.973	0.913	1.985	5.872			
	(23) Formula Relativity:	1.215	1.109	1.400				
	(24) Balanced Formula Relativity:	1.230	1.110	1.406	1.271			

Class(es):		Effective: 9/1/2007						Goods & Services
9586 BARBER SHOP, BEAUTY PARLOR, HAIR STYLING SALON								
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)	Total (8)	
1999/2000	2,146,690	2	39	304,421	459,425	502,383	1,266,229	
2000/2001	2,370,727	2	40	266,515	155,730	206,546	628,791	
2001/2002	2,476,559	4	42	329,767	282,053	745,274	1,357,095	
2002/2003	2,675,700	6	36	701,997	276,630	666,189	1,644,815	
2003/2004	2,837,789	4	41	546,400	228,127	490,468	1,264,995	
MA Total	12,507,465	18	198	2,149,101	1,401,965	2,610,860	6,161,926	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	1999/2000	0.142	0.214	0.234	0.590			
	2000/2001	0.112	0.066	0.087	0.265			
	2001/2002	0.133	0.114	0.301	0.548			
	2002/2003	0.262	0.103	0.249	0.615			
	2003/2004	0.193	0.080	0.173	0.446			
	MA Total Pure Premium:	0.172	0.112	0.209	0.493			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.248	0.254	0.259				
	(14) Massachusetts Credibility:	0.45	1.00	1.00				
	(15) Countrywide Pure Premium:	0.231	0.194	0.283	0.708			
	(16) Countrywide Indicated Relativity:	0.324	0.421	0.339				
	(17) Countrywide Credibility:	0.28	0.00	0.00				
	(18) Countrywide Lost-time Claims:	411	4,159					
	(19) Pure Premium Underlying Present Rate:	0.159	0.145	0.195	0.499			
	(20) Relativity to Underlying Present Rate:	0.339	0.244	0.260				
	(21) Credibility to Underlying Relativity:	0.270	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
	(23) Formula Relativity:	0.294	0.254	0.259				
	(24) Balanced Formula Relativity:	0.291	0.254	0.258	0.269			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
 Subsection G - Class Relativities
 9/1/2007

Section X - G
 Exhibit 193

Calculation of Class Relativities

Class(es):		Effective: 9/1/2007						Goods & Services	
9620 FUNERAL DIRECTOR & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
1999/2000	397,735	1	3	71,893	26,936	72,310	171,139		
2000/2001	417,703	1	3	117,578	16,443	81,979	216,000		
2001/2002	442,101	0	3	0	40,118	96,439	136,556		
2002/2003	455,659	0	1	0	9,727	40,438	50,165		
2003/2004	475,872	0	8	0	198,448	244,044	442,492		
MA Total	2,189,070	2	18	189,470	291,672	535,211	1,016,353		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		1999/2000	0.181	0.068	0.182	0.430			
		2000/2001	0.281	0.039	0.196	0.517			
		2001/2002	0.000	0.091	0.218	0.309			
		2002/2003	0.000	0.021	0.089	0.110			
		2003/2004	0.000	0.417	0.513	0.930			
		MA Total Pure Premium:	0.087	0.133	0.244	0.464			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.125	0.302	0.303				
		(14) Massachusetts Credibility:	0.25	0.51	0.60				
		(15) Countrywide Pure Premium:	0.445	0.186	0.385	1.016			
		(16) Countrywide Indicated Relativity:	0.624	0.406	0.461				
		(17) Countrywide Credibility:	0.38	0.25	0.20				
		(18) Countrywide Lost-time Claims:	123	848					
		(19) Pure Premium Underlying Present Rate:	0.204	0.138	0.310	0.652			
		(20) Relativity to Underlying Present Rate:	0.434	0.232	0.413				
		(21) Credibility to Underlying Relativity:	0.370	0.240	0.200				
		(22) Industry Group Adjusted Converted Pure Premium:	0.694	0.441	0.807	1.941			
		(23) Formula Relativity:	0.429	0.311	0.357				
		(24) Balanced Formula Relativity:	0.425	0.311	0.355	0.370			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section A for list of classes.

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Section X - Classification Pricing
Subsection H - Industry Group Rate Change and Rate Level Factors
9/1/2007

Section X - H
Exhibit 1

Calculation of Industry Group Rate Change and Limits

	Industry Group				
	Manufacturing	Construction	Office & Clerical	Goods & Services	Miscellaneous
(1) Industry Group Differential	1.013	0.968	0.944	1.018	1.101
(2) Experience and Benefit Level Change - Overall	-13.4%	-13.4%	-13.4%	-13.4%	-13.4%
(3) Target Rate Change = (1) x [1.000 + (2)] - 1.000	-12.3%	-16.1%	-18.2%	-11.9%	-4.6%
(4) Benefit Level Change - Overall	1.5%	1.5%	1.5%	1.5%	1.5%
(5) Experience Change - Overall = {[1.000 + (2)] / [1.000 + (4)]} - 1.000	-14.7%	-14.7%	-14.7%	-14.7%	-14.7%
(6) Experience Change - by Group = {(1) x [1.000 + (5)]} - 1.000	-13.6%	-17.4%	-19.4%	-13.2%	-6.0%
(7) 1/2 Experience Change - by Group = (6) / 2.000	-6.8%	-8.7%	-9.7%	-6.6%	-3.0%
(8) Maximum Rate Change = (4) + (7) + 20.0%	14.7%	12.8%	11.8%	14.9%	18.5%
(9) Minimum Rate Change = (4) + (7) - 20.0%	-25.3%	-27.2%	-28.2%	-25.1%	-21.5%
(10) Present Average Rate	2.718	7.348	0.259	2.353	5.609
(11) Uncapped Rate Level Factor = [1.000 + (3)] x (10)	2.385	6.162	0.211	2.074	5.349
(12) Capped Rate Level Factor	2.365	6.145	0.211	2.074	5.358

In addition, the WCRI is limiting the increase in average rates for any class to \$15.00 and no average rate shall exceed \$90.00 per \$100.00 of payroll.

Notes:

(1): From Section X - H, Exhibit 2.

(2): Indicated Rate Change, from Section I.

(4): From Section IV - A, Exhibit 8.

(10): Rates by class consistent with the 09/01/05 decision, weighted by five years of exposure.

(12): Proposed average uncapped rates are capped by an iterative process using rate levels to determine if the required change is achieved.

Calculation of Massachusetts Industry Group Differentials
 Excluding Large Deductibles
 For Three Latest Composite Policy Years, 2001/2002 through 2003/2004

Industry Group (1)	Injury Type (2)	Three Year Expected Losses (3)	Three Year Adjusted Converted Losses (4)	Industry Group Differential = (4) / (3) (5)	Balanced Industry Group Differential = (5) / 1.022 (6)	Adjusted Balanced Industry Group Differential (7)
Manufacturing	Serious	96,616,203	130,399,421	1.350		
	Non-Serious	100,953,717	70,545,249	0.699		
	Medical	123,011,801	131,303,173	1.067		
	Total	320,581,722	332,247,843	1.036	1.014	1.013
Construction	Serious	302,384,681	377,526,705	1.248		
	Non-Serious	183,062,408	110,155,425	0.602		
	Medical	265,789,580	256,666,973	0.966		
	Total	751,236,669	744,349,103	0.991	0.969	0.968
Office & Clerical	Serious	78,740,870	93,856,638	1.192		
	Non-Serious	85,140,021	59,725,093	0.701		
	Medical	115,660,394	116,509,855	1.007		
	Total	279,541,286	270,091,586	0.966	0.945	0.944
Goods & Services	Serious	165,481,195	246,972,216	1.492		
	Non-Serious	208,774,343	141,167,075	0.676		
	Medical	264,286,075	276,637,905	1.047		
	Total	638,541,613	664,777,195	1.041	1.018	1.018
Miscellaneous	Serious	72,613,164	109,371,858	1.506		
	Non-Serious	60,629,977	42,102,099	0.694		
	Medical	87,075,842	96,786,995	1.112		
	Total	220,318,982	248,260,953	1.127	1.102	1.101
All Industry Groups	Serious	715,836,114	958,126,838	1.338		
	Non-Serious	638,560,466	423,694,940	0.664		
	Medical	855,823,692	877,904,901	1.026		
	Total	2,210,220,272	2,259,726,680	1.022	1.000	1.000

Notes:

(3): Three Years of Exposure x Pure Premium Underlying Present Rate from Section X - F.

(4): From Section X - C. Goods and Services including Per Capita classes.

(7): (6) times an offbalance factor. The offbalance factor is needed to adjust for differences in the payroll distributions by industry group for the three years used in developing the industry group differentials and the five years used in developing pure premiums.

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Section X - Classification Pricing
 Subsection I - Average Uncapped Rates
 9/1/2007

Section X - I
 Exhibit 1

Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
0005	1.285	1.471	1.827	1.553	2.074	3.22
0008	1.229	0.911	0.963	1.046	2.074	2.17
0016	2.072	1.227	1.275	1.549	2.074	3.21
0034	1.620	1.254	1.542	1.504	2.074	3.12
0035	0.765	1.052	0.986	0.922	2.074	1.91
0036	1.620	1.254	1.542	1.504	2.074	3.12
0037	1.229	0.911	0.963	1.046	2.074	2.17
0042	2.178	1.934	2.073	2.079	2.074	4.31
0050	0.777	0.651	0.762	0.752	6.162	4.64
0079	2.058	1.656	1.979	1.934	2.074	4.01
0083	3.211	1.503	1.742	2.213	2.074	4.59
0106	2.955	2.118	3.756	3.109	5.349	16.63
0113	1.620	1.254	1.542	1.504	2.074	3.12
0170	1.620	1.254	1.542	1.504	2.074	3.12
0251	0.938	0.627	0.951	0.887	5.349	4.74
0908	92.467	69.617	57.309	72.670	2.074	75.34
0909	66.800	111.961	192.089	129.111	2.074	133.86
0912	66.800	111.961	192.089	129.111	2.074	267.72
0913	92.467	69.617	57.309	72.670	2.074	150.69
0917	1.034	1.377	1.096	1.138	2.074	2.36
0918	0.689	0.531	0.292	0.488	2.074	1.01
1430	4.422	11.687	2.211	5.133	2.385	12.24
1438	1.645	0.939	1.528	1.445	2.385	3.45
1463	4.276	1.812	2.201	2.925	2.385	6.98
1624	1.081	0.490	0.802	0.867	5.349	4.64
1655	1.011	0.610	1.152	0.992	5.349	5.30
1701	1.721	2.406	1.455	1.765	2.385	4.21
1710	1.081	0.490	0.802	0.867	5.349	4.64
1747	1.942	1.211	1.965	1.792	2.385	4.27
1748	1.820	1.075	1.372	1.482	2.385	3.53
1852	7.807	1.151	1.693	3.957	2.385	9.44
1853	1.267	0.783	0.806	0.980	2.385	2.34
1860	1.615	0.567	0.674	1.017	2.385	2.43
1924	1.350	1.169	1.008	1.176	2.385	2.81
1925	2.365	1.552	1.641	1.904	2.385	4.54
2001	1.135	1.542	1.377	1.319	2.385	3.14
2002	1.637	1.434	1.259	1.445	2.385	3.44
2003	1.135	1.542	1.377	1.319	2.385	3.14
2014	1.988	1.228	1.293	1.549	2.385	3.70
2021	1.879	0.936	0.961	1.313	2.385	3.13
2039	1.780	1.404	1.292	1.506	2.385	3.59
2041	0.908	1.095	1.047	1.003	2.385	2.39

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Section X - Classification Pricing
 Subsection I - Average Uncapped Rates
 9/1/2007

Section X - I
 Exhibit 1

Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
2070	2.081	1.707	1.840	1.905	2.385	4.54
2081	1.827	1.935	1.911	1.883	2.385	4.49
2089	1.464	1.053	1.393	1.347	2.385	3.21
2095	2.215	1.927	2.091	2.104	2.385	5.02
2101	1.464	1.053	1.393	1.347	2.385	3.21
2111	1.095	1.118	1.145	1.120	2.385	2.67
2114	1.464	1.053	1.393	1.347	2.385	3.21
2115	1.293	1.350	1.110	1.233	2.385	2.94
2121	1.236	0.771	1.175	1.111	2.385	2.65
2130	1.649	1.203	1.361	1.439	2.385	3.43
2131	0.962	0.988	0.920	0.951	2.385	2.27
2143	1.007	0.831	1.661	1.226	2.385	2.92
2150	2.005	2.205	1.363	1.796	2.385	4.28
2156	2.842	1.923	2.806	2.628	2.385	6.27
2157	2.499	2.007	1.632	2.052	2.385	4.89
2172	1.090	0.691	0.584	0.804	2.385	1.92
2174	3.270	1.746	2.189	2.514	2.385	6.00
2211	2.877	1.886	1.922	2.286	2.385	5.45
2220	1.378	1.061	1.763	1.460	2.385	3.48
2260	4.367	1.850	1.519	2.701	2.385	6.44
2286	1.378	1.061	1.763	1.460	2.385	3.48
2288	1.176	1.407	1.019	1.165	2.385	2.78
2302	1.378	1.061	1.763	1.460	2.385	3.48
2305	1.035	0.754	0.760	0.866	2.385	2.06
2362	1.127	0.902	0.890	0.985	2.385	2.35
2380	1.006	1.558	1.065	1.149	2.385	2.74
2402	1.432	0.919	1.226	1.239	2.385	2.96
2413	2.520	1.194	1.476	1.821	2.385	4.34
2416	1.496	3.032	1.386	1.787	2.385	4.26
2417	1.467	1.140	1.311	1.335	2.385	3.18
2501	1.131	1.211	1.045	1.115	2.385	2.66
2503	0.428	0.501	0.319	0.401	2.385	0.96
2534	1.131	1.211	1.045	1.115	2.385	2.66
2570	2.426	1.804	2.041	2.140	2.385	5.10
2576	1.177	1.106	1.481	1.281	2.385	3.05
2578	1.177	1.106	1.481	1.281	2.385	3.05
2585	1.281	1.524	1.398	1.380	2.385	3.29
2586	0.622	0.531	0.468	0.542	2.385	1.29
2587	0.885	1.064	1.167	1.043	2.074	2.16
2623	1.524	1.017	0.831	1.141	2.385	2.72
2640	1.601	1.053	1.418	1.410	2.385	3.36
2651	1.601	1.053	1.418	1.410	2.385	3.36

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Section X - Classification Pricing
 Subsection I - Average Uncapped Rates
 9/1/2007

Section X - I
 Exhibit 1

Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
2660	0.498	1.032	1.226	0.900	2.385	2.15
2683	1.101	0.949	1.044	1.045	2.385	2.49
2688	1.297	1.149	1.217	1.233	2.385	2.94
2702	3.987	2.547	4.342	3.861	5.349	20.66
2710	3.447	3.005	2.901	3.136	2.385	7.48
2731	2.137	2.000	2.320	2.179	2.385	5.20
2741	2.727	3.733	2.142	2.716	2.385	6.48
2747	4.377	2.676	3.618	3.709	2.385	8.85
2790	0.928	1.023	0.959	0.961	2.385	2.29
2802	2.045	1.747	2.189	2.037	2.385	4.86
2835	0.865	0.917	0.869	0.878	2.385	2.09
2836	2.367	1.568	1.589	1.888	2.385	4.50
2841	1.064	1.081	1.495	1.237	2.385	2.95
2883	1.276	1.281	1.307	1.289	2.385	3.07
2923	0.726	0.783	0.920	0.815	2.385	1.94
2942	0.747	0.637	0.988	0.818	2.385	1.95
3018	1.520	0.892	1.785	1.487	2.385	3.55
3022	1.584	1.445	2.522	1.922	2.385	4.58
3027	1.759	1.541	2.493	2.000	2.385	4.77
3028	1.282	2.734	2.328	2.009	2.385	4.79
3030	3.838	2.551	3.245	3.325	2.385	7.93
3040	4.198	4.090	4.340	4.230	2.385	10.09
3041	2.578	1.167	2.547	2.259	2.385	5.39
3042	1.524	1.760	1.320	1.495	2.385	3.57
3064	1.484	1.194	1.351	1.369	2.385	3.26
3066	1.484	1.194	1.351	1.369	2.385	3.26
3076	1.175	1.160	1.185	1.175	2.385	2.80
3081	3.669	3.471	3.617	3.606	2.385	8.60
3082	3.669	3.471	3.617	3.606	2.385	8.60
3085	2.279	2.184	2.078	2.179	2.385	5.20
3110	3.354	5.059	2.771	3.496	2.385	8.34
3111	1.143	0.758	1.053	1.024	2.385	2.44
3113	0.841	0.957	0.812	0.855	2.385	2.04
3114	1.923	1.644	1.736	1.789	2.385	4.27
3118	0.841	0.957	0.812	0.855	2.385	2.04
3119	0.449	0.364	0.386	0.406	2.385	0.97
3120	0.656	1.360	0.580	0.779	2.385	1.86
3122	1.297	0.505	1.139	1.063	2.385	2.53
3127	0.244	0.409	0.303	0.303	2.385	0.72
3131	1.545	1.190	0.885	1.208	2.385	2.88
3132	0.795	1.318	1.067	1.016	2.385	2.42
3145	0.673	0.727	0.726	0.706	2.385	1.68

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Section X - Classification Pricing
 Subsection I - Average Uncapped Rates
 9/1/2007

Section X - I
 Exhibit 1

Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
3146	1.219	1.163	0.945	1.099	2.385	2.62
3169	1.648	2.239	2.091	1.951	2.385	4.65
3179	0.989	1.046	0.913	0.972	2.385	2.32
3180	1.299	1.956	1.528	1.532	2.385	3.65
3188	0.973	1.410	1.894	1.430	2.385	3.41
3200	1.082	1.219	1.595	1.313	2.385	3.13
3220	0.881	0.730	0.725	0.787	2.385	1.88
3227	1.648	2.239	2.091	1.951	2.385	4.65
3241	1.350	1.169	1.008	1.176	2.385	2.81
3255	1.411	1.433	1.148	1.313	2.385	3.13
3257	1.106	1.569	1.028	1.176	2.385	2.80
3270	0.942	0.815	0.721	0.828	2.385	1.97
3300	4.137	2.663	2.895	3.328	2.385	7.94
3315	0.866	0.967	0.915	0.907	2.385	2.16
3336	1.203	1.861	1.763	1.566	2.385	3.73
3365	1.614	1.562	2.087	1.766	6.162	10.88
3372	1.249	0.874	1.063	1.094	2.385	2.61
3373	2.804	1.587	1.644	2.084	2.385	4.97
3381	1.081	1.729	1.678	1.456	2.385	3.47
3383	0.610	0.738	0.687	0.668	2.385	1.59
3385	0.382	0.371	0.341	0.363	2.385	0.87
3400	1.648	2.239	2.091	1.951	2.385	4.65
3507	1.559	1.353	1.182	1.366	2.385	3.26
3515	1.252	1.316	1.277	1.276	2.385	3.04
3548	0.906	0.901	0.904	0.904	2.385	2.16
3558	0.256	0.180	0.278	0.248	2.385	0.59
3559	0.906	0.901	0.904	0.904	2.385	2.16
3571	0.636	0.543	0.478	0.553	2.385	1.32
3574	0.906	0.901	0.904	0.904	2.385	2.16
3612	0.750	0.792	0.792	0.775	2.385	1.85
3620	1.989	2.013	1.948	1.978	2.385	4.72
3629	0.906	0.901	0.904	0.904	2.385	2.16
3632	0.906	0.901	0.904	0.904	2.385	2.16
3634	1.212	1.131	1.349	1.248	2.385	2.98
3635	1.212	1.605	1.705	1.491	2.385	3.56
3638	0.906	0.901	0.904	0.904	2.385	2.16
3642	0.475	0.475	0.357	0.429	2.385	1.02
3643	0.989	1.046	0.913	0.972	2.385	2.32
3647	0.871	1.741	1.570	1.335	2.385	3.18
3648	0.641	0.795	0.996	0.814	2.385	1.94
3681	0.339	0.362	0.378	0.359	2.385	0.86
3685	0.339	0.362	0.378	0.359	2.385	0.86

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Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
3724	0.973	1.004	1.048	1.004	6.162	6.18
3726	3.094	1.211	2.079	2.458	6.162	15.15
3807	1.648	2.239	2.091	1.951	2.385	4.65
3808	1.042	1.494	1.424	1.290	2.385	3.08
3821	2.549	1.753	2.520	2.356	2.074	4.89
3826	1.064	1.265	0.971	1.071	2.385	2.55
3830	0.906	0.901	0.904	0.904	2.385	2.16
3841	0.693	0.844	0.859	0.791	2.385	1.89
4000	1.152	1.201	1.200	1.179	5.349	6.31
4021	1.705	1.181	1.435	1.485	2.385	3.54
4024	2.297	1.438	1.270	1.707	2.385	4.07
4034	3.384	2.194	3.025	2.984	2.385	7.12
4036	1.328	1.220	1.026	1.186	2.385	2.83
4038	0.934	0.758	0.757	0.826	2.385	1.97
4053	0.819	0.648	0.695	0.733	2.385	1.75
4061	1.023	1.067	0.966	1.010	2.385	2.41
4062	1.023	1.067	0.966	1.010	2.385	2.41
4112	0.289	0.388	0.275	0.305	2.385	0.73
4113	0.819	0.648	0.695	0.733	2.385	1.75
4114	1.026	0.786	0.813	0.890	2.385	2.12
4130	1.831	1.909	1.461	1.703	2.385	4.06
4133	0.901	0.781	0.881	0.867	2.385	2.07
4150	0.429	0.376	0.427	0.416	2.385	0.99
4239	2.030	2.035	1.901	1.981	2.385	4.72
4243	1.338	2.066	1.861	1.702	2.385	4.06
4244	1.597	1.784	1.533	1.613	2.385	3.85
4250	1.401	0.980	1.178	1.222	2.385	2.91
4251	1.080	0.908	0.931	0.984	2.385	2.35
4273	1.130	1.870	1.915	1.599	2.385	3.81
4279	1.517	1.297	2.285	1.771	2.385	4.22
4282	0.274	0.365	0.349	0.323	2.385	0.77
4283	1.526	1.889	1.073	1.427	2.385	3.40
4299	0.897	0.888	0.851	0.877	2.385	2.09
4301	1.824	1.157	1.533	1.565	2.385	3.73
4304	1.053	1.475	1.936	1.491	2.385	3.56
4307	0.719	0.757	0.776	0.750	2.385	1.79
4308	0.318	0.397	0.381	0.360	2.385	0.86
4350	0.247	0.392	0.244	0.277	2.385	0.66
4351	0.468	0.408	0.305	0.391	2.385	0.93
4352	0.448	0.432	0.461	0.450	2.385	1.07
4360	0.682	0.438	0.484	0.551	2.385	1.31
4361	2.757	1.790	2.158	2.288	0.211	0.48

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Calculation of Average Uncapped Rates
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Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
4362	0.422	0.473	0.471	0.454	2.074	0.94
4410	1.589	1.884	2.021	1.823	2.385	4.35
4417	1.638	2.127	2.146	1.944	2.385	4.64
4432	0.607	0.682	0.655	0.642	2.385	1.53
4439	0.999	0.843	0.957	0.949	2.385	2.26
4452	1.154	1.293	1.416	1.287	2.385	3.07
4459	1.100	1.539	1.064	1.182	2.385	2.82
4470	1.343	1.291	1.210	1.279	2.385	3.05
4484	1.043	1.354	1.134	1.146	2.385	2.73
4493	1.361	1.436	1.519	1.439	2.385	3.43
4511	0.307	0.158	0.211	0.233	2.074	0.48
4512	0.085	0.087	0.083	0.085	2.074	0.18
4557	0.735	0.560	0.553	0.625	2.385	1.49
4558	1.092	1.222	1.080	1.116	2.385	2.66
4561	0.999	0.843	0.957	0.949	2.385	2.26
4583	2.019	0.890	1.193	1.449	2.385	3.46
4611	0.564	0.725	0.597	0.612	2.385	1.46
4635	1.330	1.179	1.069	1.194	2.385	2.85
4653	0.794	2.025	0.991	1.139	2.385	2.72
4665	3.049	2.464	3.332	3.033	2.385	7.23
4692	0.212	0.269	0.240	0.235	2.385	0.56
4693	0.302	0.738	0.446	0.454	2.385	1.08
4720	1.002	0.812	0.913	0.926	2.385	2.21
4740	0.769	0.418	0.506	0.589	2.385	1.41
4741	1.321	2.230	0.758	1.298	2.385	3.09
4770	12.227	2.124	1.267	5.724	2.385	13.65
4773	25.166	3.868	2.379	11.583	2.385	27.62
4774	20.151	3.925	2.210	9.574	2.385	22.83
4775	11.154	2.012	2.274	5.677	2.385	13.54
4776	18.903	2.363	1.215	8.357	2.385	19.93
4777	2.019	0.890	1.193	1.449	2.385	3.46
4779	14.910	2.517	2.682	7.411	2.385	17.67
4799	44.980	7.892	4.673	21.080	2.385	50.27
4825	0.226	0.179	0.237	0.220	2.385	0.53
4828	0.558	0.294	0.367	0.426	2.385	1.02
4829	0.558	0.294	0.367	0.426	2.385	1.02
4902	0.747	0.637	0.988	0.818	2.385	1.95
4923	0.682	0.438	0.484	0.551	2.385	1.31
5020	1.046	0.892	0.844	0.954	6.162	5.88
5022	1.981	1.773	1.709	1.857	6.162	11.44
5037	4.241	1.750	2.805	3.368	6.162	20.76
5040	9.825	4.685	7.063	8.091	6.162	49.86

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Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
5057	8.471	3.598	6.219	6.952	6.162	42.84
5059	8.471	3.598	6.219	6.952	6.162	42.84
5069	8.471	3.598	6.219	6.952	6.162	42.84
5102	1.284	1.376	0.933	1.179	6.162	7.27
5146	0.801	1.233	0.868	0.891	6.162	5.49
5160	0.500	0.818	0.616	0.588	6.162	3.63
5183	0.674	0.808	0.702	0.704	6.162	4.34
5188	0.623	1.210	0.639	0.720	6.162	4.44
5190	0.514	0.665	0.599	0.566	6.162	3.49
5191	0.694	0.429	0.715	0.643	2.074	1.33
5192	2.392	3.183	2.588	2.653	2.074	5.50
5213	4.391	2.051	2.695	3.454	6.162	21.28
5215	0.723	1.063	0.961	0.857	6.162	5.28
5221	1.236	0.986	1.135	1.163	6.162	7.17
5222	1.855	0.866	1.334	1.525	6.162	9.40
5223	0.723	1.063	0.961	0.857	6.162	5.28
5348	1.075	1.533	0.937	1.100	6.162	6.78
5402	1.635	1.001	5.495	2.842	6.162	17.51
5403	1.996	2.355	1.929	2.029	6.162	12.51
5437	0.987	1.022	0.981	0.991	6.162	6.10
5443	1.459	0.908	2.151	1.607	6.162	9.90
5445	1.241	1.415	0.996	1.185	6.162	7.30
5462	1.643	1.313	1.626	1.586	6.162	9.77
5472	1.100	1.949	1.232	1.277	6.162	7.87
5473	2.764	1.054	2.083	2.268	6.162	13.97
5474	0.714	1.023	0.970	0.849	6.162	5.23
5478	0.876	1.311	0.631	0.861	6.162	5.30
5479	1.493	1.881	1.852	1.675	6.162	10.32
5480	0.965	0.851	0.822	0.899	6.162	5.54
5506	1.043	1.032	1.004	1.028	6.162	6.33
5507	1.248	1.008	0.990	1.124	6.162	6.92
5508	0.777	0.651	0.762	0.752	6.162	4.64
5509	0.585	0.762	0.793	0.683	6.162	4.21
5538	0.832	1.101	0.942	0.911	6.162	5.61
5545	4.312	2.067	5.561	4.385	6.162	27.02
5547	2.393	1.981	2.621	2.406	6.162	14.83
5606	0.271	0.349	0.323	0.301	6.162	1.85
5610	0.947	1.026	0.872	0.934	6.162	5.76
5645	0.975	1.311	1.494	1.203	6.162	7.41
5651	0.975	1.311	1.494	1.203	6.162	7.41
5701	6.620	1.618	4.899	5.260	6.162	32.41
5703	9.274	3.245	6.638	7.445	6.162	45.88

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Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
5705	2.456	1.289	1.178	1.842	6.162	11.35
6003	2.762	2.236	2.521	2.599	6.162	16.02
6005	0.777	0.651	0.762	0.752	6.162	4.64
6204	2.086	1.625	1.913	1.956	6.162	12.05
6217	0.612	0.800	0.773	0.696	6.162	4.29
6229	0.612	0.800	0.773	0.696	6.162	4.29
6233	0.922	0.885	0.592	0.805	6.162	4.96
6251	1.588	0.615	0.773	1.161	6.162	7.16
6252	2.019	0.648	1.045	1.476	6.162	9.10
6306	0.871	0.834	0.818	0.847	6.162	5.22
6319	0.964	0.915	0.967	0.957	6.162	5.90
6325	0.573	0.860	0.523	0.601	6.162	3.70
6400	1.080	0.890	1.150	1.074	6.162	6.62
6504	1.464	1.053	1.393	1.347	2.385	3.21
6834	0.731	0.567	0.847	0.746	5.349	3.99
6836	0.555	0.474	0.596	0.556	5.349	2.98
7219	1.686	1.404	1.319	1.494	5.349	7.99
7230	1.825	1.113	1.701	1.648	5.349	8.82
7231	1.138	1.200	1.214	1.179	5.349	6.31
7360	1.104	1.128	0.977	1.059	5.349	5.67
7370	0.584	0.993	0.814	0.746	5.349	3.99
7380	1.249	1.492	1.281	1.305	5.349	6.98
7382	0.700	0.849	0.927	0.814	5.349	4.35
7403	0.834	0.839	0.909	0.864	5.349	4.62
7405	0.225	0.233	0.206	0.219	5.349	1.17
7409	1.615	0.417	0.520	0.978	5.349	5.23
7418	1.615	0.417	0.520	0.978	5.349	5.23
7420	1.615	0.417	0.520	0.978	5.349	5.23
7421	0.691	0.186	0.354	0.470	5.349	2.52
7422	0.691	0.186	0.354	0.470	5.349	2.52
7423	0.672	0.669	1.147	0.853	5.349	4.56
7431	0.691	0.186	0.354	0.470	5.349	2.52
7502	0.693	0.818	0.956	0.816	5.349	4.37
7515	0.645	0.494	0.601	0.601	5.349	3.21
7520	0.938	0.627	0.951	0.887	5.349	4.74
7538	0.672	0.931	0.683	0.716	6.162	4.41
7539	0.295	0.212	0.227	0.254	5.349	1.36
7580	0.469	0.469	0.557	0.503	5.349	2.69
7590	1.627	1.935	1.778	1.741	5.349	9.31
7600	0.703	0.606	0.628	0.657	5.349	3.51
7601	0.672	0.931	0.683	0.716	6.162	4.41
7610	0.937	0.738	0.860	0.860	0.211	0.18

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Calculation of Average Uncapped Rates
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Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
7704	0.170	0.208	0.259	0.211	5.349	1.13
7720	0.309	0.282	0.291	0.298	5.349	1.59
7855	1.327	1.452	1.848	1.523	6.162	9.38
8001	0.540	0.649	0.750	0.652	2.074	1.35
8002	1.406	1.056	1.690	1.445	2.074	3.00
8006	0.687	0.648	0.647	0.661	2.074	1.37
8008	0.441	0.447	0.439	0.442	2.074	0.92
8010	0.793	0.791	0.896	0.835	2.074	1.73
8013	0.315	0.223	0.225	0.257	2.074	0.53
8017	0.590	0.610	0.701	0.641	2.074	1.33
8018	1.622	2.076	1.974	1.871	2.074	3.88
8021	2.347	1.499	1.856	1.950	2.074	4.04
8031	1.423	1.125	0.980	1.171	2.074	2.43
8032	0.908	1.075	0.867	0.929	2.074	1.93
8033	0.829	1.355	0.994	1.017	2.074	2.11
8034	2.429	1.821	2.096	2.153	2.074	4.46
8039	0.793	1.390	1.447	1.200	2.074	2.49
8044	1.923	1.735	1.575	1.736	2.074	3.60
8046	1.096	1.233	1.056	1.111	2.074	2.30
8048	2.403	1.320	1.268	1.686	2.074	3.50
8050	0.698	0.728	1.194	0.911	2.074	1.89
8058	1.150	1.558	1.929	1.566	2.074	3.25
8103	1.802	1.074	1.818	1.643	2.074	3.41
8105	3.221	0.790	1.866	2.106	2.074	4.37
8106	3.582	4.808	4.211	4.122	2.074	8.55
8107	1.757	1.801	1.943	1.844	2.074	3.82
8111	1.556	1.828	1.770	1.707	2.074	3.54
8116	1.757	1.801	1.943	1.844	2.074	3.82
8203	2.643	2.215	2.309	2.407	2.074	4.99
8204	5.697	1.719	1.999	3.257	2.074	6.75
8215	1.635	2.383	2.024	1.966	2.074	4.08
8227	0.557	0.459	0.551	0.540	6.162	3.33
8232	2.482	2.648	2.647	2.588	2.074	5.37
8233	4.871	2.954	6.821	5.246	2.074	10.88
8235	2.367	2.285	2.239	2.295	2.074	4.76
8263	3.733	1.672	2.759	2.861	2.074	5.93
8264	2.804	2.748	2.262	2.566	2.074	5.32
8265	4.871	2.954	6.821	5.246	2.074	10.88
8279	3.333	2.070	2.973	2.897	2.074	6.01
8291	1.632	2.108	2.159	1.959	2.074	4.06
8292	1.730	2.475	1.829	1.941	2.074	4.02
8293	5.078	3.371	3.936	4.216	2.074	8.74

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Calculation of Average Uncapped Rates
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Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
8350	3.036	2.635	2.332	2.652	2.074	5.50
8380	1.507	1.247	1.310	1.366	2.074	2.83
8381	0.683	0.833	0.864	0.793	2.074	1.64
8385	1.816	1.394	1.226	1.475	2.074	3.06
8392	0.887	0.619	0.704	0.750	2.074	1.55
8393	1.280	1.036	0.906	1.069	2.074	2.22
8500	4.871	2.954	6.821	5.246	2.074	10.88
8601	2.070	1.156	1.504	1.628	0.211	0.34
8710	1.127	0.855	0.898	0.970	2.074	2.01
8719	1.127	0.855	0.898	0.970	2.074	2.01
8720	0.653	0.337	0.452	0.498	2.074	1.03
8721	1.328	1.531	1.040	1.253	0.211	0.26
8742	1.137	0.950	1.092	1.076	0.211	0.23
8745	1.515	1.789	1.285	1.481	2.074	3.07
8748	3.085	2.474	3.085	2.948	0.211	0.62
8800	4.075	2.926	3.011	3.371	0.211	0.71
8803	0.426	0.202	0.271	0.310	0.211	0.07
8810	0.641	0.712	0.634	0.654	0.211	0.14
8820	0.759	0.408	0.479	0.563	0.211	0.12
8829	1.054	1.451	1.167	1.191	2.074	2.47
8831	0.357	0.394	0.705	0.510	2.074	1.06
8832	1.611	1.292	1.355	1.432	0.211	0.30
8833	6.104	6.695	6.158	6.259	0.211	1.32
8835	0.986	1.367	1.048	1.098	2.074	2.28
8868	2.007	2.867	3.196	2.699	0.211	0.57
8901	0.641	0.712	0.634	0.654	0.211	0.14
9014	1.256	0.975	1.022	1.095	2.074	2.27
9015	1.658	1.115	1.466	1.455	2.074	3.02
9016	0.793	0.897	1.144	0.962	2.074	2.00
9019	1.354	0.835	0.829	1.059	5.349	5.66
9033	2.373	2.215	1.329	1.903	2.074	3.95
9040	1.440	1.699	1.751	1.628	2.074	3.38
9052	0.751	0.993	0.930	0.880	2.074	1.82
9058	0.751	0.993	0.930	0.880	2.074	1.82
9060	0.627	0.675	0.714	0.674	2.074	1.40
9061	0.551	0.550	0.448	0.508	2.074	1.05
9063	0.211	0.397	0.425	0.342	2.074	0.71
9079	0.541	0.653	0.669	0.620	2.074	1.28
9089	0.537	0.395	0.509	0.493	2.074	1.02
9093	0.499	0.681	1.290	0.869	2.074	1.80
9101	1.305	1.626	1.740	1.559	2.074	3.23
9102	0.363	0.698	0.471	0.465	5.349	2.49

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Section X - Classification Pricing
 Subsection I - Average Uncapped Rates
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Calculation of Average Uncapped Rates
 All Industry Groups

Class (1)	Balanced Formula Relativity				Uncapped Rate Level Factor (6)	Proposed Average Uncapped Rate (7)
	Serious (2)	Non-Serious (3)	Medical (4)	Total (5)		
9154	0.228	0.259	0.278	0.252	5.349	1.35
9156	4.031	5.038	5.670	4.945	0.211	1.05
9178	0.722	4.484	10.075	4.983	5.349	26.66
9179	3.856	6.282	4.985	4.729	5.349	25.30
9180	0.621	0.933	1.091	0.858	5.349	4.59
9182	0.569	0.760	0.778	0.684	5.349	3.66
9186	0.621	0.933	1.091	0.858	5.349	4.59
9220	1.894	2.760	1.735	2.025	2.074	4.20
9402	1.244	1.087	0.939	1.099	5.349	5.88
9403	1.420	1.316	1.396	1.392	5.349	7.44
9410	1.042	0.780	0.926	0.934	2.074	1.94
9501	1.262	1.163	1.331	1.267	2.385	3.02
9505	1.262	1.163	1.331	1.267	2.385	3.02
9519	1.771	1.100	1.096	1.338	2.074	2.77
9521	2.648	2.401	1.628	2.194	2.385	5.23
9522	0.789	0.631	0.737	0.734	2.385	1.75
9534	1.148	0.970	1.007	1.073	6.162	6.61
9545	0.704	0.763	0.767	0.734	6.162	4.52
9549	0.755	0.648	0.599	0.686	6.162	4.23
9552	1.230	1.110	1.406	1.271	6.162	7.83
9553	1.230	1.110	1.406	1.271	6.162	7.83
9586	0.291	0.254	0.258	0.269	2.074	0.56
9620	0.425	0.311	0.355	0.370	2.074	0.77

Notes:

(2), (3), (4), (5): From Section X - G.

(6): From Section X - H, Exhibit 1.

(7): (5) x (6)

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Section X - Classification Pricing
 Subsection J - Average Rates and Proposed Premium Change
 9/1/2007

Section X - J
 Exhibit 1

Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
0005	3.97	3.22	3.22
0008	2.37	2.17	2.17
0016	3.57	3.21	3.21
0034	4.02	3.12	3.12
0035	2.22	1.91	1.91
0036	4.02	3.12	3.12
0037	2.37	2.17	2.17
0042	5.14	4.31	4.31
0050	5.23	4.64	4.62
0079	6.01	4.01	4.50
0083	4.05	4.59	4.59
0106	16.93	16.63	16.66
0113	4.02	3.12	3.12
0170	4.02	3.12	3.12
0251	3.53	4.74	4.18
0908	83.51	75.34	75.34
0909	133.27	133.86	133.86
0912	266.56	267.72	267.72
0913	167.02	150.69	150.68
0917	3.37	2.36	2.52
0918	0.78	1.01	0.90
1430	24.22	12.24	18.10
1438	3.70	3.45	3.42
1463	6.03	6.98	6.92
1624	4.41	4.64	4.64
1655	4.58	5.30	5.31
1701	5.30	4.21	4.17
1710	4.41	4.64	4.64
1747	3.45	4.27	3.96
1748	4.33	3.53	3.50
1852	9.45	9.44	9.36
1853	3.00	2.34	2.32
1860	2.47	2.43	2.41
1924	3.01	2.81	2.78
1925	4.57	4.54	4.50
2001	3.82	3.14	3.12
2002	5.23	3.44	3.91
2003	3.82	3.14	3.12
2014	3.86	3.70	3.66
2021	2.19	3.13	2.51
2039	3.96	3.59	3.56
2041	2.67	2.39	2.37
2070	5.12	4.54	4.50
2081	5.47	4.49	4.45
2089	3.92	3.21	3.18
2095	5.11	5.02	4.97
2101	3.92	3.21	3.18
2111	3.44	2.67	2.65

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Section X - Classification Pricing
Subsection J - Average Rates and Proposed Premium Change
9/1/2007

Section X - J
Exhibit 1

Comparison of Average Rates
All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
2114	3.92	3.21	3.18
2115	3.78	2.94	2.92
2121	2.12	2.65	2.43
2130	4.12	3.43	3.40
2131	3.06	2.27	2.29
2143	2.94	2.92	2.90
2150	7.28	4.28	5.44
2156	6.74	6.27	6.21
2157	5.59	4.89	4.85
2172	1.07	1.92	1.23
2174	9.38	6.00	7.01
2211	5.78	5.45	5.41
2220	3.53	3.48	3.45
2260	6.65	6.44	6.39
2286	3.53	3.48	3.45
2288	3.11	2.78	2.75
2302	3.53	3.48	3.45
2305	3.50	2.06	2.61
2362	2.91	2.35	2.33
2380	2.75	2.74	2.72
2402	3.03	2.96	2.93
2413	5.47	4.34	4.31
2416	5.14	4.26	4.23
2417	2.87	3.18	3.16
2501	3.12	2.66	2.64
2503	1.04	0.96	0.95
2534	3.12	2.66	2.64
2570	6.88	5.10	5.14
2576	2.98	3.05	3.03
2578	2.98	3.05	3.03
2585	4.31	3.29	3.26
2586	1.85	1.29	1.38
2587	2.18	2.16	2.16
2623	3.92	2.72	2.93
2640	3.75	3.36	3.33
2651	3.75	3.36	3.33
2660	1.91	2.15	2.13
2683	2.36	2.49	2.47
2688	3.48	2.94	2.92
2702	16.60	20.66	19.67
2710	9.34	7.48	7.42
2731	5.44	5.20	5.15
2741	8.17	6.48	6.42
2747	8.11	8.85	8.77
2790	1.97	2.29	2.26
2802	5.92	4.86	4.82
2835	4.31	2.09	3.22
2836	5.38	4.50	4.46

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 Exhibit 1

Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
2841	2.51	2.95	2.88
2883	3.66	3.07	3.05
2923	2.45	1.94	1.93
2942	2.13	1.95	1.93
3018	4.33	3.55	3.52
3022	5.13	4.58	4.55
3027	4.95	4.77	4.73
3028	4.68	4.79	4.75
3030	8.59	7.93	7.86
3040	13.92	10.09	10.40
3041	4.65	5.39	5.33
3042	3.34	3.57	3.54
3064	3.58	3.26	3.24
3066	3.58	3.26	3.24
3076	3.25	2.80	2.78
3081	8.64	8.60	8.53
3082	8.64	8.60	8.53
3085	4.88	5.20	5.15
3110	9.74	8.34	8.27
3111	2.81	2.44	2.42
3113	1.86	2.04	2.02
3114	4.34	4.27	4.23
3118	1.86	2.04	2.02
3119	1.05	0.97	0.96
3120	1.98	1.86	1.84
3122	2.93	2.53	2.51
3127	0.70	0.72	0.72
3131	3.64	2.88	2.86
3132	2.49	2.42	2.40
3145	1.63	1.68	1.67
3146	3.12	2.62	2.60
3169	5.36	4.65	4.61
3179	2.41	2.32	2.30
3180	4.33	3.65	3.62
3188	3.87	3.41	3.38
3200	3.02	3.13	3.10
3220	2.92	1.88	2.18
3227	5.36	4.65	4.61
3241	3.01	2.81	2.78
3255	5.06	3.13	3.78
3257	3.69	2.80	2.78
3270	3.01	1.97	2.25
3300	8.74	7.94	7.87
3315	1.98	2.16	2.14
3336	2.80	3.73	3.21
3365	14.22	10.88	10.85
3372	3.08	2.61	2.59
3373	6.63	4.97	4.95

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Section X - Classification Pricing
 Subsection J - Average Rates and Proposed Premium Change
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 Exhibit 1

Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
3381	3.46	3.47	3.44
3383	1.79	1.59	1.58
3385	1.03	0.87	0.86
3400	5.36	4.65	4.61
3507	4.54	3.26	3.39
3515	3.50	3.04	3.02
3548	2.46	2.16	2.14
3558	0.70	0.59	0.59
3559	2.46	2.16	2.14
3571	1.63	1.32	1.31
3574	2.46	2.16	2.14
3612	2.54	1.85	1.90
3620	6.22	4.72	4.68
3629	2.46	2.16	2.14
3632	2.46	2.16	2.14
3634	3.14	2.98	2.95
3635	2.61	3.56	2.99
3638	2.46	2.16	2.14
3642	1.85	1.02	1.38
3643	2.41	2.32	2.30
3647	2.97	3.18	3.16
3648	2.52	1.94	1.92
3681	0.97	0.86	0.85
3685	0.97	0.86	0.85
3724	6.93	6.18	6.17
3726	11.66	15.15	13.15
3807	5.36	4.65	4.61
3808	2.94	3.08	3.05
3821	5.29	4.89	4.89
3826	2.61	2.55	2.53
3830	2.46	2.16	2.14
3841	2.68	1.89	2.00
4000	5.16	6.31	6.11
4021	3.69	3.54	3.51
4024	5.32	4.07	4.04
4034	8.47	7.12	7.06
4036	2.88	2.83	2.80
4038	2.52	1.97	1.95
4053	1.73	1.75	1.73
4061	3.14	2.41	2.39
4062	3.14	2.41	2.39
4112	0.96	0.73	0.72
4113	1.73	1.75	1.73
4114	3.62	2.12	2.70
4130	5.24	4.06	4.03
4133	2.64	2.07	2.05
4150	1.05	0.99	0.98
4239	5.45	4.72	4.68

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Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
4243	4.28	4.06	4.02
4244	4.40	3.85	3.81
4250	3.00	2.91	2.89
4251	3.29	2.35	2.46
4273	3.48	3.81	3.78
4279	4.37	4.22	4.19
4282	0.55	0.77	0.63
4283	3.42	3.40	3.37
4299	2.39	2.09	2.07
4301	4.36	3.73	3.70
4304	3.81	3.56	3.53
4307	2.70	1.79	2.02
4308	1.01	0.86	0.85
4350	0.79	0.66	0.66
4351	1.08	0.93	0.92
4352	1.31	1.07	1.06
4360	1.03	1.31	1.18
4361	0.62	0.48	0.48
4362	0.70	0.94	0.80
4410	4.31	4.35	4.31
4417	4.13	4.64	4.60
4432	2.14	1.53	1.60
4439	3.19	2.26	2.38
4452	3.84	3.07	3.04
4459	3.45	2.82	2.79
4470	3.06	3.05	3.02
4484	2.83	2.73	2.71
4493	4.59	3.43	3.43
4511	0.56	0.48	0.48
4512	0.28	0.18	0.21
4557	2.18	1.49	1.63
4558	2.82	2.66	2.64
4561	3.19	2.26	2.38
4583	3.56	3.46	3.43
4611	1.59	1.46	1.45
4635	2.61	2.85	2.82
4653	6.59	2.72	4.92
4665	6.35	7.23	7.17
4692	0.65	0.56	0.56
4693	1.19	1.08	1.07
4720	3.90	2.21	2.91
4740	2.63	1.41	1.96
4741	3.92	3.09	3.07
4770	12.91	13.65	13.54
4773	25.89	27.62	27.39
4774	21.76	22.83	22.64
4775	13.01	13.54	13.42
4776	18.39	19.93	19.76

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 Subsection J - Average Rates and Proposed Premium Change
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Section X - J
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Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
4777	3.56	3.46	3.43
4779	16.87	17.67	17.52
4799	47.56	50.27	49.85
4825	0.74	0.53	0.55
4828	2.68	1.02	2.00
4829	2.68	1.02	2.00
4902	2.13	1.95	1.93
4923	1.03	1.31	1.18
5020	4.63	5.88	5.22
5022	15.78	11.44	11.49
5037	45.18	20.76	32.90
5040	43.99	49.86	49.63
5057	34.29	42.84	38.68
5059	34.29	42.84	38.68
5069	34.29	42.84	38.68
5102	11.11	7.27	8.09
5146	6.29	5.49	5.47
5160	3.64	3.63	3.62
5183	4.83	4.34	4.33
5188	5.49	4.44	4.42
5190	4.21	3.49	3.48
5191	1.30	1.33	1.33
5192	5.26	5.50	5.50
5213	22.47	21.28	21.22
5215	7.27	5.28	5.29
5221	9.24	7.17	7.15
5222	8.67	9.40	9.37
5223	7.27	5.28	5.29
5348	8.84	6.78	6.76
5402	18.81	17.51	17.46
5403	16.59	12.51	12.47
5437	6.93	6.10	6.09
5443	5.93	9.90	6.69
5445	8.96	7.30	7.28
5462	9.31	9.77	9.75
5472	8.71	7.87	7.85
5473	18.78	13.97	13.94
5474	6.90	5.23	5.22
5478	6.49	5.30	5.29
5479	14.69	10.32	10.70
5480	6.67	5.54	5.52
5506	7.32	6.33	6.32
5507	7.96	6.92	6.90
5508	5.23	4.64	4.62
5509	5.39	4.21	4.20
5538	6.77	5.61	5.60
5545	47.89	27.02	34.87
5547	19.85	14.83	14.79

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Comparison of Average Rates
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Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
5606	2.43	1.85	1.85
5610	5.93	5.76	5.74
5645	9.09	7.41	7.39
5651	9.09	7.41	7.39
5701	24.19	32.41	27.29
5703	20.73	45.88	23.39
5705	13.50	11.35	11.32
6003	16.03	16.02	15.97
6005	5.23	4.64	4.62
6204	12.20	12.05	12.02
6217	6.12	4.29	4.46
6229	6.12	4.29	4.46
6233	7.79	4.96	5.67
6251	10.54	7.16	7.67
6252	7.67	9.10	8.65
6306	8.10	5.22	5.90
6319	6.81	5.90	5.88
6325	3.49	3.70	3.69
6400	7.65	6.62	6.60
6504	3.92	3.21	3.18
6834	4.29	3.99	4.00
6836	3.11	2.98	2.98
7219	8.49	7.99	8.01
7230	10.22	8.82	8.83
7231	6.65	6.31	6.32
7360	7.27	5.67	5.71
7370	4.05	3.99	4.00
7380	7.36	6.98	6.99
7382	4.73	4.35	4.36
7403	3.85	4.62	4.56
7405	1.50	1.17	1.18
7409	11.39	5.23	8.94
7418	11.39	5.23	8.94
7420	11.39	5.23	8.94
7421	2.33	2.52	2.52
7422	2.33	2.52	2.52
7423	3.53	4.56	4.18
7431	2.33	2.52	2.52
7502	3.83	4.37	4.37
7515	1.67	3.21	1.98
7520	3.53	4.74	4.18
7538	5.15	4.41	4.40
7539	2.24	1.36	1.76
7580	3.59	2.69	2.82
7590	9.41	9.31	9.33
7600	3.14	3.51	3.52
7601	5.15	4.41	4.40
7610	0.25	0.18	0.18

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Comparison of Average Rates
All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
7704	2.59	1.13	2.03
7720	2.04	1.59	1.60
7855	8.19	9.38	9.24
8001	1.36	1.35	1.35
8002	3.14	3.00	3.00
8006	1.63	1.37	1.37
8008	1.14	0.92	0.92
8010	1.88	1.73	1.73
8013	0.60	0.53	0.53
8017	1.53	1.33	1.33
8018	4.44	3.88	3.88
8021	5.80	4.04	4.34
8031	2.96	2.43	2.43
8032	2.28	1.93	1.93
8033	2.50	2.11	2.11
8034	6.29	4.46	4.71
8039	2.47	2.49	2.49
8044	4.09	3.60	3.60
8046	2.53	2.30	2.30
8048	3.36	3.50	3.50
8050	1.17	1.89	1.34
8058	3.27	3.25	3.25
8103	3.65	3.41	3.41
8105	4.72	4.37	4.37
8106	7.27	8.55	8.35
8107	2.83	3.82	3.25
8111	3.57	3.54	3.54
8116	2.83	3.82	3.25
8203	4.63	4.99	4.99
8204	11.49	6.75	8.61
8215	4.63	4.08	4.08
8227	3.66	3.33	3.32
8232	5.99	5.37	5.37
8233	8.52	10.88	9.79
8235	5.53	4.76	4.76
8263	6.81	5.93	5.93
8264	6.32	5.32	5.32
8265	8.52	10.88	9.79
8279	5.77	6.01	6.01
8291	3.86	4.06	4.06
8292	4.00	4.02	4.02
8293	9.54	8.74	8.74
8350	5.84	5.50	5.50
8380	3.09	2.83	2.83
8381	1.66	1.64	1.64
8385	4.04	3.06	3.06
8392	1.81	1.55	1.55
8393	2.42	2.22	2.22

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Comparison of Average Rates
 All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
8500	8.52	10.88	9.79
8601	0.47	0.34	0.34
8710	2.39	2.01	2.01
8719	2.39	2.01	2.01
8720	1.04	1.03	1.03
8721	0.30	0.26	0.26
8742	0.30	0.23	0.23
8745	6.31	3.07	4.73
8748	0.97	0.62	0.70
8800	0.83	0.71	0.71
8803	0.08	0.07	0.07
8810	0.16	0.14	0.14
8820	0.14	0.12	0.12
8829	2.82	2.47	2.47
8831	1.27	1.06	1.06
8832	0.40	0.30	0.30
8833	1.61	1.32	1.32
8835	2.99	2.28	2.28
8868	0.66	0.57	0.57
8901	0.16	0.14	0.14
9014	2.67	2.27	2.27
9015	3.29	3.02	3.02
9016	2.26	2.00	2.00
9019	6.40	5.66	5.67
9033	4.12	3.95	3.95
9040	4.60	3.38	3.45
9052	2.02	1.82	1.82
9058	2.02	1.82	1.82
9060	1.57	1.40	1.40
9061	1.41	1.05	1.06
9063	0.88	0.71	0.71
9079	1.65	1.28	1.28
9089	1.11	1.02	1.02
9093	1.92	1.80	1.80
9101	2.98	3.23	3.23
9102	2.61	2.49	2.49
9154	1.49	1.35	1.35
9156	1.42	1.05	1.04
9178	21.32	26.66	25.26
9179	25.01	25.30	25.34
9180	3.87	4.59	4.59
9182	3.29	3.66	3.66
9186	3.87	4.59	4.59
9220	4.43	4.20	4.20
9402	6.97	5.88	5.89
9403	8.78	7.44	7.46
9410	2.55	1.94	1.94
9501	2.92	3.02	3.00

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Section X - Classification Pricing
Subsection J - Average Rates and Proposed Premium Change
9/1/2007

Section X - J
Exhibit 1

Comparison of Average Rates All Industry Groups

Class (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
9505	2.92	3.02	3.00
9519	2.71	2.77	2.77
9521	6.49	5.23	5.19
9522	2.08	1.75	1.74
9534	6.81	6.61	6.59
9545	7.22	4.52	5.26
9549	5.95	4.23	4.33
9552	7.10	7.83	7.81
9553	7.10	7.83	7.81
9586	0.65	0.56	0.56
9620	0.83	0.77	0.77

Notes:

(2): Column (3) from Section X - K of the 9/1/2005 rate decision.

(3): From Section X - I.

(4): Total Balanced Formula Relativity (from Section X - I) x Capped Rate Level Factor
and subject to maximum and minimum caps (from Section X - H, Exhibit 1.)

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Section X - Classification Pricing
Subsection J - Average Rates and Proposed Premium Change
9/1/2007

Section X - J
Exhibit 2

Summary of Proposed Premium Change
All Industry Groups

Industry Group (1)	Present Premium (2)	Proposed Premium (3)	Proposed Change (4)	Target Change (5)	Capped Rate Level Factor (6)
Manufacturing	717,306,601	629,244,422	-12.3%	-12.3%	2.365
Construction	1,557,926,863	1,306,585,508	-16.1%	-16.1%	6.145
Office & Clerical	591,216,017	483,506,509	-18.2%	-18.2%	0.211
Goods & Services	1,346,917,981	1,186,914,483	-11.9%	-11.9%	2.074
Miscellaneous	483,872,575	461,507,308	-4.6%	-4.6%	5.358
All Groups	4,697,240,037	4,067,758,230	-13.4%		

Notes:

(2), (3): Exposure x Average Rates from Section X - J, Exhibit 1.

(4): $[(3) - (2)] / (2)$

(5): From Section X - H, Exhibit 1.

(6): From Section X - H, Exhibit 1. Proposed average uncapped rates are capped by an iterative process using rate levels to determine if the required change is achieved.

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Section X - Classification Pricing
Subsection K - Adjustments to Derive Final Manual Rates
9/1/2007

Section X - K
Exhibit 1

Calculation of Proposed Manual Rates

The proposed manual rates in Section X - A are derived from the proposed average capped rates in Section X - J as follows:

$$\text{Proposed Manual Rate} = [\text{Proposed Average Rate} / (\text{Factor 1} \times \text{Factor 2} \times \text{Factor 3})] \times [1.000 / (1.000 - \text{Factor 4})]$$

(1)	Factor 1 =	0.997	The offset for Merit Rating and Average Experience Modification
(2)	Factor 2 =	1.060	The offset for ARAP
(3)	Factor 3 =	0.966	For eligible classes, the offset for the Construction Classification Premium Adjustment Program
(4)	Factor 4 =	-0.025	The loading from the filing of recoupment of amounts paid to the Insolvency Fund

Notes:

- (1): From Section X - K, Exhibit 2.
- (2): From Section X - K, Exhibit 3.
- (3): From Section X - K, Exhibit 4.
- (4): From Section I - E, Exhibit 1.

Offset for Experience & Merit Rating

Composite Policy Year (1)	Report (2)	Rating Category (3)	Number of Policies (4)	% of Policies = (4) / Total (4) (5)	Manual Premium (6)	% of Manual = (6) / Total (6) (7)	Standard Premium (8)	Historical Average Mod = (8) / (6) (9)	Selected Average Mod (10)
1999/2000	5	Non Rated	63,833	41%	13,259,369	1%	13,240,594	0.999	
		Merit Rated	59,363	38%	113,667,677	13%	110,677,081	0.974	
		Intrastate Rated	20,183	13%	549,738,120	61%	541,988,336	0.986	
		Interstate Rated	12,664	8%	231,777,970	26%	214,929,455	0.927	
		Total	156,043	100%	908,443,136	100%	880,835,466	0.970	
2000/2001	4	Non Rated	65,134	41%	13,375,648	1%	13,353,340	0.998	
		Merit Rated	60,736	38%	116,374,527	12%	113,229,049	0.973	
		Intrastate Rated	21,669	13%	555,047,662	59%	541,558,805	0.976	
		Interstate Rated	13,272	8%	255,626,573	27%	236,068,826	0.923	
		Total	160,811	100%	940,424,410	100%	904,210,020	0.961	
2001/2002	3	Non Rated	66,333	41%	12,684,020	1%	12,663,588	0.998	
		Merit Rated	61,093	37%	118,814,316	12%	115,569,881	0.973	
		Intrastate Rated	22,898	14%	589,416,400	61%	575,381,212	0.976	
		Interstate Rated	12,957	8%	251,980,277	26%	233,465,129	0.927	
		Total	163,281	100%	972,895,013	100%	937,079,810	0.963	
2002/2003	2	Non Rated	66,046	40%	12,379,879	1%	12,367,019	0.999	
		Merit Rated	61,565	37%	121,397,850	12%	118,058,845	0.972	
		Intrastate Rated	23,249	14%	594,067,640	59%	575,967,391	0.970	
		Interstate Rated	14,688	9%	277,928,200	28%	256,293,918	0.922	
		Total	165,548	100%	1,005,773,569	100%	962,687,173	0.957	
2003/2004	1	Non Rated	68,111	41%	12,966,208	1%	12,956,384	0.999	
		Merit Rated	61,278	37%	120,542,315	13%	117,384,480	0.974	
		Intrastate Rated	22,855	14%	561,146,658	60%	548,982,742	0.978	
		Interstate Rated	15,474	9%	248,138,191	26%	237,269,879	0.956	
		Total	167,718	100%	942,793,372	100%	916,593,485	0.972	
Total		Non Rated	329,457	41%	64,665,124	1%	64,580,925	0.999	1.000
		Merit Rated	304,035	37%	590,796,685	12%	574,919,336	0.973	0.973
		Intrastate Rated	110,854	14%	2,849,416,480	60%	2,783,878,486	0.977	1.000
		Interstate Rated	69,055	8%	1,265,451,211	27%	1,178,027,207	0.931	1.000
		Total	813,401	100%	4,770,329,500	100%	4,601,405,954	0.965	0.997

Notes:

Data from Unit Statistical Plan data at most recent report, excluding Large Deductibles and SIGs.

Non Rated, Merit Rated and Intrastate Rated categories are estimated based on manual premium.

(10): Set to 1.000 for Non Rated, Intrastate Rated, and Interstate Rated risks. Total of (10) calculated as weighted average of (10) using (6).

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Section X - Classification Pricing
 Subsection K - Adjustments to Derive Final Manual Rates
 9/1/2007

Section X - K
 Exhibit 3

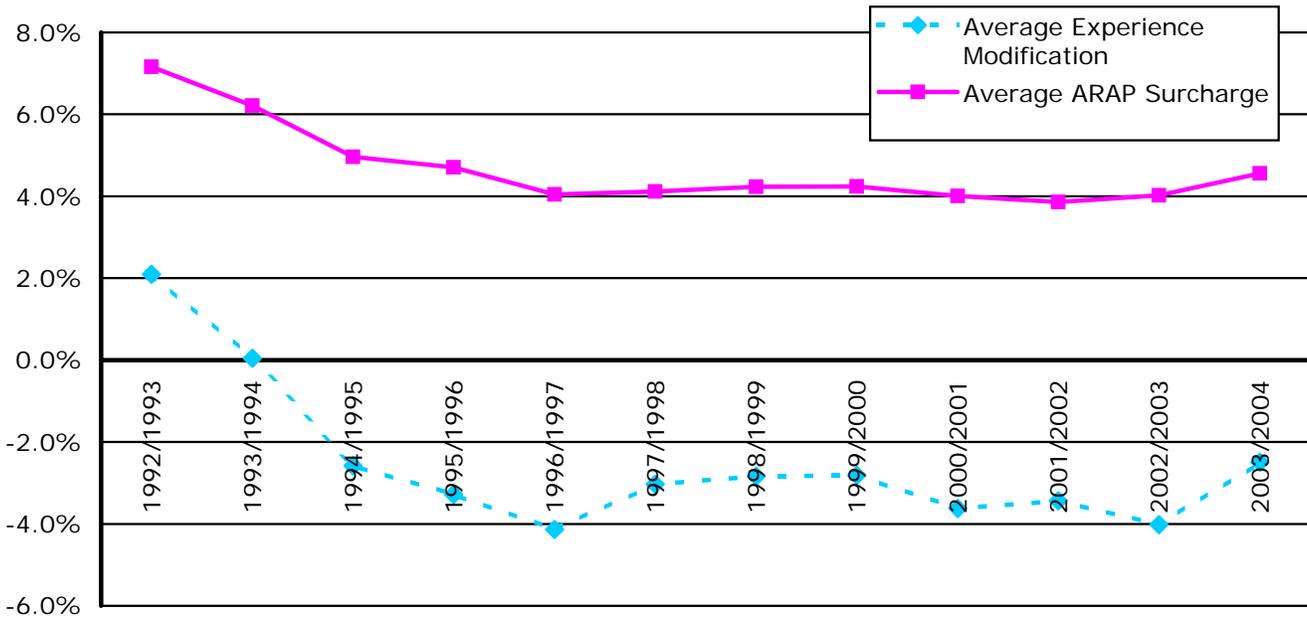
Offset for Merit Rating and ARAP Estimate of Average ARAP Surcharge for Policy Effective Period

Historical Average Experience Modification and ARAP Surcharge

Composite Policy Year (1)	Manual Premium (2)	Standard Premium (3)	ARAP Premium (4)	Average Experience Modification =(3) / (2) (5)	Average ARAP Surcharge =(4) / (3) (6)
1992/1993	1,195,522,890	1,220,542,840	87,405,131	2.1%	7.2%
1993/1994	1,181,116,288	1,181,640,393	73,445,415	0.0%	6.2%
1994/1995	1,144,475,690	1,114,903,252	55,296,301	-2.6%	5.0%
1995/1996	1,117,603,765	1,080,967,689	50,901,379	-3.3%	4.7%
1996/1997	982,450,390	941,796,600	38,088,481	-4.1%	4.0%
1997/1998	898,259,663	871,038,716	35,880,497	-3.0%	4.1%
1998/1999	909,153,834	883,327,183	37,397,974	-2.8%	4.2%
1999/2000	906,368,570	880,835,466	37,324,673	-2.8%	4.2%
2000/2001	938,163,950	904,210,020	36,255,459	-3.6%	4.0%
2001/2002	970,404,317	937,079,810	36,180,689	-3.4%	3.9%
2002/2003	1,003,010,568	962,687,173	38,705,088	-4.0%	4.0%
2003/2004	940,057,936	916,593,485	41,813,161	-2.5%	4.6%

Regression of Average ARAP Surcharge on Average Experience Modification

(7) R-Squared	0.933
(8) Slope	0.542
(9) Intercept	0.060
(10) Projected Average ARAP Surcharge = (8)	0.060



Notes:

Data from Unit Statistical Plan data at most recent report, excluding Large Deductibles and SIGs.

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Section X - Classification Pricing
Subsection K - Adjustments to Derive Final Manual Rates
9/1/2007

Section X - K
Exhibit 4

Construction Class Premium Adjustment Program

Composite Policy Year (1)	Manual Premium for Eligible Class Codes (2)	Construction Credit (3)	Percent (4)
1999/2000	326,839,439	7,425,777	2.3%
2000/2001	354,600,162	8,506,683	2.4%
2001/2002	344,245,472	8,928,453	2.6%
2002/2003	362,937,750	10,206,863	2.8%
2003/2004	337,313,615	11,488,409	3.4%
(5) Selected Average Credit for Eligible Class Codes in Policy Effective Period			3.4%

Notes:

Data from Unit Statistical Plan data at most recent report, excluding Large Deductibles and SIGs.

X 000297

Section X - Classification Pricing
 Subsection L - Pricing Example
 9/1/2007

Section X - L
 Exhibit 1

Pricing Example for Class 3131 Button Or Fastener Mfg-Metal

Calculation of MA Indicated Relativity:

The Indicated MA Pure Premium Relativities are calculated by first converting the limited losses by injury type. The converted limited losses are then adjusted for excess losses by serious, non-serious and medical factors. The adjusted converted losses are divided by exposure (generally, payroll in hundreds) to produce MA Indicated Pure Premiums.

Limited Losses (Unit Statistical Plan data, excluding Large Deductibles)							
	Composite Policy Year (1)	Fatal (2)	Permanent Total (3)	Major Permanent Partial (4)	Minor Permanent Partial (5)	Temporary Total (6)	Medical Only (7)
Indemnity	1999/2000	32,610	0	0	1,388	21,109	0
	2000/2001	0	0	152,456	0	2,611	0
	2001/2002	0	0	141,356	51,135	7,941	0
	2002/2003	0	0	0	0	107	0
	2003/2004	0	0	0	0	257	0
Medical	1999/2000	0	0	0	961	5,044	2,890
	2000/2001	0	0	15,376	0	1,797	3,397
	2001/2002	0	0	10,042	23,576	8,158	2,908
	2002/2003	0	0	0	0	54	252
	2003/2004	0	0	0	0	1,912	80

Conversion Factors (Section X - B, Exhibit 1, Page 2)							
	Composite Policy Year (8)	Fatal (9)	Permanent Total (10)	Major Permanent Partial (11)	Minor Permanent Partial (12)	Temporary Total (13)	Medical Only (14)
Indemnity	1999/2000	0.963	0.861	1.490	1.416	1.268	
	2000/2001	0.934	1.117	1.501	1.402	1.213	
	2001/2002	0.895	1.947	1.605	1.499	1.148	
	2002/2003	0.898	2.921	1.951	1.822	1.077	
	2003/2004	0.896	4.797	3.175	2.966	1.158	
Medical	1999/2000	1.287	1.170	1.941	1.386	1.354	1.287
	2000/2001	1.311	1.388	1.965	1.403	1.308	1.269
	2001/2002	1.248	1.582	2.065	1.475	1.221	1.260
	2002/2003	1.319	2.286	2.249	1.607	1.082	1.233
	2003/2004	1.215	2.973	2.902	2.073	1.012	1.275

Excess Loss Factors (Section X - B, Exhibit 4)			
Hazard Group (15)	Injury Type		
	Serious (16)	Non-Serious (17)	Medical (18)
2	1.102	1.009	1.136

Exposure, Adjusted Converted Losses				
Composite Policy Year (19)	Exposure (20)	Serious (21)	Non-Serious (22)	Medical (23)
1999/2000	59,983	34,607	28,988	13,492
2000/2001	43,182	252,178	3,195	41,876
2001/2002	54,049	250,018	86,533	78,513
2002/2003	12,371	0	116	419
2003/2004	12,982	0	300	2,313
Total	182,567	536,803	119,133	136,614
(24)	Indicated Pure Premium	2.940	0.653	0.748
(25)	Manufacturing Industry Group Pure Premium	0.887	0.495	0.895
(26)	MA Indicated Relativity	3.314	1.318	0.837

Notes:

- (21), (22), (23): Adjusted Converted Losses = [Limited Losses] x [Conversion Factors] x [Excess Loss Factors]
- (24): Totals of (21), (22), and (23), divided by Total of (20), respectively.
- (25): Industry Group Pure Premium from Section X - C
- (26): (24) / (25)

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Section X - Classification Pricing
 Subsection L - Pricing Example
 9/1/2007

Section X - L
 Exhibit 2
 Page 1

Pricing Example for Class 3131 Button Or Fastener Mfg-Metal

Calculation of Countrywide Relativity

State Code (1)	State (2)	Losses			Lost-Time Claims		Payroll (8)
		Serious (3)	Non-Serious (4)	Medical (5)	Serious (6)	Non-Serious (7)	
1	Alabama	0	6,089	6,461	0	1	12,402,354
2	Arizona	0	0	0	0	0	1,718,900
3	Arkansas	0	0	3,435	0	0	2,345,424
4	California	1,513,289	755,381	1,850,002	30	99	133,171,675
5	Colorado	0	3,162	40,401	0	6	1,361,819
6	Connecticut	0	27,076	91,115	0	9	8,262,744
7	Delaware	0	0	0	0	0	0
8	District of Columbia	0	0	0	0	0	0
9	Florida	0	1,168	7,356	0	1	4,455,774
10	Georgia	304,490	44,265	308,913	3	8	35,100,240
11	Idaho	0	0	0	0	0	0
12	Illinois	0	586,260	1,093,135	0	45	107,684,443
13	Indiana	0	119,291	287,628	0	12	65,152,167
14	Iowa	244,463	168,293	495,921	2	14	20,867,679
15	Kansas	0	0	0	0	0	16,709
16	Kentucky	0	40,951	175,675	0	11	43,045,987
17	Louisiana	0	0	0	0	0	0
18	Maine	0	0	0	0	0	0
19	Maryland	0	0	0	0	0	0
21	Michigan	788,431	1,016,345	1,860,832	4	84	256,045,050
22	Minnesota	287,667	44,985	275,590	5	19	16,633,168
23	Mississippi	0	0	0	0	0	84,564
24	Missouri	0	0	0	0	0	5,064
25	Montana	0	0	0	0	0	0
26	Nebraska	0	0	1,895	0	0	1,473,151
27	Nevada	174,587	0	235,644	1	0	399,927
28	New Hampshire	0	24,847	166,910	0	8	11,057,534
29	New Jersey	0	134,068	89,185	0	16	12,685,501
30	New Mexico	0	0	0	0	0	0
31	New York	0	0	0	0	0	0
32	North Carolina	0	24,559	114,397	0	5	46,750,551
35	Oklahoma	0	155,751	149,646	0	21	8,906,709
36	Oregon	0	0	0	0	0	34,100
37	Pennsylvania	0	0	0	0	0	0
38	Rhode Island	868,219	33,657	241,029	4	3	3,948,957
39	South Carolina	0	0	4,386	0	0	333,234
40	South Dakota	0	0	0	0	0	2,720
41	Tennessee	0	143,571	188,565	0	11	29,436,896
43	Utah	0	0	0	0	0	0
44	Vermont	0	0	0	0	0	0
45	Virginia	0	0	0	0	0	101,419
48	Wisconsin	0	493,799	1,507,327	0	121	96,025,363
52	Hawaii	0	0	0	0	0	124,787
54	Alaska	0	0	0	0	0	0
	Total	4,181,146	3,823,518	9,195,448	49	494	919,634,610

Notes:

- (3), (4), (5): Developed Losses from other states is capped at \$200,000 (Indemnity + Medical losses) per claim, by injury type.
- Data are total for latest three policy years. See Section X - D, Exhibit 3 for years used.
- (6), (7): Used in calculating countrywide credibilities. See Section X - D.

Pricing Example for Class 3131
 Button Or Fastener Mfg-Metal

Calculation of Countrywide Relativity

State Code (1)	State (2)	Manufacturing Pitch Factors			Pure Premiums, on MA Level			Total (9)
		Serious (3)	Non-Serious (4)	Medical (5)	Serious (6)	Non-Serious (7)	Medical (8)	
1	Alabama	1.639	0.777	0.215	0.000	0.038	0.011	
2	Arizona	1.703	3.098	0.416	0.000	0.000	0.000	
3	Arkansas	1.838	1.397	0.458	0.000	0.000	0.067	
4	California	0.424	0.563	0.302	0.482	0.319	0.420	
5	Colorado	1.108	0.435	0.352	0.000	0.101	1.045	
6	Connecticut	0.467	0.713	0.350	0.000	0.234	0.386	
7	Delaware	1.538	0.849	0.516	0.000	0.000	0.000	
8	District of Columbia	2.156	0.599	0.487	0.000	0.000	0.000	
9	Florida	0.921	0.667	0.213	0.000	0.017	0.035	
10	Georgia	0.673	1.039	0.380	0.583	0.131	0.335	
11	Idaho	1.676	0.688	0.360	0.000	0.000	0.000	
12	Illinois	0.753	0.397	0.279	0.000	0.216	0.283	
13	Indiana	5.605	1.415	0.509	0.000	0.259	0.225	
14	Iowa	0.901	0.676	0.346	1.055	0.545	0.822	
15	Kansas	1.369	0.703	0.426	0.000	0.000	0.000	
16	Kentucky	1.054	1.477	0.309	0.000	0.141	0.126	
17	Louisiana	0.504	1.038	0.289	0.000	0.000	0.000	
18	Maine	0.499	0.674	0.372	0.000	0.000	0.000	
19	Maryland	0.904	1.080	0.554	0.000	0.000	0.000	
21	Michigan	0.621	0.705	0.482	0.191	0.280	0.351	
22	Minnesota	1.184	1.869	0.619	2.049	0.506	1.025	
23	Mississippi	0.910	0.932	0.349	0.000	0.000	0.000	
24	Missouri	1.471	0.385	0.330	0.000	0.000	0.000	
25	Montana	0.167	0.456	0.071	0.000	0.000	0.000	
26	Nebraska	1.376	0.835	0.313	0.000	0.000	0.040	
27	Nevada	0.483	0.873	0.356	21.079	0.000	20.973	
28	New Hampshire	0.862	1.453	0.272	0.000	0.327	0.411	
29	New Jersey	1.783	0.549	0.561	0.000	0.580	0.395	
30	New Mexico	1.064	1.257	0.362	0.000	0.000	0.000	
31	New York	0.504	1.120	0.693	0.000	0.000	0.000	
32	North Carolina	0.378	0.880	0.436	0.000	0.046	0.107	
35	Oklahoma	0.475	0.720	0.262	0.000	1.259	0.440	
36	Oregon	2.015	0.952	0.483	0.000	0.000	0.000	
37	Pennsylvania	1.188	0.099	0.116	0.000	0.000	0.000	
38	Rhode Island	0.371	0.570	0.432	8.163	0.486	2.636	
39	South Carolina	0.943	0.429	0.449	0.000	0.000	0.591	
40	South Dakota	3.962	1.101	0.396	0.000	0.000	0.000	
41	Tennessee	0.620	0.444	0.261	0.000	0.217	0.167	
43	Utah	2.720	1.792	0.461	0.000	0.000	0.000	
44	Vermont	0.717	0.486	0.224	0.000	0.000	0.000	
45	Virginia	1.503	2.716	0.633	0.000	0.000	0.000	
48	Wisconsin	1.333	0.709	0.300	0.000	0.365	0.471	
52	Hawaii	0.423	0.477	0.384	0.000	0.000	0.000	
54	Alaska	0.512	0.501	0.149	0.000	0.000	0.000	
(10)	Average of (6), (7), (8) weighted by Payroll from Section X - L, Exhibit 2, Page 1, respectively.				0.251	0.277	0.364	
(11)	Conversion and Excess Loss Adjustment Factor				1.913	1.334	1.775	
(12)	CW Pure Premium = (18) x (19)				0.479	0.370	0.647	1.496
(13)	CW Manufacturing Pure Premium				0.826	0.456	0.836	2.118
(14)	CW Relativity = (20) / (21)				0.580	0.811	0.774	0.706
(15)	CW Relativity, balanced to unity				0.692	0.798	0.789	

Notes:

(3), (4), (5): (MA Total Manufacturing Limited Losses) / [(Manufacturing Pure Premium by State) x (MA Total Manufacturing Exposure)]. See Section X - D, Exhibit 2.

(11): (MA Total Manufacturing Adjusted Converted Losses) / (MA Manufacturing Limited Losses). See Section X - C.

(13): (12) weighted by MA five year Manufacturing Exposure.

(15): Relativities balanced to unity (weighted by MA exposure) over Manufacturing Industry Group.

X 000300

Section X - Classification Pricing
 Subsection L - Pricing Example
 9/1/2007

Section X - L
 Exhibit 3

Pricing Example for Class 3131 Button Or Fastener Mfg-Metal

Calculation of Credibility and Balanced Formula Relativity:

- (1) MA Indicated Relativity
- (2) Countrywide Indicated Relativity
- (3) Relativity to Underlying Present Rate

Injury Type		
Serious	Non-Serious	Medical
3.314	1.318	0.837
0.692	0.798	0.789
1.660	1.428	1.037

Calculation of MA Credibility:

The MA Credibilities are calculated using the formula $Z=(E / F)^{0.4}$ where E are expected losses for that injury type.

- (4) Adopted Relativity
- (5) Industry Group Pure Premium Underlying Present Rate Factor
- (6) Pure Premium Underlying Present Rate
 = (4) x (5)
- (7) Expected Losses
 = (6) x [(Total Exposure from Exhibit 1)]
- (8) Full Credibility Standards
- (9) MA Credibility
 = Minimum of {100%, [(7) / (8)]^{0.4}}

Injury Type		
Serious	Non-Serious	Medical
1.679	1.456	1.050
0.623	0.645	0.792
1.046	0.939	0.832
1,322	1,187	1,051
15,000,000	1,600,000	2,400,000
2.4%	5.6%	4.5%

Calculation of Countrywide Credibility

The Countrywide Credibilities are calculated using the formula $Z=(E / F)^{0.4}$ where E are the countrywide claim counts for that injury type. The countrywide credibility is limited to no more than half of the complement of the credibility assigned to the Massachusetts data.

- (10) Countrywide Lost-Time Claims
- (11) Countrywide Claim Count Standard
- (12) Countrywide Credibility
 = Minimum of {[(10) / (11)]^{0.4}, 0.5 x [100% - (9)]}
- (13) Credibility to Underlying
 = 100% - (9) - (12)
- (14) Formula Relativity
 = [(1) x (9)] + [(2) x (12)] + [(3) x (13)]
- (15) Off Balance Factor

Injury Type		
Serious	Non-Serious	Medical
3	8	11
450	900	600
13%	15%	20%
84%	79%	75%
1.569	1.327	0.978
1.016	1.115	1.105

- (16) Balanced Formula Relativity

Injury Type			
Serious	Non-Serious	Medical	Total
1.545	1.190	0.885	1.208

Notes:

- (1): From Section X - L, Exhibit 1.
- (2), (10): From Section X - L, Exhibit 2.
- (3): Relativity of (5) to Industry Group average, using 5 year Schedule Z exposure as weights.
- (4): From Section X - F.
- (5): From Section X - E, Exhibit 1.
- (8), (11): From Section X - D, Exhibit 1, Page 1.
- (15): Factor to balance Formula relativities across industry group to unity using 5 year Schedule Z exposure by injury type.
- (16): (14) / (15) , Total Balanced Formula Relativity is the weighted average of Partial Relativities using the MA Industry Group Pure Premium as weights.

X 000301

Section X - Classification Pricing
Subsection L - Pricing Example
9/1/2007

Section X - L
Exhibit 4

Pricing Example for Class 3131 Button Or Fastener Mfg-Metal

Calculation of Proposed Average Rate and Proposed Manual Rate:

(1) Total Balanced Formula Relativity	1.208
(2) Capped Rate Level Factor	2.365
(3) Proposed Average Capped Rate = (1) x (2)	2.860
(4) Offset for Merit Rating	0.997
(5) Offset for ARAP	1.060
(6) Offset for Construction Classification Premium Adjustment Program	1.000
(7) Provision for Insolvency Fund Assessment Recoupment	-0.025
(8) Proposed Manual Rate = $\{(3) / [(4) \times (5) \times (6)]\} \times \{1.000 / [1.000 - (7)]\}$	2.64
(9) Minimum Premium	224
(10) Loss Constant	0.00
(11) Expected Loss Rate	1.34
(12) D-Ratio	0.18

Notes:

- (1): From Section X - L, Exhibit 3.
- (2): From Section X - H, Exhibit 1. Proposed average uncapped rates are capped by an iterative process using rate levels to determine if the required change is achieved. Class 3131 is in the Manufacturing Industry Group.
- (4), (5), (6), (7): From Section X - K. Class 3131 is not eligible for the Construction Credit program.
- (9): $\{[(8) \times 35.0] + (10) + \text{Expense Constant}\}$ subject to a maximum of \$500
Where Expense Constant = 159 if $(8) \times 35 + (10) < 200$
= 318 if $(8) \times 35 + (10) \geq 200$.
- (10): No loss constant for Manufacturing classes, \$50 for Construction classes, \$20 for all other classes.
- (11): $(3) \times \text{Ratio of Experience Rating ELR to Average Rate}$, from Section XI - A, Exhibit 1. Class 3131 is in Hazard Group 2.
- (12): From Section XI. See text of this section for an explanation of the calculation of D-Ratios.

**MISCELLANEOUS RATING FACTORS
FOR EXPERIENCE RATING**

Experience rating is a procedure that uses past insurance experience for individual policyholders to predict their future losses. In this procedure, the manual rate for the risk is adjusted by an experience rating modification that serves to increase or decrease the rate depending on whether its past experience has been worse or better than expected.

The experience rating modification for an insured is determined by comparing actual past losses to expected losses. This section of the filing develops some of the miscellaneous rating factors that are needed to compare the past experience of a risk to its expected experience.

Expected Loss Rates, XI-A

Generally, an insured's experience rating modification is based on its exposure and loss experience for the last three completed policies for which the WCRIB has received data. For the purpose of experience rating, we must derive expected losses on a comparable basis for each of those three policy periods. These calculations are detailed in Sections X-A, X-J, and XI-A.

Expected Losses for an insured are derived by multiplying the Expected Loss Rates ("ELR") for each applicable class by the reported exposure (typically payroll in hundreds) for each class. The proposed Expected Loss Rates are displayed in Section

XI 000002

X-A. The Expected Loss Rate for each class is the product of the proposed average capped rate for that class (as shown in Section X-J) and the Ratio of Experience Rating ELR to Average Rate (as calculated in Section XI-A) for the hazard group containing the classification. The intent of the Ratio of Experience Rating ELR to Average Rate is to remove profit and expenses (including loss adjustment expenses) from the capped rate, and then adjust the remaining pure premiums to a level comparable to that of the losses entering the experience rating calculation itself. The Ratio of Experience Rating ELR to Average Rate is a composite factor that incorporates elements relating to expenses (Exhibit 1), trend (Exhibit 1), loss limitations (Exhibit 2), benefit level differences (Exhibit 3), development (Exhibit 4 & 5) and investment income (Exhibit 6).

Calculation of D Ratios, XI-B

The second task of Section XI is to determine the portion of the expected loss that is considered primary. Primary losses are defined as the first \$5,000 of loss per claim. The experience rating formula splits losses into primary losses and excess losses (the loss amount above the primary loss subject to a maximum). In calculating the experience rating modification, primary losses are given more weight than excess losses.

The “D-Ratio” is defined as the portion of expected losses that is expected to be primary. In experience rating, multiplication of a risk’s expected losses by the appropriate D-Ratio gives the expected primary losses to which the risk’s actual primary

XI 000003

losses are compared. D-Ratios vary by class and are listed in the manual rates section of the *Basic Manual for Workers' Compensation*.

The procedure used here for the calculation of D-Ratios is the same as the methodology used in the filings for 9/1/01, 9/1/03 and 9/1/05 rates. The general methodology is as follows. First, the WCRIB calculates partial D-Ratios for serious, non-serious and medical-only losses from detailed loss data (Section XI-B). The loss data is taken from the Schedule Z data base for the three most recent composite policy years, and is adjusted for law amendment changes and severity trend to the level corresponding with the losses that will be used in experience rating.

Partial D-Ratios are defined as follows:

$$D (\textit{Serious}) = \frac{\text{Primary Serious Losses (Indemnity \& Medical)}}{\text{Limited Serious Indemnity Losses}}$$

$$D (\textit{Non-Serious}) = \frac{\text{Primary Non-Serious Losses (Indemnity \& Medical)}}{\text{Limited Non-Serious Indemnity Losses}}$$

$$D (\textit{Medical}) = \frac{\text{Primary Medical Only Losses}}{\text{Total Limited Medical Losses}}$$

We calculate these partial D-Ratios on XI-B Exhibit 1, page 1.

As in previous filings, we calculate final D-Ratios by class as a weighted average of the partial D-Ratios using the formula:

XI 000004

Section XI – Miscellaneous Rating Factors
Subsection A - Summary
9/1/2007

Section XI - A
Page 4

$$\text{"D" Ratio} = \frac{[(P_s)(D_s) + (P_n)(D_n) + (P_m)(D_m)]}{[P_s + P_n + P_m]}$$

where P_s , P_n , and P_m are the adopted partial pure premiums for serious, non-serious, and medical. D_s , D_n , and D_m represent the associated partial D-Ratios. The resulting D-Ratios by classification are shown in Section X-A.

Calculation of ELR Factors

Unit Report / Policy Effective Date (1)	Hazard Group (2)	Permissible Loss Ratio (3)	Exp Rating LER by Hazard Group (4)	Law Factor (5)	Loss Trend / Payroll Trend (6)	Loss Development to 5th Report (7)	Loss Development from 5th Report to Ult (8)	Investment Income Offset (9)	Ratio of Exp Rating ELR to Average Rate (10)
1st Report 3/1/2006	I	0.656	0.043	1.012	0.978	1.357	1.101	1.034	0.411
	II	0.656	0.062	1.012	0.978	1.366	1.101	1.019	0.406
	III	0.656	0.134	1.012	0.978	1.389	1.135	0.991	0.368
	IV	0.656	0.240	1.012	0.978	1.427	1.174	0.995	0.302
2nd Report 3/1/2005	I	0.656	0.049	1.019	0.967	1.124	1.101	1.034	0.495
	II	0.656	0.071	1.019	0.967	1.127	1.101	1.019	0.489
	III	0.656	0.154	1.019	0.967	1.135	1.135	0.991	0.441
	IV	0.656	0.275	1.019	0.967	1.148	1.174	0.995	0.360
3rd Report 3/1/2004	I	0.656	0.065	1.028	0.956	1.054	1.101	1.034	0.520
	II	0.656	0.094	1.028	0.956	1.055	1.101	1.019	0.511
	III	0.656	0.204	1.028	0.956	1.059	1.135	0.991	0.446
	IV	0.656	0.365	1.028	0.956	1.065	1.174	0.995	0.341
1st - 3rd Report Average	I								0.475
	II								0.469
	III								0.418
	IV								0.334

Notes:

- (1): Unit Stat Reports used to experience rate a policy taking effect 6 months after effective date of the proposed rates.
- (3): Section VI-A, Exhibit 1, (11).
- (4): Exhibit 2, (10)-(12).
- (5): Section IV-A, Exhibit 9, (9).
- (6): Section V-A, Exhibit 1. Net Trend applied from USR policy effective date to average policy effective date of the proposed rates.
- (7): Exhibit 4, Page 1, (8).
- (8): Exhibit 5, Page 1, (7).
- (9): Exhibit 6, (8).
- (10) = { (3) x [1.0 - (4)] } / [(5) x (6) x (7) x (8) x (9)]

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Loss Elimination Ratios for Losses in Excess of Experience Rating Caps
 By Hazard Group

Hazard Group	Adjusted Schedule Z Losses	Adjusted Excess Losses	Implied Loss Elimination Ratio (3) / (2)	Expected Losses	Expected Losses Wgtd LER	Balanced LER Differential	Selected LER Differential
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	10,822,377	1,089,380	0.101	13,615,021	0.101	0.76	0.40
II	676,453,951	51,715,138	0.076	914,137,772	0.076	0.58	0.58
III	830,304,497	138,206,030	0.166	1,231,270,293	0.166	1.26	1.26
IV	59,593,860	17,766,452	0.298	51,197,186	0.298	2.26	2.26
Total	1,577,174,685	208,777,000	0.132	2,210,220,272	0.132	1.00	1.00

Expected Loss Limitation Adjustment Factor by Hazard Group
 = [Exhibit 3, (5)] x (8)

Hazard Group	First Report	Second Report	Third Report	Average
(9)	(10)	(11)	(12)	(13)
I	0.043	0.049	0.065	0.052
II	0.062	0.071	0.094	0.075
III	0.134	0.154	0.204	0.164
IV	0.240	0.275	0.365	0.294
I, II, III, IV	0.106	0.122	0.162	

Notes:

(5): Most recent three composite policy years' data, payroll x pure premium underlying rates.

(6) Total = (6) Weighted by (5)

(7) = (6) / [(6) for Total]

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Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
 9/1/2007

Section XI - A
 Exhibit 3

Loss Elimination Ratio
Factor to Reflect the State Accident Limitation of \$175,000
 (Losses in Thousands)

Report (1)	Injury Type (2)	Adjusted Schedule Z Losses (3)	Adjusted Excess Losses (4)	Loss Elimination Ratio (4) / (3) (5)
1st	1	6,381	3,348	0.525
1st	2	16,066	14,656	0.912
1st	3	130,589	23,324	0.179
1st	4	33,641	40	0.001
1st	5	221,929	5,426	0.024
1st	6	31,516	0	0.000
1st	Total	440,122	46,794	0.106
2nd	1	16,113	12,093	0.751
2nd	2	6,867	5,492	0.800
2nd	3	287,560	44,294	0.154
2nd	4	56,995	557	0.010
2nd	5	149,284	4,549	0.030
2nd	6	32,917	0	0.000
2nd	Total	549,735	66,985	0.122
3rd	1	14,321	9,460	0.661
3rd	2	9,926	7,588	0.764
3rd	3	313,631	70,646	0.225
3rd	4	47,783	0	0.000
3rd	5	167,930	7,193	0.043
3rd	6	34,175	112	0.003
3rd	Total	587,766	94,998	0.162

Notes:

Schedule Z losses have been adjusted by multiplying with law amendment changes and severity trend factors. Column (3) is the adjusted Schedule Z total losses, and Column (4) is the Adjusted Schedule Z losses above \$175,000.

XI 000008

Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
 9/1/2007

Section XI - A
 Exhibit 4
 Page 1

Hazard Group Development Factors to Fifth Report

Development to Fifth Report (1)	Hazard Group (2)	Review Year 2006 Losses at Latest Report (3)	Review Year 2006 Losses at 5th Report (4)	Develop. Factor to 5th Report (4) / (3) (5)	Selected Relativity (6)	Balanced Relativity (6) / TT(6) (7)	Selected Dev. Factor to 5th Report (8)
1st to 5th	I	1,896,236	2,350,418	1.240	0.940	0.940	1.357
1st to 5th	II	155,786,990	203,312,080	1.305	0.963	0.964	1.366
1st to 5th	III	203,473,579	302,362,490	1.486	1.023	1.023	1.389
1st to 5th	IV	7,808,587	11,684,960	1.496	1.123	1.124	1.427
1st to 5th	All	368,965,392	519,709,949	1.409	0.999	1.000	1.380
2nd to 5th	I	2,927,343	3,364,433	1.149	0.940	0.937	1.124
2nd to 5th	II	196,320,960	228,546,758	1.164	0.963	0.961	1.127
2nd to 5th	III	236,120,673	285,165,294	1.208	1.023	1.020	1.135
2nd to 5th	IV	27,216,814	34,137,054	1.254	1.123	1.120	1.148
2nd to 5th	All	462,585,790	551,213,538	1.192	1.003	1.000	1.133
3rd to 5th	I	4,204,589	4,376,814	1.041	0.940	0.940	1.054
3rd to 5th	II	214,300,048	225,558,759	1.053	0.963	0.964	1.055
3rd to 5th	III	258,761,590	277,993,888	1.074	1.023	1.023	1.059
3rd to 5th	IV	15,619,888	18,697,756	1.197	1.123	1.124	1.065
3rd to 5th	All	492,886,115	526,627,218	1.068	0.999	1.000	1.058

Notes:

- (3),(4): See Exhibit 4 Pages 4-6 for Review Year 2006
- (6): See Page 3 for selection. The entry in the "All" row is the weighted average using incurred losses at latest report in column (3) as the weights.
- (7): The entry in the "All" row is the weighted average using incurred losses at latest report in column (3) as the weights.
- (8): has been balanced to the development factors calculated on Page 2 where selected development factors = $1.0 + (7) \times (\text{"Overall Development to be balanced to"} - 1.000)$.

XI 000009

Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
 9/1/2007

Section XI - A
 Exhibit 4
 Page 2

Loss Development Factors For Use in Calculation of Reciprocals

Report (1)	Benefit Type (2)	Injury Type (3)	Distribution of Reported Loss @ 5th Report (4)	Loss Development Factor (5)	Adjusted Distribution (4) / (5) (6)	LDF to 5th Report to Derive E.L.R. TT(4) / TT(6) (7)
1st	Indemnity	Death	1.6%	0.967	1.7%	
1st	Indemnity	Permanent Total	3.1%	5.751	0.5%	
1st	Indemnity	Permanent Partial	39.5%	2.235	17.7%	
1st	Indemnity	Temporary Total	21.7%	0.929	23.4%	
1st	Medical	Death	0.1%	1.018	0.1%	
1st	Medical	Permanent Total	2.6%	2.740	1.0%	
1st	Medical	Permanent Partial	14.9%	1.613	9.3%	
1st	Medical	Temporary Total	11.7%	0.806	14.5%	
1st	Medical	Medical Only	4.7%	1.069	4.4%	
1st	Total		100.0%		72.5%	1.380
2nd	Indemnity	Death	1.6%	0.967	1.7%	
2nd	Indemnity	Permanent Total	3.1%	3.494	0.9%	
2nd	Indemnity	Permanent Partial	39.5%	1.367	28.9%	
2nd	Indemnity	Temporary Total	21.7%	0.864	25.2%	
2nd	Medical	Death	0.1%	1.096	0.1%	
2nd	Medical	Permanent Total	2.6%	2.087	1.3%	
2nd	Medical	Permanent Partial	14.9%	1.238	12.1%	
2nd	Medical	Temporary Total	11.7%	0.854	13.7%	
2nd	Medical	Medical Only	4.7%	1.024	4.6%	
2nd	Total		100.0%		88.3%	1.133
3rd	Indemnity	Death	1.6%	0.965	1.7%	
3rd	Indemnity	Permanent Total	3.1%	2.329	1.3%	
3rd	Indemnity	Permanent Partial	39.5%	1.127	35.1%	
3rd	Indemnity	Temporary Total	21.7%	0.920	23.6%	
3rd	Medical	Death	0.1%	0.998	0.1%	
3rd	Medical	Permanent Total	2.6%	1.391	1.9%	
3rd	Medical	Permanent Partial	14.9%	1.095	13.6%	
3rd	Medical	Temporary Total	11.7%	0.928	12.6%	
3rd	Medical	Medical Only	4.7%	1.008	4.7%	
3rd	Total	All	100.0%		94.6%	1.058

Notes:

- (4): Section IV-I, Exhibits 1 and 2
- (5): Section X-B, Exhibit 2, Pages 1-5.

Hazard Group Reported Loss Development Relativities to Fifth Report

Development Review Year (1)	3-5			2-5			1-5			Average (11)
	2006 (2)	2005 (3)	2004 (4)	2006 (5)	2005 (6)	2004 (7)	2006 (8)	2005 (9)	2004 (10)	
H.G. I	0.974	0.987	0.955	0.965	1.013	0.938	0.880	0.877	0.869	0.940
H.G. II	0.985	0.980	0.986	0.977	0.971	0.961	0.927	0.953	0.931	0.963
H.G. III	1.005	1.013	1.011	1.014	1.009	1.025	1.055	1.019	1.053	1.023
H.G. IV	1.120	1.046	1.039	1.053	1.246	1.089	1.062	1.255	1.201	1.123

Notes:
 From Exhibit 4, Pages 4 through 12

XI 000010

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2006
 First Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.967	0	0	1.018	0			
I	2	0	5.751	0	0	2.740	0			
I	3	259,580	2.235	580,037	157,677	1.613	254,325			
I	4	91,442	2.235	204,329	71,309	1.613	115,018			
I	5	564,780	0.929	524,814	499,857	0.806	402,994			
I	6	0	1.000	0	251,591	1.069	268,900			
I	Total	915,802		1,309,181	980,434		1,041,237	1,896,236	2,350,418	1.240
II	1	1,739,977	0.967	1,683,206	104,455	1.018	106,359			
II	2	693,412	5.751	3,987,779	576,937	2.740	1,581,036			
II	3	25,104,176	2.235	56,095,840	10,722,363	1.613	17,294,652			
II	4	9,276,556	2.235	20,728,671	6,999,489	1.613	11,289,836			
II	5	44,606,333	0.929	41,449,843	40,820,434	0.806	32,910,215			
II	6	0	1.000	0	15,142,858	1.069	16,184,644			
II	Total	81,420,454		123,945,338	74,366,536		79,366,742	155,786,990	203,312,080	1.305
III	1	3,139,741	0.967	3,037,300	107,152	1.018	109,105			
III	2	2,651,017	5.751	15,245,871	9,329,367	2.740	25,566,169			
III	3	44,851,910	2.235	100,222,590	24,521,407	1.613	39,551,841			
III	4	6,548,853	2.235	14,633,558	4,971,596	1.613	8,018,943			
III	5	55,030,349	0.929	51,136,221	42,200,457	0.806	34,022,816			
III	6	0	1.000	0	10,121,730	1.069	10,818,076			
III	Total	112,221,870		184,275,541	91,251,709		118,086,950	203,473,579	302,362,490	1.486
IV	1	418,960	0.967	405,291	10,000	1.018	10,182			
IV	2	0	5.751	0	0	2.740	0			
IV	3	2,852,953	2.235	6,374,987	997,311	1.613	1,608,614			
IV	4	65,065	2.235	145,389	44,466	1.613	71,722			
IV	5	2,267,896	0.929	2,107,412	1,027,590	0.806	828,463			
IV	6	0	1.000	0	124,346	1.069	132,901			
IV	Total	5,604,874		9,033,079	2,203,713		2,651,881	7,808,587	11,684,960	1.496
I, II, III, IV	Grand Total	200,163,000		318,563,139	168,802,392		201,146,810	368,965,392	519,709,949	1.409

Notes:

(3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000011

XI 000012

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2006
 Second Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.967	0	0	1.096	0			
I	2	0	3.494	0	0	2.087	0			
I	3	896,222	1.367	1,225,551	379,932	1.238	470,517			
I	4	265,544	1.367	363,122	225,966	1.238	279,842			
I	5	462,938	0.864	399,803	515,508	0.854	440,003			
I	6	0	1.000	0	181,233	1.024	185,595			
I	Total	1,624,704		1,988,476	1,302,639		1,375,957	2,927,343	3,364,433	1.149
II	1	3,749,294	0.967	3,626,965	407,725	1.096	446,712			
II	2	785,984	3.494	2,746,272	710,339	2.087	1,482,567			
II	3	63,984,348	1.367	87,496,270	24,818,835	1.238	30,736,262			
II	4	14,924,577	1.367	20,408,817	11,268,299	1.238	13,954,942			
II	5	32,379,780	0.864	27,963,846	27,264,839	0.854	23,271,436			
II	6	0	1.000	0	16,026,940	1.024	16,412,668			
II	Total	115,823,983		142,242,171	80,496,977		86,304,588	196,320,960	228,546,758	1.164
III	1	8,003,336	0.967	7,742,209	163,927	1.096	179,602			
III	2	2,293,024	3.494	8,011,955	1,962,136	2.087	4,095,226			
III	3	94,211,456	1.367	128,830,742	37,032,458	1.238	45,861,917			
III	4	11,719,416	1.367	16,025,875	8,887,935	1.238	11,007,040			
III	5	35,725,364	0.864	30,853,162	25,997,135	0.854	22,189,409			
III	6	0	1.000	0	10,124,486	1.024	10,368,157			
III	Total	151,952,596		191,463,944	84,168,077		93,701,350	236,120,673	285,165,294	1.208
IV	1	1,640,079	0.967	1,586,568	17,296	1.096	18,950			
IV	2	0	3.494	0	0	2.087	0			
IV	3	16,682,937	1.367	22,813,310	4,951,253	1.238	6,131,755			
IV	4	236,019	1.367	322,747	96,462	1.238	119,461			
IV	5	2,273,107	0.864	1,963,102	998,396	0.854	852,164			
IV	6	0	1.000	0	321,265	1.024	328,997			
IV	Total	20,832,142		26,685,727	6,384,672		7,451,326	27,216,814	34,137,054	1.254
I, II, III, IV	Grand Total	290,233,425		362,380,318	172,352,365		188,833,221	462,585,790	551,213,538	1.192

Notes:

(3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000013

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2006
 Third Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.965	0	0	0.998	0			
I	2	0	2.329	0	0	1.391	0			
I	3	1,433,371	1.127	1,615,072	703,155	1.095	770,144			
I	4	193,405	1.127	217,922	140,039	1.095	153,380			
I	5	768,154	0.920	707,048	761,546	0.928	706,784			
I	6	0	1.000	0	204,919	1.008	206,464			
I	Total	2,394,930		2,540,042	1,809,659		1,836,772	4,204,589	4,376,814	1.041
II	1	2,452,646	0.965	2,366,109	296,259	0.998	295,777			
II	2	1,515,066	2.329	3,529,151	911,829	1.391	1,268,735			
II	3	69,570,067	1.127	78,389,121	29,802,332	1.095	32,641,561			
II	4	13,578,478	1.127	15,299,755	8,927,910	1.095	9,778,460			
II	5	40,122,419	0.920	36,930,697	30,446,649	0.928	28,257,243			
II	6	0	1.000	0	16,676,393	1.008	16,802,152			
II	Total	127,238,676		136,514,832	87,061,372		89,043,928	214,300,048	225,558,759	1.053
III	1	9,368,166	0.965	9,037,626	346,438	0.998	345,875			
III	2	3,166,514	2.329	7,375,986	1,417,355	1.391	1,972,133			
III	3	110,812,758	1.127	124,859,944	40,608,984	1.095	44,477,748			
III	4	10,289,506	1.127	11,593,856	6,410,942	1.095	7,021,704			
III	5	41,655,097	0.920	38,341,451	24,919,023	0.928	23,127,106			
III	6	0	1.000	0	9,766,807	1.008	9,840,460			
III	Total	175,292,041		191,208,863	83,469,549		86,785,025	258,761,590	277,993,888	1.074
IV	1	0	0.965	0	0	0.998	0			
IV	2	1,222,109	2.329	2,846,745	152,068	1.391	211,590			
IV	3	10,003,385	1.127	11,271,465	2,123,385	1.095	2,325,677			
IV	4	219,006	1.127	246,768	131,518	1.095	144,048			
IV	5	1,047,511	0.920	964,182	491,637	0.928	456,284			
IV	6	0	1.000	0	229,269	1.008	230,998			
IV	Total	12,492,011		15,329,160	3,127,877		3,368,596	15,619,888	18,697,756	1.197
I, II, III, IV	Grand Total	317,417,658		345,592,897	175,468,457		181,034,321	492,886,115	526,627,218	1.068

Notes:
 (3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000014

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2005
 First Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4) (5)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7) (8)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9) (11)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.967	0	0	1.018	0			
I	2	0	5.751	0	0	2.740	0			
I	3	80,335	2.235	179,510	120,035	1.613	193,611			
I	4	207,353	2.235	463,335	170,230	1.613	274,573			
I	5	1,054,138	0.929	979,544	815,638	0.806	657,583			
I	6	0	1.000	0	185,557	1.069	198,323			
I	Total	1,341,826		1,622,389	1,291,460		1,324,089	2,633,286	2,946,478	1.119
II	1	3,408,902	0.967	3,297,679	405,731	1.018	413,125			
II	2	184,315	5.751	1,059,987	53,626	2.740	146,957			
II	3	21,542,740	2.235	48,137,732	9,999,773	1.613	16,129,149			
II	4	7,725,865	2.235	17,263,617	6,038,241	1.613	9,739,390			
II	5	56,472,891	0.929	52,476,684	43,255,660	0.806	34,873,540			
II	6	0	1.000	0	15,712,356	1.069	16,793,322			
II	Total	89,334,713		122,235,699	75,465,387		78,095,483	164,800,100	200,331,181	1.216
III	1	6,149,726	0.967	5,949,078	647,060	1.018	658,852			
III	2	447,757	5.751	2,575,029	620,350	2.740	1,700,005			
III	3	37,215,907	2.235	83,159,772	18,022,861	1.613	29,070,001			
III	4	6,427,396	2.235	14,362,159	5,330,761	1.613	8,598,259			
III	5	62,897,789	0.929	58,446,935	46,716,267	0.806	37,663,548			
III	6	0	1.000	0	9,981,888	1.069	10,668,614			
III	Total	113,138,575		164,492,973	81,319,187		88,359,279	194,457,762	252,852,252	1.300
IV	1	1,583,170	0.967	1,531,516	17,296	1.018	17,611			
IV	2	0	5.751	0	0	2.740	0			
IV	3	7,054,531	2.235	15,763,506	2,975,885	1.613	4,799,958			
IV	4	100,646	2.235	224,896	61,007	1.613	98,401			
IV	5	3,407,157	0.929	3,166,055	1,401,174	0.806	1,129,653			
IV	6	0	1.000	0	289,512	1.069	309,430			
IV	Total	12,145,504		20,685,973	4,744,874		6,355,054	16,890,378	27,041,027	1.601
I, II, III, IV	Grand Total	215,960,618		309,037,034	162,820,908		174,133,904	378,781,526	483,170,938	1.276

Notes:

(3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000015

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2005
 Second Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.967	0	0	1.096	0			
I	2	0	3.494	0	0	2.087	0			
I	3	1,388,684	1.367	1,898,975	693,342	1.238	858,652			
I	4	229,437	1.367	313,747	141,642	1.238	175,413			
I	5	733,070	0.864	633,094	705,209	0.854	601,919			
I	6	0	1.000	0	207,004	1.024	211,986			
I	Total	2,351,191		2,845,816	1,747,197		1,847,970	4,098,388	4,693,786	1.145
II	1	2,208,062	0.967	2,136,019	339,502	1.096	371,966			
II	2	1,170,706	3.494	4,090,513	735,964	2.087	1,536,050			
II	3	48,023,953	1.367	65,671,010	19,617,328	1.238	24,294,587			
II	4	11,846,808	1.367	16,200,079	8,124,738	1.238	10,061,878			
II	5	54,129,599	0.864	46,747,439	38,360,640	0.854	32,742,067			
II	6	0	1.000	0	16,549,676	1.024	16,947,985			
II	Total	117,379,128		134,845,061	83,727,848		85,954,532	201,106,976	220,799,592	1.098
III	1	9,746,570	0.967	9,428,567	290,385	1.096	318,152			
III	2	1,678,176	3.494	5,863,642	783,079	2.087	1,634,385			
III	3	79,967,635	1.367	109,352,835	30,857,335	1.238	38,214,491			
III	4	9,372,352	1.367	12,816,351	6,130,792	1.238	7,592,525			
III	5	58,874,673	0.864	50,845,383	32,816,475	0.854	28,009,940			
III	6	0	1.000	0	9,485,010	1.024	9,713,290			
III	Total	159,639,406		188,306,776	80,363,076		85,482,783	240,002,482	273,789,559	1.141
IV	1	0	0.967	0	0	1.096	0			
IV	2	1,279,773	3.494	4,471,599	67,592	2.087	141,073			
IV	3	7,844,003	1.367	10,726,389	1,993,288	1.238	2,468,537			
IV	4	208,978	1.367	285,770	108,709	1.238	134,628			
IV	5	2,860,721	0.864	2,470,578	677,318	0.854	578,113			
IV	6	0	1.000	0	232,698	1.024	238,298			
IV	Total	12,193,475		17,954,336	3,079,605		3,560,650	15,273,080	21,514,986	1.409
I, II, III, IV	Grand Total	291,563,200		343,951,988	168,917,726		176,845,935	460,480,926	520,797,923	1.131

Notes:

- (3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
- (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000016

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2005
 Third Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	4,000	0.965	3,859	1,889	0.998	1,886			
I	2	0	2.329	0	0	1.391	0			
I	3	905,170	1.127	1,019,914	328,887	1.095	360,220			
I	4	189,830	1.127	213,894	181,497	1.095	198,788			
I	5	700,396	0.920	644,680	366,170	0.928	339,839			
I	6	0	1.000	0	207,951	1.008	209,519			
I	Total	1,799,396		1,882,346	1,086,394		1,110,252	2,885,790	2,992,598	1.037
II	1	2,472,896	0.965	2,385,644	42,307	0.998	42,238			
II	2	986,467	2.329	2,297,848	697,066	1.391	969,910			
II	3	62,704,229	1.127	70,652,934	21,125,438	1.095	23,138,030			
II	4	12,354,672	1.127	13,920,813	6,915,515	1.095	7,574,347			
II	5	60,043,455	0.920	55,267,023	35,509,148	0.928	32,955,700			
II	6	0	1.000	0	16,154,035	1.008	16,275,855			
II	Total	138,561,719		144,524,262	80,443,509		80,956,080	219,005,228	225,480,342	1.030
III	1	8,106,035	0.965	7,820,027	336,415	0.998	335,868			
III	2	3,721,678	2.329	8,669,168	9,284,735	1.391	12,918,944			
III	3	103,789,352	1.127	116,946,215	33,877,073	1.095	37,104,497			
III	4	10,635,202	1.127	11,983,374	6,815,719	1.095	7,465,044			
III	5	69,761,324	0.920	64,211,840	35,469,863	0.928	32,919,240			
III	6	0	1.000	0	9,616,314	1.008	9,688,832			
III	Total	196,013,591		209,630,625	95,400,119		100,432,423	291,413,710	310,063,048	1.064
IV	1	0	0.965	0	0	0.998	0			
IV	2	137,795	2.329	320,976	17,695	1.391	24,621			
IV	3	8,150,423	1.127	9,183,612	2,090,796	1.095	2,289,983			
IV	4	394,404	1.127	444,401	249,216	1.095	272,958			
IV	5	1,610,931	0.920	1,482,782	568,851	0.928	527,945			
IV	6	0	1.000	0	293,975	1.008	296,192			
IV	Total	10,293,553		11,431,770	3,220,533		3,411,700	13,514,086	14,843,470	1.098
I, II, III, IV	Grand Total	346,668,259		367,469,003	180,150,555		185,910,455	526,818,814	553,379,458	1.050

Notes:

(3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000017

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2004
 First Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.967	0	0	1.018	0			
I	2	0	5.751	0	0	2.740	0			
I	3	537,043	2.235	1,200,035	358,207	1.613	577,771			
I	4	103,929	2.235	232,232	71,465	1.613	115,270			
I	5	1,170,742	0.929	1,087,896	1,529,923	0.806	1,233,453			
I	6	0	1.000	0	194,995	1.069	208,410			
I	Total	1,811,714		2,520,163	2,154,590		2,134,903	3,966,304	4,655,066	1.174
II	1	1,736,648	0.967	1,679,986	70,495	1.018	71,780			
II	2	753,197	5.751	4,331,600	598,855	2.740	1,641,100			
II	3	22,711,317	2.235	50,748,943	11,319,882	1.613	18,258,421			
II	4	10,183,748	2.235	22,755,811	8,212,385	1.613	13,246,179			
II	5	60,866,423	0.929	56,559,315	44,275,063	0.806	35,695,403			
II	6	0	1.000	0	15,292,679	1.069	16,344,772			
II	Total	96,251,333		136,075,656	79,769,359		85,257,655	176,020,692	221,333,310	1.257
III	1	10,893,978	0.967	10,538,538	371,012	1.018	377,773			
III	2	2,295,283	5.751	13,200,062	1,727,050	2.740	4,732,803			
III	3	43,896,093	2.235	98,086,796	19,786,893	1.613	31,915,299			
III	4	10,701,061	2.235	23,911,759	7,731,606	1.613	12,470,706			
III	5	62,077,951	0.929	57,685,112	37,320,136	0.806	30,088,207			
III	6	0	1.000	0	8,916,447	1.069	9,529,873			
III	Total	129,864,366		203,422,267	75,853,144		89,114,661	205,717,510	292,536,928	1.422
IV	1	0	0.967	0	0	1.018	0			
IV	2	0	5.751	0	0	2.740	0			
IV	3	3,942,639	2.235	8,809,915	1,480,816	1.613	2,388,484			
IV	4	342,038	2.235	764,292	146,124	1.613	235,691			
IV	5	2,468,850	0.929	2,294,146	963,423	0.806	776,730			
IV	6	0	1.000	0	198,213	1.069	211,849			
IV	Total	6,753,527		11,868,352	2,788,576		3,612,755	9,542,103	15,481,107	1.622
I, II, III, IV	Grand Total	234,680,940		353,886,437	160,565,669		180,119,974	395,246,609	534,006,411	1.351

Notes:

(3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

XI 000018

Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
 9/1/2007

Section XI - A
 Exhibit 4
 Page 11

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2004
 Second Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	4,000	0.967	3,869	1,889	1.096	2,070			
I	2	0	3.494	0	0	2.087	0			
I	3	376,758	1.367	515,203	159,903	1.238	198,028			
I	4	162,692	1.367	222,475	124,507	1.238	154,193			
I	5	1,217,962	0.864	1,051,857	608,082	0.854	519,018			
I	6	0	1.000	0	196,306	1.024	201,031			
I	Total	1,761,412		1,793,405	1,090,687		1,074,339	2,852,099	2,867,743	1.005
II	1	2,688,624	0.967	2,600,902	119,747	1.096	131,197			
II	2	0	3.494	0	0	2.087	0			
II	3	40,662,587	1.367	55,604,610	14,604,496	1.238	18,086,571			
II	4	9,945,451	1.367	13,600,043	5,801,598	1.238	7,184,843			
II	5	79,292,064	0.864	68,478,263	43,448,006	0.854	37,084,301			
II	6	0	1.000	0	15,622,716	1.024	15,998,716			
II	Total	132,588,726		140,283,817	79,596,563		78,485,628	212,185,289	218,769,445	1.031
III	1	8,619,514	0.967	8,338,283	131,683	1.096	144,275			
III	2	1,943,499	3.494	6,790,695	2,253,912	2.087	4,704,199			
III	3	77,041,650	1.367	105,351,656	27,762,590	1.238	34,381,882			
III	4	9,893,859	1.367	13,529,493	6,678,678	1.238	8,271,041			
III	5	94,807,359	0.864	81,877,592	43,525,358	0.854	37,150,323			
III	6	0	1.000	0	9,526,854	1.024	9,756,141			
III	Total	192,305,881		215,887,719	89,879,075		94,407,861	282,184,956	310,295,580	1.100
IV	1	0	0.967	0	0	1.096	0			
IV	2	0	3.494	0	0	2.087	0			
IV	3	6,282,762	1.367	8,591,449	1,831,898	1.238	2,268,668			
IV	4	420,873	1.367	575,529	194,463	1.238	240,828			
IV	5	3,569,944	0.864	3,083,077	1,126,306	0.854	961,339			
IV	6	0	1.000	0	282,750	1.024	289,555			
IV	Total	10,273,579		12,250,055	3,435,417		3,760,390	13,708,996	16,010,445	1.168
I, II, III, IV	Grand Total	336,929,598		370,214,996	174,001,742		177,728,217	510,931,340	547,943,214	1.072

Notes:

- (3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
- (4), (7): Section X-B, Exhibit 2, Pages 1-5.

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Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2004
 Third Report to Fifth Report

Hazard Group	Injury Type	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (3) x (4)	Reported Losses	Develop. Factor to 5th Report	Losses Developed to 5th Report (6) x (7)	Total Reported Losses	Total Developed Losses	Develop. Factor (10) / (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	1	0	0.965	0	0	0.998	0			
I	2	0	2.329	0	0	1.391	0			
I	3	581,462	1.127	655,171	430,409	1.095	471,413			
I	4	188,089	1.127	211,932	139,640	1.095	152,943			
I	5	1,193,782	0.920	1,098,817	838,320	0.928	778,037			
I	6	0	1.000	0	219,460	1.008	221,115			
I	Total	1,963,333		1,965,920	1,627,829		1,623,509	3,591,162	3,589,429	1.000
II	1	1,295,855	0.965	1,250,133	44,037	0.998	43,965			
II	2	3,215,658	2.329	7,490,460	3,628,587	1.391	5,048,880			
II	3	55,745,531	1.127	62,812,117	21,950,994	1.095	24,042,236			
II	4	13,012,227	1.127	14,661,723	8,617,458	1.095	9,438,432			
II	5	78,097,916	0.920	71,885,259	45,472,754	0.928	42,202,827			
II	6	0	1.000	0	16,944,095	1.008	17,071,872			
II	Total	151,367,187		158,099,692	96,657,925		97,848,213	248,025,112	255,947,904	1.032
III	1	6,815,021	0.965	6,574,565	312,395	0.998	311,887			
III	2	4,475,446	2.329	10,424,974	4,978,789	1.391	6,927,575			
III	3	90,697,253	1.127	102,194,496	40,544,105	1.095	44,406,688			
III	4	11,984,041	1.127	13,503,199	8,170,741	1.095	8,949,157			
III	5	77,341,784	0.920	71,189,277	34,375,109	0.928	31,903,209			
III	6	0	1.000	0	9,197,575	1.008	9,266,935			
III	Total	191,313,545		203,886,510	97,578,714		101,765,450	288,892,259	305,651,960	1.058
IV	1	206,228	0.965	198,952	674	0.998	673			
IV	2	72,393	2.329	168,630	1,250,000	1.391	1,739,272			
IV	3	6,910,206	1.127	7,786,179	1,490,836	1.095	1,632,866			
IV	4	469,252	1.127	528,737	173,633	1.095	190,175			
IV	5	3,238,037	0.920	2,980,453	1,182,142	0.928	1,097,135			
IV	6	0	1.000	0	273,618	1.008	275,681			
IV	Total	10,896,116		11,662,950	4,370,903		4,935,802	15,267,019	16,598,751	1.087
I, II, III, IV	Grand Total	355,540,181		375,615,072	200,235,371		206,172,973	555,775,552	581,788,045	1.047

Notes:
 (3), (6): Sum of Unit Statistical Plan Data Underlying Schedule Z.
 (4), (7): Section X-B, Exhibit 2, Pages 1-5.

Loss Development Factors From 5th to Ultimate

Hazard Group	Losses Developed to 5th Report				Indicated Factor to Financial Agg. Level	Balanced Selected Factor
	Indemnity		Medical			
	Serious	Non-serious	Serious	Non-Serious		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
I	3,420,661	2,417,038	1,494,986	2,758,980	1.101	1.101
II	239,920,713	162,781,628	85,853,661	168,861,596	1.101	1.101
III	404,364,224	162,584,123	162,159,614	136,413,711	1.135	1.135
IV	45,298,365	5,749,601	10,306,768	3,165,036	1.174	1.174
TOTAL	693,003,963	333,532,390	259,815,030	311,199,322	1.122	1.122

Notes:

(2)-(5): From Exhibit 4, Pages 4-6.

(6): Weighted Average of Adjustment Factors from Page 2.

(Serious Indemnity 1.194, Non-Serious Indemnity 1.000,
 Serious Medical 1.236, Non-Serious Medical 1.000)

(7): Factors are balanced to the overall factor to Financial Aggregate level from page 2.

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Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
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Section XI - A
 Exhibit 5
 Page 2

Determination of Factor to Financial Aggregate Level

Composite Policy Year (1)	Schedule Z Losses Developed to 5th Rept. (2)	Financial Aggregate Develop. Factor 5th to Ult. (3)	Differential in Loss Development (4)	Schedule Z Losses Adjusted to Financial Agg. Ult. Loss Level (2) x (3) x (4) (5)	Adjustment Factor (5) / (2) (6)
Indemnity					
03/04	318,572,341	1.107	1.021	360,188,900	1.131
02/03	362,403,802	1.107	1.021	409,746,265	1.131
01/02	345,757,266	1.107	1.021	390,925,116	1.131
Total	1,026,733,409			1,160,860,281	1.131
Medical					
03/04	201,171,416	1.108	1.000	222,811,583	1.108
02/03	188,868,997	1.108	1.000	209,185,783	1.108
01/02	181,174,712	1.108	1.000	200,663,817	1.108
Total	571,215,125			632,661,183	1.108
Ind.+Med.					
03/04	519,743,757			583,000,483	1.122
02/03	551,272,799			618,932,048	1.123
01/02	526,931,977			591,588,933	1.123
Total	1,597,948,534			1,793,521,464	1.122

(7)	Schedule Z Indem. Losses Developed to 5th Report (8)	Adjustment Factor (9)	Schedule Z Med. Losses Developed to 5th Report (10)	Adjustment Factor (11)
a. Serious	693,160,675	1.194	259,927,623	1.236
b. Non-Ser.	333,572,734	1.000	311,287,502	1.000
c. Total	1,026,733,409	1.131	571,215,125	1.108

Notes:

(2): From Page 4

(3): From Page 3

(4): From Page 5

(8),(10): From Page 4

(9),(11): Serious Adjustment Factor = 1 + (Total Losses/Serious Losses) x ("Appropriate Column 6 Factor" - 1)

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Section XI - Miscellaneous Rating Factors
Subsection A - Expected Loss Rates
9/1/2007

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Exhibit 5
Page 3

Determination of Factor to Financial Aggregate Level

	<u>Indemnity</u>	<u>Medical</u>
(1) Development Factor based on Paid+Case 72 Months to Ult.	1.069	1.194
(2) Est. Ultimate Losses (Prior to Escalation Adj.) based on Paid + Case Develop. Method		
(a) PY2003	234,176,682	174,431,466
(b) PY2004	227,758,790	182,571,714
(c) Average	230,967,736	178,501,590
(3) Est. Ultimate Losses (Prior to Escalation Adj.) based on Paid Develop. Method		
(a) PY2003	243,661,798	151,668,275
(b) PY2004	250,985,507	153,813,545
(c) Average	247,323,652	152,740,910
(4) = { [(2c) + (3c)] / 2.000 } / (2c) Ratio of Est. Ultimate Losses based on average of Paid and Paid + Case indications to Est. Ultimate Losses based on Paid + Case	1.035	0.928
(5) = (1) x (4) Development Factor to bring Schedule Z 5th report data to Financial Aggregate Ultimate Level	1.107	1.108

Notes:

(1): Indemnity: Section II-B, Exhibit 1 & Section II-C, Exhibit 2, Page 1

Medical: Section II-B, Exhibit 1 & Section II-C, Exhibit 2, Page 1

(2),(3): Section II-A, Exhibit 1, Page 1

All Classifications

Composite Policy Year	Injury Type	Paid + Case Data					
		Reported Schedule Z Losses		Development Factors to 5th Report		Losses Developed to 5th Report	
		Indemnity	Medical	Indemnity	Medical	Indemnity (3) x (5)	Medical (4) x (6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
03/04	1	5,298,678	221,607	0.967	1.018	5,125,797	225,645
03/04	2	3,344,429	9,906,304	5.751	2.740	19,233,650	27,147,205
03/04	3	73,068,619	36,398,758	2.235	1.613	163,273,454	58,709,432
03/04	4	15,981,916	12,086,860	2.235	1.613	35,711,947	19,495,519
03/04	5	102,479,261	84,576,785	0.929	0.806	95,227,493	68,187,422
03/04	6	0	25,642,089	1.000	1.069	0	27,406,192
03/04	TOTALS	200,172,903	168,832,403			318,572,341	201,171,416
02/03	1	13,392,709	588,948	0.967	1.096	12,955,742	645,264
02/03	2	3,079,008	2,672,475	3.494	2.087	10,758,228	5,577,793
02/03	3	175,774,963	67,182,478	1.367	1.238	240,365,874	83,200,451
02/03	4	27,160,205	20,493,742	1.367	1.238	37,140,593	25,379,960
02/03	5	70,845,187	54,789,498	0.864	0.854	61,183,366	46,764,637
02/03	6	0	26,659,271	1.000	1.024	0	27,300,893
02/03	TOTALS	290,252,072	172,386,412			362,403,802	188,868,997
01/02	1	11,820,812	642,697	0.965	0.998	11,403,735	641,652
01/02	2	5,903,689	2,481,252	2.329	1.391	13,751,881	3,452,458
01/02	3	191,958,663	73,340,656	1.127	1.095	216,292,314	80,327,723
01/02	4	24,280,395	15,610,409	1.127	1.095	27,358,301	17,097,592
01/02	5	83,601,499	56,624,589	0.920	0.928	76,951,034	52,552,738
01/02	6	0	26,899,695	1.000	1.008	0	27,102,549
01/02	TOTALS	317,565,058	175,599,298			345,757,266	181,174,712

Notes:
 (3)-(6): From Section X-B, Exhibit 2, Pages 1-5.

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Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
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Section XI - A
 Exhibit 5
 Page 5

Escalation Adjustment for Indemnity Losses Only

Loss Development Method (1)	Composite Policy Year (2)	Differential in Loss Development (3)
Paid Plus Case	03/04 02/03 01/02	1.011 1.011 1.011
Paid	03/04 02/03 01/02	1.032 1.032 1.032
Average of Paid and Paid Plus Case	03/04 02/03 01/02	1.021 1.021 1.021

Notes:

(3): From Section II-D, Exhibit 1, Page 1 and Exhibit 2, Page 1

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Section XI - Miscellaneous Rating Factors
 Subsection A - Expected Loss Rates
 9/1/2007

Section XI - A
 Exhibit 6

Investment Income Offset

(1) Hazard Code	(2) Injury Type	Indemnity		Medical		(7) Total Investment Income Offset
		(3) Developed Losses at Ultimate	(4) Investment Income Offset	(5) Developed Losses at Ultimate	(6) Investment Income Offset	
I	1	0	0.6886	0	1.0000	
I	2	0	0.6147	0	0.6234	
I	3	4,082,560	1.0195	1,848,396	1.0340	
I	4	785,373	1.0624	548,240	1.0775	
I	5	1,631,665	1.0378	1,549,781	1.0524	
I	6			660,959	1.0000	
		6,499,598	1.0293	4,607,376	1.0405	1.034
II	1	9,161,643	0.6886	1,049,513	1.0000	
II	2	12,249,136	0.6147	5,356,490	0.6234	
II	3	264,934,689	1.0195	99,743,189	1.0340	
II	4	56,437,242	1.0624	35,023,238	1.0775	
II	5	106,344,386	1.0378	84,438,894	1.0524	
II	6			49,399,464	1.0000	
		449,127,096	1.0114	275,010,788	1.0309	1.019
III	1	23,651,759	0.6886	784,594	1.0000	
III	2	36,561,467	0.6147	39,111,592	0.6234	
III	3	422,395,639	1.0195	160,597,442	1.0340	
III	4	42,253,289	1.0624	26,047,687	1.0775	
III	5	120,330,834	1.0378	79,339,331	1.0524	
III	6			31,026,693	1.0000	
		645,192,989	0.9907	336,907,338	0.9908	0.991
IV	1	2,377,284	0.6886	36,019	1.0000	
IV	2	3,397,592	0.6147	261,609	0.6234	
IV	3	48,288,742	1.0195	12,445,627	1.0340	
IV	4	714,905	1.0624	335,230	1.0775	
IV	5	5,034,696	1.0378	2,136,910	1.0524	
IV	6			692,896	1.0000	
		59,813,218	0.9854	15,908,291	1.0290	0.995

Notes:

- (3): 2006 Review Books 1-3. From Exhibit 4, Pages 4-6 (5) x Exhibit 5, Page 2 Col. (9)
- (4),(6): From Section X-B, Exhibit 3
- (5): 2006 Review Books 1-3. From Exhibit 4, Pages 4-6 Col. (8) x Exhibit 5, Page 2 Col. (11)
- (7) = Average of (4) and (6) weighted by (3) and (5)

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Section XI - Miscellaneous Rating Factors
Subsection B - Calculation of "D" Ratios
9/1/2007

Section XI - B
Exhibit 1
Page 1

Calculation of Statewide Partial "D" Ratios by Injury Type

Lost Time Injuries (1)	Adjusted Primary Losses (Indemnity and Medical) (2)	Adjusted Total Indemnity Losses (3)	Partial D-Ratio (2) / (3) (4)
SERIOUS	26,018,125	443,253,908	0.059
NON-SERIOUS	183,947,934	364,902,093	0.504

Medical Only Injuries (5)	Adjusted Primary Medical Only Losses (6)	Adjusted Total Medical Losses (7)	Partial D-Ratio (6) / (7) (8)
MEDICAL	90,799,738	560,690,145	0.162

Notes:

Data at the individual claim level has been adjusted by the factors shown on Exhibit 1, page 2, where the individual claim data is for the three most recent composite policy years, Schedule Z. The Adjusted Primary Losses are capped at \$5,000 per claim, the Adjusted Total Losses are capped at \$175,000 per claim.

Severity Trend and Law Amendment Factors

Composite Policy Year	Indemnity By Injury Type					Medical by Injury Type					
	1	2	3	4	5	1	2	3	4	5	6
(1) Severity Trend Factors											
01/02	1.140	1.140	1.140	1.140	1.140	1.220	1.220	1.220	1.220	1.220	1.220
02/03	1.140	1.140	1.140	1.140	1.140	1.220	1.220	1.220	1.220	1.220	1.220
03/04	1.140	1.140	1.140	1.140	1.140	1.220	1.220	1.220	1.220	1.220	1.220
(2) Law Amendment Factors											
01/02	1.002	1.003	1.004	1.004	1.001	1.050	1.050	1.050	1.050	1.050	1.050
02/03	1.008	1.011	1.019	1.019	1.006	1.018	1.018	1.018	1.018	1.018	1.018
03/04	1.012	1.016	1.030	1.030	1.009	1.009	1.009	1.009	1.009	1.009	1.009
(3) Combined Severity Trend and Law Amendment Factors											
01/02	1.142	1.143	1.145	1.145	1.141	1.281	1.281	1.281	1.281	1.281	1.281
02/03	1.148	1.152	1.161	1.161	1.147	1.242	1.242	1.242	1.242	1.242	1.242
03/04	1.153	1.158	1.174	1.174	1.150	1.231	1.231	1.231	1.231	1.231	1.231

Notes:

- (1): From Exhibit 2
- (2): Section IV-A, Exhibit 10, Pages 1 & 2
- (3) = (1) x (2)

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Section XI - Miscellaneous Rating Factors
Subsection B - Calculation of "D" Ratios
9/1/2007

Section XI - B
Exhibit 2

Severity Trend Factors

Schedule Z Composite Policy Year (1)			Average Policy Period (2)		
07/01/2001	-	06/30/2002	03/01/2004	-	02/28/2005
07/01/2002	-	06/30/2003	03/01/2005	-	02/28/2006
07/01/2003	-	06/30/2004	03/01/2006	-	02/28/2007

Avg Acc Date	Avg Acc Date
06/30/2003	08/30/2005

(3) Indemnity Severity Trend	6.2%
(4) Medical Severity Trend	9.6%
(5) Trend Period Length = Years between (1) and (2)	2.168
(6) Indemnity Trend Factor = [1.000 + (3)] ^ (5)	1.140
(7) Medical Trend Factor = [1.000 + (4)] ^ (5)	1.220

Notes:

(3),(4): From Section V-A Exhibit 1.

(6),(7): Severity Trend Factors adjust 01/02 to 9/1/2004, 02/03 to 9/1/2005, and 03/04 to 9/1/2007.